



Planning For a Vibrant Future: Land Use and Economic Development in Troutdale

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COLLEGE OF DESIGN

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About SCI

The Sustainable Cities Institute (SCI) is an applied think tank focusing on sustainability and cities through applied research, teaching, and community partnerships. We work across disciplines that match the complexity of cities to address sustainability challenges, from regional planning to building design and from enhancing engagement of diverse communities to understanding the impacts on municipal budgets from disruptive technologies and many issues in between.

SCI focuses on sustainability-based research and teaching opportunities through two primary efforts:

1. Our Sustainable City Year Program (SCYP), a massively scaled university-community partnership program that matches the resources of the University with one Oregon community each year to help advance that community's sustainability goals; and

2. Our Urbanism Next Center, which focuses on how autonomous vehicles, e-commerce, and the sharing economy will impact the form and function of cities.

In all cases, we share our expertise and experiences with scholars, policymakers, community leaders, and project partners. We further extend our impact via an annual Expert-in-Residence Program, SCI China visiting scholars program, study abroad course on redesigning cities for people on bicycle, and through our co-leadership of the Educational Partnerships for Innovation in Communities Network (EPIC-N), which is transferring SCYP to universities and communities across the globe. Our work connects student passion, faculty experience, and community needs to produce innovative, tangible solutions for the creation of a sustainable society.

About SCYP

The Sustainable City Year Program (SCYP) is a year-long partnership between SCI and a partner in Oregon, in which students and faculty in courses from across the university collaborate with a public entity on sustainability and livability projects. SCYP faculty and students work in collaboration with staff from the partner agency through a variety of studio projects and service-

learning courses to provide students with real-world projects to investigate. Students bring energy, enthusiasm, and innovative approaches to difficult, persistent problems. SCYP's primary value derives from collaborations that result in on-the-ground impact and expanded conversations for a community ready to transition to a more sustainable and livable future.

About City of Troutdale

Troutdale is a dynamic suburban community in Multnomah County, situated on the eastern edge of the Portland metropolitan region and the western edge of the Columbia River Gorge. Settled in the late 1800s and incorporated in 1907, this “Gateway to the Gorge” is approximately six square miles in size with a population of nearly 17,000 residents. Almost 75% of that population is aged 18-64.

Troutdale’s median household income of \$72,188 exceeds the State of Oregon’s \$59,393. Troutdale’s neighbors include Wood Village and Fairview to the west, Gresham to the south, and unincorporated areas of Multnomah County to the east.

For the first part of the 20th century, the city remained a small village serving area farmers and company workers at nearby industrial facilities. Starting around 1970, Troutdale became a bedroom community in the region, with subdivisions and spurts of multi-family residential housing occurring. In the 1990s, efforts were made to improve the aesthetics of the community’s original core, contributing to an award-winning “Main Street” infill project that helped with placemaking. In the 2010s, the City positioned itself as a jobs center as it worked with stakeholders to transform a large superfund area to one of the region’s most attractive industrial centers – the Troutdale-Reynolds Industrial Park.

The principal transportation link between Troutdale and Portland is Interstate 84. The Union Pacific Railroad main line runs just north of Troutdale’s city center. The Troutdale area is the gateway to the famous Columbia River Gorge Scenic Area and Sandy River recreational areas, and its outdoor pursuits. Troutdale’s appealing and

beautiful natural setting, miles of trails, and parkland and conservation areas draw residents and visitors alike. The City’s pride in place is manifested through its monthly gatherings and annual events, ranging from “First Friday” art walks to the city’s long-standing Summerfest celebration each July. A dedicated art scene and an exciting culinary mix have made Troutdale an enviable destination and underscore the community’s quality of life. Troutdale is home to McMenamins Edgefield, one of Portland’s beloved venues for entertainment and hospitality.

In recent years, Troutdale has developed a robust economic development program. The City’s largest employers are Amazon and FedEx Ground, although the City also has numerous local and regional businesses that highlight unique assets within the area. Troutdale’s recent business-related efforts have focused on the City’s Town Center, where 12 “opportunity sites” have been identified for infill development that respects the small-town feel while offering support to the existing retail environment. The next 20 years promise to be an exciting time for a mature community to protect what’s loved and expand opportunities that contribute to Troutdale’s pride in place.

Course Participants

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Executive Summary

UO graduate students collaborated in four research groups to propose amendments to the Goal 2 and 9 chapters of the city of Troutdale Comprehensive Land Use Plan. Students employed a variety of methods to inform their research, including:

- Comparisons of Troutdale’s Comprehensive Plan to other relevant planning resources (e.g., Metro 2040 Regional Growth Framework)
- Review of relevant case studies
- Literature review of mixed-use zoning and economic development trends
- Collecting and analyzing U.S. Census data
- Drawing on local resources, including previous public outreach efforts and conversations with City planning staff

The mixed-use research groups emphasized how a mixed-use zoning designation in the Town Center could help the City both develop the area commercially and accommodate housing needs. According to students’ research, approaching mixed-use zoning through the “fine-grained” approach can reduce the cost of land, increase the number of destinations along a street, and help diversify the local economy. The result can lower barriers of entry to investors and entrepreneurs, thereby cultivating a more resilient economy and vibrant community.

Recognizing the needs of the Town Center districts, the second mixed-use group envisioned three new zones. Along Historic Columbia River Highway, a Downtown Mixed Use (MU-1) zone would emphasize commercial development, with residential uses

complementing the area. Where the Halsey neighborhood and land along SW 257th Drive are located, a General Mixed Use (MU-2) zone prioritizes residential land use complemented with commercial uses. Students reasoned that these zoning designations can preserve the existing character of the downtown (the MU-1 zone) while meeting residents’ expectations for developing vacant land (foundations of the MU-2 zone). Lastly, an Urban Mixed Use (MU-3) zone would accommodate the unique opportunities afforded by the undeveloped Confluence Site adjacent to downtown.

The two economic development groups drew on similar themes and identified the emerging trends communities are using to boost their local economies. Emphasizing the risks posed by climate change, each group recommended that Troutdale prioritize a commitment to creating “green collar jobs” in its local economy. Operating an energy-efficient and less wasteful economy can support residents’ quality of life in the decades to come. In addition, each group presented a unique approach for supporting an emerging micro-retail environment and taking advantage of Troutdale’s available industrial land.

One approach emphasized “industrial clustering” or the effort to encourage related businesses in a supply chain to locate near each other. Highlighting the increasing need for data processing capacity, students outlined how Troutdale could leverage its competitive advantages in available industrial land and support emerging micro-retail businesses to take advantage of the benefits data centers provide a 21st century economy.

Introduction

There is excitement in Troutdale as it considers how best to shape its future. As it grew over the past decade, Troutdale shifted from a Portland area bedroom community to a regional jobs center. FedEx and Amazon invested in building distribution centers in the Troutdale-Reynolds Industrial Park (TRIP) north of Interstate 84. This created thousands of new jobs in the region. Other large employers such as Safeway and McMenemy's Edgefield also contribute hundreds of jobs. Yet, there is still opportunity for the City to define itself and revisit the goals outlined in its Comprehensive Land Use Plan.

The City's Comprehensive Land Use Plan is a "set of maps, policies, and implementing measures affecting land use within city boundaries. Implementing measures, such as zoning and development ordinances, are specific approaches or techniques for implementing plan policies. They delineate criteria and standards for development addressed within the broad outlines of the Comprehensive Plan" (Troutdale Comprehensive Land Use Plan). This class investigated how Troutdale could support its growth through mixed-use zoning and strategic economic development. Students were tasked with producing "amendment-ready" language to include in its revisions of Oregon statewide Planning Goal 2 and Goal 9 of the city's Comp Plan. Students collaborated with city staff to better understand the local environment and goals.

Troutdale sought guidance regarding the introduction of a mixed-use zoning district in the Town Center and for a 20-acre, undeveloped area designated as The Confluence Site. Students

examined how the land use designation could be tied to the permitted, conditional, and restrictive uses of the new zoning district and what strategies would best produce a zoning district that aligned with the city's growth objectives. Given The Confluence's proximity to downtown Troutdale, the Columbia Gorge Outlet commercial area, and Interstate 84, students expanded their research to account for the existing conditions and zoning for the Town Center as a whole.

Secondly, economic development groups focused on policy recommendations that Troutdale could include in its Goal 9 language. Drawing on economic development research, emerging trends in both Oregon and nationwide, and analyzing current conditions in Troutdale, students developed strategies and policy positions that the city could incorporate to guide its future economic development. This included policy positions supporting entrepreneurial activity, existing businesses, workforce development, and improving infrastructure.

Methods

Each group employed several methods to inform their research questions and policy recommendations. Common methods include drawing on case studies to provide relevant examples, and models for Troutdale to consider. The cities included in these case studies come from the local region (e.g., Wilsonville and Gresham), throughout Oregon (Hood River, Prineville, and Oregon City), the Pacific Northwest (Monroe, Washington), and when applicable, from elsewhere in the country (Mount Rainier, Maryland). Assessing real-world examples of mixed-use zoning districts or economic development strategies allowed students to develop feasible action items for Troutdale to include in the revisions to its comprehensive plan.

Students examined several existing resources that provided valuable context for existing conditions in the City. These resources include:

- City of Troutdale Comprehensive Land Use Map and Plan
- Troutdale Town Center Plan
- Metro 2040 Regional Growth Concept and Functional Plans (e.g., Metro Urban Growth Management Plan)
- Main Street on Halsey Economic Action Plan
- Multnomah County Comprehensive Land Use Plan
- Troutdale Transportation System Plan

Furthermore, students maintained ongoing communication with city of Troutdale planning staff. Students spoke with staff through virtual meetings and emailed additional questions. These exchanges provided valuable insights into what policy recommendations would both be most feasible for the City to implement, but also best aligned with the city's objectives, expressed officially through its planning documents but also reinforced by discussions with the City's planners.

Goal 2: Land Use

MIXED-USE BENEFITS AND TRENDS

Students investigated how Troutdale's current zoning impacted the City's growth. As part of the City's Development Code, Troutdale designates a portion of its downtown as a Master Planned Mixed Use (MPMU) zone. The zoning designation provides flexibility in permitted uses in order to accommodate several different land uses. As stated in the city's comprehensive land use plan, "Areas designated as MPMU shall be characterized by cultural, recreational, educational, institutional, quasi-institutional, commercial, or employment generating, as well as residential, land uses" (City of Troutdale, 2014).

Despite this characterization, the zone does not strictly permit or promote traditional vertical mixed-use design (e.g., a three-story building where the ground floor is commercial and the two stories above it serve as residential). Rather, students noted that the MPMU zone, "allows for a developer to create an initial concept plan that uses the land use designation as an umbrella to incorporate existing residential or commercial zoning districts" (Neumaier, Tate, & Wilkins, 2021). Drawing from case study research, the mixed-use student groups recognized the opportunity for Troutdale to revise its comprehensive

plan and introduce true mixed-use zoning designations into the development code.

Among the geographic areas in Troutdale the mixed-use groups examined, those of most interest included the Town Center, The Confluence Site, and the Halsey Street corridor.

FINE-GRAINED DENSITY

The element of "fine-grained" development was proposed by participants Fairfield, Kim, and Rymph in their group's mixed-use recommendations. Compared to "coarse-grained" development, fine-grained development pertains to how city blocks are broken down into many smaller lots per city block. Coarse-grained development divides city blocks into a few large lots per block.

Drawing on literature, students highlighted that fine-grained development patterns encourage a number of destinations that exist along a street. A higher number of destinations, especially those that are community serving and encourage free flowing pedestrian traffic through the day (walk-in status compared to arrive by appointment), creates trip demand characteristic of a vibrant place. This was evident in the Monroe, Washington, a case study featured in the group's report.

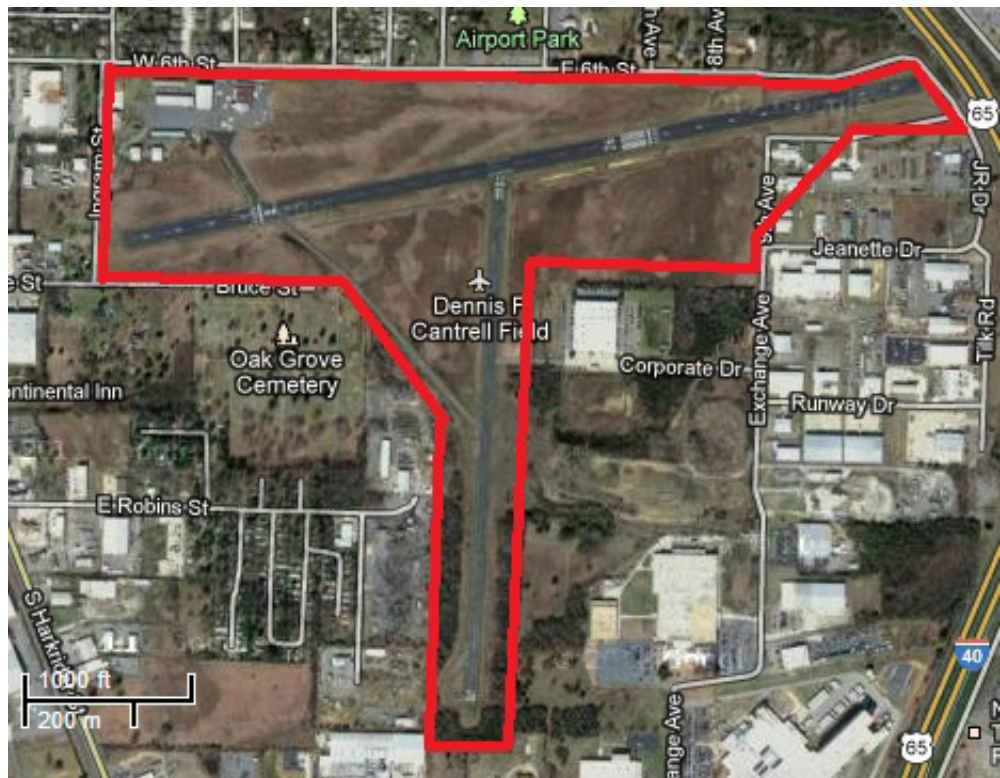
FIG. 1
Downtown Monroe,
General Mixed Use (per
Monroe Zoning Map)



Another benefit to a fine-grained development approach is it can reduce the entry cost for prospective entrepreneurs and existing businesses. One example of the process is when the city of Conway, Arkansas, intended to sell a former airport, since closed. As writer and researcher Andrew Price noted, the City placed the land for sale as single unit purchase; 151 acres of land at a price of \$9 million (Figure 2). Although this is not necessarily an inaccessible figure, it would discourage

smaller investors and entrepreneurs from purchasing the land. However, if these 151 acres were divided into 20 parcels at approximately 25 acres for \$450,000 per parcel, the price becomes less of a hurdle for small investors (Price, 2017). As the subdivision continues, more parcels are created, the cost of these parcels decreases, and the pool of potential buyers that can enter the market at these lower price points expands.

FIG. 2
Map overlay of the
Conway airport
property



Dividing and selling land using this approach can spread the wealth of the city’s economy among a greater number of business owners. These owners likely will have different goods and services offered to customers, enhancing the number of destinations available to consumers within the same area. This is the benefit of fine-grain development compared to a big box retailer or grocery store consuming the space of an entire city-block (a development pattern characteristic of the “coarse-grained” development approach with fewer lots at larger sizes).

Troutdale can look to its land use patterns and identify opportunities to encourage fine-grained development. This appears particularly relevant to The Confluence Site. Capitalizing on how businesses create demand for local trips by what goods they sell or service they provide can result in vibrant activity that enhances the desirability of settling in the community.

STRATEGIC MIXED-USE ZONE VARIANTS

Neumaier, Tate, and Wilkins approached mixed-use zoning in Troutdale from a “three-pronged approach,” which would strategically develop the specific zoning type that utilizes pre-existing infrastructure, and leverage existing advantages distributed throughout the Town Center.

Figure 3 highlights the elements of each mixed-use zone proposed for Troutdale to consider in adjusting its development code. Figure 4 displays how the group envisioned applying these variant mixed-use zones in the Town Center. Existing conditions in the Central Business District, or downtown, and the broader Town Center informed the balance of residential and commercial development recommended within the MU-1 and MU-2 zones. Anticipating the unique opportunities presented by the undeveloped Confluence Site, inclusion of a third mixed-use zone, the MU-3, aims to capture the same competitive advantages that can help the City expand its housing stock and guide its future economic development.

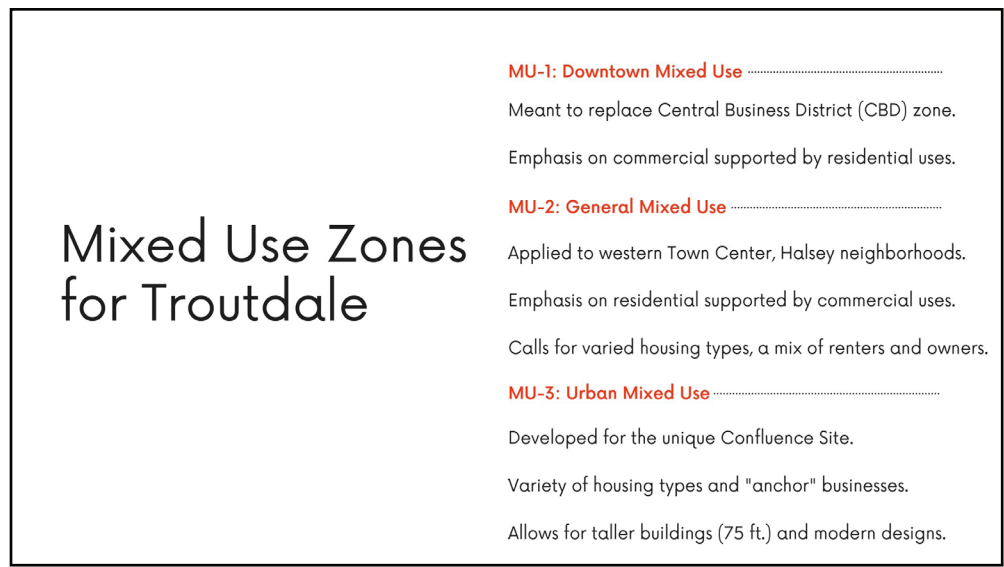


FIG. 3
Summary of Proposed Mixed-Use Zoning Districts
 Source: Brendan Irsfeld with source data from Steve Neumaier, Adam Tate, and Anton Wilkins

Prospective Zoning

- MU-1 Downtown Mixed Use
 - MU-2 General Mixed Use
 - MU-3 Urban Mixed Use
 - Downtown Design District
- NOTE: All MU-1, MU-2, and MU-3 would be considered to be within a Mixed Use (MU) land use designation.

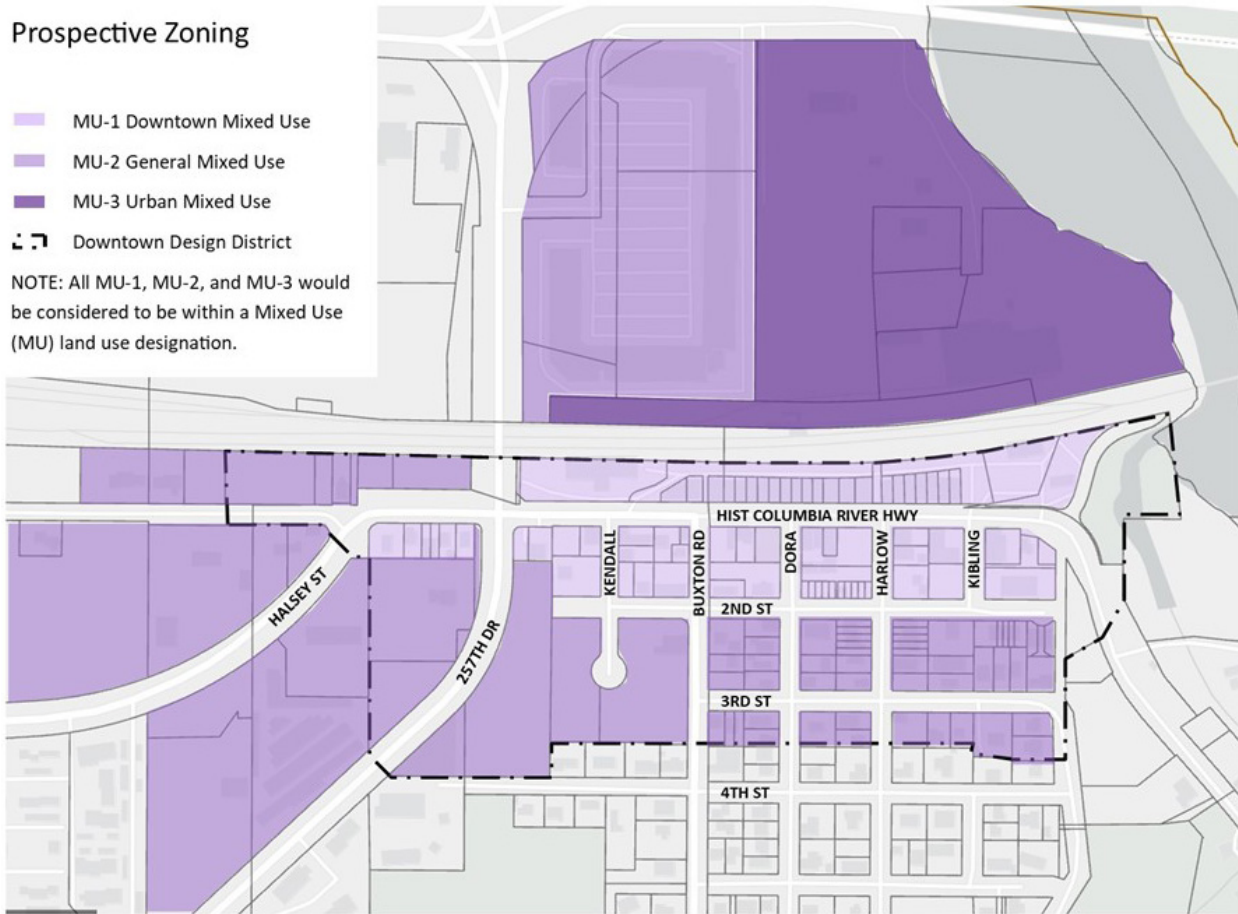


FIG. 4
Proposed Overlay of MU Zones in Troutdale Town Center
 Source: Steve Neumaier, Adam Tate, and Anton Wilkins

Specific details of the MU-1 and MU-2 zones proposal draw on prior participatory efforts to engage Troutdale residents’ opinions about the future development of the Town Center. For example, emphasizing a higher commercial to residential development ratio in the MU-1 designation along Historic Columbia River Highway limits the change that may occur to the design of buildings downtown, which preserves the aesthetic character of the historic downtown area. Yet, with a mixed-use zone, more housing units can be built in the historic downtown along with expanding commercial options.

In support of those businesses, the MU-2 zone introduces a higher residential to commercial ratio of use, bringing residents to the Town Center, while also providing some commercial amenities for the residents living there. As per Figure 4, the group believed that placing the MU-2 zone on the western edge of the Town Center, incorporating the Halsey neighborhood, and along the southbound edge of SW 257th Drive better served the city in taking advantage of its developable opportunity sites (as highlighted in the City’s Town Center Plan, 2021).

COMPREHENSIVE LAND USE PLAN RECOMMENDATIONS FOR GOAL 2

A city's land use plan contains maps, policies, and implementing measures pertaining to land use. Zoning and development ordinances serve as the mechanism to implement this plan. The following recommendations address plan policies and the zoning ordinance:

- Designate land with the focus of encouraging a mix of compatible uses, such as high-density residential, retail, recreational, public, civic, and light commercial and industrial uses.
- Incorporate "fine-grained" density as the preferred approach for mixed-use zoning districts, which encourage commercial, residential, light industrial recreational, and/or institutional uses.
- Target a dwelling unit density in mixed-use zones to average between 8 and 21 units per acre.
- Ensure mixed-use zoning districts apply to areas that are well connected to the transportation network; MU zones should be safe, walkable, and encourage foot traffic and biking for making trips.
- Emphasize community serving uses in developing mixed-use zoning districts, particularly locating establishments that generate high foot traffic on ground level.
- Design three mixed-use designations applied throughout the Town Center district: MU-1, Downtown Mixed Use; MU-2, General Mixed Use; and MU-3, Urban Mixed Use (see Figure 4 for areas where zones are applied).

Goal 9: Economic Development

EMERGING TRENDS

As economic trends shift so too does the structure of work. Students recognized growing trends in how businesses acquired workspace, such as coworking offices or rentable office space. With lockdowns introducing virtual working spaces for individuals, there is now a serious question if demand for physical office space will return to pre-pandemic levels. Cities should consider the implication in their economic development strategies.

Students in the economic development research groups assessed how reduced demand for office space

may represent an opportunity to attract new micro-retail businesses to Troutdale. These small brick-and-mortar stores manifest in small pop-up shops or small ground-level boutiques aimed at minimizing the risk of opening a large retail store. Furthermore, many e-commerce companies consider this business model when deciding whether to invest in a physical storefront to sell goods or provide a pick-up location. In the coming years, micro-retail businesses can contribute to the city's desired vibrancy downtown while adding local jobs to the economy.

FIG. 5
Urban design of micro-detail businesses



Success for these businesses will rely on reliable providers of energy and internet services. The world economy continues to digitize. While online retail sales were growing as a share of all retail sales in recent years, the pandemic and lockdown measures have accelerated the transition. E-commerce sales were estimated to have risen 33 percent between Q4 of 2019 and 2020. The Internet of Things (IoT) further advances what applications in our society become increasingly dependent on a reliable and fast internet connection. Affected industries include healthcare, energy, finance, and transportation. An economically versatile and competitive city should include an established and wide-covering digital infrastructure in today's information economy.

For cities seeking to transform their communities, taking advantage of these emerging trends can provide a wealth of benefits to address a city's goals. Micro-retail businesses, a focus to attract information and green energy sector jobs, can diversify Troutdale's employment base (an explicit objective of the city's Goal 9 chapter in the Comprehensive Plan) while introducing higher paying, "middle income" jobs. Beyond jobs however, the city can diversify its commercial and industrial composition by pursuing investments in emerging technologies and leveraging its existing partnerships to support infrastructure improvements that benefit businesses and residents alike.

GREEN-COLLAR JOBS

The effects from climate change pose risks for communities across the country and cities must find ways to become more energy efficient and environmentally sustainable while promoting economic competitiveness. Building design standards provide a starting point as cities can introduce a commitment to LEED-certified buildings. Troutdale should also consider what infrastructure needs, such as electric charging stations, would be required in the city to support an increasingly environmentally sustainable community. This also includes working with developers to establish accessible connections to public transit options to encourage fewer trips by car, thereby reducing automobile emissions in the city.

Promoting "green collar" jobs in the city to develop the sector should be an explicit goal in the Goal 9 language. Drawing on examples from Forest Grove, Oregon, students noted how the city presented 13 specific policies to support sustainability, which notably included:

- low-impact design techniques such as rain gardens, porous pavement, and green streets in new developments;
- establishing eco-districts ("a neighborhood or district that has committed to achieving ambitious sustainability performance goal") as a tool to implement sustainability initiatives; and
- providing incentives to "attract and retain businesses including ecologically sound 'green industries'"

Troutdale can present a commitment to green jobs through its comprehensive plan language. For example, targeting an increase in energy consumption from renewable sources like wind energy as a larger portion of the city's overall energy consumption. Land designated for industrial use near the Columbia River provides a potential development site for wind energy generation in the city. The clean energy produced could support other businesses in the industrial areas of the city, its residents, and businesses throughout the city. Students recommended that Troutdale explore opportunities for funding under the U.S. Economic Development Administration (EDA) funding through the Greater Portland Economic District.

INDUSTRIAL CLUSTERING

Drawing upon examples from other communities with similar characteristics as Troutdale, Govindankutty, Langley, and Tran proposed a strategy for Troutdale to encourage and facilitate businesses to develop industrial clusters in the city.

An industry cluster is collection of businesses located in close geographic proximity that constitute the full value

of a supply chain. Whereas industry sectors traditionally classify economic activities into a single bucket category, industry clusters account for the linkages between industries that add value to the economy. A City of San Diego study reported that an industry cluster "represents the entire value chain of a broadly defined industry from suppliers to end producers, including supporting services and specialized infrastructure. By locating close to one another, businesses can acquire information, communicate and share inputs in such a way as to add to a 'collective' advantage that could not otherwise be achieved alone" (San Diego Association of Governments).

Forming and expanding industry clusters within cities can spur growth locally and within a wider metropolitan region. Students therefore found the City of Wilsonville, Oregon, to be a suitable case study. Wilsonville is south of Portland, bisected by Interstate 5. Both Troutdale and Wilsonville reside within the Portland metropolitan area in proximity to a major interstate (I-5 and I-84). Two areas within Wilsonville function as the industrial economic engines; the Coffee Creek and Basalt Creek industrial areas.

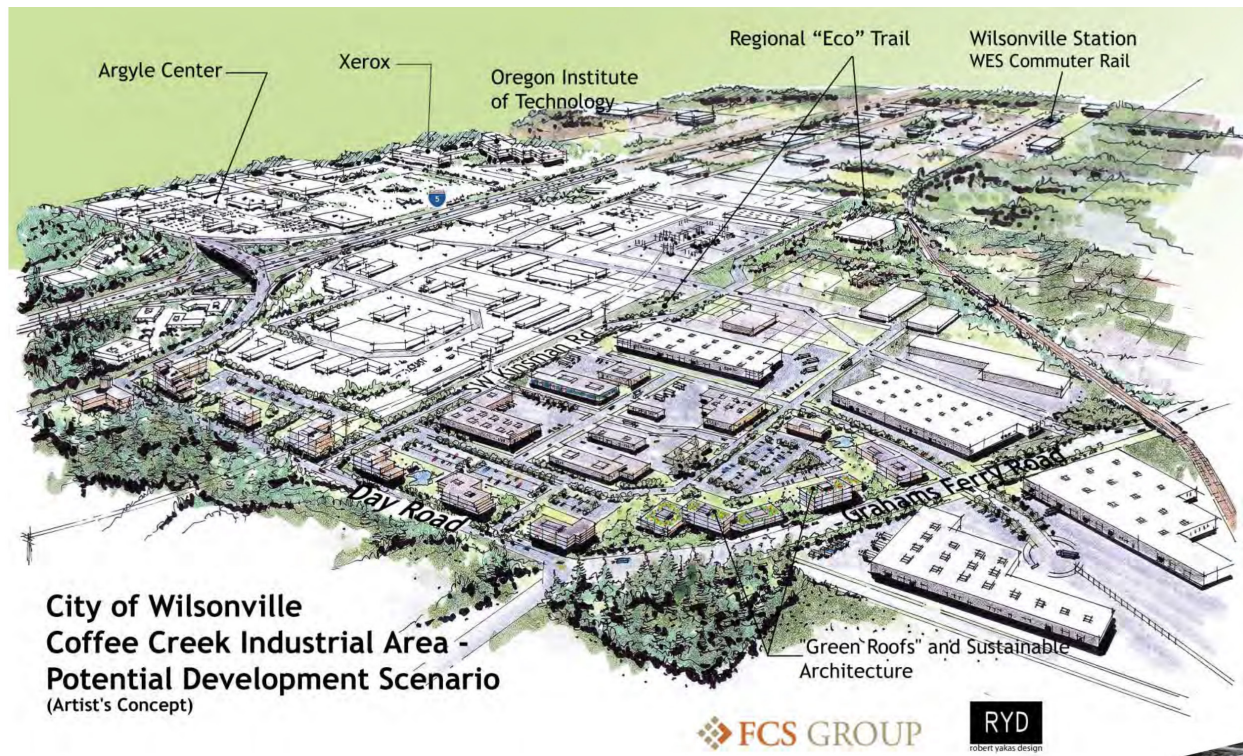


FIG. 6
 Coffee Creek Industrial Cluster Area Map
 Source: City of Wilsonville

In 2007, the city of Wilsonville introduced the Coffee Creek Master Plan. The key details relevant for Troutdale include Wilsonville’s application of new industrial zones and overlays that supported development of industry clusters. The Planned Development Industrial (PDI) zone regulates activity through density and intensity rather than by specific use. The zone is meant “to provide opportunities for a variety of industrial operations and associated uses” (City of Wilsonville, 2016). For example, in addition to a variety of heavy manufacturing and light industrial uses, the PDI zone permits uses included in the Planned Development Commercial (PDC) zones, and includes the following regulations:

- Service Commercial uses (defined as professional services that cater to daily customers ...) not to exceed 5,000 square feet of floor area in a single building, or 20,000 square feet of combined floor area within a multi-building development.
- Office Complex Use ... shall not exceed 30% of total floor area within a project site.
- Retail uses, not to exceed 5,000 square feet of indoor and outdoor sales, service or inventory storage area for a single building and 20,000 square feet of indoor and outdoor sales, service or inventory storage area for multiple buildings.
- Combined uses ... shall not exceed a total of 5,000 square feet of floor area in a single building or 20,000 square feet of combined floor area within a multi-building development.

These varied regulations support an environment in which multiple business types, whether industrial or commercial, can cohabitate and enhance the value added by supply chain exchange that drives the economic activity of industrial clusters.

Troutdale possesses a strategic advantage in its available industrial lands. This includes 63.5 acres on unsold lots in the Troutdale-Reynolds

Industrial Park (TRIP), that is owned by the Port of Portland. In addition, the city is designated under the Columbia Cascade Enterprise Zone in partnership with neighboring cities Wood Village and Fairview. The combined economic designation and available, developable industrial land allows the city flexibility if it sought to implement an industrial cluster economic development strategy.

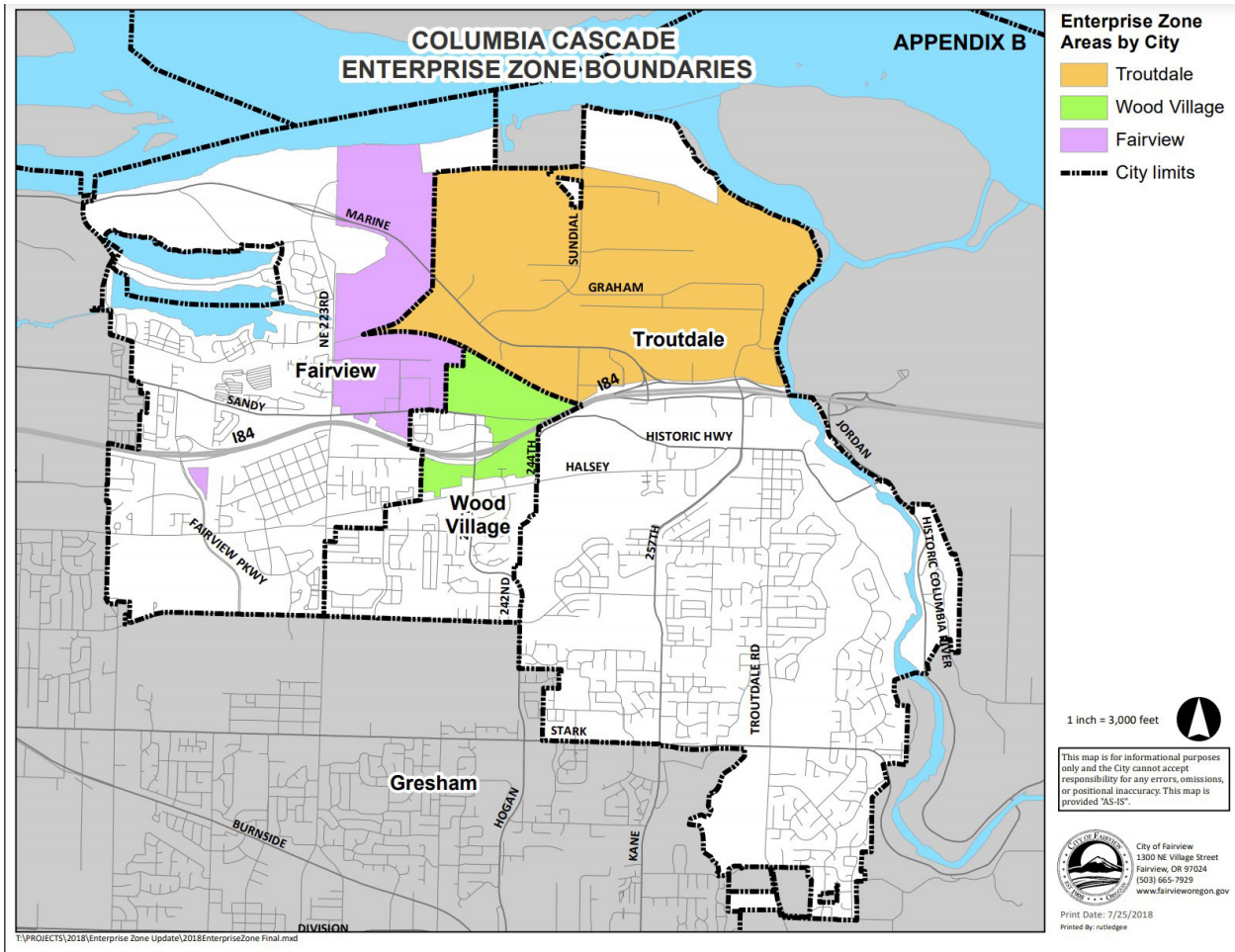


FIG. 7
Columbia Cascade Enterprise Zone Map

For example, the enterprise zone permits eligible businesses to seek abatement of property taxes on qualified property for three years and up to five years maximum. In exchange, businesses must agree to meet criteria during the period of abated property tax.

Troutdale has already experienced attracting businesses by leveraging Columbia Cascade Enterprise Zone when online retailer Amazon built a distribution center in 2017. Working with the Port of Portland to subdivide unsold parcels in TRIP, utilizing the programs provided by the CC Enterprise Zone, and introducing new industrial zones in an approach similar to the one taken by Wilsonville can form the basis of a industrial clustering economy development strategy.

DIGITAL INFRASTRUCTURE

Boyd, Irsfeld, and Noone proposed enhancing Troutdale’s appeal through the installation of data centers. Attracting large warehouse-sized facilities has been a recent trend among some Oregon communities to spur their own economic growth. For example, the city of Prineville pursued the recruitment of data center facilities from companies such as Facebook and Apple. Facebook

completed construction of its first facility in 2012. A ninth center, which will be approximately 10.33 acres, is scheduled to open in 2022. As noted in a study prepared by ECONorthwest in 2014, “Total capital expenditures associated with Facebook’s Prineville Data Center Project were approximately \$450 million ... from 2009 to 2013. Approximately 5.5 percent (\$25 million) of the project spending occurring in the central Oregon economy.” (ECONorthwest, 2014, p.1-2).

Closer to Troutdale, the Portland Metro area has also experienced an influx of newly constructed data centers. The city of Hillsboro alone hosts nearly a dozen of these centers, which include a mixture of enterprise (where one company owns and maintains the entire facility) and colocation (where companies “rent” server space within the facility) centers. Facilities operate in Beaverton and downtown Portland (see Figure 8). However, no facilities yet exist in the eastern metropolitan region. Troutdale can leverage its industrial land and efforts to revitalize downtown through the Town Center Plan to emerge as the primary data hub for the eastern Portland region.

In the current Goal 9 chapter of the comprehensive plan, the City



FIG. 8
Data centers map of Portland Metro

presents a jobs growth projection table estimating which sectors will grow the most by 2030 (see Figure 9). Noticeably, the projections predicted virtually no job growth from 2010–2030 in the Information sector. Students concluded there was no catalyst to create demand for Information sector jobs. In fact, critics of data centers often criticize these projects because they do not create very many jobs.

Yet Troutdale’s existing employment in the Information sector is already a small portion of its overall employment (with projected growth of only 0.5 percent annually from 2010–2030). This rate would create a new Information sector job once every decade.

If Troutdale expects to attract future businesses to establish operations in the City, digital infrastructure will be increasingly important as a selling

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

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

* Estimate

SOURCE: Economic Opportunities Analysis, 2011, Johnson Reid LLC

FIG. 9
Troutdale Economic Growth Forecast from 2014 Comp Plan

point. Recruiting either one or two data centers along with encouraging installation of micro-centers within office spaces builds connectivity and resilience in that infrastructure. It is an investment to create some new, middle-to-high income jobs while supporting the operations of existing and future businesses.

Troutdale becomes a place where the speed required for business is state of the art and a destination for

students searching for higher-paying, Information Technology sector jobs. It becomes a prime location for meeting business and residents’ digital needs. The value of data centers extends beyond simply adding jobs to the economy; they enhance the City’s ability to provide businesses and residents with the digital connectivity, reliability, and service they require in an information economy.

COMPREHENSIVE LAND USE PLAN RECOMMENDATIONS FOR GOAL 9

Students propose that the city of Troutdale:

- Encourage micro-retail businesses to move to Troutdale through amendments in the development code that regulates usage of square footage in commercial spaces.
- Reexamine the demand for physical office space in the city and consider how to repurpose vacant commercial offices for community serving purposes.
- Commit as a stated objective in Goal 9 to develop “green collar” jobs and grow the clean energy and environmental sectors of the local economy.
- Perform an industry cluster analysis and examine industrial zoning in the city for opportunities to leverage industry clusters for enhancing economic resilience.
- Engage the Port of Portland about unsold parcels in the TRIP or examine other opportunities to develop industrial land for attracting a colocation data center facility.
- Examine the development code for opportunities to encourage new businesses to invest in micro-data centers to further build the City’s digital infrastructure.
- Explore partnerships with educational institutions such as Mt. Hood Community College that can support workforce development programs, particularly in entrepreneurial and information technology sectors.

Conclusion

The city of Troutdale has an excellent opportunity to shape its future identity while practically addressing its residents' current and future needs. Students believe their recommendations will help Troutdale apply mixed-use zoning in a way that supports vibrancy in the City's public places, encourages economic resilience, and improves the residents' quality of life. Economic development strategies such as industrial clustering and spurring growth in the City's Information sector through building

data centers, can inform Troutdale's approach for becoming a resilient and diversified regional jobs center tailored to the needs of an information economy.

The benefits derived from these policy recommendations address housing needs in Troutdale, introduce higher paying jobs to the economic base, and encourage more local economic activity among residents and regional visitors. These qualities can attract new residents as desirability and livability in the City increase.



FIG. 10
Overhead of Downtown Troutdale

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Appendix A

Mixed-Use and Troutdale - An opportunity in local land use and zoning

**Proposed by Rowan Fairfield, Jun Kim, and Dustin Rymph
Student Report, SCYP, Winter 2021**

3/18/2021

INTRODUCTION

Mixed-use development, though rooted in the wisdom of the past, holds promise for mitigating many present-day problems. With the creation of the automobile and the interstate highway system, American life has changed dramatically in only a century. Technology delivered new benefits, but has also led to people becoming more isolated and less socially cohesive. Commuters may go directly from home to car into workplaces, and back again. They may drive the same route every day, but never walk on that road with their own feet. The Covid-19 pandemic has only exacerbated this disconnect.

A healthy, connected, interactive community is the cornerstone of economic stability and a new influx of people. Mixing land uses can bring vibrancy and revitalization as well as accommodate local residents' needs. Where many modern cities justify the disconnect of modern life under the guise of convenience, towns like Troutdale can provide convenience alongside community vibrancy. As many communities have discovered, this promise can be fulfilled using the principles of mixed-use development.

This paper first recalls some context for Troutdale and general principles for mixed-use zoning. Next it reviews concurrent plans at the city, county, and metro levels, and then analyzes six case studies. We ultimately use these case studies and Troutdale's current language for Land Use in its Comprehensive Plan to draft an "amendment-ready" land use designation specifically for future Mixed-Use zoning.

CONTEXT

Like most cities in Oregon, Troutdale is growing. Troutdale has been experiencing population growth even faster than the Portland Metro average (2.6% annually compared to 1.6%, since 1990).¹ Within City limits, fewer than 140 acres are currently zoned and theoretically available

¹ ECONorthwest, *Troutdale Housing Needs Analysis* (Draft Report). December 2019, 14.

for housing. Based on historical density patterns, these acres could site some 1,093 dwelling units. Mixed-use may be a tool for supporting additional housing.

Troutdale has a significant “spatial mismatch” between where its residents work and where its workers live. Only 6% of its workers also live in Troutdale, with most living in Portland (24%), Gresham (20%), and the metro area in general. On the other hand, over 40% of the workers are employed in Portland, and most of the rest elsewhere in the metro area.² This spatial mismatch between living and working contributes to longer commutes for both.

THE CONFLUENCE SITE

One reason that Troutdale wants to address its mixed-use zoning now is the Confluence site. This site is roughly 20-acres in size, is a waterfront property, and is the location of the historic water tower. It previously hosted condemned industrial buildings but is now vacant. However, the site is locked between the Interstate 84 Highway, the Columbia Outlet Mall, the Sandy River, and the railroad. There is currently very limited public road access, and the owner of the Columbia Gorge Outlet Mall indicated their unwillingness to demolish part of the structure to allow a road through it. Troutdale did not act to condemn and forcibly take the property, and is considering building another road to access the new site instead. This standstill ultimately led to a prospective developer to pull out of a development deal in 2017 and sell their parcels to the city.³ The city now owns the entire site, and clean-up was completed in 2020.⁴ When the city can resolve the access question, it will be able to develop the site. The history, beauty, and location of the Confluence site is a dazzling opportunity for innovative mixed-use land patterns and economic development in Troutdale. Other areas of town, particularly the central business district, would benefit from mixed-use zoning as well.

PRINCIPLES OF MIXED-USE

Modern “Euclidean” zoning is typically exclusively single use: single-family detached housing, high-density housing, commercial stores and office buildings are segregated from each other. Mixed-use zoning is inclusive; it allows most uses and excludes a relative few. In downtowns and town centers, lower floors are typically used for commercial purposes, and upper stories for residential or office space.

The variety of uses interact positively with each other, forming symbiotic relationships. Denser housing for residents can direct consumer demand to nearby businesses. Office workers visit cafes and restaurants at mealtimes. Instead of downtown turning into a dead zone at night, the residents help create a safer, lived-in atmosphere. When offices are closed on the weekends,

² Ibid., 11.

³ Zach Sparling. “Troutdale waterfront project collapses.” *The Outlook*. July 22, 2017.

⁴ City of Troutdale. *Troutdale Town Center Plan* (Draft Version for Review). November 2020.

the stores, restaurants, and recreation activities give people more reasons to visit the area.⁵ This establishes a safer, vibrant, 24/7 environment.

Mixing land uses calls back to a more traditional urban lifestyle, where human activity and land-use patterns evolved somewhat more organically. It is often promoted by New Urbanist thinkers, but mixed-use isn't only for the highly urban environment – it can be appropriately scaled down to smaller cities and suburbs, even neighborhoods.

Adding a new building to a mixed-use zone is more complex than doing so in a single-use and auto-oriented zone. The new building must be more closely integrated into the neighborhood; its use considered specifically in that local context. Walkability and traffic generation are keener concerns. In sum, mixed-use neighborhoods are seeing a resurgence for their many benefits to residents and the city.

ANALYSIS

CONCURRENT PLANS

TROUTDALE COMPREHENSIVE LAND USE PLAN

The Comprehensive Land Use Plan for the City of Troutdale was adopted in September 1990 and was last reviewed and amended in September 2014.

The Comprehensive Plan sets out mostly exclusive single-use land uses for residential, commercial, and industrial land uses under Goal 2. The Plan technically allows for “limited neighborhood retail” in its low- and medium-density residential zones (LDR and MDR) and allows for some office uses in high-density residential zones (HDR) by special permit. Likewise, the Commercial designation (C) allows for some mixing of office and housing uses and encodes different intensities of use. Within the Commercial zones of the Town Center area and the Central Business District, residential buildings are currently allowed.

The Comprehensive Plan has a land use designation for Master Planned Mixed-use communities (MPMU). A new mixed-use designation could emphasize diversity and flexibility in buildings instead of the uniformity of master-planned neighborhoods. Mixed-use zoning is a departure from exclusive Euclidean zoning, but would support other objectives outlined under Comp Plan Goal 2, such as providing a sound basis for urbanization (2), increasing population density (4), recapturing the distinct identity of the Troutdale area as a balanced community (6),

⁵ Michael A. Burayidi. *Downtown Revitalization in Small and Midsized Cities*. American Planning Association, Planning Advisory Service Report 590, 18-19.

promoting innovation and livability (9), and retaining and expanding the capacity for business activity by developing flexible requirements.⁶

TROUTDALE TOWN CENTER PLAN

The Troutdale Town Center Plan defines the characteristics, opportunity sites, and types of development appropriate for the Troutdale Town Center, including the Confluence site. The Plan engages heavily with residents and makes an effort to build a shared vision. Creating a more vibrant environment while maintaining the city's small-town feeling fit well with the concepts of mixed-use. For the Confluence site, the Town Center Plan emphasizes some of the city's current problems and needs. The diversification of retail and rising concern of generational turnover in the downtown storefront is critical.⁷

Troutdale's Town Center Plan identifies a main public concern regarding the redevelopment of the Confluence site: will it complement or compete with the existing downtown area? In response, the Plan offers a set of design suggestions, which are assessed below for their compatibility with the principles of mixed-use design and how they compare to other MU zoning:

- Carrying over the current street grid from downtown is conducive to a residential-heavy mixed-use, but specifics of street dimensions and design may require flexibility.⁸
- The suggestions for maintaining consistent architecture and using the water-tower as a design focal point align well with the mixed-use principle of maintaining community character. Still, this design is more rigid than other mixed-use architectural requirements.⁹
- The pedestrian bridge to downtown satisfies the common mixed-use goal of pedestrian connectivity, and generous height allowances are conducive to increased density.¹⁰
- An intended exchange of property with the outlet mall includes the possibility of private development on the Confluence site.¹¹ A new road at-grade with the railroad tracks is one alternative the city may pursue. This element, along with the element of a proposed central parking garage, should be carefully considered in context with the principles of walkability, livability, and safety for residents of the development.

⁶ City of Troutdale. *City of Troutdale Comprehensive Plan*. 2014, 7.

⁷ City of Troutdale. *Troutdale Town Center Plan* (Draft Version for Review). November 2020, 10.

⁸ Sean O'Neill. *Mixed-Use Zone Report for the Town of Middletown*. Delaware. *University of Delaware*. Oct. 2018, 21

⁹ Portland BPS. *Mixed-use Zones Project: Discussion Draft*. City of Portland, Bureau of Planning and Sustainability. September 2015, 104.

¹⁰ *Ibid.*, 31.

¹¹ City of Troutdale. *Troutdale Town Center Plan* (Draft for Review), 140.

The Town Center Plan also connects the Confluence development to the Sandy River Access Plan. Many principles of mixed-use and smart growth concerning healthy communities would be well-fulfilled by the connection between the two sites.¹²

STATE AND REGIONAL POLICY

Mixed-use land use policies are having a revival in Oregon and across the country. New mixed-use developments surged in Portland in the 1990s, with an emphasis on reducing car-dependent travel. In the early 2000's, the state of Oregon published the *Commercial and Mixed-Use Development Code Handbook* to guide and encourage "smart" commercial and mixed-use development through public policy and land use ordinances.¹³ The Multnomah Comprehensive Plan was adopted in September 2016, supporting mixed-use through its Strategy 2.3, which aimed for higher densities and mixed land uses within the Urban Growth Boundary.¹⁴

The Metro Urban Growth Management Functional Plan was adopted in April 2018, as a tool for cities and counties to meet the goals of the 2040 Growth Concept by Metro. The plan recommends and requires changes to the city and county comprehensive plans and implementing ordinances.¹⁵ Under Title 6 ("Centers, Corridors, Station Communities, and Main Streets") the plan calls for actions to enhance the role of those areas as a center of urban life. The cities and counties are required to assess the current condition of the physical and regulatory barriers to mixed-use, and plan actions and investments to promote mixed-use, pedestrian-friendly environments. As a Town Center, the City of Troutdale is recommended to have 40 persons (residents and workers) per acre under section 3.07.640(a).

MAIN STREETS ON HALSEY STRATEGIC ECONOMIC ACTION PLAN

Main Streets on Halsey is a joint project by the City of Troutdale with the Cities of Fairview and Wood Village, which are connected via Halsey Street. The long-term project goal is to develop Halsey into a connected "main street". The plan suggests mixing residential areas with uses like grocery stores, restaurants, and public spaces.¹⁶ The 2020 Survey results provide a wealth of information about what would make mixed-use zoning successful on that corridor and in the area generally.¹⁷

¹² APA. *APA Policy Guide on Smart Growth*. American Planning Association. April 14, 2012.

¹³ Oregon TGM. *Commercial and Mixed-Use Development Code Handbook*, The Oregon Transportation and Growth Management (TGM) Program, 2001.

¹⁴ Multnomah County. *Multnomah County Comprehensive Plan*, September 2016, 2-10.

¹⁵ Metro, *Urban Growth Management Functional Plan*. April 2018, 4.

¹⁶ Main Streets on Halsey. *Code Concept Recommendations*. September 2020, 9.

¹⁷ Cities of Fairview, Wood Village, and Troutdale. "Main Streets on Halsey, Survey Results". 2020.

Survey respondents were fairly split on a choice between taller buildings with more open space, or shorter buildings with a larger footprint, and they were neutral about tall ceilings and large windows, indicating their indifference to highly urban environments. Respondents wished to see more places to eat, shop, and hang out along Halsey, including parks spaces and outdoor seating with awnings. They strongly supported active open spaces in new developments, and were neutral on the need for on-street parking. In general, most of the survey responses aligned well with a mixed-use vision scaled to a suburban environment.

CASE STUDIES

Our team investigated several cities for their treatment of mixed-use land use designations in their comprehensive plans and some cases, specific master plans. We looked for small cities and suburbs that resided within a regional framework, preferably with a small-town aesthetic and in the Pacific Northwest. The case studies informed our findings and recommendations and modeled some of the draft language we propose for Troutdale’s Comprehensive Plan – see Appendix A. For a comparative matrix of these case studies, see Appendix B.

MONROE, WASHINGTON: COMPREHENSIVE PLAN

The City of Monroe is similar in size, architecture, and history to Troutdale – it even has a vertical landmark centerpiece, a freestanding steam stack. The many older mixed-use buildings are diverse in heights, styles, and facades, and are great examples of the architectural vernacular of the Pacific Northwest. Although it is part of the Seattle metro area, it is not directly adjacent to more urban areas and does not have the same expansion constraints. Key takeaways from this case study:

- MU zones are a useful tool for other goals, especially with housing, economic development, and transportation, and arts and culture.
- MU zones should be finely-grained and thoughtfully designed.
- MU zones must be allowed time to organically establish themselves.
- MU zones are historical. Correctly done, they can enhance a historic, small-town atmosphere.



Downtown Monroe, Wikipedia Commons (2019).

OREGON CITY, OREGON: COMPREHENSIVE PLAN

Oregon City has had mixed-use zoning aligned with Portland Metro and Oregon state planning goals since 2009.¹⁸ Though it is slightly larger, it shares some similar demographic markers and growth trends, along with sharing a very similar median income¹⁹, Oregon City has had its share of successes and challenges developing under its MU designations, each of which provide some clues regarding the effectiveness of the Comp Plan's language. In addition, it is dealing with the closure of a mill site and the site's potential for development. Observations include:

- Creating zone designations which prioritize uses instead of restricting them allows for adaptation to changing housing and market conditions.
- Flexible MU designations, combined with city oversight on development design, allows for effective, culturally-relevant development
- Use overlays to fine-tune needed future design, environmental, and cultural use.

MOUNT RAINIER, MARYLAND: MIXED-USE TOWN CENTER (MUTC) ZONE DEVELOPMENT PLAN

The City of Mount Rainier is a similar size to Troutdale and hosts several historic buildings. However, it is older than Troutdale, with an urban history defined by being an inner streetcar-suburb in the DC metro area. The Town Center Redevelopment Plan won a 2012 award for

¹⁸ Oregon City Planning Department. *Oregon City Comprehensive Plan*. Adopted June 2004, Updated 2020, 10.

¹⁹ Data USA. "Oregon City Oregon Census Place." Data USA, Accessed Feb. 28 2020.

excellence in urban design from the Congress for New Urbanism.²⁰ Key takeaways from this case study:

- Design is steered by mandatory “standards” and optional “guidelines”, which together create a blend of continuity and diversity in the local architecture.
- The plan lays out a thorough design review process and implementation timeline.
- Principles like renewal, incrementalism, and diversity are emphasized.



Vision for 34th Street Neighborhood, Mount Rainier MUTC Zone Development Plan

BEAVERTON, OREGON: COMPREHENSIVE PLAN

Though much larger and of different demographic composition, Beaverton’s comprehensive plan contains a thorough list of mixed-use priorities and options for customization. Because the language is well-tailored to Metro and State Land Use goals, this comprehensive plan could be useful to select concepts from.²¹ Takeaways include:

- MU zoning types and design should correspond with their proximity to transit nodes.
- MU zones should be applied to current districts in need of diversified development.
- Streetscape design and parking management are fundamental to area usability.

SAN MATEO, CALIFORNIA: COMPREHENSIVE PLAN AND BAY MEADOWS MASTER PLAN

²⁰ Nash, Logan., Ben Schulman, Ziyuan Wang. 2012 CNU Charter Awards (Booklet). *Congress for New Urbanism*. 2012

²¹ Beaverton Department of Community Development. *Beaverton Comprehensive Plan: Land Use Element*. City of Beaverton, Oregon. Adopted October 2017, 1.

The Bay Meadows neighborhood is on the site of a former horse racing track, which was demolished, presenting the City with a large area for mixed-use redevelopment. Key takeaways from this case study:

- Examples of definitions and requirements for “active uses” on the ground level
- Requirements for stepped-back upper stories, preserving the viewshed
- Design approaches to integrating a large, redeveloped tract to the existing cityscape



Bay Meadows San Mateo California, Google Street View (2020).

MIDDLETOWN, DELAWARE: MIXED-USE ZONE REPORT

Middletown, Delaware is located along a busy transportation corridor, and is similar in size to Troutdale.²² Middletown is also trying to update their comprehensive plan to include MU designations, and wants to incorporate downtown revitalization with site-specific projects. A 2018 report from the University of Delaware created suggestions based on national best-practice documents and 8 case studies of similarly sized cities currently using mixed-use zoning.²³ The following takeaways are applicable to Troutdale:

- Take efforts to avoid regulations (e.g., excessive setback and parking requirements) which may restrict sidewalk and bike path space.
- Reduce surface parking but not at the expense of auto-commuter usability.
- Projects on new mixed-use development should have city oversight and approval before construction.

DISCUSSION

²² Town of Middletown. “Community Profile.” February 2020.

²³ O’Neill, Sean. *Mixed-use Zone Report for the Town of Middleton, Delaware*. October 2018.

There is much to learn from the current literature and works-in-progress and how it might apply to Troutdale's MU Zones. A responsibly planned mixed-use zone integrate land uses that encourage employment opportunities while being tailored to practical designs based on human scales and use patterns.²⁴ A rezoning to a mixed-use will often be an appropriate change for a downtown or community commercial zone, but not for an auto-oriented regional commercial or low-density residential zone.²⁵

To find success, mixed-use zones require a measure of flexibility in the proportion of uses, based on the current market conditions. Retail buildings especially may struggle with high turnover and vacancies, so a quick adaptation to a different use is advantageous.²⁶ Incrementalism and a long-term vision are critical, especially when it comes to quality placemaking in small towns.²⁷ One concept expressed used in multiple plans is “**fine-grained diversity**” in regard to land uses, building types, and even building facades. This term stands in contrast to monumental, uniform buildings often associated with new or master-planned mixed-use developments; it also promotes individual ownership and expression, presents a lower cost to entry for new owners, and promotes a more traditional town feel.²⁸

Density: Mixed-use recommendations from case studies almost all encourage medium to high density development in commercial and residential areas, and many also require maximum densities.²⁹ ³⁰

- Comprehensive plan language should take care to specify what density variables are to be compared. Mixed-use development may want to use a gross population density measure.³¹
- The focus on density needs to be balanced by a cohesive strategy to ensure pedestrian-based usability. Multimodal connectivity, especially walkability, should be a central

24 Oregon TGM Program. *Commercial and Mixed-use Development Code Handbook*, 1-4.

25 O'Neill, Sean, *Mixed-Use Zone Report for the Town of Middletown*, 4-6.

26 Robert Steuteville. “Designing and building mixed-use centers in the suburbs.” *CNU Public Square*. Dec. 11, 2019.

27 Michael A. Burayidi. *Downtown Revitalization in Small and Midsized Cities*, 17-20.

28 Andrew Price. “Fine-Grained vs. Coarse Grained Urbanism.”

29 Hillsborough Planning Commission. *Policy Update for Mixed-Use Development*. Plan Hillsborough. April 2014, pp. 11, 13, 18.

30 O'Neill, Sean, *Mixed-use Zone Report for the Town of Middleton, Delaware*, pp. 1, 5, 12, 15, 20, 24

31 Gordon, David, and Shayne Vipond. “Gross Density and New Urbanism: Comparing Conventional and New Urbanist Suburbs in Markham, Ontario.” *Journal of the American Planning Association* 71, no. 1 (2005).

element in the design of the mixed-use neighborhoods, and connect them to adjacent areas as well.³²

Walkability and Connectivity: Walkable designs with diverse activities onsite will likely reduce vehicle trips in the immediate area, a strategy and goal which aligns well with Town Center Draft language.^{33 34}

- Situating mixed-use residential near high-frequency transit stops may reduce car trips.³⁵
- Planning mixed-use zones to connect with nearby outdoor recreation areas is a common strategy to increase foot traffic.³⁶
- Zoning language and design should be highly responsive to the needs of those with disabilities; by designing with people with disabilities, the site will be inclusive and accessible for all.^{37 38}
- Setbacks should be smaller (or zero) in mixed-use buildings with active uses on the ground floor, to shorten the distance between the entrance and sidewalk. ³⁹ This encourages walk-ins and allows for easier mobility in crowded walkways.⁴⁰
- Walkways should allow for buffers between cyclists, pedestrians, and auto traffic.⁴¹ Surface parking should be managed by taking parking inventories, reducing the centrality of large parking lots, and adding on-street parking if necessary and possible.⁴²

Design: The flexible nature of mixed-use design may need to be constrained to maintain historical, cultural, or other community character.⁴³ Rooftop structure, building facades, and

32 Douglas County Health Department. *Zoning for Walkable Mixed-use Neighborhoods: A Desktop Health Impact Assessment*. Omaha Planning Department, November 2019.

33 City of Troutdale, *Town Center Plan (Draft for Review)*, 132.

34 Ewing, Reid, et al. 2011. "Traffic Generated by Mixed-Use Developments – A Six- Region Study Using Consistent Built Environmental Measures". *Journal of Urban Planning and Development* 137(3).

35 Oregon TGM, *Commercial and Mixed-Use Development Code Handbook*, 17

36 *Ibid.*, 6.

37 *Ibid.*, 58.

38 FHCO. *Guide for Examining Local Land Use with a Fair Housing Lens*. Fair Housing Council of Oregon, 2016, 7.

39 O'Neill, Sean. *Mixed-use Zone Report for the Town of Middleton, Delaware*. pp. 28, 32, 35.

40 Planning Advisory Service. *Promoting Ground Floor Retail in Mixed-use Districts*. American Planning Association, 2012,49, 61-62, 95, 115.

41 Oregon TGM. *Commercial and Mixed-Use Development Code Handbook*, 7, 21, 24,37, 50.

42 Oregon TGM. *Commercial and Mixed-Use Development Code Handbook*, 7, 11, 21, 24-25, 34, 46.

43 *Ibid.*, 12

other characteristics pertinent to the local aesthetic may not necessarily align with budget realities.

- Comprehensive plan language may want to include historical design standards, especially because the comments of residents and staff have noted “small-town feel” as a priority.⁴⁴
- Culturally and contextually relevant gathering space and access to regional culture should be encouraged to create a human connection with the space, a factor included in the Beaverton Comprehensive Plan’s language for mixed-use areas. ⁴⁵
- Busy streets need to be balanced with residential privacy, which can be achieved with back entrances and courtyards not accessible for public use.⁴⁶
- Viewshed should be especially preserved in the case of scenic zones, as is discussed in the Draft Town Center Plan.⁴⁷

Housing: Housing options should be commensurate with the needs of the current community and use reasonably sound growth projections. Additional housing should also seek to alleviate Troutdale’s “spatial mismatch”. Considering the high percentage of low to middle-income housing necessary to accommodate Troutdale’s projected growth, strategies to include affordable housing will be important in any new development.⁴⁸ Staff and public commentary have also made clear that strictly apartment housing is unlikely to be popular. It is strongly recommended that housing affordability be firmly embedded as a value within the language for mixed-use zoning in a comprehensive plan and that the language allows for incentives based on a minimum percentage of affordable housing.

RECOMMENDATIONS

Based on the case studies and the current language in the Troutdale Comprehensive Plan, we developed a draft language for Mixed-Use, located in Appendix A. See both the Land Use element description and the **Land Use Designation**. We decided to keep the Land Use Designation in the Comprehensive Plan as a single Mixed-Use category, and we anticipate that different densities and intensities would be laid out in the zoning district codes. As the Troutdale

44 Ely Portillo. “Why so many of Charlotte’s new apartments look alike (and why some are calling for change).” *The Charlotte Observer*. December 19, 2015.

45 Ming Zhang. *The Synergy of a Destination: Three Successful Techniques in Global Mixed-Use Design*. Council on Tall Buildings and Urban Habitat. 2011, 237-239

46 Beaverton Department of Community Development. *Beaverton Comprehensive Plan: Land Use Element*, 17.

47 City of Troutdale. *Troutdale Town Center Plan (Draft for Review)*, 11, 127, 141.

48 Goodman, Beth and Raimann, Maragaret. *Troutdale Housing Needs Analysis (Draft Report)*. City of Troutdale and ECONorthwest. December 2019.

Municipal Code is updated, these case studies may also be instructive for their specific design guidelines, design review process, implementation structure, permitted uses tables, and development codes (which are not within the scope of this memo, but see Appendix C).

We used the current grammar and structure of the Land Use Designations in the Comprehensive Plan as a base, then we drew upon the common themes from our case studies and concurrent plan that seemed appropriate for Troutdale's needs and wants, for example, in supporting residential development, in clarifying suitable commercial uses, and in promoting "fine-grained" diversity in buildings. Average densities in the case studies range from 9 dwelling units per acre to 40 and 50 units per acre, with an average of about 20. Therefore, we thought it best to simply adopt the current densities for Medium Density Residential (8 units/acre) and High Density Residential (21 units per acre) as the range for Mixed-Use as well.

CONCLUSION

Mixing land uses is not new. Cities built before World War II closely incorporated mixed-use development that combined commercial and residential uses. With an assessment from six case studies, we identified some common factors. These plans and projects try to maintain and protect the traces of their history. The developments did not take place in an indiscriminate manner, and had sufficient time. Neither private companies nor the local government can do it alone, but must form effective partnerships.

But most importantly, these developments were all attentively designed. To accommodate mixed-use zoning in Troutdale and prepare the city for changing markets, this team has prepared "amendment ready" draft language for the inclusion of new Land Use Designation for mixed-use into Troutdale's Comprehensive Land Use Plan. With time and a consistent long-term vision, Troutdale's mixed-use zones can provide a renewed livability to residents, a dynamic economy for workers, and a welcoming environment for visitors, too.

DRAFT LANGUAGE FOR LAND USE ELEMENT DESCRIPTION – MIXED-USE

A general paragraph, as in Troutdale Comp Plan pg. 7

The City should designate land for a balanced, integrated mix of compatible uses that support residential development. Compatible uses include higher-density residential, retail, office, recreational, public, civic, and some commercial and light industrial uses. The density and intensity of MU designations may be scaled according to neighborhood context. Mixed uses may be integrated vertically as partitions within a single building, or horizontally as adjacent parcels. Vertically mixed uses are especially recommended for town centers and downtown areas.

Mixed-use areas should emphasize active transportation like walking and biking, and limit auto-oriented commercial uses. Ideally, a mixed-use area could meet many of nearby residents' needs within a twenty-minute walk.

DRAFT LANGUAGE FOR LAND USE DESIGNATION – MIXED-USE (MU)

A more precise description for designation, as in Comp Plan pg. 11.

This designation provides for a fine-grained and integrated mix of land uses, which may include attached residential, commercial, light industrial, recreational, and/or institutional uses. Compatible uses and densities are sensitive to neighborhood context and support residential development. Lower-density mixed-use may be adjacent to medium-density housing, neighborhood commercial areas, and/or collector streets or minor arterials. High-density mixed-use may be adjacent to community/regional commercial centers, high-density housing, and/or major streets or arterials. The proportion of uses in this designation should support access to local transit and create walkable communities. Dwelling unit densities are intended to average between 8 units per acre and 21 units per acre.

Appropriate non-residential development within this designation includes but is not limited to: food and beverage establishments, business, professional, or financial services, general retail, pharmacies, health care services, fitness and recreational clubs, craft manufacturing, and institutional and civic developments, public spaces and other amenities. Active uses that will attract foot traffic are strongly encouraged on the ground floor of buildings that front on major streets and corners.

Design standards will increase compatibility among the mixed uses, on both the site and structures. Standards to integrate development may include but not be limited to coordinated building design, signage, landscaping, and access configuration. Individual development

proposals will take into account the density of adjacent existing development and the capacities of existing and planned public facilities.

The following criteria are established for the designation of MU:

- Areas already developed with or approved for vertically-integrated mixed uses.
- Areas where a need for this type of development exists, provided siting does not result in significant traffic or adverse environmental impacts.
- Areas adjacent to, or having a historical commitment to, cultural, recreational, educational, institutional, or quasi-institutional land uses.
- Areas with appropriate access to the regional transportation network, local main streets, and/or located within town centers
- Areas where there are no known geologic hazards, flooding, or soils subject to slippage.

Case Study Matrix

Type of Plan	Bay Meadows Design Guidelines; under the San Mateo General Plan;	Oregon City Comprehensive Plan	Beaverton Comprehensive Plan
Mixed-Use Designations (#)	1 in General Plan = "Bay Meadows Specific Plan"; 3 density designations for Bay Meadows.	3 - Mixed-use Corridor, Mixed-use Employment, Mixed-use Downtown	4 - Downtown Regional, Town Center, Mixed-use Corridor, Station Communities
Require vertical housing?	Yes, in Design Guidelines (not in General Plan)	No, but allowed in design guidelines for MUC and MUD; residential prohibited in MUE	No, but encouraged in MUC and Station Communities
Require ground-floor active uses?	Yes, in Design Guidelines (not in General Plan)	No	No, but "encouraged, emphasized"
Mixing mechanism	Allow mixed-use commercial in any non-residential land use category except industrial and parks/open space.	Site-Specific MU combinations based on city oversight	Mixed-use development occurs in areas designated for their proximity to transit, corridors, and town centers
Height limit	55 feet	MUD = 75 ft., with exceptions MUC-1 = 45 ft MUC-2 = 25 ft.	Max height= 60 ft., or 100 ft. if within 1,320 ft. of an LRT station platform
Densities	9-17 DU/acre 18-35 DU/acre 36-50 DU/acre	MUC/MUD= 17.4 DU/acre	Minimum 24-30 DU/Acre, Maximum 36-40 for "residential only" projects
Design review	Site plan and extensive design guidelines	Required for all mixed-use development; some design exemptions for multi-family units	Choice of "safe harbor" standards, or guidelines plus design review.

Type of Plan	Middletown, DE, Mixed-use Zone Report (Policy Analysis)	Monroe, WA Comprehensive Plan	Mount Rainier, MD Mixed-Use Town Center Zone Development Plan
MU Zone Designations (#)	Currently none: recommendation is for singular district with options for future zoning	1 - "Mixed-Use"	1 - This plan only covers one district.
Require vertical housing?	No, recommended	No, encouraged	No
Require ground-floor active uses?	No, recommended	No	No
Mixing mechanism	Require new development along high-traffic corridors to adopt commercial, office, and residential use	MU zones along major streets and next to and within downtown.	Not provided in this plan
Height limit	Recommended max height is 60 ft.	45 or 55 feet	Not provided in this plan
Densities	Up to 35 DU/Acre recommended	Up to 25 DU/acre	Not provided in this plan
Design review	Currently none: suggested that all new MU development undergo City Council and Planning Board approval	Design Review Board (county-level): five community members nominated by Executive and appointed by Council. May modify projects.	MU-TC Design Review Committee: seven community members recommended by the City Council and appointed by the Prince George County Planning Board.

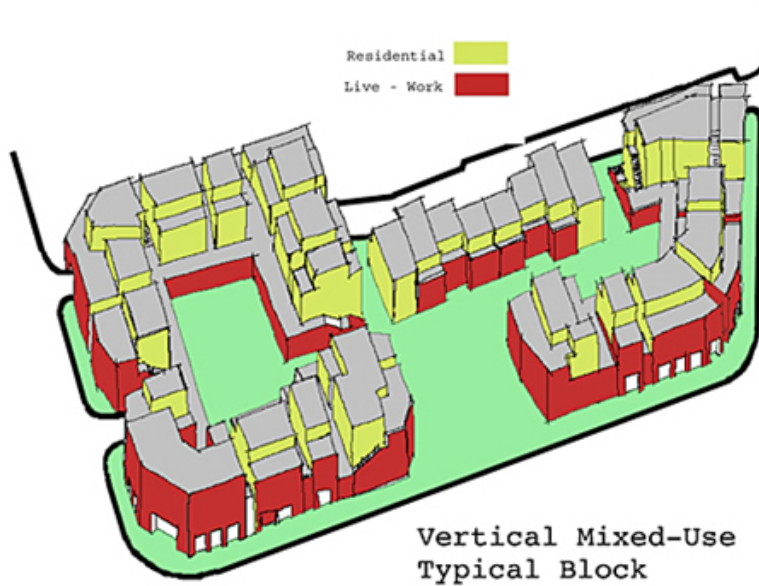
ALTERNATIVES FOR FURTHER CONSIDERATION:

As Troutdale moves through the process of integrating a mixed-use zoning designation into their Plans, two aspects will require further research. We make brief suggestions for further study on the topics of **Vertical Integration** and **Design Review Processes**.

VERTICAL INTEGRATION

Mixed-use development occurs in vertical and horizontal dimensions. If development is purely horizontal, several uses are spread out across different parcels, each parcel with a particular use typology. If vertically integrated, a building might be developed with different uses on different floors and each parcel is better suited to areas with a focus on density. Horizontal integration may be best suited to "centers" and "villages".⁴⁹ Vertical integration makes more sense where height requirements can be relatively unrestricted while not compromising community values or feel. Troutdale's commitment to viewshed protection and to terracing the Confluence development begins to account for the complications that arise alongside the benefits of developing upward.

⁴⁹ Urban Land Institute. *Mixed-use Development 101: The Design of Mixed-Use Buildings*. 10



Source: CompleteCommunitiesDE.org, Mixed-Use Development Toolbox.

Alternative 1: Active Ground Floor Uses

As mentioned in this document and as suggested by APA best practice, placing a tenant that facilitates pedestrian use and walk-ins on the ground floor of vertical mixed-use is the current conventional wisdom.⁵⁰ Allowing for ground-floor business that solely functions by appointment may limit the foot traffic generated to the building while ignoring what its upstairs residents functionally require. Local planning will need to address to what extent the community values filling vacant storefronts versus having optimally compatible ground floor use.

Alternative 2: Bonus Floor Incentives

Bonus floor area incentives are one of the tools Oregon specific best-practice documents recommend for mixed-use development.^{51 52} These could come in tandem with several incentivized issues. The most common is to allow maximum unit density, or an extra floor, if a certain percentage of units meet a certain criterion for affordability. Bonus floor area could also incentivize sustainable, low-emissions developments. Conceivably, Troutdale could use vertical bonuses to incentivize design which fits into a "small-town" aesthetic.

⁵⁰ APA. *Promoting Ground Floor Retail in Mixed-Use Districts*. 1-2, 13

⁵¹ Oregon TGM. *Commercial and Mixed-use Development Code Handbook*. 17

⁵² Portland BPS. *Mixed-use Zones Project: Discussion Draft*, 4-7, 25.

Alternative 3: Market Driven

By one school of thought, the market supply should naturally respond to the needs of the community. This may be true for some communities. For others, the allure of high profit margins gained from luxury housing might win out, despite there being a high demand for affordable housing. The advantage of this approach is that the market will eventually decide who can sustainably occupy a unit for a long period of time. The disadvantage is that high turnover of shop fronts can be economically harmful and might damage project buy-in.

Alternative 4: Hybrid

In a space where there are multiple parcels available for development, it may be advantageous to have some parcels be highly monitored while others are left more open to developer discretion. If land rights exchanges with private partners are a likely part of negotiations, a municipality needs to be able to have some oversight of the private development. A mixed-use designation which is designed to curtail the most harmful aspects of unchecked development could complement a more “hands-off” parcel inside of a carefully monitored public-private partnership.

DESIGN REVIEW PROCESSES

Design review is a delicate subject, as design requirements may default to blandness, or stifle innovation. As the saying goes, “there is no accounting for taste”. The case studies and concurrent plans detailed above provide some guidance for methods of design review.

The Troutdale Development Code has a limited design requirement. In residential zones, new developments typically must utilize at least six design features out of a given list of twelve features.⁵³ This may not be adequate for a mixed-use zone. The Development Code also names several historical buildings and for some, their architectural style⁵⁴:

Historic Resource	Date Built	Notes
Harlow House	1900	
Althaus House (2nd)	1929	
Strebin House	1951	Mid-Century
Cedar Place (Emil Olsen House)	1907	American Four-Square
McGinnis House	1903	Craftsman Bungalow

By creating future design standards and guidelines that lean on these valued historical styles, Troutdale can assure some continuity in the local character of mixed-use zones and encourage that small-town Oregon feel its residents want.

The Bay Meadows projects in San Mateo, CA, were master-planned in some aspects, with development managed under a single firm. However, their extensive design guidelines are a good example of explaining the local architectural vernacular, and describing exactly what the architectural features are required, desired, discouraged, and prohibited.

Beaverton, Oregon has a design review process with two levels, a “safe harbor” set of standards for very typical projects, and a set of design guidelines and a design review process with public input for more experimental proposals. Oregon City, Oregon, has a tiered design review process, based on the size of the project and the discretion needed, and the Community Development Director makes the decision, which is appealable to the City Council and then the Land Use Board of Appeals (“LUBA”). Monroe, Washington uses a Design Review Board at the county level, comprised of five appointed residents. Mount Rainier’s Plan also has a Design Review Committee, with seven residents and certain membership requirements, a thoroughly documented review process, and a blend of mandatory standards and optional guidelines.

As Troutdale considers how to review the design of mixed-use projects, it must strike its own balance between mandatory design standards and optional guidelines, and it must consider the responsiveness and equitability of the design review process.

⁵³ Troutdale Development Code, section 3.055.D.

⁵⁴ Troutdale Development Code, section 4.230.

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Appendix B

Mixed-Use Zoning for Troutdale, Oregon

Proposed by Steve Neumaier, Adam Tate, and Anton Wilkins
Student Report, SCYP, Winter 2021

Introduction

This report is about the ongoing project to update the comprehensive plan for the City of Troutdale, Oregon to add mixed-use zoning. This will be accomplished with an amendment to the Goal 2: Land Use section of the plan. Our team advocates for a three-pronged solution with two types of mixed-use zoning for downtown Troutdale and a special zone for the Urban Renewal Area Confluence Site located to the North of downtown, between the Columbia Gorge Outlet Mall, Interstate 5 and the Sandy River. The city's aim is to convert the site to a new mixed-use development complete with shops, restaurants, and multiple housing typologies.

As part of this process, our Sustainable City Year Program team from the University of Oregon School of Planning, Public Policy and Management analyzed relevant case studies on mixed-use zoning in the Portland metro area, reviewed current state and regional policies affecting mixed-use zoning, and relevant plans from the City of Troutdale in order to make and amplify our case. We begin our report with an in depth look at two case studies: North Main Village in Milwaukie, Oregon and Central Point in Gresham, Oregon. We supplement our findings with information gleaned from state and regional guidelines, particularly the Portland Metro 2040 Regional Growth Concept. We then present our recommendations.

Case Studies

North Main Village – Milwaukie, Oregon

North Main Village is a local example of mixed-use development in Milwaukie, Oregon. A Portland suburb, Milwaukie shares some of the challenges faced by Troutdale that come with being in the Portland metropolitan area. North Main Village is a brownfield redevelopment site that replaced an empty supermarket store with six residential/mixed-use buildings, encompassing a city block in central Milwaukie.⁵⁵

⁵⁵ *North Main Village Mixed Use Development | Auckland Design Manual*. Retrieved March 1, 2021, from <http://content.aucklanddesignmanual.co.nz/resources/casestudies/northmainvillage/Documents/North%20Main%20Village%20Case%20Study.pdf>

A significant development in Milwaukie's downtown revitalization effort, North Main Village was completed in 2006. The development provides 97 housing units and 8,600 feet of retail space.⁵⁶ The housing units include town homes with live/work elements that place living space over retail space, to a four-story building with affordable rental units.⁵⁷ There are a range of residential unit sizes from one-two bedroom apartments and three-bedroom townhomes. The ground floor facing the main street is entirely comprised of retail, café, and office uses creating a walkable addition to the neighborhood.⁵⁸

In addition to the residential and retail, other site amenities include a central green space and rainwater harvesting landscaping features.⁵⁹ The open central communal courtyard, with direct access from all six residential buildings, provides an area for the community to gather and enjoy the outdoors. The residential townhomes all have individual garages incorporated into their design, with all other parking located either to the rear or side of the building to minimize its impact on the street scene.⁶⁰ This careful design created an area amenable to pedestrian traffic for local businesses in the new development.

⁵⁶ *City of Milwaukie Comprehensive Plan | City of Milwaukie*. Retrieved March 10, 2021, from https://www.milwaukieoregon.gov/sites/default/files/fileattachments/planning/page/75331/adopted_comprehensive_plan_document_aug_2020.pdf

⁵⁷ *City of Milwaukie Comprehensive Plan | City of Milwaukie*. Retrieved March 10, 2021, from https://www.milwaukieoregon.gov/sites/default/files/fileattachments/planning/page/75331/adopted_comprehensive_plan_document_aug_2020.pdf

⁵⁸ *North Main Village | Metro. (2012)*. Retrieved March 1, 2021, from https://www.oregonmetro.gov/sites/default/files/2016/09/14/northmainvillage_final.pdf

⁵⁹ *North Main Village | Metro. (2012)*. Retrieved March 1, 2021, from https://www.oregonmetro.gov/sites/default/files/2016/09/14/northmainvillage_final.pdf

⁶⁰ *North Main Village Mixed Use Development | Auckland Design Manual*. Retrieved March 1,

By focusing efforts on creating a space with a mix of uses, North Main Village provides affordable housing, retail, and jobs within walking distance of the downtown Milwaukie area. This extension of the downtown and revitalization of a brownfield site is a prime example of what Troutdale could achieve with the Confluence site.

North Main Village resides in Milwaukie's Downtown Mixed-Use Zone, denoted as DMU on Map 1. Milwaukie's Comprehensive Plan provides some of the reasons this zoning allowed for the development of North Main Village. The DMU zone encourages mixed-use development, combining residential high-density housing with retail, personal service, commercial, and/or offices.⁶¹ It also places an emphasis on higher density housing in the Town Center Area, with the city proactively working with the private sector to provide a diverse range of affordable housing.⁶² And, as there's access to multimodal transportation options, there are recommendations for reduced parking, with on-street parking and shared parking being encouraged.⁶³

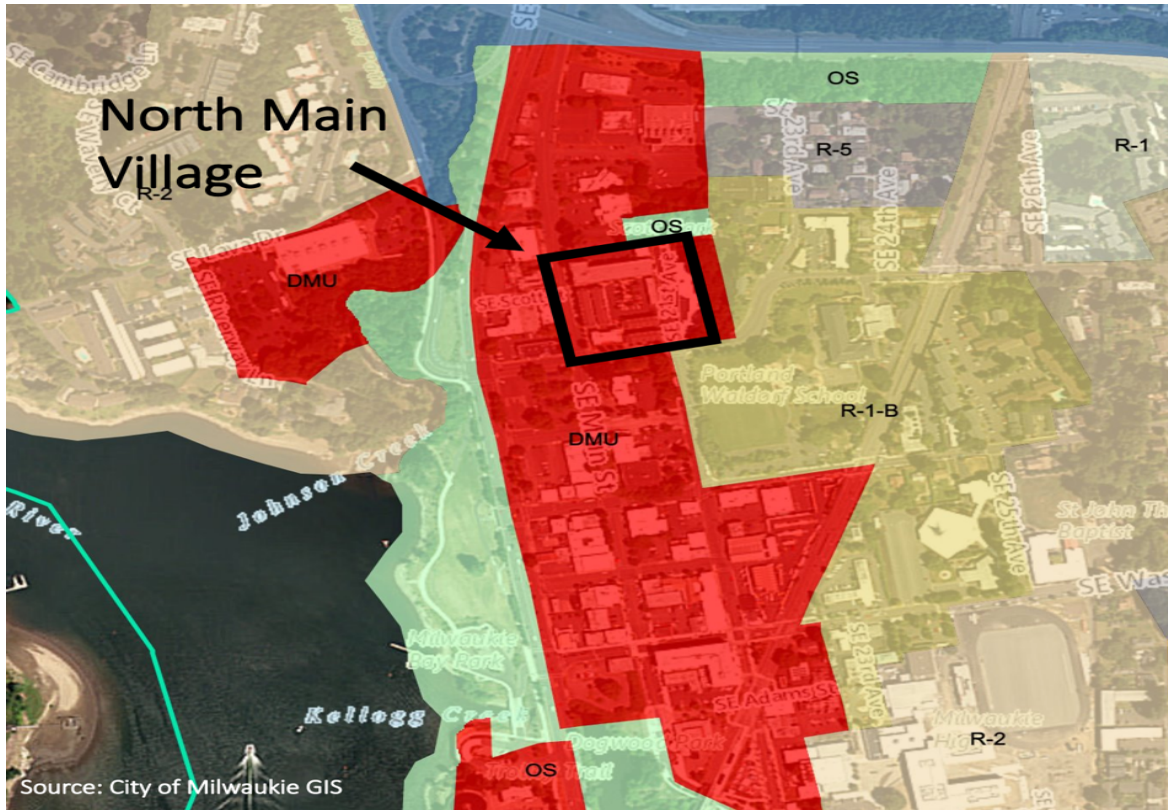
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61 *City of Milwaukie Comprehensive Plan* | *City of Milwaukie*. Retrieved March 10, 2021, from https://www.milwaukieoregon.gov/sites/default/files/fileattachments/planning/page/75331/adopted_comprehensive_plan_document_aug_2020.pdf

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Map 1. Zoning in Downtown Milwaukie, Oregon



Central Point – Gresham, Oregon

Another local case study, Central Point is located to the southwest of Troutdale, in the City of Gresham. Central Point is a four-story, mixed-use project that features 3,500 square feet of ground-floor retail space and 22 apartment units – all on about the size of a single-family housing lot.⁶⁴ Another highlight is the use of “tuck-under” parking that consumes less space than surface parking and is far less expensive than fully structured parking.⁶⁵ Metro notes that

64 *Central Point Case Study* | Oregon Metro. Retrieved March 10, 2021, from <https://www.oregon>

metro.gov/sites/default/files/2014/05/06/06012005_central_point_centers_case_study.pdf

65 *Central Point Case Study* | Oregon Metro. Retrieved March 10, 2021, from <https://www.oregon>

metro.gov/sites/default/files/2014/05/06/06012005_central_point_centers_case_study.pdf

Central Point has operated near full capacity since it opened and served as an important catalyst development for the revitalization of downtown Gresham.

Central Point resides in Gresham’s Downtown Commercial Core Zone, denoted as DCC on Map 2. The DCC zone allows a wide range of mixed-uses, including retail, service, office and residential, “to help create a vibrant, active neighborhood.”⁶⁶ Gresham’s Development Code states that “the DCC is the City’s long-standing center and features unique local businesses, small scale storefronts, and intimate sidewalks. Main Avenue has a small-scale, walkable quality appreciated by residents and visitors. This sub-district is intended to preserve the small-scale character on Main Avenue while encouraging an active, engaging mix of old and new uses.”⁶⁷ Gresham’s Development Code describes many of the same characteristics for the City’s Downtown Mixed-Use Zone. However, this zone aims to create “a very dense, compact urban form by permitting the most intense, tallest development in Downtown,” rather than emphasizing the preservation of the small-scale character of the area around Central Point.⁶⁸ Troutdale’s desire to preserve the community’s small-town feel could be served well by using the same strategies as Gresham’s DCC zone. This would allow for the development of mixed-use buildings, taller than are currently allowed in the downtown area, but without infringing on the character of Troutdale’s Town Center.

66 *City of Gresham Development Code* | *City of Gresham*. Retrieved March 10, 2021, from <https://>

greshamoregon.gov/Development-Code/

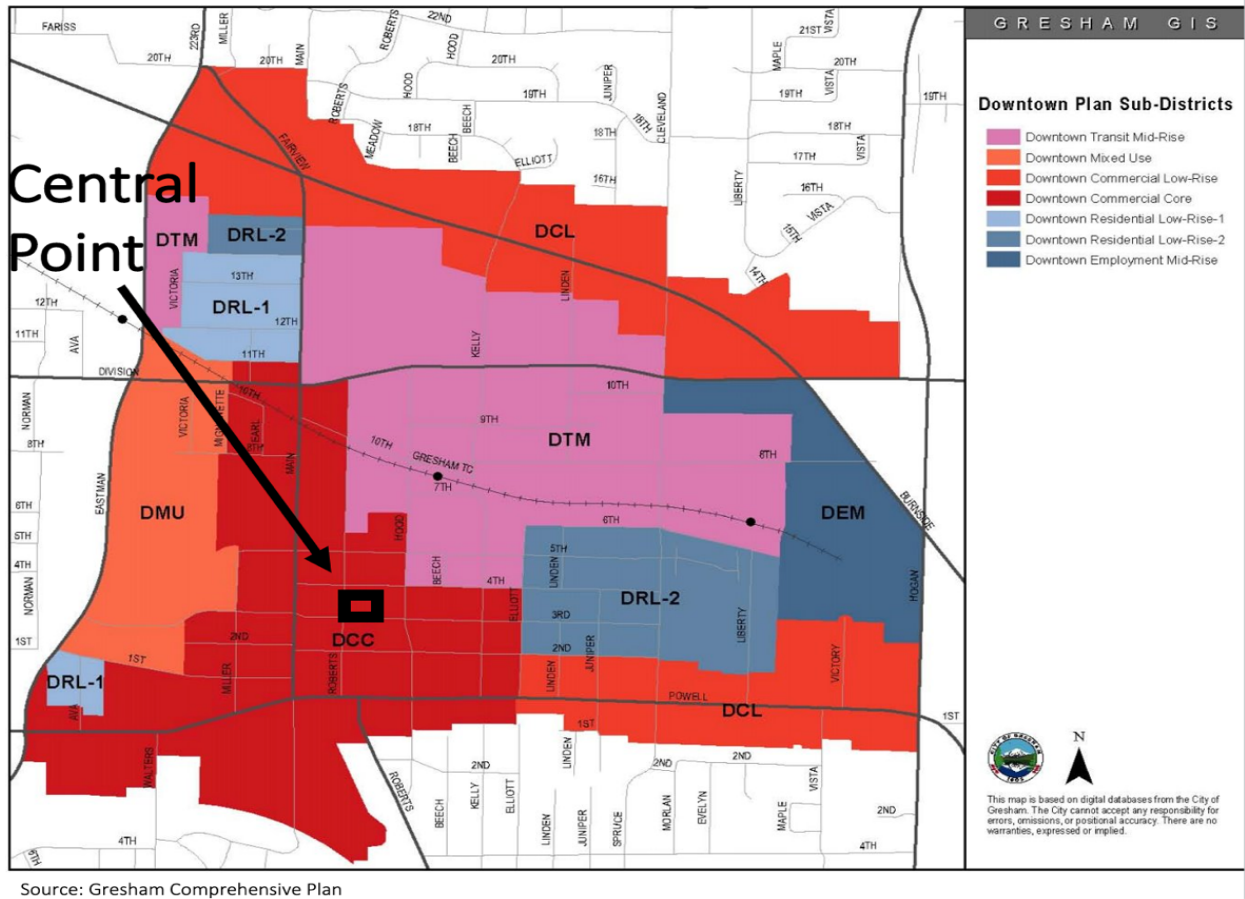
67 *City of Gresham Development Code* | *City of Gresham*. Retrieved March 10, 2021, from <https://>

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68 *City of Gresham Development Code* | *City of Gresham*. Retrieved March 10, 2021, from <https://>

greshamoregon.gov/Development-Code/

Map 2. Zoning in Downtown Gresham



State & Regional Policy

An amendment to create mixed use housing in Troutdale is in line with the goals of the City of Troutdale, Halsey Corridor project, the Metro 2040 Regional Growth concept, as well as statewide planning goals.

Goals 9 and 10 of Oregon’s statewide plan call for providing an adequate supply of sites suitable for commercial uses and residential uses, respectively.⁶⁹ Mixed-use designations provide the most opportunity to meet both goals simultaneously which will benefit both Troutdale and the

⁶⁹ Department of Land Conservation and Development: Oregon’s Statewide Land Use Planning Goals: Oregon Planning: State of Oregon.

(1974). <https://www.oregon.gov/lcd/op/pages/goals.aspx>

greater Portland region as well.

The Metro 2040 Regional Growth Concept designates the city of Troutdale as a town center. The plan characterizes *town centers* as having one to three-story buildings that accommodate employment and housing.⁷⁰ Three-story buildings provide the opportunity for ground-floor commercial developments beneath residential uses in both downtown Troutdale and at the Confluence Site.

Under Troutdale’s proposed Town Center Plan, mixed-use is the preferred land use classification for the Confluence Site.⁷¹ Additionally, the plan suggests that the Town Center District is well-suited for mixed-use. “The Town Center District is ideally situated to handle housing for all income spectrums, provided that they can complement the existing built environment and be well-constructed.”⁷²

The Main Streets on Halsey Economic Study specifically describes the applicability of mixed-use zoning to the region. The study details a series of affordable mixed-use apartment projects located within the Portland Metro area. The study also contains suggestions for ground-floor commercial uses in apartment buildings.⁷³ The Halsey study states that, Oregon’s second statewide planning goal asks communities to revise all land use plans on a “periodic cycle to take

⁷⁰ *2040 Growth Concept | Metro*. (1995). Retrieved February 27, 2021, from <https://www.oregonmetro.gov/2040-growth-concept>

⁷¹ *Town Center Plan 2020-2040*. (2020). Troutdale, OR. https://www.troutdaleoregon.gov/sites/default/files/fileattachments/community_development/page/13211/town_center_plan_draft_-_30-nov-20.pdf

⁷² *Town Center Plan 2020-2040*. (2020). Troutdale, OR. https://www.troutdaleoregon.gov/sites/default/files/fileattachments/community_development/page/13211/town_center_plan_draft_-_30-nov-20.pdf

⁷³ Halsey Community Collaborative Consortium. (2018). *Halsey Corridor Economic Opportunities, Branding, and Land Use Regulation*. https://www.woodvillageor.gov/wp-content/uploads/Task-1-Report-7_23.fnl_.pdf

into account changing public policies and circumstances.”⁷⁴ As Troutdale’s population evolves and the region’s land use changes, it is necessary to amend Troutdale’s plans to best meet its needs, which in this case regard the implementation of mixed-use zoning.

Plan Mixed-Use Goals and Recommendations

<p><i>Oregon Statewide Plan</i></p>	<p>Provide diverse lands that meet commercial needs (Goal 9 – Economy)</p> <p>Plan to accommodate diverse housing types (Goal 10 – Housing)</p> <p>Zone land to meet growth needs (Goal 14 – Urbanization)</p> <p>Revise plans regularly (Goal 2 – Land Use Planning)</p>
<p><i>Metro 2040 Regional Growth Concept</i></p>	<p>One- to three-story buildings that accommodate employment and housing.</p>
<p><i>Troutdale Town Center Plan</i></p>	<p>Mixed-use recommended for the Confluence Site and Town Center District.</p> <p>New housing should complement existing built environment.</p>
<p><i>Main Streets on Halsey Economic Study</i></p>	<p>Ground-floor commercial uses in apartment buildings.</p> <p>Mixed-use is common in the region.</p>

Existing Plan Review & Discussions with Troutdale Staff

Throughout this experience we have researched the existing City of Troutdale planning documents and consulted multiple times with City of Troutdale Community Development Director Chris Damgen in order to understand Troutdale’s history and how the City wants this amendment to prepare for the future.

74 Halsey Community Collaborative Consortium. (2018). *Halsey Corridor Economic Opportunities, Branding, and Land Use Regulation*. https://www.woodvillageor.gov/wp-content/uploads/Task-1-Report-7_23.fnl_.pdf

The City of Troutdale Comprehensive Plan, last updated in 2014, only addresses MPMU or Master Planned Mixed-Use Zoning.⁷⁵ A designation was put in place for "horizontal-based" mixed-use development that allows for a developer to create an initial concept plan that uses the land use designation as an umbrella to incorporate existing residential or commercial zoning districts. It does not create nor promote true vertical mixed-use or walkable mixed-use neighborhoods like the proposed Confluence Site.

The Urban Renewal Area Confluence Site, is referenced in the City of Troutdale Town Center 2020-2040 Plan.

“The Confluence site is a collection of city-owned parcels within the Urban Renewal Area. The site provides Troutdale with the most exciting and challenging opportunity site of all; a once-in-a-lifetime chance to transform roughly 20 acres adjacent to Downtown and along the banks of the Sandy River into someplace special.”⁷⁶

The Town Center Plan outlines the main objective of our work which is to propose new zoning for the site in order for it to thrive. “Establish a new zoning district and land use designation for the URA that is better geared to match development opportunity with community expectations.”⁷⁷

Based on this information and our conversations with Chris Damgen, we believe that a three-pronged solution of mixed-use zoning districts for the City of Troutdale is the best way to amend Goal 2 of the Comprehensive Plan.

⁷⁵ CITY OF TROUTDALE COMPREHENSIVE LAND USE PLAN. (2014, September 26). Retrieved March 01, 2021, from https://www.troutdaleoregon.gov/sites/default/files/fileattachments/community_development/page/8421/complanduseplan.pdf

⁷⁶ CITY OF TROUTDALE COMPREHENSIVE LAND USE PLAN. (2014, September 26). Retrieved March 01, 2021, from https://www.troutdaleoregon.gov/sites/default/files/fileattachments/community_development/page/8421/complanduseplan.pdf

⁷⁷ CITY OF TROUTDALE COMPREHENSIVE LAND USE PLAN. (2014, September 26). Retrieved March 01, 2021, from https://www.troutdaleoregon.gov/sites/default/files/fileattachments/community_development/page/8421/complanduseplan.pdf

Downtown and the areas adjacent to it will have similar types of mixed-use zoning while the Confluence Site will be its own unique zoning district in order to have greater residential densities and commercial opportunities. Due to the positioning of the site relative to downtown, it will be possible for the buildings to be taller without negatively impacting the small town feel that Troutdale residents love and want to preserve.

Mixed-Use Proposals for Troutdale

We propose the following zones to be added for mixed-use development as an amendment to Goal 2 of the Troutdale Comprehensive Plan.

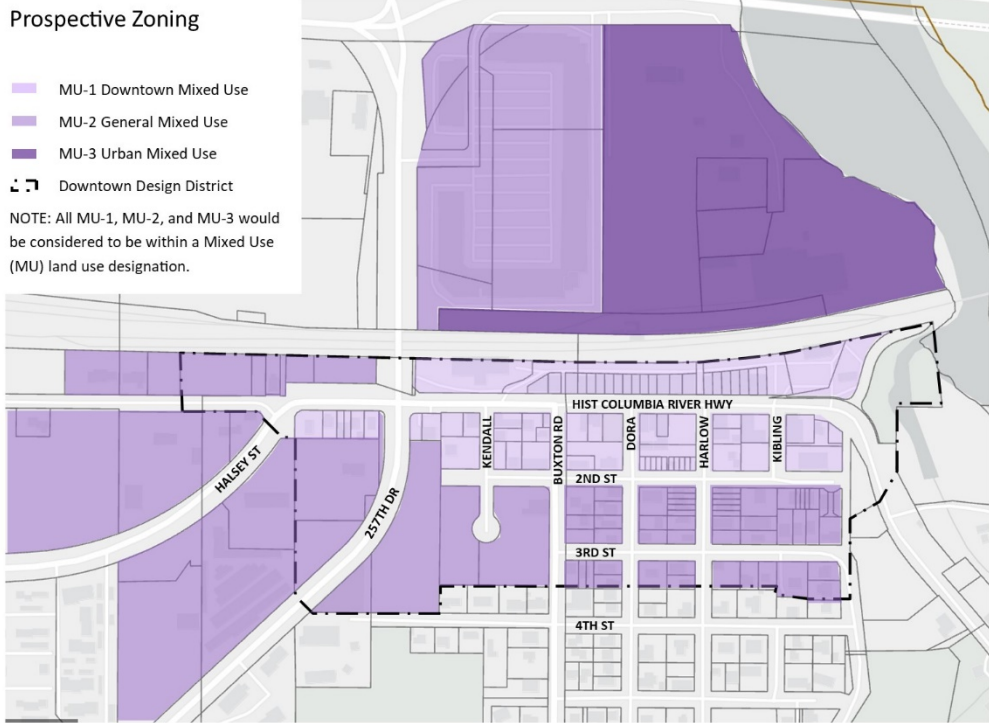
MU-1 Downtown Mixed-Use to replace the existing CBD Central Business District zoning with a more modern classification that encourages rather than simply accepts mixed-use.

MU-2 General Mixed-Use to replace the existing MO/H Mixed-office and housing zoning in order to promote growth and mixed-use development adjacent to downtown Troutdale.

MU-3 Urban Mixed-Use to provide the Urban Renewal Confluence Site with a blank slate that can best attract a wide variety of retail and residential tenants with advanced mixed-use, mixed-income measures and taller buildings to increase density.

These proposed zones are in line with and elaborate on what can be seen in the attached map, provided by City Development Director, Chris Damgen highlighting the new zoning overlays. We will describe these zones in greater detail below.

City of Troutdale Prospective Zoning Map (Source: City of Troutdale)



MU-1: Downtown Mixed Use

Downtown Mixed-Use is our proposed zone for the historic downtown core of Troutdale. It is focused on a majority commercial, minority residential solution such as a traditional upper floor residential arrangement with one to two stories of apartment or condo units above some of the downtown businesses.

The beauty of MU-1 is that visually, it doesn't really change much. The charming view we see in the photo of downtown Troutdale below won't change. The proposed zone merely enhances what is already there by allowing for vertical mixed-use. This zone will boost population density in the walkable urban core and bring in additional customers for downtown businesses.

The major benefit for downtown Troutdale is that the retail corridor is already well established which can help make the transition to mixed-use more successful.⁷⁸ Constant exposure to

⁷⁸ Gray, N. (2018, January 10). Mixed up priorities for mixed-use buildings. Retrieved March 17, 2021, from <https://www.strongtowns.org/journal/2018/1/8/mixed-up-priorities-for-mixed-use-buildings>

ground floor businesses means that residents who live in vertical mixed-use environments are also more likely to shop at these establishments.⁷⁹



Photo: Michael Lloyd/The

Oregonian

MU-2: General Mixed Use

Areas adjacent to downtown will feature a majority residential, minority commercial solution with a traditional three over one arrangement where a few ground floor businesses are topped by two floors of residential units in keeping with the principles laid out in the Metro 2040 Regional Growth Concept.⁸⁰

⁷⁹ The Move toward mixed-use: Creating new value for Commercial Real Estate. (2020, February 13). Retrieved March 17, 2021, from <https://www.reonomy.com/blog/post/mixed-use-creating-new-value-for-commercial-real-estate>

These units will be surrounded by other buildings that will be entirely residential. These can be apartments, townhomes or rowhouses which will open the area to both home owners and renters alike adding mixed-income housing to mixed-use development to create a more inclusive and sustainable urban core.⁸¹

This horizontal mixed-use will open many historic & vacant buildings for adaptive reuse and bring new residents to the downtown area, further boosting density and the sense of community in Troutdale. The image below of apartments in nearby downtown McMinnville is a good example of what MU-2 zoning could look like for the City of Troutdale.



80 2040 Growth Concept | Metro. (1995). Retrieved February 27, 2021, from <https://www.oregonmetro.gov/2040-growth-concept>

81 Developing mixed-income housing. (2021). Retrieved March 17, 2021, from <https://www.localhousingolutions.org/refine/developing-mixed-income-housing-overview/developing-mixed-income-housing/>

Stevens

MU-3: Urban Mixed Use

This is the special zone for the Urban Renewal Area Confluence Site. As this site is a blank slate, we feel that more open zoning which allows for a wider variety of housing typologies such as apartments, condos, townhomes, live/work solutions and more is both appropriate and desirable. These can be in the form of stand-alone residential units in a horizontal mixed-use scheme, and placed over ground floor commercial sites like shops and restaurants in a vertical-mixed use layout to promote a truly walkable mixed-use neighborhood.

This wider variety of housing solutions will help draw renters and home owners alike which will make the development more palatable to current residents worried about too many renters and make the development more inclusive at the same time.⁸² Studies indicate that both aging baby boomers and younger generations like millennials and generation Z are increasingly drawn to apartments and mixed-use living due to a myriad of factors such as walkability, affordability and environmental responsibility.⁸³

We do emphasize the need for the Confluence Site to attract larger “anchor” businesses as much as possible. These include amenities like pharmacies, and convenience stores that draw in a constant stream of customers and have been proven to help make or break newer mixed-use developments.⁸⁴

The MU-3 district allows for taller buildings, up to 75 feet, that would be too tall for the other mixed-use zones downtown. This will add meaningful density and ensure a steady stream of potential customers for the new businesses at the site.

82 Developing mixed-income housing. (2021). Retrieved March 17, 2021, from <https://www.localhousingolutions.org/refine/developing-mixed-income-housing-overview/developing-mixed-income-housing/>

83 Rogal, B. J. (2014, May). Demographics of Mixed-Use. Retrieved March 17, 2021, from https://steiner.com/wp-content/uploads/2015/11/RealEstate-Forum_May2014.pdf

84 Easton, G., & Owen, J. (2009, June). Creating Walkable Neighborhood Business Districts. Retrieved March 18, 2021, from http://www.makersarch.com/wp-content/uploads/2016/04/Creating_Walkable_Neighborhood_Districts_2009.pdf

We also propose that the zone allow for more modern buildings that can act as a literal and figurative billboard for the site to get the attention of drivers passing by on I-5 North which runs parallel to the Confluence Site. This will help attract the young professionals most likely to live in mixed-use developments. The photo below of Central Point in Gresham, one of our case studies, is a successful example of implementing more contemporary architecture into the urban core without taking away from the historic character of the city.⁸⁵



Central Point, Gresham. Photo:

Apartments.com

85 *Central Point Case Study* | Oregon Metro. Retrieved March 10, 2021, from <https://www.oregon>

metro.gov/sites/default/files/2014/05/06/06012005_central_point_centers_case_study.pdf

Conclusion

Updating the City of Troutdale's Comprehensive Plan with an amendment to include mixed-use zoning in Goal 2 will help serve as a catalyst to bring growth and renewal for the city.

We live in rapidly changing times; there are great demographic and economic shifts occurring while all of us are reevaluating what community and environmental responsibility mean to us for a post-pandemic world. To meet the needs of new and existing residents in the coming decades cities will need to be bold and flexible.

One of the key reasons that our case studies in Milwaukie and Gresham were successful is because city staff updated their plans with new zoning in order not to just allow mixed-use zoning, but to explicitly promote it to meet the wider aims of their comprehensive plans.

The City of Troutdale has a chance to follow in their footsteps and do one better thanks to the unique riverside location of the Confluence Site. Businesses will be enticed to it by a supply of new residents, and new residents will be drawn to the city by the attractions at the confluence site, the river and downtown.

By boldly expanding mixed-use zoning and offering multiple types of mixed-use zones, Troutdale will declare itself open for business and open for opportunity. Doing so will not only benefit the city and its residents but its growing number of tourists and the greater Portland area as well.

Appendix C

Addressing Changing Economic Development Conditions in Troutdale

**Proposed by Anisha Govindankutty, Alli Langley, and Tu Tran
Student Report, SCYP, Winter 2021**

INTRODUCTION

The City of Troutdale Comprehensive Plan should establish policies that reflect the most current economic data for the City and surrounding region as well as emerging trends.

The City last updated its Comprehensive Plan language that addresses economic development, fulfilling the requirements of Goal 9 of Oregon’s Statewide Land Use Planning Goals, in 2011. Since then, Troutdale’s population has continued to grow and diversify.⁸⁶

There have also been critical economic shifts within the last decade that have influenced Troutdale’s employment composition and context within the Portland Metropolitan Area. By recognizing these changes, trends, and economic contexts, Troutdale could utilize its unique competitive advantages to thrive ahead of the economic curve.

Our team analyzed economic conditions and trends by collecting and comparing data from the years 2010 and 2019. The COVID-19 pandemic that began in 2020 has massively influenced the U.S. economic landscape, and thus we also described and included as well. Lastly, case studies are also examined where appropriate to provide practical examples with some of these trends. Finally, we examined relevant case studies to provide practical examples and implementation strategies within our recommendations.

ECONOMIC CONDITIONS

To assess Troutdale’s economic context, we analyzed factors including employment composition, jobs to housing ratio, employment growth, median per capita income, and commuting patterns. We also compared Troutdale with its larger geographies, Multnomah County and the Metro area, in the region.

THE REGION

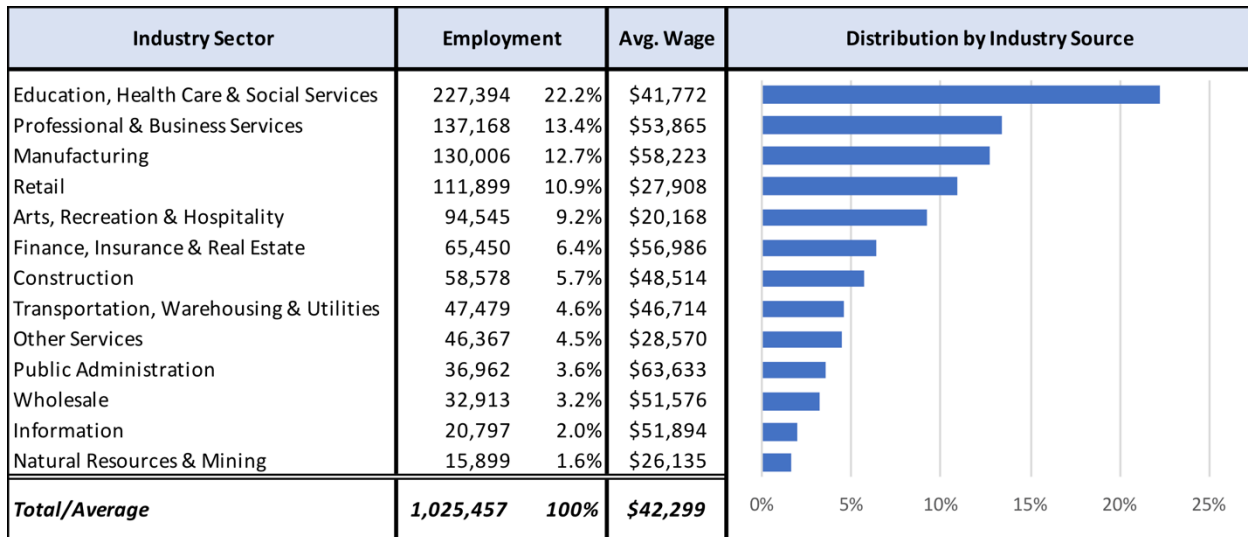
The Metro area is the economic center of the region and the state. The Metro area’s industry sectors with the largest shares of employment are education, health care, and social services; professional, technical, administrative, and management services; manufacturing; retail trade; and arts, entertainment, recreation, and hospitality, as shown in Figure 1.

Between 2019 and 2029, the Oregon Employment Department forecasts that the fastest growing sectors in the Portland Tri-County region will be education, health care, and social services; professional and business services; and transportation, warehousing, and utilities. The

⁸⁶ The student population of Reynolds School District, which serves Troutdale and four nearby cities, is majority Hispanic and non-white. <https://www.reynolds.k12.or.us/district/fast-facts>

region’s slowest growing industries will be finance, insurance, and real estate; retail trade; manufacturing; public administration and government; and natural resources and mining.⁸⁷

Figure 1. Employment Base in the Portland Metro Area, 2019



Source: U.S. Census Bureau, ACS 2014-2019 five-year estimate. Note that average wage denotes median annual pay.

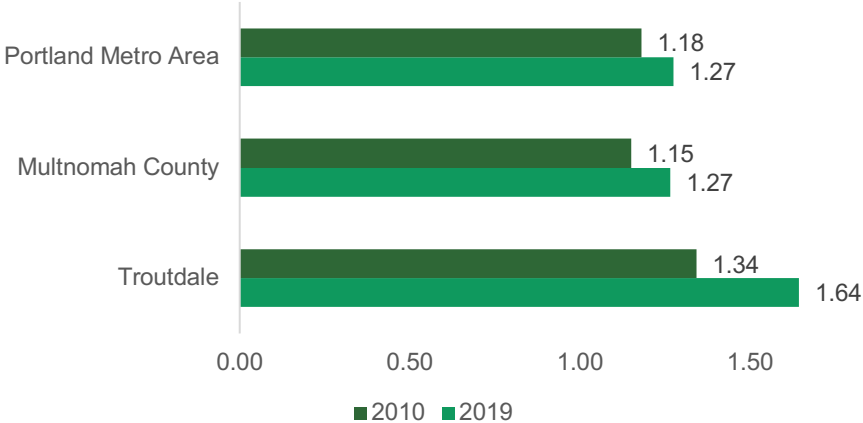
A GROWING JOB CENTER

While Troutdale has traditionally been a bedroom community, Troutdale is growing as an employment center in the region, as indicated by its high Employment to Housing Ratio. A ratio between 0.75 to 1.5 indicates that the area would benefit from mass transit planning and compact developments, and a ratio above 1.5 indicates that workers are commuting to the area due to an imbalance of jobs and housing.⁸⁸ Troutdale’s ratios in 2010 and 2019 were 1.34 and 1.64, respectively. These ratios were higher than those of Multnomah County and the Metro area, as shown in Figure 2, and Troutdale experienced a sharper increase in its jobs to housing ratio over that time. Troutdale not only has more jobs than available housing, but its employment base is also growing faster than the encompassing regions.

⁸⁷ *Portland Tri-County Industry Projections 2019-2029*. Oregon Employment Department, Workforce and Economic Research Division, 1 Oct. 2020, <https://www.qualityinfo.org/documents/10182/92203/Portland+Tri-County+Industry+Projections+2019-2029?version=1.2>

⁸⁸ U.S. Environmental Protection Agency EnviroAtlas, *Employment to Housing Ratio: Fact Sheet* (2014). <https://enviroatlas.epa.gov/enviroatlas/DataFactSheets/pdf/Supplemental/Employmenthousingratio.pdf>

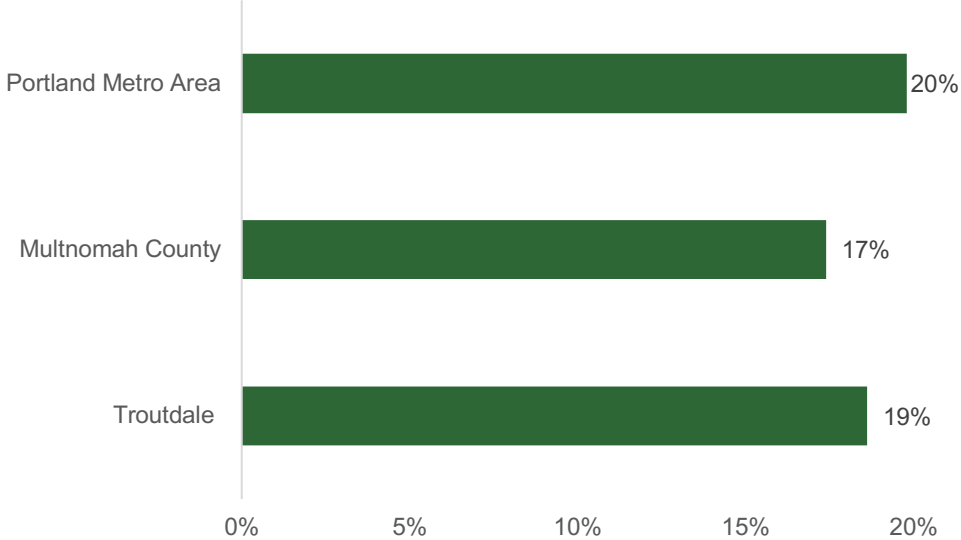
Figure 2. Jobs to Housing Ratio in Portland Metro, Multnomah County, and Troutdale, 2010 and 2019



Source: U.S. Census Bureau

Another indicator that Troutdale is becoming a job center is its employment growth. As shown in Figure 3, the growth of workers in Troutdale between 2010 and 2019, at 19%, is comparable to Metro area (20%) and is slightly ahead of Multnomah County (17%).

Figure 3. Job Growth in Portland Metro, Multnomah County, and Troutdale, 2010-2019



Source: U.S. Census Bureau

INCOME

Despite its growth as an employment center, Troutdale has been attracting few high-paying jobs. The City's median per capita income consistently falls below that of the Metro area and Multnomah County, as shown in Table 1 with incomes adjusted to 2019 dollars. Troutdale has also seen less income growth between 2010 and 2019, with an increase of only 3.7% compared to 12.8% for the Metro area and 15.6% for Multnomah County.

Table 1. Median Per Capita Income in Portland Metro, Multnomah County, and Troutdale, 2010, 2019

	2010	2019	Change
Portland Metro Area	\$34,776	\$39,229	12.8%
Multnomah County	\$33,940	\$39,245	15.6%
Troutdale	\$29,529	\$30,633	3.7%

Source: U.S. Census Bureau

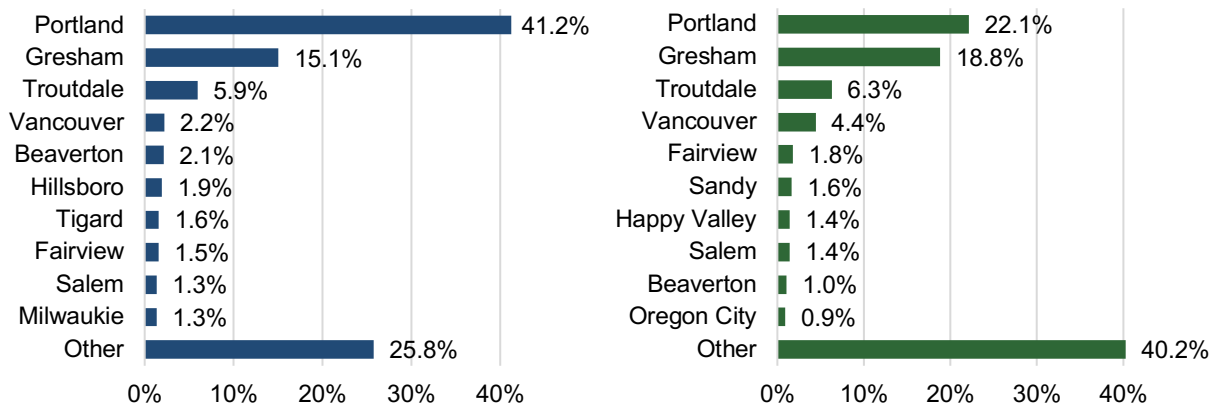
COMMUTING

Most of Troutdale's employed residents, about 7,900 people, commute out of the city for work, many to Portland proper and other eastern Multnomah County communities, as shown in Figure 4. The share of Troutdale's residents who work in Troutdale was 5.9% in 2018 and has changed little in recent decades. Of the roughly 7,500 people who work in Troutdale, 93.7% commute into Troutdale from other areas, mostly Portland, Gresham, Vancouver, and Fairview, as shown in Figure 5. The share of Troutdale workers who live in the City was 6.3% of 2018 and has also remained steady in recent years.⁸⁹

Figure 4. Where Troutdale Residents Work, 2018
Live, 2018

Figure 5. Where Troutdale Workers

⁸⁹ Note that Amazon opened its Troutdale facility in August 2018, and this employment is likely not reflected in the most recent commuting data available from 2018.



Source: U.S. Census Bureau

This ongoing mismatch of residents and workers, combined with Troutdale’s jobs-to-housing imbalance, means Troutdale workers experience long commute times. The average commute time for Troutdale workers decreased from 39 minutes in 2010 to 25 minutes in 2014 but then rose to 29 minutes in 2019. The average commute time for workers in the Metro area as a whole also increased in recent years (from 25 minutes in 2014 to 27 minutes in 2019) but remains less than the average Troutdale commute.

Troutdale experiences a net job outflow, with more residents commuting out for work than the total number of jobs in the City. However, this outflow has shrunk in recent years, from 2,584 jobs in 2008 to 446 in 2018, an 83% decrease. For more detailed commuting data, see Appendix B.

TOP INDUSTRIES AND BUSINESSES

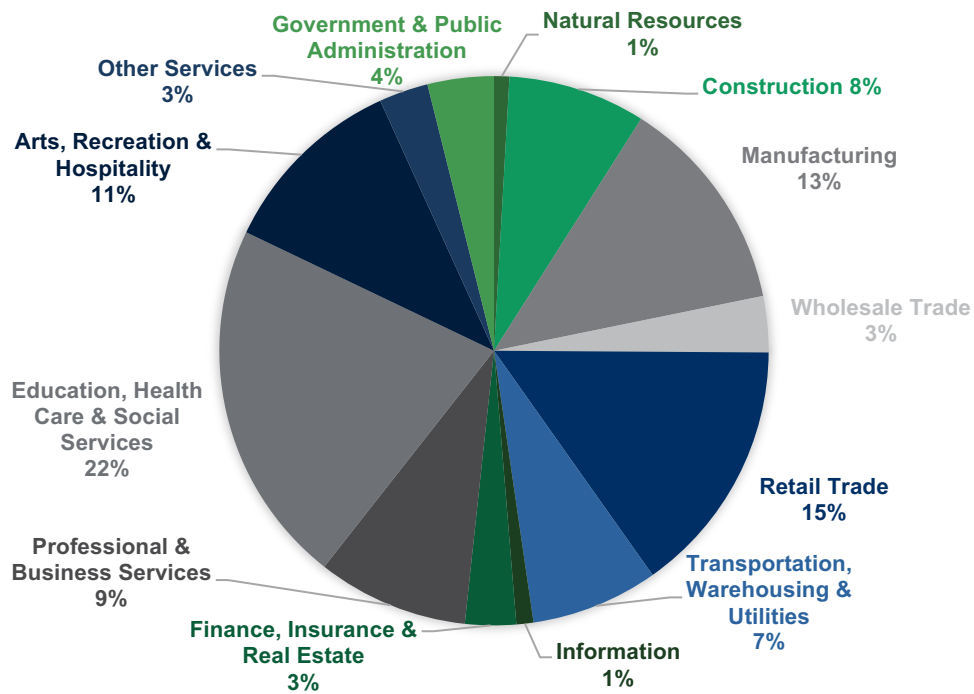
Troutdale’s economy is largely shaped by its location. The City lies on the border between the Metro area and the Columbia River Gorge, along Interstate 84, and has many tourism-focused businesses. The arts, recreation, and hospitality sector and the retail trade sector combine to form more than a quarter of the City’s employment by industry, as shown in Figure 6. Other large sectors include education, health care, and social services; manufacturing; professional and business services; construction; and transportation, warehousing, and utilities.

As of February 2021, Troutdale’s 10 largest private sector employers were Amazon, FedEx, Walsh Trucking, Wolcott Plumbing, Tube Specialties, BrandSafway Services, Edgefield Gardens/McMenamins, Travel Centers of America, Toyo Tanso USA, and MML Diagnostics Packaging. Other large employers include Home Depot, Albertson’s, and Safeway. In the public sector, Reynolds School District and the Multnomah County Sheriff’s Office are large

employers. Going forward, the City plans to encourage businesses that serve residents in addition to tourists, especially in the Town Center.⁹⁰

By recognizing these economic conditions, Troutdale could proceed to identify its strongest competitive advantages, such as being a regional logistics hub, and its economic weak points or incongruities, such as the need for outside workers to travel in due to an imbalance between jobs and housing. The data also show a lack of a diversified employment base with high-value businesses that have high-paying jobs.

Figure 6. Troutdale Employment by Industry Composition, 2019



Source: U.S. Census Bureau

EMERGING TRENDS

The last decade saw rapid economic shifts and changes, specifically the growth of e-commerce, remote work, and green jobs, that have immensely impacted local economies. Acknowledging these trends can help Troutdale align its economy to take advantage and stay ahead of the economic curve by positioning its competitive advantages appropriately.

⁹⁰ City of Troutdale. Draft 2020-2040 Town Center Plan, Version 3, March 9, 2021. <https://www.troutdaleoregon.gov/commdev/page/town-center-plan>

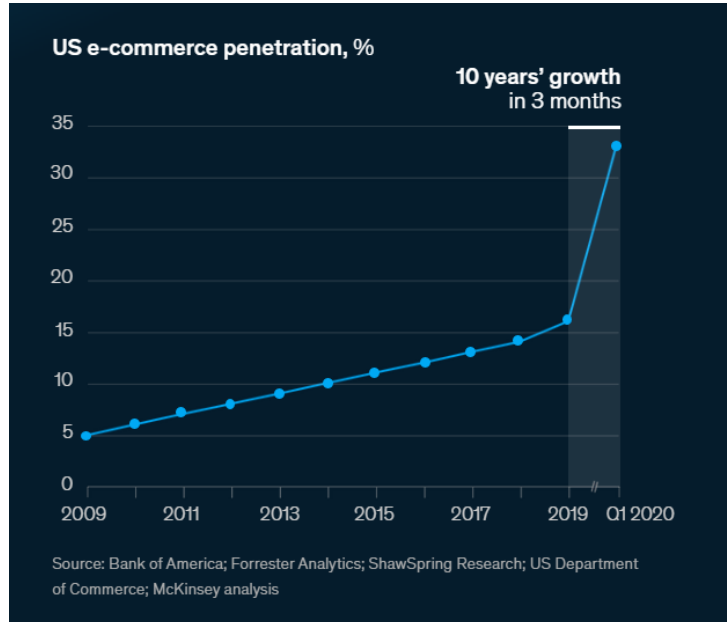
E-COMMERCE

E-commerce includes online retail as well as the exchange of non-physical goods and services through websites and online markets, such as Amazon, Facebook Marketplace, Etsy, and Shopify. E-commerce grew rapidly in the last decade due to advancing transportation, internet, and other communication technologies, which allowed for expansions in the global logistics network and faster movement of goods. As the COVID-19 pandemic forced governments to impose restrictions to limit physical contact, e-commerce emerged as the most viable system of accessing goods and services. According to McKinsey & Company, the U.S. e-commerce market share increased tremendously in 2020. In previous years, e-commerce was a tool providing another channel for consumers to access goods and services. However, the pandemic made e-commerce vital for many businesses, and those unable to add e-commerce have been less resilient through the crisis.

Source:

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/five-fifty-the-quickenning>

In the Portland Metro Area, the transportation and warehousing industry outpaced the overall pandemic recession jobs recovery,⁹¹ accelerating the region's existing trend of decreasing brick-and-mortar retail employment and increasing e-commerce employment. Troutdale has become a regional center of this industry, with Amazon's facility the City's largest employer by far.



The shift toward online commerce has impacts for local land use and transportation. The declines of large retailers leave vacant structures with underused parking lots that could be converted to new commercial, industrial, or mixed-use spaces. Mid-sized distribution centers, unlike traditional warehouses or distribution centers on city edges, locate near higher density population centers and Central Business Districts. Small- and mid-size distribution centers also have less parking, more services, and expanded weekend deliveries, and e-commerce

⁹¹ Schrader, Brandon. "Your Package Has Arrived: Transportation and Warehousing in Portland MSA." Oregon Employment Department, 15 Dec. 2020. <https://www.qualityinfo.org/-/your-package-has-arrived-transportation-and-warehousing-in-portland-msa> .

companies are merging storage and distribution or mini-storage and retail in hybrid models. Local governments can support these businesses by reconsidering minimum lot sizes, lot coverage requirements, and permitted uses in commercial, industrial, and residential zones. Allowing “light industry” in zones where it is not currently permitted supports smaller businesses with e-commerce.⁹²

With supportive land use policies, e-commerce can be effectively integrated with local retail business, which can mitigate and reverse e-commerce’s negative impacts on employment and local economic development. Businesses that serve both in-person and online shoppers will be more successful.

REMOTE WORK, COWORKING, AND FLEXIBLE OFFICE SPACES

The demand for office space is intrinsically linked to the economy. The global pandemic has dropped the office demand as the employment levels fall and most companies are trying to cut down on unnecessary expenditure. But increased remote work does not directly mean less demand for office space. There are a myriad of factors affecting this scenario and it has only become more complex. According to the JLL’s Future of Global Office Demand⁹³ report, key factors that will have a major role in shaping future office space demands are:

- Remote Work: Flexibility will be key to balance employee satisfaction and office work
- Office Design: With social distancing in place, office spaces are likely to be redesigned or repurposed for more interaction and less full-day occupancy desks.
- Technology: An increase in the demand for technology heavy smart office buildings that support environmental sustainability, user health and wellness initiatives.
- Commuting Patterns: Office buildings that necessitate commute by car is increasingly becoming less popular with the living preferences of many young urban dwellers (also worried about the planet and climate change).

A flexible workspace generally refers to an open workspace or one without assigned seats. This makes it easier for a hybrid approach when employees split their time between home and office. In the current situation, it allows employers to reduce office density and maintain distancing during office hours.

Coworking spaces are shared workspaces, occupants typically being freelancers, entrepreneurs, start-ups, and other small teams in business. One of the greatest advantages is the flexibility and the affordability of the rentable area – pay only for what you need (shared desk, dedicated desk or private office). Studies show a strong connection between employees

⁹² Kohnke, Jennifer. “Future-Proofing Comprehensive Plans in Eugene and Gresham.” University of Oregon Sustainable City Year Program. 2019.

⁹³ Global Research (JLL). “The Future of Global Office Demand”. 2020. JLL. <https://www.us.jll.com/content/dam/jll-com/documents/pdf/research/jll-future-of-office-demand.pdf>

thriving in these shared workspaces vs regular offices.⁹⁴ This is a great opportunity to work around the longer leases based on real-estate growth and costs.

Micro-retail has been growing in popularity as ecommerce merchants experiment with opening lower-risk physical retail spaces. Micro-retailing is a retail model that includes small-scale pop-up shops and boutique storefronts that leverage a variety of innovative downsized activities. They are far cheaper and quicker to set up, thus helping merchants to invest more money in experimental initiatives and innovative technology. They also have the flexibility to adapt to customer trends and needs, focusing on creating meaningful and unique customer experience. Thus, micro retailers aim to better serve the local population than the mass consumer market.

GREEN JOBS AND CLIMATE ACTION

The current linear economic system of production, consumption, and disposal is a wasteful and inefficient use of resources, contributes to the climate crisis, and externalizes environmental and social costs. A resilient economy changes the linear system into a circular one that is less dependent on population growth and that can more easily withstand disruption due to climate change and other shocks.⁹⁵ The American Planning Association's Climate Change Policy Guide encourages cities to "support a just and equitable transition of our economy system from one heavily reliant on fossil fuels to one based on renewable sources of energy that incorporates the more efficient use of materials and resources inherent in a switch to a circular economy."

This transition also better supports locally owned businesses, which circulate three times more money back into the local economy than absentee-owned firms and chain businesses. ⁹⁶ Locally owned businesses often have a smaller carbon footprint and are based on local relationships, which fosters trust and civic engagement. Local businesses also reflect the business owner's entrepreneurial spirit and the uniqueness of the place, which helps create a tight-knit community.

In 2017, Multnomah County and the City of Portland committed to transitioning to 100% renewable electricity by 2035 and 100% renewable energy by 2050.⁹⁷ Local governments play a crucial role in this transition by adopting policies that reduce harmful emissions from vehicles. Local land use and transportation policies that reduce the need to drive, increase other modes of accessibility, and convert transportation fuels to renewable sources significantly reduce

⁹⁴ Gretchen Spreitzer, Peter Bacevice, & Lyndon Garrett. (2015). Why People Thrive in Coworking Spaces. Harvard Business Review. <https://hbr.org/2015/05/why-people-thrive-in-coworking-spaces>

⁹⁵ American Planning Association. "Climate Change Policy Guide" (2020), 24. https://planning-org-uploaded-media.s3.amazonaws.com/publication/download_pdf/Climate-Change-Policy-Guide.pdf

⁹⁶ *Small Business Closure Crisis*. Project Equity, <https://project-equity.org/communities/small-business-closure-crisis>

⁹⁷ 100% Renewable by 2050. (2017). Multnomah County. <https://multco.us/sustainability/100-renewable-2050>

emissions that cause climate change.⁹⁸ These policies also improve community health and quality of life. Local governments and regional collaborations can take advantage of incoming financial incentives from the Biden administration's new plan to support renewable energy and electric vehicles.

RECOMMENDATIONS

The recommendations below are intended to promote small businesses and entrepreneurship, economic diversification and resiliency, resource conservation, and workforce development within the City of Troutdale. Emerging economic trends are also taken into considerations.

Troutdale has become an up-and-coming employment center, but the City is yet to attract higher-paying jobs and specialized industrial sectors. Therefore, it is critical that Troutdale recognizes its changing economic situation and focuses more on a comprehensive economic development plan, which could ensure that Troutdale will be able to acknowledge and utilize its regional and industrial advantages in enhancing economic prospects for Troutdale's residents and businesses.

INTENSITY AND DENSITY ZONING FOR INDUSTRIAL CLUSTERS

Intensity and density zonings are based on policies guiding percentages of functions within a zone, to create industrial clusters, rather than Euclidean zoning which segregates zones into specific functions. Industrial clusters have proved to be effective in diversifying the employment base and benefitting from the rise of e-commerce, as they enhanced linkages between suppliers and manufacturers.

WILSONVILLE CASE STUDY

The City of Wilsonville's land use policies provide an applicable economic development case study for Troutdale. Both Wilsonville and Troutdale are within the Metro area and share other similar characteristics. However, Wilsonville has attracted specialized and technical businesses by concentrating on economic development, through land use policies supporting industrial clusters.

Specifically, for land-use policies, to accommodate a diversified employment base and changing business characteristics, Wilsonville does not plan its industrial areas with functional zoning but



⁹⁸ "Climate Change Policy Guide," 25.

with intensity and density zoning in its Planned Development Industrial Zone (PDI) and the additional Regionally Significant Industrial Area (RSIA) overlay.⁹⁹

- Within the PDI, most functions are allowed, ranging from heavy industrial manufacturing to office complexes, to high-density residential. However, each function is regulated through intensity and density. For example, for Service Commercial in PDI, which is defined as professional services, uses cannot exceed 5,000 square feet of floor area in a single building. For RSIA, residential uses are also allowed, and shall not exceed 10% of total floor area.¹⁰⁰
- To utilize lots more effectively, within the PDI, all parcels beside one lot larger than 50 acres are divided according to a Master Plan.

This strategy has been effective as Wilsonville became one of the most attractive cities for high-value businesses in Oregon, such as Xerox, Sysco, Rockwell Collins, and Precision Interconnect.

FINANCING FOR SMALL TO MEDIUM BUSINESSES

An additional advantage of establishing industrial clusters through zoning incentives is attracting financial institutions to the area.

- Financial institutions such as credit unions, banks, and mortgage firms are attracted to areas that have diversified employment bases as they distributed lending risks.
- Small businesses can readily receive loans, such as Small Business Administration loans, to expand and diversify their operations, which contributes further economic growth for the city. The COVID-19 pandemic has shown that easy access to financial institutions can be vital for business operations since banks manage and distribute federal and state funding for businesses.

Extrapolating from Wilsonville's plan for industrial clusters¹⁰¹, which have demonstrated tremendous success by attracting high-value technical industries to the area, Troutdale could incorporate similar policies to establish and support industrial clusters according to its logistical advantages.¹⁰²

HOW TROUTDALE CAN IMPLEMENT INDUSTRIAL CLUSTERS

Troutdale already has several economic advantages for implementing and benefitting from industrial clusters. Critically, Troutdale already has the Troutdale-Reynolds Industrial Park (TRIP) in partnership with the Port of Portland, where Amazon and FedEx have established

⁹⁹ City of Wilsonville: Economic Development Strategy, 2012, page 12-13.

¹⁰⁰ City of Wilsonville: Planned Development Industrial (PDI) Zones and Industrial Standards, 2018, page 2.

¹⁰¹ The Wilsonville Coffee Creek Industrial Area is a proposed Master Plan for adding industrial clusters. In addition to drafting flexible zoning policies for businesses, Wilsonville actively engages in promoting its competitive advantages to potential businesses through marketing brochures, such as the graphic shown in Page 11.

¹⁰² Hanah Cho, Best Places to Start a Business in Oregon, 2015, U.S. Chamber of Commerce Foundation. <https://www.uschamberfoundation.org/blog/post/best-places-start-business-oregon/43252>

warehousing operations. Troutdale also has Troutdale Airport within the industrial park, in which air shipments are possible. For economic cooperation and planning, Troutdale is in the Columbia Cascade Enterprise Zone, in partnership with Fairview and Wood Village. This special economic designation allows eligible businesses, such as high-value, high-density enterprises in communication and technology, to have 100% tax abatement through three- and five-year programs. Therefore, Troutdale already has a concentration of industrial zones, in which revisions in policies toward density and intensity would allow for the implementation of industrial clusters. Currently, the industrial parcels within TRIP are vast acres that are only suitable for warehouses. By cooperating with the Port of Portland, Troutdale could divide the parcels further to create more variations for businesses of different sizes, and the revised policies could offer enhanced flexibility to position Troutdale competitively in attracting high-value firms.

Another possible aspect in improving flexibility for businesses is closer cooperation with current economic development designations. Troutdale is in several economic associations, with the most prominent being the Columbia Cascade Enterprise Zone, which aims to support small- to medium-sized businesses. Thus, Troutdale could enhance its ties with these associations, which will provide access to capital supports for businesses and attract financial institutions to Troutdale.

CONSERVATION, RESILIENCY, AND “GREEN COLLAR” JOBS

Troutdale can use economic development to address its conservation and climate resiliency goals. The City should evaluate incentivizing green building and infrastructure standards such as LEED certification, electric charging stations, onsite renewable energy production, and other resource conservation and efficiency measures in new development. The City should require or encourage new development to be connected to transit and multi-modal transportation options to reduce vehicle emissions. The City should also promote ecotourism, agri-tourism, farming, and local food businesses, as these businesses help conserve land and resources. Finally, Troutdale should support a clean-energy technology sector and “green collar” jobs. The City can do this by taking advantage of U.S. Economic Development Administration (EDA) funding through the Greater Portland Economic District and designating areas suitable for innovative green businesses.

Sustainable economic development and community resiliency also rely on increasing social equity. Troutdale can address this by promoting housing availability and affordability, which has the added benefits of reducing commute times, traffic congestion, parking needs, and vehicle emissions. The City can also track its business ownership and workforce demographics to evaluate economic inequities that disproportionately impact marginalized communities.¹⁰³

BAY AREA CASE STUDY

To increase access to job centers and reduce vehicle emissions, Troutdale could use regional collaboration to copy strategies implemented in the San Francisco Bay Area. These strategies

¹⁰³ For more details and key policies, see: American Planning Association. “The Sustainability Policy Framework.” 2016. <https://planning-org-uploaded-media.s3.amazonaws.com/document/Sustainability-Policy-Framework.pdf>

include incentives to support companies that locate work spaces in transit-rich as opposed to auto-centric areas; a means-based fare or other methods to reduce transportation costs for lower-wage workers and students; expanded local transit that addresses first-mile and last-mile problems, especially to connect communities with warehouse and industrial jobs that can't be near residential centers because of land requirements; and transportation improvements that facilitate downtown revitalization.¹⁰⁴

To accomplish these strategies, Troutdale could partner with TriMet and advocate for the City's interests.

MARKETING, PLACEMAKING, AND FLEXIBLE SPACES

With community-based participation, Troutdale can incorporate an effective placemaking¹⁰⁵ process capitalizing on local assets, inspiration, and potential. Cultivating spaces for inclusive social interactions is crucial in building and retaining communities so as to create quality public spaces that contribute to people's health, happiness, and well-being¹⁰⁶. Strategic placement of bus stops, providing free Wi-Fi, and retrofitting public places with small changes can revive the third places¹⁰⁷ within the community.

The inherent attractions of a city in terms of economic opportunities, social connections, and quality of life are preferred now more than ever. Cities will evolve in response to digitization, new living and workplace preferences, and a demand for more sustainable and resilient urban models. Troutdale can participate in the process and boost its overall economic activities by pushing toward a diverse office market ecosystem. This comprises three major elements for the city to focus on –

1. Increasing multi-use urban core – *Downtown*
2. Livable and well-connected neighborhoods (*as identified in the Town Center Plan*)
3. New clusters of innovation-based activities

Troutdale should actively help communities connect with businesses through programming and mentorship. The City should also encourage entrepreneurs, community leaders, and other

¹⁰⁴ Association of Bay Area Governments and Metropolitan Transportation Commission. Plan Bay Area 2040, "Action Plan Recommendations for Economic Development." 2017. <http://2040.planbayarea.org/action-plan>

¹⁰⁵ Placemaking refers to a collaborative process by which people can shape their public realm in order to maximize shared value. It strengthens the connection between people and the places they share by helping them reimagine everyday spaces.

¹⁰⁶ Transformative Urban Mobility Initiative. "Vicious Cycle of Automobile Dependency." (TUMI), www.transformative-mobility.org/

¹⁰⁷ Third places are social spaces separate from the two usual environments of home (first place) and workplace (second place). These include cafes, clubs, parks, public libraries, places of worship or bookstores, and any place where people meet, exchange ideas, have fun, and build relationships. These public places break down social silos and strengthen sense of community.

residents to work together to raise the profile of independent businesses and support each other.

MUSKEGON CASE STUDY

The City of Muskegon¹⁰⁸, Michigan (population 38,000) was looking for revitalizing its downtown after a long history of decline. The City invested in low-cost, small-scale business spaces to create a long-term business opportunity. The City helped build 12 portable wooden structures with doors and windows but no running water. It has been a success, appealing to both tourists and residents alike. These pop-up stores or “chalets” sell clothes, food, crafts, and gifts. Muskegon City Manager and the originator of the idea, Frank Peterson¹⁰⁹, has three tips for other communities looking into micro retail:

- Offer something unique: To ensure that the space would attract shoppers and keep them coming back for more.
- Unity among businesses: To keep the community feel strong and foster better collaboration and good spirit among the business owners. (in-this-together attitude)
- Plan and grow incrementally: Step-by-step growth ensure simple low risk options for everyone involved.

PROPOSED GOAL 9 LANGUAGE

The following table shows recommended amendments and additions to the existing Goal 9 policies in the Troutdale Comprehensive Plan. Keeping the structure in place, we evaluated each policy to see if it meets the City’s current needs and projections. Additions to the policies are detailed within the same language and framework.

Current Language	Proposed Language
Employment Generating Land Use Policies	
<i>1. Allocate commercial facilities in a reasonable amount and planned relationship to the people they will serve.</i>	1. Allocate commercial facilities in accordance with local economic indicators, cooperation with the Port of Portland, and community engagement to best utilize Troutdale’s regional advantage as a logistics hub.

¹⁰⁸ Layton Larue. (n.d.). Muskegon Western Market. Segway Tours. <https://muskegonwesternmarket.com/about-our-chalets/>

¹⁰⁹ City of Muskegon. (n.d.). Muskegon’s Western Market CEA 2018 Presentation. <https://www.muskegon-mi.gov/message-from-the-manager/>

2. Allocate industrial areas where there is good access to regional and state transportation facilities.

3. Encourage and promote efforts to upgrade the quality of existing nonconforming industrial developments as the area grows.

4. Promote economic development and a diversified employment base within the City of Troutdale.

2. Allocate industrial areas with reliable transportation connections to Troutdale-Reynolds Industrial Park, I-84 highway, and Commercial areas.

3. Utilize Troutdale's designation as a special economic zone within the Columbia Cascade Enterprise Zone to attract desired development to the area, creating specialized industrial clusters.

4. Conduct a workforce analysis for Troutdale to examine the current employment base, plan for employment growth, and ensure the incorporation of diversity, equity, and inclusion for Troutdale's workforce.

Central Business District Policies

1. Promote and enhance the downtown's role as a center of retail goods and consumer services for area residents and a premier attraction for visitors to the community. Provide an atmosphere conducive to investment.

Promote retail to best adapt to changing economy and spending preference and shopping experience. Support retail outlets that increase local spending to improve consumer experience.

Encourage setting up an ecosystem for businesses to rely on each other to grow and prosper.

Advocate for a diverse, equitable and inclusive atmosphere for working and living through the City's investment in human capital.

2. Provide opportunities for a mix of commercial activity with moderate and high-density housing in a manner that will not compromise commercial uses

Promote CBD's activities and amenities that help in marketing and promotion of Troutdale as a place to attract residents.

Evaluate new development and align land use with infrastructure to reduce automobile dependency and increase efficiency.

3. Encourage a transportation system that will provide safe and convenient circulation for pedestrians, bicycles, automobiles, trucks, and public transit. Promote a system of pedestrian ways which connect the retail areas with the waterfront and residential areas, parking facilities,

(adding to the existing policy)

and open spaces. Provide parking to serve the needs of existing businesses and new developments.

Promote walking districts wherever possible and limit parking spaces within “walk zones” to increase pedestrian mobility and accessibility.

4. Encourage development that is sensitive to physical attributes and constraints and is cost effective for private development interests and public agencies.

Evaluate parking minimums for new development and encourage sustainable, affordable, healthy car-free lifestyle.

Encourage denser development that aligns living, working and shopping areas to utilize the built environment efficiently.

Encourage new developments to adopt greener practices in construction and design.

5. Encourage the use of design elements on public and private lands that will promote the downtown as the Gateway to the Columbia River Gorge and Sandy River recreation areas. Encourage building and site designs that establish a unifying relationship with the overall design character of the downtown.

Encourage public design elements for the residents to feel connected and take pride in the small-town life and amenities through active storefronts, seating, broader sidewalks.

6. Provide public, and encourage private, open spaces adaptable to a wide variety of uses to include community entertainment, exhibition, and meeting spaces. Active use of these spaces should be promoted by utilizing kiosks, cafes, vending stands, and entertainment.

Encourage residents to participate in placemaking process within the CBD to enhance the community’s character and uniqueness.

7. Provide facilities for people, such as public restrooms, outdoor furniture, and protection from the elements.

Encourage diverse programs that overlap functions and spaces for attracting people with varied interests throughout the day for enhancing liveliness of CBD.

8. Preserve, protect, and dramatize historical structures and locations within the downtown whenever feasible. Encourage new development that is compatible with existing structures and functional characteristics of planned uses.

(adding to the existing policy)

Invest in building and developing unique quality of life assets and amenities for the residents.

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

Attract and retain young professionals and mid-career professionals with families.

Attract workers to pursue vocational trades and leadership workshops by providing resources and connecting residents. Encourage activities that assist in better networking opportunities.

Support and strengthen existing ties with workforce development organizations like community college, Highschool, Port, and non-profits.

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

Promote collaborative efforts for incentives and grants programs.

Encourage and support the growth of small businesses and entrepreneurship.

Initiate and encourage evaluation programs and surveys to monitor the effectiveness of economic development policies.

Town Center Plan Policies

7. *Where appropriate and feasible, require new development to create pedestrian connections to neighborhood centers or to the town center.*

Where appropriate and feasible, require new development to create pedestrian connections to neighborhood centers or to the town center and encourage new development to incorporate green infrastructure and conservation measures.

Workforce Housing

To find the Employment-to-Housing Ratio, we divided the number of employed civilians 16 years old and older (“jobs”) by the number of housing units in each geography. The data we used are shown in Table 1.

Table 1. Jobs and Housing Units in Portland Metro, Multnomah County, and Troutdale, 2010, 2019

	2010		2019	
	Jobs	Housing Units	Jobs	Housing Units
Portland Metro	873,551	739,881	1,025,457	804,594
Multnomah County	367,631	319,601	440,395	348,029
Troutdale	7,687	5,727	9,118	5,547

Source: U.S. Census Bureau

Commuting

The following data comes from OnTheMap, a web-based mapping and reporting application that shows where workers are employed and where they live. OnTheMap uses the U.S. Census Bureau Center for Economic Studies LEHD Origin-Destination Employment Statistics (LODES), and the most recent available data is from 2018.

Table 1. Troutdale Labor Market Size, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Employed in Troutdale	7,990	100.0%	5,254	100.0%
Living in Troutdale	8,436	105.6%	7,838	149.2%
Net Job Inflow (+) or Outflow (-)	-446		-2,584	

Table 2. Troutdale In-Area Labor Force Efficiency, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Living in Troutdale	8,436	100.0%	7,838	100.0%
Living and Employed in Troutdale	501	5.9%	356	4.5%
Living in Troutdale and Employed Outside	7,935	94.1%	7,482	95.5%

Table 3. Troutdale In-Area Employment Efficiency, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Employed in Troutdale	7,990	100.0%	5,254	100.0%
Employed and Living in Troutdale	501	6.3%	356	6.8%
Employed in Troutdale and Living Outside	7,489	93.7%	4,898	93.2%

Table 4. Troutdale Outflow Jobs, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
External Jobs Filled by Residents:	7,935	100.0%	7,482	100.0%
29 or younger	1,751	22.1%	1,940	25.9%
30-54	4,358	54.9%	4,313	57.6%
55(+)	1,826	23.0%	1,229	16.4%
Earning \$1,250/month or less	1,340	16.9%	1,707	22.8%
Earning \$1,251-\$3,333/month	2,704	34.1%	2,796	37.4%

Earning \$3,333+/month	3,891	49.0%	2,979	39.8%
In "Goods Producing" Industry	1,570	19.8%	1,488	19.9%
In "Trade, Transportation, and Utilities" Industry	1,813	22.8%	1,760	23.5%
In the "All Other Services" Industry	4,552	57.4%	4,234	56.6%

Table 5. Troutdale Inflow Jobs, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Internal Jobs Filled by Non-Residents:	7,489	100.0%	4,898	100.0%
29 or younger	1,919	25.6%	1,374	28.1%
30-54	3,875	51.7%	2,702	55.2%
55(+)	1,695	22.6%	822	16.8%
Earning \$1,250/month or less	1,731	23.1%	1,258	25.7%
Earning \$1,251-\$3,333/month	2,756	36.8%	2,051	41.9%
Earning \$3,333+/month	3,002	40.1%	1,589	32.4%
In "Goods Producing" Industry	1,402	18.7%	1,188	24.3%
In "Trade, Transportation, and Utilities" Industry	2,828	37.8%	1,658	33.9%
In the "All Other Services" Industry	3,259	43.5%	2,052	41.9%

Table 6. Troutdale Interior Flow Jobs, 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Internal Jobs Filled by Residents:	501	100.0%	356	100.0%
29 or younger	148	29.5%	112	31.5%
30-54	236	47.1%	193	54.2%

55(+)	117	23.4%	51	14.3%
Earning \$1,250/month or less	134	26.7%	142	39.9%
Earning \$1,251-\$3,333/month	198	39.5%	118	33.1%
Earning \$3,333+/month	169	33.7%	96	27.0%
In "Goods Producing" Industry	61	12.2%	61	17.1%
In "Trade, Transportation, and Utilities" Industry	139	27.7%	92	25.8%
In the "All Other Services" Industry	301	60.1%	203	57.0%

Figure 1. Where Employed Troutdale Residents Work, 2008, 2018

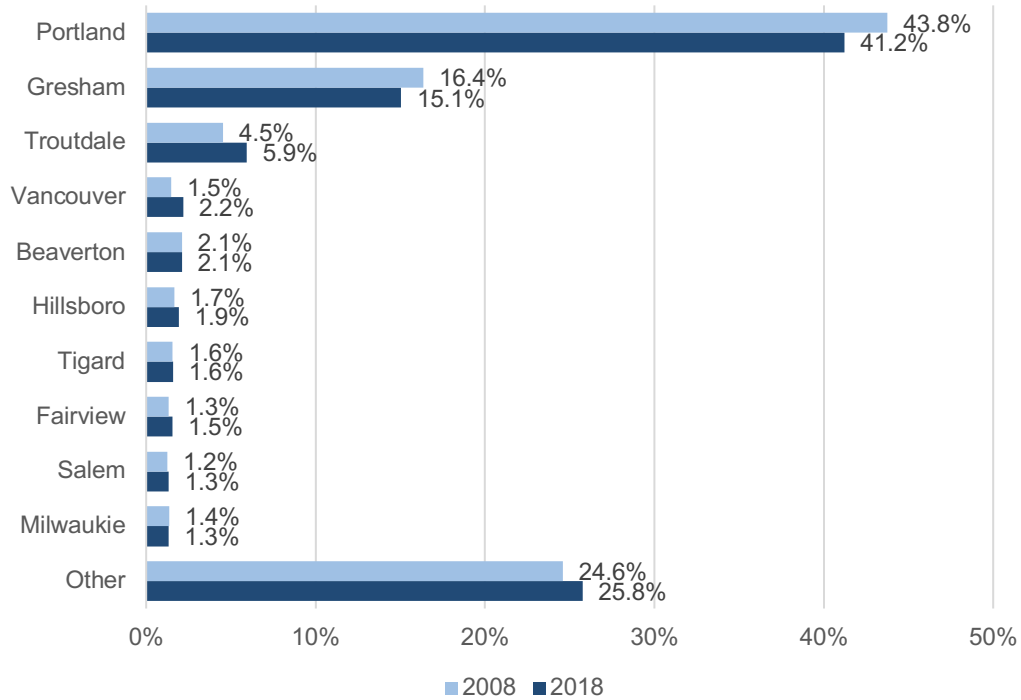


Figure 2. Where Troutdale Workers Live, 2008, 2018

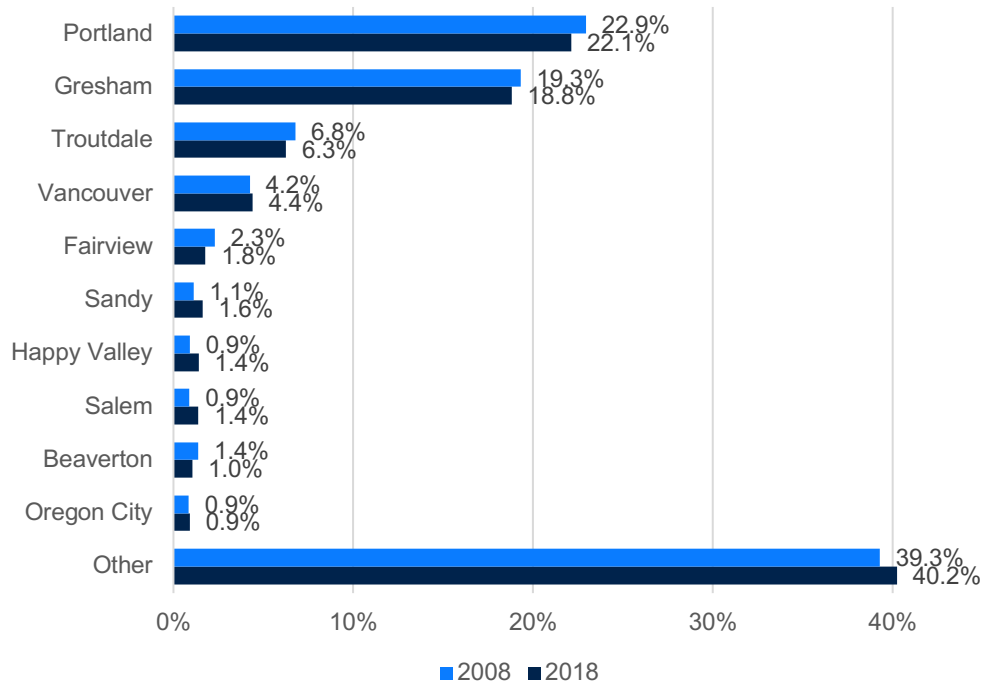


Table 7. Troutdale Residents' Top 50 Workplace Destinations (Outflow), 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Portland	3,478	41.2%	3,430	43.8%
Gresham	1,270	15.1%	1,282	16.4%
Troutdale	501	5.9%	356	4.5%
Vancouver	185	2.2%	116	1.5%
Beaverton	178	2.1%	165	2.1%
Hillsboro	163	1.9%	130	1.7%
Tigard	133	1.6%	123	1.6%
Fairview	130	1.5%	105	1.3%
Salem	113	1.3%	97	1.2%
Milwaukie	112	1.3%	106	1.4%
Sandy	91	1.1%	71	0.9%
Happy Valley	74	0.9%	47	0.6%
Lake Oswego	69	0.8%	59	0.8%
Tualatin	69	0.8%	45	0.6%
Oregon City	65	0.8%	64	0.8%
Wood Village	65	0.8%	78	1.0%
Eugene	62	0.7%	59	0.8%
Wilsonville	55	0.7%	53	0.7%
Bend	28	0.3%	14	0.2%
Camas	26	0.3%	17	0.2%
Oak Grove	24	0.3%	18	0.2%
Corvallis	23	0.3%	16	0.2%
West Linn	21	0.2%	24	0.3%
Damascus	19	0.2%	25	0.3%
Canby	18	0.2%	10	0.1%
Gladstone	18	0.2%	24	0.3%

Woodburn	18	0.2%	22	0.3%
Hood River	16	0.2%	10	0.1%
McMinnville	15	0.2%	18	0.2%
Sherwood	15	0.2%	11	0.1%
Jennings Lodge	13	0.2%	9	0.1%
Seattle	13	0.2%	10	0.1%
Keizer	12	0.1%	5	0.1%
Oatfield	12	0.1%	19	0.2%
Springfield	11	0.1%	15	0.2%
Albany	10	0.1%	19	0.2%
Aloha	10	0.1%	5	0.1%
Durham	10	0.1%	10	0.1%
Hayesville	8	0.1%	8	0.1%
West Haven-Sylvan	8	0.1%	30	0.4%
Salmon Creek	8	0.1%	9	0.1%
Cedar Hills	7	0.1%	5	0.1%
Estacada	7	0.1%	7	0.1%
Four Corners	7	0.1%	6	0.1%
Lebanon	7	0.1%	6	0.1%
Lincoln City	7	0.1%	6	0.1%
Newberg	7	0.1%	7	0.1%
St. Helens	7	0.1%	4	0.1%
Longview	7	0.1%	4	0.1%
Orchards	7	0.1%	1	0.0%
All Other Locations	1,204	14.3%	1,058	13.5%

Table 8. Troutdale Workers' Top 50 Residences (Inflow), 2008, 2018

	2018		2008	
	Count	Share	Count	Share
Portland	1,768	22.1%	1,205	22.9%
Gresham	1,503	18.8%	1,014	19.3%
Troutdale	501	6.3%	356	6.8%
Vancouver	353	4.4%	223	4.2%
Fairview	142	1.8%	121	2.3%
Sandy	129	1.6%	59	1.1%
Happy Valley	112	1.4%	48	0.9%
Salem	111	1.4%	47	0.9%
Beaverton	83	1.0%	72	1.4%
Oregon City	73	0.9%	45	0.9%
Eugene	65	0.8%	46	0.9%
Hillsboro	65	0.8%	65	1.2%
Wood Village	65	0.8%	33	0.6%
Bend	64	0.8%	29	0.6%
Oak Grove	63	0.8%	26	0.5%
Milwaukie	58	0.7%	48	0.9%
Damascus	52	0.7%	38	0.7%
Tigard	48	0.6%	30	0.6%
Gladstone	41	0.5%	26	0.5%
Lake Oswego	38	0.5%	41	0.8%
Orchards	37	0.5%	24	0.5%
Aloha	36	0.5%	27	0.5%
Washougal	36	0.5%	16	0.3%
Hazel Dell	34	0.4%	16	0.3%
Forest Grove	33	0.4%	10	0.2%
Battle Ground	33	0.4%	19	0.4%

Camas	33	0.4%	26	0.5%
Oatfield	32	0.4%	24	0.5%
Keizer	30	0.4%	12	0.2%
The Dalles	29	0.4%	16	0.3%
West Linn	29	0.4%	21	0.4%
Woodburn	27	0.3%	21	0.4%
Mount Hood Village	26	0.3%	15	0.3%
Five Corners	26	0.3%	17	0.3%
Lincoln City	25	0.3%	28	0.5%
Salmon Creek	25	0.3%	22	0.4%
McMinnville	24	0.3%	12	0.2%
Wilsonville	24	0.3%	7	0.1%
Springfield	23	0.3%	29	0.6%
Corvallis	22	0.3%	14	0.3%
St. Helens	22	0.3%	18	0.3%
Canby	21	0.3%	20	0.4%
Albany	20	0.3%	14	0.3%
Bethany	20	0.3%	9	0.2%
Tualatin	20	0.3%	17	0.3%
Redmond	19	0.2%	9	0.2%
Jennings Lodge	17	0.2%	11	0.2%
Sherwood	17	0.2%	13	0.2%
Mount Vista	16	0.2%	7	0.1%
Longview	15	0.2%	10	0.2%
All Other Locations	1,885	23.6%	1,178	22.4%

Appendix D

Goal 9 Economic Development Policy Recommendations

**Proposed by Carolyn Boyd, Brendan Irsfeld, and Jesse Noone
Student Report, SCYP, Winter 2021**

OVERVIEW

As part of the Winter 2021 Growth Management class at the University of Oregon (PPPM 646), our team is providing updated language for economic development policies to be included in the City of Troutdale's forthcoming updates to its comprehensive plan. To justify our policy recommendations, this report presents Troutdale's current economic indicators, recent and historical documentation tied to economic development in Troutdale, and case studies relevant to the City's strategic advantages, objectives, and opportunities for implementation. Our policies focus on three themes: addressing the needs and wants of Troutdale residents through economic development; diversifying economic sectors for the 21st century that attract middle-income residents; and marketing Troutdale as a historic landmark and base for outdoor recreation.

Once a bedroom community, Troutdale is becoming an industrial jobs center. In the past 12 years, FedEx and Amazon distribution facilities joined the Troutdale Reynolds Industrial Park, which is managed by the Port of Portland and located off Interstate I-84. Unlike many surrounding cities, Troutdale possesses a supply of developable industrial land.

Approximately 70 percent of Troutdale's residents are white, and 30 percent of residents are people of color, including 15 percent Hispanic or Latinx residents. About 24 percent of residents are under 18 years of age and 11 percent are older than 65 years of age (United States Census Bureau, n.d.). Roughly 34 percent of residents experience severe rent burden (spending more than 50 percent of income on rent) (State of Oregon, 2020).

The Troutdale Town Center Plan 2020-2040 identifies over a dozen opportunity sites and corridors for development and investment, notably the Confluence site. The Confluence site is

roughly 20 acres located adjacent to downtown and the Sandy River. While constructing an adequate number of residential units will be critical for supporting commercial activity, ensuring that zoning attracts the right development types and businesses will be key for Troutdale in supporting its future economic trajectory. See Appendix A for a detailed review of key sites near downtown and the comprehensive land use policies that affect them.

CASE STUDIES

Our team reviewed the economic development and related policies of several cities in the Pacific Northwest, including Forest Grove, Hood River, Newberg, in Oregon as well as Olympia in Washington. Table 1 provides an overview of key aspects of these comprehensive plans, which may serve as a model for Troutdale as the city drafts economic policies for an updated comprehensive plan. Appendix C provides a more detailed review of these key points.

Table 1. Key Findings Summary of Local Comprehensive Plans used for Case Studies

Case Studies of Local Comprehensive Plans			
Forest Grove, Oregon	Hood River, Oregon	Newberg, Oregon	Olympia, Washington
<ul style="list-style-type: none"> • Goal of reducing greenhouse emissions through incentives to green industries and sustainability measures • Emphasis on historic center and landmarks 	<ul style="list-style-type: none"> • Interest in keeping small-town feel • Identification of targeted employment clusters 	<ul style="list-style-type: none"> • Expand economy in line with local needs • Emphasis on local products • Increase residents • Requirement for industries to meet or exceed environmental standards 	<ul style="list-style-type: none"> • Recognition of land-use zoning to shape desired development • Identifies the Port of Olympia as a partner and notes ways that the port and city will collaborate

Source: (City of Forest Grove, 2014; City of Hood River, 1983; City of Newberg, 2020; City of Olympia, 2014).

ANALYSIS OF ECONOMIC INDICATORS IN TROUTDALE

Building from the latest available data from Troutdale’s Comprehensive Land Use Plan, our team chose to compare 2010 data from the Decennial Census and American Community Survey (ACS) compared to latest available ACS data in 2019. We explored worker and residential metrics such as means of transportation, travel time to work, and household income and value by owners and renters to understand changes in growth within Troutdale’s economic sectors. This data aided highlighted the economic characteristics of Troutdale workers, residents, as well as the accessibility of the housing market based on an analysis of the earning potential existing jobs in Troutdale provide. See Appendix D for a full review of the team’s data collection.

Our analysis showed that Troutdale is experiencing an imbalance between the type of jobs the region offers, specifically among middle-income earners. Most people working in Troutdale commute from out of town, while few residents living in Troutdale work in the city. As acknowledged in the Town Center Plan, only 6 percent of Troutdale residents remain in town for employment.

Table 2. Change in Affordability in Troutdale, 2010 – 2019

Change in Rent Affordability	2010	2019	Change in %
Renter Household Income	\$37,206	\$41,893	12.6%
Median Gross Rent	\$935	\$1,195	27.8%

Change in Owner Affordability	2010	2019	Change in %
Owner Household Income	\$77,150	\$95,000	23.1%
Median House Value	\$245,500	\$309,600	26.1%

Source: ACS 5-Year Estimates, 2010 & 2019 (Inflation-Adjusted, Tables A18009, A14015, A10036)

Values in the housing market have seen a dramatic shift in affordability in the past decade. Residents with household income above \$100,000 annually rose 12.3 percent with approximately 30 percent of Troutdale’s inventory rising in value (see Figure G in Appendix D). Concurrently, median household income has not increased at the same rate. This is especially true for renters. While rising home values and rents may benefit existing property owners, it assuredly makes buying or renting in Troutdale more difficult. There has been little to no increase in housing inventory below \$150,000 in value, suggesting a missing middle in apartments, condominiums, and townhomes for new residents interesting in moving to the city.

Despite emerging as a regional jobs center in the last decade, most residents still leave town for work, with almost half of residents spending over 30 minutes commuting. Again, there is a “missing middle” commute that offers locally attainable employment within a 15–29-minute trip. This situation is exacerbated by the fact that 86 percent of Troutdale residents commute by vehicles, compared to 64 percent of residents in Portland (see Table A in Appendix D).

Despite the overall increase in population and household income (\$13,520 increase in median household income from 2010-2019, ACS), the parameters of wage disparity, lack of alternative transportation, increased commute patterns, lack of local employment and supporting economies have made it difficult for working families to sustain equitable living in Troutdale. The City of Troutdale can support and sustain existing and new businesses with a concerted effort to balance these disparities for people working on a living wage (\$16.54 per hour for a family of four, Living Wage Calculator). Without the development of critical infrastructure for sectors prone to growth in the 21st century, in addition to housing and transportation, it will be even more difficult for working families to support affording to live in Troutdale.

ECONOMIC DEVELOPMENT THAT SUPPORTS TROUTDALE RESIDENTS

As indicated in the Town Center Plan, residents in Troutdale are interested in maintaining the city’s small-town feel, yet they also expressing feeling disconnected from the services offered downtown that are often geared toward tourists. Many people voiced the desire for additional community amenities in the town center. However, there are concerns about the district’s long-term viability given the low population density when compared to neighboring communities. There is a strong preference of the public for additional food options or a grocery store, plus other services like banks and mail delivery services. While the opportunity exists for new investment in the town center, without additional residents these businesses would struggle to be sustainable.

In addition to the desired growth of food and beverage establishments and other resident-oriented services, the Town Center Plan for 2020 - 2040 explicitly calls for the need to invest in energy conservation and green infrastructure (City of Troutdale, 2020).

MAINTAINING A SMALL-TOWN FEEL

Troutdale residents want to maintain the city’s small-town feel, yet the city’s top employers are mostly large companies or box stores. The top 10 employers account for approximately 73% of the occupied jobs in Troutdale (see Table 3) (City of Troutdale, 2021).

Table 3. Largest Employers in Troutdale by Full-Time Employees, 2020

Largest Employers in Troutdale 2020	Total Full-Time Employees
Amazon	4,780
FedEx	583
Walsh Trucking Co.	398
Wolcott Plumbing	148
Tube Specialties	140
Safeway	137
Edgefield McMenamins	120
Travel Centers of America	110
Toyo Tanso USA	102
MML Diagnostics Packaging	80
Home Depot	76

As detailed in Appendix C, our group reviewed the economic development policies of Hood River, given some similarities between the two cities’ development. Like Troutdale, Hood River residents want to maintain a small-town atmosphere. The city’s comprehensive plan, adopted in 1983, includes the economic development goal “to diversify and improve the economy to the Hood River planning area while preserving and promoting the city’s quality of life and small-town atmosphere” and its first economic development policy incorporates similar quality-of-life language (City of Hood River, 1983, p. 21).

Source: City of Troutdale

Supporting the city’s objective to keep a small-town atmosphere, Hood River includes an economic development policy about limiting the size of businesses. The policy states that “the majority of the targeted businesses that consider expanding/relocating to Hood River will consist of small businesses with less than 10 employees” (City of Hood River, 1983, p. 21). Our group recommends a similar economic development policy given Troutdale’s desire to retain a small-town atmosphere weighed against the trend of the city’s largest employers consisting of larger companies and big-box stores.

SERVICES AND AMENITIES TO CREATE A VIBRANT TOWN CENTER

Another feature of Hood River’s comprehensive plan is its policy to “allow for new and existing business expansion needs that support the retention and growth of strategic employment clusters.” The clusters are identified “to create a desired balance between the quality of life of this community and economic health of the city” (City of Hood River, 1983, p. 21).

Given that residents have provided feedback about the types of services and amenities that they would like to see in the town center—food and grocery establishments, banks, and mail or delivery services—Troutdale should adopt language in the updated comprehensive plan about targeting specific business sectors. The city might direct their recruiting efforts strategically toward specific sectors, create incentives to encourage certain business types to develop, as suggested in the policies on pages 6 and 7, or influence development through more tailored zoning code.

Cities featured in this report’s case studies provide examples of how Troutdale could encourage select business development. Forest Grove waives fees—including the business license fee for two years and the sign permit fees up to \$1,000—for businesses that are relocating or expanding to currently vacant commercial space or industrial properties. Forest Grove also allows these businesses to pay the water system development fee in installments over the course of 10 years (City of Forest Grove, n.d.). Given the business license fee costs are relatively inexpensive in Troutdale, the city might study the impact of waiving these fees for a period of up to 10 years for food and grocery establishments, banks and mail or delivery services and/or offering sign permit fee or water system development incentives. Troutdale may also consider waiving select zoning requirements by offering variances or conditional use permits for specific types of businesses, as needed. Further, Troutdale might evaluate tailoring land use zoning to identify specific business sectors, as the city of Olympia, Washington did. Olympia’s zoning map includes designations for auto services, medical services, professional office space mixed with residential multifamily, and neighborhood retail (City of Olympia, n.d.).

PRIORITIZING GREEN INFRASTRUCTURE

Our team views policy addressing climate change and sustainability as essential to the long-term vitality of the City of Troutdale and its residents.

Forest Grove, another small Oregon city near Portland, aims to reduce its greenhouse emissions and provides ideas for how to achieve this objective in the city’s economic

development policies. Forest Grove’s comprehensive plan presents 13 policies that support community sustainability. These policies include incentivizing “low-impact design techniques such as rain gardens, porous pavement, green streets” in new developments and establishing Eco-Districts (“a neighborhood or district that has committed to achieving ambitious sustainability performance goals”) as a tool to implement and encourage sustainability initiatives (City of Forest Grove, 2014, p. 36).

The first economic development policy in Forest Grove’s comprehensive plan is to provide incentives to “attract and retain businesses including ecologically sound ‘green industries’” (City of Forest Grove, 2014, p. 114). A green industry that we encourage Troutdale to investigate for its community is wind energy. Troutdale’s available land designated as industrial use would be well positioned to utilize the winds from the Columbia River.¹¹⁰ In addition to helping offset resources that would be needed for a data center, as discussed later in this report, this type of economic development would align with the city’s objective to conserve energy. Wind energy companies would have the potential to benefit from renewable energy tax credits and other incentives offered by the state (Business Oregon, n.d.; State of Oregon, n.d.).

We also recommend a policy to encourage green infrastructure in new development, in alignment with the Town Center Plan for 2020 - 2040. Troutdale planners may want to review Forest Grove’s comprehensive plan for additional ideas about enhancing the city’s green infrastructure and sustainability efforts.

POLICY RECOMMENDATIONS: ADDRESSING THE NEEDS OF TROUTDALE RESIDENTS

- Encourage development of smaller businesses, no more than 10 to 15 employees, oriented toward serving residents in the downtown area.
- Create incentives for businesses in key sectors (food and grocery establishments, banks, mail/delivery services) that will better serve the residents of Troutdale in MU1 or MU2 zones.
- Develop zoning and housing initiatives that support residential development in the downtown area and contribute to the economic vitality of the central business district.
- Investigate the feasibility of wind energy as an alternative energy source and use of industrial lands for as project sites.
- Encourage green infrastructure in new building and public infrastructure development, including green roofs and tree canopy to support stormwater management and reduce temperatures.

¹¹⁰ The potential to harvest the unpredictable winds in the Columbia River Gorge will improve with better wind forecasting. Flooding wind power to traditional power grids without warning is wasteful because coal and nuclear plants have long start-up and cool-down periods. The Wind Forecast Improvement Project is a four-year study that aims to enhance wind forecasting models in this complex coastal terrain (Alering, 2017).

A DIVERSIFIED ECONOMY FOR THE 21ST CENTURY

In our analysis, we considered trends existing at a local and national scale that will impact the future development of Troutdale. Some of these trends offer direction for the city to approach growth in a new way, like attracting micro-retail businesses, online commerce, data centers, and wind energy projects. Economic indicators like the increasing commute times and a lack of affordable housing highlight what actions can be taken by the City for Troutdale to increase its residents' quality of life and attract middle-income residents.

As trends continue to evolve, it is important for the city to reevaluate on a consistent basis what adjustments need to be made in its economic development strategies, policies, and implantation process. As noted in the American Planning Association's Planning Advisory Service report on commercial corridor redevelopment, "Economic and societal factors at the local and global levels are constantly changing, and a corridor that is successful today may not be 20 years from now. Planners should be proactive in monitoring the health of their communities" (Núñez, 2021, p. 6).

Notably, the City of Troutdale established an economic and tourism development program within the Community Development Program in 2020. The intention is to take a more active role in economic development. In the past, the city did not actively recruit businesses, and focused on offering support to other community agencies responsible for recruitment (City of Troutdale, 2020). With this addition of the economic and tourism development program, Troutdale can draw from a resource to evaluate what economic sectors are best suited for Troutdale as conditions within and surrounding the community evolve. In the coming decade, one such sector that can ignite growth in the local economy is the emerging online and micro-retail boom.

EMERGING TRENDS: FOCUS ON ONLINE COMMERCE, MICRO-RETAIL, AND RELATED BUSINESSES

The Town Center Plan for 2020 - 2040 recognizes the potential for emerging sectors like online retail and micro-retail businesses, which includes small scale pop-ups and boutiques. E-commerce and micro-retail business models complement one another, as a company operating mostly online could further support sales and its operations by maintaining a small brick-and-mortar storefront. Online sales as a share of all retail sales in the United States was already growing trend the COVID-19 pandemic. Since the first lockdown measures went into effect, this trend has accelerated, with e-commerce sales growing nearly 33 percent between the fourth quarters of 2019 and 2020 (U.S. Census Bureau, 2021).

Micro-retail establishments provide opportunities for innovation, and rotating retail options that reflect current trends, due to the lower costs and risks associated with this business model (Moore, 2020). Given the small number of residents currently available to support the downtown economy, micro-retail businesses in this area may also find sustained success easier to achieve. With flexible zoning these businesses could grow into larger spaces—that are still small enough to maintain a small-town feel—when residential density increased to support more profitable businesses.

Smaller-sized business models have become increasingly common. There are many Portland locations that feature food carts or micro-retail businesses, but these also exist in less populated cities. In fact, a pop-up business recently obtained a business license in Troutdale (City of Troutdale, 2021b). The City of Newberg enjoys a collection of food carts operating in its downtown.

Troutdale may be interested in Newberg's policy on promoting local history, products, and activities as part of an economic development strategy (City of Newberg, 2020). In addition to micro-retail shops contributing to the small-town feel that Troutdale residents hope to maintain, this lower cost model could allow business owners to be more specialized and cater their storefronts to the wider metropolitan region. Adopting a policy on promoting local history, products, and activities aligns with Troutdale's interest in emphasizing the city's historic and scenic attributes.

INVESTING IN DIGITAL INFRASTRUCTURE FOR AN INFORMATION ECONOMY

E-commerce sales continue to rise as a share of total retail sales. The Internet of Things (IoT) advances dozens of emerging applications for industrial technology, notably in healthcare, energy, and finance. Binding these trends together is the digitization of the economy. As a result, the demand for data processing capacity swells. Investing in data centers as the critical infrastructure necessary to power this exchange of information can utilize both increasing recruitment of micro- and online businesses to the city as well as Troutdale's strategic possession of industrial land.

One economic development strategy that some Oregon communities have pursued in the past decade is to attract the construction of large, central data center facility or cluster (a campus of multiple facilities). Data centers can be built as either enterprise centers (which a single company builds to exclusively operate and maintain) or colocation centers (which a company builds a single facility and then rents processing capacity to "tenants" for a negotiated rate) (Carlini, 2016).

A notable example in Oregon is the city of Prineville. In 2011, Facebook committed to constructing a new cloud-computing data center in the city, investing \$210 million dollars in the operation. Nearly a decade later, the company has built a total of eight facilities, announcing in the summer of 2020 plans to construct a ninth, 450,000 square foot (10.33 acre) facility (Alley, 2020). In Reynolds Industrial Park, there are approximately 63 acres of land distributed among the four remaining unsold lots (see Figure A in Appendix A).

An alternative to attracting construction of the large data center or campus cluster of multiple facilities is to encourage the proliferation of micro-centers. These are also referred to as "on-premises" data centers and typically are housed in the buildings that the users computing the data operate (the retail floor). Micro-centers function in the data center ecosystem by leveraging the advantages of "edge computing," which refers to the proximity of data storage and processing capacity to the end user.

Building more data processing capacity can serve as a catalyst for expanding the Troutdale's employment in its Information sector. According to estimates in the Goal 9 section of the city's comprehensive plan, job growth in the Information sector was expected to increase only by 0.3

percent, for a total three new sector jobs expected by 2030 (see Figure 1). Such estimates suggested that at the time, the city lacked any catalyst for expanding this sector.

Figure 1. City of Troutdale Projected Job Growth Estimates by Sector, 2010 – 2030

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

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

* Estimate

SOURCE: Economic Opportunities Analysis, 2011, Johnson Reid LLC

For the four sectors expected to add the most quantity of jobs, retail trade, transportation, warehousing & utilities, education & health services, and leisure & hospitality, each represents an economic model becoming increasingly reliant on data processing capacity. Adding that capacity through a colocation data

center facility and micro-centers as part of new commercial businesses supports the growth of other important economic sectors. In commenting on the effect data centers have had on the Prineville economy, Prineville Mayor Steve Uffelman is quoted in an article for *The Other Oregon* as saying, “That’s the kind of ancillary support that businesses need so they don’t have to provide their own staffing. It helps Prineville by creating new jobs, . . . We didn’t expect that when Facebook would come that it would support other industries.” (Roig, 2020.)

Data centers, whether large facilities or micro-center operations, still require workers with relevant IT skills, offering salaries that address the “missing middle income” this report previously discussed. Table 4 shows five common occupations needed for maintaining larger data center facilities. The annual median income in 2019 for these occupations range from \$50,000 to over \$100,000. Even the creation of several dozen jobs in the city offering these wages can provide opportunities for young professionals with the IT skills necessary to fulfill these positions.

Table 4. Five Common Occupations Needed to Support Data Centers

Occupation	2019 Annual Median Pay	Job Outlook 2019 – 29
Computer & Information Systems Manager	\$146,360	10%
Compliance Officer	\$69,050	5%
Cyber Security Specialist	\$99,730	31%
Computer Network Architects	\$112,690	5%

Computer Support Specialists	\$54,760	8%
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Source: Bureau of Labor Statistics, Occupational Outlook Handbook

From a regional perspective, most existing data centers in Multnomah County are in Hillsboro, Beaverton, or western Portland (see Figure 2). Troutdale has an opportunity to distinguish itself within the region as a host to a regional data center in the eastern metropolitan area.

Figure 2. Map of Data Center Facilities in the Portland Metropolitan Area



Source: DataCenters.com Mapping Database

POLICY RECOMMENDATIONS: A DIVERSIFIED 21ST CENTURY ECONOMY

- Create zoning guidelines that allow for flexible use of space (micro-retail or other future trends) in the town center.
- Draw upon Troutdale’s economic and tourism development program to recruit and provide support to micro-retail and online commerce businesses.
- Engage the Port of Portland about the feasibility of constructing one or more colocation data centers in unsold lots of the Troutdale Reynolds Industrial Park.
- Investigate zoning code for restrictions on and opportunities for developing commercial spaces that utilize shared spaces for installing micro-centers to expand processing capacity in the city.
- Approach Mt. Hood Community College about introducing data technician and management programs to its degree programs as part of a local workforce development strategy.

MARKETING TROUTDALE AS A HISTORIC LANDMARK AND BASE FOR OUTDOOR ACTIVITIES

In addition to the review of local comprehensive plans noted earlier in this report, our group performed a more detailed comparative analysis of Hood River. The city has a long-standing reputation as a destination. The Travel Oregon pages for each Troutdale and Hood River show a disparity in marketing geared toward tourism. The lure of Hood River’s historic and walkable

downtown shopping district, its trademark of being called the windsurfing capital of the world, and a range of cideries, distilleries, and abundant outdoor opportunities are visibly present on the city's visitor site (visithoodriver.com). Although Hood River has the advantage of drawing people from a large area of the eastern part of the Columbia River Gorge, Troutdale possesses many of the same features that Hood River touts while being closer to the Portland metropolitan area.

Given the differences of each city's downtown fabric, one might conclude that Hood River's retail scene might dominate that of Troutdale. Yet in 2019, retail trade accounted for 15 percent of Troutdale's industry compared to about 9 percent for Hood River (ACS, 5-year estimates). However, Hood River creates more economic opportunities through its arts, entertainment, recreation, accommodation, and food services industries, holding a 6 percent gap over Troutdale's industries (see Figure H, Appendix D). Building on these industries in tandem with better marketing of their scenic location and proximity to outdoor activities (windsurfing, biking through the Columbia Gorge, and birding along the Sandy River Delta come to mind), arguably will propel people to spend more time in Troutdale and create more personalized experiences for visitors.

This aligns with the vision Troutdale has outlined in the Town Center Plan for 2020 - 2040, which identifies a desire to be perceived as a scenic and historic hub in the region. To set it apart from other suburban communities, the plan argues that Troutdale should preserve scenic viewpoints and natural areas, and the plan also calls for enhanced community branding that aligns with the city's core themes— "shaped by natural forces; rooted in history; transported over time; connected in dramatic ways; and grounded in community" (City of Troutdale, 2020, p. 14).

Troutdale has much more to offer than simply being a closer drive to Portland than Hood River. We believe that as the city builds on its brand as a historic and scenic outdoor getaway and supports business development that enhances this image, there is great potential for Troutdale to grow its presence as a destination and for the city to capitalize on its close connection to the outdoors and the Columbia River Gorge. The updated Town Center Plan recognizes this need for a change and has identified core themes and implementation strategies to pursue.

POLICY RECOMMENDATIONS: MARKETING AND BRANDING TROUTDALE

- Collaborate with the Troutdale Historical Society to develop a historic building and landmark tour for greater walkable access and interaction.
- Confluence preservation of native bird, smelt, and Wapato populations, including:
 - evaluate industrial policy language relating to environmental protections in the city's most sensitive ecological areas; and
 - land tenure by indigenous local tribes
- Capitalize on the promotion of outdoor recreation opportunities in the city, including:
 - establishing a cycling hub for the historical Columbia Gorge byway
 - promotion of windsurfing along the Columbia
 - permanent disc golf course within town; and
 - promote climbing and bouldering sites along the Columbia River Gorge

CONCLUSION

We believe that the policy recommendations contained in this report can guide Troutdale toward achieving its economic development objectives. Directing policies that amend zoning codes to accommodate development of businesses that serve residents' needs and wants, attract green infrastructure and micro-retail commerce, and diversify the city's workforce can prepare Troutdale to prepare its economy for thriving in the 21st century. We hope these recommendations inform amendments to the city's comprehensive plan that serve to realize a vibrant town center, strengthen local connections between place and the community, and attract skilled middle-class workers to settle in Troutdale.

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COMMERCIAL OPPORTUNITY SITES

Listed below are some key sites near downtown and their current zoning codes (Source: SCYP Student Portal):

Urban Renewal Area – Confluence Site: *Staff believes there is a great potential for high-value mixed use development along the middle section of the trail.*

Currently zoned both General Commercial and Mixed Office/Housing (MO/H), Troutdale needs to prioritize not repeating similar developments as the Columbia Gorge outlet stores in the adjacent lot to the west by directing zoning language to compliment downtown. Housing remains a viable issue for the city, (zero percent vacancy rate in 2018, with only 113 rental units created from 2010-2019), especially missing middle housing (70.9% single-detached units, ACS, 2019). Creating and designating mixed-use commercial opportunity that meets needs of local residence and supports existing small business should be of priority. Specific focus for walkable retail, finance, or hospitality should be made to benefit residents in commerce and in local employment opportunities.

Site 2 – GMB Tract: *Staff felt that commercial use of the building would be most practical, perhaps for a collection of smaller businesses or for a periodic use like a covered farmers/crafters market.*

Currently, this site lies within the Central Business District (CBD), and would make a good match for the CBD policy 9 in the Comprehensive Land Use Plan-- “business and professional services, manufacturing, construction and research and development firms.” A local hardware store, open-air farmers market, or limited-service restaurant would fit here to cater to Troutdale resident needs.

Site 3 – Hurford Tract: *Staff felt that commercial space was already in lower demand and that the desires of the community to have existing and new community services come to the Town Center made this an ideal location for public investment.*

Site 3 is also within the CBD. The zoning enables flexibility with this site to meet the communities’ needs. Downtown businesses could use support in expanding local business, offsetting outlet stores north of downtown. This site could also provide commercial support for existing businesses and greater appeal for visitors driving through town, such as a small hotel. An outdoor recreation center with retail and community classes, specifically catering to windsurfing, cycling, and/or climbing would be an ideal fit just off an arterial road.

Site 5 – Cerruti Tract East: *Staff felt commercial service would lend itself well due to the visibility and intersection of Halsey Street with Historic Columbia River Highway.*

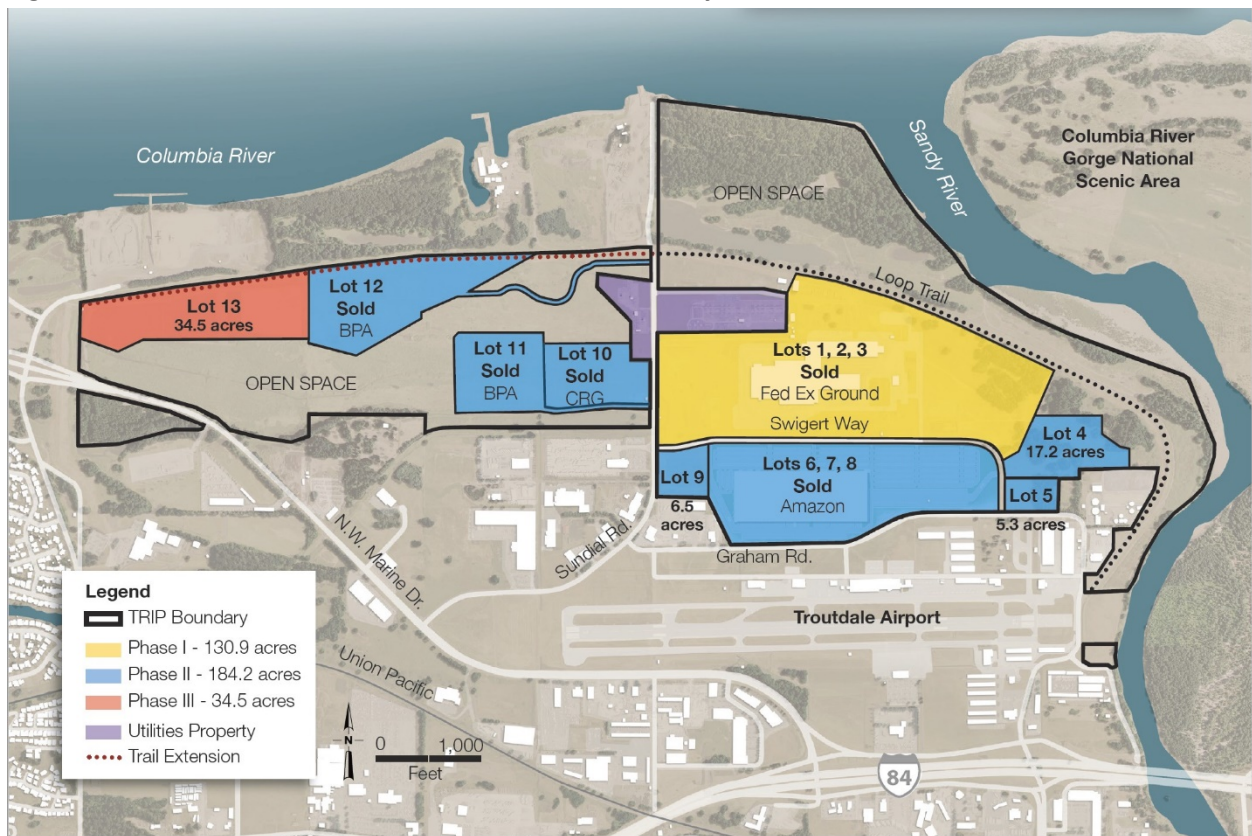
Partially zoned within the CBD, yet predominantly Mixed Office Housing. MO/H offers a wide range of opportunities seeking to be flexible to prospective developers. However, this wide net of zoning could

continue to shape Troutdale away from the needs of its residence. This site provides the opportunity to create businesses of need for the community, i.e., grocery stores, a brewery, food cart lot.

Port of Portland Industrial Lot: Listed in the Comprehensive Land Use Plan for economic development partnership, the Port of Portland has mostly yielded a positive influence on Troutdale. Yet it has also changed the occupational landscape with wages that have not kept up with housing values. The Port of Portland can do more to support Troutdale’s local economy while benefitting all of Metro region by recruiting alternative wind energy businesses to purchase and develop a lot. This would provide Troutdale with a unique sector, diversifying employment, and economic opportunity. The City of Troutdale and Port of Portland could collaborate with Portland General Electric to see if Lot 13 is an appropriate site for development.

In addition, Lot 4 offers a potential site for construction of a colocation data center facility. If feasible, Lots 4 and 5 combined would provide enough acreage for the construction of two data centers compared to the ninth data center being constructed at the Prineville Facebook campus.

Figure A. Current Status of Industrial Lots at Troutdale Reynolds Industrial Park



Source: Port of Portland

GOAL 9 POLICIES OF THE CITY OF TROUTDALE COMPREHENSIVE LAND USE PLAN

EMPLOYMENT GENERATING LAND USE POLICIES

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

CENTRAL BUSINESS DISTRICT POLICIES

1. Promote and enhance the downtown's role as a center of retail goods and consumer services for area residents and a premier attraction for visitors to the community. Provide an atmosphere conducive to investment.
2. Provide opportunities for a mix of commercial activity with moderate and high-density housing in a manner that will not compromise commercial uses.
3. Encourage a transportation system that will provide safe and convenient circulation for pedestrians, bicycles, automobiles, trucks, and public transit. Promote a system of pedestrian ways which connect the retail areas with the waterfront and residential areas, parking facilities, and open spaces. Provide parking to serve the needs of existing businesses and new developments.
4. Encourage development that is sensitive to physical attributes and constraints, and is cost effective for private development interests and public agencies.
5. Encourage the use of design elements on public and private lands that will promote the downtown as the Gateway to the Columbia River Gorge and Sandy River recreation areas. Encourage building and site designs that establish a unifying relationship with the overall design character of the downtown.
6. Provide public, and encourage private, open spaces adaptable to a wide variety of uses to include community entertainment, exhibition, and meeting spaces. Active use of these spaces should be promoted by utilizing kiosks, cafes, vending stands, and entertainment.

7. Provide facilities for people, such as public restrooms, outdoor furniture, and protection from the elements.

8. Preserve, protect, and dramatize historical structures and locations within the downtown whenever feasible. Encourage new development that is compatible with existing structures and functional characteristics of planned uses.

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

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

TOWN CENTER PLAN POLICIES

1. Focus retail commercial activity in the established CBD and do not allow large-scale commercial development to locate nearby if it will compete with the same market as CBD businesses.

2. Concentrate commercial retail activity along East Historic Columbia River Highway in the historic commercial downtown of Troutdale and within the riverfront redevelopment site.

3. Support the development and maintenance of a public plaza in the CBD.

4. Maintain a pedestrian focus in the established CBD.

5. Provide office employment opportunities in the town center area.

6. Allow a mixture of office and housing uses.

7. Where appropriate and feasible, require new development to create pedestrian connections to neighborhood centers or to the town center.

8. Encourage development of a grocery store in the CBD. [Adopted by Ord. 804, ef 5/12/2011]

(City of Troutdale, 1990).

REVIEW OF LOCAL COMPREHENSIVE PLANS IN THE PACIFIC NORTHWEST

Forest Grove: This city has a number of similarities to Troutdale in terms of location, population, and defining characteristics. Forest Grove has approximately 25,000 people with a similar rent burden as Troutdale (roughly 35%). It is also located in close proximity to Portland, about 26 miles to the west. However, unlike Troutdale, Forest Grove is not closely located to major transportation corridors and has a lack of large industrial sites. These are impediments to the city's economic growth.

Forest Grove's comprehensive plan, adopted in 2014, identifies eight economic development goals and 40 supporting policies. The first economic development policy incorporates the city's interests in reducing greenhouse emissions. It aims to provide incentives to "attract and retain businesses including ecologically sound 'green industries' to Forest Grove" (City of Forest Grove, 2014, p. 114).

The plan also includes 13 policies to support community sustainability, which include efforts to incentivize "low-impact design techniques such as bio-swales, rain gardens, porous pavement, green streets" in new developments and establish Eco-Districts ("a neighborhood or district that has committed to achieving ambitious sustainability performance goals") as a tool to implement sustainability initiatives (City of Forest Grove, 2014, p. 36). Forest Grove emphasizes its historic town center and landmarks throughout the plan, including in the identification of community sustainability goals. One community sustainability goal aims to "promote the preservation and reuse of historic resources" for the "retention of local, regional and national history and heritage, reinforcement of community character, and conservation of material resources" (City of Forest Grove, 2014, p. 34-5).

These examples may be helpful to Troutdale as they consider how to hinder the negative impacts of climate change in their community and promote sustainability.

Hood River: As explored in greater detail in this report, both Troutdale and Hood River have similar attributes, but the downtown area of Hood River is more active. The many shops and restaurants are a draw to locals, while the area is also appealing to tourists.

Like Troutdale, Hood River is interested in maintaining a small-town atmosphere. The city's comprehensive plan, adopted in 1983, includes the economic development goal "to diversify and improve the economy to the Hood River planning area while preserving and promoting the city's quality of life and small-town atmosphere" and its first economic development policy incorporates similar quality-of-life language (City of Hood River, 1983, p. 21).

Hood River's comprehensive plan also includes a policy to "allow for new and existing business expansion needs that support the retention and growth of strategic employment clusters." The identified clusters include health care, advanced manufacturing, athletic and outdoor gear, clean tech (for example, utilities and wind energy research), food and beverage processing (including

fruit juice, wine, beer, and organic supplements), and creative services. These clusters are identified “to create a desired balance between the quality of life of this community and economic health of the city” (City of Hood River, 1983, p. 21).

Supporting its objective to keep a small-town feel, Hood River includes an economic development policy about limiting the size of businesses. The policy states that “the majority of the targeted businesses that consider expanding/relocating to Hood River will consist of small businesses” with less than 10 employees (p. 21). Troutdale may also want to adopt a similar policy given the city’s desire to retain a small-town atmosphere and its current trend toward employers of larger companies and big box stores.

Newberg: Newberg is another small city (about 24,000 residents) with a substantial rent burden near Portland.

Located in wine country, Newberg’s 2020 comprehensive plan encourages “expansion of local viticulture and wine production as a method for increasing tourism,” (City of Newberg, 2020, p. 20) and includes a policy on promoting Yamhill County history, products, and activities. Although Newberg’s plan encourages tourism, it emphasizes supporting residents. The first two policies of the plan’s economy section address increasing the percentage of people who live and work in Newberg through methods such as “land use controls and capital improvement programs” and encouraging “economic expansion consistent with local needs” (City of Newberg, 2020, p. 19).

In line with the state of Oregon’s Goal 6—focused on air, water, and land resources quality—Newberg’s comprehensive plan includes policies that address industrial development and environmental concerns. For example, policy 1.f states that “economic expansion shall not exceed the carrying capacity of the air, water, or land resource quality of the planning area” and policy 2.b states that the city will encourage industrial development that meets or exceeds “state or local environmental standards” (City of Newberg, 2020, p. 19-20).

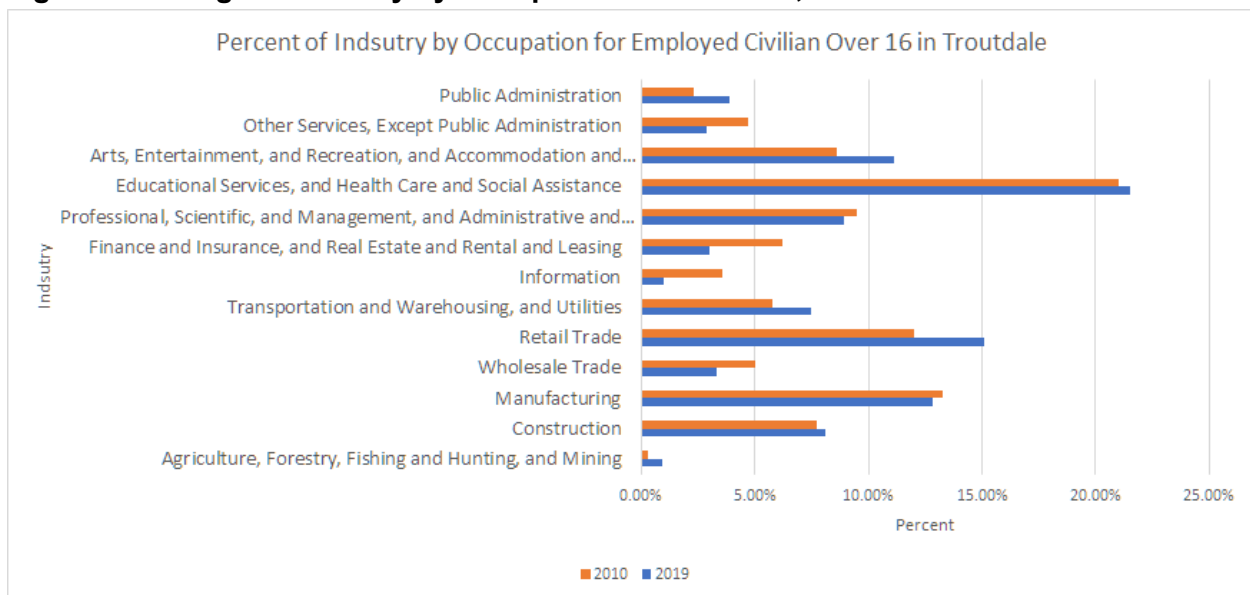
Both the plan’s emphasis on supporting the local economy and its goals on exceeding environmental standards may be of interest to Troutdale.

Olympia: Troutdale identifies employment generating land use policies in the economic development section of its 1990 plan, in addition to several town center plan policies. After a 2011 ordinance, the plan included some direction about the type of growth encouraged in the central business district with the addition of a policy to “encourage development of a grocery store” (City of Troutdale, 1990, p. 42). In the comprehensive plan for Olympia, Washington, the city calls out its role to use “land-use authority to provide places for businesses to locate” (City of Olympia, 2014, p. 201). Troutdale may look to Olympia and other examples to consider how to adjust economic development and land use policies to more strongly support the development of businesses that will meet the needs and desires of Troutdale residents (for example, a grocery store, food establishments, or amenities like bank and mail services).

Like Troutdale, Olympia has a port that is utilized in part for industrial purposes. The comprehensive plan for Olympia includes a policy to “coordinate with the Port of Olympia to allow for long-term viability of Port peninsula industry, compatibility with surrounding uses” and notes that “this coordination should address—at a minimum—transportation, pedestrian and recreation facilities, environmental stewardship, and overwater development” (City of Olympia, 2014, p. 85). Troutdale has a strong partnership with the Port of Portland, which manages the Troutdale Reynolds Industrial Park, but as the city looks to play a more active role in its economic future a policy focusing on how Troutdale coordinates and works with the port may be useful.

Background Data Collection

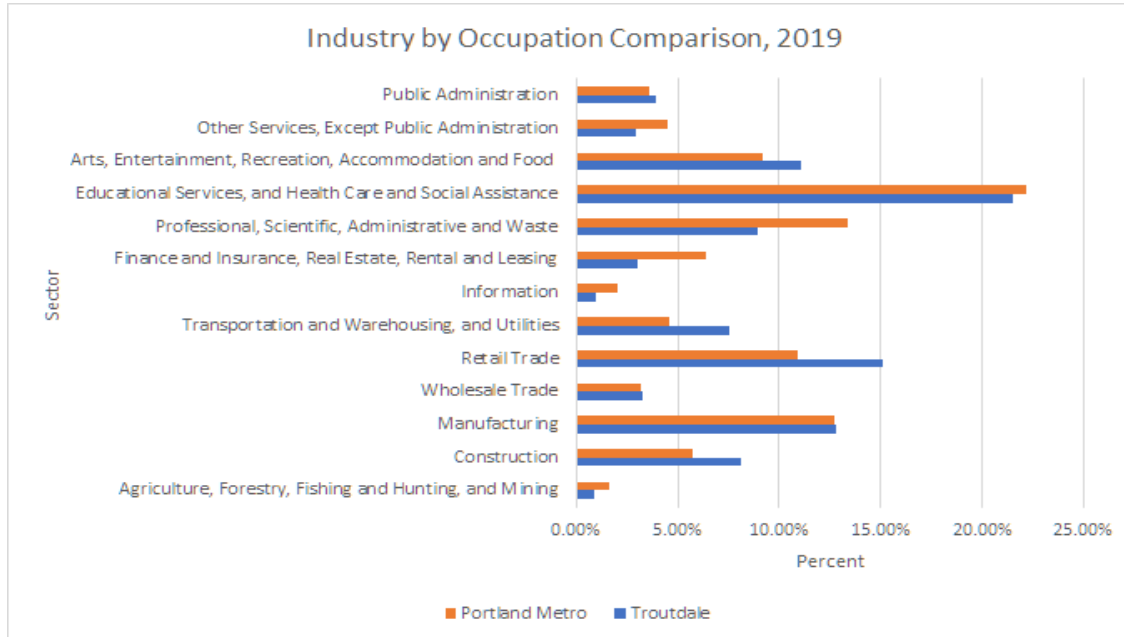
Figure B. Change in Industry by Occupation in Troutdale, 2010 – 2019



Source: ACS 5-Year Estimates 2010/2019 SE: A17004

Key Finding: Retail, Arts & Entertainment, And Transportation and Warehousing continue to be growing sectors for the City of Troutdale. Information and Finance continue to be diminishing industries in the area. As COVID-19 changes how many people in these industries engage with their work remotely, attracting individuals and families with middle-class income to move to Troutdale is a high priority and data centers have influenced the information sector throughout Portland Metro and eastern Oregon.

Figure C. Comparison of Industry by Occupation for Portland and Troutdale, 2019



Source: ACS 5-Year Estimates, 2019 SE: A17004

Key Finding: In a review of the current Comprehensive Land Use Plan, Retail and Transportation and Warehousing were highlighted as strong sectors for the economy, especially when compared to Portland Metro. Figure C shows that Troutdale’s sectors in these areas still lead the Metro area by sizable margins. Given Troutdale’s population and lack of supporting economies, this might pose to be an unsustainable model. Sectors that can act as supporting economies include Finance and Insurance and Professional, Scientific, Administrative, and Waste.

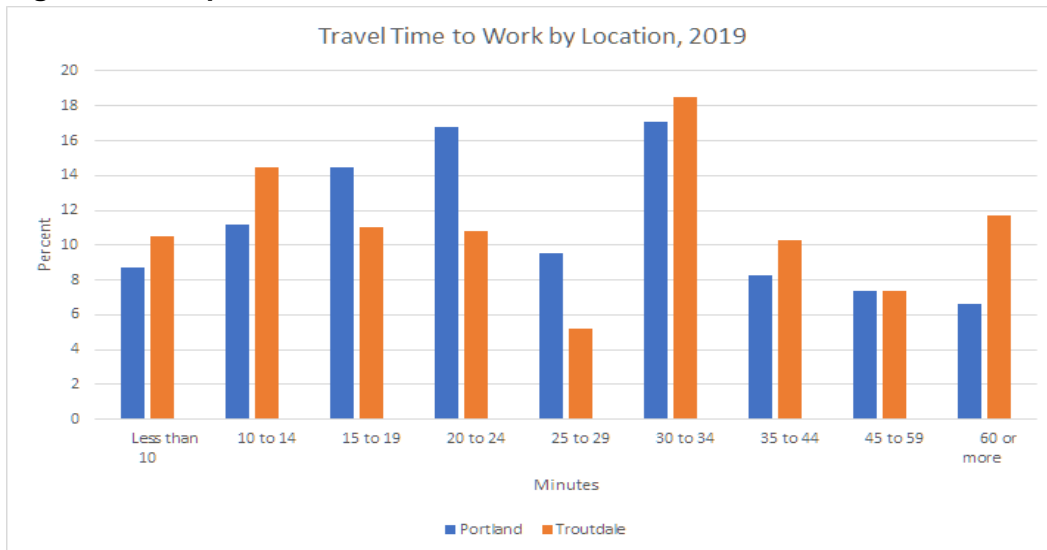
Table A. Comparison of Means of Transportation for Commute, 2010

Means of Transportation	Troutdale	Portland
Car, truck, or van	86.2%	64.6%
Public transportation (excluding taxicab)	4.6%	13.4%
Walked	2.0%	6.3%
Bicycle	0.3%	5.2%
Taxicab, motorcycle, or other means	2.0%	1.4%
Worked from home	5.0%	9.1%

Source: U.S. Census Bureau Decennial Census 2010

Key Finding: Troutdale has limited means of alternative transportation. With only 6 percent of residents staying in Troutdale for employment (Town Center Plan), many civilians rely on light-duty vehicles to get to work. However, people without that option have very few options. Combining this fact with strained housing and economic opportunities suggest that Troutdale must offer more amenities to its residence for a more equitable lifestyle.

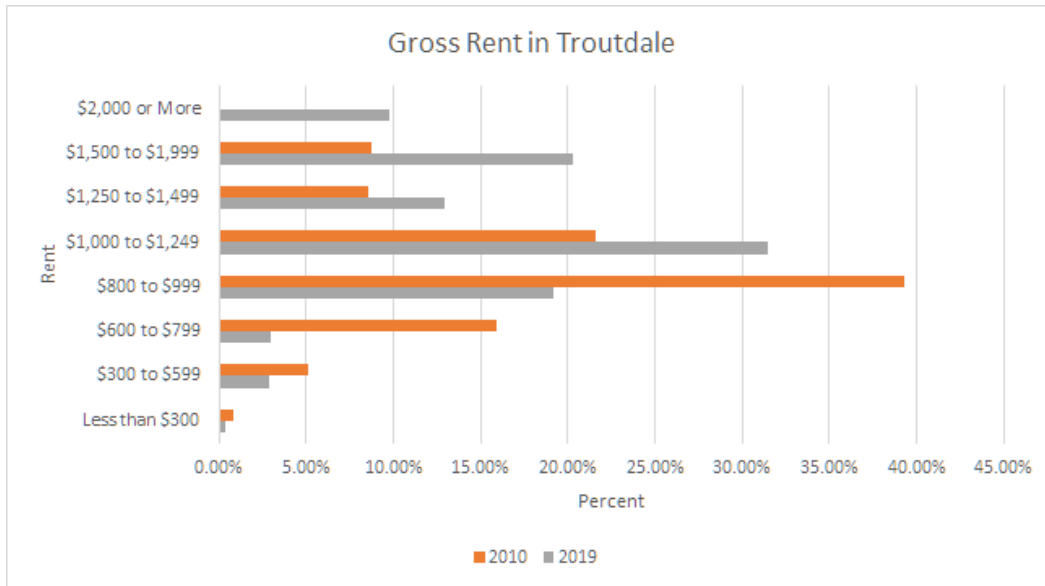
Figure D. Comparison of Commute Times for Troutdale and Portland Workers, 2019



Source: American Community Survey, 5-YR Estimates, 2019

Key Finding: Despite emerging as a regional job center in the last decade, most residents still leave town for work, with almost half of residents travelling over 30 minutes. Again, there is a “missing middle” statistic with having more locally attainable work within the 15–29-minute range.

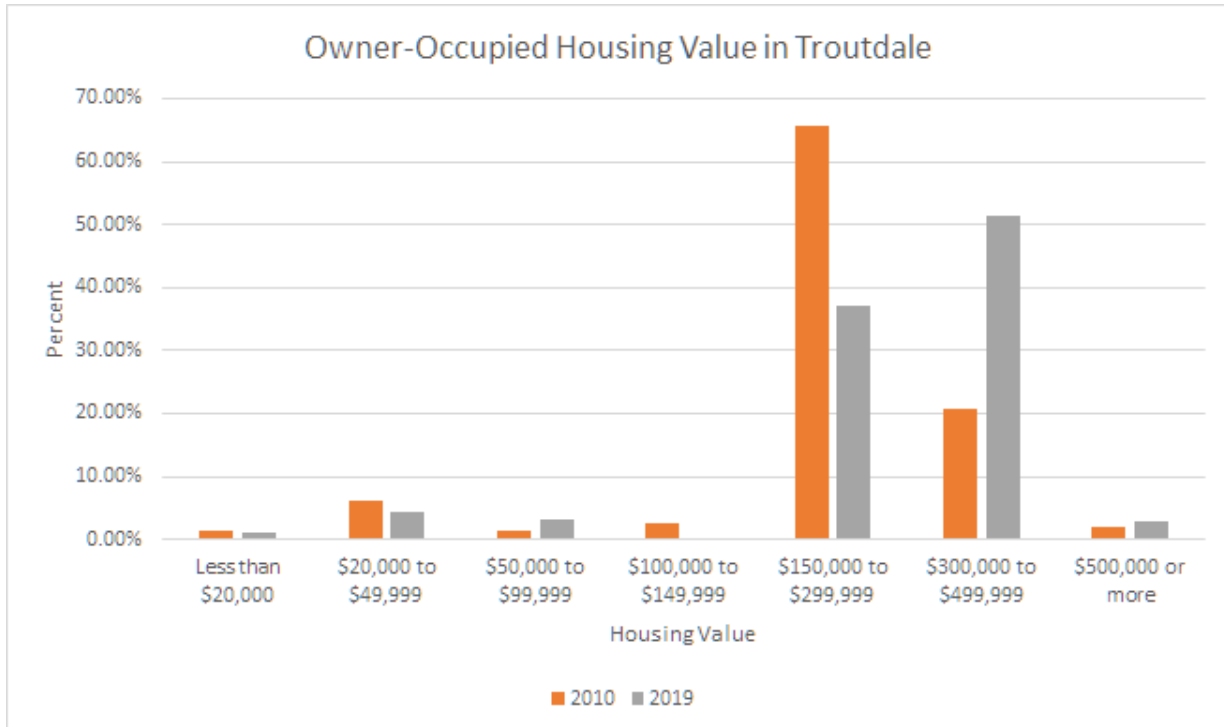
Figure E. Comparison of Gross Rent in Troutdale between 2010 – 2019



Source: U.S. Census Bureau Decennial Census, 2010 & American Community Survey, 5-YR Estimates 2019

Key Finding: Affordable rent has decreased dramatically in Troutdale in the last decade, moving more to high-end housing. A 33 percent increase of rentals of \$1,000 or more has occurred in this timespan, stressing the need to support working families and individuals.

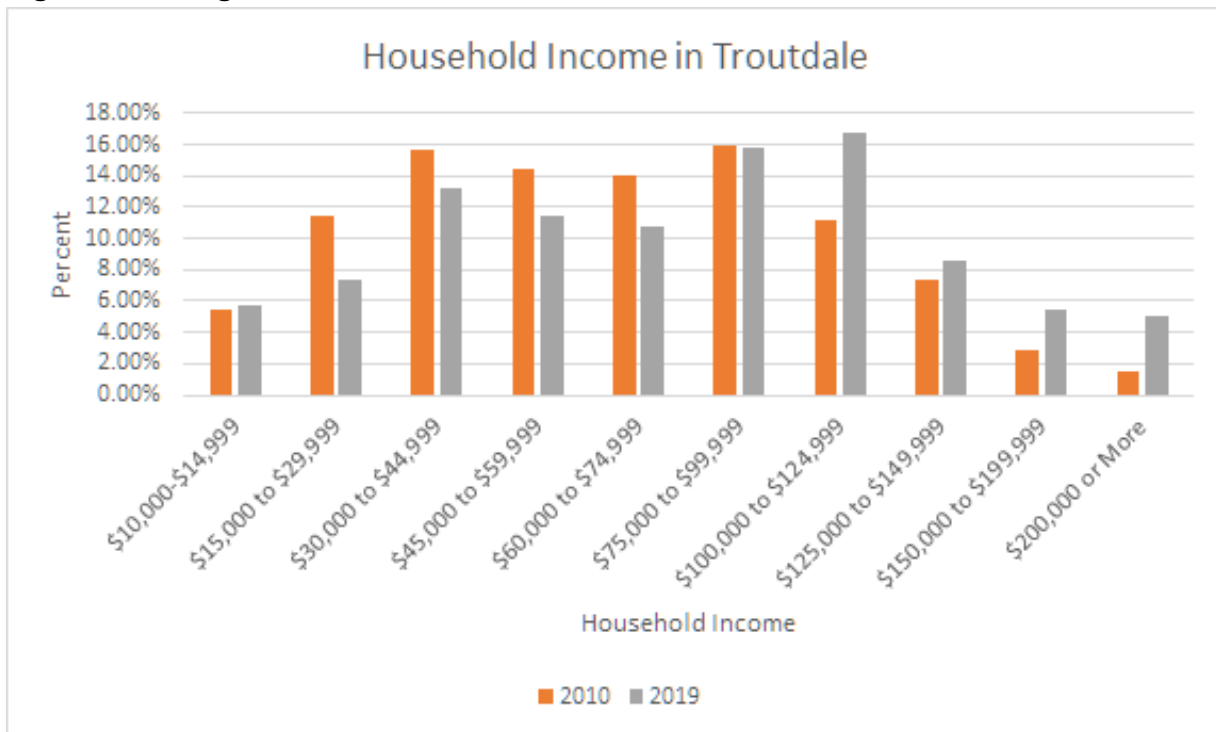
Figure F. Comparison of Owner-Occupied Housing Values in Troutdale, 2010 – 2019



Source: ACS Social Explorer 5-Year Estimates (Inflation Adjusted) SE: A10035

Key Finding: The housing value landscape has seen a dramatic shift in affordability in the past decade, with approximately 30 percent of Troutdale’s inventory rising in value. This may benefit existing landowners, but assuredly makes it more difficult for newcomers to buy in. There has been zero increase in housing inventory below \$150,000, suggesting a missing middle in apartments, condominiums, and townhomes.

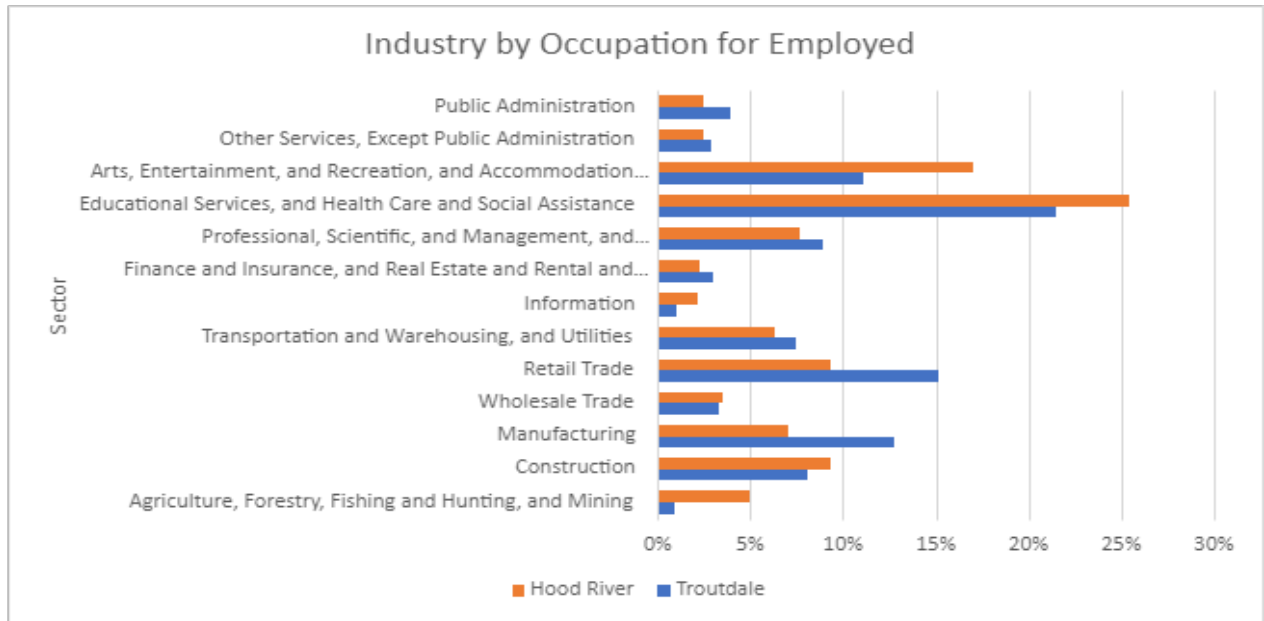
Figure G. Changes in Household Income in Troutdale, 2010 – 2019



Source: ACS Social Explorer 5-Year Estimates 2010/2019 SE: A14001

Key Finding: Middle-class income households are shrinking over the last decade, with residents over \$100,000 of household income are climbing significantly. The ability for members of the working class to live in Troutdale is shrinking, with households earning under \$75,000 lowering by about 11 percent.

Figure H. Comparative Industry by Occupation between Hood River & Troutdale, 2019



Source: ACS Five-Year Estimates, 2019 SE. A17004

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