

# **CITY OF ST. HELENS**

## **ECONOMIC OPPORTUNITIES ANALYSIS**

**November 12, 2008**

## Executive Summary

St. Helens as a city is growing at a moderate annual rate of about three percent since 1990 to an estimated 2007 population of 12,075. Its proximity to Portland, its reasonably low land costs, as well as being on the Columbia River has helped spur significant housing growth. Drawing on this track record, the City is committed to making St. Helens an attractive place for industrial and commercial employment that provides a diversity of job types for residents and a desirable location for businesses.

Industrial employment growth in St. Helens is not currently constrained by anything except awareness for the businesses looking for a great place to locate. Today, there are at least 306 vacant or truly underutilized acres of buildable industrial zoned land available. Some of the land is nearly "shovel ready" per the State's definitions. One of the reasons for this study is to look at whether St. Helens has the right amount of lands zoned for the right uses in the right locations.

Commercial growth in St. Helens is related to local and regional growth patterns. St. Helens is part of the greater South Columbia County business area and part of the Greater Portland Area Region. Residents of St. Helens, Columbia City, Scappoose and unincorporated areas of southern Columbia County shop and utilize commercial businesses located in all towns and areas within a ten mile radius of each other. Currently there are about 302 acres zoned for commercial uses and about 96 acres available for commercial uses.

Government growth is related to population growth and the economy mostly. As the population grows so does the demand for services provided by the government such as education, protection, health and general administrative services. About half of the government employment locations are in commercial zones.

Based on a population growth projection of 17,842 (unofficial estimate per PSU study for County Population Study) for 2030, it is estimated that the employee force could grow to 10,687 (approx. 60% of population) thus 5,343 employed within the City Limits based upon current commute patterns remaining the same at about 50%. Ideally, from an efficiency and convenience standpoint, all the residents should be employed in the City. The City's vision is to have all residents able to be employed locally. Currently there are about 3,562 persons employed within the City and the rest commute outside the City. Of those employed about 29% are in industry, 23% in government, and 48% in commerce.

Based upon the current commute trends and population trends, projected in this economic opportunities analysis (EOA) the St. Helens's industrial job base could grow by over 517 jobs between 2008 and 2030. This growth will require land zoned for industrial uses within the urban growth boundary (UGB) and will require a variety of parcel sizes and adequate inventory to maintain market competitiveness. The City's Economic Development Plan advocates for new jobs to be at family-wage level and to keep up with population growth. Most industrial job growth in St. Helens will need to be

non-polluting types businesses producing a wide range of products and services. The Vision Plan of 2000 anticipated that new business growth would be mostly in small businesses and that the City would concentrate on attracting small industries and service businesses. These businesses will probably seek out sites typically less than five acres and in flexible buildings that can accommodate a range of configurations. These businesses could include small specialty manufacturers, storage units, warehousing, small transportation businesses, small industrial parks, construction companies, contracting companies, and businesses supporting larger businesses in the Metro area. In addition to this core base of businesses, St. Helens could also attract one or more large industrial users of 20 acres or more, capitalizing on the State's current shortage of large-acreage industrial sites.

In addition to industrial jobs and based upon the current commute patterns there are expected to be 3206 jobs in government and commerce. 1977 jobs are expected to be commercial and the balance government. All of the 855 and half of the government jobs (615) will need commercial land.

Land alone will not be enough to attract business and grow our community's economy. The economic development strategy includes initiatives such as marketing, infrastructure improvements, removing environmental barriers, and development expediting. With these tools in place, St. Helens should be well positioned to achieve its vision as a relatively self sufficient town.

## **Introduction**

St. Helens is located about 25 miles north of Portland and 15 miles east of Beaverton/Hillsboro and is on the west bank of the Columbia River. St. Helens has experienced significant population growth over the past 15 years. This growth has largely focused on residential development, while industrial and commercial job growth has lagged. Given St. Helens's strong assets of location, access, and quality of life, it is primed for economic opportunities. St. Helens's industrial land inventory is strong or has significant surplus depending on the type of industrial jobs the City forecast for the next 20 years.

The purposes of this EOA are to comply with Oregon Statewide Planning Goal 9 (Economic Development), which requires cities to maintain adequate supplies of industrial and other employment lands to sustain economic activities; to obtain a better understanding of current inventories and projected needs; and to move towards compliance with the City's adopted Vision Plan, Strategic Plan and Economic Plan. Among other uses, an EOA helps identify land needs in support of urban growth boundary (UGB) expansions and/or alterations. Since St. Helens has increasingly become a bedroom community for the greater Portland area over past 15 years, broadening its employment (and fiscal) base has become an important community goal. By quantifying land needs and employment projections, an EOA can guide further planning in infrastructure (roads, utilities) as well as economic development efforts (tax incentives, marketing, workforce training).

This report begins with a review of existing policies in St. Helens that apply to economic development and could help guide the types of businesses that will locate here in the future. This is followed by an economic overview that analyzes population and employment trends in St. Helens and its surrounding market area.

The report then identifies the types of industrial and commercial land that will be needed in the future and presents an inventory of current vacant industrial and commercial land. Finally, the report utilizes employment projections to quantify the amount of land needed to accommodate future projected employment growth.

## **Economic Goals**

The City's mission statement is to provide quality, effective, and efficient service to our citizens.

Some of the Economic Plan strategies for economic development are as follows:

- Identify and implement the City's most effective and efficient inter-agency economic development role.
- Fully develop the Tourism and Recreation potential of the Community.
- Identify and promote public-private, and inter-governmental service, economic, and job creation opportunities.
- Develop a comprehensive Old Town/Waterfront master plan.
- Develop a comprehensive development plan for the Hwy 30 corridor.
- Develop a comprehensive development plan for the Houlton Business District.

In 1990 the City completed a Vision Action Plan. Local employment opportunities were seen as very important to the quality of life. The vision included initiating an economic development program to attract small industries and service businesses, thereby helping to retain a community sense of independence while offsetting the reduced resource based jobs. The objective is to have at least 50% of local employment in high paying technical jobs and avoid becoming a "bedroom" community.

The Land Use Comprehensive Plan states that the Economic Goals and Policies are as follows:

### **Goals**

- 1) To maintain favorable conditions for a growing, healthy, stable and diversified business and industrial climate.
- 2) To encourage the expansion of employment opportunities within the urban area so residents can work within their communities rather than commute to jobs outside the County.

- 3) To promote industrial development necessary to provide a balanced tax base for the operation of local government services.
- 4) To establish greater local control over the destiny of the local economic development.

### ***Policies***

It is the policy of the City of St. Helens to:

- 1) Develop program strategies with other agencies groups and business in an effort to improve the local economy. Strategies should consider but not be limited to 1) tax incentives and disincentives; 2) land use controls and ordinances; 3) preferential assessments; 4) capital improvement programming; and 5) fee and less-than-fee acquisition techniques.
- 2) Assist in programs to attract business and industries in terms of diversification and non-pollution rather than accept any business or industry which may wish to locate here; additionally, to prohibit industries with levels of pollution or other effects which would outweigh economic benefits or threaten the existing quality of living.
- 3) Work with applicable agencies at the State and federal levels in enacting controls and performance standards for industrial operators to reduce the possibility of adverse impacts on the environment.
- 4) Encourage enterprises offering local residents a far greater selection of goods and services to locate here.
- 5) Make waterfront development a high priority.
- 6) Develop the local tourist and recreation sectors of the economy.
- 7) Allocate adequate amounts of land for economic growth and support the creation of commercial and industrial focal points.
- 8) Identify special locations for industrial activities that will assist in energy conservation.
- 9) All new industrial development must connect to public water and sewer.
- 10) Discourage commercial development that lacks sufficient land for future expansion and that does not allow sufficient buffer space from residential zones.
- 11) Ensure that land uses are compatible with the transportation facilities, such as commercial uses along a major arterial related to that facility and along railroads

the same, and along navigable waterways the same, and along minor arterials/collectors the same and so forth.

## Economic Overview

### Population

St. Helens is located in Columbia County in the greater Portland Metro statistical area, approximately 30 miles north of Portland. It is a growing city that is increasingly serving as a bedroom community to Portland, Beaverton, and Hillsboro.

Population of St. Helens in 1980: 7,064

Population of St. Helens in 1990: 7,535                      Change is 6.7% or .67%/yr

Population of St. Helens in 2000: 10,019                      Change is 32.9% or avg. of 3.3%/yr

Population of St. Helens in 2007: 12,075                      Change is 20.5% or avg. of 2.93%/yr

- 1980 to 2007 change is 70.94% or 2.6% avg/yr
- 1990 to 2007 change is 60.25% or 3.5% avg/yr

Using Portland State Population Research Center October 2008 unofficial estimates the population estimate for 2030 is 17,842 and is based upon declining percentage growth rate.

Gross population estimate would be 17,842 in 2030 or about 48% more. 2,194 new dwelling units at 5,000 square feet each, equates to about 252 more acres developed which results in about 67 more new roads and sewer lines.

### Employment

Employment in St. Helens is broad-based, with significant employment in heavy industries such as Paper Mill, Veneer Mill, Plastics Facility, Hay Crushing, Ceiling Tiles, Stainless Steel Fabricator and Construction businesses. There is a major mental health facility, trucking business, storage business, small manufacturing, communications, farm equipment, several small banks, government, retail, wholesale, vehicle repair, railroad freight yard, boating, and tourist businesses. There is a small hospital planned for 2010, there is a small health clinic, several doctors and dentists and a new dialysis clinic/research lab (under construction). There is a Safeway and Wal-Mart located in town. There is a chemical plant just about 3 miles north of St. Helens.

By sector, total employment in St. Helens is shown in Table 1.

**TABLE 1: ST. HELENS EMPLOYMENT BY SECTOR (2008)**

Employment Sector (Industrial sectors highlighted)	Average Annual Employment	Number of Firms
Construction	101	47
Manufacturing	928	11
Wholesale Trade / Transportation/Utilities	11	7
<i>Industrial subtotal</i>	<i>1,040</i>	<i>65</i>
Retail Trade	563	85
Information	7	2
Financial Activities	142	22
Professional/Business Services	63	27
Private Education/Health Services	412	33
Leisure/Hospitality	424	88
Other Services	106	38
Government	805	9
<b>Total</b>	<b>3,562</b>	<b>349</b>

**Source: City of St. Helens Business Licenses**

Currently there are about 1034 acres zoned for industrial uses. About 300 acres are constrained by Goal 5 protected lands and about 430 are in use. There also is about 329 acres zoned for commercial uses with about half used for other uses such as residences.

In summary, St. Helens has experienced significant population growth over the past 17 years, largely due to its proximity to Portland Metro area. Strong population growth in Portland will likely sustain growth in St. Helens over the next 20 years. St. Helens has a diverse economy, with significant numbers of jobs in a broad range of employment categories, including over 1,000 industrial jobs and over 2500 government and commercial related jobs. With low to moderate unemployment rates and continued population growth, St. Helens should be prepared for continued employment growth in industrial, government and commercial job sectors.

## **Opportunities and Constraints**

St. Helens's physical, economic, demographic, and cultural characteristics set the framework within which businesses can establish themselves and grow. Depending on the industry, a certain characteristic can be both an opportunity and a constraint to job creation. An analysis of St. Helens's context can help narrow down the list of target businesses as well as identify where policies could be adjusted to help remove barriers to job creation.

### ***Physical and Social Attributes***

#### Location and Geography

St. Helens is located approximately 30 miles north of Portland between the west hills (up to 1000 feet above sea level) and the west bank of the Columbia River. The predominant use along the west hills is forest lands with occasional openings for communities such as Scappoose, Warren, St. Helens, and Columbia City. Forest resources and rock resources are the primary natural industries and those related to the Columbia River. The only other major activity is Highway 30 (Columbia River Highway) a State Highway connecting Portland area to Astoria and the ocean at the mouth of the Columbia River.

#### Transportation

St. Helens is split by the State Highway 30. St. Helens is 20 miles south of I-5 in Kelso, Washington (4 miles west of I-5 as the crow flies) and 25 miles north of I-5 in Portland and about 20 miles from State Highway 26 in Beaverton/Hillsboro. While warehousing and distribution users will likely locate closer to I-5, St. Helens provides excellent access for other industries. There are rail tracks from Portland to Astoria with a significant switching yard in the middle of St. Helens. There are rail spurs to several of the larger industrial zoned properties to the east of the tracks. Columbia River and Multnomah Channel are major waterways abutting an approximate 5 mile coast of along the City and its Urban Growth areas. Some of the water is 25 feet deep abutting the shoreline. Hwy 30 is a major business artery and two main roads lead to the old downtown and the government seats for the County and the City.

#### Utilities

The City has significant sewer and water capacity both in plant and conveyance in most of the industrial zoned areas to accommodate new businesses and their needs. Some properties are ready for easy connection to the utilities and some may require more development of infrastructure. In most cases roads front on available properties in the Industrial zone.

### Business Climate

St. Helens provides a positive business climate and has made it a policy to attract new and clean industrial businesses. St. Helens has an enterprise zone and is working on setting up an urban renewal district.

### Quality of Life

While difficult to measure quantitatively, the quality of life of a community can be a significant economic development tool. Good schools, low land prices, easy access to Portland area, good police and fire protection, quality retail, an historic downtown, and cultural amenities make St. Helens a desirable place to live. There is also a correlation between the location of a business and the proximity to the owner's home. Therefore, by being an attractive community for business owners to live in, St. Helens can attract jobs from employers who want to set up their business close to home. Attractive views for many, low congestion, boating and water activities provide excellent opportunities for executives as well as the working class. In interviews, St. Helens stakeholders consistently noted that the quality of life and its "small town" feel were attractors to businesses and business owners.

### Opportunities and Constraints Summary

St. Helens's quality of life, access to rail and water transportation modes, and location of being within 30 minutes of Portland and Beaverton, Oregon, and Longview, Washington make it an attractive location for industrial development. As more firms find it difficult to locate suitable parcels of industrial land in the Beaverton, Hillsboro, Longview and Portland metropolitan areas, secondary markets such as St. Helens that provide close access to major cities will be in greater demand. With a significant through traffic activity there are many opportunities to serve this segment of the population and within this region or area around St. Helens, there is a commercial market for the 30,000 persons living in South Columbia County.

### ***Target Industries***

The industries that St. Helens should target over the next 20 years should reflect a combination of the community's stated visions and goals, its current mix of employment, and the impact of its opportunities and constraints. From the issues described above, several industries emerge where St. Helens is well poised to see future growth:

- St. Helens has government agencies, legal professionals, and other agencies serving the government.
- St Helens has large resource related industry base using timber and other natural resources.
- St. Helens has large service industry with a large number of personal care businesses.
- St Helens has five banking institutions.
- St Helens has over 36 food related businesses.
- St Helens has two large and three small food stores and a WalMart. With an active house building industry the demand for construction related businesses remains strong. The City has over 50 construction related businesses.

### Industrial

Light manufacturing shops can thrive in small communities such as St. Helens. The small size of such businesses (5-20 employees) means that transportation impacts (and needs) are small. Likewise, with fewer jobs, a business is more likely to meet its skilled labor needs within the community (as opposed to finding a labor shortage). Finally, smaller manufacturers are likely to emerge from entrepreneurs who are attracted by St. Helens's quality of life. Light manufacturers could include furniture makers, metal fabricators, and specialty technology businesses. Currently, the City is recruiting light industrial employers to the St. Helens Business Park. The City has over 10 businesses that have between 5 and 20 employees.

Large manufacturing facility: The State of Oregon has a noted shortage of shovel-ready industrial land, which has inhibited the State's ability to attract employers. By making one or more large parcels available for development, St. Helens could potentially attract such a user. Currently, the Oregon Economic and Community Development Department is fielding multiple business leads from out-of-state entities that seek large sites. Many of these requests seek sites with attributes that St. Helens could provide, such as access to railroads, proximity to highways, proximity to agricultural lands, and even access to a rural airstrip. The City has five major manufacturing employers with 40 or more employees each.

### Commercial

The City needs goods and services for the businesses and residents. While the City has many businesses to provide goods and services, it is deficient in many businesses that can only be found in Portland, Beaverton, and Longview areas nearby where many residents already work. Available land is part of the issue in providing for the goods and services needed. The City has one or two large commercial sites, a couple medium

size sites and several small sites available for use.

### Government

The City is the county seat for the County and has many sites for county use such as a jail, road department, animal shelter, courthouse, administrative services, public health and such. The City has several sites also such as the police station, public works, parks, library and City Hall. The Fire District has three sites, 911 Emergency Communications has one site and OSU Extension has another. The School District has an administration site, high school, middle school, and two elementary schools in St. Helens.

### ***Employment Growth***

The growth of industrial jobs in St. Helens is a direct indicator of the industrial land needs. A common methodology for calculating the employment growth of particular sectors in a community is to identify the ratio of jobs per capita in the community and to apply that ratio to the future population projection. This is the approach used in this EOA.

In 2004, St. Helens had 687 industrial jobs, as shown in Table 2.

**TABLE 2: INDUSTRIAL EMPLOYMENT PER CAPITA IN ST. HELENS, 2004**

<b>Industrial Category</b>	<b>Jobs</b>
Construction & Mining	86
Manufacturing	512
Transportation, Com. & Utilities (incl. wholesale)	89
<b>All Industrial Jobs</b>	<b>687</b>
Population (2004)	8,060
Industrial jobs per capita	0.0852

In 2008, St. Helens has about 1,050 industrial jobs with a population of 12,075 and per capita of .0869 or about a 2% increase over the population growth rate.

St. Helens, therefore, closely mirrors the region in terms of the share of employment that is in industrial categories (0.0852 vs. 0.0869 industrial jobs per capita). If St. Helens maintains this parity with the region into the future, industrial job growth in St.

Helens would grow by 2030 by 517 jobs as shown in Table 3.

**TABLE 3: INDUSTRIAL EMPLOYMENT GROWTH IN ST. HELENS, 2004-2026**

Calculation	Result
St. Helens Population, 2030	17,842
X St. Helens Average Ind. Jobs Per Capita	0.0869
= St. Helens Industrial Jobs, 2030	1,550
<b>less</b> Current Industrial Jobs in St. Helens	1,050
= Net New Ind. Jobs in St. Helens, 2030	500

***Land Demand Analysis***

Combining the employment growth described earlier with the average employment density for industrial jobs, we can calculate the number of acres that will be needed to accommodate the new jobs. Since the types of future industrial employers in St. Helens will likely be similar to those that exist today, the industrial employment density found today has been used. As described in earlier sections, in 2008 St. Helens had 1,050 industrial jobs, which were spread across 500 acres of developed industrial land. Therefore, the current industrial employment density is 2.0 jobs per net acre. The recommended density per the DLCD Guidebook (2005) is 7 to 12 based upon type of industrial classification. Using the current ratio the number of net new acres of industrial land required in 2030 would be about 290 acres or if using the DLCD standard it would be 51 for 10 jobs per acre averages.

**TABLE 4: LAND DEMAND ANALYSIS**

Calculation	Result 1	Result 2
Total New Jobs, 2028	510	510
Job density	2.0	10.0
<b>Net acres needed</b>	<b>255</b>	<b>51</b>

**Note:** Based upon current job density in St. Helens in 2008.

## ***Site Requirements***

With the exception of large manufacturers, most future industrial employment growth in St. Helens will take place in small businesses. Smaller industrial businesses typically locate in business parks or “flex” buildings, which can be utilized for a variety of uses ranging from light manufacturing, repair, food processing, showrooms, and even limited office. Thus, St. Helens must provide industrial land that allows for a variety of potential configurations to cater to varying needs.

St. Helens’s existing industrial park is a good example of how flexibility can be gained on a large scale, where medium-sized parcels can be made available to users on a build-to-suit basis. Very small users and startup companies often do not have the capital or desire to build their own buildings and instead seek out existing leasable space. These flex buildings can include anywhere from two to ten or more individual businesses. This flexibility allows a tenant to perform a wide variety of activities and it allows the landlord the ability to subdivide a larger building into a range of spaces depending on tenant needs.

Typically, multi-tenant flex buildings have anywhere from two to 20 tenants, depending on the amount of space that each tenant requires. Given the small size of the St. Helens market area, parcels should be tailored to allow for smaller buildings. Most tenants have space needs of between 5,000 and 15,000 square feet. Thus, the market will predominantly be in smaller parcels of less than five acres that can accommodate a flex building of multiple users or a build-to-suit building for a larger single user. Some additional medium-sized parcels of five to ten acres should be provided for potentially larger developments.

The second category of site types is large manufacturing. As discussed earlier, the State believes it has a severe shortage of large industrial sites. Some new job growth in St. Helens could come from larger manufacturers (e.g., manufactured homes, lumber mills, paper mills) that choose to locate here because St. Helens makes such a site available. Sites for these users typically have different requirements from those for flex buildings such as needing access to rail or water transportation facilities and needing larger buffer areas and usually need around 100 acres or so. Therefore, the large sites stand in their own category, since the minimum size is several times as large as that for the smaller sites that will meet the bulk of St. Helens’s demand. A summary of the site requirements of both flex and large manufacturing buildings is shown in Table 5.

**TABLE 5: SITE CHARACTERISTICS OF FLEX AND LARGE MANUFACTURING BUILDINGS**

Characteristic	Flex Building	Large Manufacturing
Building Size	6,000 to 20,000 s.f.	100,000 to 1,000,000 s.f.
Building Configuration	60 - 100 ft. deep, up to 200 ft. long, 1 or more buildings per site	Variable. Build to suit for user needs.
Parcel Size	0.5 to 5.0 acres	100+ acres
Parcel Configuration	200 to 300 feet deep	500+ feet deep
Typical FAR	0.25 - 0.40	0.30 - 0.40
Parking	1 - 2 spaces per 1,000 s.f. of building	1 space per employee on the largest shift
Employment Density	~ 2 per acre	~2 jobs per acre
Access	Direct access preferred, not essential	Direct access to highway or truck route required

In addition to the site configurations of flex and manufacturing buildings, all industrial development in St. Helens should address the following site considerations:

- **Access:** Locate on or near a truck route to provide quick access and in the case of larger firms location near rail or water facilities can be vital.
- **Aggregation:** Locate industrial parcels near each other.

### Industrial Land Inventory

As shown in Table 6, the total available inventory of vacant industrial land, excluding constrained property, is 306 acres. Constrained land is considered any property with a slope greater than 15 percent (which is not the case for any industrially zoned land in St. Helens); those with Goal 5 resources as identified by the Division of State Lands (DSL), and properties with shape, configuration, or other access problems.

There is currently no mitigation plan in place for the wetlands that cross numerous parcels. These sites are unlikely to be developed in the short term since a full mitigation plan would be required prior to developing the property and the extent of the wetlands constraints is not fully known today. For reference, parcels will be identified in this report using the reference numbers on each tax lot.

**TABLE 6: SUMMARY OF CONSTRAINTS AND AVAILABLE ACRES ON VACANT INDUSTRIAL LAND IN ST. HELENS UGB**

Gross Vacant Acreage	Wetlands Constraints	Other Constraints	Net Vacant Acreage
326	20	0	306

This inventory is further broken down by parcel size. Where under single ownership and contiguous, these parcels have been combined to create a single large parcel. In all cases, available acreage has been reduced by any environmental constraints.

**TABLE 7: UNCONSTRAINED VACANT INDUSTRIAL LAND INVENTORY BY PARCEL SIZE**

Size	Number of Parcels	Parcel ID	Total Acres
< 2.0 acres	2	4154403700	3.3
		4192100700	
2.0 - 10.0 acres	22		140.2
10.0 acres or greater	9		162.1

<b>Total</b>	<b>33</b>	<b>305.6</b>
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\*Unconstrained portion

Of the 9 parcels over 10 acres one is 22 acres and the other two are just over 30 acres each.

Boise Cascade owns several contiguous parcels of land with one site in Light Industrial zone and having only a small recreational club building on it and some underutilized parking areas. It is ready for industrial use with water, sewer, and transportation readily available and is about 8 acres in size. Another Boise site is northeast of the main plant and is about 33 acres in size with about 2.5 acres of wetland on it. Water, sewer and transportation are available to it. It is currently zoned Heavy Industrial and is being used for ball fields. The last Boise site is west of the plant at about 30 acres and is also zoned Heavy Industrial with water, sewer, and transportation available to it.

Armstrong owns a site on the east side of Old Portland Road and south of Gable Road. The site is wooded with about 22 acres available and water, sewer and transportation available to it. This site is zoned Heavy Industrial.

The Port of St. Helens owns 43 acres of land southeast of Old Portland Road and east of Railroad Avenue. Sewer is next to it, water is nearby and roads would have to be developed. There are areas of rock and small wetlands on the site. This site is zoned Heavy Industrial.

The Port also owns a 36 acre site next to Scappoose Bay and at the end of Railroad Avenue with no sewer to the site, some transportation issues and at least a Brownfield designation (not determined yet by DEQ). This site is also Heavy Industrial zone.

Across and southeast of Letica Industries, abutting Old Portland Road the Port owns a site of 17+ acres, also zoned Heavy Industrial.

Along the east side of the railroad and about 1,000 feet north of Millard Road the Port owns three parcels that are "shovel ready" for development in a Heavy Industrial zone. The sizes are 2, 19, and 22 acres.

Between Old Portland Road and Industrial Way Letica owns one site with their plant on it and which is utilized at less than 50% of the 21 acre area and next to their plant they own another site that is fully vacant and with water, sewer and transportation available. The site is about 17 acres in size and is zoned Heavy Industrial.

There are three medium size sites along Gable Road between Highway 30 and Railroad Avenue with 10, 6, and 5.5 acres. There are issues for sewer but water and transportation are available. These sites are zoned Light Industrial.

Boise Veneer had a plant on a site just south of the downtown commercial area and just east of a fully developed residential area on a bluff overlooking it. The site abuts Columbia River and is zoned Heavy Industrial. Less than 30% of the 22 acres is utilized for the plant and storage area. The land has a long history for industrial uses as a saw mill site and dock activities. Future expansion would have significant pressures from nearby residential and commercial users for buffering and screening and controls on types of uses. There is sewer, water and some transportation available to this site.

Stimson Lumber owns a 7 acre site along Highway 30 on the west side at Deer Island Road. The site is surrounded on two sides by residential uses up to their property lines and future uses would have significant reaction from neighbors. Two sides of the site are streets and offer minimal concerns. Water, sewer and transportation are available to this site.

There are several small sites on the west side of Highway 30 north of Pittsburg Road which are underutilized for industrial uses and could be available in the future. Water, sewer and transportation are easily available. The sites are 3 to 5 acres in size in the Light Industrial area and 15 acres for the Knife Rivers scale station and work area for their quarry. Lawrence Oil has a site is about 5 acres for fuel storage and gas station.

### ***Market Choice***

In addition to having an adequate amount of vacant industrial acreage, to be economically sustainable, a community must also have a choice of lots in a variety of sizes and locations in order to keep land prices competitive and provide a prospective business a choice of options. It appears that St. Helens has sufficient parcels and acreage to accommodate most new development for many years to come.

As discussed in the previous section, St. Helens's largest opportunity for industrial growth is in small businesses that typically operate in multi-tenant flex buildings. These buildings, particularly in a smaller city such as St. Helens, typically require sites of 2.0 acres or less, although some can be larger. St. Helens's inventory of sites includes over 33 sites that meet this criterion. At any given time, the vacant land supply should be two to five times the immediate demand in order to provide this market choice. Thus, even if the market demand for small lots in St. Helens were one parcel, there should be a choice of two to five parcels.

In addition to providing sites for small businesses, St. Helens should also make available larger sites to allow for existing businesses to expand or for a large user from outside the area to consider St. Helens when choosing a location. In this category the City has 9 over 10 acres in size with one over 20 and two over 30 acres. This does not include the two underutilized parcels over 20 acres in size.

## **Industrial Land Needs**

St. Helens’s future industrial land needs can be calculated by deducting current supply from the future industrial land need. This net industrial land need can then be categorized into a range of parcel sizes to assist planners.

In addition to the baseline growth projected earlier, St. Helens can aspire to attract a large user with more significant land needs. Indeed, Boise Veneer plant uses about 15 acres with over 50 employees, Letica plastics plant with over 80 employees uses about 12 acres and Pacific Steel Products with over 80 employees only uses about 3.5 acres. Thus St. Helens has at least 9 parcels for these types of medium sized plants. Boise Paper Mill occupies nearly 250 acres with about 140 in use for buildings, parking and treatment pond.

As can be seen in Table 12, St. Helens will not require any additional acres of industrial land to meet both its 20-year industrial employment forecast and its desire to attract a large industrial user. The City has enough land for 62 small businesses on lots less than 2 acres and enough land for 16 parcels of 10 acres in size or about six parcels of 20 acres or three at 30 acres.

Currently there are five industries with over 40 employees each and one jail with about 65 employees. The rest of the industrial businesses are 2 to 20 employees in size.

Recommended parcels to consider changing are the Boise Veneer site of 22 acres. The basis for this change would be that the proximity of the site to residential and commercial sites would make any future development, expansion or updates controversial at the least and probably difficult due to “not in my back yard” issues and due to regulatory requirements in existing land use codes for setbacks and buffers from residential zones and uses.

The same issue exists with the Stimson site of 7 acres which directly abuts residential zones and uses on two sides.

**TABLE 8: NET INDUSTRIAL LAND DEMAND**

	Small Businesses (Acres)	Large Mfg. Sites (Acres)	Total
20-year demand (Table 8)	<10	>10	
Ratio 1	240	50	290
Ratio 2	28	30	58
Current vacant land	144	162	306

<b>Net Acres Needed Ratio 1</b>	<b>96</b>	<b>(112)</b>	<b>(16)</b>
<b>Ratio 2</b>	<b>(116)</b>	<b>(132)</b>	<b>(248)</b>
<b>Gross Land Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: Based upon trends and not upon a demand analysis or opinion poll.

Broken out by parcel size, the 20-year net industrial land needs are shown in Table 13. The breakdown of parcel sizes reflects the need to provide predominantly small and medium-sized parcels that are suitable for flex buildings.

**TABLE 9: 20-YEAR NET LAND DEMAND BY PARCEL SIZE**

Size Range	Number of Parcels	Total Acres	Current Parcels	Current Acreage	Add Acre Needed Ratio 1	Add Acre Ratio 2
< 2.0 acres	170	240	3	5	235	23
2.0 - 5.0 acres	0	0	15	36	(36)	(36)
5.0 acres or greater	0	0	14	195	(195)	(195)
20 acre site for large user	2	50	5	132	(82)	(112)
<b>Total</b>	<b>172</b>	<b>290</b>	<b>33</b>	<b>368*</b>	<b>(78)</b>	<b>(310)</b>

\* Excludes 20 acres of wetlands.

In conclusion, St. Helens's short-term industrial land needs are satisfied and given the current supply of vacant sites, there does not appear to be a need to add parcels or land to the Industrial zone inventory.

**Location Considerations**

St. Helens's has about 33 parcels of land in the industrial zoned areas within the Urban Growth Boundary. There are two distinct areas: a smaller area in the north area; and most of the land zoned industrial in the south portion of the City on the east side of Hwy 30. No plan is currently under consideration for expansion of Industrial zones. To the

south on the east side of Hwy 30 is the most likely candidate for any future expansion as there are several larger residential zoned tracts of land that are underutilized.

### ***Policy Recommendations***

Coupled with the underutilized lands with current uses and, St. Helens should pursue the following actions to further support industrial business development.

- **UGB Expansion:** There is no apparent need for the next few years to consider expansion for industrial lands needs.
- **Marketing:** To attract businesses from outside the city and to encourage existing businesses to expand locally, St. Helens should implement a business marketing and retention program that advertises the benefits of doing business in the community and the overall attractiveness of locating there. Enterprise zone and Urban Renewal District benefits should be made know to all seeking information about development opportunities in the St. Helens area.
- **Infrastructure Investments:** St. Helens has sufficient plant capacity for sewer and water for most possible users. There are some areas where the service lines have not been extended and some delays may be expected for extension to individual sites. Studies have been completed to show what the needs are and how to meet them but none so far should delay any new businesses.
- **Industrial Zoning Preservation:** Comprehensive plan and zoning plan policies should protect vacant industrial property from being used for non-industrial uses where the land fits the surroundings and supported by the proper infrastructure.
- **Development Expediting:** Industrial users, more so than for many other development types, make location decisions with time frames from site selection to opening as short as six months. Therefore, being able to quickly respond to opportunities and speed up the development process can increase St. Helens's chances of attracting industrial companies. A package of expedited permitting, fee waivers, or other incentives should be considered.

### **Other Employment**

Government jobs will increase with population and about half will be located in commercial zones and half in public land zones. If the number of persons that are anticipated to be employed in government jobs is 23% of the eligible population for employment in 2030, then that number should be 1229 persons and half of those will be in commercial lands thus using the ratio of 8.29 jobs per acre for commercial and government jobs, the land needed in 2030 for government jobs will be 74 acres. For commercial jobs the number is 48% of the employable persons or 2,565 jobs in 2030 and at 8.29 jobs per acre the land would be 238 acres. Total acres needed in 2030 for commercial and half of the government jobs will be 312 acres. The current inventory of

useable commercial lands is 302 acres with about 96 acres available for uses. The City has a shortage of commercial zoned lands for the projections and thus in the future the City will need about at least 10 more acres than is currently zoned for commercial uses or reasonably available.

## **Conclusion**

St. Helens is growing at a pace in excess of most areas in the metro area. Its proximity to Portland as well as the natural amenities of the Columbia River and hills to the west and low land costs have spurred growth over the last 15 years and should for another 15 - 20 years. Drawing on this track record, the City has committed to making St. Helens a strong place for industrial employment that provides a diversity of job types for St. Helens residents and an attractive locale for businesses.

This EOA demonstrates that St. Helens should have no shortage of industrial land today or over the next 20 years. Projections of future employment and industry demand indicate that St. Helens has a surplus of industrial zoned lands and parcels of at least 78 acres under the most conservative analysis and under the guidelines per DLCE Guidebook (2005) the surplus could be as high as 255 acres.

There is a surplus of industrial lands and a shortage of commercial lands, thus consideration should be given to bolster commercial lands where it makes sense and reduce industrial lands where it accommodates commercial growth.

The same study shows a shortage of commercial lands of around 10 acres based upon population growth and ratios for commercial employment needs and jobs per acre.

St. Helens should implement a comprehensive economic development strategy that further strengthens its opportunity to capture industrial employment through marketing, infrastructure improvements, removing environmental barriers, and development expediting. As well the City should adjust its zoning to transfer some industrial lands to commercial lands to meet the 20 year needs for more commercial lands.