



Location: City Hall – Council Chambers
Date: May 26, 2026
Time: 6:00 PM

City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison, Shane Howard, Jerry Brummer, Scott Smith, Marv Sumner and City Manager Steve Forrester

<https://us02web.zoom.us/j/86597652590>

Call to Order

Flag Salute

Additions to Agenda

Consent Agenda

1. Regular Meeting Brief 5-12-2026

Visitors, Appearances, and Requests Limited to Three (3) Minutes Per Person

Council Presentations

Council Business

2. Legislative Amendments to Chapters 2 & 5 of the Comprehensive Plan and Economic Opportunity Analysis (**CONTINUED PUBLIC HEARING FROM 4/28/2026**)
3. Central Oregon Processing - Hemp Processing Nuisance Mitigation Update - Jered Reid

Staff Reports and Requests

4. City Manager's Report - Steve Forrester

Council Reports

Ordinances

Resolutions

Visitors, Appearances, and Requests Limited to Three (3) Minutes Per Person

Adjourn

Agenda items may be added or removed as necessary after publication deadline

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CITY OF PRINEVILLE
Regular Meeting Brief
387 NE Third Street – Prineville, OR 97754
541.447.5627 ph 541-447-5628 fax

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City Council Meeting Brief
May 12th, 2026

Council Members Present:

Scott Smith
Marv Sumner
Steve Uffelman
Shane Howard

Jerry Brummer
Janet Hutchison

Council Members Absent

Jason Beebe

Additions to the Agenda

None.

Consent Agenda

1. Regular Meeting Brief 4-28-2026
2. El Corral Change in Ownership Liquor License

Councilor Smith made a motion to approve the consent agenda as presented. Motion seconded. No discussion on the motion. Motion carried.

Visitors, Appearances, and Requests

Dan Glenn, Short Lane - Crook County, wants to know what the city plans to do about all of the homelessness downtown. He doesn't want to see Prineville turn into an Oakland or San Francisco, or Portland. He has seen it escalate over the last couple of months. Is there a plan so we don't have that happen? It hurts businesses, and the two ladies in his house will not shop anywhere they think there is a homelessness problem. Would like to see Prineville stay the beautiful town it is.

Gwen Carr, Crook County Foundation, wanted to publicly acknowledge the support from the staff and the city for assistance with their leadership program.

Patti Norris, Crook County Foundation, provided background information on the leadership program and really appreciates the support from the staff.

No one else came forward. No one online raised a hand.

Council Presentations

None.

Council Business:

3. Middle Income Revolving Loan (MIRL) (PUBLIC HEARING) – Josh Smith

Council President Uffelman read the public hearing script into the record.

Council President Uffelman opened the public hearing portion of the meeting.

Josh Smith, Planning Director, went through a PowerPoint presentation stating that this is a very new state program. There have been some legislative fixes to improve the program.

Councilor Smith asked how we could ensure that the housing would be affordable. Mr. Smith explained that the 120% AMI is the key. Councilor Smith asked about the performance of the developers, and Mr. Smith explained that the city is responsible for the monitoring of the program. Councilor Smith asked what happens if the developer decides the program isn't working for him and talked about foreclosure. Mr. Smith said those are all good questions.

Jason Maki, Oregon Housing Community Services (OHCS), responded that there are partners around the state that could assist in making sure the AMI remains compliant, but ultimately, responsibility is on the city. The program has standards in terms of non-compliance, and what the city can do under those circumstances.

Mr. Smith asked about defaults and whether that would affect the city's credit rating. Mr. Maki said that he could look into that. It is an option for the city to add additional requirements or higher levels of standards.

Councilor Smith added that without the city having its own building department, it would be harder to enforce measures on the development. Mr. Smith explained that our relationship with the Crook County Building Department is much tighter now.

There is \$10M set aside for rural communities, and if rural communities don't use it, it goes back into the pot. There was initially \$75M put towards the program, but it has since been reduced to \$55M, with \$10M set aside for rural communities to use.

Steve Forrester, City Manager, said that the state isn't underwriting these loans, and the state isn't covering the loans if the developer defaults, and these are questions we need to address.

Councilor Brummer asked where the AMI figures on income came from. Mr. Smith stated that they come from the state. If the buyer initially qualified for the 120% AMI at the time of purchase in this development, they wouldn't be kicked out of the home if they ended up earning more at some point.

Mr. Smith continued through the PowerPoint regarding the financing of the program, and how the city would receive a 5% administration fee, a portion of which would likely go to a partner that helps administer the program by vetting the qualifications of the purchaser/renter. We could do policies and work out the finer details after adopting the ordinance.

Mr. Smith went through the implementation process.

Mr. Smith referred to the draft policy and explained that this is where the standards could be addressed in the event of a developer default. There will be deed restrictions for the sale of these properties, though renting would be different than the sale of the property.

Mr. Smith talked about the draft City of Prineville program and added that at the last Council meeting, we talked about limiting the types of development. These are the kinds of things that we would write into the program.

There were two letters submitted as written comments for the public hearing. One from Housing Works and one from the County, which have been handed out to the Council.

Mr. Smith explained that no one has used this program before, and discussions continued regarding the differences between an Urban Renewal program and this one.

Councilor Sumner expressed concerns about the amount of money available statewide, and the scale, and who else is trying the program. Mr. Smith only knows of two other entities that are attempting to do it. As mentioned earlier, funding has already been reduced, and it doesn't go far. We could either be one of the first or pump the brakes and see how it works for others.

Mr. Maki provided some additional information on other communities that are adopting ordinances. The ordinance is just the first step to demonstrate an interest in participating in the program. There are many other steps needed before a developer can actually come in and get the loan under this program.

Councilor Sumner asked about who is monitoring the AMI. Mr. Smith stated how the program works and that it is just a loan to the developer and not the buyer, who still has to get their own home loan. Discussions continued regarding AMI and the 120% level.

Councilor Hutchison talked about the \$10M available for rural, and the other agencies that are adopting the ordinances that are rural communities. Mr. Maki explained that the rural funds are set aside, and bigger communities can't access that \$10M, but the \$55M is statewide, and rural communities can still access.

Mr. Glenn asked what an AMI is. Mr. Smith said the AMI is Area Median Income and explained how it is calculated. The AMI is determined by the state.

Julie Thompson, Crook County resident, asked if the city decides to do this, does the county have to do it? Mr. Smith said that the county has to enter into an agreement with the state.

Mr. Glenn said that he has been in the development business for over 10 years, and he doesn't understand one bit about this program.

Councilor Hutchison asked about surety bonds for the developer. Mr. Smith explained how surety bonds work and that the city requires bonds for developers.

Mr. Forrester explained that if you require surety bonds, it will drive up the development prices since they are very, very expensive.

No one else came forward. No one online raised their hand.

Council President Uffelman asked if the Council wanted to close the public hearing portion of the meeting.

Councilor Smith made a motion to close the MIRL public hearing. Motion seconded. Councilor Howard asked if this means we go straight to an ordinance. Mr. Smith explained that we can either close the public hearing or keep it open. Councilor Howard said it is disappointing that more people did not give input. All in favor, motion carried.

Council President Uffelman closed the public hearing portion of the meeting.

Council President Uffelman asked the Council if they wanted staff to move forward with developing further.

Councilor Howard would like to see it limited to single-family homes, which would open up the rental market, and would also like to see them owner-occupied.

Mr. Forrester said we could have a workshop to discuss those details. This is just the first step, and those other items can be addressed.

The Council agreed that staff can continue to look at this program.

Councilor Hutchison added that she wants more affordable housing as well, since this proposed program doesn't cover this.

Staff Reports and Requests:

4. City Manager's Report – Steve Forrester

Mr. Forrester went through his report, highlighting recent activity in all departments, adding that a conditional offer has been made to a lateral officer.

There were no questions.

5. Quarterly Financial Report – Lori Hooper Antram

Lori Hooper Antram, Finance Director, went through a PowerPoint presentation highlighting the status of all city and enterprise funds, along with trends and comparisons in each.

There were no questions.

Council Reports

Council President Uffelman said that they are having an observatory event at Barnes Butte Recreation Area, and all the telescopes will be out. It will begin at 8:45 P.M. this Friday and Saturday, unless it is raining or cloudy.

Ordinances:

None.

Resolutions:

None.

Visitors, Appearances, and Requests:

No one came forward, and no one online raised a hand.

Adjourn

Councilor Howard made a motion to adjourn the meeting. Motion seconded. No discussion on the motion. All in favor, motion carried.

Meeting adjourned at 7:15 P.M.

Motions and Outcomes:

Motion:	Outcome	Beebe	Brummer	Howard	Hutchison	Smith	Sumner	Uffelman
Consent Agenda as Presented	PASSED	-	Y	Y	-	Y	Y	Y
Motion to close the MIRL public hearing	PASSED	-	Y	Y	Y	Y	Y	Y
Adjourn Meeting	PASSED	-	Y	Y	Y	Y	Y	Y

Public Records Disclosure

Under the Oregon public records law, all meeting information, agenda packets, ordinances, resolutions, audio, and meeting briefs are available at the following URL:

<https://www.cityofprineville.com/meetings>.

May 21, 2026

Via email

Mayor Jason Beebe and City Councilmembers
City of Prineville
387 NE Third Street
Prineville, Oregon 97754

RE: AM-2025-104 - Response to Comments on Legislative Amendments to Comprehensive Plan Chapters 2 and 5 and Adoption of the 2026 Economic Opportunities Analysis

Dear Mayor Beebe and Members of the City Council,

This letter responds to the April 28, 2026 comments submitted by Central Oregon LandWatch (COLW) concerning AM-2025-104. The comments are part of the legislative record and raise several points that warrant clarification. This response is submitted for inclusion in the public record and generally follows the organization of the COLW comments. It addresses the issues raised, notes where the City has provided additional materials or clarification or otherwise resolved the issue raised, and explains why the remaining comments do not require denial or delay of the pending Comprehensive Plan amendments or adoption of the Economic Opportunities Analysis.

The matter before the City Council is a legislative proposal to amend Comprehensive Plan Chapter 2, Urban Land Use and Zoning Designations, amend Comprehensive Plan Chapter 5, Economy, and adopt the updated City of Prineville Economic Opportunities Analysis (“EOA” or “Proposed EOA”).

The staff report describes the proposal as legislative amendments to the Comprehensive Plan, consisting of updates to Chapters 2 and 5 and adoption of the EOA. (Staff Report, p. 1.) The staff report also explains that the current adopted EOA is based on 2002 data, that the current Comprehensive Plan Chapters 2 and 5 have not been updated since the City’s Comprehensive Plan was first adopted and acknowledged in 2007; and the City is required to adopt a new EOA because the City’s adopted EOA is now outside the 20-year planning horizon. (Staff Report, p. 1.)

The City Council initially authorized work on both an EOA and the pursuit of an urban growth boundary (“UGB”) expansion. The UGB expansion component has been withdrawn and is no longer before the City. At the Council’s direction, the only

materials now presented for adoption are the proposed updated EOA and the related Comprehensive Plan text amendments. (Staff Report, p. 1.) The pending proposal does not expand the UGB, identify land for future inclusion in a future UGB amendment, amend the Comprehensive Plan Map, approve any site-specific development, or authorize any waste or process discharge.

The current proposal updates the Comprehensive Plan text in Chapter 2, Urban Land Uses and Zoning Designations, which contains the City's land use, zoning, and UGB goals and policies. It also amends Chapter 5, Economy, which sets out the City's goals and policies relating to its economic priorities, including by incorporating the City's proposed updated EOA into the City's Comprehensive Plan. (Proposed Chapter 5, p. 3.)

Updates to the Comprehensive Plan are required to comply with applicable Statewide Planning Goals. Goal 9, for example, requires "Comprehensive plans for urban areas shall * * *[p]rovide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies." OAR 660-015-0000(9)(3). Comprehensive plans must also include "an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends," and "contain policies concerning the economic opportunities in the community." OAR 660-015-0000(9)(2).

Maintaining comprehensive plans that are based upon current data - here economic data - is a fundamental role of comprehensive planning. In this regard, Oregon's land use program is built on the premise that local land use decisions must be made under an acknowledged comprehensive plan, and that the plan must rest on an adequate factual base. Goal 2 states that the purpose of land use planning is to establish a planning process and policy framework "as a basis for all decisions and actions related to use of land" and to "assure an adequate factual base" for those decisions and actions. Goal 2 further requires land use plans to include issues and problems, inventories, factual information for each applicable statewide planning goal, evaluation of alternatives, and ultimate policy choices. Goal 2 also expressly contemplates ongoing plan maintenance. It provides that land use plans and implementing ordinances "shall be reviewed and, as needed, revised on a periodic cycle to take into account changing public policies and circumstances[.]" OAR 660-015-0000(2). For Goal 9 in particular, state law makes current planning information central. OAR 660-009-0015 requires cities and counties to "review and, as necessary, amend their comprehensive plans" to provide economic opportunities analyses. Those analyses compare employment-land demand to existing supply, identify expected employment uses based on national, state, regional, county, or local trends, and require comprehensive plans for areas within UGBs to include an inventory of vacant and developed industrial and other

employment lands. DLCD’s website describes Goal 9 similarly: comprehensive plans must provide opportunities for economic development by anticipating land needs for industrial, commercial, and other economic activities, using EOAs based on 20-year forecasts of population growth, job growth, and economic trends.

Cities are required to rely upon the data contained in their comprehensive plan in their land use decision-making; they may not substitute extra plan data for the data contained in their acknowledged plan and similarly may not disregard the data contained in their acknowledged comprehensive plan. The Court of Appeals explained in *1000 Friends of Oregon v. City of Dundee*, 203 Or App 207, 216, 124 P3d 1249, 1254 (2005), “The comprehensive plan is the fundamental document that governs land use planning. Citizens must be able to rely on the fact that the acknowledged comprehensive plan and information integrated in that plan will serve as the basis for land use decisions, rather than running the risk of being ‘sandbagged’ by government’s reliance on new data that is inconsistent with the information on which the comprehensive plan was based.” In *D.S. Parklane Development, Inc. v. Metro*, 165 Or App 1, 22, 994 P2d 1205 (2000), the court decided similarly. The *Lengkeek v. City of Tangent*, line of cases is useful to illustrate the importance of maintaining accurate data in city comprehensive plans for land use decision-making.

LUBA held that where a city’s buildable lands inventory was not structured so it could be updated and relied upon outside the comprehensive plan, the city erred by relying on an updated buildable lands inventory (BLI) to enlarge its UGB without first adopting the updated BLI into the comprehensive plan. *Lengkeek v. City of Tangent*, 54 Or LUBA 160 (2007). LUBA also held that extrapolating from a BLI based on assumptions not contained in the comprehensive plan is incompatible with Goal 2’s requirement that decisions be based on the comprehensive plan. *Lengkeek v. City of Tangent*, 52 Or LUBA 509 (2006). LUBA also decided that when the comprehensive-plan’s BLI for residential land was outdated and current inventory evidence was submitted in its place, that Goal 1, Goal 2, and Goal 10 required the comprehensive plan to be amended to incorporate that inventory before its use in planning decisions. *Lengkeek v. City of Tangent*, 50 Or LUBA 367 (2005). Plainly, the City’s Comprehensive Plan must be current and incorporated into the plan in order to provide a reliable factual base for land use decision-making. That is the point of the City’s EOA and related plan text amendments effort here.

1. COLW Process Concerns

COLW’s process concerns have been substantially addressed. While not required to do so, the City added the redlines of the proposed amendments to Comprehensive Plan Chapters 2 and 5, to the record of the proposal. The redlines, proposed amended chapters, complete EOA, and more than 3,500 pages of

supporting documents are available for public review on the City’s website.¹ Those materials are posted with the April 28, 2026 City Council hearing materials for this proposal and are a part of the record for this proceeding, having been placed before the City Council: <https://www.cityofprineville.com/citycouncil/page/city-council-meeting-394>.

COLW requested additional explanation of why the amendments are needed. This is explained in the staff report. The proposed amendments are being pursued by the City because the existing acknowledged text is out of date. As the staff report explains, the City’s first Comprehensive Plan was adopted and acknowledged in 2007, and an EOA based on 2002 data was the basis for current Plan Chapters 2 and 5, and those chapters have not been updated since. (Staff Report, p. 1.) The existing Chapter 5 contains extensive economic analysis and land-need findings tied to the prior Benkendorf/Goal 9 work, which is significantly outdated. That material includes 2000-2006 economic data, 2005-2025 industrial land absorption assumptions, references to the 2004 UGB expansion, older industrial land prices, older target industry lists, and old commercial and industrial land inventory conclusions. (Current Chapter 5, pp. 62-91.) The City’s prior economic analysis and land inventory, titled “Goal 9 Economic Element” and referred to as the “Benkendorf Report,” likewise contains outdated, historical economic trends, site requirements, land inventories, employment forecasts, community economic profile, SWOT analysis, target industries, conclusions, and policies that formed the basis for the acknowledged economic element of the current adopted Comprehensive Plan. (2003 Goal 9 Economic Element, pp. 5-7, 16-17, 22, 31-45.)

Proposed Chapter 5 addresses the age and limited utility of the existing economic analysis by replacing the old acknowledged economic analysis with updated policy text and by adopting the updated proposed EOA as part of the Comprehensive Plan. Proposed Chapter 5 explains that the City conducted an EOA that includes within it an updated Buildable Lands Inventory, that the complete analysis was prepared by ECONorthwest in conjunction with 3J Consulting, and that the updated EOA’s “full analysis is adopted by reference and considered a part of this chapter.” (Proposed Chapter 5, p. 3.) The proposed amendments to Chapters 2 and 5 replace text that was based on the outdated EOA and policies that predated the industry growth and changes described by the new, updated EOA. Proposed Chapter 5 includes the proposed EOA executive summary and updated economic policies. (Proposed Chapter 5, pp. 3-9.)

COLW’s concern that current Chapter 2, Goal 4 (“Establish appropriate land use regulations to support a sustainable community”) and Goal 5 (“Establish growth management tools and other strategies to pace land development with the ability to

¹ The supporting documents can also be reviewed at the City Planning Department upon request.

provide the required services within the community”) have been deleted entirely is mistaken. The proposed amended Comprehensive Plan Chapter 2 (“Proposed Chapter 2”) combines and updates those two former goals in Goal 3: “Establish appropriate land use regulations to support a sustainable community and manage growth.” (Proposed Chapter 2, p. 2.)

The substance of those goals is retained, reorganized and updated. Current Chapter 2 Goal 4 focuses on sustainability: using land wisely, conserving limited resources, encouraging compact development and infill, energy efficiency, sustainable municipal practices, and land use regulations that encourage energy conservation and reduce air pollution. (Current Chapter 2, pp. 39-40.) Current Goal 5 focuses on growth management: coordinating growth with infrastructure, prioritizing capital improvements, avoiding “leapfrog” development, requiring development to pay its own way, analyzing development impacts, and using growth models, annexation tools, and intergovernmental coordination. (Current Chapter 2, pp. 40-42.)

Proposed Goal 3 combines the sustainability and growth-management subjects into one concise goal. It retains and updates policies for sustainable practices, energy conservation, pollution reduction, multimodal transportation, master planning and mixed-use development, higher-density residential development near shopping, jobs, schools, open space, recreation, and transit, compact development at the core of the City, use of vacant or under-utilized land to reduce pressure on expansion, limits on noncontiguous or outside-city development to reduce leapfrog development, and “development must pay its own way.” (Proposed Chapter 2, pp. 8-9.) The proposed amendments retain, update and improve the substantive themes of former Goals 4 and 5.

2. COLW Request for a Continuance

COLW requested that the April 28, 2026, City Council hearing be continued. (LandWatch Letter, p. 3.) The hearing was continued to May 26, 2026, providing additional time for public review and comment.

The additional review period also addresses the concern that interested citizens and organizations needed more time to review the proposed amendments, redlines, EOA, and supporting documents. The continuance did not change the scope of the pending decision. The current action remains limited to legislative text amendments and EOA adoption; it is not a UGB expansion or site-specific development approval.

3. Public Input and OAR 660-009-0015(6)

COLW raised concerns regarding public participation. The City has fully complied with its Goal 1 implementing regulations as well as all state laws concerning adoption of the proposal. COLW does not identify a mandatory standard related to public input opportunities that the City has failed to meet, and we are not aware of any. We note that OAR 660-009-0015(6) encourages cities and counties to assess community economic development potential through a visioning or other public input-based process in conjunction with state agencies. This is not a mandatory standard. The rule is framed as an encouragement, not as a required approval standard for adoption of an EOA or related Comprehensive Plan text amendments. The City has provided numerous public participation opportunities based on adequate public notice, to include a City Council hearing, a continued public hearing on May 26, 2026, prior public EOA discussions, and a public workshop in June 2025.² Consistently, COLW's April 28, 2026 comment letter acknowledges that Planning Director Josh Smith shared information when requested, made time to discuss the amendments, and that the City held a Community Workshop in June 2025 and brought the matter to the Planning Commission for feedback. (COLW Letter, p. 2.)

COLW mentions specific siting concerns raised in spring 2025 related to sites identified for a proposed UGB amendment. That proposed UGB amendment has been withdrawn and is not currently before the Council. COLW's April 28, 2026, comments highlight community feedback from the June 2025 workshop that included opposition to a biomass facility on properties in the Lamonta Road industrial area, views that future industrial development should be directed toward the Grade above the City, and support for development near the existing landfill. (COLW Letter, p. 4.) Those comments are not relevant to and do not affect the proposed Comprehensive Plan text amendments or EOA. The current action does not designate any of those properties, approve a biomass facility, approve a UGB expansion, or authorize site-specific development.

4. OAR 660-024-0045 and the Regional Large-Lot Industrial Land Program

COLW urges the City to pursue any future UGB expansion through the Central Oregon Regional Large Lot Industrial Land program under OAR 660-024-0045. (LandWatch Letter, pp. 4-5.) That recommendation may be considered if and when the City initiates a UGB amendment. However, that program has no bearing on the proposed EOA and Comprehensive Plan text amendments.

² The agendas and minutes for the City's hearings and meetings are included in the record for this matter, as is the audio file for the public workshop. The supporting documents are available online and can also be reviewed at the City Planning Department upon request.

COLW's comments acknowledge that Crook County and the City of Prineville are not required to pursue UGB expansion through OAR 660-024-0045. (LandWatch Letter, p. 5.) That is, of course, correct. OAR 660-024-0045 provides an optional regional process. It does not require the City to delay or deny a Prineville-specific EOA, and it does not displace the City's obligation to maintain an updated factual base for land use decisions over the planning horizon concerning commercial and industrial lands in the City. *See Lengkeek*, 50 Or LUBA at 374; *Lengkeek* 52 Or LUBA at 516-17.

The proposal here is not a UGB amendment. It does not determine whether any future UGB expansion should proceed under OAR 660-024-0045, the generally applicable Goal 14 and Division 24 process, or another process that may apply in the future. If the City later proposes to expand the UGB for large-lot industrial land, that separate decision will be made under the applicable state law and Comprehensive Plan requirements. At that time, the City may also evaluate whether the OAR 660-024-0045 regional process is useful, available, and appropriate. Nothing in the proposal precludes any particular future UGB amendment pathway.

5. "Overestimation"

COLW argues that the proposed EOA overestimates the amount of industrial land needed. COLW asserts that the City already has enough employment land within the current UGB to meet all employment needs over the 20-year planning period. That characterization is mistaken both in terms of what the EOA determines and also what state law requires that it determine.

The EOA projects that Prineville will need 8.43 large industrial sites over the 20-year planning period. (Proposed EOA, p. 34.) Because the calculation produces a need greater than 8 large sites, rounding down would understate both the number of sites and the acreage needed to accommodate projected employment growth. OAR 660-009-0015, -0020, and -0025 and Goal 9 are not satisfied by planning for a fractional amount of land when the need is for a large industrial site. OAR 660-009-0020(1)(c) requires "an adequate number of sites of suitable sizes, types and locations," and OAR 660-009-0025(2) requires the total acreage designated for each employment use category "must at least equal the total projected land needs" for the 20-year planning period. Rounding 8.43 sites up to 9 sites is therefore the conservative and legally appropriate approach to ensure that the EOA plans for both an adequate number of suitable sites and enough acreage to meet projected need. (Proposed EOA, p. 30; Proposed Chapter 5, p. 4.)

As required by the applicable Goal requirements, the EOA then evaluates whether Prineville has an adequate supply of land to meet the projected need for 9 large industrial sites over the 20-year planning horizon. (Proposed Chapter 5, p. 4; Proposed EOA, pp. i-ii, 59-60.) The EOA determines that Prineville already has 6 large sites within its UGB and, therefore, will need to add 3 more. (Proposed EOA, pp. 54, 60.) According to the EOA, those 3 additional sites need to be very large to accommodate the needs of the specific industries that are projected to locate in Prineville over the planning period. (Proposed EOA, p. 60.) The EOA concludes that the current average large lot size, which is 251.7 acres, appropriately reflects the likely needs of projected industrial development and the appropriate measure of the suitable size for the additional needed sites. OAR 660-015-0000(9)(3).

Importantly, comprehensive plans must provide an adequate supply of different site types of suitable sizes to comply with Goal 9. OAR 660-015-0000(9)(3). Consistent with that requirement, the EOA evaluates industrial site need across the general site-size categories used in the buildable lands inventory: less than 2 acres, 2-5 acres, 5-10 acres, 10-25 acres, 25-50 acres, and 50+ acres. (Proposed EOA, pp. 29-30, 54.) The EOA then examines Prineville’s actual employment distribution across existing developed industrial sites by size. That analysis shows a bifurcated industrial land pattern: approximately 57% of Prineville’s industrial employment is located on sites smaller than 25 acres, while a substantial share—43%—is located on large sites. (Proposed EOA, p. 29.)

A “large” industrial site is any site over 50 acres. Within the large site category, the EOA identifies a “very large” site subtype. (Proposed EOA, p. iv.) The EOA explains that “very large industrial sites” include manufacturing and data center employment, average approximately 251.7 acres, and serve industries that may require sites approaching or exceeding 200 acres with high-capacity power and fiber. (Proposed EOA, p. iv.) Those large-site users, including data centers and large-footprint manufacturers, have been and are expected to remain critical drivers of Prineville’s economy and employment. (Proposed EOA, p. iv.) The EOA then evaluates sites in Prineville specifically, where all large sites, including the smaller ones, average a very large 251.7 acres. (Proposed EOA, p. iv.) It is undisputed that large sites in Prineville average 251.7 acres, and that 43% of Prineville employees work on those sites. (Proposed EOA, p. 29.)

The EOA properly includes the very large subtype in its analysis of what industrial sites will be suitable in size for the industries projected to locate in Prineville during the planning period. OAR 660-015-0000(9)(3). To determine the relevant site characteristics for the needed large industrial sites the EOA evaluates market conditions, likely future employers, target industries, existing land supply, and other relevant factors. (Proposed EOA, pp. i-vi, 4-36.) Based on extensive analysis the EOA determines the most useful metric to project future large-site

industrial needs is the current average large site size of 251.7 acres. (Proposed EOA, p. 59.) Applying this to the projected 3-large-site deficit, the EOA concludes the City will need 3 additional large sites of approximately 251 acres each, totaling a combined 755 additional acres, to meet the projected need for industrial lands over the planning period. (Proposed EOA, pp. 54, 59.)

OAR 660-009-0015(2) requires the City to “identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.” The EOA must tie “expected employment growth” to “the identified sites” and the rule encourages the City to “examine existing firms in the planning area to identify the types of sites that may be needed for expansion.” This is precisely what the proposed EOA does and, in so doing, the City does not “overestimate” its land needs but rather provides the entirely appropriate framework for the City to identify its needs by type, over the planning horizon.

Moreover, OAR 660-009-0020(1)(c) requires an adequate number of sites of suitable sizes, types, and locations, and OAR 660-009-0025(2) requires the total acreage designated for each employment use category to at least equal the projected land need for the 20-year planning period. The proposed EOA achieves these requirements. The City is not allowed to sit idly by and allow industries to pass the City and Oregon by because the City lacks adequate industrial sites for expected industry land needs over the 20-year planning horizon.

The average size of all “large,” (i.e. 50+ acres) sites in Prineville is 251.7 acres. That average size includes both very large sites and “smaller” large sites. Prineville will need 9 large sites over the 20-year planning horizon. It already has 6 large sites, and will need to add 3 more. According to the EOA, 251 acres is the suitable size for 3 additional sites based on its multi-factorial analysis of the needs of the industries that are projected to locate in Prineville over the planning period. Using the current average large-site size of 251.7 acres, the proposed EOA properly concludes that the City of Prineville requires an additional 755 acres of buildable industrial land in three large sites for the target industries over the planning horizon. (Proposed Chapter 5, p. 4; EOA, pp. 59-61.)

COLW does not challenge these determinations other than to assert that “of the 43 tech and manufacturing companies that approached the City between Q2 2024 and Q3 2025, only a ‘few businesses’ were looking for sites of 250 acres or larger.” COLW Letter, p. 7, n. 8. We assume COLW intended to cite EOA, p. 32. COLW incompletely cites what the EOA says. The EOA explains:

“Based on information from Economic Development for Central Oregon (EDCO) from Quarter 2 of 2024 to Quarter 3 of 2025, about 43 manufacturing and high-tech companies approached EDCO and the City of Prineville about availability of sites for development. The site sizes needed by these companies ranged from 5 to 15 acre sites to sites of 50 to 100 acres, and a few businesses looking for sites of 250 acres and larger. The building sizes these businesses wanted to build ranged from about 25,000 square feet to 100,000 square feet, with some businesses looking for buildings of 250,000 square feet to more than 1,000,000 square feet. These businesses were in the following industries: data centers, distribution, semiconductor fabrication, metals fabrication, wood products manufacturing, food manufacturing, pharmaceutical and medical device [sic] manufacturing, and other types of manufacturing.”

COLW does not dispute that “a few” businesses were looking for large sites of 250 acres and larger in the City over a period of only about one year. “A few” is more than one. If more than one industry wanted a large site of 250 acres or larger in Prineville over a period of approximately one year, then concluding that the 3 additional large sites that will be needed over the 20-year planning horizon of the EOA should be at the current average size is modest and is persuasive evidence that the EOA’s projections for large site needs are not overstated.

The EOA’s large-site conclusion is also grounded in the City’s projected industrial growth, market inquiries, changed economic conditions, target-industry analysis, and local competitive position. The EOA projects 1,213 new industrial employees over the 2026-2046 planning period, including 526 employees expected to locate on sites in the 50+ acre category. (Proposed EOA, pp. 27, 30.) The EOA also documents that, between Q2 2024 and Q3 2025, approximately 43 manufacturing and high-tech companies contacted Economic Development for Central Oregon and the City of Prineville regarding available development sites, with requested site sizes ranging from 5-15 acres to 50-100 acres, and a few businesses seeking sites of 250 acres or larger. (Proposed EOA, p. 32.) That demand is consistent with the substantial changes in Prineville’s economy since the prior EOA, including the growth of data centers, the increase in average wages associated with that growth,³

³ The proposed EOA and proposed Chapter 5 identify substantial changes in Prineville’s economy since the last EOA, including 946 jobs added since 2008, many related to data center expansion. (Proposed EOA, p. 60; Proposed Chapter 5, p. 6.) Those substantial changes are undisputed. The proposed EOA states that data center growth has been a driving factor in increasing average wages in Crook County from nearly \$34,700 in 2008 to more than \$70,200 in 2022. (Proposed EOA, p. 60; Proposed Chapter 5, p. 6.) This too is undisputed. It further notes that Prineville expanded or altered

and multiple prior UGB adjustments for data center development and expansion. (Proposed EOA, pp. v, 1.) It is also consistent with the EOA's identification of likely growth industries, including manufacturing, data centers, biomass energy production, waste management and remediation services, and services for visitors and residents; the City's policies targeting technology-centered industries, manufacturing, and very large industrial sites; and Prineville's competitive advantages and disadvantages, including its rail access, transportation connections, infrastructure investments, broadband/fiber access, business-friendly environment, data-center presence, labor-force access, distance from an interstate, energy constraints, housing constraints, and infrastructure demands. (Proposed EOA, pp. iv, 19-23, 32-34.)

Based on that comprehensive analysis of national, state, regional, and local trends, Prineville's existing industrial development pattern, the City's target industries, and the specific market inquiries received for large industrial sites, the EOA concludes that Prineville's future 50+ acre site need should be planned using the current local average for existing large industrial sites: 251.7 acres. (Proposed EOA, pp. 29, 34.) Applying that average to the projected 526 employees in the 50+ acre category, the EOA identifies a need for 9 large industrial sites. (Proposed EOA, p. 30, Exhibit 14.) The existing BLI identifies only 6 sites larger than 50 acres within the current UGB, totaling 788 buildable acres, or an average of approximately 131.33 acres per site. (Proposed EOA, p. 54, Exhibit 26.) That existing supply includes one 50+ acre Heavy Industrial site under consideration for redesignation due to proximity to residential development and other constraints, and another identified large site that has only 51 unconstrained partially vacant acres, placing it at the very low end of the 50+ acre category and well below the City's 251.7-acre large-site average. (Proposed EOA, pp. ii, 56, 99.)

The EOA also considers Business Oregon's Industrial Development Competitiveness Matrix as one input, then evaluates the site characteristics typical of expected uses in Prineville, as required by OAR 660-009-0015(1) and (2).

its UGB six times between 2012 and 2017, primarily for data center development and expansion. (EOA, p. 60; Proposed Chapter 5, p. 7.) This is undisputed.

Crook County's average wages from 2008 to 2022 grew by 25% annually, a rate that significantly outpaced inflation as well as wage growth nationally and in Oregon. (Proposed EOA, p. 78.) This is undisputed. The United States Bureau of Labor Statistics Consumer Price Index inflation calculation shows that \$34,700 in 2008 adjusted to 2022 dollars is approximately \$46,215.66. Crook County's average wage increase from \$34,700 in 2008 to \$70,200 in 2022 represents wage growth materially above inflation—a \$35,500 increase compared to an inflation-only increase of \$11,515.66. The Council may reasonably find that the proposed EOA's wage growth and target industry statements are supported by an adequate factual basis; in fact no one seriously claims they are not. Accordingly, the proposed EOA and proposed plan text amendments seek to facilitate industrial development associated with wage growth that outpaces inflation.

(Proposed EOA, pp. 35-46.) The record shows that Prineville's local industrial land pattern is not adequately captured by statewide averages alone. About 57% of Prineville's industrial employment is located on sites smaller than 25 acres, while 43% is located on large (50+ acre) sites. In Prineville, existing developed and occupied large sites average 251.7 acres. (Proposed EOA, pp. 29-30; Proposed Chapter 5, pp. 6-7.) The proposed EOA explains that Prineville's data centers began on large sites and expanded over time: Meta began with approximately 120 acres, Apple began with approximately 160 acres, and Apple's site is now approximately 364 acres with additional buildings approved. (Proposed EOA, pp. 40-42.) For manufacturing, the EOA states that most manufacturing businesses that considered locating in Prineville in 2024-2025 needed sites of 5 to 50 acres, while some required sites of 100 acres to more than 250 acres. (Proposed EOA, p. 37.) These observations are not disputed.

Goal 9 requires that the City consider the region's comparative advantages and emphasize the expansion of, and increased productivity from, existing industries and firms. OAR 660-015-0000(9)(A)(1), (4). Goal 14 also allows cities, when determining land need, to specify parcel sizes and other characteristics necessary for land to be suitable for projected future development. OAR 660-015-0000(14)(2). The EOA properly applies those principles to the local market Prineville is actually serving over the required planning horizon. *See Gunderson, LLC v. City of Portland*, 67 Or LUBA 290, 293 (2013) (where Goal 15 required the city to collect and maintain an inventory associated with the Willamette River Greenway, in part for the purpose of determining which lands are suitable for inclusion in the Greenway, the City was required to amend and update its outdated Goal 15 inventory before amending its plan to change what lands were included or excluded from the Greenway).

After comparing the projected need for 9 large industrial sites that adequately reflect the City's 251.7-acre large-site average to the City's existing inventory of 6 sites of 50+ acres, the EOA concludes that over the 20-year planning period Prineville will need 3 more very large industrial sites in its UGB than it currently has. (Proposed EOA, pp. 34, 59.) The EOA further concludes that Prineville industries' large-site average of 251.7 acres is the appropriate planning measure, for a total additional need of approximately 755 buildable industrial acres. (Proposed EOA, pp. 59-60.) There is no contrary evidence in the record.

The record shows a bifurcated local employment-land pattern: most industrial employment is on smaller sites, but a substantial share is on very large sites occupied by large-footprint users. Where local evidence shows that large-footprint users have located in Prineville and have made inquiries for similarly large sites (Proposed EOA, p. 32), the City is not required to assume that future Prineville growth will mirror statewide or metropolitan averages. The 251.7-acre

figure is a properly supported planning assumption for the greater-than-50-acre site category, based on the existing Prineville conditions described above, and ECONorthwest’s expert economic projections regarding Prineville’s future development needs and economic opportunities. (Proposed EOA, p. 4 n. 4.)

This approach is also consistent with the existing acknowledged Comprehensive Plan’s historical reliance on local information to evaluate industrial land needs. Current acknowledged City Comprehensive Plan Chapter 5 states that state, local, and national trends are not adequate, by themselves, to estimate needed industrial and commercial lands, and that other local information and economic development targeting goals must also be considered. (Current Acknowledged Chapter 5, p. 90.) The 2003 Goal 9 Economic Element similarly cautions that applying generic urban employee-per-acre ratios to Prineville could understate land need because Prineville’s actual employment-land ratios differed substantially from those generic ratios. (2003 Acknowledged Goal 9 Economic Element, pp. 28-31.)

6. Infrastructure

As part of its request for a continuance, COLW’s letter states “that the most recent information LandWatch has is that further data center and large manufacturing development is limited by a lack of available electrical power, there does not appear to be any immediate urgency for this legislative amendment process.” As explained in the beginning of this letter, the purpose of the EOA is to contain the information required by OAR 660-009-0015. The proposed EOA identifies access to electricity as a challenge due to market conditions in Central Oregon. It also notes that data centers require substantial electricity, and recognizes the impact of increased demand. (Proposed EOA, p. 22.) The proposed EOA explains that the tight energy market is resolved by summer wind and solar energy sources and by importing “additional power from Bonneville Power Administration (BPA).” Proposed EOA, p. 22. The proposed EOA has also been amended to clarify the status of the City’s current and anticipated power supply:

“Power infrastructure is arranged and managed by city franchise utilities as developers make requests for power. **Additional power infrastructure is likely to be available over the planning horizon as franchise utilities continue to develop energy sources and infrastructure.** The city also continually explores energy options to address these issues and to encourage a stable baseload supply.

* * *

“Prineville’s rapid growth, particularly due to the establishment of large data centers by companies like Meta and Apple, created challenges for the City’s infrastructure. To address the increased demand for resources such as water and energy, **the city in conjunction with development increased capacity to support current and future development.** These data centers require substantial amounts of electricity, leading to increased demand on the grid. This surge in power consumption has challenged the city’s franchise utilities to expand their energy supply. **Future development will have access to additional power through the City’s franchisees.**”

Proposed EOA, p. 22 (emphasis supplied). In addition to the adequate existing capacity and available supply for future development, Proposed Chapter 2, p. 8 encourages energy conservation as a policy.

The proposed EOA also identifies infrastructure strengths. It states that Prineville has significant existing and future capacity in its water system, with two million gallons per day currently available for use, total water treatment capacity of 6.5 million gallons, peak consumption of 4.5 million gallons on high-demand days, and an additional Aquifer Storage and Recovery (“ASR”) well being drilled to add another two million gallons of pumping capacity. (Proposed EOA, pp. iii, 23.) The proposed EOA further states that Prineville has excess wastewater capacity, with wastewater capacity of 2.6 million gallons per day and current usage averaging 1.1 million gallons per day. (Proposed EOA, p. 23.)

The proposed Comprehensive Plan policies address infrastructure, pollution, and compatibility with future development. Proposed Chapter 2 states that clean industries are preferred and that industries producing excessive noxious airborne particulates, non-disposable hazardous waste, or other nuisances may not be allowed. (Proposed Chapter 2, p. 6.) Proposed Chapter 2 also directs the City to promote land use regulations that encourage energy conservation and reduce pollution. (Proposed Chapter 2, p. 8.) Proposed Chapter 5 requires facility plans to adequately serve transportation, water, and wastewater needs of industrial and commercial areas. (Proposed Chapter 5, p. 8.)

It is noted here that the proposal does not approve any particular development. Any future UGB amendment, annexation, site-plan review, facility extension, or development approval will have to demonstrate compliance with relevant applicable regulations.

7. Goal Findings

COLW suggests the proposal should be accompanied by goal compliance findings. COLW Letter, p. 2. This is incorrect. There is no generally applicable requirement for findings for legislative decisions. Rather, the legal standard for legislative amendments is that the decisions and record must be sufficient to demonstrate “that applicable criteria were applied and that required considerations were indeed considered.” *Citizens Against Irresponsible Growth v. Metro*, 179 Or App 12, 16 n 6, 38 P3d 956 (2002). In *Oregon Coast Alliance v. Curry County*, LUBA No. 2022-088, June 23, 2023, slip op 4-5, LUBA explained that “a petitioner must establish that some applicable statewide planning goal or other criterion imposes obligations that are of such a nature that a factual base is required to determine if the zoning ordinance amendment is consistent with the goal or other criterion.” It is not evident from COLW’s letter on what basis COLW would claim that either the proposed EOA or proposed Comprehensive Plan text amendments do not comply with any state goal and COLW has offered no argument or evidence that the proposal does not comply. If an appeal later presents developed goal arguments that COLW or others have not presented so far, the City can explain in its brief that the proposal complies with any goals of concern.

8. Conclusion

COLW’s comments have been considered and, with all due respect, they do not warrant denial or delay of AM-2025-104. The City has added the redlined Chapter 2 and Chapter 5 amendments to the record, along with substantial supporting documents. The City has also provided additional time through a continuance. The proposed amendments replace stale out-of-date EOA-derived text with an updated EOA incorporated into the Comprehensive Plan, retain the principal sustainability and growth-management policies in a consolidated Comprehensive Plan Chapter 2 goal, and adopt updated Goal 9 economic policies and factual analysis, based upon undisputed facts. The EOA and supporting documents provide substantial evidence and an adequate factual base for the legislative text amendments and EOA adoption.

Very truly yours,



Kelly F. Huedepohl

KFH:kfh
CC: Clients

Exhibit A: CPI Inflation from 2008 to 2022

CPI Inflation Calculator

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Calculations using October 2025 data cannot be calculated due to a lapse in appropriations.

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Bureau of Labor Statistics > Data Tools > Charts and Applications > Inflation Calculator

CPI Inflation Calculator

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Calculations using October 2025 data cannot be calculated due to a lapse in appropriations.

Help improve this site

ⓘ BLS could not collect October 2025 reference period survey data for CPI due to a lapse in appropriations. Calculations using October 2025 data will not be calculated.

About the CPI Inflation Calculator
The CPI inflation calculator uses the [Consumer Price Index](#) for All Urban Consumers (CPI-U) U.S. city average series for all items, not seasonally adjusted. [This data](#) represents changes in the prices of all goods and services purchased for consumption by urban households.

- ◆ **Challenging topography.** The City is situated within and ancient caldera, among large rimrock buttes from ancient lava flows. These buttes can restrict the City’s available land for development, increase the cost and complexity of building infrastructure (such as roads or utilities), and limit the City’s accessibility for businesses that may rely on efficient transportation and logistics.
- ◆ **Access to electricity.** Prineville's electricity supply faces challenges due to ~~the general market conditions~~ tight energy market in Central Oregon. While the city has some renewable energy sources, such as solar power, which perform well during the summer, it needs more availability at night and during winter months, necessitating the import of additional power from Bonneville Power Administration (BPA). Wind energy contributes to the mix but is also weather dependent. Power infrastructure is arranged and managed by city franchise utilities as developers make requests for power. Additional power infrastructure is likely to be available over the planning horizon as franchise utilities continue to develop energy sources and infrastructure. ~~Wind energy contributes to the mix but is also weather dependent.~~ The city also continually explores ~~is considering~~ energy options to address these issues and to ensure ~~encourage~~ a stable baseload supply.
- ◆ **Housing shortages.** Prineville’s rapid economic growth, driven by the establishment of large data centers, led to a surge in demand for housing. The City’s 2019 Housing Needs Analysis estimated that as of 2018, the City had a low housing vacancy rate of 1.7%, indicating a demand for additional housing units. By 2039, the Analysis estimates a need for 1,020 new housing units to support Prineville’s population. Of these units, the Analysis identifies a need for ownership housing in the middle of the pricing spectrum and rental housing at the lower and middle end of the spectrum.
- ◆ **Childcare.** A 2019 Child Care Fact Sheet found that childcare in the City meets only 17% of the childcare demand for children under five, identifying development, labor, and funding barriers.¹ Current data from the Center for American Progress and the University of Minnesota suggests that childcare is still scarce in the City as of 2024.² Lack of childcare in a city can be a significant barrier to economic development and limit workforce participation. However, Prineville has taken steps to alleviate obstacles to childcare facility development, and two new childcare facilities have since opened, with additional facilities in the pipeline.
- ◆ **Infrastructure limitations.** Prineville’s rapid growth, particularly due to the establishment of large data centers by companies like Meta and Apple, created challenges for the City’s ~~has put a strain on its~~ infrastructure. To address ~~the~~ increased demand for resources such as water and energy, ~~has challenged~~ the city’s in conjunction with development; increased capacity to support current and future development to keep up. These data centers require substantial amounts of electricity, leading to increased demand on the grid. This surge in power consumption has challenged the city’s franchise utilities to expand ~~ability to maintain a stable and their reliable~~ energy supply. Future development will have access to additional power through the City’s franchisees.

¹ Bend Chamber. NeighborImpact Child Care Resources in collaboration with TRACES. [City of Prineville – Child Care Fact Sheet](#). 2019.

² Center for American Progress. [U.S. Child Care Deserts Interactive Map](#). 2020.

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2



Urban Land Use and Zoning Designations

Prineville’s Comprehensive Plan	
Table of Contents - Chapter 2	
<p>Purpose and Intent</p> <p>Issues, Goals, and Policies, and Programs</p> <p>Goal # 1: Create land use zones and land use regulations that enhance Prineville without sacrificing community values.</p> <p style="padding-left: 20px;">Residential Zone Values and Policies</p> <p style="padding-left: 20px;">Commercial Zone Values and Policies</p> <p style="padding-left: 20px;">Industrial Zone Values and Policies</p> <p>Goal # 2: Maintain lands within the UGB and expand the UGB boundary when necessary.</p> <p style="padding-left: 20px;">Urban Growth Boundary and Policies</p> <p>Goal # 3: Establish appropriate land use regulations to support a sustainable community and manage growth.</p> <p style="padding-left: 20px;">Alternate Mode Transportation Values and Policies Sustainable Community and Growth Management Policies</p> <p style="padding-left: 20px;">Sustainable Community Values and Policies</p> <p style="padding-left: 20px;">Growth Management Community Values and Policies</p>	Urban Land Use and Zoning Designations
	April 2025 06

Chapter 2 Urban Land Uses and Zoning Designations

Purpose and Intent

The Prineville urban area contains land use descriptions and zoning for residential, commercial, and industrial areas. This chapter examines the different zone and land use designations and implementation strategies. The primary designations implement the strategies that regulate the use of land and its ability to support the community's long-term development objectives. The goals ~~and~~, policies ~~and programs~~ contained in this chapter will help the City manage its land uses to meet the growth needs of the Prineville community. It should be noted that the ~~current existing~~ Comprehensive Plan Map, ~~has been updated numerous times to correct also known as the "Prineville Area Physical Development Plan", will need to be updated and various changes made given the age and poor drafting quality. Commensurate with revisions and improvements to the Comprehensive Plan Map,~~ various errors ~~and discrepancies between the Comprehensive plan map and zoning map were~~ discovered ~~during adoption of the 2007 Comprehensive Plan.~~ on the 2006 Zoning Map. ~~Several discrepancies still exist and will need to be corrected over time for consistency and compatibility as development patters evolve. These errors and other needed revisions will be needed to improve consistency and compatibility with the revised Comprehensive Map.~~

~~Issues, Goals, and Policies, and Programs~~

The anticipated growth of the community will create a variety of pressures upon local citizens, the environment, and infrastructure of Prineville. A variety of land uses and commensurate development regulations will help keep community values intact.

The intent of this chapter focuses on specific land use practices that provide the guidance necessary for accommodating growth while continuing to preserve, maintain, and enhance Prineville's community values.

Definitions

Marijuana Grow Site (MG) - means a location that grows and/or processes marijuana that exceeds the amounts allowed by State law for an individual or household.

Marijuana Facility (MF) - means a location where Marijuana is grown, processed, sold or dispensed or any combination of these activities which is registered by the State of Oregon.

Goal # 1: Create land use zones and land use regulations that enhance Prineville without sacrificing community values

Residential Zone ~~Values and Policies~~

1. Residential zones should be placed ~~s~~ in safe environments that avoid conflicts with other uses. This can be achieved through step down zoning or using streets or natural features for buffers. ~~where citizens can raise their families in a safe and nurturing environment.~~

Urban Land Use and Zoning Designations

2. Residential zones ~~that should~~ include amenities promoting family living environments and safe places for children to play, walk to school, and experience the City's natural resources. ~~are highly desired.~~
3. Residential zones should ~~that~~ include compatibility standards to facilitate transitions between new and established uses ~~will help to~~ help alleviate the pressures of growth upon existing community residents.
4. Residential zones should ~~that~~ provide for a broad range of densities and housing choices, including clustering of buildings and variable lot sizes. ~~avoid creating imbalances that require remedies using community subsidy or tax dollars.~~
5. Residential zones ~~must~~ should include outright permitted and conditional uses adequate to develop "complete" neighborhoods and suitable living environments.
6. New residential developments shall analyze the impact of the new development upon community infrastructure and, natural resources, ~~and local cultural attributes before development can proceed.~~ Any necessary mitigation plan shall be examined for feasibility and effectiveness in remedying the impacts. No new development shall be permitted which creates the need for subsidy by community members, in other words, "new development shall pay its' own way."
7. ~~Prineville has many natural features worthy of preservation and enhancement.~~ New residential developments shall incorporate where practical, existing natural features into new projects as a way to protect the natural beauty of Prineville.
8. Residential zones shall promote walkability and connectivity to adjacent neighborhoods, open spaces, parks, and commercial nodes.
9. Residential zones shall incorporate affordable housing concepts.

Programs:

The City shall:

- ~~Develop an overlay zone that identifies logical neighborhood boundaries that contain or could contain elements that support the development of "complete neighborhoods."~~
- ~~Examine the existing neighborhoods and determine what amenities are lacking in each area such as open space, trails, service centers, infrastructure, pedestrian amenities, etc.~~
- ~~Update local land use regulations to facilitate quality development allowing for the efficient development of complete neighborhoods.~~
- ~~Update local land use regulations to include compatibility standards that will accommodate new development while minimizing the disruption to the existing community.~~

- ~~• Regularly monitor the housing supply and support land use changes that encourage more housing choices and proper supply levels.~~
- ~~• Update local land use codes to ensure the community that new development pays its' own way and does not require community subsidy.~~
- ~~• Inventory all natural features and cultural attributes that require special protection or special consideration prior to new development.~~
- ~~• Promote the appearance of open space through clustering of building groups.~~
- ~~• Create flexible zoning standards to allow for affordable and smaller lot sizes where appropriate and ensure compatibility with adjacent development.~~
- ~~• Assess the connectivity of new residential neighborhoods with commercial nodes and schools, and assure that walkable distances are in place.~~

Commercial Zone ~~Values and Policies~~

1. Commercial zones shall be placed ~~ds that to~~ provide a wide range of services and goods to citizens in a convenient manner and without creating unnecessary subsidies.
2. Commercial areas, nodes, and zones should be located throughout the community to provide convenient shopping, employment, and services to citizens in an efficient manner.
3. Commercial zones must include outright permitted and conditional uses adequate to fully support the needs of the Prineville community.
- ~~3.4.~~ Commercial zones should be preserved for commercial use or a mix of commercial and residential uses, particularly along arterial and major collector streets. Residential only developments should only be approved as a conditional use in unique circumstances.
- ~~4.5.~~ Commercial zone regulations should be flexible and include incentives to attract businesses to create a self-supporting community and competitive business environment.
- ~~5.6.~~ Commercial zones should provide adequate opportunities to locate and operate businesses so Prineville can be as self-sufficient as possible without requiring citizens to make excessive vehicle trips to other communities.
- ~~6.~~ ~~Commercial zones should receive high priority for improved infrastructure and other government capital improvement programs.~~
7. The downtown business commercial core area is a key feature of Prineville and should be enhanced to provide a draw for all citizens and visitors alike. Convenient and plentiful transportation, ~~and parking,~~ walkability and use of second and third floors for business and housing opportunities are necessary for the success of the downtown area.

Urban Land Use and Zoning Designations

- ~~8. Commercial areas should provide not only service and shopping opportunities but adequate supplies of employment opportunities.~~
- ~~9.8. Commercial projects should that contain quality architecture, ~~reflective of the locale and environment~~, mixed-uses, open spaces, pedestrian amenities, and adequate parking areas ~~shall be required and promoted~~ throughout the community as the city grows.~~
- ~~10.9. _____ Commercial projects that are aesthetically designed to blend in with the environment and are compatible with mixed-uses and residential areas will be encouraged over commercial developments that require large acreages ~~and~~ with large private parking lots, fields.~~
- ~~11.10. _____ Commercial projects that maximize land spaces and are multi-storied with opportunities for upper-floor and/or offices and housing should be encouraged as a way to utilize valuable lands efficiently.~~
- ~~12.11. _____ Existing strip commercial areas can be unsightly, unsafe, and create excessive vehicle trips. Successful development strategies should include methods for redeveloping and improving the curbside appearance and function of existing strip areas.~~
- ~~13. ~~New extensions of commercial strip areas shall be developed only when it can be proven that needed services could not be provided to the community without developing lands at the ends of the exiting strips. Such new extensions shall be designed as centers with shopping streets or lanes instead of direct highway access. Building setbacks in commercial strip areas shall be such as to minimize distances onto sidewalks and streets, thus encouraging safe and easy pedestrian and bicycle access.~~~~
- ~~14.12. _____ New commercial areas, ~~not at the ends of existing strips shall~~ should be designed as commercial nodes or centers to avoid creating new strip areas.~~
- ~~15.13. _____ Commercial areas should allow for service, repair and small manufacturing as a way to preserve industrial parcels in large acreages. ~~Special incentives may be needed to control land prices for these uses.~~~~
- ~~16. ~~New commercial zones should be in areas where commercial and support services are needed and will thrive.~~~~
- ~~17.14. _____ Marijuana Facilities (MF) may be allowed in Commercial Zones through the application of Marijuana Overlay and process found in the City of Prineville Land Use Code Chapters 153, 153A and 153B.~~
- ~~18.15. _____ Marijuana Grow Sites (MG) may be allowed in Commercial Zones through the application of the Marijuana Overlay and permit process found in the City of Prineville Land Use Code Chapters 153, 153A and 153B.~~

Programs:

~~The City shall:~~

Urban Land Use and Zoning Designations

- ~~1.— Develop an overlay zone or framework plan locating anticipated new commercial areas throughout the community.~~
- ~~2.— Evaluate existing commercial zones and determine where and what business services are lacking within the community.~~
- ~~3.— Update the local land use regulations in order to improve, enhance, and encourage quality commercial development, including modifying commercial zone setback requirements, parking standards, and bicycle parking requirements.~~
- ~~4.— Evaluate and coordinate business incentive programs with other entities and economic development agencies.~~
- ~~5.— Prioritize business area needs when developing infrastructure programs and capital improvement planning within the community.~~
- ~~6.— Monitor and report on the quality, function, and improvement required of downtown area parking. A parking district program should be explored as a way to maximize parking opportunities.~~
- ~~7.— Explore and develop incentives for locating more employment and upper story housing opportunities in the downtown area.~~
- ~~8.— Develop a development guideline and site plan template for the downtown area.~~
- ~~9.— Update local land use regulations to facilitate quality commercial development promoting efficient development of land and successful commerce.~~

Industrial Zone ~~Values and Policies~~

- ~~• Industrial areas that are served by adequate community transportation, convenient connections to highway access, workforce housing, water, and sewer, communication, power and gas systems will have a competitive advantage in the Central Oregon Region.~~
- ~~•1. Industrial zones should provide the greatest density of manufacturing jobs per acre, exclusive of workforce housing, and be located in places that do not disrupt the function of other land uses.~~
- ~~•2. Industrial zones should provide places for manufacturing, repair, with potential for high concentrations of jobs, products, and services in areas that can be conveniently served by transportation and easily accessed by high numbers of employees.~~
- ~~•3. Industrial activities should include buffers to protect any nearby neighborhoods and/or workforce housing from the negative effects of industrial activities. Heavy industrial uses should be located away from residential neighborhoods.~~

Urban Land Use and Zoning Designations

- 4. New Industrial zones should be located adjacent to or close to other industrial zones as a way to maximize available infrastructure. ~~and minimize incompatible uses, particularly residential.~~
- ~~It is necessary to prioritize capital improvements in industrial areas to attract and retain industrial and manufacturing uses.~~
- 5. Clean industries are preferred. Industries that produce excessive noxious airborne particulates, ~~and~~ non-disposable hazardous waste or other nuisances may not be allowed.
- 6. Industrial zones ~~shall~~ should have buffers from less intensive zones or uses including: streets, natural features, vegetative screens and fences ~~buffers~~ to reduce the negative impacts of industrial uses, and the aesthetics of large, plain buildings, outdoor storage, mechanical equipment, and large parking areas. ~~on adjacent less intensive zones or uses.~~
- ~~Industrial areas that provide a wide choice of parcel sizes including workforce housing options and are highly desirable.~~
- 7. Large industrial lots of more than 20 acres in size should be reserved as an enticement for attracting new industry.
- 8. Small service, repair, and manufacturing industries should be encouraged to locate in commercial areas, if appropriate, as a way to retain large industrial acreages. ~~Special incentives may be needed to offset the difference in land costs.~~
- 9. Industrial areas ~~that should~~ provide wider streets, as well as mixed-use service use opportunities; including parks, daycare and trail connections and service uses for employees can to reduce excess vehicle trips and community subsidy. ~~They should be encouraged in industrial zones~~ subject to proper appropriate siting and regulations that limit uses. ~~standard or non-workforce housing.~~
- ~~Larger width streets are appropriate in industrial areas as are employee amenities including public, parks, day care, respite areas, trail connections, and other outdoor recreation opportunities.~~
- ~~Incentives that retain and attract industries to Prineville will benefit the community as a whole by improving the employment and population balance and promote overall economic growth.~~
- ~~Industrial areas near local airports can enhance commerce and attract compatible aviation activities and industries.~~
- 10. ~~Expansion of industrial zones along or near the City Railroad facilities is a priority~~ Industrial areas near the City Railroad facilities can to enhance commerce and attract supportive activities and industries. Industrial uses should be encouraged to use railroad facilities for transportation of heavy freight, thus reducing vehicular traffic on roadways.

Urban Land Use and Zoning Designations

- ~~11. There are several older industrial zone designations within Prineville that are no longer in an appropriate location due to: abutting development patterns; redevelopment and site changes that have occurred as a result of a declining timber industry; specific locational characteristics that are better suited to mixed use urban development patterns; and, brownfield redevelopment opportunities. These unique areas should be converted to other uses subject to proper analysis, zone changes, and plan amendments as needed.~~
- ~~Conversions of industrial lands to other uses shall only be allowed for development of mixed use projects. These conversions will only be allowed when the zone change and plan amendment process includes studies, as appropriate, showing that the conversion does not negatively affect the 20 year supply of industrial lands.~~
- ~~12. Marijuana Facilities (MF) may be allowed in Industrial Zones through the application of the Marijuana Overlay and permit process found in the City of Prineville Land Use Code Chapters 153, 153A and 153B.~~
- ~~13. Marijuana Grow Sites (MG) may be allowed in Industrial Zones through the application of the Marijuana Overlay and permit process found in the City of Prineville Land Use Code Chapters 153, 153A and 153B.~~

Programs:

The City shall:

- ~~Maintain an inventory of industrial uses; analyze and determine desired uses.~~
- ~~Develop an overlay zone locating new industrial areas throughout the community.~~
- ~~Evaluate how to best improve the west entrances to the community adjacent to industrial areas.~~
- ~~Update the zoning ordinance to improve development patterns.~~
- ~~Develop incentive programs for locating new industry including workforce housing.~~
- ~~Modify the Transportation System Plan to include special street standards for industrial areas.~~
- ~~Work with local and regional economic development agencies to highlight Prineville as a dynamic place to locate and operate industrial businesses.~~
- ~~Coordinate industrial development with railroad facilities and encourage railroad use to the greatest extent possible. Special incentives may be applicable.~~
- ~~Monitor and evaluate the Prineville Layout Master Plan in order to provide coordinated land use and activity planning that enhances the nearby industrial areas.~~
- ~~Encourage nonpolluting industry.~~

Goal # 2: Maintain lands within the UGB and expand~~Update the~~ **UGB boundary when necessary.**

Urban Growth Boundary ~~and~~ **Policies**

1. The UGB ~~must~~ should include all of the land needed for residential, commercial and industrial, ~~and commercial~~ development for the period of time required by State law. ~~a 20-year period.~~

- ~~1.2.~~ UGB should be expanded to include areas ~~of opportunity~~ identified needs and as appropriate to take advantage of opportunities as they present themselves.

- ~~UGB reserve planning is a valuable tool for predicting future growth areas over a 50 to 100 year period. The appendix contains the map of the UGB expansion areas developed in discussion with property owners and as reviewed at various public meetings. See appendix for the UGB Reserve map.~~

3. Infrastructure master plans should be prepared, maintained and updated to properly accommodate growth without excessive public subsidy.

4. Actively seek and acquire land needed for future infrastructure to avoid excessive land prices for property necessary for; water and sewer improvements, transportation projects, other utility needs and protection of natural resources and hazard areas.

5. Annexation policies should be provided within the Urban Growth Management Agreement with Crook County, describing the ways and means of adding land to City limits. When expanding the UGB or annexing, the City shall ensure annexation into other appropriate taxing districts, such as Parks and Recreation District.

- ~~2.6.~~ Expansion of the UGB shall avoid or protect Goal 5 resources and Goal 7 hazards. Open space buffers shall also be considered to reduce conflict between urban, industrial and agricultural uses.

Programs:

The City shall:

- ~~1. Periodically evaluate land capacities and land supplies for each zone and element of the General Plan every 2 years as appropriate.~~

- ~~2. Maintain adequate levels of residential, commercial, industrial, and recreation lands for a 20-year period.~~

- ~~3. Use a variety of methods to predict land needed for a 20-year period.~~

Urban Land Use and Zoning Designations

4. ~~Prepare, adopt, and update infrastructure master plans to properly accommodate growth without excessive public subsidy.~~
5. ~~Actively seek and acquire land needed for future infrastructure to avoid excessive land prices for property necessary for: transportation, water, and sewer improvements; telecommunication needs; energy needs; emergency service substations; gas; electricity; protection of natural resources; and, other needed facilities.~~
6. ~~Regularly update and map population projections to support changes to urban growth boundaries and other land use planning tools.~~
7. ~~Build community consensus and utilize a pragmatic approach when developing annexation programs.~~
8. ~~Recognize the importance of the agricultural and urban interface areas and reduce conflicts between both uses as growth occurs.~~
9. ~~The City shall initiate urban area reserve planning in the year 2007 and complete the study for presentation to the Planning Commission for review and recommendation to the City Council. The urban reserve planning study shall utilize a variety of predictive techniques; not limiting the study to just absorption rates, but taking into consideration selective industry incubation, local cultural desires, workforce housing and mixed use development techniques, infrastructure capacity, industry and commercial trending, economic and market studies, incentive programs, labor pool analysis, etc.~~
10. ~~The City shall coordinate population studies and statistical review with Crook County.~~
11. ~~The City shall develop an annexation program that evaluates and describes the ways and means of adding land to the City limits. The study shall include a variety of annexation techniques appropriate for a dynamic community and seek to minimize community anxiety about inclusion to the incorporated area. The study shall include a financial analysis describing the advantages and disadvantages of annexation with regard to tax revenues, expense of service delivery, and citizen expectations with a high emphasis on producing satisfaction rather than discord.~~
12. ~~Prineville shall require open space buffers and/or other development techniques to reduce conflict between urban and agricultural areas.~~

Goal # 3: ~~Broaden the availability of alternate mode transportation options by organizing land uses in an efficient manner~~Establish appropriate land use regulations to support a sustainable community and manage growth.

Alternate Mode Transportation Sustainable Community and Growth Management Values and Policies

~~1. Alternate mode transportation opportunities should be expanded as part of new development and redevelopment proposals.~~

~~The topography of the Prineville community is mixed. The outlying areas contain various landforms that necessitate the creation of separate residential areas in between the rimrock/plateau features. These areas will need to be developed as “complete neighborhoods” to provide proper service levels, infrastructure systems, reduced vehicle miles traveled, and other designs/devices that support alternate mode use.~~

1. Examine and implement a sustainable practice when appropriate for all City resources. Promote land use regulations that encourage energy conservation and reduce pollution.

~~1.2. The Prineville community desires to move towards creating~~ Land use patterns should that support a multi-modal transportation system, including opportunities with new development and redevelopment. This technique will seek to connect all areas of the community resulting in greater sustainability of all resources. Higher order streets shall include elements beyond sidewalks such as off-street paths and bicycle lanes to support multi-modal transportation. ~~in spite of the challenges created by the varied topography.~~

~~2.3. Land use patterns can be improved by~~ The City should encourage and potentially require the use of master planning, s including mixed-use zones for certain developments. Master planning, s and mixed-use zones which emphasize aesthetics and community compatibility, circulation, landscaping, open space, storm drainage, utilities, building location and design, and access to commercial and community facilities will provide the most efficient use of land and encourage the use of alternate modes for transportation.

~~3.4. Higher density residential areas~~ should be located that are within walking distance of shopping, jobs, schools, open space, recreation, and transit services, ~~will use land efficiently~~ without sacrificing the existing low-density residential character of existing neighborhoods.

~~4. The existing street grid system, with modifications to enhance views and respond to natural topography, is a good way to provide connectivity between all uses and encourage alternate mode use.~~

~~5. New developments and redevelopment projects that place housing within walking distance of shopping, services, employment, parks, recreation, and schools will be the easiest to serve with transit and other alternate modes of travel.~~

5. The City should regulate growth by encouraging compact development at the core of the city through incentives for infill and redevelopment projects.

6. The City should encourage development of vacant or under-utilized land to limit pressure on expanding City limits.

Urban Land Use and Zoning Designations

7. Limitations on development not contiguous to City limits or outside City limits will reduce unnecessary “leap frog” development and unanticipated City subsidy.
8. Development must “pay its own way” to reduce community subsidy and minimize the negative effects of growth. Developers should analyze the full impact of proposed development upon transportation systems, infrastructure, schools, parks, natural resources, cultural resources and emergency services before development approval.
9. Capital improvement plans including maintenance of City water, sewer and transportation systems should give higher priority to lands within City limits before considering extending services to lands with the potential to annex.
10. When expanding the UGB or annexing, the City shall ensure annexation into other appropriate taxing districts, such as Parks and Recreation District.
11. Marijuana Facilities (MF) and Marijuana Grow Sites (MG) may be allowed in Industrial or Commercial Zones through the application of the Marijuana Overlays and permit process found in the City of Prineville Land Use Code Chapter 153, 153A and 153B. Approval of the Marijuana Overlays found in the City of Prineville Land Use Code shall be required to:
 - a. be consistent with the Comprehensive Plan;
 - b. be suitable for the MF and MG in accordance with the Prineville Land Use Code;
 - c. be considerate of the public health, safety, and welfare;
 - d. be licensed by the State of Oregon.

Programs:

The City shall:

- ~~1. Revise the land use regulations to recognize outlying areas will require special design considerations to avoid community subsidy and excessive vehicle miles traveled.~~
- ~~2. Consider efficient land use techniques as a way to use land efficiently and create better sustainability of resources.~~
- ~~3. Revise the land use regulations to include a requirement for master planning, as appropriate.~~
- ~~4. Revise the development regulations to encourage higher density residential development near shopping, jobs, recreation, open space, services, higher order street classifications, and future transit corridors.~~
- ~~5. Develop street standards that regulate the spacing, classification, and placement of needed street types. Higher order streets shall include elements beyond sidewalks to support alternate mode use, including but not limited to the establishment of bicycle lanes.~~
- ~~6. Update the City Code of Ordinances to require adequate bicycle parking facilities when deemed appropriate.~~

- ~~7.—Create incentives and other land use regulations that support mixed-use development techniques. The regulations must include effective standards for mixed-use developments adjoining less intensive uses to reduce conflict between such uses.~~

Goal # 4: Establish appropriate land use regulations to support a sustainable community

Sustainable Community Values and Policies

- ~~1.—Sustainable development techniques and other sustainable community options should be part of many community functions and services.~~
- ~~1.—Sustainability concepts allow communities to use land wisely and sustain inventories of limited resources for a longer amount of time.~~
- ~~2.—The community will benefit from incorporating sustainability concepts throughout the governmental structure and the local planning program.~~
- ~~3.—The community should look to City government as a model for sustainability. Local businesses and industries could benefit from following the demonstrated success of the governmental sustainability programs.~~
- ~~4.—The community will be able to regulate growth and encourage compact development at the core of the city by providing incentives for infill and redevelopment projects.~~

Programs:

The City shall:

- ~~1.—Examine and implement a sustainability program for all City resources.~~
- ~~2.—Develop energy efficiency targets and guidelines for the construction, renovation or operation of municipal facilities, incorporating new technologies for passive solar lighting and heating, appliances, HVAC, insulation, high efficiency fleet vehicles, cooperative purchasing strategies and other applications.~~
- ~~3.—Coordinate and develop an informational flyer and website data to help local businesses create healthy and sustainable working environments.~~
- ~~4.—Review regulatory, pricing, taxing, and capital improvement practices to encourage urban development within city limits and develop strategies for encouraging compact development of vacant or under-utilized land to limit pressure for expanding the city's boundaries.~~
- ~~5.—Promote land use regulations that encourage energy conservation and reduce air pollution.~~

- ~~6. Monitor the sustainability plan for effectiveness and modify the plan where necessary to meet community expectations.~~

~~Goal # 5: Establish growth management tools and other strategies to pace land development with the ability to provide the required services within the community~~

Growth Management Community Values and Policies

- ~~7. Prineville will need to utilize various planning strategies to accommodate growth and have a higher success rate for developing as intended and with minimum conflict.~~
- ~~8. Properly accommodating future growth assures the community that new development and redevelopment are supported by adequate infrastructure.~~
- ~~5. Infrastructure expansions and improvements at the core of the community tend to regulate growth at a pace that the community can accept without reducing service levels for existing residents.~~
- ~~6. Capital Improvement Plans that support existing industry, commerce and residential areas before serving new urban lands typically utilize limited public funds in an efficient and practical manner without subsidizing growth.~~
- ~~7. Growth models can help predict the intended pattern of growth and provide realistic development guidelines for developers.~~
- ~~8. Development must “pay its own way” to reduce community subsidy and minimize the negative effects of growth.~~
- ~~9. Limitations on development outside of the City limits will reduce unnecessary “leap frog development” and unanticipated City subsidy.~~
- ~~10. Developers must be required to analyze the full impact of proposed development upon infrastructure, schools, parks, natural resources, cultural resources and emergency services before development.~~
- ~~11. Marijuana Facilities (MF) and Marijuana Grow Sites (MG) may be allowed in Industrial or Commercial Zones through the application of the Marijuana Overlays and permit process found in the City of Prineville Land Use Code Chapter 153, 153A and 153B. Approval of the Marijuana Overlays found in the City of Prineville Land Use Code shall be required to:
 - ~~a. be consistent with the Comprehensive Plan;~~
 - ~~b. be suitable for the MF and MG in accordance with the Prineville Land Use Code;~~
 - ~~c. be considerate of the public health, safety, and welfare;~~~~

Urban Land Use and Zoning Designations

d. be licensed by the State of Oregon.

~~12. This policy establishes guidance for the siting of Measure 91 (aka Recreational Marijuana) marijuana grow sites and facilities in the City of Prineville as authorized by State Law and Federal Law. The City of Prineville has developed Comprehensive Plan Policies and Land Use Codes which establish how Oregon's Measure 91 is addressed by the City of Prineville. The City of Prineville is positioned to allow recreational marijuana grow sites, processing and facilities consistent with the Oregon Measure 91 in the event that circumstances change pertaining to Marijuana, including but not limited to changes of status at the Federal law level.~~

Programs:

The City shall:

- ~~1. Create a priority system for the planning and funding of local infrastructure improvements. Prioritize capital expenditures by a) mandated by legislative authority of State or City, b) maintaining the City's commitment to public health, safety, and welfare, c) maintaining the viability of existing facilities and services, d) increasing the efficiency of existing facilities and services, and e) expansion of the existing system for new services.~~
- ~~2. Utilize transportation system improvements as a growth control measure with highest priority given to projects within the City limits, and maintenance of existing facilities shall receive priority before outer area improvements.~~
- ~~3. Develop an overlay model of desired growth patterns and land uses.~~
- ~~4. Reject public development projects that are beyond the city's financial and physical capabilities to maintain and protect.~~
- ~~5. Analyze fiscal impacts of an annexation concurrent with analysis of potential revenues.~~
- ~~6. Abstain from annexing land without a concurrent waiver of M37 and other necessary requirements such as non remonstrance agreements and support for future transit.~~
- ~~7. Consolidate the General Plan Map and the Zoning Map into one document.~~
- ~~8. Regularly examine impact fees and other implemented exactions for legal appropriateness and consistency in application.~~
- ~~9. Examine and update all processing fees to make sure that the cost of service is borne by those receiving it.~~
- ~~10. Encourage, monitor, and provide incentives for infill development over new projects at the fringe of the urban growth boundary.~~
- ~~11. Enter into discussions with Crook County to improve the current intergovernmental agreement.~~

Urban Land Use and Zoning Designations

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5



Economy

Prineville’s Comprehensive Plan

Table of Contents - Chapter 5

[Purpose and Intent](#)

[Issues, Goals, Policies, and Programs](#) [Executive Summary](#)

[Critical Drivers of Prineville’s Economy](#) [Goals and Policies](#)

[Existing Economic Conditions – National, State, and Local Trends](#) [Goal #1: Provide adequate industrial and commercial land inventories to satisfy the urban development needs of Prineville for the planning horizon.](#)

[Availability of Products and Services](#) [Goal #2: Promote Economic Development.](#)

[Employment Changes](#)

[Primary Industries and Employers](#)

[Specific Employment and Industry Projections](#)

[Existing and Proposed Industrial Opportunities – Industrial Land Site Requirements](#)

[Local Efforts to Target Desired Industries](#)

[Industrial Land Inventory Needs Analysis](#)

[Existing and Proposed Commercial Opportunities – Commercial Lands Site](#)

[Existing and Proposed Industrial Opportunities – Industrial Land Site Requirements](#)

[Commercial Land Inventory Needs Analysis](#)

Economy

April 2025~~06~~

Chapter 5 Economy

Purpose and Intent

Goal 9 of Oregon’s Statewide Planning Goals and Guidelines pertains to economic development. This goal calls for diversification and improvement of the economy. It requires communities to inventory commercial and industrial lands, project future needs for such lands, and plan and zone enough land to meet those needs. Thus, the City of Prineville is required, by law, to provide at least a 20-year supply of commercial and industrial land and commensurate infrastructure. [In conformance with Goal 9, the City has conducted an Economic opportunities Analysis \(EOA\) with a Buildable Lands Inventory. The complete analysis prepared by ECONorthwest in conjunction with 3J Consulting in January of 2025 and is titled “City of Prineville Economic opportunities Analysis”. This analysis is adopted by reference and considered a part of this chapter. The following is the “Executive Summary” of the EOA.](#)

[2025 Economic Opportunities Analysis Executive Summary](#) ~~The goal also requires that comprehensive plans shall “include an analysis of the community’s economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends.”~~

~~There is no dispute that successful commercial and industrial activity requires sufficient and suitable land inventories. Careful attention to the necessary space requirements and locational considerations of potential commercial and industrial uses is necessary to promote, maintain, and encourage a variety of local economic activities on lands that are competitively priced. It is generally understood that when the supply of economic lands are constrained, land prices unnecessarily increase and this could reduce Prineville’s chances at attracting business.~~

~~In conformance with Goal 9, the City conducted and updated a Buildable Lands Analysis⁺ in order to evaluate land availability and examined market trends. Other studies were also used to determine land supply and long term land needs and together with the updated buildable lands inventory, are good data sets from which to derive assumptions about economic land needs. Local and regional experts have also supplied the city with information about other economic factors that affect Prineville. The findings derived from the Buildable Lands Analysis and other studies were used to address the key factors of Goal 9 identified above. The bulk of these data sets are located in the appendix.~~

~~Understanding the City’s economic assets will also be a key task in analyzing the existing and future economy. Land use planning, permitting processes, infrastructure development and related efforts of the City will influence future business development. Coordination with local business groups such as the Chamber of Commerce and Economic development For Central Oregon will be essential to identifying what type of development enhancement and infrastructure is necessary to support desired industries. The City and private groups will need to work together and implement programs as necessary to help companies and new businesses easily locate in Prineville, expand, and stay competitive in the local and regional markets.~~

⁺
~~The analysis has been updated as needed to reflect actual land absorption, City Council policy, and other relevant inventory monitoring factors.~~

Issues, Goals, Policies, and Programs

Assumptions and Trends

The City of Prineville can play an active role in helping to support the local economy by continuing to enhance existing businesses and generate new activity. The local economy of Prineville is directly tied to land zoning and available supply, historical land uses, local and regional demographics, labor pool, suitable housing, public services and transportation facilities. City regulations have a direct impact on the ability of existing business to expand and attraction of new business.

Private and public economic development efforts should focus on strategies that increase the opportunities for existing businesses. Likewise, efforts should also focus on expanding the possibilities for future workers and entrepreneurs by offering opportunities for local citizens to stay in the community and obtain nationally competitive jobs.

The national economy, society, and environment are key factors that will influence the local economic climate of Prineville. This chapter illustrates Prineville's existing economic patterns and potential economic opportunities. The analysis begins with a review of the current economic state of economic development in Prineville and Crook County. It also is necessary to identify any obstacles to future enterprise. This type of analysis approach can strengthen the community's position as a unique, established, and attractive place to work, live, shop, and recreate.

Access and Location

The City of Prineville is a small community approximately 17 miles outside of the Highway 97 corridor, which is a vital link to the Willamette Valley and other metropolitan areas. The location of the community and proximity/distance from Highway 97 will continue to be somewhat of an obstacle for new businesses and industries that rely on speedy shipping and proximity to support services in Bend, Redmond, Portland Metro and the I-5 Corridor. However, the charm of the area, quality of life, good development climate, Enterprise Zone, City owned railway, volume of available land and lower land costs will continue to be elements that can help overcome the distance to regional highway issues. The recent development of the Millican Highway connection from Highway 20 (Burns) to Highway 126 at the industrial park will be an advantage for trucks looking to avoid the congestion in Bend and Redmond. Even though the community is removed for the Highway 97 corridor, the time savings gained from the Millican Highway connection will help to compensate for the loss in direct or origination trips. The addition of truck stop services near the intersection of the Millican Highway and Highway 126 will help to serve the industry while reducing the negative impact of the truck traffic upon the rest of the community at the City center.

Alternatives to Access Difficulties—A Focus on Technology

Difficulty in reaching convenient access to regional transportation corridors can be partially overcome by transitioning to a technology and knowledge based economy. Jobs that rely upon the development of technology and the transfer of knowledge products do not necessarily rely upon large amounts of truck shipping necessitating regional highway access. Information and technology markets influence and support all types of industries from retail to wholesale to manufacturing and service firms. Such industry is changing the speed and efficiency of business

operations, the skills of workers, and the expectations of consumers. As a result, business owners and employees in the technology industries do not need to solely rely on ground shipping to deliver products to customers. Linking economic development strategies to a technological based economy is a trend that will be critical to enhancing the local job market.

Downtown Prineville – The “Core” Commercial Area

Prineville has a viable downtown area, which serves as a central feature in the community. Various studies have shown that this is where the maximum effort should be expended to improve the retail business climate. The downtown area could benefit from the addition of commercially zoned lands as necessary to deepen lots and broaden redevelopment opportunities.

Other Commercial Areas

The existing development patterns and commercial zoning designations have given rise to commercial development adjacent to the primary roadways in a “strip” configuration. The negative effects of such strip development include:

- poor access control, conflict with ODOT, and undesirable access for commercial developments;
- shallow lot depth limiting future business or center-type development;
- poor sign control and limited aesthetic options;
- longer vehicle trips to reach needed shopping services; and,
- reduced opportunities for buffering between land uses.

Strip commercial areas on the edges of the community force shoppers to travel by cars along the primary access ways. Pedestrian and alternate mode opportunities are lost when commercial zones are located great distances from population centers and neighborhoods. In addition, sole reliance upon vehicle travel to reach strip shopping areas can lead to unnecessary vehicle travel and expensive widening improvements along major roads. The synergy of commercial activities is lessened when commercial uses are not located in centers or downtown. Mixed use zoning and rezoning of certain parcels to provide enough land in sizes necessary to accommodate commercial centers rather than a continuation of additional shallow depth strip commercial will be necessary to provide a better balance of commercial development and reduce unnecessary vehicle trips.

Industrial Areas

The community also has a major industrial area near the Prineville Airport and a railroad dependant industrial area in the NW quadrant. These industrial areas are top priorities for local decision makers concerning infrastructure planning and economic expansion incentives.

There are various older, industrial areas scattered around the city, but these tend to create incompatibility issues with adjacent residential and mixed use areas as well as disrupt natural drainage ways and riparian areas. Some of these older industrial areas have been developed with residential uses and suffer from incompatible Plan designations. The City intends to rezone the undeveloped portions of these industrial areas to mixed use areas and residential zones without negatively affecting the industrial land inventory. The trend to incorporate mixed uses on lands that are incompatible with established residential uses will enhance the ability of the community to

Economy

add more mixed-use zones throughout the urban growth boundary. The properties slated for proposed rezoning are shown on Map No. 3 in the appendix.

Critical Drivers of Prineville's Economy

Many factors drive an economy. Some are influenced by the global economy, others by federal and state policies, and still others by regional elements. Some factors are in the control of the community and others are not, yet they all interrelate. One of the first steps in developing sound economic development plans is to understand what drives the local economy. The factors identified as those most directly affecting Prineville's economy included:

Types of Businesses:

- Traditional manufacturing businesses: products, components, machines, farm and construction equipment, woods, metals, glass, stone, fertilizer and chemicals, and composite materials.
- Emerging businesses: high tech, Internet, e-commerce, creative services, and mixed-use developments providing jobs and workforce housing to reduce employee commute time/highway congestion.
- Support businesses: Suppliers, retail, services and repair, personal and business services. A variety of company sizes: from small to large—commensurate with growth trends.

Business Operations:

- Skilled workers
- Workforce housing
- Telecommunications capacity
- Access to support services
- Access to capital

Regional Development Factors:

- Infrastructure & transportation
- Land availability and cost factors
- Affordable housing
- Access to post secondary education system

Business Climate Factors:

- Public policies, fees, land use restrictions
- Tax structure and Strong stable government
- Transportation options

Livability & Image:

- Small town charm, arts & culture, access to services
- Growth management
- Overall quality of life
- K-12 education system
- Access to health care
- Access to quality shopping and recreation

It is essential that Prineville's community leaders examine how these drivers, whether they are strengths or weaknesses, affect economic development planning. Businesses, industry groups, the Chamber of Commerce, city staff, community development representatives and others involved in the adoption of the Plan identified the following as *key issues* that will likely influence the future economy.

- 1.—The ability to capture the growth in emerging industries such as high tech, software, bioscience, and e-commerce.
- 2.—The ability to redevelop areas to meet density and employment goals while keeping a sense of place.
- 3.—The need to consider small business and local services as part of the overall economic picture.
- 4.—How to develop an image for Prineville that will support and retain existing businesses and attract new ones.
- 5.—The link between Prineville's economy and that of the broader Central Oregon region.
- 6.—How to identify, improve, and pay for the basic transportation and infrastructure needs necessary to facilitate business development.
- 7.—How to develop and retain quality workforce housing.

**Existing Economic Conditions –
*National, State, and Local Trends***

The community will need to monitor and consider the importance of local and national trends and related economic activities as part of local growth management. For example, the 2000 Census, Economic Development for Central Oregon (EDCO) and other local experts have provided data used to forecast certain features of the local economy. This data is utilized in the subsequent economic evaluation detailed below.

Labor Statistics and Trends

The unemployment rate in Crook County was at 4.4% in 2000, which was slightly lower than Central Oregon (Crook, Deschutes, & Jefferson County) at 4.9% but higher than the nation at 4.0% for the same year. The primary means of transportation for the local workforce was private vehicles where 69.3% of the workers drove alone while commuting to their jobs. Interestingly, 23.6% of Prineville’s commuters carpooled to places of employment and only 3.3% walked to work.

	Central Oregon	Oregon	U.S.
1996	8.7%	5.9%	5.4%
1997	8.1%	5.8%	4.7%
1998	7.2%	5.6%	4.5%
1999	6.7%	5.7%	4.2%
2000	6.5%	4.9%	4.0%
2001	6.9%	5.9%	4.8%
2002	8.0%	7.3%	5.8%
2003	8.0%	8.2%	6.0%
2004	7.9%	8.5%	5.5%
2005	6.1%	6.9%	5.1%
2006	5.4%	6.0%	4.6%

Local Unemployment Rates as Compared to State and Nation

Crook, Deschutes and Jefferson Counties vs. Oregon and U.S.
 Sources: U.S. data from January 2007 Employment and Earnings (BLS),
 Oregon and regional data from Oregon Employment Department.

Car commuting in Crook County is higher than other places in Central Oregon. This is expected because of the rural setting and distance from other employment areas in Bend and Redmond contributing to a higher commute rate. This situation will not change until the local population can support more industry, service and retail choices in the Prineville community.

	Central Oregon**	Oregon*	WA*	CA*
TRADE				
Plumber	\$23.52	\$24.40	\$23.58	\$20.36
Receptionist	\$10.82	\$10.50	\$10.93	\$11.20
Secretary	\$12.65	\$12.64	\$14.06	\$14.25
Truck Driver, Heavy	\$16.34	\$15.83	\$17.03	\$16.75
PROFESSIONAL				
Industrial Production Manager	\$34.54	\$33.63	\$35.66	\$36.07
Marketing Manager	\$37.21	\$38.03	\$41.30	\$42.47
Electrical Engineer	\$32.49	\$33.12	\$33.96	\$36.01

Average Wages Offered for Selected Occupations

*Bureau of Labor Statistics (2001 most recent stats) **Oregon Employment Department (2002 stats)

Income Level Comparisons

Income Levels										
	Median Income (family of 4)*					Per Capita**				
	2004	2003	2002	2001	2000	2002	2001	2000	1999	1998
Crook	\$47,900	\$45,400	\$35,300	\$34,700	\$34,400	\$21,859	\$21,070	\$20,225	\$21,168	\$19,905
Deschutes	\$57,800	\$54,200	\$45,000	\$44,200	\$41,600	\$28,193	\$27,585	\$26,469	\$26,077	\$24,784
Jefferson	\$45,200	\$43,800	\$36,700	\$36,500	\$35,900	\$20,530	\$17,867	\$17,716	\$18,806	\$18,328
Oregon	\$58,600	\$56,300	\$48,000	\$47,800	\$46,000	\$28,792	\$28,222	\$27,660	\$26,261	\$25,416

*U.S. Department of Housing and Urban Development

**U.S. Bureau of Economic Analysis

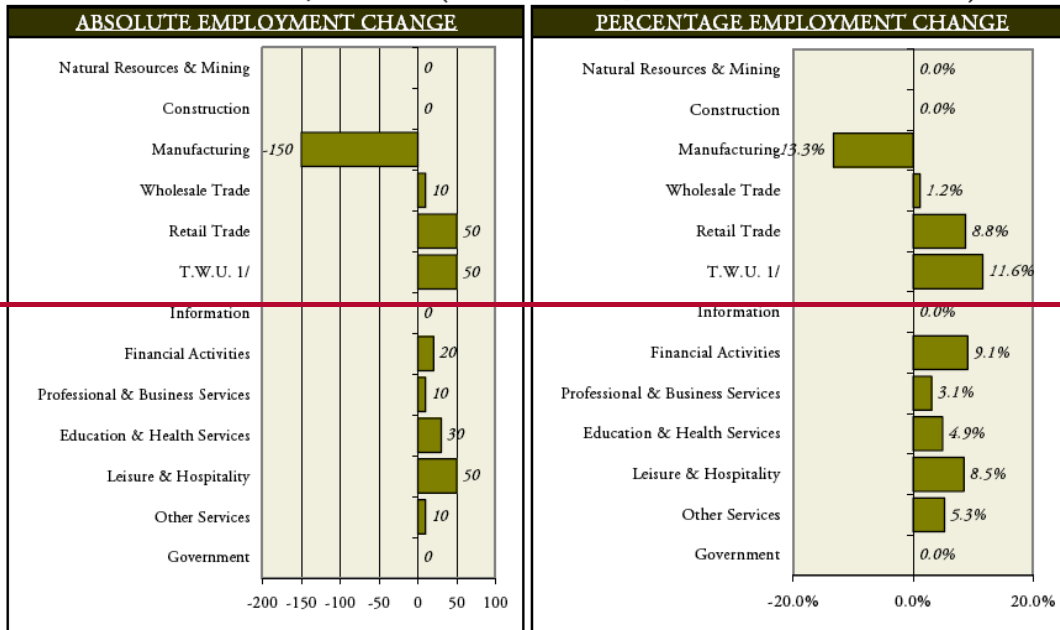
Sources: U.S. data from January 2001 Employment and Earnings (BLS), Oregon and regional data from Oregon Employment Department.

Availability of Products and Services

Competition for products and services currently provided by Bend and Redmond will typically continue until there is an adequate demographic base in Prineville to support additional shopping, employment and service needs of the community. The large commute has certain disadvantages in that it tends to over-utilize existing road capacities at peak hours and this creates a high subsidy for City and State transportation projects, etc. However, the ability for

business owners to draw from a wide labor pool is an advantage and helps to broaden job choices for residents. As the community diversifies and moves further away from a farm and forest based economy the opportunities for more variety in employment and shopping choices is expected to increase.

EMPLOYMENT CHANGE BY MAJOR NAICS CLASS
CROOK COUNTY, OREGON (OCTOBER 2005 THROUGH OCTOBER 2006)



SOURCE: Oregon Employment Department

Employment Changes

Industry growth was led by Transportation and Warehouse (11.6%), Financial Activities (9.1%), Retail Trade (8.8%), and Leisure and Hospitality (8.5%). Manufacturing was the only industry that had a net loss of jobs between October 2005 and 2006. The manufacturing industry lost 150 jobs for a decrease of 13.3%. This decrease is attributable to a decrease in wood product manufacturing. The Oregon Employment Department releases updated ten year employment forecasts every two years at the regional level. The most recent forecast (2004-2014) indicates an anticipated 17,520 job increase for Region 10. Future employment gains are expected to be realized largely through service sector growth. Roughly 50.3% of anticipated employment growth is projected to originate from Professional & Business Services, Education & Health Services, Leisure & Hospitality Services, and Other Services. Prineville and Crook County lie within State of Oregon Assessment Region 10. The Region 10 data indicate that non-farm income is dramatically increasing. These regional reports show that manufacturing, lumber remanufacturing production and service sectors are expanding as population growth occurs.

Primary Industries and Employers

The primary industries in Crook County and Central Oregon are listed in the table below.

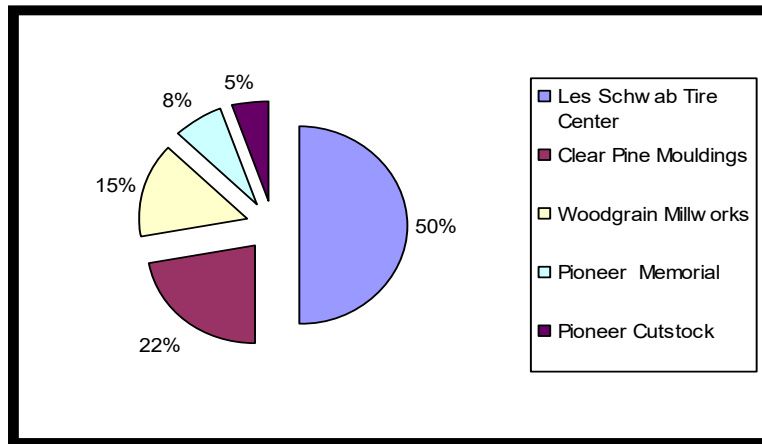
PRIMARY INDUSTRIES IN CENTRAL OREGON

Economy

County	Industry	Total Employment
Crook	Agriculture	400
	Distribution & Warehousing	1,402
	Education & Health Services	559
	Tourism	425
	Wood Product Manufacturing	1,084
Deschutes	Computer & Electronic Manufacturing	362
	Distribution & Warehousing	862
	Health & Social Assistance	5,908
	Professional, Scientific & Technical Services	1,889
	Recreational & Transportation Equipment	1,110
Jefferson	Tourism	7,652
	Wood Product Manufacturing	1,920
	Agriculture	630
	Health & Social Assistance	198
	Manufacturing & Fabrication (includes Wood Product Manuf.)	1,264
	Recreational Equipment Manufacturing	250
	Tourism	556

Local occupations are distributed among several areas and are consistent with the recent Census data. Management, professional, and related occupations cover about 21% of the employed individuals in Prineville; 26.7% in production, transportation, and material moving; while another 37% work in the sales, service and offices occupations. Farming accounts for only 2.5% of city occupations and less than 1% of total revenue generated in Crook County.

Top Private Largest Employers in Prineville

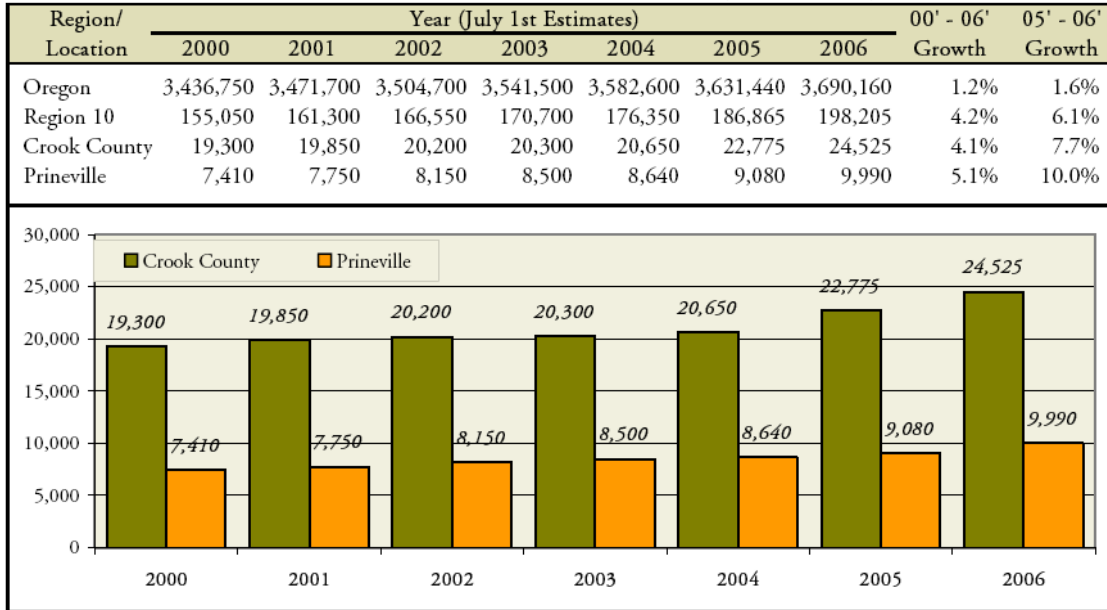


Prineville has the highest per capita jobs in the demand wood and

has the highest of manufacturing state. The for remanufactured secondary wood

~~products, high number of ground transportation companies (7), and the Les Schwab distribution plant are the primary reasons for this situation.~~

ANNUAL POPULATION ESTIMATES
STATE, REGIONAL, & LOCAL TRENDS (2000-2006)



SOURCE: Oregon Population Research Center

~~Despite healthy population increase over each of the last six years, a significant population influx occurred in 2005 which displayed 10.3% growth in a single year. It is predicted that inflation in housing prices in competing markets, namely Bend and Redmond, is largely responsible for Crook County's recent popularity. Over the next twenty years, the Oregon Office of Economic Analysis fully expects regional and County level population to continue a healthy growth pattern. Through 2025, State forecasts estimate an additional 91,382 individuals are expected to permanently reside within Region 10, 9,090 of which to be captured by Crook County, a capture of roughly 9.94%. Additionally, roughly 82.3% of anticipated Crook County population growth will be realized through net immigration.~~

~~Over time, and as the population increases, the trend will be for more diversification in job choices. According to the Oregon Employment Department report, Employment Projections by Occupation 2002-2012² the community can expect to see the greatest job growth in the following occupational areas:~~

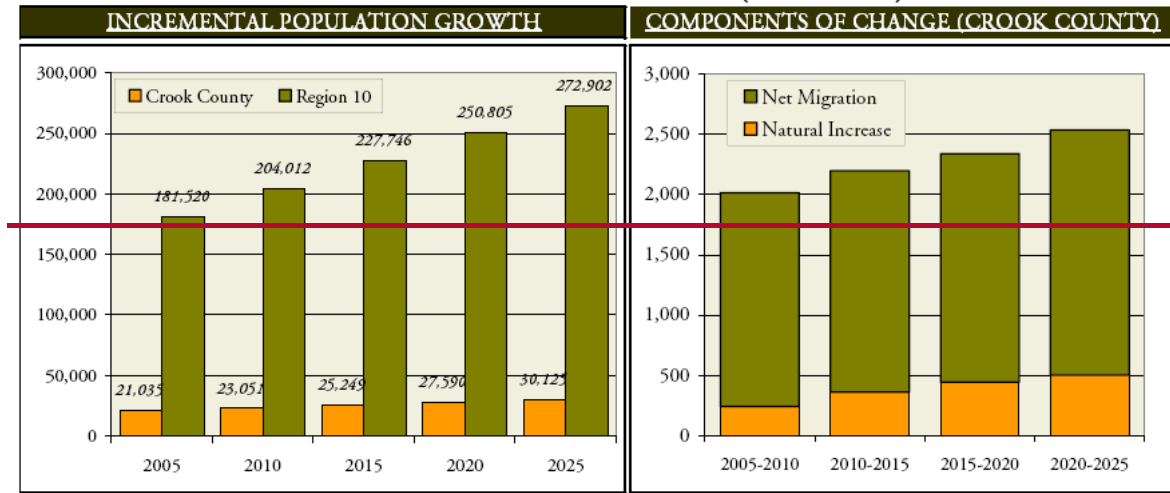
- ~~Health Care~~
- ~~Professional and Technical~~
- ~~Service and Retail including hospitality services~~

~~The increase in health care jobs is much different from the current local situation and is primarily due to an expected increase in young families with children, and an older population~~

~~Generally, the current ordinances are adequate, although a few modifications are needed to better support desired outcomes.~~

made up of retirees and baby boomers. As the older population and general population increases so does the need for more choices in medical services. Health care professionals are in current demand and this is expected to continue as the largest growth area. The City will need to provide the proper amount of developable and adequately zoned lands to accommodate the expected increase in healthcare businesses and medical services. Prineville's small town charm and high level of livability will continue to attract young professionals and entrepreneurs. The retail and service markets will need to respond to this influx in order to meet demands of the growing population, particularly as housing choices increase. The City will need to provide the proper amount of developable and adequately zoned lands to accommodate the expected increase in professional, technical, service, and retail professions.

20-YEAR POPULATION PROJECTION
REGION 10 AND CROOK COUNTY (2005-2025)



SOURCE: Oregon Office of Economic Analysis

Specific Employment and Industry Projections

The 'snapshot' of data tables below provide a more precise projection detail for a period of 10 years beginning in 2004. This data is derived from the 2000 Census and information prepared

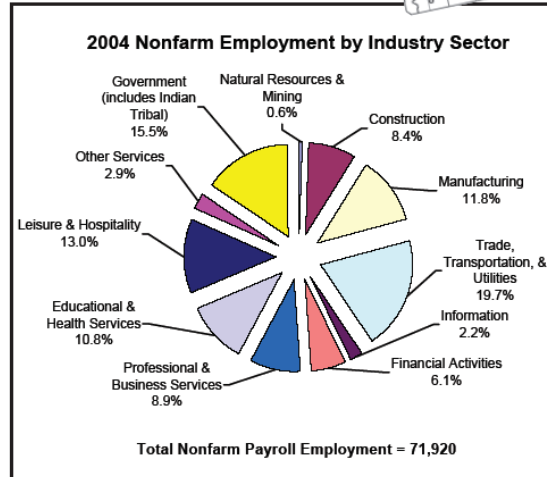
Economy

~~by the Oregon Employment Department (OED). This type of projection is useful for analyzing the current land use ordinances to make sure the community can adapt to the projected needs.~~

Region 10 Industries At A Glance ...



Industry	2004	2014	Change	Percent Change
Total Nonfarm Payroll Employment	71,920	89,440	17,520	24.4%
Natural Resources & Mining	450	480	30	6.7%
Construction	6,030	7,640	1,610	26.7%
Manufacturing	8,510	8,910	400	4.7%
Trade, Transportation, & Utilities	14,150	17,750	3,600	25.4%
Information	1,560	1,880	320	20.5%
Financial Activities	4,370	5,120	750	17.2%
Professional & Business Services	6,400	8,810	2,410	37.7%
Educational & Health Services	7,800	10,170	2,370	30.4%
Leisure & Hospitality	9,370	13,060	3,690	39.4%
Other Services	2,120	2,480	360	17.0%
Government (Includes Indian Tribal)	11,150	13,160	2,010	18.0%

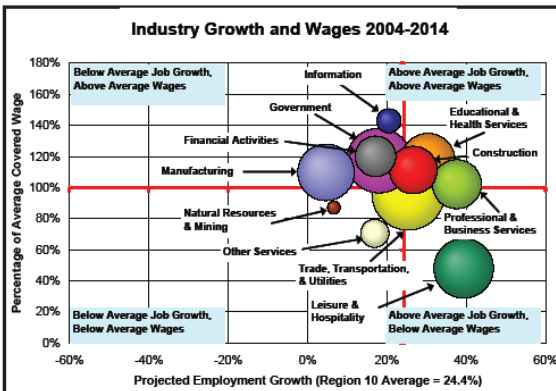


Industries With the Most Jobs	2004 Employment	2014 Employment	Projected Change	Percent Change
Food Services & Drinking Places	5,507	7,325	1,818	33.0%
Wood Product Manufacturing	4,020	3,898	-122	-3.0%
Specialty Trade Contractors	3,812	4,840	1,028	27.0%
Administrative & Support Services	3,504	5,126	1,622	46.3%
Ambulatory Health Care Services	2,772	3,638	866	31.2%

Industry	2004 Employment	2014 Employment	Projected Change	Percent Change
Food Services & Drinking Places	5,507	7,325	1,818	33.0%
Administrative & Support Services	3,504	5,126	1,622	46.3%
Accommodation	2,340	3,703	1,363	58.2%
Specialty Trade Contractors	3,812	4,840	1,028	27.0%
General Merchandise Stores	2,167	3,134	967	44.6%

Industry	2004 Employment	2014 Employment	Projected Change	Percent Change
Electronics & Appliance Stores	169	301	132	78.1%
Accommodation	2,340	3,703	1,363	58.2%
Museums; Parks & Historical Sites	71	111	40	56.3%
Motion Picture & Sound Recording Ind	89	134	45	50.6%
Administrative & Support Services	3,504	5,126	1,622	46.3%

*Limited to industries with a minimum 2004 employment of 40 and that satisfy Employment Department confidentiality criteria.



For additional information, contact Steve Williams at Stephen.C.Williams@state.or.us or (541) 388-6442

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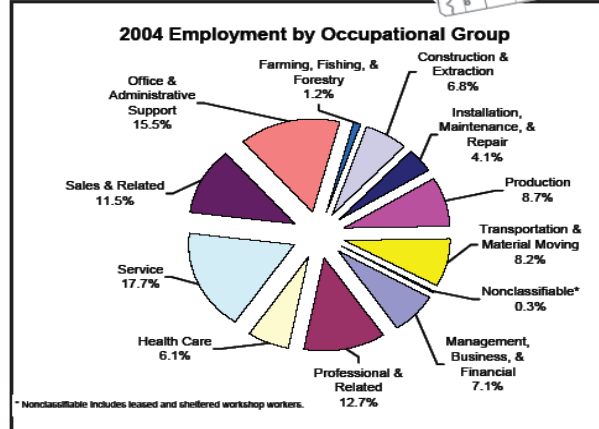


Region 10 Occupations At A Glance ...



Occupational Group	2004 Employment	Percent Of Total	Statewide % of Total
Total Payroll Employment	72,598	100%	100%
Management, Business, & Financial	5,182	7.1%	8.7%
Professional & Related	9,219	12.7%	15.5%
Health Care	4,458	6.1%	6.4%
Service	12,874	17.7%	15.2%
Sales & Related	8,340	11.5%	10.6%
Office & Administrative Support	11,254	15.5%	16.6%
Farming, Fishing, & Forestry	895	1.2%	2.4%
Construction & Extraction	4,930	6.8%	4.3%
Installation, Maintenance, & Repair	3,001	4.1%	4.0%
Production	6,292	8.7%	7.9%
Transportation & Material Moving	5,927	8.2%	7.6%
Nonclassifiable*	226	0.3%	0.7%

*Nonclassifiable includes leased and sheltered workshop workers.



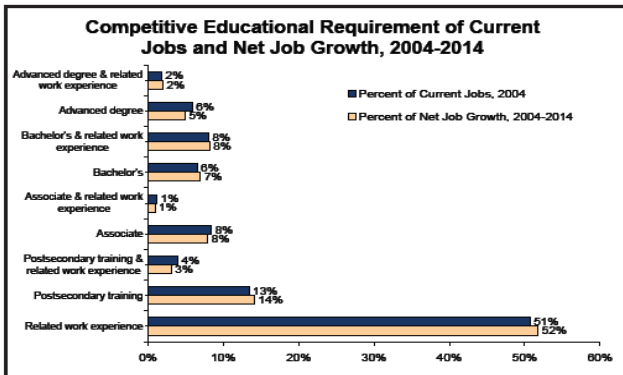
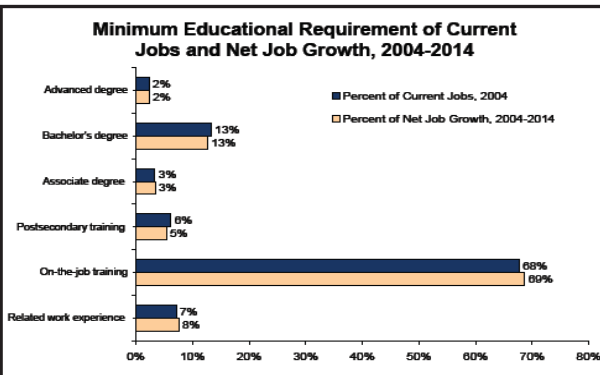
Top Performing Occupations

Occupations With the Most Jobs	2004 Employment	2014 Employment	2004-2014 Percent Growth	2004-2014 Growth Openings	2004-2014 Total Openings*
Retail Salespersons	2,756	3,721	35.0%	965	2,091
Waiters & Waitresses	1,571	2,236	42.3%	665	1,591
Cashiers	1,448	1,874	29.4%	426	1,128
Office Clerks, General	1,414	1,751	23.8%	337	687
Laborers & Freight, Stock, & Material Movers, Hand	1,372	1,551	13.0%	179	628

Occupations Adding the Most Jobs, 2004-2014	2004 Employment	2014 Employment	2004-2014 Percent Growth	2004-2014 Growth Openings	2004-2014 Total Openings*
Retail Salespersons	2,756	3,721	35.0%	965	2,091
Waiters & Waitresses	1,571	2,236	42.3%	665	1,591
Customer Service Representatives	911	1,366	49.9%	455	626
Cashiers	1,448	1,874	29.4%	426	1,128
Registered Nurses	1,247	1,616	29.6%	369	682

Occupations Growing the Fastest**, 2004-2014	2004 Employment	2014 Employment	2004-2014 Percent Growth	2004-2014 Growth Openings	2004-2014 Total Openings*
Correctional Officers	62	328	429.0%	266	307
Aircraft Structure, Surfaces, Rigging, & Systems Assemblers	42	92	119.0%	50	69
Amusement & Recreation Attendants	239	423	77.0%	184	269
Hotel, Motel, & Resort Desk Clerks	129	203	57.4%	74	145
Entertainment Attendants & Related Workers, All Other	52	80	53.8%	28	45

*Total Openings include openings resulting from growth and from workers leaving the occupation. ** Limited to occupations with a minimum 2004 employment of 40.



For additional information, contact Steve Williams at Stephen.C.Williams@state.or.us or (541) 388-6442

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Economy

The predictions for commerce and industry growth do not show a large increase in the type of high employment, large industrial development that Prineville and EDCO hope to attract to the community and region. However, the current economic incentives, limited land supply in other nearby communities, and the level of commitment shown by local leaders may dispel the predicted trend and lure additional large manufacturing, industrial, and technologically-based businesses to the community.

The OED predictions do not take into account the current lack of desirable industrial land in Bend and Redmond. This factor alone has proven to be valid with the recent development of several new industrial parks near the Prineville Airport and brisk 2004-2006 land sales in adjacent industrial areas. Developers are keen to focus on Prineville now that there is a better selection of industrial parcels to choose from in the UGB. The selection has been enhanced by the recent UGB expansion, which added over 540 acres of industrial land to the UGB.

Existing Economic Conditions Conclusion

Prineville's local leaders encourage quality development and job creation. While retail, service, and the health care industry will continue to grow and expand, community leaders have aggressively focused efforts on attracting large industrial development. It is anticipated that these efforts will bring forth industries that rely on a large number of employees and create additional family-wage jobs in the community. Community leaders have made it clear that large industrial development is needed in addition to the sectors identified in the predicted trend data. Likewise, there is a companion goal to reduce the daily commute for local residents by the creation of additional family-wage jobs within the community.

According to Economic Development for Central Oregon—EDCO staff—

“Central Oregon has steadily diversified its employment and economic base. For the past decade, Deschutes County has lead Oregon in high technology growth (over 270%). Numerous companies from the Silicon Valley, Portland-Vancouver Metro, and Puget Sound have relocated or expanded here - escaping skyrocketing costs, electricity shortages and tight labor markets. Many of these firms are small but extremely innovative, producing niche-market products from semiconductors to software, medical instruments to recreational equipment.”

wages
lower
and high
features

Competitive
relatively
housing costs,
quality of life
will continue

to attract businesses and companies to the region. Prineville will need to supply adequate levels of skilled labor force, developable lands and increased housing choices to continue to be attractive to new business development as a way to compensate for less-than-perfect access to key highways.

Overall, Central Oregon is a desirable place to locate businesses and while the region is not on the I-5 corridor there are certain advantages to the area given the labor rate comparisons and

~~other positive demographic features. Oregon’s largest School-to-Work program operates in Prineville, through a partnership with the Chamber of Commerce.~~

~~**Existing and Proposed Industrial Opportunities – Industrial Land Site Requirements**~~

~~Prineville has a variety of industrial areas spread throughout the community. A few industrially zoned lands suffer from a lack of performance standards, which can lead to compatibility issues with adjacent residential neighborhoods. The transition from a lumber-based economy to tourism and locational factors have rendered some industrial parcels ripe for redevelopment into other less intensive or mixed uses. As older industrial areas transition to mixed uses and new industrial areas are created, the City will need to explore alternatives to incompatibility issues including but not limited to rezoning, mixed-use development techniques and additional setback and compatibility standards.~~

~~**THE OCHOCO LUMBER MILL PROPERTY – A REDEVELOPMENT SITE**~~

A few industrial areas such as the former Ochoco Lumber Mill site lie adjacent to the UGB and along Highway 126. The redevelopment of these types of sites will require careful planning and use of mixed-use development techniques as a way to avoid the negative effects of additional strip commercial development patterns. The Ochoco Lumber Mill site is too close to residential uses to continue as heavy manufacturing. Thus, a new type of zone, one that is compatible with adjacent development patterns, is more appropriate.

Numerous discussions with the owner of the Ochoco Lumber Mill property have revealed that they wish to potentially develop a mixed-use project on the site. This would include commercial, industrial, open space and housing activities. The owners have stated that they also intend to enhance the alignment of Ochoco Creek and its floodplain where it crosses the site and develop suitable buffers and separation from the nearby existing neighborhoods. This type of redevelopment is consistent with Plan objectives and helps to diversify the economy as it further transitions from lumber to other needed business types.

~~The recommended “complete neighborhood and commercial/industrial area standards” contain good compatibility requirements and will help to buffer industrial uses from other activities. The industrial areas that are close in and near the higher population areas contain the largest variety of industrial uses. It is expected that as land prices and population increase the existing heavier industrial uses will transfer to other less populated outlying areas. Traditionally, the smaller industrial uses such as service and repair or contractor services have located close to the~~

Economy

urban core. The heaviest concentrations of industrial lots are in industrial parks as described below.

Murphy Industrial Park

Located in Prineville, the Murphy Industrial Park consists of 14.7 acres of light industrial zoned property with 10 lots ranging from 1 to 3.39 acres. The property is located 1/4 mile east of Hwy 26 and Hwy 126 and within Prineville's new enterprise zone. The Murphy Industrial Park is located in Prineville's designated Oregon Enterprise Zone, which offers qualifying businesses 100%, 3-5 year property tax exemptions on new, qualified investment in plant and equipment. The site is served with all utilities and is very nearly flat, ensuring ease of development.



Baldwin Industrial Park

The Baldwin Industrial Park offers exceptional values on land and structures, as well as easy access to Hwy 126. The Park is part of the City of Prineville's newly developed industrial area and within the city's enterprise zone. The Park is only 17 minutes from the regional airport in Redmond and less than a half hour to Bend. The site is served with all utilities and is very nearly flat, ensuring ease of development. Forty (40) total acres are available with lots ranging from 3/4 of an acre to over 5 acres. The Baldwin Industrial Park is located in Prineville's designated Oregon Enterprise Zone, which offers qualifying businesses 100%, 3-5 year property tax exemptions on new, qualified investment in plant and equipment.



Tom McCall Industrial Park

~~Crook County and other private developers own over 100 acres known as Tom McCall Industrial Park near the Prineville Airport³. The site is served with all utilities and is very nearly flat, ensuring ease of development. Certain development regulations imposed by the County control the purchase price and business plan of prospective developers. The intent is~~

³Crook County also owns over 1000 acres in the vicinity, which could be converted to future industrial uses.

~~to preserve large parcels for industrial campus uses needing large site requirements.~~

~~Tom McCall Expansion – Prineville Industrial Park~~



~~The Tom McCall Expansion, known as the Prineville Industrial Park is 118 acres in size and privately owned. The property abuts the County industrial lands and wraps around the Oregon Youth Association – OYA facility. This facility will be converted to Oregon National Guard uses. A variety of lot sizes are available ranging from .5 to 50 acres in size. Airport access to taxi ways may be available at the southern end of the property. There is an increasing need for additional access to the airport form adjacent lands. The FAA has traditionally discouraged such access but the viability of the airport depends upon such services.~~

Prineville Airport Business/Industrial Park

~~The Prineville/Crook County Airport includes two runways with the largest offering a 5,000-foot runway capable of handling jet traffic at an elevation of 3,246 feet above sea level. Pilot activated runway lighting and fixed base operator (FBO) services are available. The~~



airport has several sites available for industrial and commercial development but is for lease only.

Local Efforts to Target Desired Industries

Economic Development for Central Oregon (EDCO) has focused their efforts in attracting new business and industry by targeting specific types of development. These include:

General Industry Cluster Targets

Aerospace and Aviation

High Technology (includes software, hardware and biotechnology)

Light Industrial and Manufacturing (Plastics, assembly, printing, misc.)

Recreational Equipment Manufacturing

Research and Development Firms

Secondary Wood Products

Headquarter Firms

Within these broad categories, 21 of the nearly 1,000 SIC (Standard Industry Classification)

Codes have been chosen by EDCO as specific targets for growth and recruitment. They include:

Specific Targets

~~2396 Automotive Trimmings, Apparel Findings & Related Products~~

~~2542 Store and Office Fixtures (except wood)~~

~~2732 Book Printing~~

~~3751 Motorcycles, Bicycles & Parts~~

~~3792 Travel Trailers and Campers~~

~~3799 Transportation Equipment, NEC~~

~~3845 Electro medical & Electrotherapeutic Apparatus~~

~~3721 Aircraft~~

~~3728 Aircraft Parts & Engine Parts~~

~~7371 Software Development, Custom~~

~~7372 Software Development, Prepackaged~~

~~3082 Plastics Profile Shapes, Unsupported~~

~~3089 Plastic Products, NEC~~

~~3672 Printed Circuit Boards~~

~~5099 Durable Goods, Wholesale, NEC~~

~~2541 Store and Office Fixtures, Wood~~

~~2674 Bags, Uncoated Paper & Multiwall~~

~~3086 Plastics Foam Products~~

~~3087 Plastics Resins, Custom Compounding~~

~~3674 Semiconductors & Related Devices~~

~~3949 Sporting & Athletic Goods, NEC~~

All of the above targets are suitable uses in the Prineville community. However, the City wants to attract clean industries and avoid those that can cause harm to the environment or create potential City subsidy. This goal may mean that some industries may need to be carefully examined for potential community pollution. The City will need to make sure that the industrial

and commercial zoning regulations can accommodate the future development industries identified above.

As mentioned above, the identified target industries do not necessarily match the forecasted local trends. However, this does not mean the desired industries are unsuitable for Prineville. On the contrary, the local desires, and State/National trends are all to be considered when developing the assumptions used to support this economic opportunities analysis.

Industrial Land Inventory Needs Analysis

Prineville is the only incorporated city within Crook County's sizeable 2,291 square acres. Prineville would like to provide jobs in the community for all of it's' citizens and not suffer the negative impacts of the daily commute to other cities. The City of Prineville cannot meet this goal at present. Efforts to induce additional job creation are underway and were given a boost by the 2004 UGB expansion that took in an additional 540 acres of land for industrial purposes. The responsibility to maintain a supply of adequate industrial lands, and provide a sound industrial climate to support additional job creation is a continuing responsibility of the City as part of the Goal 9 requirements and City Council policy.

The development trend in Prineville is primarily a product of reaction to a changing lumber and agricultural base. Lands that were devoted to primary lumber manufacturing have either ceased operation or transformed to respond to market needs and available lumber supply.

From the mid-1980's until 2003, some industrial lands were permitted to allow development of non-industrial and/or commercial uses. These decisions were part of an effort to retain business and help provide jobs in the community. Higher land prices and limited supply of commercial land exacerbated this situation. However, this technique created problems with compatibility to primary industrial uses and tended to underutilize valuable industrial land resources. Better efforts at coordinated economic development strategies, appropriate mixed-use land development, and incentives to encourage commercial development in appropriate locations will reverse this negative trend.

The City intends to preserve industrial areas for predominantly industrial uses. This may be difficult in light of M37⁴, but development of incentive programs such as the Enterprise Zone

⁴M37 is a measure approved by Oregon voters to protect property rights for those who have owned property prior to restrictive land use regulations that limit allowed uses of property. M37 is being re-examined and it is unknown whether the measure will be sustained over the years

and the City's required M37 waiver as a condition of annexation will be helpful to preserving industrial lands for future economic development.

Numerous parcels of land in the UGB are inappropriately designated industrial. The zoning of these parcels will need to be corrected and appropriately zoned. The largest of these parcels are known as the Ochoco, Smith, Carpenter, and Rhoden sites. These were not considered prime industrial lands in the Benkendorf report and/or in related City studies. Other parcels of land containing residential homes have an inappropriate designation as "industrial" and need to be rezoned. See attached map showing proposed rezone areas. The 2004 UGB expansion industrial lands need analysis was based on a combination of factors. These factors continue to be useful for future land need forecasts.

The recent Benkendorf Report, as modified, other studies, and the recent UGB Expansion Report are the source of the current industrial inventory data. Modifications were completed using local and regional data and development trends combined with regional and statewide efforts to attract commerce and industry to the region. Thus, the forecasted land needs are a product of various technical sources in addition to the data listed above.

The appendix of this Plan shows that the bulk of serviceable and available industrial lands were essentially depleted as of 2004. The industrial inventory was replenished with the addition of 540 acres of industrial land in the UGB expansion approved by the State of Oregon in late 2004. This amount of land was thought to be more than adequate for at least the planning period, or 20 years. However, no amount of data or model can accurately predict the future economic land needs of a community or the exact amount of land needed in each category. Therefore, a variety of factors must be used to estimate the amount of developable land needed. Moreover, because it is not prudent to use absorption rates alone, the City has chosen to use the 11 forecasting factors described above. The result is an "estimate" of needed lands for the future beyond the

11 Industrial Land Forecasting Factors

Historical development trends

Availability of infrastructure and transportation access

Physical features that enable easy development; including infrastructure supply

Features that restrict or limit development – open space, natural resource protection

Location and proximity to labor force

Growth management goals and compliance with State law

Community employment needs, niche development, emerging markets

Complete neighborhood development techniques

Private or public ownership

Proximity to airport and glide path restrictions

Economy

~~recent UGB expansion. These estimates are used as a basis for making land use decisions and as new data or new predictive models become available, the estimates will be revised.~~

~~Revisions to the Plan can occur at any time, once supporting evidence shows a need for a change or update. Thus, the community can be assured that careful monitoring of all predictive data will be the best method for addressing the economic land needs of the community.~~

~~The 11 forecasting factors can be used to formulate assumptions about economic trends and determine industrial land needs. These factors form assumptions and when combined with local planning and economic development goals, are intended to provide a foundation for assessing any changes in the Plan. As of the date of approval of this plan, the basic assumptions are as follows:~~

~~The National, State and Local trend shows that the highest economic growth will be in Health, Retail, Service and Professional fields.~~

~~The goals of the community and those of local economic development experts focus on high technology, manufacturing, and production as desired industries. These goals may conflict with the predicted trends.~~

~~Public facilities that serve industrial lands must be complete and adequate to support community economic development goal. The most recent geological data shows the Deschutes Aquifer serves the industrial lands near the airport. This is in contrast to existing industrial sites (and other zones for that matter) located at lower elevations. Water supplies near the airport are more readily available and reliable than water sources at the center of the City.~~

~~Lands that have appropriate infrastructure in place and are competitively priced will be easier to market to prospective developers. Lease-only lands are more difficult to market because of bank financing conditions.~~

~~Industrial lands must be attractive and include support services and workforce housing for employees.~~

~~The 2004 UGB expansion included lands specifically reserved for:~~

~~Railroad, and/or railroad supportive uses~~

~~Sewer Treatment Plant Expansion~~

~~Large acreages for campus-like manufacturing or technical companies—publicly and privately owned~~

~~Industrial lands that have historically supported lumber mills may need to redevelop in response to the economic changes and lack of raw timber supplies.~~

~~Industrially designated lands near the core of the community will need to be reclassified to other zones to improve compatibility with abutting uses, encourage more mixed-use zoning, and to encourage innovative land use techniques that improve and broaden the labor pool. This~~

Economy

~~conversion in combination with a need for additional industrial lands that are situated at the near the airport will require a future UGB expansion.~~

~~Airport lands are a valuable industrial resource requiring special management, planning, and development techniques. The Airport Master Plan deals with the specifics of airport development.~~

~~The 2003 revised Benkendorf Report provides valuable data that must be combined with other studies/data and the above 11 factors to accurately represent the land needs of the community.~~

~~Industrial lands that contain natural resource areas and other areas that require special protection will reduce the overall inventory of developable industrial land.~~

~~The above assumptions can be combined to make certain quantitative determinations about needed industrial land supplies over the 20-year period. As previously mentioned above, the City had added 540 acres of industrial land to its inventories in 2004 as shown on Exhibit I-1. Each portion of added industrial land area was given a label and a 25-30% non-buildable factor was applied to the various acreages in each area. In addition, some of the lands were slated for specific development purposes, which were not speculative. The sewer treatment plant and the lands reserved for railroad uses are examples of non-speculative development proposals. The charts shown below give the acreage details for vacant and developable industrial lands.~~

Before UGB Expansion

Industrial Lands Available prior to UGB Expansion	Airport-publicly owned—lease only	Other—private and publicly owned
	305.0 acres	5.0 acres

After UGB Expansion

Industrial Lands Available after UGB Expansion	Airport-publicly owned—lease only	Other—private and publicly owned
	305.0 acres	824.0 acres

~~The Prineville community had very little privately owned, developable, industrial land available before the 2004 UGB expansion. After expansion, development activity/absorption,~~

development restrictions, and reservation for special uses reduced the number of developable acres to the amounts shown below.

Reductions to Industrial Land Acreages after 2004 UGB Expansion

Area or Area Number	Total Acres Without Reduction	Developable Acres With Reduction
Airport	305.0	210.0
UGB Area 6	160.0	120.0
UGB Area 6a	80.0	36.0
UGB Area 6b	160.0	150.0
UGB Area 7	313.0	219.0+
UGB Area 8	77.0	0.0—sewer treatment plant only
UGB Area 9	34.0	14.7—reserved for railroad uses
Totals	824.0	750.0

Some of the above acreage reductions are estimates based upon average percentage of developable lands that contain constrained areas such as rock outcrops, steep slope, future ROW areas, buffer areas, public facility needs, airport glide paths, and other obstructions to development. Modern engineering techniques and other development strategies may be able to increase the actual and final amount of developable land.

Original Industrial Land Need Forecast

The Benkendorf Report utilized a combination of forecasting techniques based upon future population estimates and employees per acre data. The 2003 revisions to this report show that additional amounts of non-lease industrial land are required for the needs planning period in addition to other industrial land types. The City originally thought it took in more land than it needed for industrial purposes because of the assumptions made in 2003. The amount of 824.0 acres reduced to 750.0 acres was a result of incorporating the variety of City preferred techniques and assumptions described above. For example: it was assumed that the railroad uses anticipated in UGB Expansion Area 9 will not develop as quickly as other industrial uses given historical demand. In addition, the development restrictions (lease only, etc.) for lands at the airport create an obstacle for certain types of desired development. Because the airport and railroad are long-term community features that will take many years (more than 20) to fully develop, these areas should be reserved and not included in the total net need for the purposes of this planning period.

Existing Industrial Lands Located Near Incompatible Uses

The City has also continued analysis of the potential negative impacts of retaining heavy manufacturing and other industrial land designations currently located near the older parts of the city. In-depth review of these areas indicates the industrial areas are located in areas with

limited water supply, adjacent to sensitive wetlands, steep slopes, and long established low-density residential development.

Existing Residential Development on Industrial Lands

The City has numerous residential homes built on industrially zoned lands. This situation needs to be corrected. The City has proposed a legislative fix to this situation and in combination with UGB expansion will serve to correct long standing zoning errors. A demonstrated need for additional developable residential lands (as described in following chapters) and to develop within the guidelines of a “framework plan” supports the rezoning of poorly located industrial areas to other uses. Map # 3 shows these areas.

Additional Reductions to Industrial Land Acreages after 2004 UGB Expansion Due to Needed Rezonings*

Land Area By Historic Ownership Name, etc.	Total Current Industrial Acres Requiring Rezoning to Other Uses
Carpenter	100.0
Rhoden	120.0
Ochoco	120.0
Smith	60.0
Northridge	115.0
Other Areas	20.0
UGB Area 9	34.0
Totals	569.0 ⁵

**See Error and Potential Rezoning Map at Appendix.*

Properly Located Industrial Land

A future UGB expansion will add additional areas for industrial development near the airport and will help Prineville address the current jobs/housing imbalance. Redmond and Bend currently have a greater number of employment opportunities, which results in a significant number of Prineville’s residents commuting to other cities on a daily basis. Such commutes have the effect of over utilizing limited energy and natural resources, creating unnecessary business expenses, and increased infrastructure costs for community.

Commuting has been found to reduce effectiveness of business operations due to increased employee travel time and increased absences related to weather and road conditions. Likewise, Prineville has lower housing prices, which attract employees who cannot afford to live in Bend or Redmond⁶. Additional supplies of appropriately located industrial land will help to provide

⁵ Acreages estimate until verified with GIS and survey data

⁶ This is discussed further in the Housing section of the Plan.

quality jobs in the Prineville community thus, reducing the need for citizens to seek employment in other cities.

Current Industrial Land Prices—Supply and Demand

The price of industrial land near the airport has increased from \$1.25 per square foot in 2004/05 to over \$4.50 a square foot in 2006. The increase is a direct result of limited supply of available industrial land and the effect of land prices in Redmond and Bend which are over \$9.00 per square foot. See attached Exhibit I-2.

Adding more industrial land to the UGB, in appropriate locations, will help to stabilize land costs and keep Prineville in top position with lower priced and larger sized lands ready for development.

The Baldwin Industrial Park and other newly developed industrial areas near the airport have experienced brisk development since the 2004 UGB expansion. This trend will continue and the proposed expansion of the UGB to add additional industrial lands near the airport, especially in an area with reliable water supply, will help broaden Prineville’s ability to attract and maintain business.

Restricting the ability to expand the UGB to include more industrial land will have a harmful effect on Prineville’s economy. The community needs to expand the UGB to remedy the loss of industrial land that should be rezoned to more appropriate uses. Thus, once the total amount of industrial land to be rezoned to other uses is removed from inventory and added to the previously identified need for a long-term supply of industrial lands the long term need now totals 1393 acres. This need in comparison to industrial land inventory shows that the UGB should be expanded to supply needed new industrial lands.

Industrial Land Need Post-2004 UGB Expansion

Industrial Acres Added to UGB In 2004 And As Reduced By Constraints	Identified Industrial Acres That Should be Rezoned to Other Uses	New Total Industrial Acreage Need
824.0 acres reduced to 750.0 acres	569.0	824.0 + 569.0 = 1393.0 acres

Large Acreages Needed

The community supports targeting of specific industrial uses that can provide many jobs at one location. These industries tend to require large acreages from 50 to 120 acres to support large buildings in a “campus” arrangement. Good examples of such developments are Les Schwab,

Economy

Lanecair, call centers, truck stops, workforce housing/industrial developments, and airports. The community intends to provide for and reserve large tracts for these types of development. The existing Enterprise Zone was created to entice large industrial developments to Prineville.

It is anticipated that there should be an inventory of large “for purchase” industrial lots appropriately located in industrial areas near the airport area. The City has determined that approximately 250 acres above the Benkendorf Report recommendation is appropriate. This allows for a variety of industrial development on the lands required for industrial development per the Benkendorf Report and related studies to provide for up to 5, 50-acre parcels, or combinations thereof, for large industrial development over the 20-year planning period. This assumption is based upon local data and the demonstrated goal of targeting specific industries beyond the current trends. It is important to do this since the trend information does not necessarily reflect the needs of a growing community like Prineville, where supporting a broader range of employment and industrial choices to reduce historical jobs/housing imbalances is a community goal.

Estimated 20-year Industrial Land Absorption Over the Planning Period 2005-2025

Type of Industrial Lands	Years 2005-2010	Years 2010-2015	Years 2015-2020	Years 2020-2025	Total Acres ²
Airport—Leased Only	Varies	Varies	Varies	Varies	210.0
Typical Industrial Lands	75-acres dev./year	50-acres dev./year	50-acres dev./year	50-acres dev./year	1125.0
Large Industrial Parcels	50-acres	50-acres	100-acres	50-acres	250.0
Railroad Lands	Varies	Varies	Varies	Varies	15.0
					1600

Industrial service, contractor operations, assembly, and repair businesses look to Prineville’s available industrial lands for development opportunities. This trend has resulted in a vast amount of industrial development activity in Prineville over the past 5 years, which has continued through 2006.

This trend is expected to continue as commercial lands increase in cost and pressure to accommodate growth continues. It is appropriate to assume that industrial uses requiring less than 15 acres of land each will develop the quickest during the planning period. The evidence to support this conclusion includes the past historical data showing that industrial development has been occurring on parcels less than 15 acres in size. Development in Baldwin and Murphy

~~Industrial Parks specifically focus their marketing efforts on attracting smaller industrial developments.~~

~~Existing/Proposed Industrial Opportunities—Industrial Land Site Requirements~~

~~The lack of easy-to-develop industrial lands in both Bend and Redmond will attract industrial uses to Prineville where land is plentiful and available at a competitive cost. Likewise, the demand for low-cost developable residential land in Bend and Redmond will attract more people to Prineville where such lands are available and UGB expansion potentially supportable.~~

~~Both Bend and Redmond have had delays in getting their UGB expansion plans completed. This situation will encourage more people to locate homes and support businesses near or in Prineville. This eventuality is reflected in the table above where the first 5-year projection of typical industrial land absorption is estimated at 75 acres per year and then tapers off as Bend and Redmond resolve their inventory and UGB expansion issues.~~

~~The Prineville community needs additional industrial lands for the 20-year planning period as described above. The amount of land necessary to sustain the needs of planning period includes the acreages of those inappropriately located industrial lands that will be rezoned to mixed-uses as part of the Plan update mapping process. The programs listed below require regular review of the industrial lands inventory and recommend when and how future changes to industrial land inventories should be made.~~

~~Existing and Proposed Commercial Opportunities—Commercial Lands Site Requirements~~

~~The City of Prineville contains five commercial zones located throughout the community. The 2004 UGB expansion plan did not include additional commercial lands even though there is a demonstrated need for an additional 100 acres of commercial land within the UGB. This is because the opportunity to rezone and revitalize various areas with mixed-use development techniques will satisfy the need. Therefore, no additional commercial land is needed at the periphery of the community. New commercial lands will occur as a result of the following actions:~~

~~Addition of new commercial lands abutting the Downtown Core Area
Addition of commercial land to serve neighborhoods and employment areas
Addition of commercial and rezoned industrial land along the existing strip to deepen existing commercial lots for redevelopment to support commercial “centers.”~~

~~The City will need to encourage the additional of new commercial centers to areas near expanding residential areas and avoid lengthening the existing 3rd Street strip. This is sound land-use planning and allows for flexibility to respond to market forces while recognizing that mixed-use planning and the “complete neighborhood” concept can meet the future economic development demand for any needed commercial development in the urban area.~~

~~The downtown core of the community is desired to be the focus of continued revitalization efforts. Several studies have been completed to provide guidelines for improved aesthetics and~~

~~other development strategies intended to attract and retain businesses to the downtown area. However, this has been made difficult by the commercial “strip” that runs east-west along 3rd Street, also known as Highway 126 and Highway 26. Newer commercial stores have located along the strip and this has caused congestion by allowing direct access to the highway. The strip can also detract shoppers from the downtown area, which can create excess vehicle trips for citizens and reduce viability of the downtown core. Nonetheless, the newer franchises on the strip are desired commercial uses and help to address citizen needs for goods and services.~~

~~The opportunity for “center-type” rather than “strip” development is possible if the anticipated commercial rezonings occur over time. A new technique that builds on an old concept – “Main Street” type development, is a successful land use technique that can correct and improve commercial vitality by encouraging pedestrian access. “Main Street” development techniques provide for a more walkable shopping experience without excessive vehicle trips. The storefronts face a local access street that is perpendicular to the primary access street. Revisions to the development codes may be required to enable this development technique.~~

~~The 2004 UGB expansion took in additional new residential and industrial lands. The local topography necessitates that these new areas project “out” from the urban core to avoid steep rimrock and other topographical obstacles. The result is that the City, as a whole, is forced to grow in a less-than-compact form. However, the development pattern *within* the new areas can be compact and designed to serve as many citizen needs as possible. This means that mixed-uses, including convenience commercial service centers, open space, and some employment areas will be required to develop in new neighborhoods so as to reduce vehicle miles traveled and improve efficiency for all residents. The community will benefit from adding small commercial areas to new and revitalized neighborhoods as the community grows. Citizens have expressed a need for additional neighborhood and local shopping opportunities that do not require excessive vehicle trips or vehicle trips to other communities.~~

~~Commercial Land Inventory Needs Analysis~~

~~The City conducted various inventory and land need analyses. The Benkendorf Report as revised states that approximately 100 acres of additional commercial land should be added to the existing commercial inventory. The original Benkendorf study advised that only 80 acres would be needed and this should be allocated to supply only two, 40-acre parcels for large “big-box” development.~~

~~There is a significant obstacle with the original Benkendorf recommendation. Big-box stores typify strip development unless they are located in centers or mixed-use areas. In addition, the community would not benefit from applying new commercial designations to only two areas of the community. This is because the community has diverse commercial needs and supports new commercial lands to be strategically placed throughout the community. Efforts to deepen the~~

Economy

~~commercial designations in the downtown core and rezone redevelopment lands in other areas are a higher priority than only focusing on big-box development in a few areas.~~

~~Moreover, it is necessary to recognize that the Prineville community is made up of various neighborhoods separated by topography or other barriers. Some of these neighborhoods are located in areas that are not served with adequate commercial services. The broadly applied mixed-use and/or improved land-use development practices advocated in other parts of this Plan could not be achieved if the new commercial lands were limited to just two areas.~~

~~It could be detrimental to the community to limit new commercial areas to just two large businesses and not allow other areas to redevelop or respond to certain market forces in combination with mixed-use development techniques. Thus, Prineville's economy will be~~

Economy

benefited by being flexible with the placement of new commercial land needs over the 20-year period rather than restrict itself to 2 parcels limited to big-box developers.

The commercial inventory data below is derived from the Benkendorf Report, as revised.

Existing Developed Commercial Lands in the Prineville Urban Area

Zone	Parcels within the UGB		# of Vacant Acreage	# of Non-Vacant (Developed) Acreage	# of Parcels	Total Acreage	# of Parcels
	Code	Vacant Acreage					
Central Commercial	C-1	5.10	29	53.10	258	58.20	287
General Commercial	C-2	13.05	10	121.15	198	134.20	208
Professional Commercial	C-3	0.0	0	5.70	30	5.70	30
Neighborhood Commercial	C-4	-	-	-	-	-	-
Recreation Commercial	C-5	0.0	0	2.70	3	2.70	3
Total Commercial – City		18.15	39	182.65	489	200.80	528

Commercial Land Need by Development Type, Prineville Urban Area

	Unadjusted Net Buildable Acreage Needed	Unadjusted Gross Buildable Acreage Needed	Additional Gross Acreage Needed	Total Adjusted Gross Buildable Acreage Needed	Net Buildable Acreage Available	Gross Buildable Acreage Available	2023 Net Need (or Surplus) – Gross Acreage
Commercial – non-lease only	112.8	141.0	100.0	221.0	33.57	41.9	199.1
Commercial – lease-only – Airport	12.5	15.6	0.0	15.6	18.8	23.5	(7.9)

The above tables include land within the airport facility that permits commercial uses. This public land is lease-only and not as desirable as private land that can be purchased. This is due to the financing difficulties presented by lease-only land and the development restrictions in place at the Prineville Airport.

It should be noted that the primary growth industry and target areas described earlier in this chapter also apply to the commercial analysis. Again, as the trend information suggests, the primary growth sectors will be health care and commercial activities, particularly service, and

retail. The EDCO target areas are mostly industrial but could have a retail/commercial component that would be a secondary use to the primary industrial development.

Existing and Proposed Commercial Opportunities—Commercial Lands Site Requirements Conclusion

The community is poised to respond to the need for additional commercial designations. The current UGB contains adequate lands upon which to develop needed commercial uses as long as the needed rezonings are timely and planned to respond to mixed-use and other development techniques that can enhance the urban community. Performance standards and the planned unit development (PUD) section of the implementing land-use ordinances can help provide for a more integrated and balanced development pattern, particularly with new commercial areas. For now, the 100-acre commercial land need should be a starting point and not a limiting factor, especially if there is a demonstrated public need and benefit for additional commercial lands beyond the City recommendation. Thus, the City has developed a firm position that UGB expansion is not needed for adding lands solely for commercial development. Rather, new commercial areas should be the product of rezoning existing lands within the current UGB and/or when necessary to support mixed-use development strategies.

Goal # 1: Land Supply.

Provide adequate industrial and commercial land inventories to satisfy the urban development needs of Prineville for ~~at least~~ the 20 year planning horizon.

Economic ~~Values and~~ Policies

1. Update buildable land inventories and analysis of needed commercial and industrial land as needed for the 20-year planning horizon. Amendments may be needed in response to rapid growth, redevelopment, zone changes, mixed use development or planned unit developments. When new lands are needed the City should work with partners to authorize expansion of the UGB to maintain inventories. ~~Updates to inventories and analysis of needed industrial and commercial land types, existing land supplies, and economic development strategies for meeting the requirements of the community are essential. It is necessary to provide adequate buildable industrial and commercial land for at least 20 years.~~
2. The City should focus on the preservation of large lot industrial parcels of 20 acres and larger to attract target industries and new manufacturing businesses. Available land should be replenished on a periodic basis to maintain supply.
3. The City should continue to coordinate with the Central Oregon Intergovernmental Council (COIC) on the Regional Large Lot Industrial Site Program. The City supports a multi-jurisdictional cooperative effort to pursue a regional approach to establish a short-term supply of sites particularly designed to address out-of-region industries that may locate in Central Oregon. The City recognizes the importance of maintaining a large-lot industrial land supply that is readily developable in Central Oregon.
4. The City should consider amendments to the Comprehensive Plan and Map, when expanding the UGB to add employment lands with specific locational requirements. Amendments should be evaluated in relation to all applicable policies of the Comprehensive Plan.
4. ~~Updates to the inventories may be required in response to redevelopment, proposed zone changes, mixed use development techniques and planned unit developments that enable “complete neighborhood” concepts and economic development opportunities.~~
5. State, local, and nationwide trends are not adequate to properly estimate needed industrial and commercial lands. Other local information and economic development opportunities ~~targeting goals~~ must be used to properly evaluate future land needs.
6. To ensure Adequate public facilities for the planning horizon, the City shall develop and maintain Facility Plans (Master Plans) to adequately serve the transportation, water and wastewater needs of industrial and commercial areas. ~~must be planned, funded, and installed to serve industrial sites and commercial areas.~~
7. ~~Preservation of large industrial parcels over 20 acres in size will attract target industries and new manufacturing businesses.~~
- 8.7. Housing affordability is also key to attracting commercial and industrial businesses. Reasonable regulations supporting development of housing affordable to people who live

Economy

~~and work in Prineville should be explored and implemented if deemed beneficial to the community. Preservation of lands for workforce housing will also attract target industries.~~

- ~~9. Urban reserve planning will be needed to project growth beyond the 20-year period imposed by the State of Oregon.~~
- ~~10. Additional land is needed to support commercial and industrial uses. Where there are particular locational requirements for certain activities, amendments to the Comprehensive Plan may be necessary. Amendments should be evaluated in relation to all applicable policies of the Comprehensive Plan.~~

Programs:

The City shall:

- ~~1. Regularly monitor and analyze commercial and industrial land inventories. When new lands are needed, the City Council shall authorize expansion of the UGB or other methods to ensure that at least a 20-year inventory of land for each category is available within the urban area.~~
- ~~2. Update and manage all public facilities planning to meet community and economic development goals while encouraging additional public and private investment in the community.~~
- ~~3. Explore and initiate methods for preserving large industrial parcels to meet projected demand.~~
- ~~4. Complete urban reserve planning consistent with the other provisions previously listed in this Plan. See attached Urban Reserve Area Map No. 4~~
- ~~5. Any correction amendments and needed legislative changes for rezoning shall be processed immediately upon City Council directive.~~
- ~~6. Develop a community entrance plan that fosters improved aesthetic treatments and buffering along the western entrances to the community.~~

Goal # 2: Promote Economic Development.

Support diversification of Prineville's economic base, while maintaining community identity and supporting a high quality of life.

~~Develop an "Economic Development Strategic Plan" and other mechanisms necessary for supporting and enhancing the local economy.~~

Economic Values and Policies

- ~~Successful economic development strategies require cooperation~~ The City should coordinate with a variety of agencies groups and ~~other groups~~ local organizations when

Economy

- developing plans, to ~~to develop a plan that~~ best meets the requirements of a growing community.
- ~~2. Successful economic opportunities rely upon the communities' ability to support and connect various elements of the economic development into an integrated framework.~~
- 3.2. The City should promote a business-friendly environment that supports retention and expansion of existing businesses, growth and creation of entrepreneurial business, and attraction of new businesses. ~~Promoting an entrepreneurial climate for existing and new businesses is a key factor in strategic planning.~~
- ~~4. Providing a strong public partnership with local businesses is key to successful economic development.~~
3. The City should focus on providing its citizens with amenities that provide a high quality of life while also ensuring the City maintain its identity and small-town atmosphere. ~~Ensuring a high quality of life and the small town atmosphere is essential to addressing citizen concerns about growth and economic development.~~
- 5.4. Provide adequate infrastructure efficiently and fairly to support business and employment growth.
- 6.5. The City's fees and system development SDC charges (SDCs) must be carefully monitored and evaluated to ensure that development pays its own way while not creating obstacles to desired development.
- 7.6. The City should focus on ~~The~~ adoption and implementation of a Downtown Enhancement Plan will help to ensure the long-term success of the urban core area. This plan should include a long-term strategy for enhancing development opportunities in the urban core and creating a destination and sense of place for citizens and visitor alike.
7. The City should modify development codes when necessary to navigate a changing economic environment or to address economic development objectives.
8. The City should encourage the development of businesses that utilize the Prineville Rail line.
- ~~8. The State of Oregon transportation system (ODOT) has a significant effect upon the local community. Local groups and City decisions makers will need to establish good working relationships with ODOT to ensure coordination and quality development.~~

Programs:

The City shall:

- ~~1. Organize and staff an economic development committee whose purpose is to monitor and recommend needed changes to the City economic opportunities analysis and develop an "Economic Development Strategic Plan." The committee shall include three members of the City Council, 2 members of the Planning Commission, and two ad hoc members of the~~

Economy

- community experienced in economic development and any staff members deemed appropriate by the City Manager.
- 2.—Continue to refine which commercial and industrial activities are lacking in the community. The City shall identify needed commercial and industrial areas on an overlay map. The overlay map is a general framework plan that represents where certain areas of the community could benefit from additional commercial or industrial designations.
 - 3.—Develop strategies to capture the opportunities of a technology and knowledge-based economy.
 - 4.—Modify the land use development codes to better address economic development objectives and encourage appropriate mixed-uses in commercial and industrial zones.
 - 5.—Update and monitor the SDC methodology to assure appropriate charges to new development.
 - 6.—Adopt a Downtown Plan that includes a long-term strategy for enhancing development opportunities in the urban core and creates a “sense of place” for local residents and visitors alike



CITY ATTORNEY

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541.447.3910 ph 541-447-7827 fax

March 30, 2026

First Class and Certified Mail

W. Scott LLC
3277 E. Warm Springs Rd.
Las Vegas, NV 89120

Central Oregon Processing, LLC
1948 N. Main Street, Suite A110
Prineville, Oregon 97754

Re: 1948 N Main Street, Prineville, Oregon 97754
NOTICE TO MITIGATE NUISANCE

To Whom It May Concern:

Based on numerous complaints, the Prineville City Council has determined that a possible nuisance in the form of smell is evident from the hemp manufacturing facility at the above-referenced address. Accordingly, it has ordered that mitigating measures be taken to mitigate the nuisance. Mitigating measures for eliminating odor may include, but are not limited to, reducing storage or types of storage on site, maintaining sealed containers of biomass prior to and after processing, sealing gaps in buildings and/or adding filtered controlled venting to the outside that removes odor. This is consistent with the May 10, 2019 Final Decision by the City of Prineville Department of Planning and Community Development, attached for your convenience. If the smell is not mitigated, then the City Council may move forward to declare a nuisance.

The City Council has elected to have this matter as part of its Agenda for its May 26, 2026 Regular Meeting to review if the mitigation efforts have remedied the nuisance. You are encouraged to attend that meeting. The meeting will be start at 6:00 p.m. at City, located at 387 NE Third Street in Prineville, Oregon.

If you have any questions, comments, or concerns, you can contact Josh Smith at the City of Prineville at 541.447.2367. Thank you for your time and attention to this matter.

Best Regards,

Jered Reid
City Attorney
Enclosure (per text)
cc: Client



City of Prineville

DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT FINAL DECISION (APPROVAL)

APPROVAL DATE: May 10th, 2019

PROJECT NUMBER: C-2019-105

APPLICANT: Rimrock Holdings LLC.
2908 NE Red Oak Dr.
Bend, OR 97701

OWNER: WG Prineville LLC.
300 NW 16th St
Fruitland, ID 83619

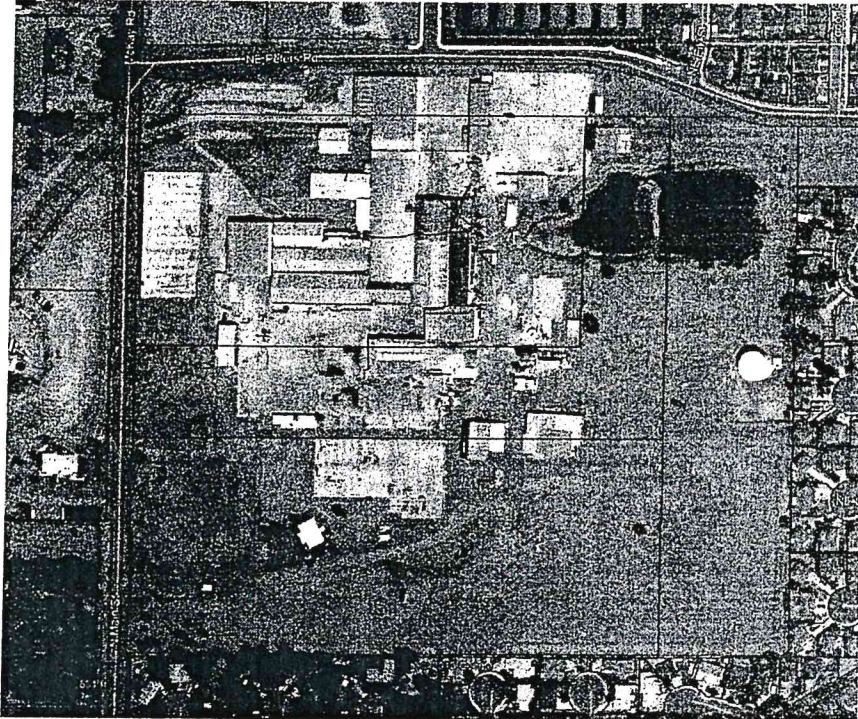
PROJECT REVIEWER: Joshua Smith,
Planning Director

APPLICABLE CRITERIA:

City of Prineville Code of Ordinances, Title XV, Chapter 153, included but not limited to sections 153.009, 153.014, 153.020, 153.037, 153.038, 153.061, 153.080 - 153.093.

FINDINGS OF FACT:

- 1. LOCATION:** The proposed use will be located at 1948 N Main St. The property is further identified as Map and Tax Lot 14-16-29CC 01400, 14-16-32BA 02000 & 14-16-32 0000301, 302 & 303.
- 2. PROPOSAL:** The applicant has applied to operate a CBD Extraction facility in existing buildings at the location. All storage and processing is proposed to be indoors. Operations will include receiving industrial hemp biomass at the site, storage of biomass, performing the procedures for extracting the CBD isolate and lab testing for quality and tolerances.
- 3. ZONING:** The subject property is zoned General Industrial (M2) and is designated Heavy Industrial on the Comprehensive Plan map.
- 4. LOT OF RECORD:** The site has been determined to be a legal lot of record as lot 4 of Prineville Industrial Park Subdivision.
- 5. SITE DESCRIPTION:** The property is ~54 acres and is improved with several industrial buildings previously used for wood products manufacturing since the 1940's. The last wood product company to operate was "Woodgrain Millworks". A large portion of the site is un-improved and the City has an easement for a water tank on the east side. See below 2018 aerial image of the site.



6. **COMMENTS:** The City has received verbal comments from three individuals and written comments from one individual. The verbal comments were primarily concerned with the potential smell of hemp throughout their neighborhood and a two of them also expressed a general skepticism of the industry itself. The written comments were concerned with noise, air quality, smell and wildlife habitat.

City staff shares the neighborhood concerns of a potential nuisance due to odors from the storage of Industrial Hemp. It is our expectation that any potential issues can be mitigated for through building improvements and processing procedures.

7. **FINDING SUMMARY:** As a previous heavy manufacturing use this property can become many types of similar uses without going through a formal process. Due to the Hemp industry being relatively new, staff felt a change of use application was necessary to inform the surrounding area and provide a written approval outlining potential issues with the use and the need for mitigation if an issue arises.

The extraction process itself is an enclosed system that is not known to create emissions; however, the natural odor of the product being stored waiting for

Rimrock Holdings - CBD Extraction
C-2019-105

extraction has a potential to create a nuisance. Raw hemp, particularly prior to being dried can emit a strong odor. This is the primary concern of staff and the neighboring residential area.

As a condition of approval mitigating measures shall be taken if an odor emanating from the facility is evident in the surrounding neighborhood. Mitigating measures may include but are not limited to, reducing storage or types of storage on site, maintaining sealed containers of biomass prior to and after processing, sealing gaps in buildings and/or adding filtered controlled venting to the outside that removes odor.

Staff finds that while the potential exists to cause a nuisance due to odor, there are mitigating measures that can be taken to prevent the odor if the issue arises. Staff finds that there is not sufficient evidence to deny the change of use in a heavy industrial zone based on a potential nuisance.

Criteria: 153.009 COMPLIANCE WITH OTHER RULES AND REGULATIONS.

(A) Approval of any use or development proposal pursuant to the provisions of this chapter shall require compliance with and consideration of all applicable city, county, state and federal rules and regulations.

(B) The compliance shall be evident prior to the final approval of any affected land use or development proposal; for example, the compliance may be set forth as a condition of final approval.

(C) Specific city, county, state and federal rules and regulations that may affect a specific land use or development for which compliance therewith is required if applicable include, but are not necessarily limited to the following.

(1) Air quality standards administered by the State Department of Environmental Quality (DEQ) and/or the Federal Environmental Protection Agency (EPA).

(2) Noise pollution standards administered by DEQ and/or EPA.

(3) Water quality standards administered by DEQ, state Water Resources Department (WRD) and/or EPA.

(4) Sewage disposal regulations administered by DEQ, County Environmental Health and/or EPA.

(5) Solid waste disposal regulations administered by DEQ and/or EPA, including those applicable to hazardous wastes.

(6) Uniform Building Code administered by the City-County Building Department and State Building Codes Agency.

(7) Surface and ground water withdrawals regulated by WRD.

(8) Scenic area rules administered by the State Highway Division (OSHD), state parks and/or other state or federal agencies.

(9) Access control and management regulations administered by OSHD and/or the County Road Department.

(10) Surface mining regulations administered by the State Department of Geology and Mineral Industries (DOGAMI), DEQ and other state or federal agencies.

(11) Wild and scenic river regulations administered by the State Parks and Recreation Department (OPRD), the U.S. Bureau of Land Management (BLM) or other state and federal agencies.

(12) Cut and fill, and wetland regulations administered by the Division of State Lands (DSL).

(13) Fish and wildlife habitat protection rules administered by the State Department of Fish and Wildlife (ODFW) and/or the U.S. Fish and Wildlife Department (USFW).

(14) Applicable City and/or County ordinances, resolutions, agreements, regulating master plans or other land use decisions.

Rimrock Holdings - CBD Extraction
C-2019-105

Finding 1: The approval of this project does not supersede State and Federal rules and regulations. An industrial hemp license is required by the State of Oregon. Once a license is issued the City of Prineville requests a copy of that license for our records.

Criteria: 153.014 GENERAL CRITERIA.

In determining whether or not any application shall be approved or denied, it shall be determined that the following criteria are either met or can be met through compliance with specific conditions of approval.

(A) The proposal is compatible with the City Comprehensive Plan and applicable policies set forth thereby.

(B) The proposal is in compliance with the requirements set forth by the applicable primary zone, by any applicable combining or overlay zone, and other provisions set forth by this chapter that are determined applicable to the subject use.

(C) That, for a proposal requiring approvals or permits from other local, state and/or federal agencies, evidence of the approval or permit compliance is established or can be assured prior to final approval.

(D) The proposal is in compliance with specific standards, conditions and limitations set forth for the subject use in the applicable zone, this section and this chapter.

(E) That no approval be granted for any use which is or expected to be found to exceed resource or public facility carrying capacities.

(F) For any use which is found to require compliance with air, water, land, solid waste and/or noise pollution standards, that the compliance be a condition of approval and compliance therewith shall be a continuing condition.

Finding 2:

A) The proposal is compatible with the Comprehensive Plan based on meeting zone requirements and providing economic growth and business opportunities.

B, D) The proposed use is considered Light Industrial Manufacturing which is allowed in the M2 zone. There are no overlay zones to consider and no specific standards to consider under section 153.083.

C) It is a standard condition of approval that an applicant receives all other applicable local, state and/or federal agencies permits. Specifically, tenant improvements shall be reviewed and approved by the local Building and Fire Departments.

E) This use is not anticipated to exceed resource carrying capacities.

F) This section is covered under standard conditions of approval requiring approval or permits from local, state and federal agencies and to comply with all relevant portions of the City's code of ordinance.

Criteria: 153.037 COMMERCIAL & INDUSTRIAL USE TABLE

Outright Use: Manufacturing (light industrial)

Outright Use: Manufacturing (Heavy Industrial)

Finding 3: As a previous heavy manufacturing use this property can become many types of similar uses without going through a formal process. Due to the Hemp industry being relatively new, staff felt a change of use application was necessary to inform the surrounding area and provide a written approval outlining potential issues with the use and the need for mitigation if an issue arises. Staff finds a CBD extraction facility to be similar to the Light Industrial Manufacturing use allowed outright in the M2 Zone. Light industrial uses tend to be nontoxic and use raw materials that have already been processed in some form. At this

Rimrock Holdings - CBD Extraction
C-2019-105

time the industrial hemp is proposed to be dried and milled off-site and delivered ready for the extraction process.

The use of raw materials not processed prior to delivery to the site would also be an outright use under the heavy industrial category in the M2 zone; however, this would increase the potential for off-site nuisance due to odor, discussed further in Finding 5. Additional manufacturing uses are also likely, due to the size of the facility. Additional uses that are similar to the previous use are allowed outright in the zone; however; any added activities would still need to comply with the conditions of this decision and the M2 zone.

Criteria: 153.061 HEAVY INDUSTRIAL M-2 ZONE.

In an M-2 Zone, the following provisions shall apply.

(A) *Purpose. The purpose of the Heavy Industrial M-2 Zone is to provide for a wide range of industrial uses, which are generally not considered compatible with adjoining commercial or residential areas and which, in many cases, involve industrial uses which involve hazardous or nuisance creating conditions.*

Finding 4: This is an outright use in the M2 zone, and is therefore being reviewed administratively. Notice of this application was mailed out to properties within 100ft. of the property line on April 25th in accordance with City and State notification requirements.

Criteria: (K) Use limitations. In an M-2 Zone, permitted uses shall be subject to the following limitations and standards.

(1) *No use shall be permitted which has been declared a nuisance by action of the City, County, State, or Federal or by a court of competent jurisdiction.*

(2) *No use is permitted which is expected to create a nuisance because of noise, smoke, odor, dust or gas.*

(3) *For uses requiring pollution or contaminant discharge permits by an agency other than the city, final approval for the use shall not be issued by the city prior to review and approval by the applicable permit reviewing authority(ies).*

(4) *Materials shall be stored and grounds maintained in a manner as to prevent the attraction of or aid in the propagation of insects or rodents, or in a manner as to not otherwise create a public health hazard or attractive nuisance hazard.*

(5) *Points of access from a public right-of-way to properties and uses in this zone shall be so located, constructed, maintained and controlled as to minimize traffic congestion, noise and dust pollution, and shall avoid directing traffic onto residential streets or onto streets passing directly through residential, school, hospital or other noise sensitive use areas and safety zones.*

(6) *All uses permitted in this zone shall be screened from abutting residential zones by a sight-obscuring fence, except for those uses permitted outright existing on or before the effective date of this chapter or as otherwise approved by the City.*

(7) *Building entrances or other openings adjacent to or across the street from a residential zone shall be prohibited if they cause glare, excessive noise or otherwise adversely affect land uses in the affected residential zone.*

(8) *Except as otherwise approved or required by the city or the Oregon Department of Transportation in accordance with applicable access management provisions, there shall not be more than 1 ingress and 1 egress from properties accommodating uses permitted by this section. To minimize the number of the accesses within any given street section, permitted uses may be required to provide for shared ingress and egress, or provide frontage roads.*

Finding 5:

(1, 2, 3) With such a new industry it is difficult to determine what nuisances may arise considering the proximity of this property to a residential neighborhood. The extraction process itself is an enclosed system that is not known to create emissions; however, the natural odor of the product being stored waiting for extraction has a potential to create a nuisance. Raw hemp, particularly prior to being dried can emit a strong odor. This is the primary concern of staff and the neighboring residential area. Determining whether something is a nuisance is subjective and based on the individual. In extreme cases the City Council would ultimately determine what is acceptable. At this time the proposed use has not been declared a nuisance and is not expected to create a nuisance providing operations remain indoors and venting to the outside air is controlled.

As a condition of approval mitigating measures shall be taken if an odor originating from the facility is evident in the surrounding neighborhood. Mitigating measures may include but are not limited to, reducing storage or types of storage on site, maintaining sealed containers of biomass prior to and after processing, sealing gaps in buildings and/or adding filtered controlled venting to the outside that removes odor. Staff finds that while the potential exists to cause a nuisance due to odor, there are mitigating measures that can be taken to prevent the odor if the issue arises. Staff finds that there is not sufficient evidence to deny the change of use in a heavy industrial zone based on a potential nuisance.

(4) The use is not expected to attract rodents or insects or create a hazard.

(5, 8) The applicant will be utilizing the existing access point off of N. Main Street meeting the intent of the code.

(6, 7) The property does abut a residential zone. The site is fenced though not entirely with site obscuring fencing. As an outright change of use in existing buildings in a heavy industrial M2 zone, no additional fencing is required. The property is not accessed through a residential zone.

Criteria: (L) *Use criteria. In the consideration of an application for a proposed use in an M-2 Zone, the city shall take into account the impact of the proposed use on nearby residential and commercial uses, on resource carrying capacities, on the capacity of transportation and other public facilities and services and on the appearance of the proposal. In the approval of an application, the city shall find that any identified measurable adverse social, economic, physical or environmental impacts are minimized or reasonably mitigated.*

Finding 6: At this time there is no indication that the use would exceed the carrying capacity of the City's water and sewer systems. The property currently has a 2" water meter connection and a sewer connection on Mariposa between Clearview Way and Lisa Ct. The traffic impact will not exceed the previous use as a wood products manufacturer or the carrying capacity of N. Main Street. Potential negative impacts were discussed in Finding 5.

Rimrock Holdings - CBD Extraction
C-2019-105

DECISION: Application C-2019-105 for a CBD Extraction Facility at 1948 N. Main Street is approved. The application is subject to the submitted plans, those conditions outlined in the findings section of this report and conditions of approval set forth below:

CONDITIONS OF APPROVAL:

1. The applicant shall comply with the Fire Department requirements for fire flows, sprinkler systems, fire hydrants, address signs and Knox Box locks and all other UFC requirements. The applicant shall coordinate with the Crook County Fire Department and Crook County Building Department in this endeavor.
2. The applicant shall maintain the site in a clean and attractive manner and all drainage shall be maintained on-site.
3. This facility shall not create a nuisance because of noise, smoke, odor, dust or gas or anything else listed in the M2 zone or that which is declared to be a nuisance by the City. Mitigating measures shall be taken if a nuisance originating from the facility is evident. The primary concern is odor. Mitigating measures for eliminating odor may include but are not limited to, reducing storage or types of storage on site, maintaining sealed containers of biomass prior to and after processing, sealing gaps in buildings and/or adding filtered controlled venting to the outside that removes odor.
4. All extraction processes and storage of products and waste product shall be completely enclosed in a building.
5. The Applicant shall secure any and all Federal, State, City and County permits required for the proposed use prior to occupancy, including, but limited to State licenses and all applicable County Building Department permits.
6. The applicant is required to comply with all relevant portions of the City of Prineville Code of Ordinances.

DURATION OF APPROVAL: The applicant/owner shall meet all conditions of this approval prior to operation or obtain an extension of time pursuant to the appropriate criteria.

THIS DECISION BECOMES FINAL AT 5:00 P.M. May 22nd TWELVE (12) DAYS FOLLOWING THE MAILING OF THIS DECISION ON May 10th UNLESS APPEALED TO THE CITY PLANNING COMMISSION BY A PARTY OF INTEREST. A WRITTEN APPEAL MUST BE SUBMITTED TOGETHER WITH THE APPEAL FEE TO THE CITY OF PRINEVILLE PLANNING DEPARTMENT LOCATED AT 387 NE 3RD ST PRINEVILLE, OR 97754.

Approved By:


Joshua Smith,
Planning Director

City Manager Update to Council

May 26, 2026

Public Safety / Dispatch

We have a lateral officer who was conditionally offered a position is moving through the remainder of the hiring process, with hopes to have them on board next month.

The Police Awards banquet was very well attended, with many awards handed out. The Police Week ceremony also had a very good turnout.

The Police Department has also been busy working on the details for the operation plans for the rodeo and horse races coming up in June and July.

The Dispatch trainees are progressing nicely.

Katie attended the County wildfire tabletop training exercise and left with a lot of good information.

Katie's COCC Dispatch class was a success, and has a couple of the students that will be doing a sit in visit to Dispatch. The class will come back again this fall.

Public Works

Projects are underway all through town. The South Main project is having stormwater & sidewalks going in this last week. Once the South Main project is complete, a slight pause will take place before starting on the North Main paving project begins.

Railroad

The railroad remains extremely busy. Interviews will be taking place for the two warehouse positions, and we hope to get those vacancies filled quickly.

Meadow Lakes Golf

The aeration maintenance of the greens has been completed and is healing nicely.

Zach is expecting a busy Memorial weekend with the ideal golf weather forecasted.

Meadow Lakes is currently recruiting for a golf equipment mechanic.

Airport – No Update

Planning

Development throughout the town continues, from the Grocery Bandit expansion to subdivisions and multi-family residential.

Human Resources – No Update

Information Technology

Two communication sites are now at 100%, with the Barnes Butte site expected to be live at the time of this report.

The new website design has been reviewed by staff internally for any bugs and will go live hopefully within a couple of weeks.

Finance

The Finance Department staff is a little short with one of the team members just starting maternity leave. We expect to have an intern on board beginning in June.

City Recorder/Risk Management

Council candidate packets will be available for pickup at the time of this report. Candidates' first day to be able to file is June 3rd, and the deadline is August 25th.

City Legal – No Update

EDCO – No Update

Public Relations

ShanRae is working with Cascade Business News, which will be featuring Prineville in its June publication.

Mayor/Council – No Update

Economic Development and Strategic

Caroline is working through the project management plan with the Federal Railroad Administration (FRA) for the CRISI grant project. She is also working with Matt on the scope of work for the next round of the CRISI grant application process.

Other