

#### **THURSDAY, MAY 15, 2025 ECONOMIC DEVELOPMENT COMMITTEE MEETING AGENDA REGULAR MEETING AT 12:00 PM**

33568 E COLUMBIA AVE; SCAPPOOSE, OR 97056 & MICROSOFT TEAMS (HYBRID)

Please submit public comment to N.J. Johnson at <u>njohnson@scappoose.gov</u> or in writing to Scappoose City Hall (33568 E Columbia Ave; Scappoose, OR 97056) by May 14, 2025 at 5:00 pm. Public comment can also be made verbally at the beginning of scheduled meetings.

This meeting will be conducted in an accessible room. If special accommodations are needed, please contact City Recorder Susan M. Reeves at (503) 543-7146, ext. 224 in advance. TTY 1-503-378-5938

4.

**Adjourn** 

**Topic** 1. Call to order 12:00 pm 1.1. Approval of Agenda: May 15, 2025 1.2. Approval of Minutes: April 17, 2025 1.3. **Public Comment** 2. **New Business** 12:05 pm 2.1. Workshop Economic Development Strategic Plan Vice Chair Karl Fenstermaker 3. **Announcements** 1:25 pm 3.1. Next meetings June 26, 2025 at 12:00 pm July 17, 2025 at 12:00 pm August 21, 2025 at 12:00 pm 3.2. Scappoose Outdoor Fun Festival Saturday, May 31, 2025 from 10:00-8:00 at Heritage Park 3.3. Scappoose Farmers Market • Every Saturday from 9:00-2:00 on SE 2nd Street

1:30 pm



# THURSDAY, APRIL 17, 2025 ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES REGULAR MEETING AT 12:00 PM 33568 E COLUMBIA AVE; SCAPPOOSE, OR 97056 & MICROSOFT TEAMS (HYBRID)

Disclaimer: These minutes are intended to summarize the conversations that took place in this meeting rather than provide a full transcript. Anyone wishing to view the full conversation can find a recording of this meeting on YouTube at: <a href="https://youtu.be/iXSLc6">https://youtu.be/iXSLc6</a> yIYO

Attendees: Chair Christine Turner, Committee Member Brian Rosenthal, Committee Member Sean Findon, Committee Member David Sideras, Committee Member Judy Isaman, Columbia Economic Team Executive Director Paul Vogel, PCC OMIC Training Center Director Chelsey Lynne, Port of Columbia County Commissioner Nancy Ward, Columbia River PUD Administration/Public Relations Manager Heidi Ralls, Scappoose Public Library Director Jeff Weiss, Community Development Director Laurie Oliver Joseph, City Manager Ben Burgener, Assistant to City Manager/City Planner N.J. Johnson, JJ Duehren, Port of Columbia County Executive Director Sean Clark, Port of Columbia County Communications & External Affairs Manager Gina Sisco, Ralph Culpepper

**Committee Members Absent:** Vice Chair Karl Fenstermaker, George Hafeman, Paul Fidrych

#### 1. CALL TO ORDER

The meeting was called to order at 12:04 pm by Chair Christine Turner.

#### 1.1 Meeting Agenda

Judy made a motion to approve the April 17, 2025 agenda. Brian seconded. The motion passed unanimously.

#### 1.2 Meeting Minutes

Judy made a motion to approve the February 20, 2025 minutes. Brian seconded. The motion passed unanimously.

#### 1.3 Public comment

JJ: The food drive we're doing here in Scappoose was featured on Fox 12 Oregon with several reruns in the evening news slots for days. You can donate around town until April 26th. Earth Day is next Saturday, April 26th and will include the Solve cleanup along the highway, planting lilacs along Crown Z Trail, community booths, free food courtesy of Grocery Outlet and Scappoose Police Department, and an electric bike giveaway.

#### 2. NEW BUSINESS

#### 2.1 Updates

Columbia Economic Team - Paul



- Project Spice has eliminated Texas so it's down to Scappoose and Quebec.
   We expect a decision by the end of May.
- Two feasibility studies for power transmission are underway.
- Small Business Administration loans are becoming harder to get and more expensive.
- We have social media and marketing classes coming up as well as a Small Business Fair for folks who provide services to small businesses (e.g. law, accounting, graphic design, etc.).
- Provided a presentation at the Governor's Tourism Conference. It was announced that this year's tourism grant will focus on access.
- Scappoose City Council NJ
  - We held the Annual Town Meeting on April 5th.
- PCC OMIC Chelsey
  - o Internship program for youth is on the horizon.
  - o Full academic enrollment in the current spring term.
  - Met with CC Rider to discuss improving public transit and having a spot here at PCC in their route.
- Columbia River PUD Heidi
  - Starting a cost-of-service study soon.
  - We just completed a clean audit.
  - I will be retiring this month.
- Scappoose Public Library Jeff
  - Scappoose Outdoor Fun Festival is on Saturday, May 31st from 10:00 am-8:00 pm.
- City of Scappoose Laurie
  - Ofstad Self-Storage, Grace Lutheran Children's Center, and Addison Apartments are in completeness review.
  - We've been working through our UGB analysis and Transportation Planning Rule analysis as part of the 50-Year Plan. Our last Stakeholder Advisory Committee will be May 20, 2025 at 6:00 pm.
  - OXBO construction documents are almost ready for review.
  - Huser Estates and Buxton Ranch are under review.
  - Dutch Canyon IV and Keys Reservoir are under construction.

#### 2.2 Update from Port of Columbia County

Sean C: The Port is responsible for 37 businesses, 480 jobs, \$30 million in labor income, \$90 million in total income, \$17.9 million in state tax revenue, and \$16.6 million in local tax revenue. The Port also has several liabilities including site cleanup, environmental liabilities, and grants we used to rely on that are in danger of being discontinued by the federal government. A recent bill passed that mandates retrofitting fuel stations within 10 years in preparation for the Cascadia earthquake. Our upcoming budget includes putting the tax back on the community. We haven't levied this tax since 2020 since the



Commission believed the Port was in a good place financially. Now, it could provide an additional \$500,000 in revenue.

Chair Christine Turner: Does this go to the voters?

Sean C: No, it comes as a recommendation from our Budget Committee and then it is a Commission decision.

Brian: When Next Renewable said they needed a rent reduction or they were out, the Port gave them a massive reduction in rent. If the Port held their fiduciary responsibility and negotiated with them, you wouldn't be in this financial situation.

Sean C: Would you want to pay full price for your house before it was built or do you think it makes more sense to pay earnest money and take out a loan? The Commission decided that \$15,000 a month was better than \$0 a month. The most important point is that the difference between \$15,000 and \$108,000 is being deferred with 18% interest so it's not like we're giving them a free pass. They're tied up in environmental studies and permitting so it's not like they could break ground and just aren't.

#### 2.3 Introduction to Downtown Overlay

Laurie provided a presentation that can be viewed from 57:44-1:07:16 in the <u>meeting</u> recording. The audio is absent from most of the presentation due to technical difficulties but the content is well covered in the slides presented.

#### 2.4 Discuss Work Plan for Achieving 2025 EDC Goals

Chair Christine Turner: The goals we voted on were 1) Actively support hotel development; 2) Review Downtown Overlay; 3) Reach out to local businesses to better understand their needs; and 4) Complete the Economic Development Strategic Plan. On Goal 3, have we ever reached out to local businesses in an organized way?

NJ: As part of CET, we recently interviewed nearly 100 local businesses to learn about them, what their challenges are, and what they think of Columbia County as a place to do business. This will result in a report and actionable steps we can take to support businesses in response to their feedback.

Chair Christine Turner: I'd like to host businesses in a more informal way where we're mingling with them instead of sitting up here asking them questions. Tell me what's going on with the hotel development.

Laurie: Scappoose Hospitality Group is looking in town and made an offer on a Wagner Court property. They've been recently discussing acquiring a property from the Port. I could see this group writing a letter of support for the development as they go through land use but not much else.

Brian: We could also consider incentives such as a transient lodge tax deferral. Obviously, if they're going to move forward without incentives, we should save our money.



#### 3. ANNOUNCEMENTS AND NEXT MEETINGS

- Next meetings
  - o May 15, 2025 at 12:00 pm
  - o June 26, 2025 at 12:00 pm
  - o July 17, 2025 at 12:00 pm
- Earth Day Cleanup & Celebration
  - o Saturday, April 26, 2025 from 7:30-3:30 at Heritage Park
- Scappoose Outdoor Fun Festival
  - o Saturday, May 31, 2025 at Heritage Park

#### 4. Meeting adjourned at 1:30 pm.





## ECONOMIC DEVELOPMENT STRATEGIC PLAN

A Vision for a Thriving Scappoose

Scappoose is at an inflection point in its growth. Recent trends in the general economic climate of the greater Portland Metro have resulted in an opportunity for Scappoose to intentionally draw residents and businesses to our City. Scappoose City Council is already engaged in key actives to guide this development in the coming years, such as developing a 50-year plan and implementing City Branding. This document is intended to work together with these efforts to give focus and direction to the Economic Development of Scappoose. It is not intended to replace existing city code, nor should it be taken as direction to City Staff to perform any specific actions. Instead, it is intended to provide a vision for a thriving Scappoose, documenting the learnings of the Economic Development Committee in the preparation of this plan and intended to be used as a map for City Council to reference as they guide the City into the next phase of its development.

Prepared by Scappoose Economic Development Committee

#### The Current State of Economic Development in Scappoose<sup>1</sup>

Scappoose's economy today consists of an industry mix of retail trade, government services, accommodation and food services, and manufacturing. Although a good diversity of industries is present, Scappoose today does not have a clear center of economic activity; neither a traditional downtown nor a formal industrial complex exists.

To encourage and guide redevelopment and infill on existing properties, Scappoose currently has an Urban Renewal Plan<sup>2</sup> and a Downtown Overlay<sup>3</sup> as part of the zoning code. The Urban Renewal Plan's goal is to promote the emergence of a town center through redevelopment and infill of key properties and supporting growth and retention of local businesses.

In addition to existing property redevelopment and infill, Scappoose has a fair amount of open land ready for development in the area. Most of the land in commercial or industrial designations is designated for airport employment, however, and projections for 2043 employment in Scappoose forecasts a need for additional available commercial land.

#### **Key Growth Factors**

The average business in Scappoose has 9 employees, which is slightly lower than the state average of 11 employees. Approximately 80% of the businesses currently in Scappoose were founded here, signifying that the creation of new local businesses is especially vital to Scappoose's economy.

Scappoose's primary competitive advantages over surrounding areas are the city's proximity to both outdoor recreation and urban amenities in Greater Portland, its infrastructure and industrial land to support employment growth, as well as training and innovation support with the presence of OMIC and PCC.

The types of businesses that have strong potential for growth in Scappoose include (but are not limited to): manufacturers (especially those associated with OMIC or PCC), professional service companies, aviation-related industries, construction and other trade industries, service for residents (such as retail, restaurants, medical services, or childcare services), and services for visitors (such as hotels, restaurants, specialty retail, and experiences).

#### **Key Challenges**

The biggest environmental challenges faced by Scappoose are that Highway 30 and the PNWR railroad cut through the center of Scappoose bifurcating the commercial and retail corridor. This leads to high automobile traffic and low pedestrian accessibility. Significant levels of congestion, particularly during peak commuting hours, place residents and employees at a disadvantage with respect to mobility and connectivity.

In a recent county-wide survey our local business say their top three challenges are Finding Employees, Finding available land/buildings, and navigating regulatory obstacles/costs. In addition to addressing the top challenges, our business owners believe that revitalizing a downtown area is the most important thing the city can do to help the local economy.

<sup>&</sup>lt;sup>1</sup> Information in this section summarized from Scappoose 50-Year Plan information available at <a href="https://www.scappoose.gov/vision">https://www.scappoose.gov/vision</a> and Columbia County 2024 Business Community Connection Project survey results.

<sup>&</sup>lt;sup>2</sup> https://www.scappoose.gov/ed/page/urban-renewal

<sup>&</sup>lt;sup>3</sup> https://www.scappoose.gov/municipal-code/1780-downtown-overlay

#### **Regional Influences**

With an early history of commercial fishing, water transportation, marine, agriculture, and timber, the region has industrially diversified while maintaining its roots. While natural resource extraction-based industries remain an important part of the regional economy, opportunities for value-added industry development are increasing.

The Columbia Economic Team is providing leadership for Columbia County's larger economic picture. They have sponsored, and will continue to sponsor programs that raise awareness and drives for success of the entire county. Recent programs such as the Business Connection project, Project Downtown, Keep it Local, County-wide rebranding, and partnership with the Small Business Development Center Network can be leveraged for the benefit of Scappoose.

Many of the region's business opportunities and challenges align with what is seen in Scappoose. One county-wide trend to note is that a large number of people commute out of the county for work. These commuters are 4x those who commute into the county, and 3x those who both live and work in the county.

#### The Vision for the Economic Climate of Scappoose

The overall vision for the future of Scappoose is laid out in the 50-year plan as follows:

Scappoose invests in a lively and attractive downtown core. The pedestrian-friendly, mixed-use environment supports locally owned businesses that provide a wide variety of services and retail options. The quality and character of Scappoose's downtown and heritage industries is complemented by its position as a hub for world-class manufacturing innovation and technology. Oregon Manufacturing Innovation Center (OMIC) and Portland Community College (PCC) provide innovative facilities that promote workforce training and create synergies for furthering education, research and development, and clean industry. The duality of local and national economic engines provides sustainable living wage jobs and opportunities for investment back into the community.

The key part of that vision that is missing in Scappoose today is the presence of a true downtown core. The lack of a downtown is somewhat disorienting because there's no clear area where traditionally downtown-focused initiatives (community events, tax incentives, zoning, code overlays, etc) should be applied. However, this should seen as a huge opportunity to encourage the development of a downtown in a way that best supports the long-term vision.

Our downtown should serve first and foremost any existing residents of Scappoose. While it's likely that a lively and attractive downtown will attract visitors from other communities, our focus will be on ensuring our residents have a place to gather, stroll, shop, eat, and otherwise interact with each other.

With this in mind, our vision is that in 50 years Downtown Scappoose is located primarily near heritage park with government functions like police, library, and city hall, as well as businesses in nearby commercial properties. A secondary "commercial" area exists on the west side of 30 ideally near the movie theater/fred meyer/food pod/nearby empty land that serves as a hub for retail shopping and food/recreational type of activities. The locations will be enhanced by their connection to parks, each other, and the CZ Trail through a system of bike trails/pathways.

Through our investigations and discussions on this topic we determined may possible locations for Downtown Scappoose including:

- Centered at Columbia and 30, professional services, food, government services

- Moving away from the core of the downtown "diamond" area, apartments and plexes are appropriate to help provide customers and labor for our downtown businesses. This would also provide needed housing for our community.
- East of 30 redeveloping existing residential to higher density mixed/use
- Scappoose Downtown needs to be a place where people want to gather, stroll, and hang out, and that's not feasible along 30.
- Multiple downtown "nodes"
- Large business complex on airport properties
- Empty land/lots near tracks
- Chapman Landing
- Gravel Pits

As we discussed what outcomes the development of Downtown Scappoose should be primarily focused on supporting, the following ideas were debated:

- Max Commercial along 30
- Use enhanced downtown to draw more large scale development at airport
- Focus on walkability
- Mixed use infill
- Entertainment
- Indirect connection to outdoor activities

#### **Programs, Actions, and Other Levers Available**

A list of potential things Scappoose can do to drive to the Vision is below. Each has pros and cons and any strategy implementation should be coordinated as a holistic package, not on an individual basis.

- High home prices limit redevelopment of properties where there is an established home on a small lot.
- Parking Rules/codes/ordinances
- General rules/codes/ordinances
- Relax zoning to allow organic development
- Bring in new land to be able to add new zoning types
- City-led or PPP developments
- Reducing costs of development to developers (taking on infrastructure upgrade costs)
- Reduce or eliminate SDCs
- Tax abatement programs
- Awareness Campaigns (people don't know what's available)
- Leverage resources available through the CET
- Active/lean into the potential of PCC/OMIC
- Funding/Process Liaison that helps with finding capital and navigating through AHJ processes
- Entrepreneurial elective/club at high school / other local business incubation programs
- Grants
  - Main Street Oregon Grants
  - Community Heart and Soul Seed Grant Program: <a href="https://www.communityheartandsoul.org/">https://www.communityheartandsoul.org/</a>
  - o TGM Grants
  - Other Grants
- Closer coordination/leverage synergy with CET
- External consultants (Communitecture, eg.)

#### **Recommendations**

Our recommendation is to develop a cohesive Downtown Strategic Plan that focuses a blend of zoning, ordinances, and other programs to drive the development of a thriving downtown for Scappoose.

### **Appendices**

Appendix A: Example Program References

Appendix B: Verbatim Thoughts from Committee Member Brian Rosenthal

#### Appendix A: Example Programs and Other References for Reference

- City of Tualatin Town Center Plan https://www.tualatinoregon.gov/planning/tualatin-town-center-plan
- Not Just Bikes video series
   https://www.youtube.com/c/NotJustBikes
- Strong Towns video series
   https://www.youtube.com/strongtowns



#### **Appendix B: Verbatim Thoughts from Committee Member Brian Rosenthal**

Downtown Scappoose should geographically be somewhat diamond shaped like a kite, with the center of downtown being the intersection of Columbia Ave and Highway 30. The axis dividing the diamond into east and west sides should be Highway Thirty. The axis dividing the diamond into north and south sides should be Columbia Blvd. More of the diamond area will be East of Highway Thirty.

I believe that the Downtown Overlay is a good starting point for our discussion on downtown. With some changes, it could be used to help with future development. There is no reason to completely reinvent the wheel.

As far as composition of new development, there should be as much commercial along Columbia Ave and Highway Thirty as possible. But, right now, there is very limited need for generic commercial development such as office space. The market is stable, but vacancies are not filling fast. I have a 1,500 square foot commercial space that I have been marketing for four months with limited interest. The last two spaces I have rented were on the market for five and eight months respectively.

Currently, professional services have been and will continue to be the single largest class of businesses in our downtown. Rather than retail space growing, I foresee increased demand for specialized commercial uses such as a brewpub, food carts, or national chains that require a specific design for new commercial development. The anchors of our downtown are food services and government services such as the library, city offices and Heritage park. A large expansion of government services I see as unlikely, but we could see expanded food services which would provide the foot traffic needed to help expand other areas of business.

Our opportunities for small retail business expansion appears to be limited. Every retail business that has rented from me has closed or moved over the last nineteen years, and at this time I have no retail businesses renting any of my twenty-two commercial spaces in Scappoose. The only big hope for new long-term retail businesses are mixed retail and service-based businesses that don't have to directly compete with Amazon, Walmart, or Fred Meyer. A good example of this would be a framing shop that also gets into other areas of business to expand their customer base, such as selling art supplies, offering art classes, or selling local artists' work.

Moving away from the core of the downtown "diamond" area, apartments and plexes are appropriate to help provide customers and labor for our downtown businesses. This would also provide needed housing for our community.

Adequate parking should always be a preeminent concern. Lack of convenient parking is what killed many historic downtowns in the 1970's and 1980's. Let's not repeat past mistakes.

An enhanced Downtown would make Scappoose a better place to live for all, and make our town more desirable for large scale development at the airport, thus making us more competitive for both new businesses and residents with other cities that already have a vibrant downtown.