



# ECONOMIC DEVELOPMENT ADVISORY BOARD MEETING - FEBRUARY 2024

Wednesday, February 07, 2024 at 6:30 PM  
Sandy City Hall and via Zoom

## AGENDA

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### TO ATTEND THE MEETING IN-PERSON:

Come to Sandy City Hall (lower parking lot entrance) - 39250 Pioneer Blvd., Sandy, OR 97055

### TO ATTEND THE MEETING ONLINE VIA ZOOM:

Please use this link: <https://us02web.zoom.us/j/83533463648>

Or by phone: (253) 215-8782; Meeting ID: 83533463648

### ROLL CALL

### PUBLIC COMMENT

### APPROVAL OF MINUTES

- [1.](#) Approval of Minutes - December 2023

### ROUNDTABLE DISCUSSION

- [2.](#) Shout outs - Updates from Board members

### EC DEV OFFICE UPDATES

### NEW BUSINESS

- [3.](#) Library Outreach Vehicle - Sandy Public Library staff will present a requested letter of support to the EDAB for their signature to help fund a library outreach vehicle.
- [4.](#) Comp Plan Update - Nicole Underwood of ECONorthwest will provide a project update and request input from the board with regard to the current draft of Sandy's Comprehensive Plan. The presentation will focus on reviewing draft updates to the economic development goals and policies in Block 3 of the Comprehensive Plan. These changes are largely based on

the information in the Economic Opportunities Analysis and City's new Economic Development Strategic Plan.

- 5.** Retail market report - Review the final scope of work and project timeline from ECONorthwest for the retail market report. Provide board input on preferred comparator cities for case study analysis.

## **ADJOURN**

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# ECONOMIC DEVELOPMENT ADVISORY BOARD MEETING - DECEMBER 2023

Wednesday, December 06, 2023 at 6:30 PM  
Sandy City Hall and via Zoom

## MINUTES

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### TO ATTEND THE MEETING IN-PERSON:

Come to Sandy City Hall (lower parking lot entrance) - 39250 Pioneer Blvd., Sandy, OR 97055

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Or by phone: (253) 215-8782; Meeting ID: 85290684685

### ROLL CALL

**Present:** Pietzold, Smallwood, Mayton, Wipper, Brache, Schwartz

### PUBLIC COMMENT

None

### APPROVAL OF MINUTES

1. **Approval of minutes – June 2023**

Motion to approve 5-0 (Pietzold, Mayton, Wipper, Brache, Schwartz = Aye; Smallwood = Abstain)

2. **Approval of minutes – September 2023**

Motion to approve 5-0 (Pietzold, Mayton, Wipper, Brache, Schwartz = Aye; Smallwood = Abstain)

### NEW BUSINESS

3. **New member appointments**

Chair Pietzold informed board that there is one returning member and two new appointments to the Board being forwarded to the full Council for final approval (returning member: Brache; new members: Wegener, Ferguson)

#### 4. Shout outs: Updates from Board members

- Schwartz: Boring Brewing has officially released their 2023 Christmas Doppelbock → also, BB is celebrating its five year anniversary in Sandy, and they have tripled their business during that stretch → has also blocked off part of his driveway per Sandy PD to keep people from cutting the corner at Bluff; incredibly unsafe, has had two customers almost run over recently
- Wipper: they are celebrating their 8<sup>th</sup> year of business in 2023; still having difficulty finding employees

#### EC DEV OFFICE UPDATES

#### 5. Sewer & water systems update: An update for the Board as to the current status of the sewer system and water system upgrades.

- Water:
  - We have closed a number of loans – staff is still working on this
  - We are currently finalizing the new 30 year wholesale water agreement with City of Portland. We are negotiating a design scope and fee for the Portland pipeline connection; Council approved this at the most recent City Council meeting.
  - We are about to order a skid mounted treatment system (puts the filters in something similar to a shipping container; makes the filters more interchangeable) for Alder Creek; we have the capacity to monitor creek levels for the first time
  - We are moving ahead with a number of stabilization projects, SCADA master plan (system control and data acquisition) for monitoring; this is the system that will allow staff to monitor all of the different facilities and qualities of the water as well → Smallwood: this is important b/c we need a water source for the City of Sandy that is independent from Portland's water source; we want to use Portland as a backup ONLY
  - We completed a catastrophic repair at Sandercock Reservoir – massive leak where creek was coming in; repaired a large void under facility, replaced damaged rafters; this was all repaired before a catastrophic failure occurred.
  - Pilot test to remove chloramines from treated water from Portland – we need to install two new systems at Alder Creek and Brownell Springs, or we can get one system to cover both.
  - New capacity will be determined during Q1 of next year → Smallwood: during all of the rain in the last few days, we have had zero overflows!
- Sewer:
  - Finished construction at the existing wastewater treatment plant – also finished “fixing the leaky pipes” i.e. sewer mains cracked and allowing groundwater to seep into them – 1<sup>st</sup> phase of construction (Phase 1A) is complete.
  - Consent decree has been finalized; penalties have been paid → submitted 3,505 pages of stress testing data
  - EPA & friends are in process of reviewing what we say is the additional capacity of the system; were supposed to hear back from them in mid-November -- this will give us the additional capacity we will have to work with going forward → *we are still waiting in Dec to hear back from EPA & friends*
  - Work on our facilities plan amendment (identifies what we work on next) should be done in Q1 2024

- We have just selected three on-call engineering consultants; we have urgent repairs that need to be completed including replacing 2/3 of UV disinfection system
- PW staff are doing a manhole grouting program - sealing the manholes so that groundwater can't get into the system.

**6. Moratorium update:** An update for the Board as to the current status of the moratorium.

- Devl Services Director: "We have completed the stress tests of the sanitary sewer treatment plant and EPA/DEQ is now analyzing the results. We anticipate this will take several months, so the moratorium was extended by City Council again at the 11/20 Council meeting until June 20<sup>th</sup>, 2024. However, depending on the analysis review and negotiations with DEQ/EPA, that the existing moratorium could be repealed and replaced with a new moratorium. We are not sure if/when it will be repealed or replaced yet. We are hopeful we can provide a more exhaustive update at our next meeting."
- Development Services has committed to letting the Ec Dev Dept know when this information is updated in real time, and what information within those updates may be released to the EDAB.
- I have also secured a commitment from the Development Services Director to address the EDAB in person once we have secured approval to begin releasing sewer permits for new development. This will happen sometime in 2024.
- Pietzold/Smallwood/Mayton: there are enough permits available to cover what's in the queue, and we are confident that there will be some permits available for new construction soon

**7. Retail market report:** Board review

- There is no funding available, but if the Board would like to push forward, one way this could be funded is through the Council contingency fund → one of our City Councilor board members could suggest this during Council Reports
- Pietzold: This was the first thing this board was tasked with doing in 2019, but the pandemic happened shortly thereafter which heavily skewed retail spending patterns so we put it on hold
- Pietzold: the EDAB requests that the City Council goes forward with funding the retail market report (6-0 vote)

## ROUNDTABLE DISCUSSION

**8. Economic Opportunities Analysis (EOA) presentation & discussion:** Nicole Underwood (ECONorthwest) will present the latest information from the development of Sandy's EOA and invite discussion and input from the Ec Dev Advisory Board.

- Nicole Underwood of ECONorthwest presented a 30 minute slideshow presentation to the EDAB regarding the crafting of the City's new Economic Opportunities Analysis and the data being used to draft this document.
- Buildable lands update: Wipper – What is "Village Commercial"? Defined by Smallwood, Pietzold as essentially mixed use zoning designation located primarily in residential neighborhoods; brief history of the designation.

- Commuting trends: Work from home is challenging when looking at commuting trends; this data is not yet being accurately captured for those that work some hours from home and some hours from an office → our data capture methods will improve over time
- EOA shows a forecast need for 63 acres of industrial land and 91 acres of office & retail combined, for a total of 154 acres of land needed for economic growth → this equals a 9 acre deficit of industrial land, and a moderate surplus of 52 acres of commercial land
- Wipper: What other infrastructure concerns do we have other than wastewater? Underwood – nothing specific, but this would include streets and roads, water, etc.
- Brache: Sees commercial as high wage instead of industrial due to IT, professional services, etc. → Underwood: most commercial jobs are restaurant, retail, grocery, but this is a fair point → also, manufacturing is singled out for high wage industrial jobs in the ec dev strategic plan because they typically do not require a college degree
- Next presentation from ECONorthwest on EOA policy recommendations will happen at our February 2024 meeting
- Pietzold: Did the city council take anything specific away from this presentation when they heard it last week? → Mayton: there was some disagreement with how the data was collected from some Council members, but I found it to be fairly accurate → Smallwood: this is 2019 data, and the world has changed significantly since then. The data is what it is.
- General discussion about work from home → This is a difficult problem to tackle; we need to get better at capturing this data → work from home may shrink in the future but it isn't going away → initially WFH created a boost in productivity, but this waned over time →
- General housing discussion → Mayton: trying to attract higher wage jobs so larger homes, but current wages are low so folks on lower end of economic scale can't afford the rent here; how do you build affordable housing for working class workers; wages can't go up fast enough to keep up with housing prices

## ADJOURN

8:00 PM

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# An Outreach Vehicle for Sandy and Hoodland Libraries

A presentation by Library Staff  
for the Economic Development  
Advisory Board

# Why an outreach vehicle?

- Sandy and Hoodland have a larger service area population than a number of LINCC Libraries, but have a lower % of library users and checkouts because of our significant square mileage.
- Libraries are once again getting bookmobiles on the road
  - Lake Oswego, Molalla, and Estacada all have bookmobiles
- Bring Library Services to where people are
  - Retirement homes and Senior Centers
  - Daycares, preschools, schools and parks
  - Community stops
    - Boring, Orient, Sandy, Rhododendron, Government Camp



# How an outreach vehicle will be utilized

## Digital Equity

- Teach computer classes
  - Started basic computer and basic Internet classes in April 2022, Microsoft Word in February 2023 and Google Drive on October 2023.
  - 122 people have signed up
- Make computers, printing services, and Internet available
  - FY2023 - 6,531 computer sessions and 780 library users utilized our mobile printing service, over 29,000 pages printed

## Youth Services

- Storytime
  - Go to Daycares and Preschools
- STEM and literacy activities
  - Schools
  - Vista Apartments and Pioneer Mobile Home Court

Plus

Item # 3.

Did we mention  
checking out  
library materials?

# Impacts of outreach vehicle in our community

- Increase # of library cardholders and regular library users
- Increase # of computer sessions/computer class participation
- Increase kids early literacy activities
  - Storytimes
  - 1,000 Books Before Kindergarten
- Increase kids and teens STEM learning activities
  - Vista Apartments & Pioneer Mobile Home Park
  - Schools

## What you can do to help

- Write a letter of support from your organization
- Consider where/when would be good to park the vehicle
  - Fill out our survey when it is available (soon!)
- Talk about opportunities with your friends and neighbors
- Assist with Fundraising efforts



# GOVERNANCE AND GROWTH MANAGEMENT

*In 2050, Sandy is home to desirable neighborhoods and a strong workforce. Thriving commercial and industrial districts provide balanced employment opportunities at all levels. A variety of businesses meet the daily needs of residents and contribute to Sandy’s sense of place. A strong tourism industry provides opportunities for businesses and supports the local economy. Sandy’s workers have access to a variety of housing choices that allow residents to move in, move up or age in place, ensuring families can live, work, and thrive in Sandy across multiple generations. Balanced housing choices contribute to safe, walkable, family-friendly neighborhoods that connect residents to nearby parks, trails, businesses and key destinations.*

## ECONOMIC DEVELOPMENT

**Goal 1: Provide opportunities for a diverse range of businesses to thrive in Sandy, ensuring broader access to economic opportunity and maintaining Sandy’s high quality of life.**

- Policy 1.1      Coordinate economic development efforts with other jurisdictions and agencies such as Clackamas County, Metro, the Port of Portland, the Oregon Economic Development Department, and the Oregon Department of Transportation to identify and support expansion of existing industries and attraction of new industries to the community.
- Policy 1.2      Foster entrepreneurship and new business creation by leveraging investments in technology, strengthening economic development partnerships, and connecting businesses to resources.
- Policy 1.3      Attract businesses offering jobs that pay higher than Clackamas County's average wage, to provide opportunities for people to live and work in Sandy, focusing on industries such as metals fabrication,

- outdoor tools manufacturing, and related professional services.
- Policy 1.4 Partner with local and regional organizations such as Mount Hood Community College, Clackamas Community College, AntFarm Youth Services, Oregon Trail School District, and Clackamas Workforce Partnership to support workforce development, especially for youth and disadvantaged workers, aligning with Sandy's economic development goals and the needs of local businesses.
- Policy 1.5 Ensure that Sandy's residents have access to healthcare, childcare, job training, and support systems.

### ***Commercial***

#### **Goal 2: Foster vibrant commercial zones with a mix of retail options that serve the needs of regional residents and enhance destination appeal.**

- Policy 2.1 Invest in the development of a lively, walkable downtown to support a mixture of commercial and retail uses.
- Policy 2.2 Support and encourage infill and redevelopment, particularly in downtown along Pioneer Boulevard, Proctor Boulevard, and Pleasant Street, as a way to use land and existing infrastructure more efficiently.
- Policy 2.3 Use large undeveloped commercial areas to support a range of retail businesses, with an emphasis on ensuring the availability of space for large retailers integrated with smaller commercial uses.
- Policy 2.4 Encourage and support a variety of retail, restaurant, and recreational services to draw visitors and enhance community well-being for residents through strategic investments in hospitality, place-based tourism, and community development.
- Policy 2.5 Monitor land development and update the buildable lands inventory on a regular basis to ensure that there is enough vacant commercial land to accommodate expected growth.

### ***Industrial***

**Goal 3: Promote sustainable and non-polluting industrial growth that diversifies Sandy's economic base, supports high-wage job creation, and cultivates innovation.**

- Policy 3.1 Ensure that Sandy has sufficient industrial land to provide industrial growth opportunities, with a variety of characteristics and sizes and with adequate access to transportation and utility facilities, but avoiding conflicts with incompatible adjacent uses.
- Policy 3.2 Preserve and protect industrial lands in locations with direct access to the highway, particularly parcels 10 acres and larger, so that this land is more likely to be used for traded-sector industrial uses. Limit commercial development in industrial areas to uses which are clearly ancillary and subordinate to industrial development.
- Policy 3.3 Work with economic development partners to support the development of metals fabrication and related industries in Sandy and to establish Sandy as a hub for metals fabrication.
- Policy 3.4 Encourage collaboration between businesses and innovators in specialty food and beverage industries to strengthen Sandy's food storage and processing sector.
- Policy 3.5 Monitor industrial land development and update the buildable lands inventory on a regular basis to ensure that there is enough vacant industrial land to accommodate expected growth.

***Infrastructure***

**Goal 4: Ensure that Sandy has sufficient infrastructure capacity to support a variety of employment opportunities, ensuring that land can be developed within a reasonable time period.**

- Policy 4.1 Coordinate capital improvement planning with economic development planning to ensure infrastructure availability to employment lands.
- Policy 4.2 Invest in SandyNet and other resources and infrastructure that support and attract a home-based workforce.

**Date:** January 10, 2024  
**To:** David Snider, City of Sandy  
**From:** Chris Blakney, ECONorthwest  
**Subject:** Scope of Work for a Retail Market Analysis for the City of Sandy

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The City of Sandy has a history of supporting commercial retail businesses, commissioning a Retail Market Analysis in 2009, updating it in 2015, and establishing an Economic Development Committee to advance economic development objectives. Prior to the COVID-19 Pandemic, the City of Sandy was interested in better understanding its commercial retail market in an effort to diversify the supply of commercial services in the City. In February 2020, ECONorthwest was selected by the City to provide fresh look at the commercial retail market. Just a month later, the world experienced an event that would change retail markets forever.

Sandy has come out of the Pandemic with a relatively healthy economy. Development interest is increasing, and new development opportunities are materializing. A shift in household growth pressure to tertiary cities coupled with strong spending growth on tourism and commercial services have shifted the balance of market opportunities.

In this proposal, we outline an approach similar to what we offered in 2020. We maintain a data-driven approach that is focused on describing current and anticipated consumer behavior, understanding the depth of the market, and assessing barriers to speculative commercial development.

## Work Program

Chris Blakney will serve as Project Director; Nicole Underwood will serve as Project Manager. This leadership team will rely on ECO's bench of Associates and Research Analysts for project support. Our proposed work plan is as follows.

### Task 1: Development Outcome Assessment

In this task we will review the previous market research reports and determine the extent to which actual development and growth has tracked with forecast estimates. This review will include an evaluation of developed space, population and household growth, and consumer spending.

### Task 2: Evaluation of Changes in Structural Market Conditions

Here, we will assess structural changes in consumer behavior and the local market area that may influence the trajectory of the future retail market. This assessment will pay particular attention to how businesses and consumers have reacted to the "new normal" post-pandemic. Factors may include:

- Shifts in space utilization.
- Changes to the food service industry because of ready-made delivery services.
- Change in migration patterns.





- Shifts in tourism and tertiary-area spending patterns.

### Task 3: Sandy Market Area Consumer Profile

This task will begin with the delineation of a primary trade area (PTA). This area will reflect the geographic region from which the majority of Sandy's customers are expected to originate. The PTA will reflect access/travel time, demographic factors, physical/manmade barriers, and the location and character of competitive retail alternatives. We will then develop a comprehensive consumer profile for the PTA. This assessment will include factors that are typical components of a retail site selection process, including population, age, income, and educational attainment. However, income and demographic factors do not fully capture the lifestyle nuances that impact consumer behavior. To gain further insight into consumer behavior, we will employ both psychographic and market potential assessments of the PTA. Key questions that the profile can answer include: Do households in the PTA prefer discount or luxury goods? Are they bargain shoppers? What retail store types do they frequent more often than other consumers? Do they eat out in restaurants at an above average rate? This task will address these, among other questions.

### Task 4: Forecast of Current and Future Market Potential

We will distill the information in Tasks 2 and 3 into an estimate of current and future retail market support. We will forecast demand by retail category with estimates of consumer spending and space demand by retail category. This assessment will consider varied scenarios of household growth resulting from net-migration pressures and local policy, including Sandy's current development moratorium. We will also explore the ratio of resident and non-resident retail support and the nuances in how the magnitude of each of those demand sources influence different retail typologies.

### Task 5: Inventory of Current Land and Space Supply

This task will leverage the City's database of existing retail space and vacant commercial land supply. To the extent data are available, we will supplement information with information on the current commercial retail market, including vacancy rates, lease rates, absorption, and development activity.

### Task 6: Case Study Analysis

In this task we would develop case study profiles of retail districts for up to three peer communities in the Portland region or similar markets in Oregon. Case study candidates would be drawn from communities with similar scale, tourism impacts, and proximity to larger employment and population centers—and would be selected in collaboration with City staff and with input from the City's Economic Development Committee. We would document the actions that those communities have taken to recruit and retail developers and businesses to their retail districts, and the outcomes that have occurred as a result of these efforts. Findings would be summarized into a technical appendix to the Retail Market Analysis.



## Task 7: Retail Market Analysis, Competitive Assessment, and Recommendations Report

Our work will culminate in a final report that provides a summary of the findings from all of the previous tasks and a competitive assessment of Sandy's retail environment. This assessment will include:

- An evaluation of strengths, weaknesses, opportunities, and challenges in the local and regional market.
- An analysis of the suitability of existing land and retail stock to accommodate market potential.
- An assessment of retail leakage by retail category.
- A set of recommendations and action items for the City to consider to support the retail environment.

## Time and Fee Proposal

The professional fee for this project would be \$28,000 billed on a time-and-materials basis. The time to complete this scope of work would be 12-16 weeks from contract initiation.

