



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

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NOTICE OF ADOPTED AMENDMENT

07/01/2009

TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Plan Amendment Program Specialist

SUBJECT: City of Brookings Plan Amendment
DLCD File Number 010-09

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. A Copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: Tuesday, July 14, 2009

This amendment was submitted to DLCD for review prior to adoption. Pursuant to ORS 197.830(2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE:** THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAT IT WAS MAILED TO DLCD. AS A RESULT, YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE ABOVE DATE SPECIFIED.

Cc: Dianne Morris, City of Brookings
Gloria Gardiner, DLCD Urban Planning Specialist
Dave Perry, DLCD Regional Representative
Thomas Hogue, DLCD Regional Representative
Angela Lazarean, DLCD Urban Planner
Amanda Punton, DLCD Regional Representative

<paa> YA

Notice of Adoption

THIS FORM MUST BE MAILED TO DLCD
WITHIN 5 WORKING DAYS AFTER THE FINAL DECISION
PER ORS 197.610, OAR CHAPTER 660 - DIVISION 18

In person electronic mailed

DEPT OF

JUN 24 2009

LAND CONSERVATION AND DEVELOPMENT

For DLCD Use Only

Jurisdiction: **City of Brookings**

Local file number: **CP-2-09**

Date of Adoption: **6/22/2009**

Date Mailed: **6/23/2009**

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? **Yes** Date: 4/9/2009

Comprehensive Plan Text Amendment

Comprehensive Plan Map Amendment

Land Use Regulation Amendment

Zoning Map Amendment

New Land Use Regulation

Other:

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

Adoption of the Economic Opportunity Analysis Study and revisions to the Brookings Comprehensive Plan findings and policies for Goal 9, Economy.

Does the Adoption differ from proposal? No, no explanation is necessary

Plan Map Changed from: **N/A**

to:

Zone Map Changed from: **N/A**

to:

Location: **N/A**

Acres Involved:

Specify Density: Previous: **N/A**

New:

Applicable statewide planning goals:

- | | | | | | | | | | | | | | | | | | | |
|-------------------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
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Was an Exception Adopted? YES NO

Did DLCD receive a Notice of Proposed Amendment...

45-days prior to first evidentiary hearing?

Yes No

If no, do the statewide planning goals apply?

Yes No

If no, did Emergency Circumstances require immediate adoption?

Yes No

DLCD file No. See First Page

Please list all affected State or Federal Agencies, Local Governments or Special Districts:

Curry County

Local Contact: **Dianne Morris**

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Address: **898 Elk Dr.**

Fax Number: **541-469-3650**

City: **Brookings**

Zip: **97415-**

E-mail Address: **dmorris@brookings.or.us**

ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision**
per ORS 197.610, OAR Chapter 660 - Division 18.

1. Send this Form and **TWO Complete Copies** (documents and maps) of the Adopted Amendment to:

ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540
2. Electronic Submittals: At least **one** hard copy must be sent by mail or in person, but you may also submit an electronic copy, by either email or FTP. You may connect to this address to FTP proposals and adoptions: **webserver.lcd.state.or.us**. To obtain our Username and password for FTP, call Mara Ulloa at 503-373-0050 extension 238, or by emailing **mara.ulloa@state.or.us**.
3. Please Note: Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.
4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.
5. The deadline to appeal will not be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date, the Notice of Adoption is sent to DLCD.
6. In addition to sending the Notice of Adoption to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.
7. **Need More Copies?** You can now access these forms online at **<http://www.lcd.state.or.us/>**. Please print on **8-1/2x11 green paper only**. You may also call the DLCD Office at (503) 373-0050; or Fax your request to: (503) 378-5518; or Email your request to **mara.ulloa@state.or.us** - ATTENTION: PLAN AMENDMENT SPECIALIST.

**IN AND FOR THE CITY OF BROOKINGS
STATE OF OREGON**

ORDINANCE 09-O-639

IN THE MATTER OF ORDINANCE 09-O-639, AN ORDINANCE ADOPTING REVISIONS TO GOAL 9, ECONOMY, OF THE CITY OF BROOKINGS COMPREHENSIVE PLAN, AND BY ADOPTING THE ECONOMIC OPPORTUNITY ANALYSIS, DATED, APRIL, 2009.

Sections:

- | | |
|------------|------------------|
| Section 1. | Findings |
| Section 2. | Amendments |
| Section 3. | Severance Clause |
| Section 4. | Effective Date |

The City Council for the City of Brookings ordains as follows:

Section 1: Findings

1. Portions of Goal 9 of the Brookings Comprehensive Plan are in need of updating and amendment. Those portions of the Plan in need of amendment are attached hereto and incorporated by reference.
2. The *Economic Opportunity Analysis* (April 2009), a copy of which is attached hereto and incorporated by reference, was prepared by EcoNorthwest, a private consulting firm. The development of this plan was accomplished using a technical assistance grant from the Oregon Department of Land Conservation and Development (DLCD). The *Economic Opportunity Analysis (EOA)* contains the information needed for updating Goal 9, Economic element of the City of Brookings Comprehensive Plan.
4. The consultants working on the EOA conducted an on-line survey, conferred with a citizen stakeholders group, and gave a presentation to a combined City Council/ Planning Commission workshop as work progressed.
5. Staff sent the 45 day notice to DLCD as required under ORS 197.610 for post acknowledgment plan amendments for the proposed changes to the Comprehensive Plan.
6. Following public notice, as required by law, the Brookings City Council conducted a hearing on the proposed amendments on Monday, June 22, 2009 at 7:00 P.M. at the Brookings City Hall and approved the Comprehensive Plan amendment changes that are attached hereto and incorporated by reference.

Section 2 Amendments

The City of Brookings Comprehensive Plan (Ordinance No. 02-O-548, and its subsequent amendments) is amended as shown by the attached changes in the Comprehensive Plan, and by adopting the attached *Economic Opportunity Analysis*.

Section 3: Severance Clause

If any section, subsection, sentence, clauses or phrases of this ordinance is, for any reason, held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this ordinance.


Section 4: Effective Date:

This ordinance shall take effect 30 days following its passage.

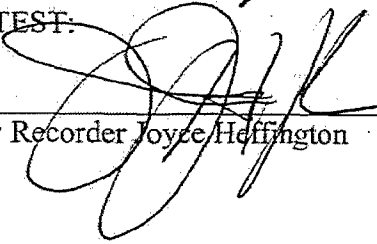
First Reading: June 22, 2009
Second Reading: June 22, 2009
Passage: June 22, 2009
Effective Date: July 22, 2009

Signed by me in authentication of its passage this

23rd day of June, 2009



Mayor Larry Anderson

ATTEST:


City Recorder Joyce Heffington

BROOKINGS COMPREHENSIVE PLAN

GOAL 9 ECONOMY

GOAL:

To diversify and improve the economy of the Brookings area.

FINDINGS:

1. The industrial base in the Brookings area is relatively narrow and mostly dependent on the timber industry. The lumber and wood products industry accounts for most of the manufacturing jobs in the Brookings area.

Housing starts vary with interest rates, which, in turn, create an impact on the area's lumber industry and wood products industry. However, diversity of type of trees cut, product and modernization of mill facilities have had the affect of leveling the impact of fluctuating interest rates, particularly for engineered products.

2. The Brookings area (Curry County) economy has undergone considerable change in the last 30 years. The traditional lumber and wood products economic base is no longer strong (down 52% 1960-82; down 31% since 1970). Unemployment in 1982 averaged 16.3% but had fallen to an average of 6.4% in 1990 as other employment opportunities opened within the city. In 1993 the average unemployment rate had risen to 9.1%. Unemployment averaged approximately 8% in 2008.

3. The job sector with the greatest increases in employment during the 2001-2007 period were services and retail trade.

4. Tourism as a source of income for local business has increased in recent years. Several indirect measures, such as highway counts and state park visitorship, indicate strong growth trend. Sport fishing is an important component of the local economy. There was an increase in direct travel spending from 2002 to 2007 of 18%.

The city has developed a program for the redevelopment of the older commercial core area. A Brookings Downtown Master Plan was developed and adopted as a guidance document in 2002. An Urban Renewal Area (URA) was formed and a plan adopted in 2002. Many downtown business owners took advantage of a matching grant façade improvement program funded by the URA in 2008. In 2009 funds generated from the URA were committed to street improvements in the Downtown Core Area.

5. The Brookings area has developed a strong retirement housing industry. Retirees are an important source of economic stability to the community. Curry County and Brookings continue to have a population that is older than the State average due to in-migration of retirees.

6. In the past and to some extent today, the isolation of Brookings is a factor that has prevented certain types of industry from locating in the Brookings area. However, changes in

technology, particularly relating to computers, the Internet, and other forms of communication, have made it possible for other types of industry to locate in this area.

7. Changes in communications technology have allowed several firms, which prior to the changes were held in more metropolitan areas, to move their facilities to Brookings to take advantage of the rural small town atmosphere, and quality of life.

An Economic Opportunity Analysis (EOA) was completed and adopted in June of 2009. The following Table from that document shows the employment forecast by industry in Region 7 (Coos and Curry Counties) 2006-2016.

Table 2-6. Employment forecast by industry in Region 7 (Coos and Curry Counties), 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Logging & Mining	750	720	-30	-4%
Construction	1,740	1,900	160	9%
Manufacturing	2,250	2,180	-70	-3%
Wood Product Manufacturing	1,370	1,280	-90	-7%
Food Manufacturing	270	260	-10	-4%
Trade, Transportation & Utilities	5,820	6,320	500	9%
Wholesale Trade	490	520	30	6%
Retail Trade	4,160	4,570	410	10%
Food & Beverage Stores	1,000	1,090	90	9%
General Merchandise Stores	1,010	1,130	120	12%
Transportation, Warehousing & Utilit	1,170	1,230	60	5%
Information	390	400	10	3%
Financial Activities	1,440	1,560	120	8%
Professional & Business Services	3,290	3,690	400	12%
Educational & Health Services	2,800	3,340	540	19%
Leisure & Hospitality	3,680	4,210	530	14%
Other Services	810	880	70	9%
Government	7,650	8,420	770	10%
Federal Government	440	410	-30	-7%
State Government	1,300	1,330	30	2%
Local Government	5,920	6,680	760	13%
Indian Tribal	760	1,090	330	43%
Local Education	1,910	1,930	20	1%
Total nonfarm employment	30,620	33,610	2,990	10%

Source: Oregon Employment Department. Employment Projections by Industry 2006-2016.
 Accessed: <http://www.qualityinfo.org/olmisj/OlmisZine?zineid=00000010>
 Projections summarized by ECONorthwest.

Based on the information found in the EOA, the City of Brookings, including the Urban Growth Area, has 564 acres of Commercial land and 358 acres of Industrial land. The Study demonstrates there is enough employment land (commercial and industrial land) to meet needs for the next 20 years (2009-2029) although there is a deficit of some of the larger sites needed. This can be accommodated due to a surplus of smaller sites and

strategies such as downtown redevelopment, parcel assembly, creation of small industrial parks, and through other means described in detail in the Study .

POLICIES:

1. General Policies

- a. It is the policy of the City of Brookings to improve the appearance of the downtown commercial area and to enhance shopping opportunities for residents and visitors.
- b. The City of Brookings will encourage the diversification of the City and the regional economy. The City will work to create new employment opportunities while sustaining and expanding existing economic sectors.
- c. Brookings will encourage compatible industrial uses to be located in appropriate areas throughout the community.
- d. The City will encourage the development of facilities to provide for designation tourism and the development and identification of additional tourist attractions.
- e. The City will work with and support the Port of Brookings Harbor in their effort to establish tourist commercial uses within the port area.

The Economic Opportunities Analysis adopted in June, 2009 added these key policies as part of the economic development strategy:

- f. Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period;
- g. Encourage high-amenity commercial development in downtown Brookings;
- h. Support existing businesses in Brookings; and
- i. Provide services that attract retirees, as well as serve residents.

2. Commercial Policies

- a. Commercial districts are intended to serve the retail, service, and office needs of the greater Brookings area.
- b. Commercial districts should offer good visibility and access and should generally be located along major arterials streets.
- c. Commercial districts should result in concentrated groupings of retail, service, and office uses.

d. New commercial development will be designed in a manner that utilizes access management to the greatest extent possible pursuant to the goals and policies of Goal 12, Transportation, of this Comprehensive Plan.

e. New commercial areas and new development in existing commercial districts shall be designed in a manner that mitigates traffic, noise and visual impacts on surrounding residential uses

3. Neighborhood Commercial Policies

a. Neighborhood Commercial districts are intended to provide professional offices and neighborhood oriented goods and services.

b. Neighborhood Commercial districts should be located adjacent to arterial or collector streets and should serve surrounding residential areas.

c. Uses in Neighborhood Commercial districts shall be designed to protect surrounding residential properties.

4. Industrial Policies

a. Industrial areas are intended for the manufacturer, processing and distribution of goods.

b. Industrial areas should provide easy access to arterial streets. Visibility from arterial streets is not a critical locational concern.

c. New industrial districts and new uses within existing industrial districts shall be designed in a manner that provides mitigation from traffic, noise, visual, and odorous impacts on surrounding residential districts.

d. The City shall work with and support the Port of Brookings Harbor to establish marine related industrial uses at the port.

e. The City shall provide adequate industrial land for the development of new industrial uses.

IMPLEMENTATION:

1. In order to promote economic diversification, the City will continue to develop its working relationship with the private sector.

2. The City will recognize and support the Port of Brookings Harbor Master Plan of Development and work with the Port authorities to develop land within their jurisdiction.

3. The City will utilize the zoning ordinance to provide commercial and industrial lands for development.

4. Brookings will cooperate with local governments and regional agencies to gain improvements in the regional transportation network.

5. Brookings will continue on-going coordination with the Coos-Curry-Douglas Economic Improvement Association to enhance the City's economy. The City will participate in and support other efforts to create a strong economy by coordinating with:

- Curry County's Economic Development Department
- "Wild Rivers Coast" Promotional Alliance
- Border Coast Airport Authority
- and other appropriate partners.

6. Brookings has developed a Downtown Master Plan, which specifies appropriate methods to aid in revitalizing the downtown commercial area. The City will cooperate with the Chamber of Commerce to implement the plan and to attract new commercial development.

7. Brookings will consider the formation of an organization to initiate, coordinate and help implement an industrial and employment expansion program.

The EOA adopted in June, 2009 added these key implementation steps as part of the economic development strategy. The City will:

8. Provide commercial and industrial land to meet the site characteristics and site sizes described in the EOA;

9. Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing Urban Growth Boundary, especially in downtown;

10. Provide land that creates opportunities for development of attractions for tourists;

11. Work with land-owners to create larger opportunity sites described in the EOA. The City may be able to assist with this process through facilitating property owners with parcel assembly on the sites, ensure that zoning is appropriate to allow the desired uses, and working with local economic development agencies to attract users to develop the desired uses;

12. Provide opportunities for development of small-scale manufacturing through provision of land that allows a mixture of complementary light manufacturing, artisan, and commercial uses;

13. Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances;
14. Utilize funds from the Urban Renewal District to encourage high-amenity commercial development in downtown core area;
15. Work with private interests to improve the appearance of downtown through building improvements and streetscape improvements;
16. Encourage historic preservation in Brookings' downtown by working with private property owners to pursue State tax credits and create incentives to rehabilitate buildings on the National Register of Historic Places;
17. Support other programs to promote development in downtown, such as low-cost loan programs for capital improvements for downtown businesses or programs to promote historic preservation;
18. Develop a business retention strategy by working with a task force to visit local firms and identify issues. The strategy would identify firms that may expand or be relocated are flagged and set priorities and tailor incentives or strategies specific to each firm;
19. Pursue State and Federal grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing, construction of water and wastewater improvements, or the National Trust for Historic Preservation's "Main Streets Program";
20. Facilitate development of a hospital facility in Brookings; and
21. Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities.
22. The City is developing an overall economic development plan.

Economic Opportunities Analysis

City of Brookings

April 2009

**This project was funded in part by a Department
of Land Conservation and Development
Technical Assistance Grant**

ECONorthwest

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Executive Summary

This report presents an Economic Opportunities Analysis (EOA) for the City of Brookings consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). A goal of this project is determine whether Brookings has enough employment land to meet expected employment growth over the 2009 to 2029 period.

HOW MUCH EMPLOYMENT GROWTH IS BROOKINGS PLANNING FOR?

Goal 9 (economy) requires an estimate of the amount of commercial and industrial land that will be needed over the planning period. Demand for commercial and industrial land will be driven by the expansion and relocation of existing businesses and new businesses locating in Brookings. The level of this business expansion activity can be measured by employment growth in Brookings. This section presents a projection of future employment levels in Brookings for the purpose of estimating demand for commercial and industrial land.

Table S-1 shows Brookings employment forecast for 2009 to 2029. Brookings' workforce will grow by more than 1,000 workers (21%) over the 20-year period, at an average annual rate of 0.94%.

The forecast by land use category does not anticipate a significant shift in the distribution of employment between 2009 and 2029. The City of Brookings' economic development strategy emphasizes the importance of diversifying the City's economy. Based on this assumption, the analysis in Table S-1 assumes that Brookings' policies will lead to continued growth in all categories of employment, with the greatest growth in commercial and retail and some growth in industrial employment.

Table S-1. Employment growth by land use type in Brookings, 2009–2029

Land Use Type	2009		2029		Change 2008 to 2029
	Employment	% of Total	Employment	% of Total	
Industrial	1,285	26%	1,489	25%	204
Commercial and Retail	3,411	69%	4,169	70%	758
Government	247	5%	298	5%	51
Total	4,943	100%	5,956	100%	1,013

Source: 2008 employment is based on the employment estimate from Oregon Prospector. The growth rate is based on the Oregon Employment Department's estimate of employment growth in Region 7 for 2006-2016.
Note: shaded cells indicate assumptions by ECONorthwest.

HOW MUCH BUILDABLE EMPLOYMENT LAND DOES BROOKINGS CURRENTLY HAVE?

In 2008, the Brookings UGB had about 6,800 acres in tax lots, with about 922 acres (13% of land in the UGB) in commercial and industrial plan designations and more than 2000 acres in Master Planned designations. Table S-2 shows Brookings had about 120 acres of buildable commercial and industrial land, as well as 291 buildable acres in master planned designations. Brookings had 93 acres of vacant commercial and industrial land that was constrained and not considered buildable for this study. The City had 91 buildable commercial and industrial sites, five of which were larger than 5 acres.

Table S-2. Vacant land by constraint status, Brookings UGB, 2008

Classification	Tax Lots	Acres in Tax Lots	Developed Acres	Constrained Acres	Buildable Acres
Developed	591	957	700	257	0
Master Planned	62	1,964	0	1,672	291
Vacant	91	213	0	93	120
Total	744	3,134	700	2,022	411

Source: Curry County GIS data; analysis by ECONorthwest

HOW MUCH LAND WILL BE NEEDED FOR EMPLOYMENT

Based on the forecast of employment need, the City's economic development strategy, historical development trends, and Brookings' comparative advantages, the City will need 97 sites and 109 acres to provide enough land to accommodate employment growth over the 2009 to 2029 period. Table S-3 shows the following needs:

- Brookings needs to provide about 67 commercial sites, the majority of which will be less than 1 acre, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide 66 acres of commercial land.
- Brookings needs to provide 30 industrial sites, the majority of which will be on sites of less than 2 acres, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide about 43 acres of industrial land

Table S-3. Estimated site and employment land needs, Brookings, 2009–2029

	Site Size (acres)						Total
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	Greater than 20	
Commercial							
Sites Needed	45	12	7	2	1	na	67
Average Site Size	0.3	1.1	2.5	5.0	12.0		
Land (acres)	14	13	18	10	12	na	66
Industrial							
Sites Needed	15	10	2	2	1	na	30
Average Site Size	0.4	1.1	2.0	5.0	12.0		
Land (acres)	6	11	4	10	12	na	43
Total							
Sites Needed	60	22	9	4	2	na	97
Land (acres)	20	24	22	20	24	na	109

Source: ECONorthwest

Note: Average site sizes, shown in blue, are based on average site sizes for developed employment land in the 2008 buildable lands inventory.

Calculations: Land need: multiply the number of sites needed by average site size. For example, Brookings needs about 2 commercial sites 5 to 10 acres in size, which average 5 acres, for a total need of 10 acres.

DOES BROOKINGS HAVE ENOUGH EMPLOYMENT LAND?

Table S-4 compares the supply of employment land within the Brookings UGB with the estimated need for employment land. The comparison shows that Brookings has the following site needs:

- **Surplus in some site sizes.** Brookings has a surplus of commercial and industrial sites less than 1 acre, 2 to 5 acres, and 10 to 20 acres.
- **Deficit in some site sizes.** Brookings has a deficit of commercial and industrial sites 1 to 2 acres and of commercial sites 5 to 10 acres.
- **No need for sites larger than 20 acres.** Brookings has no expected need for employment sites larger than 20 acres. These sites are typically needed by large manufacturers. Brookings' does not expect to attract these types of firms and has not identified goals of attracting these types of employers in their economic development strategy.

Table S-4. Comparison of vacant land supply and site needs, industrial and other employment land, Brookings UGB, 2009-2029

	Site Size (acres)					Greater than 20
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	
Site and Land Need						
Commercial						
Sites	45	12	7	2	1	na
Land (acres)	14	13	18	10	12	na
Industrial						
Sites	15	10	2	2	1	na
Land (acres)	6	11	4	10	12	na
Land Supply						
Commercial						
Sites	60	4	7	1	1	0
Land (acres)	15	6	23	6	18	0
Industrial						
Sites	71	6	9	2	3	0
Land (acres)	19	9	31	12	49	0
Comparison of demand and supply						
Commercial						
Sites Needed	15	(8)	0	(1)	0	na
Land (acres)	2	(7)	6	(4)	6	na
Industrial						
Sites Needed	56	(4)	7	0	2	na
Land (acres)	13	(2)	27	2	37	na

Source: Site and Land Need: from Table 3-4.

Land Supply: from Table 4-7

Comparison of demand and supply calculations: The site and land need was subtracted from the site and land supply, resulting in a surplus or deficit (in red) of commercial and industrial land.

CAN THE CITY ACCOMODATED EMPLOYMENT GROWTH WITHIN THE EXISTING UGB?

The analysis of employment land from Table S-4 shows that Brookings has a surplus of employment land in some site sizes (especially small sites) but deficits in some site sizes (especially sites 1 to 2 acres). The City can meet some of the identified employment land need through more efficient use of land within the existing UGB, such as: downtown redevelopment, parcel assembly, developing a small industrial park, and allocating some land within the master planned areas for commercial development.

In addition, City staff have identified three areas within the City that may provide opportunities for more intense employment development. These areas may provide opportunities for promoting development of larger vacant commercial sites to maximize employment uses and increase economic activity within Brookings. These areas are:

- **Vacant Riverfront Property.** Opportunities on this site may include active recreation-related uses, such as river-related recreation (e.g., fishing or boating), a water park, or resort with overnight accommodations and amenities. Compatible employment uses would be retail related to recreation, such as a recreation equipment and apparel store.
- **Vacant Ocean Commercial.** Opportunities on this site may include development of a high-amenity resort to attract affluent travelers. If the City wants to have a resort developed on this site, we recommend requiring a master planning process for development of the site.
- **Vacant Property Adjacent to the Mill.** The best use for this site may be mixed use development, which combines residential and commercial office and retail uses. We recommend requiring a master planning process for developing this area, to achieve the right balance and mixture of residential and commercial uses.

Based on the analysis in the economic opportunities analysis, the City of Brookings does not need a UGB expansion to provide needed land for industrial and commercial needs. The City can address deficits in some site sizes through some combination of the following means: (1) site assembly of smaller, vacant parcels, (2) redevelopment, (3) development of a small industrial park, (4) development in master planned areas, and (5) development in opportunity sites within the City.

This report presents an Economic Opportunities Analysis (EOA) for the City of Brookings consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). Goal 9 describes the EOA as "an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends" and states that "a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located."

BACKGROUND

Over the last several years, the City of Brookings has allowed a number of zone changes from commercial to residential uses. Before allowing more zone changes, the Department of Land Conservation and Development (DLCD) has directed Brookings to conduct an economic opportunities analysis and site needs analysis to determine whether the City has sufficient non-residential land for 20-years of employment growth.

The City of Brookings last updated the City's Comprehensive Plan Economic Element was updated in 2002. Because the Goal 9 administrative rule was amended in 2005, that update does not meet the new requirements for a site needs analysis in OAR 660-009. The purpose of the site needs analysis is to determine whether the City has enough sites to provide employment land over the planning period. This report presents the results of the economic opportunities analysis. The City's land use economic development strategy is presented in a separate document.

FRAMEWORK FOR ECONOMIC DEVELOPMENT PLANNING IN OREGON

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The Land Conservation and Development Commission adopted amendments to this administrative rule in December 2005.¹ The analysis in this report is designed to conform to the requirements for an Economic Opportunities Analysis in OAR 660-009 as amended.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to (a) 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; (b) 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; (c) include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and (d) estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input based process in conjunction with state agencies.
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. Finally, cities within a Metropolitan Planning Organization (which does not include Brookings) must adopt policies that identify a competitive

¹ The amended OAR 660-009, along with a Goal 9 Rule Fact Sheet, are available from the Oregon Department of Land Conservation and Development at <http://www.oregon.gov/LCD/econdev.shtml>.

short-term supply of land for desired industrial and other employment uses as an economic development objective.

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.

Plans for cities and counties within a Metropolitan Planning Organization or cities and counties that adopt policies relating to the short-term supply of land must designate suitable land to respond to economic development opportunities as they arise.

This report is an Economic Opportunities Analysis, the first key element required by Goal 9. This EOA includes an analysis of national, state, regional, and county trends as well as an employment forecast that leads to identification of needed development sites. It also includes an inventory of buildable commercial and industrial land in Brookings.

ORGANIZATION OF THIS REPORT

The remainder of this report is organized as follows:

- **Chapter 2, Economic Trends and Factors Affecting Future Economic Growth in Brookings** summarizes historic economic trends that affect current and future economic conditions in Brookings. It also summarizes Brookings' competitive advantages formed by the mix of factors present in Brookings
- **Chapter 3, Employment Growth and Site Needs in Brookings** presents the employment forecast for Brookings and an estimate of how much land is needed to accommodate the 20-year employment forecast. It also describes the types of sites that are needed to accommodate industries that are likely to locate or expand in Brookings.
- **Chapter 4, Employment Land Supply in Brookings** presents the City's supply of buildable industrial and other employment land.

- **Chapter 5, Conclusions** presents a comparison of land supply and site needs, potential employment land use efficiency opportunities, and implications of employment land need in Brookings.

This report also includes 4 appendices:

- **Appendix A, Review of National, State, Regional, County, and Local Trends**
- **Appendix B, Factors Affecting Future Economic Growth in Brookings**
- **Appendix C, Trends in Tourism**
- **Appendix D, Employment Forecast and Site Needs for Industrial and Other Employment Uses**

National, State, County, and Local Trends Affecting Economic Growth in Brookings

Chapter 2

This chapter summarizes national, state, county, and local trends and other factors affecting economic growth in Brookings. Each heading in this chapter represents a key trend or economic factor that will affect Brookings' economy and economic development potential. A more detailed analysis of economic trends and factors affecting Brookings' future economic growth is presented in Appendices A and B.

AVAILABILITY OF LABOR

The availability of trained workers in Brookings will impact development of Brookings' economy over the planning period. Key trends that may affect the workforce in Brookings over the next 20-years include Brookings': growing population, aging population, labor force participation, commuting trends, and educational attainment.

GROWING POPULATION

Population growth in Oregon tends to follow economic cycles. Historically, Oregon's economy is more cyclical than the nation's, growing faster than the national economy during expansions and contracting more rapidly than the nation during recessions.

Table 2-1 shows population growth in the U.S., Oregon, Curry County, and Brookings for the 1990 to 2007 period. During this period Brookings grew by 2,055 people (47%) at an average annual growth rate of 2.3%, which was faster than growth rates in the County (0.6%), State (1.6%), or California (1.6%) over the same period. In 2007, Brookings had just over than 30% of Curry County's total population.

Table 2-1. Population in the U.S., California, Oregon, Curry County, and Brookings city limit, 1990-2007

Area	Population			Change 1990 to 2007		
	1990	2000	2007	Number	Percent	AAGR
U.S.	248,709,873	281,421,906	301,621,157	52,911,284	21%	1.1%
California	29,760,021	33,871,648	36,553,215	6,793,194	23%	1.2%
Oregon	2,842,321	3,421,399	3,745,455	903,134	32%	1.6%
Curry County	19,327	21,137	21,475	2,148	11%	0.6%
Brookings	4,400	5,447	6,455	2,055	47%	2.3%

Source: 1990 and 2000 population: U.S. Census, Summary File 1, Table P1.
 Accessed: http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=DEC&_submenuId=datasets_1&_lang=en
 2007 population: Population Research Center at Portland State University.
 Accessed: <http://www.pdx.edu/prc/>
 Calculations for "Change 1990 to 2007" by column heading: Number (2007-1990); Percent change: (2007-1990)/1990;
 AAGR calculated with Excel function: rate(17,-,1990,2007)

Migration is the largest component of population growth in Oregon. Between 1990 and 2007, in-migration accounted for 70% of Oregon's population growth. Population growth in Curry County and Brookings is dominated by in-migration, especially from California. In-migration accounted for all growth in Curry County between 1990 and 2007, accounting for an increase of more than 4,000 residents over the seventeen-year period. In contrast, Curry County's population change from natural increase (births minus deaths) was negative over the seventeen-year period, with 1,906 more deaths than births over the seventeen-year period. A study of in-migration to Curry County showed that in 2004 more than two-thirds of people moving to Curry County came from out of State, lead by in-migration from California.²

Migration is likely to continue to be the key component of population growth in Curry County and Brookings. The largest source of interstate migration is likely to be from California. Oregon Department of Motor Vehicles collects data about state-of-origin for drivers licenses surrendered by people applying for an Oregon drivers license from out-of-state. Between 2000 and 2007, about one-third of licenses surrendered were from California, 15% to 18% were surrendered from Washington, and about 17% to 19% were from the following states: Arizona, Idaho, Nevada, Colorado, and Texas. Most in-migrants to Brookings are likely to be from California because of Brookings' proximity to Oregon's southern border.

² Oregon Employment Department, "Migration is Important on the South Coast", November 28, 2005. Accessed from: <http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004644>

AGING POPULATION

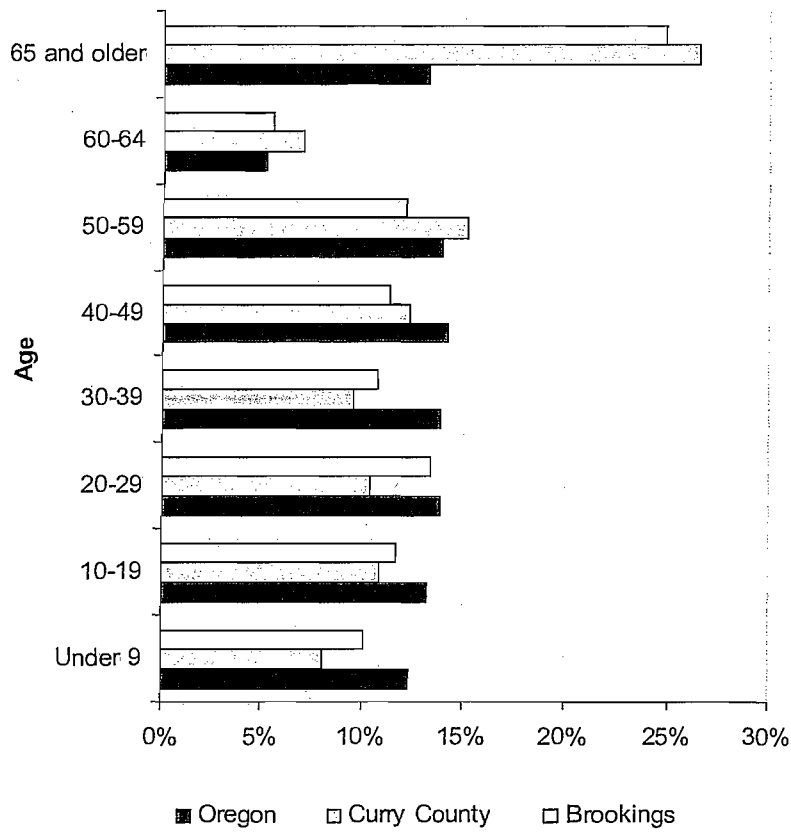
The number of people age 65 and older in the U. S. will double by 2050, while the number of people under age 65 will only grow by 12%, according to U.S. Census Bureau projections. The economic effects of this demographic change include a slowing of the growth of the labor force, need for workers to replace retirees, aging of the workforce for seniors that continue working after age 65, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.³

Brookings's population was older than the State averages in 2000. Brookings had a greater proportion of its population over 50 years of age (43%) than Oregon (32%). In comparison, nearly half (49%) of Curry County's population was 40 years or older in 2000.

Curry County and Brookings have continued to have a population that is older than the State average, with substantially more people 65 years and older than the State. Figure 2-1 shows the age structure for Oregon, Curry County, and Brookings in 2007. Brookings has larger share of people above the age of 60 (30%) than the State as a whole (18%). Brookings has a smaller percentage of the population under the age of 20 (26%) than the State (28%).

³ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2008, *The 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, April 10, 2008. *The Budget and Economic Outlook: Fiscal Years 2007 to 2016*, January; and Congressional Budget Office, 2005, *The Long-Term Budget Outlook*, December.

Figure 2-1. Population by age, Oregon, Curry County, and Brookings, 2007



Source: Oregon Prospector.
 Accessed: <http://www.oregonprospector.com/profiles.asp>
 Calculations: Percentages of total calculated by ECONorthwest.

The average age of Brookings residents is increasing. Table 2-2 shows the change in age distribution for Brookings between 1990 and 2000. Population increased in all age groups. The age group that increased the most was people aged 45 to 64, which grew by 443 people (53%). This age group's proportion of the total population increased from 19% to 24% during this time period. The smallest percentage increase was in people aged 25 to 44, which grew by 31 people (3%). This trend is consistent with Brookings' age distribution in 2007 and State and national trends in aging. With Brookings' larger share of people over 60 and the growth in people 45 to 64 years, the City is likely to continue to have a larger share of retirees than the State average over the planning period.

Table 2-2. Change in age distribution, Brookings, 1990-2000

Age Group	1990		2000		Change		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	315	7%	296	5%	-19	-6%	-2%
5-17	781	18%	1,002	18%	221	28%	1%
18-24	268	6%	308	6%	40	15%	0%
25-44	1,227	28%	1,258	23%	31	3%	-5%
45-64	838	19%	1,281	24%	443	53%	4%
65 and over	971	22%	1,302	24%	331	34%	2%
Total	4,400	100%	5,447	100%	1,047	24%	0%

Source: U.S. Census 1990, Summary File 1, P011. U.S. Census 2000, Summary File 1, P12.
 Accessed: http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=DEC&_submenuId=datasets_1&_lang=en
 Calculations for "Change" by column heading: Number (2000 number – 1990 number), Percent (Change number / 1990 number), Share (2000 percent – 1990 percent)

The Oregon Office of Economic Analysis (OEA) predicts that Curry County's population will continue to grow older during the planning period. The OEA forecasts that residents 60 years and older will grow by about 45% between 2000 and 2030. The percent of Curry County residents 60 years and over is forecast to increase from 34% in 2000 to 45% in 2030.

As the population in Curry County ages, the County's workforce is aging. More than 40% of the workforce in the South Coast, which includes Curry and Coos Counties, was 45 years or older in 2003, compared with about 30% of the workforce in 1991. Although the number of older workers has increased substantially on the Southern Coast, the percent of working people 65 and older is lower than the State average. About 5.5% of South Coast residents 65 years and older was employed in 2003, compared with

the State average of 10%, accounting for 4% of the South Coast's workforce.⁴

Workers 65 and older typically earn less than younger workers, both in Curry County and statewide. Workers 65 years and older had an average wage that was just less than half of the average wage for all workers on the South Coast. In comparison, workers 65 years and older had a statewide average wage that was about two-thirds of the statewide average wage for all workers. Older workers in Curry County tend to earn less than all workers for several reasons: (1) they are typically employed in low-paying industries (e.g., retail trade or food services) and (2) older workers are more likely to be employed part-time than workers under 65 years.⁵

The aging of Brookings's population may affect Brookings's economy in the following ways over the planning period:

- **Need for additional workers in health care and related fields.** The aging population will create increased need for health care workers, development of assisted living facilities, and workers in assisted living facilities. This trend will create demand for additional health care workers, both skilled and unskilled.
- **Need for replacement workers.** As more workers retire, employers in Brookings will need replacement workers, especially in health care, management, and teaching positions, which generally have a larger share of older workers. As these workers retire, their experience will be lost from the workforce. Replacement workers will generally have less experience, requiring additional training and/or time to acquire the experience necessary to replace the retirees. These costs may impact productivity of businesses that replace a substantial number of retirees.
- **Competition with younger workers.** Some seniors may choose to continue working past the traditional retirement age. These workers may compete with younger workers for jobs, especially in lower-paying occupations where prior knowledge and experience are of lesser importance.

⁴ Oregon Employment Department, "The South Coast's Population and Workforce is Aging", September 23, 2005. Accessed from:
<http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004545>

⁵ Oregon Employment Department, "The South Coast's Population and Workforce is Aging", September 23, 2005. Accessed from:
<http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004545>

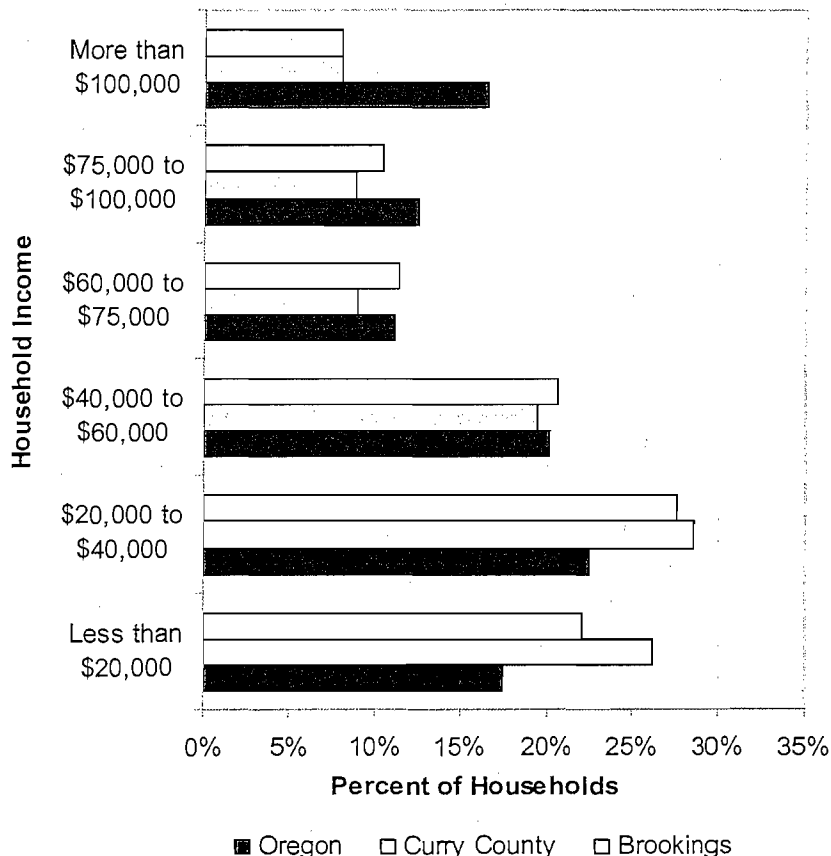
RELATIVELY LOW INCOME

Income in Curry County and Brookings has historically been lower than the State or national averages. Brookings' median household income in 1999 was \$31,656, compared with \$40,916 for Oregon and the national average of \$41,994. The median household income in Curry County in 1999 was \$30,117, 65% of the city's median income.

According to Oregon Prospector, Brookings had 2,620 households in 2007 with an average household income of \$43,285. Curry County had 10,204 households with an average income of \$43,222.

Figure 2-2 shows the distribution of household income in Oregon, Curry County, and Brookings in 2007. Figure 2 shows that a larger share of households in Curry County (26%) had an income of \$20,000 or less, compared to Oregon (17%). Brookings had a higher share of households with an income above \$75,000 (18%) than the County (17%) but not the State (26%).

Figure 2-2. Distribution of household income of Oregon, Curry County, and Brookings, 2007

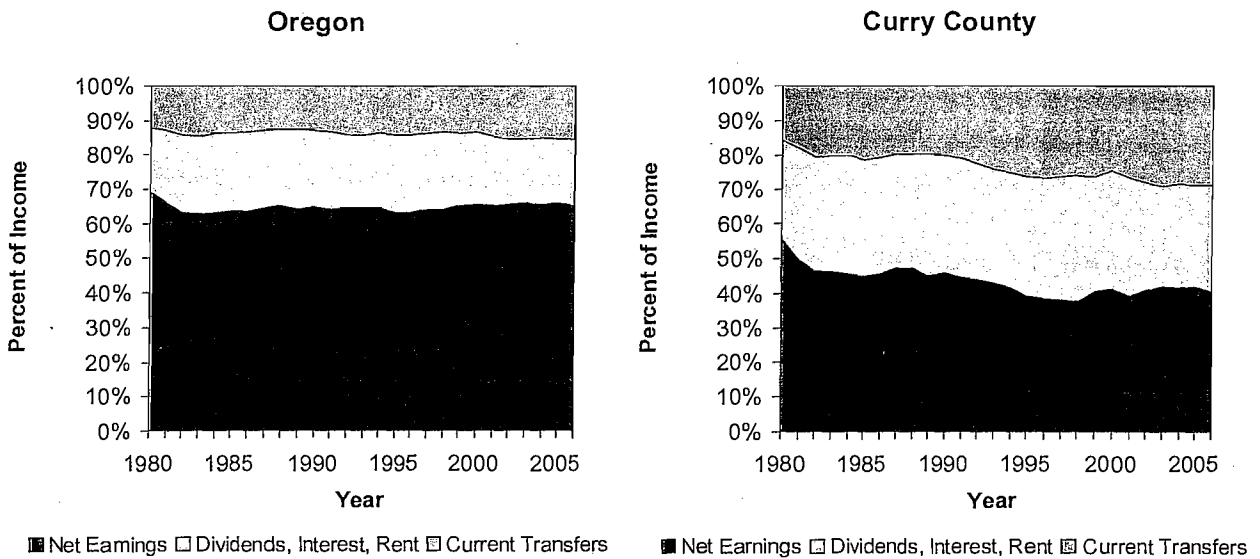


Source: Oregon Prospector.
 Accessed: <http://www.oregonprospector.com/profiles.asp>
 Calculations: Percentages of total calculated by ECONorthwest.

Figure 2-3 shows percentage of income by source for Oregon and Curry County from 1980 to 2006. The source of household income changed substantially in Curry County over the 26-year period. The percent of household income in Curry County from net earnings declined from 56% in 1980 to 40% in 2006. At the same time, the percent of household income from current transfers increased from 16% in 1980 to 29% in 2006. Household income from dividends, interest, and rent fluctuated between 28% in 1980 and peaked at 36% in the late 1990's.

In contrast, the source of income has remained relatively stable in Oregon over the 26-year period. Net earnings accounts for about two-thirds of household income, dividends, interest, and rent account for about 20% of household income, and the remainder of income is from current transfers.

Figure 2-3. Income by source, Oregon and Curry County, 1980-2006



Source: Bureau of Economic Analysis, U.S. Department of Commerce, Table CA-05.
 Accessed: <http://www.bea.gov/regional/reis/default.cfm?catable=CA05>

The sources of income in Curry County support the idea that the County has a growing retired population. Retired people are more likely to have income from current transfers (e.g., social security) than the entire population and older people tend to have more income than the entire population from accumulated wealth in the form of dividends, interest, and rent.

BROOKINGS' LABOR FORCE

The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. Children, retirees, students, and people who are not working or actively seeking work are not considered part of the labor force.

The unemployment rate is one indicator of the relative number of workers who are actively seeking employment. Labor force data from the Bureau of Labor Statistics show that unemployment in Curry County was 13.8% in January 2009, higher than the State average of 10.9%. Curry County's unemployment rate typically peaks in the winter and decreases during the summer. For example, the County's unemployment rate in January 2008 was 9% but decreased to a little over 6% during May through July and rose to 12.2% in December 2008. Between January 1998 and January 2009, the County's lowest unemployment rate was in September 1999 (4.4%) and highest was January 2009 (12.2%).

Brookings had lower labor force participation rates than the State average. The participation rates in Curry County (49%) and Brookings (55%) are significantly lower than Oregon's (66%). This is probably due to Brookings' high proportion of retired people. Brookings' comparatively low labor force participation rate suggests that some companies looking for workers in Brookings may have difficulty finding sufficient qualified workers.

The workforce in Brookings and Curry County differ from the workforce of Oregon in terms of educational attainment and ethnicity. Brookings and Curry County had a higher percentage of Hispanic or Latino workers and lower percentage of workers with a college degree.

According to interviews with local stakeholders, finding and retaining qualified, dependable employees is an issue in Brookings. Some reasons for this may include: Brookings' relatively small labor pool, low labor force participation rates (in other words, the large population of retirees), lack of affordable housing, and the quality and educational level of some workers in and around Brookings.

COMMUTING PATTERNS

Another important factor in the labor force is the distance that workers are willing to commute. Brookings residents were more likely to have a commute of between 5 and 9 minutes (45%), compared to 30% of workers in the County and 13% in the State.

The majority of workers in Brookings live in Curry County. About 69% of Brookings' residents were employed in Curry County, with 42% of Brookings' residents working in Brookings and 10% working in Harbor. About 58% percent of Brookings' workers lived in Curry County, with 27% living in Brookings.

SHIFT FROM A MANUFACTURING TO SERVICE ECONOMY

The economy of the nation changed in the 1980 to 2007 period. These changes affected the composition of Oregon's economy, including Curry County and Brookings. At the national level, the most important shift during this period was the shift in employment from a focus on manufacturing to services. During this 27-year period, Oregon's economy has also changed and diversified, shifting from a timber-based economy to a service-based economy with substantial amounts of manufacturing.

Over the past few decades, employment in the U.S. has shifted from manufacturing and resource-intensive industries to service-oriented sectors of the economy. Increased worker productivity and the international outsourcing of routine tasks have lead to declines in employment in the major goods-producing industries.

The changes in employment in Curry County have followed similar trends as changes in national and state employment. Covered employment in the County grew from 4,684 in 1980 to 6,276 in 2000, an increase of 34% or 1,592 jobs. The sectors with the greatest increase in employment were Services and Retail Trade, together adding a total of 1,571 jobs or about 99% of all new jobs. Manufacturing lost nearly 400 jobs over the twenty-year period.

More recently, Curry County added nearly 600 jobs during the 2001 and 2007 period. The sectors with the greatest increases in employment were Construction, Accommodations & Food Services, and Education & Health Services, adding more than 400 jobs or 74% of new jobs. The sectors with the largest employment in 2007 were Government (1,287 jobs), Accommodations and Food Services (1,080 jobs), and Retail (1,048 jobs).

The average pay per employee in Curry County in 2007 was \$27,765. The sectors with above average pay and high employment were: Construction, Manufacturing, and Government. The sectors with below average pay and high employment were: Retail; Trade, Transportation, and Utilities; and Leisure and Hospitality.

Table 2-3 shows covered employment in Brookings in 2008, based on data from Oregon Prospector.⁶ The sectors with the most employees were: Services (44%), Retail Trade (17%), and Manufacturing (18%). These sectors accounted for 2,403 jobs or 79% of Brookings' jobs.

Table 2-3. Covered employment in Brookings, 2008

Sector	Employment	Percent
Agriculture, Forestry, and Fishing	32	1%
Mining	5	0%
Construction	87	3%
Manufacturing	543	18%
Transportation and Communications	104	3%
Wholesale Trade	35	1%
Retail Trade	513	17%
Finance, Insurance, and Real Estate	219	7%
Services	1,347	44%
Public Administration	144	5%
Unclassified	6	0%
Total	3,035	100%

Source: Oregon Prospector.
 Accessed: <http://oregonprospector.com/profiles.asp>

Table 2-4 shows the size (in employees) of businesses in Brookings. Over two-thirds of businesses (238 firms) in Brookings employ less than five people, and only 15% of businesses (52 firms) in Brookings employ more than 9 people.

Table 2-4. Establishments by size in Brookings, 2008

Employees	Establishments	Percent
1-4	238	68%
5-9	59	17%
10-19	26	7%
20-49	17	5%
50-99	7	2%
Over 100	2	1%
Total	349	100%

Source: Oregon Prospector.
 Accessed: <http://oregonprospector.com/profiles.asp>

⁶ Oregon Prospector is the State's official web site to promote economic development. It is available at: www.oregonprospector.com.

TOURISM IN BROOKINGS

Tourism is an important component of Brookings' economy. Tourism is an important source of economic activity in Southern Oregon, including Brookings. Southern Oregon⁷ has about 2.5 million overnight visitors annually, most of who are from California, Oregon, or Washington. Overnight visitor expenditures average \$134 to \$151 per day.⁸

One way to estimate changes in the economic impact of tourism is to examine changes in lodging tax receipts and direct travel spending. Table 2-5 shows local tax receipts from travel spending and direct travel spending in Curry County and lodging tax receipts in Brookings from 2002 to 2007. Tax receipts increased between 2002 and 2007 in both Curry County and Brookings, with an increase of \$700,000 (29%) in Curry County and \$27,700 (19%) in Brookings. Direct travel spending in Curry County grew from \$92.1 million in 2002 to \$108.4 million in 2007, an increase of \$16.3 million or 18%.

Table 2-5. Tax receipts and direct travel spending in Curry County and Brookings, 2002-2007.

Year	Curry County		Brookings
	Tax receipts from travel spending	Direct travel spending	Lodging tax receipts
2002	\$2,400,000	\$92,100,000	\$143,000
2003	\$2,400,000	\$93,500,000	\$153,500
2004	\$2,700,000	\$38,200,000	\$161,000
2005	\$2,700,000	\$98,100,000	\$171,200
2006	\$2,800,000	\$101,400,000	\$159,800
2007	\$3,100,000	\$108,400,000	\$170,700
Change 1997-2007			
Amount	\$700,000	\$16,300,000	\$27,700
% change	29%	18%	19%

Source: Dean Runyan Associates. Curry County in "or07detcouimp.pdf" and Brookings in "tot07.pdf"
 Accessed: <http://www.deanrunyan.com/impactsOR.html>

Direct spending on tourism accounted for nearly 1,800 jobs in Curry County in 2007, with the majority (1,200 jobs) in the Accommodations and Food Service industry. Other sectors with tourism-related jobs Curry County were Arts, Entertainment, and Recreation (360 jobs) and Retail (210 jobs).

⁷ Southern Oregon includes Curry, Coos, Douglas, Josephine, Jackson, Klamath, and Lake Counties.

⁸ The Southern Oregon Visitors Association (SOVA), Visitor Profile, 2006; and the Medford Visitors Bureau, Fact Sheet, 2006.

OUTLOOK FOR GROWTH IN BROOKINGS AND CURRY COUNTY

The State's Office of Economic Analysis forecasts that Curry County will grow from 21,530 people to 23,225 people between 2010 and 2030, an increase of nearly 1,700 people at an average annual growth rate of 0.4%. The forecast for the State's growth rate is considerably higher, at 1.2% average annual growth. The City of Brookings forecasts that population within the City limits will grow to 9,340 people by 2015 and that the population in the Brookings UGB will grow to 16,440 in 2015.⁹

The Oregon Employment Department forecasts for employment growth by industry over the 2006 to 2016 period for Region 7 in Oregon, which is Coos and Curry Counties. Employment in Region 7 is forecast to grow from 30,620 to 33,610 employees, an increase of 2,990 jobs over the 10-year period. Employment in Region 7 is forecast to grow faster than population, at an average annual rate of 0.9%.

The sectors that are forecasted to lead employment growth in Region 7 for the ten-year period are: Government (770 jobs), Educational & Health Services (540 jobs), Leisure & Hospitality (530 jobs), and Trade, Transportation, and Utilities (500 jobs). Together, these sectors are expected to account for 78% of employment growth in Region 7.

⁹ The City's forecast is stated in the City of Brookings Comprehensive Plan, Goal 10, Finding 1D. The City's population forecast was based on population in the city as of 1993 (4,970 people) and assumed that population in the UGB would grow by 3% annually until 2013 and then 2% annually thereafter.

Table 2-6. Employment forecast by industry in Region 7 (Coos and Curry Counties), 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Logging & Mining	750	720	-30	-4%
Construction	1,740	1,900	160	9%
Manufacturing	2,250	2,180	-70	-3%
Wood Product Manufacturing	1,370	1,280	-90	-7%
Food Manufacturing	270	260	-10	-4%
Trade, Transportation & Utilities	5,820	6,320	500	9%
Wholesale Trade	490	520	30	6%
Retail Trade	4,160	4,570	410	10%
Food & Beverage Stores	1,000	1,090	90	9%
General Merchandise Stores	1,010	1,130	120	12%
Transportation, Warehousing & Utilit	1,170	1,230	60	5%
Information	390	400	10	3%
Financial Activities	1,440	1,560	120	8%
Professional & Business Services	3,290	3,690	400	12%
Educational & Health Services	2,800	3,340	540	19%
Leisure & Hospitality	3,680	4,210	530	14%
Other Services	810	880	70	9%
Government	7,650	8,420	770	10%
Federal Government	440	410	-30	-7%
State Government	1,300	1,330	30	2%
Local Government	5,920	6,680	760	13%
Indian Tribal	760	1,090	330	43%
Local Education	1,910	1,930	20	1%
Total nonfarm employment	30,620	33,610	2,990	10%

Source: Oregon Employment Department. Employment Projections by Industry 2006-2016.
 Accessed: <http://www.qualityinfo.org/olmisj/OlmisZine?zineid=00000010>
 Projections summarized by ECONorthwest.

FACTORS AFFECTING ECONOMIC DEVELOPMENT IN BROOKINGS

Economic development opportunities in Brookings will be affected by local conditions as well as the national and state economic conditions addressed above and described in Appendices A and B. Factors affecting future economic development in Brookings include its proximity to California, location along the Pacific Ocean, access to Highway 101, relatively remote location, availability of transportation facilities, quality and availability of labor, and quality of life.

Long-range national, state, and regional trends will affect economic development in Brookings. It is difficult to predict exactly how these trends will affect Brookings or what other trends will develop over the planning period. The trends that may have a substantial impact on Brookings' economy over the 20-year period are:

- Population is expected to continue growing in Oregon and Curry County, with slower growth in Curry County than the State average. The relatively slow population growth in Curry County will result in small increases demand for goods and services.
- Quality and availability of labor is a key consideration in economic development in Brookings. Some ways that the labor pool may change in Brookings in the future are: the aging of the workforce, availability of skilled and educated workers, and increases in productivity.
 - Aging of the baby-boomers will result in greater retirements and the need for replacement workers. The loss of institutional knowledge and experienced workers resulting from retiring workers may negatively impact firms in the short-term but is unlikely to cause long-term economic disruption. The aging of the baby-boomers will create demand for additional workers, even if business growth in most sectors is slower than historic business growth.
 - The aging population will also create increased need for health care workers and workers in assisted living facilities. This trend will create demand for additional health care workers, both skilled and unskilled. The challenge that health care and related businesses in the region may face is finding enough skilled workers to provide needed health care services.

- Availability of a skilled, educated labor pool is important for the economic development of Brookings. Businesses are less likely to locate in a community that does not have access to a pool of skilled labor. Brookings may be able to continue accessing labor from nearby communities but increases in energy prices may impact workers' willingness to commute. Firms in Brookings may have difficulties attracting sufficient skilled labor as a result of housing affordability problems, the City's comparative isolation, rising energy prices, lower than average educational attainment, prevalence of retirees, and relatively low labor force participation. These factors may be off-set by developments that make Brookings more attractive to workers or residents or offer post-secondary educational opportunities.
- Productivity increased over the 1995 to 2005 period, especially in industries that produced, sold, or intensively used information technology products. Continued increases in productivity may help off-set tightening labor markets that could result from retirement of the baby-boomers. In addition, Brookings may be able to attract small creative-class firms that allow telecommuting because of the high quality of life in Brookings.
- The importance of high-quality natural resources has grown over the last few decades. High-quality natural resources contribute to the quality of life of an area, through opportunities for outdoor recreation, good environmental quality, and access to clean water. Access to natural resources is important in Curry County's quality of life. A key natural resource available in Brookings is the Pacific Ocean, which is important both for recreational and resource-extraction (e.g., fishing). These resources may grow in importance over the planning period, helping to attract firms to Curry County and Brookings.
- Energy prices began to rise in 2005. It is unclear whether energy prices will continue to rise or what the equilibrium price will be for energy in the long-term. The increases in energy prices have resulted in higher gasoline prices, with prices increases of 70% (about \$1.50 per gallon) on the West Coast between January 2006 and May 2008 and dropped back to January 2006 prices by December 2008.¹⁰ Although gasoline price increases were

¹⁰ U.S. Energy Information Administration, May 2008
http://www.eia.doe.gov/oil_gas/petroleum/data_publications/wrgp/mogas_history.html

temporary, some forecasts project that energy prices will increase again over the long-term. The increased energy and gasoline prices are affected the U.S. economy in numerous short- and mid-term ways, including increasing the costs of goods.

The effects of high energy prices on the economy are difficult to predict. In the short-term, higher gasoline prices may result in: decreases in recreational or discretionary driving (which would affect tourism), carpooling, increases in purchasing fuel-efficient vehicles, use of alternative fuel sources, or the use of alternative modes of transportation. In the long-term, higher energy prices may make housing in outlying areas with long commutes less desirable. While increases in gasoline make living in rural areas more expensive, some households will continue to be willing to pay higher transportation costs because of their preference for rural living.

- Climate change may affect the economy in the Northwest, including the Southern Oregon Coast through direct impacts (such as increasing frequency and intensity of floods or droughts) and through indirect impacts (such as changes in the global economy that change demand for particular products). It is difficult to predict exactly how global climate change will affect the economy of the Southern Oregon Coast. The most likely areas that may be negatively affected by climate change are fishing and forestry and tourism and recreation.

The local factors that form Brookings' competitive advantage are summarized below and described in detail in Appendix B.

SUMMARY

Brookings's economy will change over the planning period, in part, as a result of national, state, regional, and local economic trends. One way to assess economic growth potential is to review socio-economic and economic trends and consider the implications of the trends on the economy of the South Coast region. Trends that may impact economic development in Brookings over the next 20-years are:

- **Brookings's population is growing.** Population growth is likely to lead to an increase in demand for goods and services. Brookings businesses may be able to capture a larger share of expenditures on goods and services from existing and new Brookings residents and other residents within Curry County.

- **Brookings's population is aging.** Brookings and Curry County have more retirees than the State average. The State forecasts that Curry County will continue to have growth in people 60 years and older. The aging of the baby-boomers may affect Brookings's economy through: (1) the need to replace retired workers, especially in management and teaching positions, which generally have a larger share of older workers; (2) competition between younger workers and older workers that continue working past the traditional retirement age; and (3) need for additional skilled and unskilled health care workers.
- **Curry County has comparatively low wages** The low average wages in Curry County, relative to Oregon and the U.S., make Curry County (including Brookings) attractive to some firms considering relocating within the U.S. Firms continue to outsource back-office functions, such as call centers or administrative functions, within the U.S. If these firms are not tied to a particular region they may choose to locate in many parts of the nation. Curry County's relatively low labor costs and the availability of workers may make Curry County attractive to firms considering relocating small operations or back-office functions.
- **Brookings is isolated from regional labor pools.** Firms within Brookings are not able to attract workers from far outside the region, due to limited transportation options. It is unclear at what point energy prices will impact workers' willingness to commute with the Brookings region. Energy prices are likely to have a larger impact on commuting patterns for Brookings's workers who live in outlying communities compared to workers living in Brookings or Harbor.
- **Firms in Brookings may have difficulties attracting skilled labor.** Availability of a skilled, educated labor pool is important for the economic development of Brookings. Brookings may be able to continue accessing labor from nearby communities but increases in energy prices may impact workers' willingness to commute. Firms in Brookings may have difficulties attracting sufficient skilled labor as a result of housing affordability problems, the City's comparative isolation, rising energy prices, lower than average educational attainment, prevalence of retirees, and relatively low labor force participation. These factors may be off-set by developments that make Brookings more attractive to workers or residents or offer post-secondary educational opportunities.

- **Brookings's economy is changing but slowly.** Brookings has historically been perceived as a community focused on tourism. The most important trends and changes in employment for Brookings over the next 20-years are: shifts in employment, growing importance of health care, continued importance of tourism, and aging of the population.
- **Brookings's largest potential for growth is in service sectors.** The sectors most likely to grow over the 2006-2016 period in Curry County and Brookings are Health and Social Assistance; Administrative and Support and Waste Management Services; Construction; and Accommodations and Food Services. Other sectors with growth potential over the ten-year period are: Arts, Entertainment, and Recreation; Management of Companies and Enterprises; Professional, Scientific, and Technical Services; and Private Educational Services.
- **Brookings's access to high-quality natural resources will continue to be important.** The importance of high-quality natural resources has grown over the last two decades because they contribute to the quality of life of an area, provide opportunities for outdoor recreation, result in good environmental quality, and provide access to clean water. These resources may grow in importance over the planning period, helping to attract firms to Curry County and Brookings.

Employment Growth and Site Needs in Brookings

This chapter presents an estimate of demand for employment land based on potential growth industries to provide for a 20-year supply of sites for employment, consistent with local economic development objectives. Demand for employment land will be driven by the expansion and relocation of existing businesses and new businesses locating in Brookings.

The analysis of growth industries in Brookings addresses two main questions: (1) Which industries are most likely to be attracted to the Southern Coast region and (2) Which industries best meet Brookings' economic objectives? The types of industries that Brookings wants to attract have the following attributes: high-wage, stable jobs with benefits; jobs requiring skilled and unskilled labor; employers in a range of industries that will contribute to a diverse economy; businesses that will contribute to tourism and encourage longer stays by visitors; businesses that provide services and amenities to attract retirees; and industries that are compatible with Brookings' community values.

This chapter includes an employment forecast for Brookings and an analysis of land need for commercial and industrial uses in Brookings. Consistent with OAR 660-009-0015 (2), the chapter discusses target industries and site needs for these industries.

KEY TRENDS AFFECTING EMPLOYMENT GROWTH

Previous chapters reviewed historical growth trends by industry in Curry County since 1980 and employment in Brookings. A review of key historical trends in employment in Brookings can help identify potential growth industries in Brookings. In other words, economic opportunities in Brookings are a function of regional historical trends and future economic shifts.

While nearly all sectors of the economy in the County experienced growth over the 1980-2007 period, some sectors grew faster than others, resulting in a shift in the distribution of employment by sector. Key **historical trends** include:

- A substantial increase in the percent of employment in Services and Retail Trade, which increased from 34% to 51% of covered employment in Curry County over the 1980 to 2007 period.

- A decrease in the share of employment in Manufacturing, from 26% to 9% from 1980 to 2007. While wood products manufacturing accounts for approximately the same percentage of manufacturing employment in Curry County (roughly three-quarters of manufacturing employment), wood products manufacturing has lost more than 500 jobs over the 27-year period, a decrease of more than 50%.
- Employment in Government declined from 26% to 19% of covered employment between from 1980 to 2007.
- In 2007, Government, Accommodations and Food Services, and Retail Trade accounted for 49% of covered employment in the County. All other sectors accounted for less than 10% of employment each.

Historical employment trends show a substantial shift in the Region's economy that mirrored shifts in the State and national economies—specifically the substantial growth in Services and decline of Manufacturing. While these trends are expected to continue into the future, **future shifts** are not expected to be as dramatic as those experienced over the past twenty years. There are several reasons for this expectation (e.g., that the future will be somewhat different than the past):

- Growth in the Services sector has matured and should track more closely with overall employment and population growth rather than continuing to gain a substantial share of total employment.
- The decline in Manufacturing was due, in part, to decreased timber harvests and the outsourcing of production to facilities in countries with lower costs. Timber harvests are expected to level off and increase in the future as commercial forests that were replanted since the 1970s grow to a harvestable size. While outsourcing may continue, much of what can be outsourced has already gone. Remaining Manufacturing firms are tied to their region to be near supplies or markets, or manufacture specialized goods where small production quantities, fast turn-around times, and the need for quality limit the ability to outsource.

EMPLOYMENT FORECAST

To provide for an adequate supply of commercial and industrial sites consistent with plan policies, Brookings needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Goal 9 requires cities identify “the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.” The number of needed sites is dependent on the site requirements of employers. The estimate of land need is presented in the site needs analysis in the next section. The methodology used to develop the employment and land need forecasts is presented in greater detail in Appendix D.

Demand for commercial and industrial land will be driven by the expansion and relocation of existing businesses and new businesses locating in Brookings. The level of this business expansion activity can be measured by employment growth in Brookings. This section presents a projection of future employment levels in Brookings for the purpose of estimating demand for commercial and industrial land.

Forecasting employment growth in Brookings requires an estimate of current employment in Brookings (the employment base) and an estimate of the rate of employment growth. The employment forecast for Brookings uses the following assumptions about Brookings’ employment base and growth rate:

- **Employment base.** The employment projection is based on employment data presented in Table D-1. In 2008, Brookings had 3,035 *covered* employees, with an average of about nine employees per firm. Assuming that Brookings ratio of covered to total employees is similar to Curry County’s average (as in Table D-2), Brookings had about 4,897 *total* employees in 2008.
- **Growth rate.** The safe harbor method for forecasting employment growth in OAR 660-024-0040 (8) (a) (A) allows the City to determine employment land needs based on “The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department.” Brookings is part of Region 7, which includes Curry and Coos Counties (shown in Table 2-6). Based on this safe harbor, the employment forecast in Table 3-1 assumes that employment in Brookings will grow at the same rate as employment in Region 7, 0.94% annually.

Table 3-1 shows Brookings employment forecast for 2009 to 2029, using these assumptions. Brookings' workforce will grow by more than 1,000 workers (21%) over the 20-year period, at an average annual rate of 0.94%.

Table 3-1. Employment growth in Brookings, 2008–2029

Year	Total Employment
2008	4,897
2009	4,943
2029	5,956
Change 2009 to 2029	
Employees	1,013
Percent	21%
AAGR	0.94%

Source: 2008 employment is based on the employment estimate from Oregon Prospector. The growth rate is based on the Oregon Employment Department's estimate of employment growth in Region 7 for 2006-2016.

To estimate employment growth by land use type in Brookings, ECO took the forecasted level of total employment in 2029 (5,956 jobs) and estimated the distribution of this employment among the three categories of land use types. Table 3-2 shows the share of employment by land use type in 2009 (based on the distribution of employment shown in Table D-2 in 2008) and the assumed shares in 2029.

Table 3-2. Employment growth by land use type in Brookings, 2009–2029

Land Use Type	2009		2029		Change 2008 to 2029
	Employment	% of Total	Employment	% of Total	
Industrial	1,285	26%	1,489	25%	204
Commercial and Retail	3,411	69%	4,169	70%	758
Government	247	5%	298	5%	51
Total	4,943	100%	5,956	100%	1,013

Source: ECONorthwest.

Note: shaded cells indicate assumptions by ECONorthwest.

The forecast by land use category does not anticipate a significant shift in the distribution of employment between 2009 and 2029. The City of Brookings' economic development strategy emphasizes the importance of diversifying the City's economy. Based on this assumption, the analysis in Table 3-2 assumes that Brookings' policies will lead to continued growth in all categories of employment, with the greatest growth in commercial and retail and some growth in industrial employment.

TARGET INDUSTRIES IN BROOKINGS

The characteristics of Brookings will affect the types of businesses most likely to locate in Brookings. Brookings' attributes that may attract firms are: the City's location along the Pacific Ocean, access to Highway 101, aging of the population, proximity to California and the lack of sales tax in Oregon, and quality of life that is attractive to tourists and retirees. The development of a campus of Southwestern Oregon Community College may also affect business' decision to locate in Brookings, assuming that the Community College works with local businesses to provide workforce training opportunities.

Brookings' economic development strategy will also affect the types of businesses that are likely to locate in Brookings. The City's economic development strategy is presented in a separate document. The strategies that are likely to affect the businesses that Brookings might attract are:

- Provide supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.
- Encourage high-amenity commercial development in downtown Brookings, including encouraging redevelopment in downtown.
- Provide adequate infrastructure efficiently and fairly
- Support businesses in Brookings and diversify the economy through attracting new businesses
- Increase the potential for tourist-related economic activities
- Provide services that attract retirees as residents
- Support opportunities for workforce development

Based on the City's characteristics and desired economic development strategies, the following is a list of target industries for Brookings. The City may attract or target other businesses that are not on this list, depending on the opportunities available over the planning period:

- **Services for visitors.** Visitors may be attracted to Brookings to take advantage of recreational opportunities, fishing, state parks, local events, and other amenities. Brookings may have opportunities for development of a destination that would attract visitors, such as a health spa or an aquatics park. Industries that serve tourists, such as retail, food services, arts and galleries, and accommodations, are likely to grow if tourism increases.
- **Services for seniors.** The growing population of retirees or near retirees may be attracted to Brookings because of its quality of life

and proximity to California. Growth in seniors would create demand for health services that provide services to older people, such as assisted living facilities or retirement centers. These facilities for seniors may prefer to locate in relatively close proximity to the proposed Curry General Hospital facility, which may locate in near City Hall.

- **Medical services.** As the City's population grows, especially its older population, demand for additional medical services will increase, both from residents of Brookings and the surrounding area and from visitors. Needed medical services will include a hospital or 24-hour medical clinic, general medical services, and in-home health services.

Brookings does not currently have a hospital or large 24-hour medical clinic. Developing medical services is important for attracting retirees because retirees prefer to locate where there is easy access to medical services. If the community is unable to develop additional medical services, some retirees may choose to relocate to areas with more medical services.

- **Small scale manufacturing.** Brookings' attributes may attract small scale manufacturing firms (e.g., firms with fewer than 50 employees) that produce small, easily shipped items. Firms that depend on natural resources available in the Brookings area, such as wood products, may be especially attracted to Brookings. Examples of manufacturing include furniture manufacturing, recreational equipment, specialty apparel, small metal machined items, and other specialty manufacturing.
- **Cottage industries and crafts.** Brookings provides opportunities for people wanting to develop a cottage industry and live along the Pacific Coast. Visitors to Brookings provide a natural market for some types of cottage industry products. Craft people (especially those that sell small, easily shipped products) can also sell products to a larger audience via the Internet. Examples of cottage industries and crafts could include jewelry, specialty apparel, personal care products (e.g., soaps or lotions), arts and crafts (such as pottery or leatherwork), and other small products.
- **Specialty food processing.** Brookings' proximity to agricultural resources may make the City attractive to specialty food processing firms, such as those that specialize in organic or natural foods. Agricultural firms in Brookings may also have opportunities to develop agricultural tourism attractions, such as wine tasting rooms or tours that focus on the processes of making specialty foods.

- **Professional and technical services.** Brookings' quality of life may make it attractive to small firms that are attracted to Brookings' recreational amenities and location. These types of businesses could include software development, research, and other professional services that are attracted to high-quality settings.
- **Green businesses.** There is no clear definition of what constitutes a green industry or business. In general, green businesses are those that produce products or services that improve or maintain environmental quality, as described in Appendix A. Opportunities for environmentally conscious businesses are growing. The types of green businesses that may choose to locate or expand in Brookings includes: organic food processing, sustainable logging and/or lumber products manufacturing, or alternative energy production (e.g., manufacturing wave energy or bio-fuels)
- **Services for residents.** Population growth in Curry County and northern Del Norte County will drive demand for retail. Population growth in Brookings will drive growth in government services. Development of Southwestern Oregon Community College may provide opportunities for teaching and administration at the campus in Brookings.

Brookings may be able to diversify its economy through pursuing a range of target industries, especially those that operate year-round.

Development of a destination resort that appeals to families and older adults could increase year-round tourism. While tourism may remain a key industry in Brookings, the City can also work with private firms to develop services to attract more retirees, such as medical services or active adult retirement developments.

SITE NEEDS

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

Firms wanting to expand or locate in Brookings will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. Previous research conducted by ECO has found

that while there are always specific criteria that are industry-dependent and specific firm, many firms share at least a few common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints on development, with good transportation access and adequate public services. The exact amount, quality, and relative importance of these factors vary among different types of firms. This section discusses the site requirements for firms in industries with growth potential on the Southern Oregon Coast, as indicated by the Oregon Employment Department forecast (see Table A-12 in Appendix A for the regional forecast). Appendix D discusses the productive factors that affect business' locational decisions and the implications of these factors for businesses that may locate in Brookings.

LONG-TERM LAND AND SITE NEEDS

Table 3-2, presented earlier in this chapter, discusses Brookings' forecast for employment by land-use type. The analysis of long-term site needs in Brookings builds off of the employment forecast for Brookings. Consistent with the requirements of OAR 660-009-0015(2), the site needs analysis presented in this section identifies the number of sites by broad category of site type and size reasonably expected to be needed for the 20-year planning period.

Employment growth in Brookings is expected in each of the categories defined by type of land use: Commercial and Retail, Industrial, and Government. There are a wide variety of firms within each of these categories, and the required site and building characteristics for these firms range widely. As such, a variety of parcel sizes, building types, and land use designations in Brookings are required to accommodate expected growth.

Table 3-3 shows site needs by site size in Brookings for the 2009 to 2029 period. Table 3-4 shows Brookings' site needs and estimates employment land need for the 20-year period. The analysis of site needs in Brookings in these tables is based on the following assumptions:

- Brookings will have growth of about 1,000 employees over the 20-year period, with the majority of growth (about 760 jobs) in commercial and retail firms.
- In 2008, Brookings' average firm size was 8.7 employees. The forecast of site needs assumes Brookings' businesses will continue to average about 9 employees.
- In 2008, employment density in Brookings was a little more than 9 employees per acre. The site needs analysis in Tables 3-3 and 3-4

assume that future employment density will remain the same or increase slightly.

- Consistent with the City's economic development strategy, the estimate of needed sites in Table 3-3 will provide a range of needed site sizes and a mixture of sites for industrial and commercial and other employment uses. The site needs analysis in Tables 3-3 and 3-4 assume that Brookings will need to provide enough sites to allow firms choice in where they locate within Brookings, especially for sites smaller than 5 acres.
- Brookings did not have employment sites larger than 20 acres in 2008. The estimate of needed sites in Table 3-3 assumes that the City will not need sites larger than 20 acres in the future. This assumption implies that Brookings is likely to attract relatively small firms (firms with fewer than 150 employees that are not land-intensive industries), consistent with the current distribution of employment in Brookings and the City's competitive disadvantages. The types of firms that typically need sites 20 acres and larger are larger manufacturing firms, which are unlikely to locate in Brookings because of the City's relatively remote location and transportation challenges.

Table 3-3 shows that Brookings needs to provide between 73 and 138 sites to accommodate employment growth between 2009 and 2029. Brookings will need 21 to 39 industrial sites and 52-99 commercial and other employment sites. The majority is need is for sites 2 acres and smaller.

Table 3-3. Estimated sites needed, Brookings, 2009–2029

Site Size (acres)	Range of needed Sites		Total Sites Needed
	Industrial	Commercial and Other Employment	
20 + acres	0	0	0
10-20 ac	1-2	1-1	2-3
5-10 ac	1-2	1-3	2-5
2-5 ac	1-3	5-10	6-13
1-2 ac	8-12	10-15	18-27
< 1 ac	10-20	35-70	45-90
Total	21-39	52-99	73-138

Source: ECONorthwest

Table 3-4 shows Brookings' estimated site and employment land need for the 20-year planning period. Brookings needs 97 sites and 109 acres to provide enough land to accommodate employment growth over the planning period. Table 3-4 shows the following needs:

- Brookings needs to provide 67 commercial sites, the majority of which will be less than 1 acre, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide 66 acres of commercial land.
- Brookings needs to provide 30 industrial sites, the majority of which will be on sites of less than 2 acres, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide about 43 acres of industrial land

Table 3-4. Estimated site and employment land needs, Brookings, 2009–2029

	Site Size (acres)						Total
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	Greater than 20	
Commercial							
Sites Needed	45	12	7	2	1	na	67
Average Site Size	0.3	1.1	2.5	5.0	12.0		
Land (acres)	14	13	18	10	12	na	66
Industrial							
Sites Needed	15	10	2	2	1	na	30
Average Site Size	0.4	1.1	2.0	5.0	12.0		
Land (acres)	6	11	4	10	12	na	43
Total							
Sites Needed	60	22	9	4	2	na	97
Land (acres)	20	24	22	20	24	na	109

Source: ECONorthwest

Note: Average site sizes, shown in blue, are based on average site sizes for developed employment land in the 2008 buildable lands inventory.

Calculations: Land need: multiply the number of sites needed by average site size. For example, Brookings needs about 2 commercial sites 5 to 10 acres in size, which average 5 acres, for a total need of 10 acres.

Employment Land Supply in Brookings

Chapter 4

The Brookings Commercial and Industrial Buildable Lands (CIBL) inventory is intended to identify lands within the Brookings urban Growth Boundary (UGB) that are designated for employment uses and can accommodate employment growth. Buildable lands inventories are sometimes characterized as *supply* of land to accommodate growth. Population and employment growth drive *demand* for land. The amount of land needed depends, in part, on the density of development as well as strategies related to redevelopment.

This chapter presents the CIBL inventory for the City of Brookings. The results are based on analysis of Geographic Information System data provided by the City and Curry County. The buildable land inventory also used aerial orthophotographs and review by city staff for verification.

The buildable lands inventory includes all lands within the Brookings UGB. ECO worked closely with City Staff during the development and review of the Brookings commercial and industrial buildable lands inventory (CIBL). ECO developed the inventory using the following steps:

- *Assemble and document datasets.* ECO identified data from the Curry County GIS system as primary datasets on which the inventory and analysis was built. These datasets include assessment and taxation data maintained by Curry County.
- *Data processing and GIS analysis.* In this step ECO performed the GIS analysis and data processing steps necessary to populate the database.
- *Verification.* ECO used to use a multi-step verification process. The first verification step involved a “rapid visual assessment” of land classifications using GIS and recent aerial photos for this analysis. The rapid visual assessment involved reviewing classifications overlaid on 2006 aerial photographs to verify uses on the ground. ECO reviewed all tax lots included in the inventory using the rapid visual assessment methodology. The second round of verification involved city staff verifying the rapid visual assessment output. This review resulted in a number of changes which are reflected in the inventory as presented in this report.

In summary, ECO used a systematic process to complete the CIBL inventory that was intended to provide the greatest degree of accuracy possible.

DEFINITIONS

The first step in the buildable inventory was to develop working definitions and assumptions. ECO initially classified land using a rule-based methodology. The accompanying maps show the results of the application of those rules, with some adjustments made based on staff review and verification.

ECO began the buildable lands analysis with a tax lot database provided by the City's Staff. The tax lot database was current as of October 2008. The inventory builds from the tax lot-level database to estimates of buildable land by plan designation.

A key step in the buildable lands analysis was to classify each tax lot into a set of mutually exclusive categories. Consistent with accepted methods for buildable lands inventories and applicable administrative rules, all tax lots in the UGB are classified into one of the following categories:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, lands with improvement values under \$10,000¹¹ are considered vacant (not including lands that are identified as having mobile homes).¹²
- *Developed land.* Land that is developed at densities consistent with current zoning/plan designation and improvements that make it unlikely to redevelop during the analysis period. Lands not classified as vacant, potentially redevelopable, or public are considered developed.¹³ Thus, the definition of developed land used for the CIBL is different than the definition in the

¹¹ Improvement values were from 2008 Curry County Assessment and Taxation data and reflect the County's estimate of the market value of improvements.

¹² Note that this definition is more inclusive than what statewide planning policy requires. OAR 600-009-0005(14) provides the following definition: "Vacant Land" means a lot or parcel: (a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or (b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements. The implication of using a more inclusive definition are that more land was considered available in the inventory than would be if the state definitions were used.

¹³ Note that OAR 660-009-0005(1) uses the following definition: (1) "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period. This study defines developed land as developed and defines land "likely to be redeveloped" as potentially redevelopable.

administrative rule. For purposes of the CIBL, developed land is considered committed during the 20-year period and unavailable for redevelopment.

- *Public land.* Lands in public ownership were generally considered unavailable for development unless identified by City staff as being available for development at some time during the 20-year planning period. This includes uses such as electrical substations, parks, and private cemeteries. Lands in Federal, State, County, or City ownership were also considered committed.
- *Master Planned land.* Land in master planned designations may have a mixture of employment and residential development. These lands were inventoried separately because they can accommodate a mixture of residential and commercial uses.

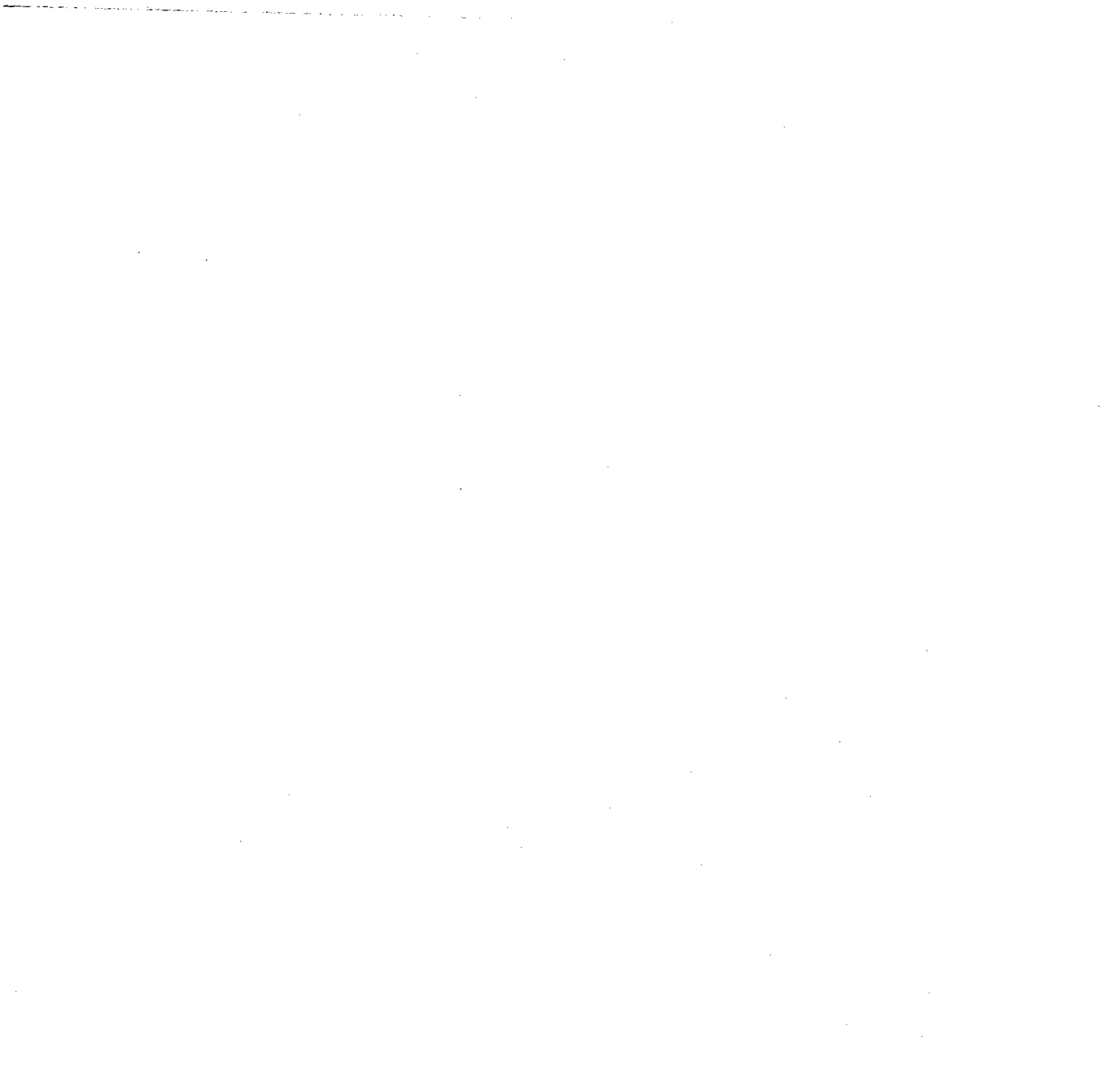
The land classifications result in identification of lands that are vacant. The inventory includes all lands within the Brookings UGB. Map 1 shows lands by plan designation within the Brookings city limits and Map 2 shows lands by plan designation within the Brookings urban growth area (the area inside the UGB and outside the City limits).¹⁴

¹⁴ Map 2 is based on Curry County GIS data, which includes a few errors.

1. The two master planned areas in the south part of Brookings' UGB include areas that are shown as zoned for Forestry/Grazing and RR10-Rural Residential. The master planned areas are shown correctly on Map 4.
2. Map 2 does not correctly classify two parcels near the airport as Commercial. These parcels total about five acres and are shown as developed on Map 3.

These errors are corrected in the tables in this chapter and do not affect the analysis of buildable commercial and industrial land in the Brookings' UGB.

Map 1 Brookings' Plan Designation



Map 2 Brookings' UGA Plan Designation

CONSTRAINTS

Constraints are factors that preclude land development or affect the desirability of land for development. OAR 660-009-0005(2) provides the following definition of “development constraints:”

“Development Constraints” means 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, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

Thus, the Administrative Rule provides a broad definition of constraints and leaves discretion for local governments in the application of the definition. For the purpose of this study, the following factors are considered absolute development constraints and are not considered buildable on employment land:

1. Slopes over 15%¹⁵
2. Wetlands
3. Water protection overlays

The following factors were *not* classified as “constrained” on employment land. Development can occur on land with these features and no deductions were made from the inventory for these factors.

1. Floodplain
2. Tsunami Inundation Zone

RESULTS

COMMERCIAL AND INDUSTRIAL LAND BASE

The first step in the CIBL inventory was to determine the land base. This step was necessary because the inventory only covers a subset of land in the Brookings UGB (lands that accommodate employment). The land base is the subset of tax lots that fall within the plan designations included in the CIBL (all plan designations that allow commercial or industrial uses, including master plan designations).

¹⁵ Land with slopes over 15% are not considered buildable for the purposes of this study. It is possible that sites with slopes over 15% could be developed for commercial uses given site-specific studies, planning, and engineering.

Table 4-1 shows acres within the Brookings UGB and city limits in 2008. According to the City GIS data, Brookings has about 7,778 acres within its UGB. Of the 7,778 acres, 6,800 acres (about 87%) are in tax lots. Land not in tax lots is primarily in streets and waterways. Brookings has about 2,513 acres within its City Limits; of these 2,096 acres (about 83% of total acres in the City Limit) are in tax lots. Additionally, the City has about 5,265 acres between the City Limits and Urban Growth Boundary (the UGA); of this about 4,704 acres are in tax lots.

Table 4-1. Acres in Brookings UGB and City Limit, 2008

Area	Tax Lots	Total Acres	Acres in Tax Lots	Percent in Tax Lots
City Limits	3,499	2,513	2,096	83%
Urban Growth Area	2,391	5,265	4,704	89%
Total	5,890	7,778	6,800	87%

Source: Curry County GIS data; analysis by ECONorthwest

Note: Urban Growth Area is the unincorporated area between the City Limits and Urban Growth Boundary

Table 4-1 summarizes all land in the Brookings UGB. The next step is to identify the commercial and industrial land base (e.g., lands with plan designations that allow employment or “employment lands”).

Table 4-2 shows that about 3,139 acres within the Brookings UGB is included in the commercial and industrial land base. Thus, about 46% of land within the Brookings UGB is included in the Commercial and Industrial land base. Of the 3,139 acres, 922 are in employment designations (commercial or industrial) and 2,217 are in master plan designations.

Table 4-2. Lands designated for commercial and industrial uses, Brookings UGB, 2008

Area	Value
Brookings UGB	
Number of Tax Lots	5,890
Acres in Tax Lots	6,800
Brookings Employment Land Base	
Tax Lots in Employment Designations	673
Acres in Land Base in Employment Designations	922
Tax Lots in Master Plan Designations	73
Acres in Land Base in Master Plan Designations	2,217
Total Tax Lots in Land Base	746
Total Acres in Land Base	3,139

Source: analysis by ECONorthwest

Table 4-3 summarizes acres by plan designation and zoning for employment lands within the Brookings UGB. Of lands designated for employment, about 71 % (2,217 acres) are in Master Planned districts, 18% (564 acres) are in commercial designations, and 11% (358 acres) are in the industrial designations.

Table 4-3. Acres by employment plan designation, Brookings UGB, 2008

Zoning District	Code	Tax Lots	Acres in Tax Lots	Percent of Acres
Commercial				
Neighborhood Commercial	C-1	228	305	10%
Shopping Center Commercial	C-2	7	5	0%
General Commercial	C-3	240	97	3%
Tourist Commercial	C-4	28	52	2%
Professional Office	PO-1	9	10	0%
Rural Commercial	RC	69	95	3%
Subtotal		581	564	18%
Industrial				
Industrial	I	36	260	8%
Industrial Park	I-P	36	17	1%
General Industrial	M-2	11	31	1%
Rural Industrial	RI	9	50	2%
Subtotal		92	358	11%
Master Planned				
Master Planned Area	MPA	70	1,667	53%
Master Planned Development	MPD	3	550	18%
Subtotal		73	2,217	71%
Total		746	3,139	100%

Source: Curry County GIS data; analysis by ECONorthwest

Table 4-4 shows acres by classification and constraint status for the Brookings UGB in 2008. Analysis by constraint status (the table columns) shows that about 705 acres are classified as developed, 2,022 were constrained, and 411 were classified as unconstrained.

Table 4-4. Acres by classification, Brookings UGB, 2008

Zoning District	Code	Tax Lots	Total			
			Acres in Tax Lots	Developed Acres	Constrained Acres	Unconstrained Acres
Commercial						
Neighborhood Commercial	C-1	228	305	164	105	35
Shopping Center Commercial	C-2	7	5	5	0	0
General Commercial	C-3	240	97	81	5	11
Tourist Commercial	C-4	28	52	22	14	17
Professional Office	PO-1	9	10	9	0	0
Rural Commercial	RC	69	95	66	25	4
Subtotal		581	564	348	149	67
Industrial						
Industrial	I	36	260	126	96	38
Industrial Park	I-P	36	17	14	0	3
General Industrial	M-2	11	31	30	1	1
Rural Industrial	RI	9	50	12	26	11
Subtotal		92	358	182	123	53
Master Planned						
Master Planned Area	MPA	70	1,667	175	1,391	99
Master Planned Development	MPD	3	550	0	358	192
Subtotal		73	2,217	175	1,750	291
Total		746	3,139	705	2,022	411

Source: Curry County GIS data; analysis by ECONorthwest

Map 3 shows employment land by classification and Map 4 shows master planned lands within the Brookings UGB.

Map 3. Land by Classification, Brookings UGB

Map 4. Master Planned lands, Brookings UGB

VACANT BUILDABLE LAND

The next step in the buildable land inventory is to net out portions of vacant tax lots that are unavailable for development. Areas unavailable for development include areas with physical constraints (in this instance areas with steep slopes, source water protection overlays, or wetlands).

Table 4-5 shows land by development and constraint status. The data show that about 1,765 acres within vacant and master planned tax lots have development constraints that are not considered buildable, leaving about 411 vacant buildable acres within the UGB, 71% (291 acres) of which is in master planned tax lots.

Table 4-5. Vacant land by constraint status, Brookings UGB, 2008

Classification	Tax Lots	Acres in Tax Lots	Developed Acres	Constrained Acres	Buildable Acres
Developed	591	957	700	257	0
Master Planned	62	1,964	0	1,672	291
Vacant	91	213	0	93	120
Total	744	3,134	700	2,022	411

Source: Curry County GIS data; analysis by ECONorthwest

Table 4-6 shows vacant land by zoning district. Map 5 shows vacant land absolute development constraints and Map 6 shows vacant land.

Table 4-6. Vacant land by Zoning District, Brookings UGB, 2008

Zoning District	Tax Code	Total			
		Acres in Tax Lots	Constrained Acres	Unconstrained Acres	
Commercial					
Neighborhood Commercial	C-1	22	67	32	35
Shopping Center Commercial	C-2	0	0	0	0
General Commercial	C-3	34	13	2	11
Tourist Commercial	C-4	11	28	11	17
Professional Office	PO-1	1	0	0	0
Rural Commercial	RC	5	7	4	4
Subtotal		73	116	48	67
Industrial					
Industrial	I	9	66	29	38
Industrial Park	I-P	4	3	0	3
General Industrial	M-2	1	1	0	1
Rural Industrial	RI	4	27	16	11
Subtotal		18	98	45	53
Total		91	213	93	120

Source: Curry County GIS data; analysis by ECONorthwest

Map 5. Vacant Lands with constraints

Map 6. Vacant Lands

Table 4-7 shows vacant land by zoning district and by parcel size. This analysis is useful in that it shows the distribution of vacant land by parcel size, which allows an evaluation of whether a sufficient mix of parcel sizes is available. The distribution of buildable land by parcel size varies by plan designation, with the results showing the City has three vacant tax lots 10 to 20 acres and no sites larger than 20 acres.

Table 4-7. Buildable acres in vacant tax lots by zoning district and parcel size, Brookings UGB, 2008

Zoning	Lot Size (Buildable Acres)						Total
	< 1.00	1.00-1.99	2.00-4.99	5.00-9.99	10.00-19.99	20.00+	
Total Acres							
Commercial							
Neighborhood Commercial	4	3	10	0	18	0	35
Shopping Center Commercial	0	0	0	0	0	0	0
General Commercial	6	1	4	0	0	0	11
Tourist Commercial	3	2	6	6	0	0	17
Professional Office	0	0	0	0	0	0	0
Rural Commercial	1	0	2	0	0	0	4
Subtotal	15	6	23	6	18	0	67
Industrial							
Industrial	1	0	5	0	31	0	38
Industrial Park	1	2	0	0	0	0	3
General Industrial	0	1	0	0	0	0	1
Rural Industrial	1	0	3	7	0	0	11
Subtotal	4	3	8	7	31	0	53
Total	19	9	31	12	49	0	120
Number of Tax Lots							
Commercial							
Neighborhood Commercial	16	2	3	0	1	0	22
Shopping Center Commercial	0	0	0	0	0	0	0
General Commercial	32	1	1	0	0	0	34
Tourist Commercial	7	1	2	1	0	0	11
Professional Office	1	0	0	0	0	0	1
Rural Commercial	4	0	1	0	0	0	5
Subtotal	60	4	7	1	1	0	73
Industrial							
Industrial	6	0	1	0	2	0	9
Industrial Park	3	1	0	0	0	0	4
General Industrial	0	1	0	0	0	0	1
Rural Industrial	2	0	1	1	0	0	4
Subtotal	11	2	2	1	2	0	18
Total	71	6	9	2	3	0	91
Percent of Acres	16%	8%	26%	10%	41%	0%	100%
Percent of Tax Lots	78%	7%	10%	2%	3%	0%	100%

Source: Curry County GIS data; analysis by ECONorthwest

Note: Buildable acres includes "constrained" acres and "unconstrained" acres

This chapter summarizes the implications of the economic opportunities needs analysis for the City of Brookings. Chapter 2 examined economic trends and land needs from a regional and local perspective and discussed their potential impact on economic development in Brookings. Chapter 3 discussed employment growth in Brookings and presented an estimate of industrial and commercial site needs. Chapter 4 presented the inventory of buildable industrial and commercial land in Brookings.

This chapter presents a comparison of land supply (Chapter 4) and demand (Chapter 3). The comparison of land capacity and demand is followed by a discussion of land use efficiency opportunities in Brookings and key implications of the EOA for employment land need in the City of Brookings.

COMPARISON OF LAND CAPACITY AND DEMAND

This section presents an analysis of land availability and capacity for employment uses in Brookings based on analysis from Chapters 3 and 4. Table 5-1 shows a comparison of vacant employment land supply with employment land needs based on:

- **Site and Land Need.** Table 3-4 estimates employment land need based on site needs and average site sizes. Table 5-1 summarizes site and land need for Brookings from Table 3-4.
- **Land Supply.** Table 4-7 shows the supply of sites and land for commercial and industrial sites. Table 5-1 summarizes the supply of employment sites in Brookings from Table 4-7.

The comparison of employment land demand and supply in Table 5-1 shows that Brookings has the following site needs:

- **Surplus in some site sizes.** Brookings has a surplus of commercial and industrial sites less than 1 acre, 2 to 5 acres, and 10 to 20 acres.
- **Deficit in some site sizes.** Brookings has a deficit of commercial and industrial sites 1 to 2 acres and of commercial sites 5 to 10 acres.
- **No need for sites larger than 20 acres.** Brookings has no expected need for employment sites larger than 20 acres. These sites are typically needed by large manufacturers. Brookings' does not expect to attract these types of firms and has not identified goals of

attracting these types of employers in their economic development strategy.

Table 5-1. Comparison of vacant land supply and site needs, industrial and other employment land, Brookings UGB, 2009-2029

	Site Size (acres)					Greater than 20
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	
Site and Land Need						
Commercial						
Sites	45	12	7	2	1	na
Land (acres)	14	13	18	10	12	na
Industrial						
Sites	15	10	2	2	1	na
Land (acres)	6	11	4	10	12	na
Land Supply						
Commercial						
Sites	60	4	7	1	1	0
Land (acres)	15	6	23	6	18	0
Industrial						
Sites	71	6	9	2	3	0
Land (acres)	19	9	31	12	49	0
Comparison of demand and supply						
Commercial						
Sites Needed	15	(8)	0	(1)	0	na
Land (acres)	2	(7)	6	(4)	6	na
Industrial						
Sites Needed	56	(4)	7	0	2	na
Land (acres)	13	(2)	27	2	37	na

Source: Site and Land Need: from Table 3-4.

Land Supply: from Table 4-7

Comparison of demand and supply calculations: The site and land need was subtracted from the site and land supply, resulting in a surplus or deficit (in red) of commercial and industrial land.

EMPLOYMENT LAND USE EFFICIENCY AND OPPORTUNITIES

The analysis of employment land from Table 5-1 shows that Brookings has a surplus of employment land in some site sizes (especially small sites) but deficits in some site sizes (especially sites 1 to 2 acres). The City can meet some of the identified employment land need through more efficient use of land within the existing UGB, such as:

- **Downtown redevelopment.** The City's economic development strategy emphasizes the importance of concentrating high-amenity commercial uses in Brookings' downtown. One way to improve downtown is to encourage renovation and redevelopment of older structures. City policies should be sensitive to renovation and redevelopment concerns of owners of historic structures.

Brookings can take actions and adopt policies to increase the likelihood of redevelopment in downtown. For example, the revenue from Brookings' Urban Renewal district has been used for programs to improve streetscaping and infrastructure in downtown. The City can encourage downtown redevelopment by continuing to invest in downtown and, where feasible, expanding projects that improve downtown.

- **Parcel assembly.** Brookings has a surplus of sites less than one acre but a deficit of sites 1 to 2 acres. Some of the deficit of 1 to 2 acre sites could be addressed through parcel assembly, where one property owner purchases multiple small, adjacent lots to create one, larger lot. While parcel assembly can be difficult for sites larger than 5 acres, it may be possible to assemble one or more commercial sites to make a larger site.
- **Small industrial park.** Brookings has a deficit of about 4 industrial sites 1 to 2 acres in size but a surplus of 2 to 5 acre and 10 to 20 acre industrial sites. Vacant 2 to 5 acre sites are located throughout the city but concentrated in and around existing developed areas in Brookings and Harbor. The 10 to 20 acre sites are located in the north part of Brookings, north of Chetco Avenue. The City could address the deficit of small industrial sites through allowing and encouraging development of a small industrial park on one of the 10 to 20 acre sites. The industrial park could provide additional opportunities for small scale manufacturing, as well as create opportunities for efficient provision of public services and shared services.

Brookings has three master planned areas, two of which are outside of the City limits but within the UGB. Most of the lands in these master planned areas are expected to be used for residential uses. The employment land in

the master planned areas is not immediately available and was not included in the summary of vacant employment land in Chapter 4. These areas, however, present opportunities for employment uses:

- The *Borax Lone Ranch Master Plan*, for an area to at the northern end of Brookings' UGB, includes plans to designate 10 acres for development of the Brookings campus of Southwest Oregon Community College, which has been approved by the City Council. This master planned area will also include 4 additional acres of land for commercial needs.
- *Jack's Creek* master planned area is located in the south eastern part of the Brookings UGB. The area is designated for master planning but does not yet have a master plan. The area's primary use is expected to be residential but it may also include some small commercial sites to provide opportunities for small-scale commercial development, such as convenience stores.
- *Harbor Hills* master planned area is located in the south eastern part of the Brookings UGB. The area is designated for master planning but does not yet have a master plan. The area's primary use is expected to be residential but it may also include some small commercial sites to provide opportunities for small-scale commercial development, such as convenience stores.

EMPLOYMENT OPPORTUNITY SITES

In addition to the land-use efficiency measures and master planned areas discussed above, the City has opportunities for promoting development of larger vacant commercial sites to maximize employment uses and increase economic activity within Brookings. City staff have identified three areas within the City that may provide opportunities for more intense employment development. The ideas for uses on these sites are based on Brookings' site needs, target industries, economic development strategy, and discussion with City staff. ECONorthwest staff, however, has not visited these sites. The following three maps show each opportunity site.

Vacant Riverfront Property

The site is located adjacent to Azalea State Park, between the Chetco River and North Bank Chetco River Road. The site is zoned for Tourism Commercial (C-4) and is about 15 acres in three tax lots. This site has existing commercial buildings and a manufactured home. The site is highly visible from Chetco Avenue (Highway 101). The best use for this site may be active recreation-related uses, such as river-related recreation (e.g., fishing or boating), a water park, or resort with overnight accommodations and amenities. Compatible employment uses would be

retail related to recreation, such as a recreation equipment and apparel store.

Vacant Ocean Commercial

This site located between the Pacific Ocean and Chetco Avenue, South of Easy Street and north of Moore Street. The site is zoned for Tourism Commercial (C-4) and includes five tax lots and is about 11 acres in five tax lots. The prior use of this property was by a restaurant. The site is highly visible from Chetco Avenue (Highway 101) and borders on the Ocean. The best use for this site may be for marine-orient tourism. It could be the site for a small resort, including overnight accommodations (such as a hotel or inn), a restaurant, small shops, and a day spa. The location of the resort, ocean view, and access to the beach may provide opportunities to develop a high-amenity resort to attract affluent travelers. If the City wants to have a resort developed on this site, we recommend requiring a master planning process for development of the site.

Vacant Property Adjacent to the Mill

This site is located between Railroad Street, Mill Beach Road and Wharf Street. The majority of the site is zoned for Multifamily Residential uses (R-3) and General Commercial (C-3) and is about 16.5 acres in two tax lots. This site is adjacent to existing residential and commercial uses. The best use for this site may be mixed use development, which combines residential and commercial office and retail uses. We recommend requiring a master planning process for developing this area, to achieve the right balance and mixture of residential and commercial uses.

Map of Vacant Riverfront Property

Insert map of Vacant Ocean Commercial

Insert map of Vacant Property Adjacent to the Mill

IMPLICATIONS OF EMPLOYMENT LAND NEED

The analysis presented in the economic opportunities analysis has implications for Brookings economic land needs.

- *Economic growth.* Decision makers and community members that participated in the economic opportunities analysis agreed that economic growth is desirable over the planning period. The employment forecast indicates Brookings will add 1,013 new employees between 2009 and 2029 using the OAR 660-024-0040(8)(a)(ii) methodology. The economic opportunities analysis assumes that Brookings' employment growth will be in mostly small firms, focusing on service and retail firms that provide services to tourists and retirees. Industrial growth will be in small, often local businesses that produce small, portable goods. The City wants to diversify its economy and attract higher wage and professional jobs.
- *Buildable lands.* Brookings has 917 acres that are designated for industrial and commercial uses. Nearly 60% of the land designated for employment within Brookings UGB is considered developed. Brookings has about 120 acres of land that is considered buildable, unconstrained industrial and commercial land. Brookings has about 91 buildable employment sites, more than three-quarters of which are in sites less than one acre. In addition to land designated for industrial and commercial uses, there is more than 1,700 acres in three master planned areas within the Brookings UGB. While the vast majority of this land is expected to be for residential development, master planned areas provide opportunities for development of a campus of the Southwestern Oregon Community College and other retail and service sites.
- *Employment land use efficiency.* Brookings has opportunities for increasing efficient use of industrial and commercial land. The City wants to promote commercial redevelopment, especially in downtown Brookings. The City will need to make strategic investments that support redevelopment and to continue supporting redevelopment through City policies. Redevelopment in downtown may not require large infrastructure investments because of existing infrastructure. The City has opportunities to create efficient uses through designating land for mixed uses or special uses. The vacant property adjacent to the mill (described above) provides opportunities for mixed residential and employment uses.

Opportunities for efficient development on this site includes allowing (or requiring) buildings that include living space and work space (live-work units) and two story buildings with commercial uses on the first floor and residential uses on the second story. In addition, the City could designate land for a small industrial park, which would provide sites for small manufactures. Redevelopment and developing an industrial park could provide opportunities to provide 1 to 2 acre industrial and commercial sites, of which Brookings has a deficit.

- *Employment land need.* **Based on the analysis in the economic opportunities analysis, the City of Brookings does not need a UGB expansion to provide needed land for industrial and commercial needs.** The City can address deficits in some site sizes through some combination of the following means: (1) site assembly of smaller, vacant parcels, (2) redevelopment, (3) development of a small industrial park, (4) development in master planned areas, and (5) development in opportunity sites within the City.

SUGGESTED CHANGES TO BROOKINGS' COMPREHENSIVE PLAN ECONOMIC ELEMENT

Based on the analysis in the EOA and economic development strategy, we recommend updating the Economic Element of Brookings' Comprehensive Plan. The City should update the findings in the Economic Element to reflect the information presented in the EOA. In addition, the City should update the Economic Element to include key policies and implementation steps articulated in the economic development strategy:

1. Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period using the following implementation steps:
 - Provide commercial and industrial land to meet the site characteristics and site sizes described in the EOA.
 - Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing UGB, especially in downtown.
 - Provide land that creates opportunities for development of attractions to attract tourists.

- Work with land-owners to create larger opportunity sites described in the EOA. The City may be able to assist with this process through facilitating property owners with parcel assembly on the sites, ensure that zoning is appropriate to allow the desired uses, and working with local economic development agencies to attract users to develop the desired uses.
 - Provide opportunities for development of small-scale manufacturing through provision of land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.
 - Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances.
2. Encourage high-amenity commercial development in downtown Brookings include implementation steps that describe:
- The Urban Renewal District and general uses of funds from the Urban Renewal District.
 - Plans to work with private interests to improve the appearance of downtown through building improvements and streetscape improvements.
 - Encourage historic preservation in Brookings' downtown by working with private property owners to pursue State tax credits create incentives to rehabilitate buildings on the National Register of Historic Places.
 - Other programs to promote development in downtown, such as low-cost loan programs for capital improvements for downtown businesses or programs to promote historic preservation.
3. Support businesses in Brookings using the following implementation steps:
- Develop a business retention strategy by working with a task force to visit local firms and identify issues. The strategy would identify firms that may expand or be relocated are flagged and set priorities and tailor incentives or strategies specific to each firm.

- Pursue State and Federal grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing, construction of water and wastewater improvements, or the National Trust for Historic Preservation's "Main Streets Program."
4. Provide services that attract retirees, as well as serve residents using the following implementation steps:
- Facilitate development of a hospital facility in Brookings
 - Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities.

National, State, Regional, County, and Local Trends

This appendix summarizes national, state, regional, county, and local trends affecting Brookings. The information and analysis in this Appendix builds on previous work by ECONorthwest, but is specific to Brookings and Curry County. It presents a demographic and socioeconomic profile of Brookings (relative to Curry County and Oregon) and describes trends that will influence the potential for economic growth in Brookings. This appendix covers recent and current economic conditions in the City, and forecasts from the State Employment Department for employment growth in Curry County. This appendix meets the intent of OAR 660-009-0015(1).

NATIONAL, STATE, AND REGIONAL TRENDS

NATIONAL TRENDS

Economic development in Brookings over the next twenty years will occur in the context of long-run national trends. The most important of these trends include:

- **The aging of the baby boom generation, accompanied by increases in life expectancy.** The number of people age 65 and older will more than double by 2050, while the number of people under age 65 will grow only 22 percent. The economic effects of this demographic change include a slowing of the growth of the labor force, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.¹⁶

Baby boomers are expecting to work longer than previous generations. An increasing proportion of people in their early to mid-50s expect to work full-time after age 65. In 2004, about 40% of these workers expect to work full-time after age 65, compared with about 30% in 1992.¹⁷ This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2% of the workforce

¹⁶ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2008, *The 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, April 10, 2008

¹⁷ "The Health and Retirement Study," 2007, National Institute of Aging, National Institutes of Health, U.S. Department of Health and Human Services.

in 1992 to 3% of the workforce in 2002, an increase of 64%. Over the same ten-year period, workers 45 to 64 years increased by 70%.¹⁸

- **Tightening labor force.** Growth in the labor force is projected to slow over the 2006-2016 period as a result of: (1) aging and retirement of the baby boomer generation and (2) the labor force participation by women has peaked. Job growth is expected to outpace population growth, with a 10% increase in employment (15.6 million jobs) compared to a 9% increase in civilian noninstitutional population 16 years and older (22 million people).¹⁹
- **Need for replacement workers.** The need for workers to replace retiring baby boomers will outpace job growth. According to the Bureau of Labor Statistics, net replacement needs will be 33.4 million job openings over the 2006-2016 period, more than twice the growth in employment of 15.6 million jobs. Management occupations and teachers will have the greatest need for replacement workers because these occupations have older-than-average workforce.²⁰
- **Increases in labor productivity.** Productivity, as measured by output per hour, increased over the 1995 to 2005 period. The largest increases in productivity occurred over the 1995 to 2000 period, led by industries that produced, sold, or intensively used information technology products. Productivity increased over the 2000 to 2005 period but at a slower rate than during the later half of the 1990's. The sectors that experienced the largest productivity increases over the 2000 to 2005 period were: Information, Manufacturing, Retail Trade, and Wholesale Trade. Productivity in mining decreased over the five-year period.²¹
- **Continued trend towards domestic outsourcing.** Businesses continue to outsource work to less expensive markets. Outsourcing generally falls into two categories: (1) moving jobs from relatively expensive areas to less expensive areas within the U.S. and (2)

¹⁸ "Growing Numbers of Older Workers in Oregon," Oregon Employment Department.

¹⁹ Arlene Dohm and Lyn Shniper, "Occupational Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 86-125.

²⁰ Arlene Dohm and Lyn Shniper, "Occupational Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 86-125.

²¹ Corey Holman, Bobbie Joyeaux, and Christopher Kask, "Labor Productivity trends since 2000, by sector and industry," Bureau of Labor Statistics *Monthly Labor Review*, February 2008.

moving jobs outside of the U.S. to countries with lower labor costs. About three-quarters of layoffs in the U.S. between 1995 and 2004 were the result of domestic relocation, involving movement of work within the same company. The industries with the largest amounts of domestic outsourcing were: manufacturing, retail trade, and information.²²

- **Continued growth in global trade and the globalization of business activity.** With increased global trade, both exports and imports rise. Faced with increasing domestic and international competition, firms will seek to reduce costs through implementing quality- and productivity-enhancing technologies, such as robotics or factor automation. In addition, some production processes will be outsourced offshore.²³
- **Continued shift of employment from manufacturing and resource-intensive industries to the service-oriented sectors of the economy.** Increased worker productivity and the international outsourcing of routine tasks lead to declines in employment in the major goods-producing industries. Projections from the Bureau of Labor Statistics indicate that U.S. employment growth will continue to be strongest in healthcare and social assistance, professional and business services, and other service industries. Construction employment will also grow but manufacturing employment will decline.²⁴
- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. Increases in the population and in households' incomes, plus changes in tastes and preferences, have dramatically increased demands for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a

²² Sharon P. Brown and Lewis B. Siegel, "Mass Layoff Data Indicate Outsourcing and Offshoring Work," *Monthly Labor Review*, August 2005, pp. 3-10.

²³ Eric B. Figueroa and Rose A. Woods, 2007, "Industry Output and Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 53-85.

²⁴ Eric B. Figueroa and Rose A. Woods, 2007, "Industry Output and Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 53-85.; Arlene Dohm and Lyn Shniper, "Occupational Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 86-125.

region's quality of life and play an important role in attracting both households and firms.²⁵

- **Continued westward and southward migration of the U.S. population.** Although there are some exceptions at the state level, a 2006 U.S. Census report documents an ongoing pattern of interstate population movement from the Northeast and Midwest to the South and West.²⁶
- **The growing importance of education as a determinant of wages and household income.** According to the Bureau of Labor Statistics, a majority of the fastest growing occupations will require an academic degree, and on average they will yield higher incomes than occupations that do not require an academic degree. The fastest growing of occupations requiring an academic degree will be: computer software application engineers, elementary school teachers, and accountants and auditors. Occupations that do not require an academic degree (e.g., retail sales person, food preparation workers, and home care aides) will grow, accounting for about half of all jobs by 2016. These occupations typically have lower pay than occupations requiring an academic degree.²⁷

The national median income in 2006 was about \$32,000. Workers without a high school diploma earned \$13,000 less than the median income and workers with a high school diploma earned \$6,000 less than median income. Workers with some college earned slightly less than median and workers with a bachelor's degree earned \$13,000 more than median. Workers in Oregon experience the same patterns as the nation but pay is generally lower in Oregon than the national average.²⁸

- **The combination of rising energy costs, strong energy demand, and requirements to reduce emissions and increase use of renewable fuels.** Output from the most energy-intensive industries

²⁵ For a more thorough discussion of relevant research, see, for example, Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273-297.

²⁶ Marc J. Perry, 2006, *Domestic Net Migration in the United States: 2000 to 2004*, Washington, DC, Current Population Reports, P25-1135, U.S. Census Bureau.

²⁷ Arlene Dohm and Lyn Shniper, "Occupational Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 86-125.

²⁸ "Growing Number of Older Workers in Oregon," Oregon Employment Department and American Community Survey, U.S. Census, 2006.

is expected to decline, but growth in the population and in the economy is expected to increase the total amount of energy demanded. Energy sources diversify and the energy efficiency of automobiles, appliances, and production processes are projected to increase. The result of the increases in total amount of energy demanded and increases in energy efficiency and production methods may result in little change in the per capita energy use over the 2008 to 2030 period.²⁹

- **Potential impacts of global climate change.** There is growing support for but not a consensus about whether global climate change is occurring as a result of greenhouse gas emissions. There is a lot of uncertainty surrounding global climate change, including the pace of climate change and the ecological and economic impacts of climate changes. Climate change may result in the following changes in the Pacific Northwest: (1) increase in average temperatures, (2) shift in the type of precipitation, with more winter precipitation falling as rain, (3) decrease in mountain snow-pack and earlier spring thaw and (4) increases in carbon dioxide in the air.³⁰ Assuming that global climate change is occurring and will continue to occur over the next 20-years, a few broad, potential economic impacts for the nation and Pacific Northwest include:³¹
 - *Potential impact on agriculture and forestry.* Climate change may impact Oregon's agriculture through changes in: growing season, temperature ranges, and water availability.³² Climate change may impact Oregon's forestry through increase in wildfires, decrease in the rate of tree

²⁹ Energy Information Administration, 2008, *Annual Energy Outlook 2008 with Projections to 2030*, U.S. Department of Energy, DOE/EIA-0383(2008), April.

³⁰ "Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

³¹ The issue of global climate change is complex and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

³² "The Economic Impacts of Climate Change in Oregon: A preliminary Assessment," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

growth, change in mix of tree species, and increases in disease and pests that damage trees.³³

- Potential impact on tourism and recreation. Impacts on tourism and recreation may range from: (1) decreases in snow-based recreation if snow-pack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,³⁴ and (3) negative impacts on summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows.
- *Potential changes in government policies.* There is currently no substantial national public policy response to global climate change. States and regional associations of states are in the process of formulating policy responses to address climate change including: increasing renewable energy generation, selling agricultural carbon sequestration credits, and encouraging energy efficiency.³⁵ Without clear indications of the government policies that may be adopted, it is not possible to assess the impact of government policies on the economy.

Global climate change may offer economic opportunities. The search for alternative energy sources may result in increased investment and employment in "green" energy sources, such as wind, solar, and biofuels. Firms in the Northwest are well positioned to lead efforts on climate change mitigation, which may result in export products, such as renewable technologies or green manufacturing.³⁶

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times these trends may run counter to the long-term trends described above. A recent example is the

³³ "Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

³⁴ "The Economic Impacts of Climate Change in Oregon: A preliminary Assessment," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

³⁵ Pew Center on Global Climate Change website:
http://www.pewclimate.org/what_s_being_done/in_the_states/

³⁶ "The Economic Impacts of Climate Change in Oregon: A preliminary Assessment," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

downturn in economic activity in 2007 and 2008 following declines in the housing market and the mortgage banking crisis. The result of the economic downturn has been a decrease in employment related to the housing market, such as construction and real estate. Employment in these industries will recover as the housing market recovers and will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

STATE AND REGIONAL TRENDS

State and regional trends will also affect economic development in Brookings over the next twenty years. The most important of these trends includes: continued in-migration from other states, distribution of population and employment across the State,

- **Continued in-migration from other states.** Oregon will continue to experience in-migration from other states, especially California and Washington. According to a U.S. Census study, Oregon had net interstate in-migration (more people moved *to* Oregon than moved *from* Oregon) during the period 1990-2004.³⁷ Oregon had an annual average of 26,290 more in-migrants than out-migrants during the period 1990-2000. The annual average dropped to 12,880 during the period 2000-2004.³⁸ Most in-migrants come from California, Washington, and other western states.³⁹
- **Concentration of population and employment in the Willamette Valley.** About 6% of Oregon's population lives in Coastal Oregon. Nearly 70% of Oregon's population lives in the Willamette Valley and about 10% lives in Southern Oregon. The Oregon Office of Economic Analysis (OEA) forecasts that population will be less

³⁷ Marc J. Perry, 2006, *Domestic Net Migration in the United States: 2000 to 2004*, Washington, DC, Current Population Reports, P25-1135, U.S. Census Bureau.

³⁸ In contrast, California had net interstate *out-migration* over the same period. During 1990-2000, California had an annual average of 220,871 more out-migrants than in-migrants. The net outmigration slowed to 99,039 per year during 2000-2004.

³⁹ Oregon Department of Motor Vehicles collects data about state-of-origin for drivers licenses surrendered by people applying for an Oregon drivers license from out-of-state. Between 2000 and 2007, about one-third of licenses surrendered were from California, 15% to 18% were surrendered from Washington, and about 17% to 19% were from the following states: Arizona, Idaho, Nevada, Colorado, and Texas.

concentrated in Coastal Oregon through 2040, falling slightly to 5% of Oregon's population.

Employment growth generally follows the same trend as population growth. Employment growth varies between regions even more, however, as employment reacts more quickly to changing economic conditions. Total employment increased in each of the state's regions over the period 1970-2006 but over 70% of Oregon's employment was located in the Willamette Valley.

- **Change in the type of industries in Oregon.** As Oregon has transitioned away from natural resource-based industries, the composition of Oregon's employment has shifted from natural resource based manufacturing and other industries to service industries. The share of Oregon's total employment in all service sectors increased from 44% of employment in 1970 to 56% of employment in 2000. Over the same period, employment in Manufacturing declined from 20% of employment in 1970 to 13% of employment in 2000. This trend has slowed in recent years, with services accounting for 56% of employment in 2007 and Manufacturing accounting for 14% of employment in 2007.
- **Shift in manufacturing from natural resource-based to high-tech and other manufacturing industries.** Since 1970, Oregon started to transition away from reliance on traditional resource-extraction industries. A significant indicator of this transition is the shift within Oregon's manufacturing sector, with a decline in the level of employment in the Lumber & Wood Products industry and concurrent growth of employment in other manufacturing industries, such as high-technology manufacturing (Industrial Machinery, Electronic Equipment, and Instruments), Transportation Equipment manufacturing, and Printing and Publishing.⁴⁰
- **Continued importance of manufacturing to Oregon's economy.** Revenue from exports totaled \$16.5 billion in 2007, an increase of \$5.1 billion or 45% since 2000. Four of the five industries that accounted for more than three-quarters of revenue from exports in 2007 (\$12.6 billion) were manufacturing industries: Computers and Electronic Production (\$6.3 billion); Crop Production (\$2.2 billion);

⁴⁰ Although Oregon's economy has diversified since the 1970's, natural resource-based manufacturing accounts for more than one-third of employment in manufacturing in Oregon in 2006, with the most employment in Wood Product and Food manufacturing.

Transportation Equipment (\$1.7 million); Machinery Manufacturers (\$1.7 million); and Chemical Manufacturers (\$0.7 million). Manufacturing employment is concentrated in five counties in the Willamette Valley or Portland area: Washington, Multnomah, Lane, Clackamas, and Marion Counties. Average wages for employees of manufacturing firms in these counties in 2006 ranged from \$71,500 to \$34,200 and were generally above the state's average (about \$38,000) ⁴¹

- **Small businesses continue to account for over 50% of employment in Oregon.** Small business, with 100 or fewer employees, account for 51% of private sector employment in Oregon, up from about 50.2% of private employment in 2000 and down from 52.5% in 1996. Workers of small businesses typically had lower wages than the state average, with average wages of \$33,130 compared to the statewide average of about \$38,000 in 2006.
- **Continued lack of diversity in the State Economy.** While the transition from Lumber and Wood Products manufacturing to high-tech manufacturing has increased the diversity of employment within Oregon, it has not significantly improved Oregon's economic diversity relative to the national economy. Oregon's relative diversity has historically ranked low among states. Oregon ranked 35th in diversity (1st = most diversified) based on Gross State Product data for 1963–1986, and 32nd based on data for the 1977–1996 period.⁴² A recent analysis, based on 2006 data, ranked Oregon 31st.⁴³ These rankings suggest that Oregon is still heavily dependent on a limited number of industries. Relatively low economic diversity increases the risk of economic volatility as measured by changes in output or employment.

The changing composition of employment has not affected all regions of Oregon evenly. Growth in high-tech and Services employment has been concentrated in urban areas of the Willamette Valley and Southern Oregon, particularly in Washington and Benton Counties. The brunt of the decline in Lumber & Wood Products employment was felt in rural Oregon, where these jobs represented a larger share of total employment and an even larger share of high-paying jobs than in urban areas.

⁴¹ OECCD, "Economic Data Packet, March 2008."

⁴² LeBre, Jon. 1999. "Diversification and the Oregon Economy: An Update." *Oregon Labor Trends*. February.

⁴³ CFED, 2007, The Development Report Card for the States, <http://www.cfed.org>.

ECONOMIC TRENDS IN CURRY COUNTY AND BROOKINGS

Future economic growth in Brookings will be affected in part by demographic and economic trends in the city and surrounding region. A review of historical demographic and economic trends provides a context for establishing a reasonable expectation of future growth in Brookings. In addition, the relationship between demographic and economic indicators such as population and employment can help assess the local influence of future trends and resulting economic conditions. This section addresses the following trends in Brookings:

- Population and demographics
- Household and personal income
- Employment
- Business activity
- Outlook for growth in Brookings

POPULATION AND DEMOGRAPHIC CHARACTERISTICS

Population growth in Oregon tends to follow economic cycles. Historically, Oregon's economy is more cyclical than the nation's, growing faster than the national economy during expansions, and contracting more rapidly than the nation during recessions. Oregon grew more rapidly than the U.S. in the 1990s (which was generally an expansionary period) but lagged behind the U.S. in the 1980s. Oregon's slow growth in the 1980s was primarily due to the nationwide recession early in the decade. As the nation's economic growth has slowed during 2007, Oregon's population growth began to slow.

Oregon's population grew from 2.8 million people in 1990 to 3.7 million people in 2007, an increase of more than 900,000 people at an average annual rate of 1.6%. Oregon's growth rate slowed to 1.3% annual growth between 2000 and 2007.

Curry County grew slower than the State average between 1990 and 2007, growing at 0.6% annually and adding more than 2,000 people. More than 30% of the County's population lived in Brookings in 2007. Brookings' population grew faster than the County average, at 2.3% annually, adding 2,055 residents over the seventeen-year period.

Table A-1. Population in the U.S., California, Oregon, Curry County, and Brookings, 1990-2007

Area	Population			Change 1990 to 2007		
	1990	2000	2007	Number	Percent	AAGR
U.S.	248,709,873	281,421,906	301,621,157	52,911,284	21%	1.1%
California	29,760,021	33,871,648	36,553,215	6,793,194	23%	1.2%
Oregon	2,842,321	3,421,399	3,745,455	903,134	32%	1.6%
Curry County	19,327	21,137	21,475	2,148	11%	0.6%
Brookings	4,400	5,447	6,455	2,055	47%	2.3%

Source: 1990 and 2000 population: U.S. Census, Summary File 1, Table P1.

Accessed: http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=DEC&_submenuId=datasets_1&_lang=en

2007 population: Population Research Center at Portland State University. Accessed: <http://www.pdx.edu/prc/> Calculations for "Change 1990 to 2007" by column heading: Number (2007-1990); Percent change: (2007-1990)/1990;

AAGR calculated with Excel function: rate(17,,-1990,2007)

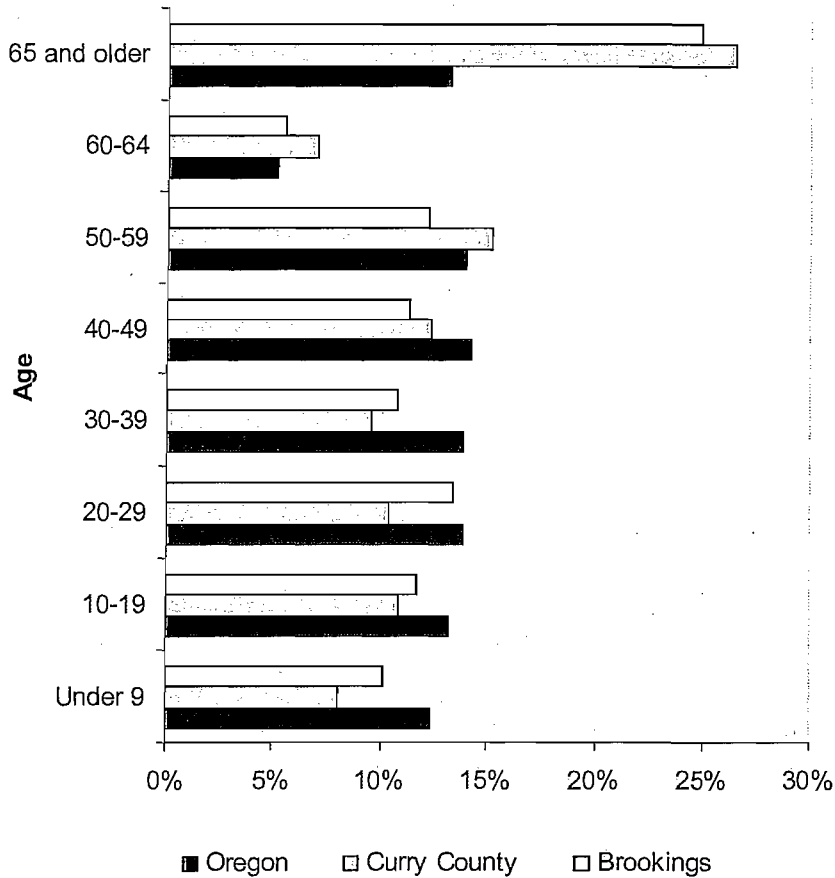
Migration is the largest component of population growth in Oregon. Between 1990 and 2007, in-migration accounted for 70% of Oregon's population growth. Population growth in Curry County and Brookings is dominated by in-migration, especially from California. In-migration accounted for all growth in Curry County between 1990 and 2007, accounting for an increase of more than 4,000 residents over the seventeen-year period. In contrast, Curry County's population change from natural increase (births minus deaths) was negative over the seventeen-year period, with 1,906 more deaths than births over the seventeen-year period. A study of in-migration to Curry County 2004 showed that in 2004 more than two-thirds of people moving to Curry County came from out of State, lead by in-migration from California.⁴⁴

Curry County and Brookings have a different age structure than the State, with substantially more retired residents than the State average. According to the Census, the median age in 2000 in Brookings was 43.1 years, compared with the County average of 48.8 years and the State average of 36.3 years.

Figure A-1 shows the age structure for Oregon, Curry County, and Brookings in 2007. About 31% of Brookings' population and 34% of Curry County's populations were over 60, compared to the State average of 18%. Similarly, Oregon (39%) has a higher percentage of the population under the age of 30 than Curry County (29%) and Brookings (35%).

⁴⁴ Oregon Employment Department, "Migration is Important on the South Coast", November 28, 2005. Accessed from: <http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004644>

Figure A-1. Population by age, Oregon, Curry County, and Brookings, 2007



Source: Oregon Prospector.
 Accessed: <http://www.oregonprospector.com/profiles.asp>
 Calculations: Percentages of total calculated by ECONorthwest.

Table A-2 shows the change in age distribution for Brookings between 1990 and 2000. Population increased in all age groups except for the under five years category. The age group that increased the most was people aged 45 to 64, which grew by 443 people (53%). This age group's share of the total population increased from 19% to 24% during this time period. The population decrease in the under five years category was small, falling only by 19 people (6%).

Table A-2. Change in age distribution, Brookings, 1990-2000

Age Group	1990		2000		Change		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	315	7%	296	5%	-19	-6%	-2%
5-17	781	18%	1,002	18%	221	28%	1%
18-24	268	6%	308	6%	40	15%	0%
25-44	1,227	28%	1,258	23%	31	3%	-5%
45-64	838	19%	1,281	24%	443	53%	4%
65 and over	971	22%	1,302	24%	331	34%	2%
Total	4,400	100%	5,447	100%	1,047	24%	0%

Source: U.S. Census 1990, Summary File 1, P011. U.S. Census 2000, Summary File 1, P12.
 Accessed: http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=DEC&_submenuId=datasets_1&_lang=en
 Calculations for "Change" by column heading: Number (2000 number – 1990 number), Percent (Change number / 1990 number), Share (2000 percent – 1990 percent)

The Oregon Office of Economic Analysis (OEA) predicts that Curry County's population will continue to grow older during the planning period. The OEA forecasts that residents 60 years and older will grow by about 45% between 2000 and 2030. The percent of Curry County residents 60 years and over is forecast to increase from 34% in 2000 to 45% in 2030.

As the population in Curry County ages, the County's workforce is aging. More than 40% of the workforce in the South Coast, which includes Curry and Coos Counties, was 45 years or older in 2003, compared with about 30% of the workforce in 1991. Although the number of older workers has increased substantially on the Southern Coast, the percent of working people 65 and older is lower than the State average. About 5.5% of South Coast residents 65 years and older was employed in 2003, compared with the State average of 10%, accounting for 4% of the South Coast's workforce.⁴⁵

Older workers typically earn less than younger workers, both in Curry County and statewide. Workers 65 years and older had an average wage that was just less than half of the average wage for all workers on the South Coast. In comparison, workers 65 years and older had a statewide average wage that was about two-thirds of the statewide average wage for all workers.⁴⁶

⁴⁵ Oregon Employment Department, "The South Coast's Population and Workforce is Aging", September 23, 2005. Accessed from: <http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004545>

⁴⁶ Oregon Employment Department, "The South Coast's Population and Workforce is Aging", September 23, 2005. Accessed from: <http://www.qualityinfo.org/olmisj/ArticleReader?itemid=00004545>

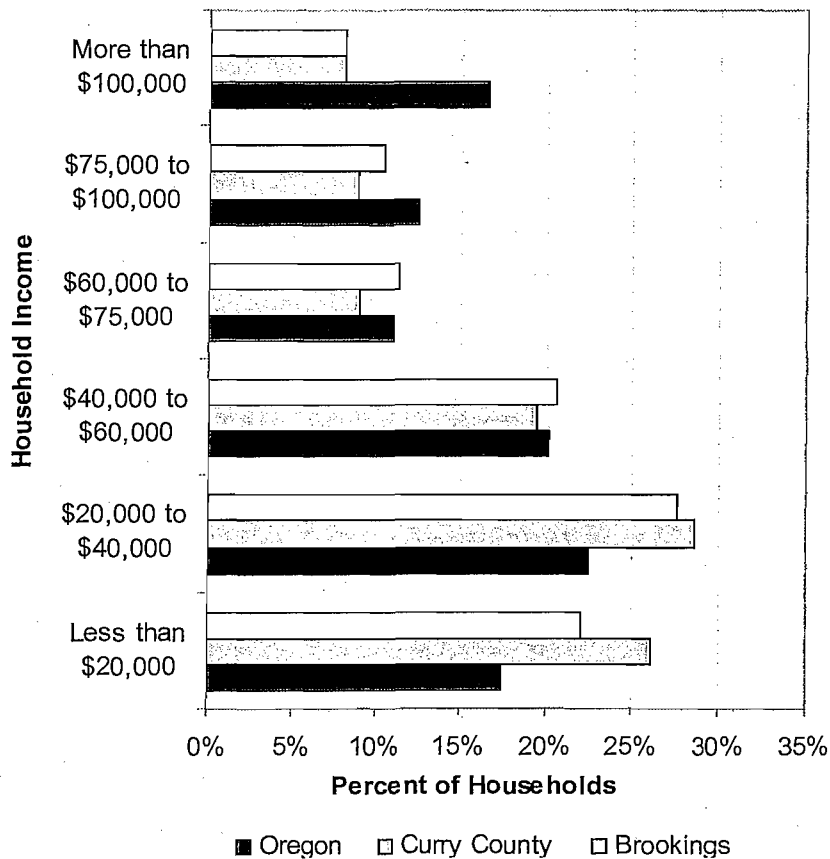
HOUSEHOLD AND PERSONAL INCOME

Income in Curry County and Brookings has historically been lower than the State or national averages. Brookings' median household income in 1999 was \$31,656, compared with \$40,916 for Oregon and the national average of \$41,994. The median household income in Curry County in 1999 was \$30,117, 65% of the city's median income.

According to Oregon Prospector, Brookings had 2,620 households in 2007 with an average household income of \$43,285. Curry County had 10,204 households with an average income of \$43,222.

Figure A-2 shows the distribution of household income in Oregon, Curry County, and Brookings in 2007. Figure A-2 shows that a larger share of households in Curry County (26%) had an income of \$20,000 or less, compared to Oregon (17%). Brookings had a higher share of households with an income above \$75,000 (18%) than the County (17%) but not the State (26%).

Figure A-2. Distribution of household income of Oregon, Curry County, and Brookings, 2007



Source: Oregon Prospector.
 Accessed: <http://www.oregonprospector.com/profiles.asp>
 Calculations: Percentages of total calculated by ECONorthwest.

Table A-3 shows average annual pay per employee in the Oregon and Curry County for 2000 to 2007. Curry County's average annual wage increased by 23% from \$22,562 to \$27,765 over the period. Curry County's average pay grew slightly faster than the State average, increasing from 69% of the State average in 2000 to 70% in 2007. The average annual pay in the State grew by 21% (almost \$6,800) over the period.

Table A-3. Average annual pay, U.S., Oregon, and Curry County, 2000-2007

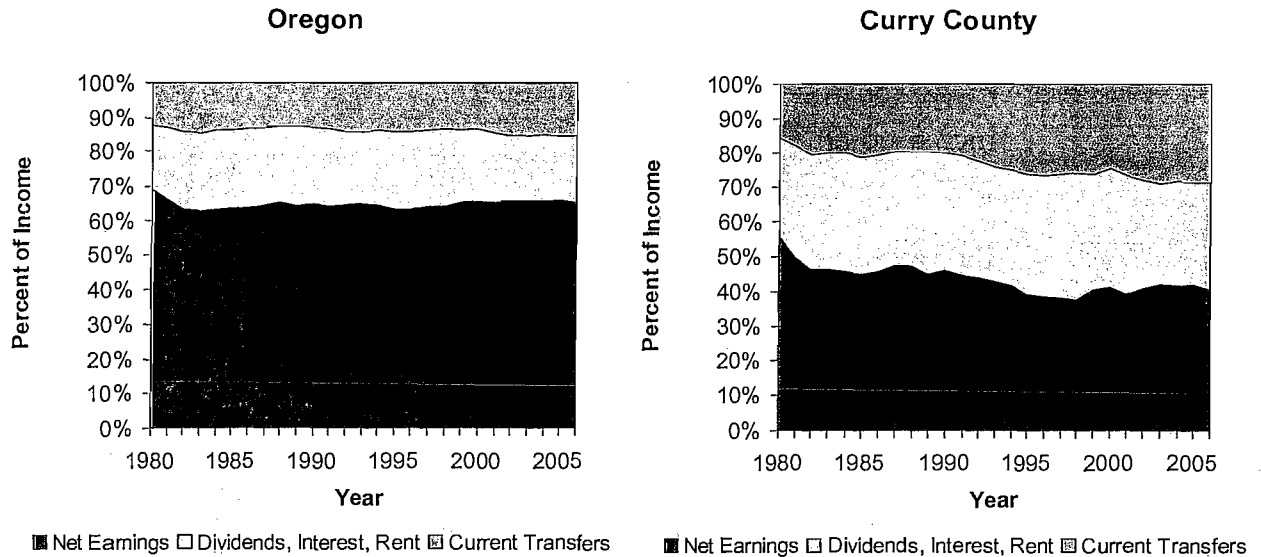
Year	U.S.	Oregon	Curry County	Curry County	
				% of U.S.	% of State
2000	\$35,323	\$32,776	\$22,562	64%	69%
2001	\$36,219	\$33,202	\$22,777	63%	69%
2002	\$36,764	\$33,685	\$23,843	65%	71%
2003	\$37,765	\$34,455	\$23,828	63%	69%
2004	\$39,354	\$35,627	\$24,721	63%	69%
2005	\$40,677	\$36,593	\$25,975	64%	71%
2006	\$42,535	\$38,070	\$26,925	63%	71%
2007	\$44,450	\$39,566	\$27,765	62%	70%
Change 2000 to 2007					
Nominal Change	\$9,127	\$6,790	\$5,203		
Percent Change	26%	21%	23%		

Oregon and Curry County Source: Oregon Employment Department. Covered Employment and Payroll.
 Accessed: <http://www.qualityinfo.org/olmisi/CEP>
 U.S. Source: Bureau of Labor Statistics, Employment, Hours, and Earnings Database
 Accessed: <http://www.bls.gov/data/>

Figure A-3 shows percentage of income by source for Oregon and Curry County from 1980 to 2006. The source of household income changed substantially in Curry County over the 26-year period. The percent of household income in Curry County from net earnings declined from 56% in 1980 to 40% in 2006. At the same time, the percent of household income from current transfers increased from 16% in 1980 to 29% in 2006. Household income from dividends, interest, and rent fluctuated between 28% in 1980 and peaked at 36% in the late 1990's.

In contrast, the source of income has remained relatively stable in Oregon over the 26-year period. Net earnings accounts for about two-thirds of household income, dividends, interest, and rent account for about 20% of household income, and the remainder of income is from current transfers.

Figure A-3. Income by source, Oregon and Curry County, 1980-2006



Source: Bureau of Economic Analysis, U.S. Department of Commerce, Table CA-05.
 Accessed: <http://www.bea.gov/regional/reis/default.cfm?catable=CA05>

The sources of income in Curry County support the idea that the County has a growing retired population. Retired people are more likely to have income from current transfers (e.g., social security) than the entire population and older people tend to have more income than the entire population from accumulated wealth in the form of dividends, interest, and rent.

EMPLOYMENT

Tables A-4 and A-5 present data from the Oregon Employment Department that show changes in covered employment⁴⁷ for Curry County between 1980 and 2007. The changes in sectors and industries are shown in two tables: (1) between 1980 and 2000 and (2) between 2001 and 2007. The analysis is divided in this way because of changes in industry and sector classification that made it difficult to compare information about employment collected after 2001 with information collected prior to 2000.

Employment data in this section is summarized by *sector*, each of which includes several individual *industries*. For example, the Retail Trade sector includes General Merchandise Stores, Motor Vehicle and Parts Dealers, Food and Beverage Stores, and other retail industries.

⁴⁷ Covered employment refers to jobs covered by unemployment insurance, which includes most wage and salary jobs but does not include sole proprietors, seasonal farm workers, and other classes of employees.

Table A-4 shows the changes in covered employment by sector in Curry County between 1980 and 2000. Covered employment in the County grew from 4,684 to 6,339, an increase of 35% or 1,655 jobs.

The sectors with the greatest increase in employment were Services and Retail Trade, adding a total of 1,571 jobs or about 95% of all new jobs. Mining, Manufacturing, and Government were the only three sectors to not gain jobs over the period.

In 2000, covered employment in Curry County was 6,338. The three largest private industries in the County were Retail Trade with 1,719 jobs (27%), Services with 1,306 jobs (21%), and Manufacturing with 845 jobs (13%). Government jobs accounted for 1,220 people (19%).

Services grew by 797 jobs during the twenty-year period, in increase of more than 150%. The industries with the largest service growth were hotels and other lodging, business services, health services, and social services.

Table A-4. Covered employment in Curry County, 1980-2000

Sector	1980	1990	2000	Change 1980 to 2000		
				Difference	Percent	AAGR
Agriculture, Forestry & Fishing	182	123	232	50	27%	1.2%
Mining	18	0	0	-18	-100%	N/A
Construction	195	304	376	181	93%	3.3%
Manufacturing	1,237	1,016	845	-392	-32%	-1.9%
Trans., Comm., & Utilities	157	212	238	81	52%	2.1%
Wholesale Trade	57	54	84	27	47%	2.0%
Retail Trade	945	1,463	1,719	774	82%	3.0%
Finance, Insurance & Real Estate	151	207	256	105	70%	2.7%
Services	509	845	1,306	797	157%	4.8%
Nonclassified	0	59	63	63	N/A	N/A
Government	1,233	1,242	1,220	-13	-1%	-0.1%
Total	4,684	5,525	6,339	1,655	35%	1.5%

Source: Oregon Employment Department, Oregon Labor Market Information System, Covered Employment & Wages. <http://www.qualityinfo.org/olmisj/CEP>

Summary by industry and percentages calculated by ECONorthwest. Note: Total employment does not reflect confidential or nonclassifiable jobs.

Average pay per employee increased from about \$12,400 in 1980 to \$22,600 in 2000. The sectors that grew the fastest generally paid less than average, with Services and Retail Trade both paying around 70% of the average annual wage.

Table A-5 shows the change in covered employment by sector for Curry County between 2001 and 2007. Employment increased by 584 jobs or 9% during the six-year period. The sectors with the largest growth were Construction (178 jobs), Accommodations and Food Services (135 jobs), and Education and Health Services (120 jobs). The sectors with the largest

percentage growth were Professional, Scientific and Tech Services (78%), Finance and Insurance (55%), and Construction (46%). The sectors that lost the greatest number of employees during this period were Retail (47 jobs), Wholesale (39 jobs), and Manufacturing (31 jobs).

Table A-5. Covered employment in Curry County, 2001-2007

Sector	2001	2007	Change 2001 to 2007		
			Difference	Percent	AAGR
Natural Resources & Mining	341	324	-17	-5%	-0.8%
Construction	385	563	178	46%	6.5%
Manufacturing	661	630	-31	-5%	-0.8%
Wholesale	75	36	-39	-52%	-11.5%
Retail	1,095	1,048	-47	-4%	-0.7%
Transportation & Warehousing	133	174	41	31%	4.6%
Information	145	123	-22	-15%	-2.7%
Finance & Insurance	130	202	72	55%	7.6%
Real Estate Rental & Leasing	108	110	2	2%	0.3%
Professional, Scientific & Tech. Srv.	100	178	78	78%	10.1%
Education & Health Services	536	656	120	22%	3.4%
Arts, Entertainment & Recreation	80	57	-23	-29%	-5.5%
Accomodations & Food Services	945	1,080	135	14%	2.3%
Other Services (except Public Admin.)	213	219	6	3%	0.5%
Nonclassified	219	239	20	9%	1.5%
Government	1,176	1,287	111	9%	1.5%
Total	6,342	6,926	584	9%	1.5%

Source: Oregon Employment Department, Oregon Labor Market Information System, Covered Employment & Wages. <http://www.qualityinfo.org/olmisj/CEP>
 Summary by industry and percentages calculated by ECONorthwest. Note: Does not include all industries due to confidentiality.

The average pay per employee in Curry County in 2007 was \$27,765. The sectors with above average pay and high employment were: Construction, Manufacturing, and Government. The sectors with below average pay and high employment were: Retail; Trade, Transportation, and Utilities; and Leisure and Hospitality.

Table A-6 shows covered employment in Brookings in 2008, based on data from Oregon Prospector.⁴⁸ The sectors with the most employees were: Services (44%), Retail Trade (17%), and Manufacturing (18%). These sectors accounted for 2,403 jobs or 79% of Brookings' jobs.

⁴⁸ Oregon Prospector is the State's official web site to promote economic development. It is available at www.oregonprospector.com.

Table A-6. Covered employment in Brookings, 2008

Sector	Employment	Percent
Agriculture, Forestry, and Fishing	32	1%
Mining	5	0%
Construction	87	3%
Manufacturing	543	18%
Transportation and Communications	104	3%
Wholesale Trade	35	1%
Retail Trade	513	17%
Finance, Insurance, and Real Estate	219	7%
Services	1,347	44%
Public Administration	144	5%
Unclassified	6	0%
Total	3,035	100%

Source: Oregon Prospector. Accessed: <http://oregonprospector.com/profiles.asp>

Table A-7 shows the size (in employees) of businesses in Brookings. Over two-thirds of businesses (238 firms) in Brookings employ less than five people, and only 15% of businesses (52 firms) in Brookings employ more than 9 people.

Table A-7. Establishments by size in Brookings, 2008

Employees	Establishments	Percent
1-4	238	68%
5-9	59	17%
10-19	26	7%
20-49	17	5%
50-99	7	2%
Over 100	2	1%
Total	349	100%

Source: Oregon Prospector.
Accessed: <http://oregonprospector.com/profiles.asp>

TOURISM

Tourism is an important component of Curry County's economy. One way to estimate changes in the economic impact of tourism is to examine changes in lodging tax receipts and direct travel spending. Table A-8 shows lodging tax receipts and direct travel spending in Curry County and Brookings from 2002 to 2007. Curry County had \$3.1 million income from local and state lodging tax receipts in 2007 and Brookings had \$170,700 in lodging tax receipts. Lodging tax receipts increased between 2002 and 2007 in both Curry County and Brookings, with an increase of \$700,000 (29%) in Curry County and \$27,000 (19%) in Brookings. Direct travel spending in Curry County grew from \$92.4 million in 2002 to \$108.6 million in 2007, an increase of \$16.2 million or 18%.

Table A-8. Tax receipts and direct travel spending in Curry County and Brookings, 2002-2007.

Year	Curry County		Brookings
	Tax receipts from travel spending	Direct travel spending	Lodging tax receipts
2002	\$2,400,000	\$92,100,000	\$143,000
2003	\$2,400,000	\$93,500,000	\$153,500
2004	\$2,700,000	\$38,200,000	\$161,000
2005	\$2,700,000	\$98,100,000	\$171,200
2006	\$2,800,000	\$101,400,000	\$159,800
2007	\$3,100,000	\$108,400,000	\$170,700
Change 1997-2007			
Amount	\$700,000	\$16,300,000	\$27,700
% change	29%	18%	19%

Source: Dean Runyan Associates. Curry County in "or07detcouimp.pdf" and Brookings in "tot07.pdf"
 Accessed: <http://www.deanrunyan.com/impactsOR.html>

Table A-9 shows industry employment generated by travel spending in Curry County in 2007. Direct spending on tourism accounted for nearly 1,800 jobs in Curry County in 2007, with the majority (1,200 jobs) in the Accommodations and Food Service industry. Other sectors with tourism-related jobs Curry County were Arts, Entertainment, and Recreation (360 jobs) and Retail (210 jobs).

Table A-9. Industry employment generated by travel spending in Curry County, 2007.

Industry	Employment
Accommodations & Food Service	1,200
Arts, Entertainment & Recreation	360
Retail	210
Other sectors	10
Total Direct Employment	1,780

Source: Dean Runyan Associates.
 Accessed: <http://www.deanrunyan.com/impactsOR.html>, "or07pdetcouimp.pdf"

OUTLOOK FOR GROWTH IN BROOKINGS

Table A-10 shows the population forecast developed by the Office of Economic Analysis for Oregon and Curry County for 2000 through 2040. Curry County is forecast to grow at a slower rate than Oregon over the 2010 to 2030 period. The forecast shows Curry County's population will grow by about 1,695 people over the 20-year period, an 8% increase at an average annual rate of 0.4%. Over the same period, Oregon's population is forecast to grow by 27% at an average annual rate of 1.2%.

**Table A-10. State population forecast,
Oregon and Curry County,
2000 to 2040**

Year	Oregon	Curry County
2000	3,436,750	21,200
2005	3,618,200	21,115
2010	3,843,900	21,530
2015	4,095,708	22,112
2020	4,359,258	22,671
2025	4,626,015	23,057
2030	4,891,225	23,225
2035	5,154,793	23,299
2040	5,425,408	23,432
Change 2010 to 2030		
Amount	1,047,325	1,695
% Change	27%	8%
AAGR	1.2%	0.4%

Source: Office of Economic Analysis Demographic Forecast.
 Accessed: [http://www.oregon.gov/DAS/OEA/demographic.shtml#
 Long_Term_County_Forecast"pop_components.xls"](http://www.oregon.gov/DAS/OEA/demographic.shtml#Long_Term_County_Forecast%27pop_components.xls)

The City of Brookings forecasts that population within the City limits will grow to 9,340 people by 2015 and that the population in the Brookings UGB will grow to 16,440 in 2015. The City's population forecast was based on population in the city as of 1993 (4,970 people) and assumed that population in the UGB would grow by 3% annually until 2013 and then 2% annually thereafter.⁴⁹

Table A-11 shows the Oregon Employment Department's forecast for employment growth by industry over the 2006 to 2016 period for Region 7 in Oregon, which is Coos and Curry Counties. Employment in Region 7 is forecast to grow from 30,620 to 33,610 employees, an increase of 2,990 jobs over the 10-year period. Employment in Region 7 is forecast to grow faster than population, at an average annual rate of 0.9%.

The sectors that are forecasted to lead employment growth in Region 7 for the ten-year period are: Government (770 jobs), Educational & Health Services (540 jobs), Leisure & Hospitality (530 jobs), and Trade, Transportation, and Utilities (500 jobs). Together, these sectors are expected to account for 78% of employment growth in Region 7.

⁴⁹ The City's forecast is stated in the City of Brookings Comprehensive Plan, Goal 10, Finding 1D.

Table A-11. Nonfarm employment forecast by industry in Region 7 (Coos and Curry Counties), 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Logging & Mining	750	720	-30	-4%
Construction	1,740	1,900	160	9%
Manufacturing	2,250	2,180	-70	-3%
Wood Product Manufacturing	1,370	1,280	-90	-7%
Food Manufacturing	270	260	-10	-4%
Trade, Transportation & Utilities	5,820	6,320	500	9%
Wholesale Trade	490	520	30	6%
Retail Trade	4,160	4,570	410	10%
Food & Beverage Stores	1,000	1,090	90	9%
General Merchandise Stores	1,010	1,130	120	12%
Transportation, Warehousing & Utilities	1,170	1,230	60	5%
Information	390	400	10	3%
Financial Activities	1,440	1,560	120	8%
Professional & Business Services	3,290	3,690	400	12%
Educational & Health Services	2,800	3,340	540	19%
Leisure & Hospitality	3,680	4,210	530	14%
Other Services	810	880	70	9%
Government	7,650	8,420	770	10%
Federal Government	440	410	-30	-7%
State Government	1,300	1,330	30	2%
Local Government	5,920	6,680	760	13%
Indian Tribal	760	1,090	330	43%
Local Education	1,910	1,930	20	1%
Total nonfarm employment	30,620	33,610	2,990	10%

Source: Oregon Employment Department. Employment Projections by Industry 2006-2016.
 Accessed: <http://www.qualityinfo.org/olmisj/OlmisZine?zineid=00000010>
 Projections summarized by ECONorthwest.

Factors Affecting Future Economic Growth in Brookings

This appendix presents a detailed analysis consistent with the requirements of OAR 660-009-0015(4) of Brookings' competitive advantages relative to the Curry County, the southern Oregon Coast and northern California Coast, and Oregon. The information presented in this appendix is summarized in Chapter 2.

Each economic region has different combinations of productive factors: land (and natural resources), labor (including technological expertise), and capital (investments in infrastructure, technology, and public services). While all areas have these factors to some degree, the mix and condition of these factors vary. The mix and condition of productive factors may allow firms in a region to produce goods and services more cheaply, or to generate more revenue, than firms in other regions.

By affecting the cost of production and marketing, competitive advantages affect the pattern of economic development in a region relative to other regions. Goal 9 and OAR 660-009-0015(4) recognizes this by requiring plans to include an analysis of the relative supply and cost of factors of production.⁵⁰ An analysis of competitive advantage depends on the geographic areas being compared. In general, economic conditions in Brookings will be largely shaped by national and regional economic conditions affecting Oregon's southern coast. Chapter 2 and Appendix A present trends and forecasts of conditions in Oregon and Brookings to help establish the context for economic development in Brookings. Local economic factors will help determine the amount and type of development in Brookings relative to other communities in Oregon.

This appendix focuses on the competitive advantages of Brookings as a recreation destination relative to the rest of Oregon. The implications of the factors that contribute to Brookings' competitive advantage are discussed at the end of this chapter.

⁵⁰ OAR 660-009-0015(4) requires assessment of the "community economic development potential." This assessment must consider economic advantages and disadvantages—or what Goal 9 broadly considers "comparative advantages."

LOCATION

Brookings is a city with a population of approximately 6,455 people in 2007, located on the coast in Southern Oregon. The Oregon Coast Highway (Highway 101 or Chetco Avenue) runs through the center of Brookings, connecting Brookings with communities on the southern Oregon Coast and northern California Coast.

Brookings is located about 7 miles north of the Oregon-California border, and lies immediately north of Harbor, a smaller unincorporated community. The Chetco River separates Brookings from Harbor.

Brookings' location will continue to impact Brookings' future economic development. Brookings' relatively remote location, relative to the Willamette Valley and the cities of Southern Oregon, make Brookings less accessible to Oregon tourists. Brookings' proximity to California, however, provides opportunities for tourism from residents of northern California. In addition, Brookings attracts retirees from California.

AVAILABILITY OF TRANSPORTATION FACILITIES

Brookings has limited access to the majority of Oregon's highway system. Brookings is connected with communities on the Oregon Coast via Highway 101. Travelers in Brookings can access Interstate 5 via highway 199 through California to Grants Pass, 100 miles away. I-5 is also accessible via Highway 42 at Coquille (100 miles north of Brookings) or Highway 38 at Reedsport (130 miles north of Brookings). The closest larger community is Crescent City in California, about 25 miles south of Brookings.

The Oregon Department of Transportation measures traffic volume flows on all major highways and interchanges in the state. Highway 101 through Brookings does not have exits, rather, it serves as a main street through the city with many different turnoffs which are not measured, though flows are measured at eight different locations on the highway within Brookings city limits.

In 2007, the average annual daily traffic at the Chetco River Bridge at the south city limits of Brookings was 18,300 vehicles. The AADT was 9,000 at the north city limits of Brookings, immediately south of Harris Heights Road. At counting locations in between, the AADT varied from 18,900 to 10,700. This large variance shows that Highway 101 serves as much as a main street in Brookings as it does a highway running through.

Other transportation options in Brookings are:

- **Transit.** Curry Public Transit serves the Brookings area with local Dial-A-Ride services and the Coastal Express bus. In Brookings/Harbor and Gold Beach, Dial-A-Ride service runs on weekdays, and in Port Orford on Monday, Wednesday, and Friday. The Coastal Express bus runs on Highway 101 south to Smith River, CA and north to North Bend, OR. Stops along the way north include Gold Beach, Port Orford, Bandon, and Coos Bay.
- **Air.** The Brookings Airport does not provide commercial service. The closest commercial airports are the Del Norte County Airport (Jack McNamara Field) providing service to Northern California (about 30 miles away), and the Southwest Oregon Regional Airport in North Bend (about 110 miles away), linking the southern Oregon coast to Portland and San Francisco.
- **Port.** The Port District of Brookings Harbor covers a 400 square mile area, from the mouth of the Chetco River south to California and east to the Curry-Josephine County line. The Port is the busiest port for recreation on the Oregon Coast, with more than 95,000 users in 2002.

Availability of transportation facilities is a disadvantage in Brookings. The City's distance from other communities, distance from I-5, and lack of freight rail or air services, create barriers to attracting employment that is dependent on automotive or freight transportation. In addition, Brookings' relatively remote location makes the City less attractive to firms that need a central location or easy access to transportation.

PUBLIC FACILITIES AND SERVICES

Provision of public facilities and services can impact a firm's decision on location within a region. ECO's past research, however, has shown that businesses make locational decisions primarily based on factors that are similar within a region. These factors are: the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region.

Once a business has chosen to locate within a region, they consider the factors that local governments can most directly affect: tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

PUBLIC POLICY

Public policy support for economic development includes policies that local governments have to support economic activity, such as economic development policies, land use, and local tax policies. The economic portion of Brookings' comprehensive plan includes the following policies, among others:

- Improve the appearance of the downtown commercial area and enhance shopping opportunities for visitors and residents
- Encourage diversification of the City and the regional economy
- Work with the Port of Brookings Harbor to establish tourist commercial uses within the port area
- Serve the retail, service, and office needs with commercial districts
- Design Neighborhood Commercial districts to protect surrounding residential properties
- Mitigate traffic, noise, and visual impacts on residential uses surrounding commercial districts
- Provide adequate industrial land for the development of new industrial uses

TAX POLICY

The tax policy of a jurisdiction is a consideration in economic development policy. The two types of tax policies that are likely to affect Brookings' economy are sales tax and property tax. Brookings, like the rest of Oregon, does not have a state sales tax. The lack of a sales tax gives retail businesses in Brookings advantages over retail businesses in neighboring California, which has a state sales tax of 7.25%. The lack of sales tax in Brookings may provide incentives for retail stores that serve regional needs to locate in Brookings, rather than Del Norte County.

Property taxes may also affect business' decisions on where to locate within the Southern Oregon and Northern California Coastal region. Table B-1 shows that Brookings' property tax rate is \$10.72 per \$1,000 of assessed value, compared with a state average of \$15.20 and Curry County's average of \$8.90.

Table B-1. Property tax rate per \$1,000 assessed value for Oregon, Curry County, and Brookings, 2007.

Area	Tax Rate (per \$1,000 assessed value)
Oregon	\$15.20
Curry County	\$8.90
Brookings	\$10.72

Source: Oregon Department of Revenue
2006-07 Property Tax Statistics
<http://www.oregon.gov/DOR/STATS/303-405-07-toc.shtml>

AVAILABILITY OF WATER

The City of Brookings adopted the *Water System Master Plan Update* in 2007. Based on the analysis in the water master plan, the City of Brookings expects to have enough water to service expected employment growth.

The City of Brookings has water rights on the Chetco River. The City currently uses an average of two cubic feet of water per second and has rights for four cubic feet of water per second. The City is in the process of securing rights to 14 cubic feet of water per second, which should serve the community's needs through 2057.

The water master plan calls for several major improvements to the City's water infrastructure. The City recently installed a new main water line to the water treatment plant and is in the process of building a 1.6 million gallon water storage reservoir. Future projects include improving the pumping station at the water treatment plant and other increases to the water system capacity. In addition, the City is finalizing plans and financing to extend water service to the Lone Ranch development.

AVAILABILITY OF WASTEWATER

The City of Brookings adopted the *Wastewater Facilities Plan* in 2007. Based on the analysis in the waste water master plan, the City of Brookings expects to have enough sanitary sewer and wastewater capacity to service expected employment growth.

The City completed a major expansion of the wastewater treatment facility in 2000. The facility runs at about 50% of capacity. The City's plans for improvements to the sewer and wastewater infrastructure include

increases in sewer main capacity. This improvement is not currently funded but the City plans on funding and upgrading the sewer main within ten years. In addition, the City is finalizing plans and financing to extend wastewater service to the Lone Ranch development.

LABOR MARKET FACTORS

The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available, but the quality, skills, and experience of available workers as well. This section examines the availability of workers for Curry County.

The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2000 Census, Curry County has 8,683 people in its labor force, with 27% of the County's labor force located in Brookings (2,371 participants in the labor force).

Table B-2 shows labor force participation in Oregon, Curry County, and Brookings. The participation rates in Curry County (49%) and Brookings (55%) are significantly lower than Oregon's (66%). This is probably due to Brookings' high proportion of retired people.

Table B-2. Labor force participation, Oregon, Curry County, and Brookings, 2007

	Oregon		Curry County		Brookings	
	Number	Percent	Number	Percent	Number	Percent
In labor force	1,965,354	66%	9,582	49%	2,808	55%
Employed	1,815,498	92%	8,915	93%	2,588	92%
Unemployed	147,362	7%	586	6%	150	5%
Not in labor force	1,007,340	34%	9,805	51%	2,294	45%

Source: Oregon Prospector.

Accessed: <http://www.oregonprospector.com/profiles.asp>

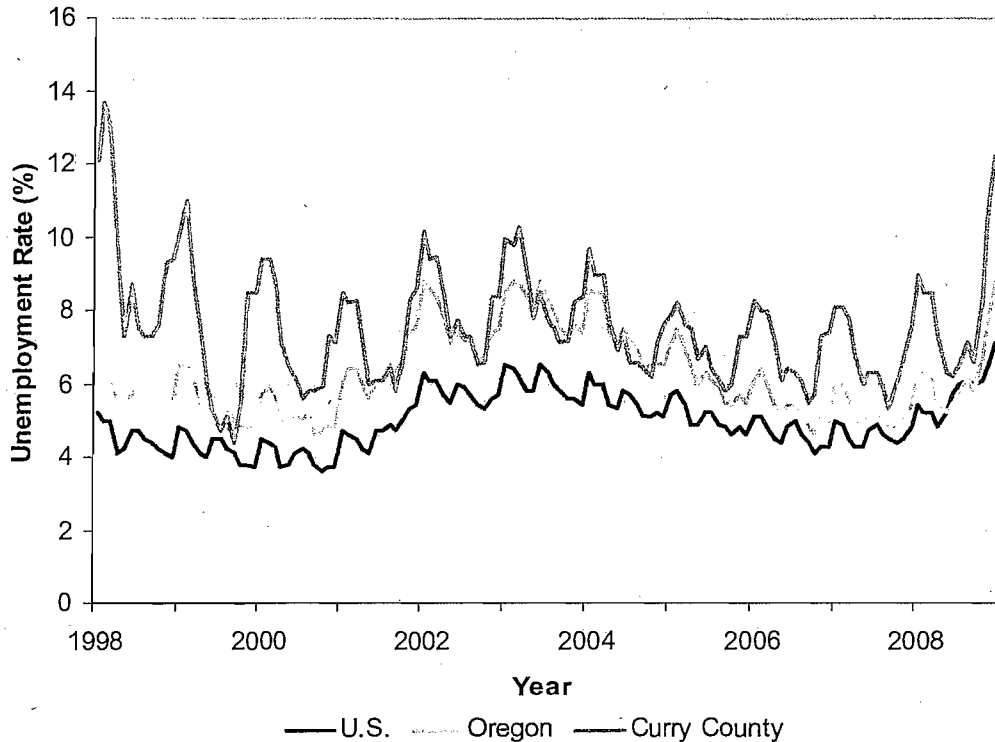
Calculations: Percentages of total calculated by ECONorthwest.

The unemployment rate is one indicator of the relative number of workers who are actively seeking employment. Labor force data from the Bureau of Labor Statistics show that unemployment in Curry County was 12.2% in December 2008, higher than the State average of 8.8%.

Figure B-1 shows the unemployment rate for the United States, Oregon, and Curry County for the past decade. During this period, Curry County's unemployment has been on average about one and a half percent higher

than the State's. The County and State unemployment rates have been consistently higher than the national average.

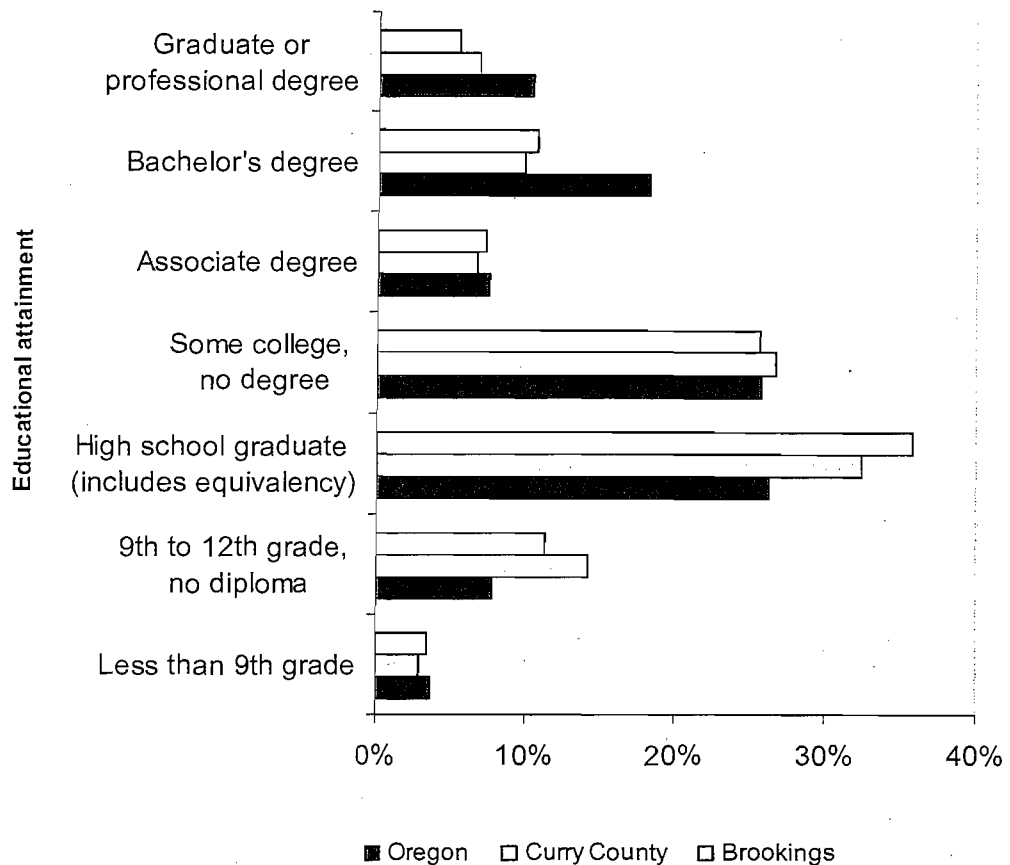
Figure B-1. Unemployment rates for the U.S., Oregon, and Curry County, January 1998 to December 2008



Source: Bureau of Labor Statistics.
Accessed: <http://data.bls.gov/PDQ/outside.jsp?survey=la>
Note: Unemployment data is not seasonally adjusted

Educational attainment is an important labor force factor because firms need to be able to find educated workers. Figure B-3 shows the share of population by education level completed in Brookings, Curry County, and Oregon in 2007. Figure B-2 shows that Brookings had a smaller share of residents with an associate's degree or higher (23%) than residents of Oregon (36%) and the County (24%).

Figure B-2. Educational attainment for the population 25 years and over, Oregon, Curry County, and Brookings, 2007



Source: Oregon Prospector.
 Accessed: <http://www.oregonprospector.com/profiles.asp>
 Calculations: Percentages of total calculated by ECONorthwest.

Brookings residents have several opportunities for post-secondary education: Southwest Oregon Community College located in Coos Bay, with smaller locations in Brookings, Gold Beach, Port Orford, and a planned larger campus in Brookings.

Table B-3 shows changes in ethnicity Oregon, Curry County, and Brookings between 1990 and 2000. This table shows that the Brookings population is less ethnically diverse than the State average but more diverse than the County. About 4.7% of residents in Brookings were Hispanic compared to the State average of 8.0% and the County average of 3.6%.

Hispanic population increased in all of the areas shown in Table B-3 between 1990 and 2000. Brookings' Hispanic and Latino population grew by 193% (170 people), compared with growth in the Hispanic and Latino population of 115% in Curry County and 144% in Oregon. The trend of

growing ethnic diversity is likely to continue, according to long-term demographic forecasts from the Census Bureau.

Table B-3. Changes in ethnicity, Oregon, Curry County, and Brookings, 1990 and 2000

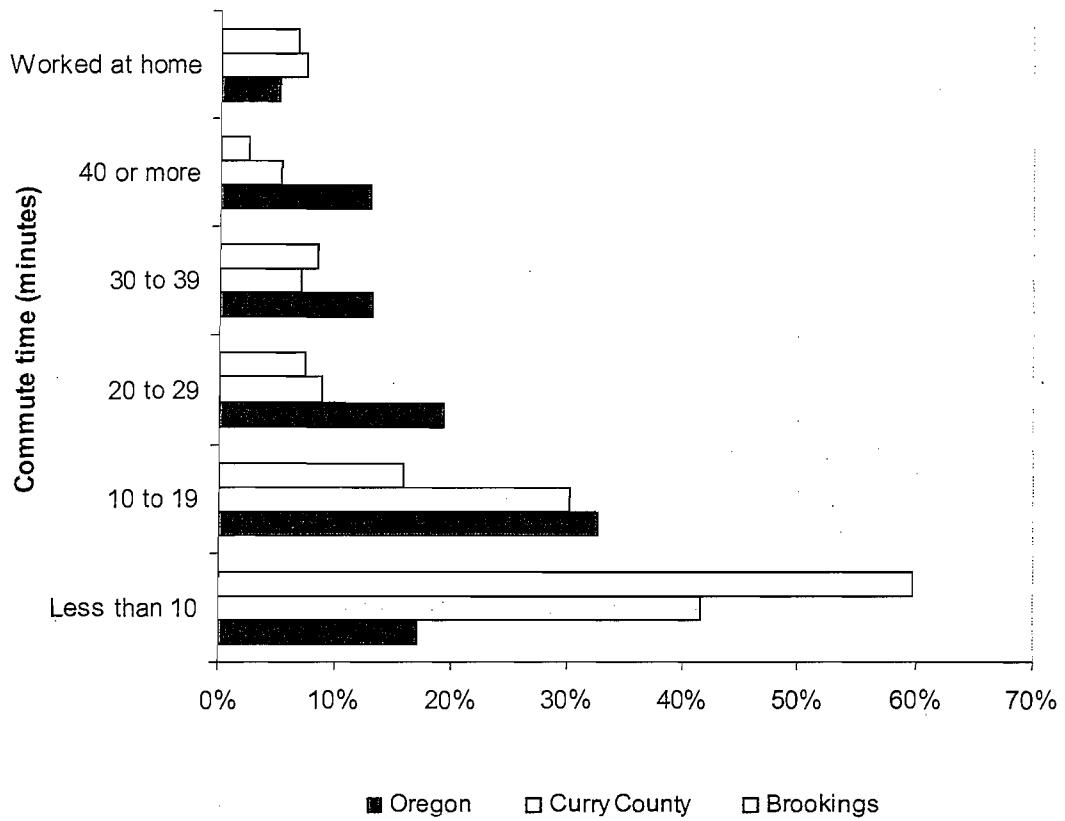
	Oregon	Curry County	Brookings
1990			
Total Population	2,842,321	19,372	4,400
Hispanic or Latino	112,707	354	88
Percent Hispanic or Latino	4.0%	1.8%	2.0%
2000			
Total Population	3,421,399	21,137	5,447
Hispanic or Latino	275,314	761	258
Percent Hispanic or Latino	8.0%	3.6%	4.7%
Change 1990-2000			
Hispanic or Latino	162,607	407	170
Percent Hispanic or Latino	144%	115%	193%

Source: U.S. Census 1990, Summary File 1, P009, U.S. Census 2000, Summary File 1, P4
 Accessed: http://factfinder.census.gov/home/saff/main.html?_lang=en

The workforce in Brookings and Curry County differ from the workforce Oregon in terms of educational attainment and ethnicity. Residents of Brookings and Curry County are more likely to be Hispanic or Latino, and less likely to have a college degree.

Another important factor in the labor force is the distance that workers are willing to commute. Figure B-3 shows a comparison of the commute time to work for residents 16 years and older for Oregon, Curry County, and Brookings in 2000. Brookings residents were more likely to have a short commute (less than 10 minutes) than residents of the entire State or County. About 60% of Brookings residents had a commute less than 10 minutes, compared to the County average of 42% and the State average of 17%.

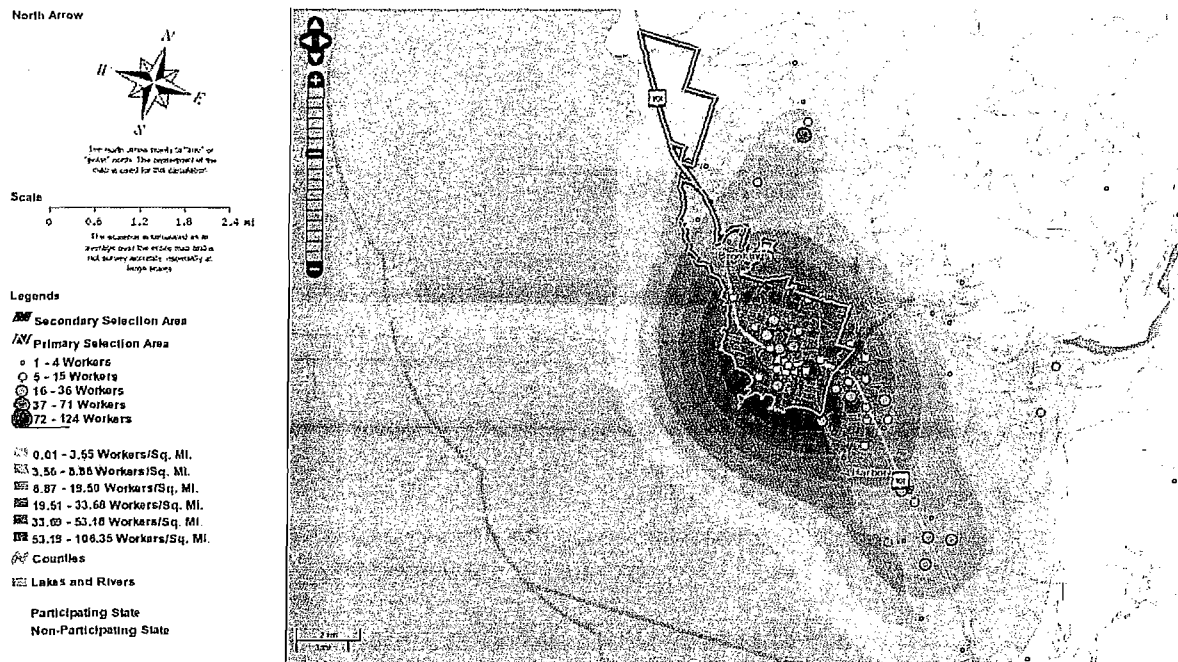
Figure B-3. Commuting time to work in minutes for residents 16 years and older, Oregon, Curry County, and Brookings, 2000



Source: U.S. Census 2000, Summary File 3, P31
 Accessed: http://factfinder.census.gov/home/saff/main.html?_lang=en

Figure B-4 and Table B-4 show where residents of Brookings worked in 2006. Figure B-4 and Table B-4 show that 69% of Brookings' residents were employed in Curry County, with 42% of Brookings' residents working in Brookings and 10% working in Harbor. About 110 residents worked in Clackamas County, 93 worked in Del Norte County in California, and 87 worked in Jackson County.

Figure B-4. Places that residents of Brookings were employed, 2006



Source: U.S. Census Bureau: LED on the Map
 Accessed: <http://lehdmap3.did.census.gov/themap3/>

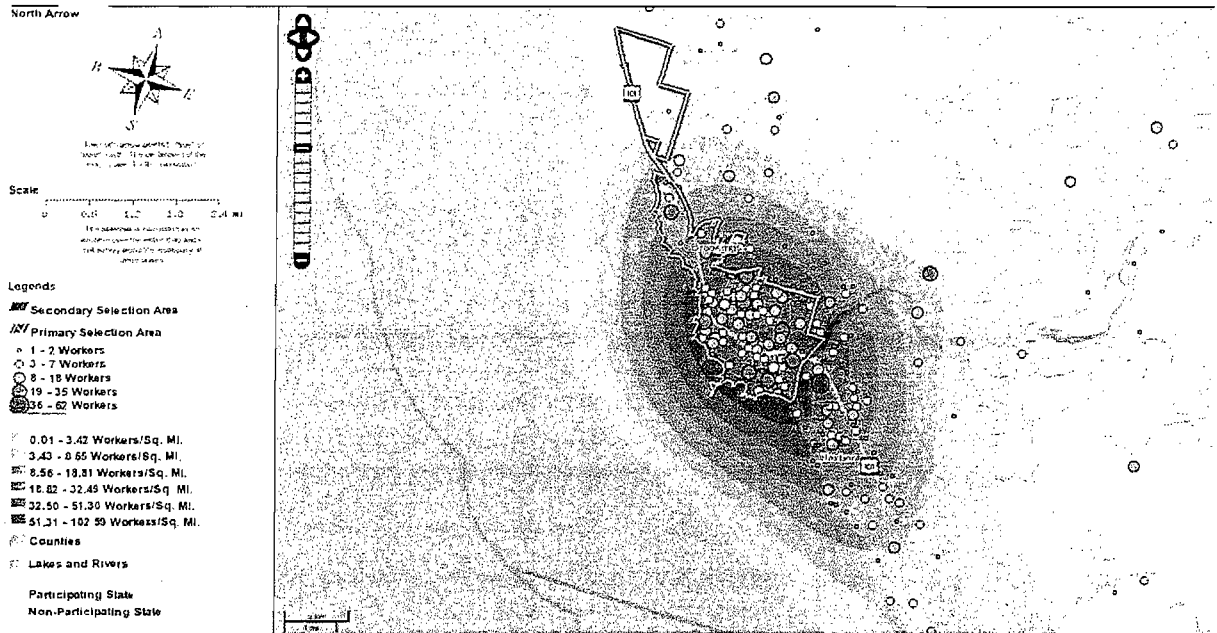
Table B-4. Places that residents of Brookings were employed, 2006

Location	Number	Percent
Curry County	1,313	69%
Brookings	797	42%
Harbor	188	10%
Gold Beach	56	3%
Clackamas County	110	6%
Del Norte County, CA	93	5%
Jackson County	87	5%
Lane County	59	3%
Josephine County	49	3%
Coos County	47	2%
All Other Locations	157	8%
Total	1,915	100%

Source: U.S. Census Bureau: LED on the Map
 Accessed: <http://lehdmap3.did.census.gov/themap3/>

Figure B-5 and Table B-5 show where employees of firms located in Brookings lived in 2006. Fifty-eight percent of Brookings' workers lived in Curry County, with 27% living in Brookings. Other common places that workers in Brookings lived were: Coos County (18% of workers) and Del Norte County California (8% of workers).

Figure B-5. Places where workers in Brookings lived, 2006



Source: U.S. Census Bureau: LED on the Map
 Accessed: <http://lehdmap3.did.census.gov/themap3/>

Table B-5. Places where workers in Brookings lived, 2006

Location	Number	Percent
Curry County	1,693	58%
Brookings	797	27%
Harbor	234	8%
Gold Beach	55	2%
Coos County	541	18%
Coos Bay	196	7%
North Bend	144	5%
Del Norte County, CA	235	8%
Crescent City	49	2%
Crescent City North	47	2%
Jackson County	121	4%
Medford	35	1%
Josephine County	118	4%
Grants Pass	63	2%
All Other Locations	220	8%
Total	2,928	100%

Source: U.S. Census Bureau: LED on the Map
 Accessed: <http://lehdmap3.did.census.gov/themap3/>

According to interviews with informed stakeholders, finding and retaining qualified, dependable employees is an issue in Brookings. Some reasons for this may include: Brookings' relatively small labor pool, lack of affordable housing, and the quality and educational level of some workers in and around Brookings.

Despite these concerns, it does not appear that workforce will be a constraint on employment growth in Brookings. The commuting patterns of workers in Brookings suggests that workers have been willing to travel for jobs. Brookings should be able to continue to draw on residents of Gold Beach and Crescent City for workers, communities that are located relatively close to Brookings. It is also possible that some firms in Brookings may allow workers to telecommute, especially if labor becomes scarcer.

QUALITY OF LIFE

Quality of life is difficult to assess because it is subjective—different people will have different opinions about factors that affect quality of life, desirable characteristics of those factors, and the overall quality of life in any community. Economic factors such as income, job security, and housing cost are often cited as important to quality of life. These economic factors and overall economic conditions are the focus of this report, so this section focuses on non-economic factors that affect quality of life.

Brookings' quality of life is a key competitive advantage for economic development. ECO conducted interviews with seven stakeholders in Brookings, asking a variety of questions about Brookings, the perception of the business climate, and quality of life. The stakeholders included local business people, real estate agents, and city and state officials. The following list summarizes the quality of life factors that affect the city:

- *Small town atmosphere.* Brookings has a small town atmosphere that is especially attractive retirees.
- *Access to the Pacific Ocean.* The access to the Pacific Ocean and beaches make Brookings attractive to residents and visitors.
- *Physical beauty of surrounding areas.* The lands surrounding Brookings are attractive to residents of Brookings and tourists. The city's parks and surrounding vistas provide a beautiful setting.
- *Mild weather.* The weather in Brookings is comparatively mild.
- *Outdoor recreational activities.* There are a number of outdoor recreational opportunities available near Brookings, including:

beach walking, hiking, ocean fishing, the Chetco River, and other activities. Brookings is near two parks: Azalea Park , Loeb State Park, and Harris Beach State Park. These parks offer activities ranging from enjoying the beach to an annual Azalea Festival. In addition, four miles north the City is the Samuel H. Boardman Scenic Corridor, a 12 mile-long park offering scenic views and 27 miles of hiking trails.

Tourism is an important source of business and employment in Oregon and Southern Oregon. Brookings' Comprehensive Plan and other policy document identify tourism as an economic development strategy for the City.

This appendix presents data about the economic impact of tourism at the national and state level, as well as the regional and local impacts of tourism in Brookings.

NATIONAL AND STATEWIDE TOURISM TRENDS

Travel and tourism is a major and growing industry worldwide. According to the Foresight Management Group, several current trends are evident in the travel industry:

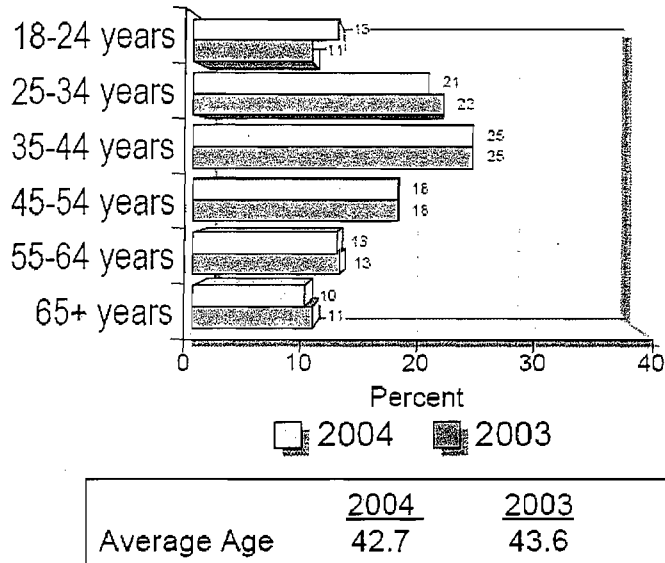
- Consumers want trusted locations that provide pleasurable experiences and no surprises; interest in new destinations may be decreasing in favor of repeat visitation. Overnight travel to destinations with multiple attractions is increasing.
- Travelers are seeking vacations that bring them closer to the environment, nature and the outdoors.
- Travelers are more cost conscious. Not surprisingly, people are staying closer to home. Vacations are shorter and more frequent; the weekend travel market is a growing segment.
- Travel is on the rise. Industry performance indicators (IPI) are a set of monthly measurements that provide a snapshot of recent trends in travel-related industry segments. The IPI for July of 2007 showed hotel/motel room demand increased 1.0% and room revenue increased 6.2% from twelve months prior (TIA, www.tia.org).

The Oregon Tourism Commission (OTC) provides research and marketing support to the Oregon tourism industry. The OTC commissioned a survey of Oregon travelers in 2004 by Longwood International. Following are some of the key findings from the Longwood study:

- Travel in the US generated 1.53 billion overnight stays in 2004. Of these, 42% were marketable pleasure trips
- Oregon generated 19.1 million overnight stays in 2004. Of these, 44% (8.5 million) were marketable pleasure trips
- Overnight stays in Oregon grew by nearly 10% (1.7 million stays) between 2000 and 2004; marketable travel grew by 18% during the same period

- 83% of overnight stays in Oregon are from Pacific states; 51% of overnight stays originate in Oregon; 45% in Portland
- Individuals aged 25-44 accounted for the greatest percentage of overnight stays (Figure C-1)

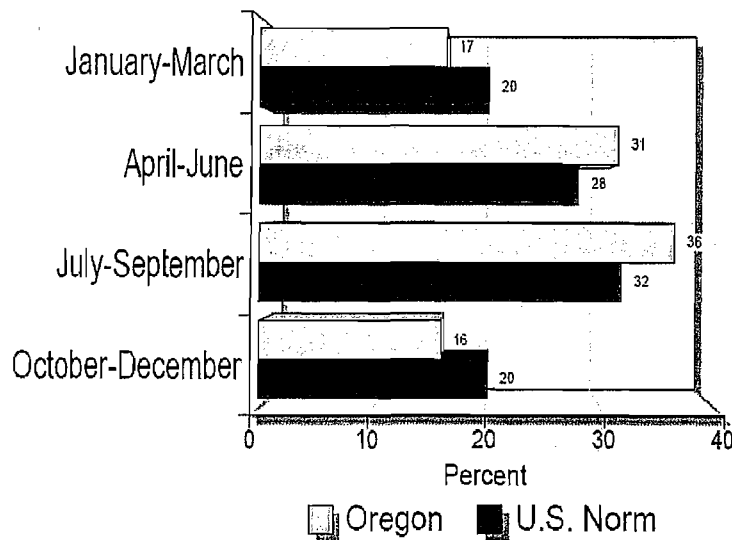
Figure C-1. Age distribution of marketable overnight travelers to Oregon



Source: Longwood International.

- A majority of visits are by households with no children (66%); 44% have at least a college degree; 64% are employed full time; 69% work in white collar professions; 59% have household incomes of \$50,000 or more
- The largest percentage of visits occur in summer, but visits occur in all seasons (Figure C-2)

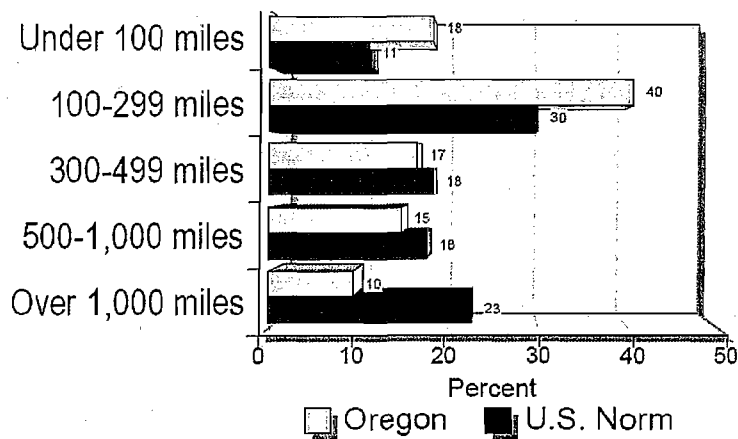
Figure C-2. Season of visit for marketable overnight travelers to Oregon



Source: Longwood International.

- More Oregon visitors travel regionally than the US norm. About 58% of all overnight travelers in Oregon travel less than 300 miles

Figure C-3. Distance traveled by marketable overnight travelers to Oregon



Source: Longwood International.

- Oregon travelers tend to take more weekend trips than the US average. Nearly 25% of Oregon trips are two nights, compared to 17% nationally.
- 19% of trips included destinations in Southern Oregon; 11% of trips had Southern Oregon as the primary destination

The OTC also contracted with Longwood International to evaluate the impact of advertising on tourism in 2002. They found that overnight

visitors spent an average of about \$200 per trip compared to about \$70 per day spent by visitors on day trips in 2002.⁵¹

TOURISM TRENDS IN SOUTHERN OREGON AND BROOKINGS

The Southern Oregon Visitors Association (SOVA) and the Medford Visitors Bureau gather regional statistics on travel. The following information is from the SOVA 2006 visitor profile and the Medford Visitors Bureau fact sheet. Broadly: travelers to Southern Oregon (Curry, Coos, Douglas, Josephine, Jackson, Klamath, and Lake Counties) account for:

- 2.5 million overnight visitors annually; 13% of Oregon Travel; 3rd largest destination in the state
- Primary market area for travelers is California, Oregon, and Washington: 30-35% of Southern Oregon visitors are from California; 20-25% are from Oregon; and 8-10% are from Washington.
- 50% are repeat visitors
- 42% stay 2 or fewer days; 42% stay 3-6 days; and 16% stay 7 or more days
- Visitor expenditures average \$134 to \$151 per day
- About 80% of visits are by automobile; 10% travel by RV
- Visitors are affluent, older, and well-educated: nearly 70% have college degrees; 42% between 50-64; 26% 65+; 20% between \$50 and \$70k; 27% between \$70 and \$100k; and 21% over \$100k

According to information from the Coos Bay Visitor Center, recent high gasoline prices did not substantially decrease tourism to the South Coast. In 2008, hotels in the area had high occupancy throughout the 2008 tourist season. A number of visitors were from outside of the U.S. but the Southern Coast also drew visitors from within Oregon. The impact of high gasoline prices and economic troubles may have resulted in changes in spending patterns, with visitors choosing to spend less on food.⁵²

⁵¹ Longwoods International, "Oregon Tourism Commission Advertising Accountability Research Final Report," 2002

⁵² The Associate Press, "Tourists reach South Coast, despite gas prices, economy" September 9, 2008. Accessed through Oregon Live: http://www.oregonlive.com/business/index.ssf/2008/09/tourists_reach_south_coast_des.html

Tourism has a major economic influence on the State of Oregon and Southern Oregon region. Table C-1 shows the economic impacts of travel and tourism in 2000 and 2007. In 2007, visitors spent \$7.6 billion dollars in Oregon.

On the South Coast, travel-related expenditures were \$300 million in 2007, an increase of 24% since 2002. Of this, \$57 million was on accommodations, \$82 million was for food and beverages, and \$54 million was for arts, entertainment and recreation

In 2007, Curry County generated \$108 million in direct visitor expenditures, an increase of 18% since 2002. Of this, \$22 million was on accommodations, \$31 million on food and beverage services, and \$13 million on arts, entertainment and recreation.

Beyond revenue, the tourism industry is a significant employer in Oregon and Curry County. In 2007, 91,100 jobs were directly supported by tourism in the state. About 1,780 jobs in Curry County (20% of County employment) were directly tied to travel and tourism.

Table C-1. Economic impacts of travel and tourism, Oregon, South Coast, and Curry County 2002 and 2007

	Expenditures (millions)		Increase	
	2002	2007	Dollars	Percent
Oregon				
Direct Travel Spending	\$5,693	\$7,613	\$1,920	34%
Accommodations	\$976	\$1,362	\$386	40%
Food/Beverages	\$1,339	\$1,723	\$384	29%
Arts/Entertainment/Rec	\$782	\$907	\$125	16%
Retail	\$972	\$1,036	\$64	7%
South Coast				
Direct Travel Spending	\$241.3	\$300.3	\$59.0	24%
Accommodations	\$41.5	\$57.2	\$15.7	38%
Food/Beverages	\$65.7	\$81.8	\$16.1	25%
Arts/Entertainment/Rec	\$47.3	\$53.9	\$6.6	14%
Retail	\$45.9	\$47.0	\$1.1	2%
Curry County				
Direct Travel Spending	\$92.1	\$108.4	\$16.3	18%
Accommodations	\$17.3	\$21.7	\$4.4	25%
Food/Beverages	\$25.9	\$30.5	\$4.6	18%
Arts/Entertainment/Rec	\$12.5	\$13.3	\$0.8	6%
Retail	\$20.6	\$20.3	-\$0.3	-1%

Source: Oregon Travel Impacts, Full Report, Dean Runyan Associates, 2007
 Accessed: <http://www.deanrunyan.com/impactsOR.html>

Tourism is an important component of Curry County's economy. One way to estimate changes in the economic impact of tourism is to examine

changes in lodging tax receipts and direct travel spending. Table 2-7 shows local lodging tax receipts and direct travel spending in Curry County and Brookings from 2002 to 2007. Curry County had \$700,000 income from lodging tax receipts in 2007 and Brookings had \$170,700 in lodging tax receipts. Lodging tax receipts increased between 2002 and 2007 in both Curry County and Brookings, with an increase of \$200,000 (29%) in Curry County and \$27,700 (19%) in Brookings. Direct travel spending in Curry County grew from \$92.4 million in 2002 to \$108.6 million in 2007, an increase of \$16.2 million or 18%.

Table C-2. Tax receipts and direct travel spending in Curry County and Brookings, 2002-2007.

Year	Curry County		Brookings
	Tax receipts from travel spending	Direct travel spending	Lodging tax receipts
2002	\$2,400,000	\$92,100,000	\$143,000
2003	\$2,400,000	\$93,500,000	\$153,500
2004	\$2,700,000	\$38,200,000	\$161,000
2005	\$2,700,000	\$98,100,000	\$171,200
2006	\$2,800,000	\$101,400,000	\$159,800
2007	\$3,100,000	\$108,400,000	\$170,700
Change 1997-2007			
Amount	\$700,000	\$16,300,000	\$27,700
% change	29%	18%	19%

Source: Dean Runyan Associates. Curry County in "or07detcouimp.pdf" and Brookings in "tot07.pdf"
 Accessed: <http://www.deanrunyan.com/impactsOR.html>

Direct spending on tourism accounted for nearly 1,800 jobs in Curry County in 2007, with the majority (1,200 jobs) in the Accommodations and Food Service industry. Other sectors with tourism-related jobs Curry County were Arts, Entertainment, and Recreation (360 jobs) and Retail (210 jobs).

Employment Forecast and Site Needs for Industrial and Other Employment Uses

Appendix D

This appendix presents a detailed analysis of Brookings' site needs consistent with the requirements of OAR 660-009-0015(2) and of OAR 660-009-0025(1). This appendix includes an employment forecast and an analysis of site needs to accommodate industrial and other employment uses in Brookings for the 2009 to 2029 period. The information presented in this appendix is summarized in Chapter 3.

EMPLOYMENT FORECAST

To provide for an adequate supply of commercial and industrial sites consistent with plan policies, Brookings needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Goal 9 requires cities identify "the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses." The number of needed sites is dependent on the site requirements of employers. The estimate of land need is presented in the site needs analysis in the next section.

Demand for commercial and industrial land will be the expansion and relocation of existing businesses and new businesses locating in Brookings. The level of this business expansion activity can be measured by employment growth in Brookings. This section presents a projection of future employment levels in Brookings for the purpose of estimating demand for commercial and industrial land.

The projection of employment has two major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Brookings presented in Chapter 3. Covered employment does not include all workers, so we adjust covered employment to reflect total employment in Brookings.
2. **Project total employment.** The projection of total employment will be calculated using the safe harbor method suggested in OAR 660-024.

EMPLOYMENT BASE FOR PROJECTION

To forecast employment growth in Brookings, we must start with a base of employment growth on which to forecast. Table D-1 shows an estimate of employment in the Brookings by sector in 2008.⁵³ Brookings had more than 3,000 employees within the City limits in 2008. The sectors with the most employment were Services, Manufacturing and Retail Trade, the combination of which accounted for nearly 80% of employment in Brookings .

Table D-1. Estimated covered employment in the Brookings city limits by sector, 2008

Sector	Employment	Percent
Agriculture, Forestry, and Fishing	32	1%
Mining	5	0%
Construction	87	3%
Manufacturing	543	18%
Transportation and Communications	104	3%
Wholesale Trade	35	1%
Retail Trade	513	17%
Finance, Insurance, and Real Estate	219	7%
Services	1,347	44%
Public Administration	144	5%
Unclassified	6	0%
Total	3,035	100%

Source: Oregon Prospector
Accessed: <http://oregonprospector.com/profiles.asp>

Table D-1 shows covered employment, which does not include all workers in an economy. Most notably, covered employment does not include sole proprietors. Analysis of data shows that covered employment reported by the Oregon Employment Department for Curry County is only about 62% of total employment reported by the U.S. Department of Commerce. We used this ratio to convert covered employment to total employment in Brookings and estimate that Brookings has 4,987 employees in 2008.

Table D-2 shows the estimate of covered and total employment in Brookings. We grouped sectors into categories of employment that have similar land-use types. For example, "industrial" includes the following sectors: Agriculture, Forestry, and Fishing; Mining; Construction; Manufacturing; Transportation and Communications; and Wholesale Trade. Table D-2 shows that nearly 70% of Brookings employment is in

⁵³ Oregon Prospector is the State's official web site to promote economic development. It is available at www.oregonprospector.com .

commercial land use types and more than one-quarter is industrial, and the remaining 5% used for government.

Table D-2. Estimated total employment in Brookings by sector and land use type, 2008

Broad sector and land use type	Covered Employment		Total Employment
	Employees	Percent of Covered	
Industrial	806	26%	1,301
Commercial	2,085	69%	3,364
Government	144	5%	232
Total Non-Farm Employment (BEA total)	3,035	100%	4,897

Source: ECONorthwest based on data from Oregon Prospector, U.S. Department of Commerce, Bureau of Economic Analysis and the Oregon Employment Department.

EMPLOYMENT PROJECTION

Forecasting employment growth in Brookings requires an estimate of current employment in Brookings (the employment base) and an estimate of the rate of employment growth. The employment forecast for Brookings uses the following assumptions about Brookings' employment base and growth rate:

- Employment base.** The employment projection is based on employment data presented in Table D-1. In 2008, Brookings had 3,035 *covered* employees, with an average of about nine employees per firm. If we assume that Brookings' ratio of covered to total employees is similar to Curry County's average (which we did in Table D-2), Brookings had about 4,897 *total* employees in 2008.
- Growth rate.** The safe harbor method for forecasting employment growth in OAR 660-024-0040 (8) (a) (A) allows the City to determine employment land needs based on "The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department." Brookings is part of Region 7, which includes Curry and Coos Counties (shown in Table A-11). Based on this safe harbor, the employment forecast in Table D-3 assumes that employment in Brookings will grow at the same rate as employment in Region 7, 0.94% annually.

Table D-3 shows Brookings employment forecast for 2009 to 2029, using these assumptions. Brookings' workforce will grow by more than 1,000 workers (21%) over the 20-year period, at an average annual rate of 0.94%.

Table D-3. Employment growth in Brookings, 2008–2029

Year	Total Employment
2008	4,897
2009	4,943
2029	5,956
Change 2009 to 2029	
Employees	1,013
Percent	21%
AAGR	0.94%

Source: ECONorthwest

To estimate employment growth by land use type in Brookings, ECO took the forecasted level of total employment in 2029 (5,956 jobs) and estimated the distribution of this employment among the three categories of land use types. Table D-4 shows the share of employment by land use type in 2009 (based on the distribution of employment shown in Table D-2 in 2008) and the assumed shares in 2029.

Table D-4. Employment growth by land use type in Brookings' UGB, 2007–2028

Land Use Type	2009		2029		Change 2008 to 2029
	Employment	% of Total	Employment	% of Total	
Industrial	1,285	26%	1,489	25%	204
Commercial and Retail	3,411	69%	4,169	70%	758
Government	247	5%	298	5%	51
Total	4,943	100%	5,956	100%	1,013

Source: ECONorthwest.

Note: shaded cells indicate assumptions by ECONorthwest.

The forecast by land use category does not anticipate a significant shift in the distribution of employment between 2009 and 2029. The City of Brookings' economic development strategy emphasizes the importance of diversifying the City's economy. Based on this assumption, the analysis in Table D-4 assumes that Brookings' policies will lead to continued growth in all categories of employment, with the greatest growth in commercial and retail and some growth in industrial employment.

SITE NEEDS

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be

described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

Firms wanting to expand or locate in Brookings will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. Previous research conducted by ECO has found that while there are always specific criteria that are industry-dependent and specific firm, many firms share at least a few common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints on development, with good transportation access and adequate public services. The exact amount, quality, and relative importance of these factors vary among different types of firms. This section discusses the site requirements for firms in industries with growth potential in the Curry and Coos Counties, as indicated by the Oregon Employment Department forecast shown in Table A-13.

FACTORS THAT AFFECT LOCATIONAL DECISIONS

Why do firms locate where they do? There is no single answer – different firms choose their locations for different reasons. Key determinates of a location decision are a firm's *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues: if demand for goods and services is held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often and increasingly the most important factor of production. Other things equal, firms look at productivity – labor output per dollar. Productivity can decrease if certain types of labor are in short supply, which increases the costs by requiring either more pay to acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally. Based on existing commuting patterns, Brookings has access to the labor force along the Southern Oregon and Northern California Coast. Firms locating in Brookings may have some difficulty finding skilled employees within the region but are

likely to be able to attract employees to the area because of the high quality of life.

- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways.
- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product, either goods or services, to the market, and they rely on access to different modes of transportation to do this. Brookings' location along Highway 101 and near Highway 199 limits automotive transportation to the City, especially for large trucks. In addition, Brookings is located 30 miles away from the closest commercial airport (Del Norte County Airport) and does not have freight rail service. The difficulty accessing markets is a disadvantage for attracting firms that need to ship large or medium volumes of freight by truck.
- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources: lumber manufacturing requires trees. Or, farther down the line, firms may need intermediate materials: for example, dimensioned lumber to build manufactured housing.
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar.

The supply, cost, and quality of any of these factors obviously depend on market factors: on conditions of supply and demand locally, nationally, and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain the quality of life. Overly burdensome regulations, however, can be a disincentive for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Studies show that tax rates are not a primary location factor within a region—they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The cost of these production factors is usually similar within a region. Therefore, differences in tax levels across communities within a region are more important in the location decision than are differences in tax levels between regions.
- **Financial incentives.** Governments can offer firms incentives to encourage growth. Studies have shown that most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may suggest that a location decision is based entirely on a straight-forward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development, however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.
- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region's

quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical attachment to a place or set of amenities, without much regard for the cost of other factors of production.

- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping U.S. cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. Innovation affects both the overall level and type of economic development in a region. Government can be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

Table D-5 provides a summary of production factors in Brookings as well as comments on local opportunities and constraints. It also discusses implications of each factor for future economic development in Brookings.

Table D-5. Summary of production factors and their implications for Brookings

Category	Opportunities	Challenges	Implications
Labor	<ul style="list-style-type: none"> • Access to labor from the across the Curry, Coos, and Del Norte Counties 	<ul style="list-style-type: none"> • Lower labor force participation than State average • Existing workforce is less educated than State averages • Potential difficulty in finding dependable labor for manufacturing jobs 	<p>The City has access to labor from the South Coast region and the northern California Coast.</p> <p>Commuting patterns may be negatively impacted by increases in energy prices.</p>
Land	<ul style="list-style-type: none"> • Sites along Highway 101, near the airport, or near the marina/river all present opportunities. 	<ul style="list-style-type: none"> • Steep hills around Brookings • 	<p>Firms that prefer large, undeveloped parcels near the Interstate are unlikely to locate in Brookings, such as warehousing and distribution or manufacturers that require freight access.</p>
Local infrastructure	<ul style="list-style-type: none"> • Location along Highway 101 • Recent and planned upgrades to the water and wastewater services 	<ul style="list-style-type: none"> • Lack of local air service and service limitations at the Del Norte County Airport • Cost of providing additional infrastructure 	
Access to markets	<ul style="list-style-type: none"> • Location along Highway 101 and Highway 199 	<ul style="list-style-type: none"> • Distance from I-5 • Distance from a major airport 	<p>Brookings is relatively unlikely to attract firms that need to move large quantities of freight via trucks on I-5.</p>
Materials	<ul style="list-style-type: none"> • Proximity to natural resources (e.g., timber or agricultural products) 	<ul style="list-style-type: none"> • Cost of shipping raw and finished products 	<p>Brookings may be attractive to manufacturers that need access to natural resources. However, firms dependent on highway access to transport large quantities of materials are unlikely to locate in Brookings.</p>
Entrepreneurship	<ul style="list-style-type: none"> • Development of the campus of Southwestern Oregon Community College • Quality of life is attractive to entrepreneurs that have a choice of where to locate 	<ul style="list-style-type: none"> • Distance from major universities 	<p>Brookings may be attractive to entrepreneurs who value the City's quality of life attributes, access to outdoor recreation, and other locational attributes. Brookings has opportunities to encourage entrepreneurship through developing policies that encourage cottage industries, home occupations, and support growth in local firms.</p>

Category	Opportunities	Challenges	Implications
Regulation	<ul style="list-style-type: none"> • Pro-business attitudes among City officials and leaders • The City is in the process of updating its land use code to provide clear, user-friendly regulations 		The City has the opportunity to develop a regulatory framework that can promote economic activity through economic development policies, plans for providing infrastructure, and provision of a variety of housing types.
Taxes	<ul style="list-style-type: none"> • Oregon does not have a sales tax, which makes Brookings an attractive location for regional retailers that serve population on the Southern Oregon Coast and in Del Norte County. • Property taxes are lower than the State average 		Brookings needs revenue sources for providing public services and infrastructure, just as other cities do. The City has options about how to raise these funds: through property taxes, development fees, and other fees to taxes.
Industry clusters	<ul style="list-style-type: none"> • Potential for development of a cluster of agricultural-related businesses • Potential for development of a cluster of services for retirees 	<ul style="list-style-type: none"> • Uncertainty about wood products manufacturing • Distance from regional infrastructure, such as an airport or rail 	
Quality of life	<ul style="list-style-type: none"> • High quality of life, including access to the Pacific Ocean, recreation, regional shopping opportunities and environmental quality 	<ul style="list-style-type: none"> • Growth management challenges, such as balancing development with protection of environmental quality 	Brookings' policy choices will affect the City's quality of life, such as decisions regarding development of natural areas, housing policies, or policies that lead to redevelopment of downtown.
Innovative capacity	<ul style="list-style-type: none"> • Development of the campus of Southwestern Oregon Community College • Availability of recreational amenities to attract creative class workers 	<ul style="list-style-type: none"> • Regional workforce has lower educational attainment than the State average • Attracting and retaining good workers in the region 	Government can be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

LONG-TERM LAND AND SITE NEEDS

Table D-4, presented earlier in this appendix, discusses Brookings' forecast for employment by land-use type. The analysis of long-term site needs in Brookings builds off of the employment forecast for Brookings. Consistent with the requirements of OAR 660-009-0015(2), the site needs analysis presented in this section identifies the number of sites by broad category of site type and size reasonably expected to be needed for the 20-year planning period.

Employment growth in Brookings is expected in the each of the categories defined by type of land use: Retail and Services, Industrial, and Government. There are a wide variety of firms within each of these categories, and the required site and building characteristics for these firms range widely. As such, a variety of parcel sizes, building types, and land use designations in Brookings are required to accommodate expected growth.

Table D-6 shows site needs by site size in Brookings for the 2009 to 2029 period. Table D-7 shows Brookings' site needs and estimates employment land need for the 20-year period. The analysis of site needs in Brookings in these tables is based on the following assumptions:

- Brookings will have growth of about 1,000 employees over the 20-year period, with the majority of growth (about 760 jobs) in commercial and retail firms.
- In 2008, Brookings' average firm size was 8.7 employees. The forecast of site needs assumes Brookings' businesses will continue to average about 9 employees.
- In 2008, employment density in Brookings was a little more than 9 employees per acre. The site needs analysis in Tables D-6 and D-7 assume that future employment density will remain the same or increase slightly.
- Consistent with the City's economic development strategy, the estimate of needed sites in Table D-6 will provide a range of needed site sizes and a mixture of sites for industrial and commercial and other employment uses. The site needs analysis in Tables D-6 and D-7 assume that Brookings will need to provide enough sites to allow firms choice in where they locate within Brookings, especially for sites smaller than 5 acres.
- Brookings did not have employment sites larger than 20 acres in 2008. The estimate of needed sites in Table D-6 assumes that the City will not need sites larger than 20 acres in the future. This

assumption implies that Brookings is likely to attract relatively small firms (firms with fewer than 150 employees), consistent with the current distribution of employment in Brookings and the City's competitive disadvantages. The types of firms that typically need sites 20 acres and larger are larger manufacturing firms, which are unlikely to locate in Brookings because of the City's relatively remote location and transportation challenges.

Table D-6 shows that Brookings needs to provide between 73 and 138 sites to accommodate employment growth between 2009 and 2029. Brookings will need 21 to 39 industrial sites and 52-99 commercial and other employment sites. The majority is need is for sites 2 acres and smaller.

Table D-6. Estimated sites needed, Brookings, 2009–2029

Site Size (acres)	Range of needed Sites		Total Sites Needed
	Industrial	Commercial and Other Employment	
20 + acres	0	0	0
10-20 ac	1-2	1-1	2-3
5-10 ac	1-2	1-3	2-5
2-5 ac	1-3	5-10	6-13
1-2 ac	8-12	10-15	18-27
< 1 ac	10-20	35-70	45-90
Total	21-39	52-99	73-138

Source: ECONorthwest

Table D-7 shows Brookings' estimated site and employment land need for the 20-year planning period. Brookings needs 97 sites and 109 acres to provide enough land to accommodate employment growth over the planning period. Table D-7 shows the following needs:

- Brookings needs to provide 67 commercial sites, the majority of which will be less than 1 acre, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide 66 acres of commercial land.
- Brookings needs to provide 30 industrial sites, the majority of which will be on sites of less than 2 acres, with two sites 5 to 10 acres and one site 10 to 20 acres. Brookings will need to provide about 43 acres of industrial land

Table D-7. Estimated site and employment land needs, Brookings, 2009–2029

	Site Size (acres)						Total
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	Greater than 20	
Commercial							
Sites Needed	45	12	7	2	1	0	67
Average Site Size	0.3	1.1	2.5	5.0	12.0		
Land (acres)	14	13	18	10	12	0	66
Industrial							
Sites Needed	15	10	2	2	1	0	30
Average Site Size	0.4	1.1	2	5.0	12.0	38	
Land (acres)	6	11	4	10	12	0	43
Total							
Sites Needed	60	22	9	4	2	0	97
Land (acres)	20	24	22	20	24	0	109

Source: ECONorthwest

Note: Average site sizes, shown in blue, are based on average site sizes for developed employment land in the 2008 buildable lands inventory.

Calculations: Land need: multiply the number of sites needed by average site size. For example, Brookings needs about 2 commercial sites 5 to 10 acres in size, which average 5 acres, for a total need of 10 acres.

Appendix E

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February 27, 2009

TO: Brookings City Council and Planning Commission
CC: Dianne Morris
FROM: Beth Goodman and Bob Parker
SUBJECT: FINAL ECONOMIC DEVELOPMENT STRATEGY FOR BROOKINGS

The City of Brookings is in the process of updating the economic element of its Comprehensive Plan. The City engaged the services of ECONorthwest to prepare an Economic Opportunities Analysis (EOA), which is the factual basis of the economic element. The EOA was prepared in accordance with the requirements of statewide planning Goal 9 and its accompanying administrative rule (OAR 660-009), which together require cities to prepare a complimentary economic development strategy that is consistent with the EOA and local economic development objectives.

Economic development policies may address a range of outcomes, from policies to attract firms or retain existing firms to policies to improve or maintain quality of life. The economic development strategy presented in this memorandum was developed in support of the EOA and is designed to meet the requirements of Goal 9. As a result, the economic development strategy focuses on land-use issues, without addressing broader economic development strategies such as labor force education that may also be a priority to the City and residents of Brookings.

The economic development strategy is the result of input from multiple sources:

- **City Council and Planning Commission.** At joint worksessions in October 2008, decisionmakers discussed Brookings' economic development objectives.
- **Citizen Advisory Committee.** The Citizen Advisory Committee met in October 2008 and discussed Brookings' strengths, weaknesses, opportunities, and threats.
- **Community Development Survey.** The City administered an on-line survey about community development issues. The survey had a total of 168 respondents, 76% of whom lived in the Brookings urban growth boundary. It should be noted that the survey was not intended to be statistically representative of the views of all citizens of Brookings.

ORGANIZATION OF THIS MEMORANDUM

This memorandum is organized into the following sections:

- **Understanding Economic Development** presents potential economic development policies and actions that can affect economic development.
- **Economic Development in Brookings** describes key issues for economic development in Brookings.
- **Recommended Strategies** presents recommended economic development strategies for Brookings.

UNDERSTANDING ECONOMIC DEVELOPMENT

A wide range of economic development policies and actions are available to affect the level and type economic development in their community. To affect economic development, any policy or action must affect a factor of production that influences business locations and job growth. The factors that have the most impact on business locations and job growth are:

- Labor
- Land
- Local Infrastructure
- Access to markets and materials
- Agglomerative economies (clusters)
- Quality of life
- Entrepreneurship

The supply, cost, and quality of any of these factors obviously depend on national and global market forces that local government has no influence over. But they also depend on public policy, which can generally affect these factors of production through:

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Research has shown that the location decisions of businesses are primarily based on the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region. Most economic development strategies available to local governments only indirectly affect the cost and quality of these primary location factors.

Local governments can most directly affect local tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

Local governments in Oregon can also play a central role in economic development by providing buildable land in the Urban Growth Boundary. Location, appropriate plan designation, zoning, and provision of public services are all key factors local governments control. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community – market conditions must create demand for this land, and local factors of production must be favorable for business activity. Nonetheless, the provision of buildable land is one of the most direct ways that the City of Brookings can affect the level and type of economic development in the community.

ECONOMIC DEVELOPMENT IN BROOKINGS

There are many possible economic futures for Brookings. As discussed in the previous section, many of the factors that will determine that future are outside of the City's control: the health of the state and national economies, conditions of international trade and migration, and the policies of other cities on the southern coast that encourage or retard growth. The City of Brookings does have some control over many factors that will affect the type and rate of growth in the City over the next 20 years. It can adopt policies that affect the amount and price of land, and quality and price of public utilities, and incentives and charges to for businesses building and operating in the City.

Economic development opportunities in Brookings will be affected by local conditions as well as the national and state economic conditions addressed in the EOA. Factors affecting future economic development in Brookings include population growth, quality of life, proximity to California, location along the Pacific Ocean, access to Highways 199 and 101, relatively remote location relative to other Oregon cities, availability of transportation facilities, energy prices, and the quality and availability of labor.

Brookings economic future is affected in part on larger economic trends, but also on the factors listed above. The City must choose the types of economic growth it wants to plan for. Brookings can reasonably expect growth in existing industries, especially service sector-oriented growth (such as tourism and retail trade) or even for types of employment growth the City has had less of in the past (such as professional or technical services). Economic growth is not inevitable: whether it occurs will depend, in part, on economic forces beyond the City's control. But it also depends on things the City can influence: the supply of buildable land, public policy, the quality and price of public services, quality of life, and incentives for development.

Key economic development issues

Economic development policies in Brookings should address key issues that will affect economic growth in Brookings over the planning period. These issues were identified through work on the EOA and from information gathered through public input, which included interviews with stakeholders on the project Citizen Advisory Committee, a meeting with the Planning Commission and City Council, and a public survey of community development issues in Brookings.

- *Population Growth* – Population is expected to continue growing in Curry County, with growth of nearly 1,700 new people forecast in Curry County over the 2010 to 2030 period. In 2007, nearly one-quarter of the County’s population lived in Brookings. It is reasonable to expect that Brookings’ future population will grow at the same rate as the County, adding about 500 people to Brookings’ population over the planning period. The growth in population will result in small increases in demand for goods and services.
- *Quality of Life* – Brookings is known for its high quality of life. The majority of survey respondents felt positive about the quality of life in Brookings. Amenities are key contributors to the quality of life. The following amenities contribute to quality of life in Brookings: safe pedestrian/bicycle environment, a quality natural environment, access to open space, access to medical services, small town atmosphere, proximity to the Ocean, the climate, and access to natural amenities. Brookings may attract businesses because business owners or managers are attracted to the City’s quality of life and want to live in Brookings.
- *Regional Location* – Brookings’ remote location, relative to the Willamette Valley and the cities of Southern Oregon, make Brookings less accessible to Oregon tourists. Brookings’ access to Highway 101 and proximity to the Pacific Ocean and California, however, provides opportunities for tourism from residents of northern California. Brookings’ lack of sales tax provides advantages for retail businesses over retailers located in California, which has a sales tax of 7.25% in Del Norte County.
- *Transportation* – Transportation is a challenge in Brookings. The City’s distance from other communities, distance from I-5, and lack of freight rail or air services, create barriers to attracting employment that is dependent on automotive or freight transportation. In addition, Brookings’ relatively remote location makes the City less attractive to firms that need a central location or easy access to transportation.

Firms in the City may not be able to attract workers from outside of Curry and Del Norte counties. The commuting patterns of workers, however, suggest that workers have been willing to travel for jobs. It is possible that some firms in Brookings may allow workers to telecommute, especially if labor becomes scarcer. In the long-term, high energy prices may make housing in outlying areas with long commutes less desirable.

- *Growth sectors* –Brookings is most likely to see growth in the service sectors over the next decade. These include: Health and Social Assistance; Administrative and Support; Construction; and Accommodations and Food Services. Other sectors with growth potential over the ten-year period are: Arts, Entertainment, and Recreation; Management of Companies and Enterprises; Professional, Scientific, and Technical Services; and Private Educational Services. The types of businesses that may choose to locate in Brookings may include specialty businesses that could locate in other parts of the Pacific Northwest but are attracted to Brookings.
- *Workforce* – Availability of a skilled, educated labor pool is important for the economic development of Brookings. Firms in Brookings may have difficulties attracting sufficient skilled labor as a result of housing affordability problems, the City’s comparative isolation, rising energy prices, accessibility of workforce training programs, prevalence of retirees, and relatively low labor force participation. These factors may be off-set by developments that make Brookings more attractive to workers or residents or offer post-secondary educational opportunities.
- *Housing* –Housing costs can make recruitment of new businesses more challenging. Providing high wage employment opportunities for existing residents is a viable strategy to help overcome this challenge, along with development of affordable and workforce housing.

RECOMMENDED ECONOMIC DEVELOPMENT STRATEGIES

Strategy 1: Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.

The Economic Opportunities Analysis (EOA) identifies the size and characteristics of sites needed in Brookings for employment uses over the planning period. The City should provide an adequate supply of land for employment uses.

Suggested implementation steps:

1. Provide commercial land to meet the site characteristics and site sizes described in the EOA. Some commercial sites should be located in high-amenity areas, such as areas with a scenic view and/or near to services, such as stores or restaurants. These sites may include vacant, undeveloped land, partially developed sites with potential for additional development through infill development, and redevelopable areas, particularly in downtown. The City can provide additional land in two ways: (1) increasing commercial land-use efficiency by promoting infill or redevelopment or (2) bringing new land into the urban growth boundary.
2. Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing UGB, especially in downtown.

3. Provide light industrial land to meet the site characteristics and site sizes described in the EOA. Manufacturing firms that are likely to locate in Brookings are likely to be relatively small and specialized. They are likely to need relatively small sites (smaller than 5 acres). These sites do not need to be located in high-amenity areas, which may be better used for commercial purposes. These sites may include vacant, undeveloped land, or partially developed sites with potential for additional development through infill development.
4. Develop flexible policies that allow mixtures of compatible commercial and light manufacturing uses. For example, artisan uses could locate in commercial or industrial areas, depending on the production methods. Artisan uses may be compatible with commercial uses, especially when the artisan products appeal to tourists.

Strategy 2: Encourage high-amenity commercial development in downtown Brookings.

The City has policies to encourage residential and commercial redevelopment in downtown, such as an Urban Renewal District. The redevelopment of downtown Brookings provides opportunities to attract visitors and to create a higher amenity business district that might be attractive to firms considering locating in Brookings. In addition, redevelopment in Downtown uses land more efficiently and minimizes the costs of providing new infrastructure.

Suggested implementation steps:

1. Promote economic development in downtown through techniques, such as land assembly and cooperative development agreements, to assist developers with land assembly problems.
2. Adopt policies to promote infill and redevelopment in downtown Brookings.
3. Brookings established an Urban Renewal District in 2002 and has implemented programs to improve streetscaping, upgrade downtown infrastructure, work with building owners on building rehabilitation projects, and other projects. The City should continue to improve downtown by using Urban Renewal funds, especially to fund infrastructure projects in downtown.
4. Continue to work with private interests to improve the appearance of downtown through building improvements and streetscape improvements. The City should consider establishing programs to assist businesses through public-private partnerships, such as low-cost loan programs for capital improvements for downtown businesses.
5. Encourage improvement and historic preservation for Brookings' historic buildings and areas. The State offers two tax credits that create incentives to rehabilitate buildings on the National Register of Historic Places: (1) The Federal Tax Credit program saves the property owner 20% of the cost of rehabilitation

and is administered in Oregon by the State Historic Preservation Office and (2) the Special Assessment of Historic Property Program offers a 15-year "freeze" of a property's assessed value for buildings that will be significantly but appropriately rehabilitated and maintained and is administered by the State's Special Assessment Program.

Strategy 3: Provide adequate infrastructure efficiently and fairly.

Public infrastructure and services are a cornerstone of any economic development strategy. If roads, water, sewer, and other public facilities are unavailable or inadequate, industries will have little incentive to locate in a community.

Suggested implementation steps:

1. Coordinate capital improvement planning with land use and transportation planning to coincide with the City's Economic Development Strategy.
2. Target resources of the Systems Development Funds for infrastructure on sites that provide prime opportunities for employment uses as a result of location, site size, or other significant site characteristics.
3. Continue improving infrastructure in Downtown, such as street and sidewalk repairs, to create a pedestrian friendly environment.
4. Ensure that public-private development agreements to recover costs are in effect prior to financing public improvements.
5. Efficiently use existing infrastructure by promoting development, infill, re-use, and redevelopment for commercial and industrial uses and developing strategies and incentives to stimulate private investment that overcome anticipated impacts or downturns in the local economy.
6. Assist with providing infrastructure through the use of Urban Renewal funding, where appropriate.
7. Work with public or private telecommunications firms to improve access to high-speed Internet throughout Brookings but especially in areas with commercial development. Brookings may be able to attract creative-class firms that allow telecomm commuting because of the high quality of life in Brookings.

Strategy 4: Focus on and enhance the effectiveness of local government services

The actions a local government takes can impact how accessible and available many of the services and amenities described above are to Brookings residents. The most effective actions that a local government in Oregon can take to affect economic development are to:

- Designate sufficient land for commercial and industrial development.

- Provide an efficient permit and development process.
- Plan for land use and public services to protect the character and quality of life in the community.
- Provide sufficient public services to ensure public safety, access to recreation, and high-quality public schools.
- Provide opportunities for development of a range of housing types, including affordable housing, such as multifamily housing.
- Provide opportunities for development of large-scale medical facilities.

Suggested implementation steps

1. Monitor the permitting process. This could include reviewing the length of time it takes to process applications, the type of conditions that are included on approvals, and customer surveys.
2. The City should evaluate the sufficiency of commercial and industrial land periodically, possibly every five to ten years.
3. Review development standards. Where possible, consider “clear and objective” standards that apply to types of development that are consistent with the City’s economic development objectives. The City should also review approval processes to ensure that they provide predictability for developers.
4. Assess the sufficiency of residential land to determine if there are opportunities for development of a range of housing, especially more affordable multifamily housing types.

Strategy 5: Support businesses in Brookings

The City should support the expansion of existing businesses and encouraging new businesses to locate in Brookings. Small businesses are important in every community, but especially important in Brookings. The City's policies should:

- Support expansion of existing businesses
- Encourage new businesses to locate downtown
- Market the city to new businesses

Suggested implementation steps

1. Coordinate with other economic development organizations to develop a coherent and effective marketing program. These organizations include local agencies, such as the Brookings-Harbor Chamber of Commerce or Curry County Economic Development Department, and state agencies, such as the Oregon Economic and Community Development Department.
2. Improve information about and access to business programs available through regional and state agencies, such as the Oregon Economic and Community Development Department or the Small Business Administration. Each of these programs has different funding criteria and application requirements. A service to provide one-stop information to match the needs of employers to existing funding sources could increase the assistance available in Brookings.
3. Develop policies and incentives to retain and expand existing firms. A typical business retention strategy would begin with a task force that would visit local firms and identify issues. Firms that may expand or be relocated are flagged. The task force then reconvenes to set priorities and tailor incentives or strategies specific to each firm.
4. Partner with State and local agencies on projects to retain (and attract) businesses to downtown. The State has programs that provide grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing or construction of water and wastewater improvements. Other opportunities include the National Trust for Historic Preservation's National Main Street Center developed the "Main Streets Program," which may help Brookings to attract and retain businesses.
5. Focus support and retention strategies on businesses that are most likely to need assistance:
 - Small businesses
 - Cottage industries
 - Retail businesses
 - Tourist-oriented businesses
 - Business incubators

Strategy 6: Diversify the economy

Brookings' economy is focused on tourism, retail, and natural resource extraction, such as fishing or gravel mining. The City's policies should promote diversification of the economy, through growing and attracting a variety of businesses, such as: professional services (e.g., research and development, medical professionals, or software engineers); small-scale manufacturing or cottage industries that produce easily shipped items; or businesses and events that will promote year-round tourism.

Suggested implementation steps:

1. Develop an economic development strategic plan to identify methods for increasing economic development in Brookings. The most common economic development tools used by Oregon cities land-use policies that provide land for employment uses and financial incentives (e.g., tax rebates or low cost loans). Cities generally work in partnership with other agencies or private entities to accomplish economic development. The City's economic development strategic plan should promote both public-public and public-private partnerships as a method for increasing economic development.
2. Provide opportunities for development of professional services through provision of land that is attractive to and allows office and other commercial development. Typically professional service firms are attracted to high-amenity locations, such as locations overlooking the harbor and near retail and other services.
3. Provide opportunities for development of small-scale manufacturing through provision of land. The City should consider providing land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.
4. Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances. Some of these small businesses may grow to larger businesses that need commercial or industrial land in the future.

Objective 7: Increase the potential for tourist-related economic activities.

Tourism results in economic activity, especially in the service industries like retail, food services, and accommodations. For example, the direct economic benefit of lodging tax receipts from overnight accommodations to Brookings in 2007 was \$170,700. Brookings could increase tourism through growth of businesses that bring tourists to the City and through increased marketing.

Suggested implementation steps:

1. Encourage development of businesses that are tied to Brookings' history and agricultural and forestry context, such as arts and crafts connected to the City's history, food processing facilities that use local products, wood furniture manufacturing, or lily farming.
2. Build-off of existing events, such as the Slam'n Salmon Ocean Derby or the Azalea Festival, and support development of new events to attract visitors to the City.
3. Ensure that the factors that are likely to attract visitors to Brookings, especially Brookings' environmental quality and natural beauty, are protected and enhanced.

Objective 8: Provide services that attract retirees as residents.

The nation's population is getting older with the aging of the baby-boomers. Oregon's population aged 60 years and older is expected to nearly double between 2000 and 2030. People 60 years and older are expected to grow by three quarters (nearly 15,000 people) in Curry County between 2000 and 2030. Brookings has opportunities to attract seniors as they retire, especially if the City provides services and amenities that are attractive to seniors, such as housing, medical services, and amenities.

Suggested implementation steps:

1. Assist with the development of a hospital facility in Brookings. Curry General Hospital is currently considering locating a medical clinic and urgent care facility within Brookings. The City should encourage the development of additional medical facilities, especially facilities that specialize in geriatrics.
2. Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities. Housing types that may appeal to retirees include: active adult retirement communities that is restricted to seniors, continuing care retirement communities (which provide living options ranging from independent living to nursing care), assisted living facilities, and nursing homes. The housing types in senior retirement communities may include single-family housing, manufactured housing or multifamily housing.

Strategy 9: Support opportunities for workforce development

Availability of skilled workforce is an important factor in a business' ability of expand or choice to locate in an area. The City may be able to support workforce development through collaborations with other agencies or organizations.

Suggested implementation steps:

1. Southwestern Oregon Community College is planning to build a campus in Brookings. The educational and training opportunities at the Community College may help the community retain younger people and businesses may work with the College to develop training programs. The City should provide assistance to the College for the development process and development of infrastructure, which could include financial assistance with infrastructure provision.
2. Coordinate with and support other organizations to sustain and expand workforce services available in Brookings. The City can enhance existing workforce training and development services by coordinating with organizations that offer workforce development services.

CITY OF BROOKINGS

FINDINGS

COUNCIL AGENDA REPORT

Meeting Date: June 22, 2009

Originating Dept: Planning

Signature (submitted by)
City Manager Approval

Subject: Adoption of the Economic Opportunity Analysis and amending Goal 9 of the Comprehensive Plan.

Recommended Motion: Motion approving adoption of the EOA study and amending the Comprehensive Plan.

Financial Impact: None.

Background/Discussion: The Comprehensive Plan is the overall Planning document which addresses the 19 Statewide Planning Goals. Statewide Planning Goal 9 considers economic development. The City applied for grant funds from the Department of Land Conservation and Development (DLCD) to hire a consultant to perform the Economic Opportunity Analysis (EOA) necessary to update Goal 9 in our Comprehensive Plan. This Study covered property within City limits and the Brookings Urban Growth Boundary (UGB). Work has been underway since June of 2008. An on-line survey was conducted to solicit input from the community. Numerous State agencies were consulted as data was collected. A group of citizen stakeholders was formed and met twice to comment on the work in progress. Presentations were given by the consultants, EcoNW, to the Planning Commission, City Council, and the Brookings Rotary Club. Most recently a combined Planning Commission/ City Council workshop was held to present the final draft report.

This update to Goal 9 was required by DLCD to obtain a current inventory of the industrial and commercially zoned property to determine whether there is sufficient available land for the next 20 years. EcoNW studied economic trends to determine what the acreage and locational needs would be for the businesses most likely to expand or develop in our community. The Executive Summary found at the beginning of the EOA describes the results. The determination was made there is sufficient land in the industrial and commercial designations. There is a deficit in some site sizes though that can be accommodated by redevelopment, site assembly of smaller, vacant parcels, and other methods described in the EOA. EcoNW didn't take into account parcels within the Master Plan areas as presently the acreage that will be given commercial/ industrial zones has not been developed. The Lone Ranch Master Plan approved a 2 1/2 acre site for commercial development. The Harbor Hills and Jacks Creek Master Plan areas have yet to submit development proposals. It is likely these areas will have several additional acres to add to the commercial/ industrial inventory in the future. These areas will then provide for some of the needed sites.

Careful review of any zone change requests that would take a parcel out of the industrial or commercial zone designation will be required and the cumulative effect will need to be tracked to keep the balance necessary between residential and employment lands. This hearing is to adopt the EOA and update language in the Comprehensive Plan to reflect the new information found in this Study. At the most recent workshop the Planning Commission and City Council were given copies of the draft EOA. After input from the workshop

APPROVED BY CITY COUNCIL ON

6-22-09

EcoNW put together an Economic Development Strategy which will be appendix E of the EOA. A copy of the Strategy is attached to this report (Attachment A).

Dave Perry, DLCD, has been monitoring progress of the EOA. Staff has prepared required grant reports at various stages of the EOA study and submitted to DLCD. Mr. Perry has written a letter indicating the DLCD is pleased with the results (Attachment B).

PROPOSED COMPREHENSIVE PLAN AMENDMENT

Goal 9, Economy, of the Comprehensive Plan needed to be amended to reflect the adoption of the EOA. Some of the existing Findings were altered to reflect the current situation in the City and the UGB. Policy and strategy statements found in the EOA were also inserted.

A copy of the Goal 9 revisions is attached to this report (Attachment C).

The Planning Commission conducted their hearing on this matter June 2, 2009. A Commissioner voiced concerns that there hadn't been enough "visioning" by the Community to determine how the area should develop and recommended the Council approve the EOA without the "strategy" portion or Comprehensive Plan amendments, as "strategies" are listed there too. Staff explained this study is but a small component of efforts that guide economic development. Over a period of several years dozens of community members were involved in visioning which resulted in two documents, the Proud Study and the Brookings Downtown Master Plan. The City Manager is at work with various groups looking at issues that affect our economy and consider how our area is promoted etc. Efforts will be on-going and subject to change in the years ahead.

Staff spoke with Dave Perry, DLCD, about the Planning Commission's concerns. He agreed this study is limited to more technical, land-use issues which is appropriate and meets the law governing what components must be dealt with for the update to Goal 9 of the Comprehensive Plan. He indicated the "strategies" and Comp. Plan revisions must be adopted to complete this project and receive the grant funds DLCD is providing to pay the consultants.

Staff has added an additional strategy in the Comp. Plan revisions stating "The City is developing an overall economic development plan." This will let individuals know there are other documents to consider when researching economic development in our area.

The EOA provided the information that was needed by the City to consider future zone change requests involving commercial and industrial zoned lands. The grant offer expires at the end of June and Staff needs to have these materials adopted by then.

Policy Considerations: N/A

Attachment(s): Draft Economic Development Strategy for Brookings– **Attachment A.**
Letter from Dave Perry, DLCD – **Attachment B.**
Comprehensive Plan, Goal 9 revisions – **Attachment C.**

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February 27, 2009

TO: Brookings City Council and Planning Commission
CC: Dianne Morris
FROM: Beth Goodman and Bob Parker
SUBJECT: DRAFT ECONOMIC DEVELOPMENT STRATEGY FOR BROOKINGS

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development strategies available to local governments only indirectly affect the cost and quality of these primary location factors.

Local governments can most directly affect local tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

Local governments in Oregon can also play a central role in economic development by providing buildable land in the Urban Growth Boundary. Location, appropriate plan designation, zoning, and provision of public services are all key factors local governments control. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community – market conditions must create demand for this land, and local factors of production must be favorable for business activity. Nonetheless, the provision of buildable land is one of the most direct ways that the City of Brookings can affect the level and type of economic development in the community.

ECONOMIC DEVELOPMENT IN BROOKINGS

There are many possible economic futures for Brookings. As discussed in the previous section, many of the factors that will determine that future are outside of the City's control: the health of the state and national economies, conditions of international trade and migration, and the policies of other cities on the southern coast that encourage or retard growth. The City of Brookings does have some control over many factors that will affect the type and rate of growth in the City over the next 20 years. It can adopt policies that affect the amount and price of land, and quality and price of public utilities, and incentives and charges to for businesses building and operating in the City.

Economic development opportunities in Brookings will be affected by local conditions as well as the national and state economic conditions addressed in the EOA. Factors affecting future economic development in Brookings include population growth, quality of life, proximity to California, location along the Pacific Ocean, access to Highways 199 and 101, relatively remote location relative to other Oregon cities, availability of transportation facilities, energy prices, and the quality and availability of labor.

Brookings economic future is affected in part on larger economic trends, but also on the factors listed above. The City must choose the types of economic growth it wants to plan for. Brookings can reasonably expect growth in existing industries, especially service sector-oriented growth (such as tourism and retail trade) or even for types of employment growth the City has had less of in the past (such as professional or technical services). Economic growth is not inevitable: whether it occurs will depend, in

part, on economic forces beyond the City's control. But it also depends on things the City can influence: the supply of buildable land, public policy, the quality and price of public services, quality of life, and incentives for development.

Key economic development issues

Economic development policies in Brookings should address key issues that will affect economic growth in Brookings over the planning period. These issues were identified through work on the EOA and from information gathered through public input, which included interviews with stakeholders on the project Citizen Advisory Committee, a meeting with the Planning Commission and City Council, and a public survey of community development issues in Brookings.

- *Population Growth* – Population is expected to continue growing in Curry County, with growth of nearly 1,700 new people forecast in Curry County over the 2010 to 2030 period. In 2007, nearly one-quarter of the County's population lived in Brookings. It is reasonable to expect that Brookings' future population will grow at the same rate as the County, adding about 500 people to Brookings' population over the planning period. The growth in population will result in small increases in demand for goods and services.
- *Quality of Life* – Brookings is known for its high quality of life. The majority of survey respondents felt positive about the quality of life in Brookings. Amenities are key contributors to the quality of life. The following amenities contribute to quality of life in Brookings: safe pedestrian/bicycle environment, a quality natural environment, access to open space, access to medical services, small town atmosphere, proximity to the Ocean, the climate, and access to natural amenities. Brookings may attract businesses because business owners or managers are attracted to the City's quality of life and want to live in Brookings.
- *Regional Location* – Brookings' remote location, relative to the Willamette Valley and the cities of Southern Oregon, make Brookings less accessible to Oregon tourists. Brookings' access to Highway 101 and proximity to the Pacific Ocean and California, however, provides opportunities for tourism from residents of northern California. Brookings' lack of sales tax provides advantages for retail businesses over retailers located in California, which has a sales tax of 7.25% in Del Norte County.
- *Transportation* – Transportation is a challenge in Brookings. The City's distance from other communities, distance from I-5, and lack of freight rail or air services, create barriers to attracting employment that is dependent on automotive or freight transportation. In addition, Brookings' relatively remote location makes the City less attractive to firms that need a central location or easy access to transportation.

Firms in the City may not be able to attract workers from outside of Curry and Del Norte counties. The commuting patterns of workers, however, suggest that workers

have been willing to travel for jobs. It is possible that some firms in Brookings may allow workers to telecommute, especially if labor becomes scarcer. In the long-term, high energy prices may make housing in outlying areas with long commutes less desirable.

- *Growth sectors* - Brookings is most likely to see growth in the service sectors over the next decade. These include: Health and Social Assistance; Administrative and Support; Construction; and Accommodations and Food Services. Other sectors with growth potential over the ten-year period are: Arts, Entertainment, and Recreation; Management of Companies and Enterprises; Professional, Scientific, and Technical Services; and Private Educational Services. The types of businesses that may choose to locate in Brookings may include specialty businesses that could locate in other parts of the Pacific Northwest but are attracted to Brookings.
- *Workforce* - Availability of a skilled, educated labor pool is important for the economic development of Brookings. Firms in Brookings may have difficulties attracting sufficient skilled labor as a result of housing affordability problems, the City's comparative isolation, rising energy prices, accessibility of workforce training programs, prevalence of retirees, and relatively low labor force participation. These factors may be off-set by developments that make Brookings more attractive to workers or residents or offer post-secondary educational opportunities.
- *Housing* - Housing costs can make recruitment of new businesses more challenging. Providing high wage employment opportunities for existing residents is a viable strategy to help overcome this challenge, along with development of affordable and workforce housing.

RECOMMENDED ECONOMIC DEVELOPMENT STRATEGIES

Strategy 1: Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.

The Economic Opportunities Analysis (EOA) identifies the size and characteristics of sites needed in Brookings for employment uses over the planning period. The City should provide an adequate supply of land for employment uses.

Suggested implementation steps:

1. Provide commercial land to meet the site characteristics and site sizes described in the EOA. Some commercial sites should be located in high-amenity areas, such as areas with a scenic view and/or near to services, such as stores or restaurants. These sites may include vacant, undeveloped land, partially developed sites with potential for additional development through infill development, and redevelopable areas, particularly in downtown. The City can provide additional land in two ways: (1) increasing commercial land-use efficiency by promoting

infill or redevelopment or (2) bringing new land into the urban growth boundary.

2. Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing UGB, especially in downtown.
3. Provide light industrial land to meet the site characteristics and site sizes described in the EOA. Manufacturing firms that are likely to locate in Brookings are likely to be relatively small and specialized. They are likely to need relatively small sites (smaller than 5 acres). These sites do not need to be located in high-amenity areas, which may be better used for commercial purposes. These sites may include vacant, undeveloped land, or partially developed sites with potential for additional development through infill development.
4. Develop flexible policies that allow mixtures of compatible commercial and light manufacturing uses. For example, artisan uses could locate in commercial or industrial areas, depending on the production methods. Artisan uses may be compatible with commercial uses, especially when the artisan products appeal to tourists.

Strategy 2: Encourage high-amenity commercial development in downtown Brookings.

The City has policies to encourage residential and commercial redevelopment in downtown, such as an Urban Renewal District. The redevelopment of downtown Brookings provides to opportunities to attract visitors and to create a higher amenity business district that might be attractive to firms considering locating in Brookings. In addition, redevelopment in Downtown uses land more efficiently and minimizes the costs of providing new infrastructure.

Suggested implementation steps:

1. Promote economic development in downtown through techniques, such as land assembly and cooperative development agreements, to assist developers with land assembly problems.
2. Adopt policies to promote infill and redevelopment in downtown Brookings.
3. Brookings established an Urban Renewal District in 2002 and has implemented programs to improve streetscaping, upgrade downtown infrastructure, work with building owners on building rehabilitation projects, and other projects. The City should continue to improve downtown by using Urban Renewal funds, especially to fund infrastructure projects in downtown.
4. Continue to work with private interests to improve the appearance of downtown through building improvements and streetscape improvements. The City should consider establishing programs to assist businesses through public-private

partnerships, such as low-cost loan programs for capital improvements for downtown businesses.

5. Encourage improvement and historic preservation for Brookings' historic buildings and areas. The State offers two tax credits that create incentives to rehabilitate buildings on the National Register of Historic Places: (1) The Federal Tax Credit program saves the property owner 20% of the cost of rehabilitation and is administered in Oregon by the State Historic Preservation Office and (2) the Special Assessment of Historic Property Program offers a 15-year "freeze" of a property's assessed value for buildings that will be significantly but appropriately rehabilitated and maintained and is administered by the State's Special Assessment Program.

Strategy 3: Provide adequate infrastructure efficiently and fairly.

Public infrastructure and services are a cornerstone of any economic development strategy. If roads, water, sewer, and other public facilities are unavailable or inadequate, industries will have little incentive to locate in a community.

Suggested implementation steps:

1. Coordinate capital improvement planning with land use and transportation planning to coincide with the City's Economic Development Strategy.
2. Target resources of the Systems Development Funds of infrastructure on sites that provide prime opportunities for employment uses as a result of location, site size, or other significant site characteristics.
3. Continue improving infrastructure in Downtown, such as street and sidewalk repairs, to create a pedestrian friendly environment.
4. Ensure that public-private development agreements to recover costs are in effect prior to financing public improvements.
5. Efficiently use existing infrastructure by promoting development, infill, re-use, and redevelopment for commercial and industrial uses and developing strategies and incentives to stimulate private investment that overcome anticipated impacts or downturns in the local economy.
6. Assist with providing infrastructure through the use of Urban Renewal funding, where appropriate.
7. Work with public or private telecommunications firms to improve access to high-speed Internet throughout Brookings but especially in areas with commercial development. Brookings may be able to attract creative-class firms that allow telecommuting because of the high quality of life in Brookings.

Strategy 4: Focus on and enhance the effectiveness of local government services

The actions a local government takes can impact how accessible and available many of the services and amenities described above are to Brookings residents. The most effective actions that a local government in Oregon can take to affect economic development are to:

- Designate sufficient land for commercial and industrial development.
- Provide an efficient permit and development process.
- Plan for land use and public services to protect the character and quality of life in the community.
- Provide sufficient public services to ensure public safety, access to recreation, and high-quality public schools.
- Provide opportunities for development of a range of housing types, including affordable housing, such as multifamily housing.
- Provide opportunities for development of large-scale medical facilities.

Suggested implementation steps

1. Monitor the permitting process. This could include reviewing the length of time it takes to process applications, the type of conditions that are included on approvals, and customer surveys.
2. The City should evaluate the sufficiency of commercial and industrial land periodically, possibly every five to ten years.
3. Review development standards. Where possible, consider "clear and objective" standards that apply to types of development that are consistent with the City's economic development objectives. The City should also review approval processes to ensure that they provide predictability for developers.
4. Assess the sufficiency of residential land to determine if there are opportunities for development of a range of housing, especially more affordable multifamily housing types.

Strategy 5: Support businesses in Brookings

The City should support the expansion of existing businesses and encouraging new businesses to locate in Brookings. Small businesses are important in every community, but especially important in Brookings. The City's policies should:

- Support expansion of existing businesses
- Encourage new businesses to locate downtown
- Market the city to new businesses

Suggested implementation steps

1. Coordinate with other economic development organizations to develop a coherent and effective marketing program. These organizations include local agencies, such as the Brookings-Harbor Chamber of Commerce or Curry County Economic Development Department, and state agencies, such as the Oregon Economic and Community Development Department.
2. Improve information about and access to business programs available through regional and state agencies, such as the Oregon Economic and Community Development Department or the Small Business Administration. Each of these programs has different funding criteria and application requirements. A service to provide one-stop information to match the needs of employers to existing funding sources could increase the assistance available in Brookings.
3. Develop policies and incentives to retain and expand existing firms. A typical business retention strategy would begin with a task force that would visit local firms and identify issues. Firms that may expand or be relocated are flagged. The task force then reconvenes to set priorities and tailor incentives or strategies specific to each firm.
4. Partner with State and local agencies on projects to retain (and attract) businesses to downtown. The State has programs that provide grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing or construction of water and wastewater improvements. Other opportunities include the National Trust for Historic Preservation's National Main Street Center developed the "Main Streets Program," which may help Brookings to attract and retain businesses.
5. Focus support and retention strategies on businesses that are most likely to need assistance:
 - Small businesses
 - Cottage industries
 - Retail businesses
 - Tourist-oriented businesses
 - Business incubators

Strategy 6: Diversify the economy

Brookings' economy is focused on tourism, retail, and natural resource extraction, such as fishing or gravel mining. The City's policies should promote diversification of the economy, through growing and attracting a variety of businesses, such as: professional services (e.g., research and development, medical professionals, or software engineers); small-scale manufacturing or cottage industries that produce easily shipped items; or businesses and events that will promote year-round tourism.

Suggested implementation steps:

1. Develop an economic development strategic plan to identify methods for increasing economic development in Brookings. The most common economic development tools used by Oregon cities land-use policies that provide land for employment uses and financial incentives (e.g., tax rebates or low cost loans). Cities generally work in partnership with other agencies or private entities to accomplish economic development. The City's economic development strategic plan should promote both public-public and public-private partnerships as a method for increasing economic development.
2. Provide opportunities for development of professional services through provision of land that is attractive to and allows office and other commercial development. Typically professional service firms are attracted to high-amenity locations, such as locations overlooking the harbor and near retail and other services.
3. Provide opportunities for development of small-scale manufacturing through provision of land. The City should consider providing land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.
4. Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances. Some of these small businesses may grow to larger businesses that need commercial or industrial land in the future.

Objective 7: Increase the potential for tourist-related economic activities.

Tourism results in economic activity, especially in the service industries like retail, food services, and accommodations. For example, the direct economic benefit of lodging tax receipts from overnight accommodations to Brookings in 2007 was \$170,700. Brookings could increase tourism through growth of businesses that bring tourists to the City and through increased marketing.

Suggested implementation steps:

1. Encourage development of businesses that are tied to Brookings' history and agricultural and forestry context, such as arts and crafts connected to the City's history, food processing facilities that use local products, wood furniture manufacturing, or lily farming.
2. Build-off of existing events, such as the Slam'n Salmon Ocean Derby or the Azalea Festival, and support development of new events to attract visitors to the City.
3. Ensure that the factors that are likely to attract visitors to Brookings, especially Brookings' environmental quality and natural beauty, are protected and enhanced.

Objective 8: Provide services that attract retirees as residents.

The nation's population is getting older with the aging of the baby-boomers. Oregon's population aged 60 years and older is expected to nearly double between 2000 and 2030. People 60 years and older are expected to grow by three quarters (nearly 15,000 people) in Curry County between 2000 and 2030. Brookings has opportunities to attract seniors as they retire, especially if the City provides services and amenities that are attractive to seniors, such as housing, medical services, and amenities.

Suggested implementation steps:

1. Assist with the development of a hospital facility in Brookings. Curry General Hospital is currently considering locating a medical clinic and urgent care facility within Brookings. The City should encourage the development of additional medical facilities, especially facilities that specialize in geriatrics.
2. Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities. Housing types that may appeal to retirees include: active adult retirement communities that is restricted to seniors, continuing care retirement communities (which provide living options ranging from independent living to nursing care), assisted living facilities, and nursing homes. The housing types in senior retirement communities may include single-family housing, manufactured housing or multifamily housing.

Strategy 9: Support opportunities for workforce development

Availability of skilled workforce is an important factor in a business' ability of expand or choice to locate in an area. The City may be able to support workforce development through collaborations with other agencies or organizations.

Suggested implementation steps:

1. Southwestern Oregon Community College is planning to build a campus in Brookings. The educational and training opportunities at the Community College may help the community retain younger people and businesses may work with the College to develop training programs. The City should provide assistance to the College for the development process and development of infrastructure, which could include financial assistance with infrastructure provision.
2. Coordinate with and support other organizations to sustain and expand workforce services available in Brookings. The City can enhance existing workforce training and development services by coordinating with organizations that offer workforce development services.



Oregon

Theodore R. Kufongoski, Governor

Dept. of Land Conservation and Development

Oregon Coastal Management Program

810 SW Alder, Suite B

Newport, OR 97365

(541) 574-1584

Website: www.oregon.gov/LCD

May 14, 2009

Dianne Morris, Planning Director
City of Brookings
898 Elk Drive
Brookings, OR 97415

Re: Proposed Economic Opportunities Analysis

Dianne:

We have reviewed the above referenced proposal to adopt an economic opportunities analysis (EOA), pursuant to statewide Goal 9. We appreciate the opportunity to support and participate in this project and are pleased with the results.


The analysis concludes that the city has a surplus of employment land in most size categories. The exceptions to this rule include slight shortfalls in 1-2 acre commercial and industrial sites and the need for a single site in the 5-10 acre class. The study further concludes that the city has no expected need for employment sites greater than 20 acres in size. The analysis suggests that some of the indentified need can be met through downtown redevelopment, parcel assembly and a small industrial park that would provide for the needs of small scale manufacturing concerns. Small scale commercial sites (e.g. neighborhood commercial) may also be provided in the areas presently set aside for master planning.

The EOA projects that employment growth will consist of small firms that provide goods and services to tourists and retirees. Industrial growth is expected to be in the form of small, often local businesses that produce small, portable goods. To facilitate this type of growth, the EOA recommends strategic investments in the downtown to support redevelopment. The study also encourages the city to promote mixed use in some areas, such as the 16.5 acre site near the mill that is presently zoned for commercial and multi-family.

We agree with the conclusion in the study that Brookings does not need to expand its urban growth boundary (UGB) to accommodate lands needed for future employment. The study suggests a number of ways that the city can promote efficient use of its existing supply of urban and urbanizable lands to meet the needs of business and industry over the 20-year planning period.

Based on an analysis of national, state and local economic trends and the many factors that affect business location and job growth, the study further provides realistic strategies the city should consider to support business and employment opportunities in Brookings. We encourage the city to reference this study in the future, whenever it considers public policy that affects business, such as land use planning, public facilities, regulatory policies and incentives. If we can be of further assistance to the city in this regard, please do not hesitate to call.

Sincerely,



Dave Perry
South Coast Regional Representative

- Cc: Dave Pratt, Curry County
Chris Clafin, OECDD
DLCD Staff (TH; GG; DN; BB)

DRAFT

6/8/09

Text to be added is *bold and italicized*.

Text to be deleted has ~~strikethrough~~.

BROOKINGS COMPREHENSIVE PLAN

GOAL 9 ECONOMY

GOAL:

To diversify and improve the economy of the Brookings area.

FINDINGS:

1. The industrial base in the Brookings area is relatively narrow and mostly dependent on the timber industry. The lumber and wood products industry accounts for ~~over 90%~~ *most* of the manufacturing jobs in the Brookings area.

Housing starts vary with interest rates, which, in turn, create an impact on the area's lumber industry and wood products industry. However, diversity of type of trees cut, product and modernization of mill facilities have had the affect of leveling the impact of fluctuating interest rates, particularly for engineered products.

2. The Brookings area (Curry County) economy has undergone considerable change in the last ~~20~~ *30* years. The traditional lumber and wood products economic base is no longer strong (down 52% 1960-82; down 31% since 1970). Unemployment in 1982 averaged 16.3% but had fallen to an average of 6.4% in 1990 as other employment opportunities opened within the city. In 1993 the average unemployment rate had risen to 9.1%. *Unemployment averaged approximately 8% in 2008.*

3. *The job sector with the greatest increases in employment during the 2001-2007 period were services and retail trade.*

4. Tourism as a source of income for local business has increased in recent years. Several indirect measures, such as highway counts and state park visitorship, indicate strong growth trend. Sport fishing ~~has also shown a substantial increase in recent years~~ *is an important component of the local economy. There was an increase in direct travel spending from 2002 to 2007 of 18%.*

The city has developed a program for the redevelopment of the older commercial core area. ~~A master plan will be created to include tourist oriented development, mixed uses, and incorporating the future highway couplet.~~ *A Brookings Downtown Master Plan was developed and adopted as a guidance document in 2002. An Urban Renewal Area (URA) was formed and a plan adopted in 2002. Many downtown business owners took advantage of a matching grant façade improvement program funded by the URA in 2008. In 2009*

funds generated from the URA were committed to street improvements in the Downtown Core Area.

5. The Brookings area has developed a strong retirement housing industry. Retirees are an important source of economic stability to the community. *Curry County and Brookings continue to have a population that is older than the State average due to in-migration of retirees.*

6. In the past and to some extent today, the isolation of Brookings is a factor that has prevented certain types of industry from locating in the Brookings area. However, changes in technology, particularly relating to computers, the Internet, and other forms of communication, have made it possible for other types of industry to locate in this area.

7. Changes in communications technology have allowed several firms, which prior to the changes were held in more metropolitan areas, to move their facilities to Brookings to take advantage of the rural small town atmosphere, and quality of life.

8. ~~Employment forecast for the year 2010 indicate a continuing drop in the manufacturing sector and a large increase in the nonmanufacturing sector in Region 7 (Coos and Curry Counties) of the Oregon Employment Department. These changes are undoubtedly due to losses in the timber industry and a corresponding change in the nature of the counties demographics. The fact that the numbers for each county are not broken out by individual county confuses the actual employment issue and makes it more difficult to display exactly what is happening in the Brookings area.~~

**Coos and Curry County
Employment Change 1980-2010**

Sector	1980	1990	2010
Manufacturing	6,260	4,700	3,140
Commercial	19,290	20,540	27,110

An Economic Opportunity Analysis (EOA) was completed and adopted in _____ of 2009. The following Table from that document shows the employment forecast by industry in Region 7 (Coos and Curry Counties) 2006-2016.

Table 2-6. Employment forecast by industry in Region 7 (Coos and Curry Counties), 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Logging & Mining	750	720	-30	-4%
Construction	1,740	1,900	160	9%
Manufacturing	2,250	2,180	-70	-3%
Wood Product Manufacturing	1,370	1,280	-90	-7%
Food Manufacturing	270	260	-10	-4%
Trade, Transportation & Utilities	5,820	6,320	500	9%
Wholesale Trade	490	520	30	6%
Retail Trade	4,160	4,570	410	10%
Food & Beverage Stores	1,000	1,090	90	9%
General Merchandise Stores	1,010	1,130	120	12%
Transportation, Warehousing & Utilit	1,170	1,230	60	5%
Information	390	400	10	3%
Financial Activities	1,440	1,560	120	8%
Professional & Business Services	3,290	3,690	400	12%
Educational & Health Services	2,800	3,340	540	19%
Leisure & Hospitality	3,680	4,210	530	14%
Other Services	810	880	70	9%
Government	7,650	8,420	770	10%
Federal Government	440	410	-30	-7%
State Government	1,300	1,330	30	2%
Local Government	5,920	6,680	760	13%
Indian Tribal	760	1,090	330	43%
Local Education	1,910	1,930	20	1%
Total nonfarm employment	30,620	33,610	2,990	10%

Source: Oregon Employment Department. Employment Projections by Industry 2006-2016.
 Accessed: <http://www.qualityinfo.org/olmisj/OlmisZine?zineid=00000010>
 Projections summarized by ECONorthwest.

8. ~~Based on the information obtained for the expansion of the Urban Growth Boundary, the projected vacant commercial and industrial land needs are as follows:~~

~~Commercial 403 acres total.~~

~~Industrial 238 acres total.~~

Based on the information found in the EOA, the City of Brookings, including the Urban Growth Area, has 564 acres of Commercial land and 358 acres of Industrial land. The Study demonstrates there is enough employment land (commercial and industrial land) to meet needs for the next 20 years (2009-2029) although there is a deficit of some of the larger sites needed. This can be accommodated due to a surplus of smaller sites and strategies such as downtown redevelopment, parcel assembly, creation of small industrial parks, and through other means described in detail in the Study .

POLICIES:

1. General Policies

- a. It is the policy of the City of Brookings to improve the appearance of the downtown commercial area and to enhance shopping opportunities for residents and visitors.
- b. The City of Brookings will encourage the diversification of the City and the regional economy. The City will work to create new employment opportunities while sustaining and expanding existing economic sectors.
- c. Brookings will encourage compatible industrial uses to be located in appropriate areas throughout the community.
- d. The City will encourage the development of facilities to provide for designation tourism and the development and identification of additional tourist attractions.
- e. The City will work with and support the Port of Brookings Harbor in their effort to establish tourist commercial uses within the port area.

The Economic Opportunities Analysis adopted in _____, 2009 added these key policies as part of the economic development strategy:

- f. Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.*
- g. Encourage high-amenity commercial development in downtown Brookings.*
- h. Support existing businesses in Brookings.*
- i. Provide services that attract retirees, as well as serve residents.*

2. Commercial Policies

- a. Commercial districts are intended to serve the retail, service, and office needs of the greater Brookings area.

- b. Commercial districts should offer good visibility and access and should generally be located along major arterials streets.
- c. Commercial districts should result in concentrated groupings of retail, service, and office uses.
- d. New commercial development will be designed in a manner that utilizes access management to the greatest extent possible pursuant to the goals and policies of Goal 12, Transportation, of this Comprehensive Plan.
- e. New commercial areas and new development in existing commercial districts shall be designed in a manner that mitigates traffic, noise and visual impacts on surrounding residential uses

3. Neighborhood Commercial Policies

- a. Neighborhood Commercial districts are intended to provide professional offices and neighborhood oriented goods and services.
- b. Neighborhood Commercial districts should be located adjacent to arterial or collector streets and should serve surrounding residential areas.
- c. Uses in Neighborhood Commercial districts shall be designed to protect surrounding residential properties.

4. Industrial Policies

- a. Industrial areas are intended for the manufacturer, processing and distribution of goods.
- b. Industrial areas should provide easy access to arterial streets. Visibility from arterial streets is not a critical locational concern.
- c. New industrial districts and new uses within existing industrial districts shall be designed in a manner that provides mitigation from traffic, noise, visual, and odorous impacts on surrounding residential districts.
- d. The City shall work with and support the Port of Brookings Harbor to establish marine related industrial uses at the port.
- e. The City shall provide adequate industrial land for the development of new industrial uses.

IMPLEMENTATION:

1. In order to promote economic diversification, the City will continue to develop its working relationship with the private sector.
2. The City will recognize and support the Port of Brookings Harbor Master Plan of Development and work with the Port authorities to develop land within their jurisdiction.
3. The City will utilize the zoning ordinance to provide commercial and industrial lands for development.
4. Brookings will cooperate with local governments and regional agencies to gain improvements in the regional transportation network.
5. Brookings will continue on-going coordination with the Coos-Curry-Douglas Economic Improvement Association to enhance the City's economy. *The City will participate in and support other efforts to create a strong economy by coordinating with:*
 - *Curry County's Economic Development Department*
 - *"Wild Rivers Coast" Promotional Alliance*
 - *Border Coast Airport Authority*
 - *and other appropriate partners.*
6. Brookings will develop and implement a downtown development plan, *has developed a Downtown Master Plan*, which will specify *specifies* appropriate methods to aid in revitalizing the downtown commercial area. The City will cooperate with the Chamber of Commerce to implement the plan and to attract new commercial development.
7. Brookings will consider the formation of an organization to initiate, coordinate and help implement an industrial and employment expansion program.

The EOA adopted in _____, 2009 added these key implementation steps as part of the economic development strategy. The City will:

8. *Provide commercial and industrial land to meet the site characteristics and site sizes described in the EOA.*
9. *Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing Urban Growth Boundary, especially in downtown.*
10. *Provide land that creates opportunities for development of attractions for tourists.*
11. *Work with land-owners to create larger opportunity sites described in the EOA. The City may be able to assist with this process through facilitating property owners with parcel assembly on the sites, ensure that zoning is appropriate to allow the*

desired uses, and working with local economic development agencies to attract users to develop the desired uses.

- 12. Provide opportunities for development of small-scale manufacturing through provision of land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.*
- 13. Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances.*
- 14. Utilize funds from the Urban Renewal District to encourage high-amenity commercial development in downtown core area.*
- 15. Work with private interests to improve the appearance of downtown through building improvements and streetscape improvements.*
- 16. Encourage historic preservation in Brookings' downtown by working with private property owners to pursue State tax credits and create incentives to rehabilitate buildings on the National Register of Historic Places.*
- 17. Support other programs to promote development in downtown, such as low-cost loan programs for capital improvements for downtown businesses or programs to promote historic preservation.*
- 18. Develop a business retention strategy by working with a task force to visit local firms and identify issues. The strategy would identify firms that may expand or be relocated are flagged and set priorities and tailor incentives or strategies specific to each firm.*
- 19. Pursue State and Federal grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing, construction of water and wastewater improvements, or the National Trust for Historic Preservation's "Main Streets Program."*
- 20. Facilitate development of a hospital facility in Brookings*
- 21. Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities.*
- 22. The City is developing an overall economic development plan.*

CITY OF BROOKINGS PLANNING COMMISSION
STAFF REPORT

SUBJECT: Adoption of the Economic Opportunity Analysis and
Amending Goal 9 of the Comprehensive Plan.

REPORT DATE: May 27, 2009

FILE NO: CP-2-09

ITEM NO: 7.2

HEARING DATE: June 2, 2009

GENERAL INFORMATION

APPLICANT: City Initiated.

REPRESENTATIVE: City Staff.

REQUEST: Proposed amendments to the City's Comprehensive Plan providing for the Adoption of the Economic Opportunity Analysis.

PUBLIC NOTICE: Published in local newspaper.

BACKGROUND INFORMATION

The Comprehensive Plan is the overall Planning document which addresses the 19 Statewide Planning Goals. Statewide Planning Goal 9 considers economic development. The City applied for grant funds from the Department of Land Conservation and Development (DLCD) to hire a consultant to perform the Economic Opportunity Analysis (EOA) necessary to update Goal 9 in our Comprehensive Plan. This Study covered property within City limits and the Brookings Urban Growth Boundary (UGB). Work has been underway since June of 2008. An on-line survey was conducted to solicit input from the community. Numerous State agencies were consulted as data was collected. A group of citizen stakeholders was formed and met twice to comment on the work in progress. Presentations were given by the consultants, EcoNW, to the Planning Commission, City Council, and the Brookings Rotary Club. Most recently a combined Planning Commission/ City Council workshop was held to present the final draft report.

This update to Goal 9 was required by DLCD to obtain a current inventory of the industrial and commercially zoned property to determine whether there is sufficient available land for the next 20 years. EcoNW studied economic trends to determine what the acreage and locational needs would be for the businesses most likely to expand or develop in our community. The Executive Summary found at the beginning of the EOA describes the results. The determination was made there is sufficient land in the industrial and commercial designations. There is a deficit in some site sizes though that can be accommodated by redevelopment, site assembly of smaller, vacant parcels, and other methods described in the EOA. EcoNW didn't take into account parcels within the Master Plan areas as presently the acreage that will be given commercial/ industrial zones has not been developed. The Lone Ranch Master Plan approved a 2 ½ acre site for commercial development. The

Harbor Hills and Jacks Creek Master Plan areas have yet to submit development proposals. It is likely these areas will have several additional acres to add to the commercial/ industrial inventory in the future. These areas will then provide for some of the needed sites.

Careful review of any zone change requests that would take a parcel out of the industrial or commercial zone designation will be required and the cumulative effect will need to be tracked to keep the balance necessary between residential and employment lands. This hearing is to adopt the EOA and update language in the Comprehensive Plan to reflect the new information found in this Study. At the most recent workshop the Planning Commission was given a copy of the draft EOA. After input from the workshop EcoNW put together an Economic Development Strategy which will be appendix E of the EOA. A copy of the Strategy is attached to this report (Attachment A).

Dave Perry, DLCD, has been monitoring progress of the EOA. Staff has prepared required grant reports at various stages of the EOA study and submitted to DLCD. Mr. Perry has written a letter indicating the Agency is pleased with the results (Attachment B).

PROPOSED COMPREHENSIVE PLAN AMENDMENT

Goal 9, Economy, of the Comprehensive Plan needed to be amended to reflect the adoption of the EOA. Some of the existing Findings were altered to reflect the current situation in the City and the UGB. Policy and strategy statements found in the EOA were also inserted.

A copy of the Goal 9 revisions is attached to this report (Attachment C).

RECOMMENDATION

Staff supports a Planning Commission recommendation of approval of file CP-2-09, proposed amendments to the City's Comprehensive Plan and adoption of the Economic Opportunity Analysis, to the City Council.

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February 27, 2009

TO: Brookings City Council and Planning Commission
CC: Dianne Morris
FROM: Beth Goodman and Bob Parker
SUBJECT: DRAFT ECONOMIC DEVELOPMENT STRATEGY FOR BROOKINGS

The City of Brookings is in the process of updating the economic element of its Comprehensive Plan. The City engaged the services of ECONorthwest to prepare an Economic Opportunities Analysis (EOA), which is the factual basis of the economic element. The EOA was prepared in accordance with the requirements of statewide planning Goal 9 and its accompanying administrative rule (OAR 660-009), which together require cities to prepare a complimentary economic development strategy that is consistent with the EOA and local economic development objectives.

Economic development policies may address a range of outcomes, from policies to attract firms or retain existing firms to policies to improve or maintain quality of life. The economic development strategy presented in this memorandum was developed in support of the EOA and is designed to meet the requirements of Goal 9. As a result, the economic development strategy focuses on land-use issues, without addressing broader economic development strategies such as labor force education that may also be a priority to the City and residents of Brookings.

The economic development strategy is the result of input from multiple sources:

- **City Council and Planning Commission.** At joint worksessions in October 2008, decisionmakers discussed Brookings' economic development objectives.
- **Citizen Advisory Committee.** The Citizen Advisory Committee met in October 2008 and discussed Brookings' strengths, weaknesses, opportunities, and threats.
- **Community Development Survey.** The City administered an on-line survey about community development issues. The survey had a total of 168 respondents, 76% of whom lived in the Brookings urban growth boundary. It should be noted that the survey was not intended to be statistically representative of the views of all citizens of Brookings.

ORGANIZATION OF THIS MEMORANDUM

This memorandum is organized into the following sections:

- **Understanding Economic Development** presents potential economic development policies and actions that can affect economic development.
- **Economic Development in Brookings** describes key issues for economic development in Brookings.
- **Recommended Strategies** presents recommended economic development strategies for Brookings.

UNDERSTANDING ECONOMIC DEVELOPMENT

A wide range of economic development policies and actions are available to affect the level and type economic development in their community. To affect economic development, any policy or action must affect a factor of production that influences business locations and job growth. The factors that have the most impact on business locations and job growth are:

- Labor
- Land
- Local Infrastructure
- Access to markets and materials
- Agglomerative economies (clusters)
- Quality of life
- Entrepreneurship

The supply, cost, and quality of any of these factors obviously depend on national and global market forces that local government has no influence over. But they also depend on public policy, which can generally affect these factors of production through:

- Planning
- Regulation
- Provision of public services
- Taxes
- Incentives

Research has shown that the location decisions of businesses are primarily based on the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region. Most economic

development strategies available to local governments only indirectly affect the cost and quality of these primary location factors.

Local governments can most directly affect local tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

Local governments in Oregon can also play a central role in economic development by providing buildable land in the Urban Growth Boundary. Location, appropriate plan designation, zoning, and provision of public services are all key factors local governments control. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community – market conditions must create demand for this land, and local factors of production must be favorable for business activity. Nonetheless, the provision of buildable land is one of the most direct ways that the City of Brookings can affect the level and type of economic development in the community.

ECONOMIC DEVELOPMENT IN BROOKINGS

There are many possible economic futures for Brookings. As discussed in the previous section, many of the factors that will determine that future are outside of the City's control: the health of the state and national economies, conditions of international trade and migration, and the policies of other cities on the southern coast that encourage or retard growth. The City of Brookings does have some control over many factors that will affect the type and rate of growth in the City over the next 20 years. It can adopt policies that affect the amount and price of land, and quality and price of public utilities, and incentives and charges to for businesses building and operating in the City.

Economic development opportunities in Brookings will be affected by local conditions as well as the national and state economic conditions addressed in the EOA. Factors affecting future economic development in Brookings include population growth, quality of life, proximity to California, location along the Pacific Ocean, access to Highways 199 and 101, relatively remote location relative to other Oregon cities, availability of transportation facilities, energy prices, and the quality and availability of labor.

Brookings economic future is affected in part on larger economic trends, but also on the factors listed above. The City must choose the types of economic growth it wants to plan for. Brookings can reasonably expect growth in existing industries, especially service sector-oriented growth (such as tourism and retail trade) or even for types of employment growth the City has had less of in the past (such as professional or technical services). Economic growth is not inevitable: whether it occurs will depend, in

part, on economic forces beyond the City's control. But it also depends on things the City can influence: the supply of buildable land, public policy, the quality and price of public services, quality of life, and incentives for development.

Key economic development issues

Economic development policies in Brookings should address key issues that will affect economic growth in Brookings over the planning period. These issues were identified through work on the EOA and from information gathered through public input, which included interviews with stakeholders on the project Citizen Advisory Committee, a meeting with the Planning Commission and City Council, and a public survey of community development issues in Brookings.

- *Population Growth* – Population is expected to continue growing in Curry County, with growth of nearly 1,700 new people forecast in Curry County over the 2010 to 2030 period. In 2007, nearly one-quarter of the County's population lived in Brookings. It is reasonable to expect that Brookings' future population will grow at the same rate as the County, adding about 500 people to Brookings' population over the planning period. The growth in population will result in small increases in demand for goods and services.
- *Quality of Life* – Brookings is known for its high quality of life. The majority of survey respondents felt positive about the quality of life in Brookings. Amenities are key contributors to the quality of life. The following amenities contribute to quality of life in Brookings: safe pedestrian/bicycle environment, a quality natural environment, access to open space, access to medical services, small town atmosphere, proximity to the Ocean, the climate, and access to natural amenities. Brookings may attract businesses because business owners or managers are attracted to the City's quality of life and want to live in Brookings.
- *Regional Location* – Brookings' remote location, relative to the Willamette Valley and the cities of Southern Oregon, make Brookings less accessible to Oregon tourists. Brookings' access to Highway 101 and proximity to the Pacific Ocean and California, however, provides opportunities for tourism from residents of northern California. Brookings' lack of sales tax provides advantages for retail businesses over retailers located in California, which has a sales tax of 7.25% in Del Norte County.
- *Transportation* – Transportation is a challenge in Brookings. The City's distance from other communities, distance from I-5, and lack of freight rail or air services, create barriers to attracting employment that is dependent on automotive or freight transportation. In addition, Brookings' relatively remote location makes the City less attractive to firms that need a central location or easy access to transportation.

Firms in the City may not be able to attract workers from outside of Curry and Del Norte counties. The commuting patterns of workers, however, suggest that workers

have been willing to travel for jobs. It is possible that some firms in Brookings may allow workers to telecommute, especially if labor becomes scarcer. In the long-term, high energy prices may make housing in outlying areas with long commutes less desirable.

- *Growth sectors* –Brookings is most likely to see growth in the service sectors over the next decade. These include: Health and Social Assistance; Administrative and Support; Construction; and Accommodations and Food Services. Other sectors with growth potential over the ten-year period are: Arts, Entertainment, and Recreation; Management of Companies and Enterprises; Professional, Scientific, and Technical Services; and Private Educational Services. The types of businesses that may choose to locate in Brookings may include specialty businesses that could locate in other parts of the Pacific Northwest but are attracted to Brookings.
- *Workforce* – Availability of a skilled, educated labor pool is important for the economic development of Brookings. Firms in Brookings may have difficulties attracting sufficient skilled labor as a result of housing affordability problems, the City's comparative isolation, rising energy prices, accessibility of workforce training programs, prevalence of retirees, and relatively low labor force participation. These factors may be off-set by developments that make Brookings more attractive to workers or residents or offer post-secondary educational opportunities.
- *Housing* –Housing costs can make recruitment of new businesses more challenging. Providing high wage employment opportunities for existing residents is a viable strategy to help overcome this challenge, along with development of affordable and workforce housing.

RECOMMENDED ECONOMIC DEVELOPMENT STRATEGIES

Strategy 1: Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.

The Economic Opportunities Analysis (EOA) identifies the size and characteristics of sites needed in Brookings for employment uses over the planning period. The City should provide an adequate supply of land for employment uses.

Suggested implementation steps:

1. Provide commercial land to meet the site characteristics and site sizes described in the EOA. Some commercial sites should be located in high-amenity areas, such as areas with a scenic view and/or near to services, such as stores or restaurants. These sites may include vacant, undeveloped land, partially developed sites with potential for additional development through infill development, and redevelopable areas, particularly in downtown. The City can provide additional land in two ways: (1) increasing commercial land-use efficiency by promoting

- infill or redevelopment or (2) bringing new land into the urban growth boundary.
2. Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing UGB, especially in downtown.
 3. Provide light industrial land to meet the site characteristics and site sizes described in the EOA. Manufacturing firms that are likely to locate in Brookings are likely to be relatively small and specialized. They are likely to need relatively small sites (smaller than 5 acres). These sites do not need to be located in high-amenity areas, which may be better used for commercial purposes. These sites may include vacant, undeveloped land, or partially developed sites with potential for additional development through infill development.
 4. Develop flexible policies that allow mixtures of compatible commercial and light manufacturing uses. For example, artisan uses could locate in commercial or industrial areas, depending on the production methods. Artisan uses may be compatible with commercial uses, especially when the artisan products appeal to tourists.

Strategy 2: Encourage high-amenity commercial development in downtown Brookings.

The City has policies to encourage residential and commercial redevelopment in downtown, such as an Urban Renewal District. The redevelopment of downtown Brookings provides to opportunities to attract visitors and to create a higher amenity business district that might be attractive to firms considering locating in Brookings. In addition, redevelopment in Downtown uses land more efficiently and minimizes the costs of providing new infrastructure.

Suggested implementation steps:

1. Promote economic development in downtown through techniques, such as land assembly and cooperative development agreements, to assist developers with land assembly problems.
2. Adopt policies to promote infill and redevelopment in downtown Brookings.
3. Brookings established an Urban Renewal District in 2002 and has implemented programs to improve streetscaping, upgrade downtown infrastructure, work with building owners on building rehabilitation projects, and other projects. The City should continue to improve downtown by using Urban Renewal funds, especially to fund infrastructure projects in downtown.
4. Continue to work with private interests to improve the appearance of downtown through building improvements and streetscape improvements. The City should consider establishing programs to assist businesses through public-private

partnerships, such as low-cost loan programs for capital improvements for downtown businesses.

5. Encourage improvement and historic preservation for Brookings' historic buildings and areas. The State offers two tax credits that create incentives to rehabilitate buildings on the National Register of Historic Places: (1) The Federal Tax Credit program saves the property owner 20% of the cost of rehabilitation and is administered in Oregon by the State Historic Preservation Office and (2) the Special Assessment of Historic Property Program offers a 15-year "freeze" of a property's assessed value for buildings that will be significantly but appropriately rehabilitated and maintained and is administered by the State's Special Assessment Program.

Strategy 3: Provide adequate infrastructure efficiently and fairly.

Public infrastructure and services are a cornerstone of any economic development strategy. If roads, water, sewer, and other public facilities are unavailable or inadequate, industries will have little incentive to locate in a community.

Suggested implementation steps:

1. Coordinate capital improvement planning with land use and transportation planning to coincide with the City's Economic Development Strategy.
2. Target resources of the Systems Development Funds of infrastructure on sites that provide prime opportunities for employment uses as a result of location, site size, or other significant site characteristics.
3. Continue improving infrastructure in Downtown, such as street and sidewalk repairs, to create a pedestrian friendly environment.
4. Ensure that public-private development agreements to recover costs are in effect prior to financing public improvements.
5. Efficiently use existing infrastructure by promoting development, infill, re-use, and redevelopment for commercial and industrial uses and developing strategies and incentives to stimulate private investment that overcome anticipated impacts or downturns in the local economy.
6. Assist with providing infrastructure through the use of Urban Renewal funding, where appropriate.
7. Work with public or private telecommunications firms to improve access to high-speed Internet throughout Brookings but especially in areas with commercial development. Brookings may be able to attract creative-class firms that allow telecommuting because of the high quality of life in Brookings.

Strategy 4: Focus on and enhance the effectiveness of local government services

The actions a local government takes can impact how accessible and available many of the services and amenities described above are to Brookings residents. The most effective actions that a local government in Oregon can take to affect economic development are to:

- Designate sufficient land for commercial and industrial development.
- Provide an efficient permit and development process.
- Plan for land use and public services to protect the character and quality of life in the community.
- Provide sufficient public services to ensure public safety, access to recreation, and high-quality public schools.
- Provide opportunities for development of a range of housing types, including affordable housing, such as multifamily housing.
- Provide opportunities for development of large-scale medical facilities.

Suggested implementation steps

1. Monitor the permitting process. This could include reviewing the length of time it takes to process applications, the type of conditions that are included on approvals, and customer surveys.
2. The City should evaluate the sufficiency of commercial and industrial land periodically, possibly every five to ten years.
3. Review development standards. Where possible, consider "clear and objective" standards that apply to types of development that are consistent with the City's economic development objectives. The City should also review approval processes to ensure that they provide predictability for developers.
4. Assess the sufficiency of residential land to determine if there are opportunities for development of a range of housing, especially more affordable multifamily housing types.

Strategy 5: Support businesses in Brookings

The City should support the expansion of existing businesses and encouraging new businesses to locate in Brookings. Small businesses are important in every community, but especially important in Brookings. The City's policies should:

- Support expansion of existing businesses
- Encourage new businesses to locate downtown
- Market the city to new businesses

Suggested implementation steps

1. Coordinate with other economic development organizations to develop a coherent and effective marketing program. These organizations include local agencies, such as the Brookings-Harbor Chamber of Commerce or Curry County Economic Development Department, and state agencies, such as the Oregon Economic and Community Development Department.
2. Improve information about and access to business programs available through regional and state agencies, such as the Oregon Economic and Community Development Department or the Small Business Administration. Each of these programs has different funding criteria and application requirements. A service to provide one-stop information to match the needs of employers to existing funding sources could increase the assistance available in Brookings.
3. Develop policies and incentives to retain and expand existing firms. A typical business retention strategy would begin with a task force that would visit local firms and identify issues. Firms that may expand or be relocated are flagged. The task force then reconvenes to set priorities and tailor incentives or strategies specific to each firm.
4. Partner with State and local agencies on projects to retain (and attract) businesses to downtown. The State has programs that provide grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing or construction of water and wastewater improvements. Other opportunities include the National Trust for Historic Preservation's National Main Street Center developed the "Main Streets Program," which may help Brookings to attract and retain businesses.
5. Focus support and retention strategies on businesses that are most likely to need assistance:
 - Small businesses
 - Cottage industries
 - Retail businesses
 - Tourist-oriented businesses
 - Business incubators

Strategy 6: Diversify the economy

Brookings' economy is focused on tourism, retail, and natural resource extraction, such as fishing or gravel mining. The City's policies should promote diversification of the economy, through growing and attracting a variety of businesses, such as: professional services (e.g., research and development, medical professionals, or software engineers); small-scale manufacturing or cottage industries that produce easily shipped items; or businesses and events that will promote year-round tourism.

Suggested implementation steps:

1. Develop an economic development strategic plan to identify methods for increasing economic development in Brookings. The most common economic development tools used by Oregon cities land-use policies that provide land for employment uses and financial incentives (e.g., tax rebates or low cost loans). Cities generally work in partnership with other agencies or private entities to accomplish economic development. The City's economic development strategic plan should promote both public-public and public-private partnerships as a method for increasing economic development.
2. Provide opportunities for development of professional services through provision of land that is attractive to and allows office and other commercial development. Typically professional service firms are attracted to high-amenity locations, such as locations overlooking the harbor and near retail and other services.
3. Provide opportunities for development of small-scale manufacturing through provision of land. The City should consider providing land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.
4. Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances. Some of these small businesses may grow to larger businesses that need commercial or industrial land in the future.

Objective 7: Increase the potential for tourist-related economic activities.

Tourism results in economic activity, especially in the service industries like retail, food services, and accommodations. For example, the direct economic benefit of lodging tax receipts from overnight accommodations to Brookings in 2007 was \$170,700. Brookings could increase tourism through growth of businesses that bring tourists to the City and through increased marketing.

Suggested implementation steps:

1. Encourage development of businesses that are tied to Brookings' history and agricultural and forestry context, such as arts and crafts connected to the City's history, food processing facilities that use local products, wood furniture manufacturing, or lily farming.
2. Build-off of existing events, such as the Slam'n Salmon Ocean Derby or the Azalea Festival, and support development of new events to attract visitors to the City.
3. Ensure that the factors that are likely to attract visitors to Brookings, especially Brookings' environmental quality and natural beauty, are protected and enhanced.

Objective 8: Provide services that attract retirees as residents.

The nation's population is getting older with the aging of the baby-boomers. Oregon's population aged 60 years and older is expected to nearly double between 2000 and 2030. People 60 years and older are expected to grow by three quarters (nearly 15,000 people) in Curry County between 2000 and 2030. Brookings has opportunities to attract seniors as they retire, especially if the City provides services and amenities that are attractive to seniors, such as housing, medical services, and amenities.

Suggested implementation steps:

1. Assist with the development of a hospital facility in Brookings. Curry General Hospital is currently considering locating a medical clinic and urgent care facility within Brookings. The City should encourage the development of additional medical facilities, especially facilities that specialize in geriatrics.
2. Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities. Housing types that may appeal to retirees include: active adult retirement communities that is restricted to seniors, continuing care retirement communities (which provide living options ranging from independent living to nursing care), assisted living facilities, and nursing homes. The housing types in senior retirement communities may include single-family housing, manufactured housing or multifamily housing.

Strategy 9: Support opportunities for workforce development

Availability of skilled workforce is an important factor in a business' ability of expand or choice to locate in an area. The City may be able to support workforce development through collaborations with other agencies or organizations.

Suggested implementation steps:

1. Southwestern Oregon Community College is planning to build a campus in Brookings. The educational and training opportunities at the Community College may help the community retain younger people and businesses may work with the College to develop training programs. The City should provide assistance to the College for the development process and development of infrastructure, which could include financial assistance with infrastructure provision.
2. Coordinate with and support other organizations to sustain and expand workforce services available in Brookings. The City can enhance existing workforce training and development services by coordinating with organizations that offer workforce development services.



Oregon

Theodore R. Kulongoski, Governor

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May 14, 2009

Dianne Morris, Planning Director
City of Brookings
898 Elk Drive
Brookings, OR 97415

Re: Proposed Economic Opportunities Analysis

Dianne:

We have reviewed the above referenced proposal to adopt an economic opportunities analysis (EOA), pursuant to statewide Goal 9. We appreciate the opportunity to support and participate in this project and are pleased with the results.

The analysis concludes that the city has a surplus of employment land in most size categories. The exceptions to this rule include slight shortfalls in 1-2 acre commercial and industrial sites and the need for a single site in the 5-10 acre class. The study further concludes that the city has no expected need for employment sites greater than 20 acres in size. The analysis suggests that some of the identified need can be met through downtown redevelopment, parcel assembly and a small industrial park that would provide for the needs of small scale manufacturing concerns. Small scale commercial sites (e.g. neighborhood commercial) may also be provided in the areas presently set aside for master planning.

The EOA projects that employment growth will consist of small firms that provide goods and services to tourists and retirees. Industrial growth is expected to be in the form of small, often local businesses that produce small, portable goods. To facilitate this type of growth, the EOA recommends strategic investments in the downtown to support redevelopment. The study also encourages the city to promote mixed use in some areas, such as the 16.5 acre site near the mill that is presently zoned for commercial and multi-family.

We agree with the conclusion in the study that Brookings does not need to expand its urban growth boundary (UGB) to accommodate lands needed for future employment. The study suggests a number of ways that the city can promote efficient use of its existing supply of urban and urbanizable lands to meet the needs of business and industry over the 20-year planning period.

Based on an analysis of national, state and local economic trends and the many factors that affect business location and job growth, the study further provides realistic strategies the city should consider to support business and employment opportunities in Brookings. We encourage the city to reference this study in the future, whenever it considers public policy that affects business, such as land use planning, public facilities, regulatory policies and incentives. If we can be of further assistance to the city in this regard, please do not hesitate to call.

Sincerely,



Dave Perry
South Coast Regional Representative

Cc: Dave Pratt, Curry County
Chris Clafin, OECDD
DLCD Staff (TH; GG; DN; BB)

DRAFT
5/18/09

Text to be added is *bold and italicized*.
Text to be deleted has ~~strikethrough~~.

BROOKINGS COMPREHENSIVE PLAN

GOAL 9 ECONOMY

GOAL:

To diversify and improve the economy of the Brookings area.

FINDINGS:

1. The industrial base in the Brookings area is relatively narrow and mostly dependent on the timber industry. The lumber and wood products industry accounts for ~~over 90%~~ *most* of the manufacturing jobs in the Brookings area.

Housing starts vary with interest rates, which, in turn, create an impact on the area's lumber industry and wood products industry. However, diversity of type of trees cut, product and modernization of mill facilities have had the affect of leveling the impact of fluctuating interest rates, particularly for engineered products.

2. The Brookings area (Curry County) economy has undergone considerable change in the last ~~20~~ *30* years. The traditional lumber and wood products economic base is no longer strong (down 52% 1960-82; down 31% since 1970). Unemployment in 1982 averaged 16.3% but had fallen to an average of 6.4% in 1990 as other employment opportunities opened within the city. In 1993 the average unemployment rate had risen to 9.1%. *Unemployment averaged approximately 8% in 2008.*

3. *The job sector with the greatest increases in employment during the 2001-2007 period were services and retail trade.*

4. Tourism as a source of income for local business has increased in recent years. Several indirect measures, such as highway counts and state park visitorship, indicate strong growth trend. Sport fishing ~~has also shown a substantial increase in recent years~~ *is an important component of the local economy. There was an increase in direct travel spending from 2002 to 2007 of 18%.*

The city has developed a program for the redevelopment of the older commercial core area. ~~A master plan will be created to include tourist-oriented development, mixed uses, and incorporating the future highway couplet.~~ *A Brookings Downtown Master Plan was developed and adopted as a guidance document in 2002. An Urban Renewal Area (URA) was formed and a plan adopted in 2002. Many downtown business owners took advantage of a matching grant facade improvement program funded by the URA in 2008. In 2009*

funds generated from the URA were committed to street improvements in the Downtown Core Area.

5. The Brookings area has developed a strong retirement housing industry. Retirees are an important source of economic stability to the community. *Curry County and Brookings continue to have a population that is older than the State average due to in-migration of retirees.*

6. In the past and to some extent today, the isolation of Brookings is a factor that has prevented certain types of industry from locating in the Brookings area. However, changes in technology, particularly relating to computers, the Internet, and other forms of communication, have made it possible for other types of industry to locate in this area.

7. Changes in communications technology have allowed several firms, which prior to the changes were held in more metropolitan areas, to move their facilities to Brookings to take advantage of the rural small town atmosphere, and quality of life.

~~8. Employment forecast for the year 2010 indicate a continuing drop in the manufacturing sector and a large increase in the nonmanufacturing sector in Region 7 (Coos and Curry Counties) of the Oregon Employment Department. These changes are undoubtedly due to losses in the timber industry and a corresponding change in the nature of the counties demographics. The fact that the numbers for each county are not broken out by individual county confuses the actual employment issue and makes it more difficult to display exactly what is happening in the Brookings area.~~

Coos and Curry County
Employment Change 1980—2010

Sector	1980	1990	2010
Manufacturing	6,260	4,700	3,140
Commercial	19,290	20,540	27,110

(EOA)

An Economic Opportunity Analysis was completed and adopted in _____ of 2009. The following Table from that document shows the employment forecast by industry in Region 7 (Coos and Curry Counties) 2006-2016.

Table 2-6. Employment forecast by industry in Region 7 (Coos and Curry Counties), 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Logging & Mining	750	720	-30	-4%
Construction	1,740	1,900	160	9%
Manufacturing	2,250	2,180	-70	-3%
Wood Product Manufacturing	1,370	1,280	-90	-7%
Food Manufacturing	270	260	-10	-4%
Trade, Transportation & Utilities	5,820	6,320	500	9%
Wholesale Trade	490	520	30	6%
Retail Trade	4,160	4,570	410	10%
Food & Beverage Stores	1,000	1,090	90	9%
General Merchandise Stores	1,010	1,130	120	12%
Transportation, Warehousing & Utilit	1,170	1,230	60	5%
Information	390	400	10	3%
Financial Activities	1,440	1,560	120	8%
Professional & Business Services	3,290	3,690	400	12%
Educational & Health Services	2,800	3,340	540	19%
Leisure & Hospitality	3,680	4,210	530	14%
Other Services	810	880	70	9%
Government	7,650	8,420	770	10%
Federal Government	440	410	-30	-7%
State Government	1,300	1,330	30	2%
Local Government	5,920	6,680	760	13%
Indian Tribal	760	1,090	330	43%
Local Education	1,910	1,930	20	1%
Total nonfarm employment	30,620	33,610	2,990	10%

Source: Oregon Employment Department. Employment Projections by Industry 2006-2016.
Accessed: <http://www.qualityinfo.org/olmisj/OlmisZine?zineid=00000010>
Projections summarized by ECONorthwest.

8. Based on the information obtained for the expansion of the Urban Growth Boundary, the projected vacant commercial and industrial land needs are as follows:

Commercial 403 acres total.

Industrial 238 acres total.

Based on the information found in the EOA, the City of Brookings, including the Urban Growth Area, has 564 acres of Commercial land and 358 acres of Industrial land. The Study demonstrates there is enough employment land to meet needs for the next 20 years (2009-2029) although there is a deficit of some of the larger sites needed. This can be accommodated due to a surplus of smaller sites and strategies such as downtown redevelopment, parcel assembly, creation of small industrial parks, and through other means described in detail in the Study.

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POLICIES:

1. General Policies

- a. It is the policy of the City of Brookings to improve the appearance of the downtown commercial area and to enhance shopping opportunities for residents and visitors.
- b. The City of Brookings will encourage the diversification of the City and the regional economy. The City will work to create new employment opportunities while sustaining and expanding existing economic sectors.
- c. Brookings will encourage compatible industrial uses to be located in appropriate areas throughout the community.
- d. The City will encourage the development of facilities to provide for designation tourism and the development and identification of additional tourist attractions.
- e. The City will work with and support the Port of Brookings Harbor in their effort to establish tourist commercial uses within the port area.

The ~~Economic Opportunities Analysis~~^{EOA} adopted in _____, 2009 added these key policies as part of the economic development strategy:

- f. Provide an adequate supply of sites of varying locations, configurations, and size, to accommodate industrial and other employment over the planning period.
- g. Encourage high-amenity commercial development in downtown Brookings.
- h. Support existing businesses in Brookings.
- i. Provide services that attract retirees, as well as serve residents.

2. Commercial Policies

- a. Commercial districts are intended to serve the retail, service, and office needs of the greater Brookings area.

b. Commercial districts should offer good visibility and access and should generally be located along major arterial streets.

c. Commercial districts should result in concentrated groupings of retail, service, and office uses.

d. New commercial development will be designed in a manner that utilizes access management to the greatest extent possible pursuant to the goals and policies of Goal 12, Transportation, of this Comprehensive Plan.

e. New commercial areas and new development in existing commercial districts shall be designed in a manner that mitigates traffic, noise and visual impacts on surrounding residential uses

3. Neighborhood Commercial Policies

a. Neighborhood Commercial districts are intended to provide professional offices and neighborhood oriented goods and services.

b. Neighborhood Commercial districts should be located adjacent to arterial or collector streets and should serve surrounding residential areas.

c. Uses in Neighborhood Commercial districts shall be designed to protect surrounding residential properties.

4. Industrial Policies

a. Industrial areas are intended for the manufacturer, processing and distribution of goods.

b. Industrial areas should provide easy access to arterial streets. Visibility from arterial streets is not a critical locational concern.

c. New industrial districts and new uses within existing industrial districts shall be designed in a manner that provides mitigation from traffic, noise, visual, and odorous impacts on surrounding residential districts.

d. The City shall work with and support the Port of Brookings Harbor to establish marine related industrial uses at the port.

e. The City shall provide adequate industrial land for the development of new industrial uses.

IMPLEMENTATION:

1. In order to promote economic diversification, the City will continue to develop its working relationship with the private sector.
2. The City will recognize and support the Port of Brookings Harbor Master Plan of Development and work with the Port authorities to develop land within their jurisdiction.
3. The City will utilize the zoning ordinance to provide commercial and industrial lands for development.
4. Brookings will cooperate with local governments and regional agencies to gain improvements in the regional transportation network.
5. Brookings will continue on-going coordination with the Coos-Curry-Douglas Economic Improvement Association to enhance the City's economy. *The City will participate in and support other efforts to create a strong economy by coordinating with:*

- *Curry County's Economic Development Department*
- *"Wild Rivers Coast" Promotional Alliance*
- ~~*Border Coast Airport Authority*~~ *J. TRON DOESN'T*
- *and other appropriate partners.*

6. Brookings will ~~develop and implement a downtown development plan~~, *has developed a Downtown Master Plan*, which will ~~specify~~ *specifies* appropriate methods to aid in revitalizing the downtown commercial area. The City will cooperate with the Chamber of Commerce to implement the plan and to attract new commercial development.
7. Brookings will consider the formation of an organization to initiate, coordinate and help implement an industrial and employment expansion program.

EOA

The ~~Economic Opportunities Analysis~~ adopted in _____, 2009 added these key implementation steps as part of the economic development strategy. The City will:

8. *Provide commercial and industrial land to meet the site characteristics and site sizes described in the EOA.*
9. *Limit retail commercial land supply to encourage retail infill and redevelopment to areas within the existing UGB, especially in downtown.*

10. *Provide land that creates opportunities for development of attractions for tourists.*

11. *Work with land-owners to create larger opportunity sites described in the EOA. The City may be able to assist with this process through facilitating property owners with parcel assembly on the sites, ensure that zoning is appropriate to allow the desired uses, and working with local economic development agencies to attract users to develop the desired uses.*

*SPREAD
OUT
ELSEWHERE*

12. *Provide opportunities for development of small-scale manufacturing through provision of land that allows a mixture of complementary light manufacturing, artisan, and commercial uses.*
13. *Encourage small-scale home occupations for cottage industries and professional services. These uses should be of a type and scale that does not adversely impact residential uses through negative traffic impacts or other nuisances.*
14. *Utilize funds from the Urban Renewal District to encourage high-amenity commercial development in downtown core area.*
15. *Work with private interests to improve the appearance of downtown through building improvements and streetscape improvements.*
16. *Encourage historic preservation in Brookings' downtown by working with private property owners to pursue State tax credits and create incentives to rehabilitate buildings on the National Register of Historic Places.*
17. *Support other programs to promote development in downtown, such as low-cost loan programs for capital improvements for downtown businesses or programs to promote historic preservation.*
18. *Develop a business retention strategy by working with a task force to visit local firms and identify issues. The strategy would identify firms that may expand or be relocated are flagged and set priorities and tailor incentives or strategies specific to each firm.*
19. *Pursue State and Federal grants to fund economic development and infrastructure improvements, such as grants for port planning and marketing, construction of water and wastewater improvements, or the National Trust for Historic Preservation's "Main Streets Program."*
20. *Facilitate development of a hospital facility in Brookings*
21. *Provide opportunities for development of housing for seniors, ranging from single-family detached dwellings to nursing facilities.*



First Class Mail

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