

**Minutes of the Joint Meeting of the
Veneta City Council and Veneta Planning Commission
October 29, 2014**

Council: Sandra Larson, Thomas Cotter, Victoria Hedenstrom, Thomas Laing

Planning Commission: Calvin Kenney, Len Goodwin, Kevin Conlin, Lily Rees

Community Members: Jason Alansky, Joan Mariner, Phil Velie

Absent: Brittany Boothe, James Eagle Eye, Herb Vloedman

Others: Ric Ingham, City Administrator; Kay Bork, Community Development Director; Lisa Garbett, Associate Planner; Darci Henneman, Assistant City Recorder; and Bob Parker, Amanda D'Souza; and Michael Howard of the University of Oregon, Community Service Center

Planning Commission vice Chair Len Goodwin and Mayor Sandra Larson called the meeting to order at 5:37 p.m.

I. Introductions

Introductions were made throughout the room.

II. Economic Opportunities Analysis

a. Employment Forecast

Ms. D'Souza reviewed the agenda and some of the key findings from the Economic Opportunity Analysis (EOA). She said the three goals for tonight's meeting will be to get direction from the committee for choosing one of the employment forecasts, establishing the list of priority industries and setting up the action items. She said as part of the EOA, Community Planning Workshop (CPW) estimated employment growth over the next 20 years. The EOA outlines two safe harbor methods; by the population or employment rate. CPW recommended the City use the employment safe harbor method because the population rate over estimates the need for commercial land.

Len Goodwin said industrial designated land is probably one of the most precious resources a city can have. In addition, industrial land likely requires larger sites. Commercial land can be met with smaller sites - one to five acres. For us to re-designate industrial land to commercial land, could have serious disadvantages if we're looking at large scale employers.

In response to a question from Thomas Cotter, Len Goodwin said when we start the discussion about industries and businesses likely to locate here, we may find that Eugene and Springfield might have difficulty attempting to create additional employment land. That could create a situation where it's more likely that industries will look at outlying areas, rather than deal with infill in the two major cities.

Mr. Parker encouraged the Committee to take a long term view of this and in Veneta's case, if we use the industrial lands, where does the next increment of supply come from. He said Veneta has pretty good sites now but this is a policy decision. He said industrial land is hard to get into your boundary and challenging to maintain it. He said many cities have chipped away at it and he suggested we carefully monitor it.

In response to a question from Thomas Cotter, Ms. D'Souza pulled up and reviewed a map of Veneta's industrial and commercial lands.

Kevin Conlin said why take options away at such an early date. He felt this is a situation that we're going to be looking at over and over again as the process continues and as new data comes, the Committee can make adjustments as required. He said if we do it now, we take away options that may be difficult to replace.

In response to a question from Thomas Cotter, Ingham said there isn't really any place Veneta can go as far as expanding our Urban Growth Boundary (UGB). He said with the many wetlands and small rural developments there aren't many large tracks of land.

Mr. Parker said the fact that the City has serviced industrial and industrial/commercial land with access to Hwy 126 its worth thinking about. He said one thing to look at, as the cities develop around us, some cities are looking at mixed employment designations; non-retail and trading sector jobs - jobs that bring money in from the outside. Those could be office jobs and it may be a way to add some flexibility into the code without completely compromising it for uses that might not provide the kind of jobs we want in Veneta.

Len Goodwin said the reality is any significant land designation will require us to look at a UGB expansion; probably easterly along Hwy 126 because the rural designations would not be suitable or likely to prove suitable for re-designation as industrial because they're either resource lands or constrained by wetlands.

After a thorough discussion it was the consensus of the committee to move forward with the safe harbor employment forecast method.

Mr. Velie said they own the majority of the industrial land and he's concerned about the demand. He said many buyers have looked at those sites off and on for several years. He said no one has been looking at Cornerstone for some time so he's concerned about the demand; how long will they have to hold on to it. He said he's not sure, as far as industrial land goes, what kind of business will be utilizing that land. He said he doesn't know what they can do with it and he'd like to know what the City will do to provide industrial development.

Ms. Mariner said the advantage with sticking with the employment forecast is once we decide to make industrial land commercial land, we can't get it back once we carve it up for something else. She said if we carve it up, no industry will come.

Mr. Parker said his team is only requesting direction on the forecast and that doesn't preclude the Committee from taking any action on what is allowed on the land at this point. It just says there is a certain amount of demand and the City has to demonstrate that we have a sufficient land supply to meet that. He said it doesn't close down the options at this point but it does represent a more realistic employment scenario for the City. He said there will be more detailed discussions at the future meetings.

b. Trends Affecting Growth

Ms. D'Souza provided data pertaining to local, regional, and state trends. She said Lane County is growing at a slower pace (36% increase over the next 20 years) than the state is expected to grow at 41%.

Mr. Parker said most small cities in Oregon are not growing at all.

Ms. D'Souza said the data reflects an employment decrease in manufacturing, construction, and natural resources, and increases in education, healthcare and food services. Ms. D'Souza continued to review her power point presentation.

c. Veneta's Comparative and Competitive Advantages

Ms. D'Souza reviewed Veneta's advantages and disadvantages – particularly those that may impact target industries. She said Veneta continues to grow faster than Lane County at a rate of 2.92% per year. She reviewed the statistics for Veneta and Lane County.

In response to a question from Ingham, Ms. D'Souza said right now Veneta's median age is lower than Eugene's but Veneta's median age is rising and Eugene's median age is decreasing.

In response to a question from Len Goodwin, Mr. Parker said millennials looking for more concentrated urban environments may have something to do with Eugene's population growth. He said it may also have something do with growth at the U of O. He said there's about 25,000 students at the U of O and they get counted in Eugene's population numbers.

Ms. D'Souza continued with data about Veneta.

In response to a question from Victoria Hedenstrom, Mr. Parker said Veneta residents working in Elmira were considered residents that leave Veneta.

In response to a question from Len Goodwin, Ms. D'Souza said generally the aging population limits the work force in Veneta because it's difficult to match the kind of skill sets Veneta residents have to labor markets. She said this is somewhat of a disadvantage for Veneta.

In response to a question from Victoria Hedenstrom, Mr. Parker said rail based business is a very narrow segment. You would need to be moving bulky, heavy materials, like lumber or steel for a long distance and there are no mills in Veneta.

d. Buildable Land Inventory and Implications

Ms. D'Souza said the available lands are mostly smaller commercial industrial and no commercial sites over 10 acres. She said the larger industrial site is 19 acres which creates low redevelopment potential.

In response to a question from Ingham, Mr. Parker said Veneta doesn't have a lot of redevelopment potential because it has mostly vacant land. He said its easier to build on vacant land than to redevelop it. He said it's a pretty easy choice to make. He said it doesn't make sense to think about policies to push the market for redevelopment because our land use patterns don't suggest we should find traditional uses - switching one use to another use doesn't make sense unless it adds new employment. Also there would be no redevelopment because we are not doing a boundary change. He said if we identify redevelopment sites, there may be reactions from property owners that are not conducive with the overall objective.

Ingham said the only place Veneta could take advantage of redevelopment or reuse of vacant land is at the west end of West Broadway. He would like to see a conversion to more commercial or retail use.

Mr. Parker said that could take the form of adapted reuse of existing buildings or demolishing the existing buildings to provide building sites for future businesses.

Len Goodwin said he felt it would be unwise to focus too much attention on that. He said it would be good if we can stimulate re-devolvement selectively on the West Broadway corridor but as Mr. Parker suggested if we focus on developing the West Broadway corridor, we'll get a difficult reaction from the existing businesses. He said we don't want to encourage the existing businesses to move or make them relocate because we're about to re-develop the land.

Mr. Parker said just because a business is ugly doesn't make it right to make them move. He said retention should be the foundational strategy. He said from a recruitment standpoint, Veneta has the opportunity to increase its employment base and focus on the sites that are serviced and investments from the City, seem to be the most beneficial way to go.

III. Target Industries

Review previously identified targeted industries.

Ms. D'Souza said the next subject is a discussion on potential target industries. She said the purpose is to help focus the strategic planning process. She said it will be essential as we move forward with goals and strategies. Given the location and land base, what characteristics of an industry would you like to see in Veneta?

Len Goodwin said there is a slight variation on that theme. He said it's really a focus on what are the industries that are likely to be attracted to Veneta.

Mr. Parker said we started looking at occupations of existing employment and a substantial amount of people living in Veneta are in business services. He said he wanted to figure out how we can capitalize on that. It explains a few things about that data and why Veneta has higher incomes than other places. He found that people are making intentional choices to live here because they like the lifestyle. He said if we also want those people to live and work here then we need to find occupations that fit that profile. He said it was interesting data that tells a lot of about the population in Veneta and a little bit about why they choose to live here.

Len Goodwin said it may suggest some attention should be focused on those professional industries that don't require physical interaction with a client.

Mr. Parker said like the Levi Strauss financial back office. He said that business could just as easily locate in Veneta and you have the appropriate infrastructure to support that. He said it's just the matter of do you have the labor force to support it. He said based on the data, there are highly skilled people living here that work elsewhere.

Joan Mariner said at the last meeting we talked about retention and she mentioned the craft people living in the area but was told we couldn't make it economically feasible for them to sell their wares here which means we're bleeding dollars all the time while they're marketing their wares elsewhere.

She said we also have a very active agricultural market which can be a 10 month market for produce which also goes to Eugene. She asked why not create a year round market at the community center. She said it could be twice a week to provide a place for crafts people and encourage farmers to expand marketing their products. She said all of the local artisans go to the Saturday Market and Holiday Market in Eugene. She said it would also draw a lot of tourism.

Mr. Parker said another important point he wanted to make was when Ms. D'Souza was reviewing the income data, it showed that Veneta residents have \$3000 more disposable income than the average Lane County household. He said we had a little discussion about how much retail leakage was occurring in Veneta. He said we could focus some attention on what would be the next retail service that would be interested in locating in Veneta. He said his team could provide more analysis of expenditure patterns to see what the relative distribution is and based on different sectors of expenditures. He said it may be informative in terms of thinking about whether the City wants to be proactive about getting more retail activity or where it should focus its efforts.

Len Goodwin said we may want to focus on some kind of mixed tourism/production culture – something like an urban village or a yearly permanent facility that caters to local artisans and would also attract visitors from outside. He said for example, Lone Pine Farms and Thistledown have huge volumes of traffic moving to those facilities. He said another thought may be a concept of going beyond the small scale but amalgamating it to something larger.

Mr. Parker said it would be more than a Farmers' Market to engage people to sell at a permanent location. He said but we would need to make sure we have producers and find a location that could be marketed to residents. He said it may attract tourists but our community would need to sustain it.

In response to a question from Victoria Hedenstrom, Ingham said Hwy 126 has about 18,000 vehicles traveling it a day at peak traffic and Hwy 20 has about 60,000 traveling per day.

Mr. Parker said Sisters is a brand destination. He said it would take a lot to get the critical mass and significant capital investments to get something like that to work in Veneta.

Ms. Mariner said something like a community village for local farmers and crafters to sell their products. Then we can start adding birding expeditions, winery tours, and also include a diversity that would appeal to those traveling to the coast.

Ingham said we started the Veneta Downtown Farmers' Market eight years ago and we put plenty of advertising dollars and outreach but it never really seems to grow.

In response to a question from Victoria Hedenstrom, Mr. Parker said we need to find a way to create something that is interesting to the local community and will also draw in tourists. He said if it can't sustain itself it won't be successful. He said there's a reason BiMart chose to move into this portion of the county – the store provides a service that doesn't exist elsewhere. He said those are the kinds of businesses that we should attract. He said specialty businesses have a bigger challenge attracting customers.

Len Goodwin said with the close proximity to Fern Ridge Reservoir we have several opportunities to bring businesses that would benefit from that. He said a canoe manufacturer or bicycle manufacturing – industries that make the equipment that is highly used in this area.

Victoria Hedenstrom suggested high tech, unseen businesses like internet, medical support or cloud services that wouldn't rely on Hwy 126 or that don't require being physically present.

Ms. Mariner suggested a motel or hotel is a win/win.

Ingham said the results of the request for proposal (RFP) indicated that a hotel would only have a 27% occupancy rate in the winter and in order to be successful it would need a year round occupancy rate of 66%.

Thomas Cotter said he felt it is a worthy project.

IV. Action Plan Development – Goal 1

In response to a question from Calvin Kenney, Mr. Parker we're not likely to attract large food processing companies but more likely it would be small scale, specialty companies.

Mr. Parker suggested the discussion move toward focusing on foundational aspects that can be acted on to attract these types of businesses, also CPW is not suggesting you start contacting businesses. He said there's more effective ways to think about this.

Ms. D'Souza reviewed the Action Plan Development. She reviewed the key strategies.

Mr. Parker said commitment can take more than one form; resources we would commit to. Other ways to demonstrate commitment would be to develop a business friendly environment, partnering with other government agencies. He said where should we start and how much does the City want to invest? He said the level of investment will influence what ends up in the Action Plan. He said this is really a brainstorming exercise and CPW will finalize the list of ideas with the understanding that not everything will make it to the final plan and at some point the Committee will identify the top priorities. He said the more specific the Committee is the more useful it is.

Len Goodwin said this is a very narrow focus – a focus on what sort of human resources we are going to develop and he's not sure any of these approaches are the right fit. Wouldn't we be much better off getting involved with Lane Metro partnership so we could leverage the resources that we have with those of the greater region and likely have better more positive results.

Mr. Parker said that was strategy 1.2. He said the reason we bring this up, is because in the previous plan the City wanted to create an economic committee and staff it. However, CPW wanted to force the issue to get you to talk about what you want to do. He said if no one is assigned to this, not much is going to happen. He said there's got to be an economic development point person. He said if that's that what you want to do then we have to figure how to fit it in with current staffs' work load. He said they understand there are resource constraints and there may be ways to work around it but someone has to be there to work on those partnerships.

Kevin Conlin said volunteer committees don't prove to be that efficient. He said in this step we're talking about the person that is the face of the City, region, etc. He tends to lean more toward hiring an economic development coordinator.

Mayor Larson suggested hiring someone to take some of Ingham's responsibility so he can focus more of his time on economic development.

Mr. Parker said we don't have to make the operational decisions now but CPW would like to get a sense of where the Committee is at. He said it may not be financially feasible to hire a full time person. He said the Committee also needs to have a long term vision on this. He said you may not see success for five to 10 years and there's a lot of little things that need to happen before the big things happen.

Mayor Larson said that's kind of what's happened over the last 10 years. She said we've made many investments in infrastructure, redevelopment of W. Broadway, etc. and so maybe it's about to happen. She said Ingham has been instrumental in seeing those things happen and his foresight has been economic development which he has worked for some time. She said maybe our extra commitment should be in making Veneta more attractive and not so much on employing those that are working outside of Veneta. She said maybe we should work on bringing people in and build the community in more than one way.

Ingham said that's appropriate but he suggested the Committee move on to the next strategies. He said he felt CPW is asking the Committee whether or not extra resources and commitments be given towards trying to get additional payment on economic dollars without defining what those resources are.

Ms. Mariner said as a consistent volunteer, the economic development coordinator is not a volunteer position. She said there is a definite skill set needed.

There was a thorough discussion about the position.

Len Goodwin suggested a small scale cold storage facility for local farmers.

Victoria Hedenstrom suggested working on increasing Veneta's positive face. She said it seems as though we're missing something and wants to change the current concept of what Veneta is.

Lily Rees suggested looking into getting some kind of retirement development or upscale assisted living facility tied to a hotel or rooms for rent. She said we should look at the age of our population and focus on bringing citizens to the area that have discretionary spending ability but don't have a lot of mobility.

Ingham said it's important that the City builds those relationships but how do we show our elected officials the return on investment when it comes to building partnerships. Ingham said the City has positive partnerships with many of the organizations listed in the power point presentation. Ingham said a workforce ready community is an interesting concept but often times it's the school districts that takes the lead to create that certified work force.

Mayor Larson suggested the school district partner and LCC.

Mr. Parker said work force development is not a City function. He suggested coming back to this after they've reviewed the other strategies. He also will talk with staff about possible partnerships the City would like to have with other organizations. He suggested partnering with the Willamette Valley Vineyards.

V. Next Steps

Ms. D'Souza said the discussion will continue on strategy and action development at the November 19th meeting.

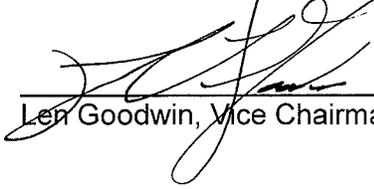
Mr. Parker suggested sending the Committee an online questionnaire outlining the four remaining goals that were not reviewed tonight then his team will summarize the results to be included with the next meeting's materials.

Mayor Larson said that would be helpful. She said she felt part of the confusion is we know we're supposed to be developing the plan but its hard to not focus on the action first.

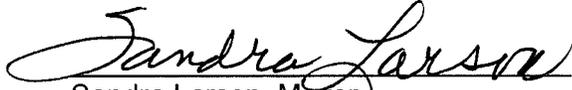
Ingham said if anyone is interested, meeting materials can be mailed out or picked up at City Hall and staff will work on getting all the materials posted on the City's website. He said the next meeting is November 19th and the fourth meeting is December 8th with a Council meeting to follow.

VI. Adjourn

Chair James Eagle Eye and Mayor Sandra Larson adjourned the meeting at 7:33 p.m



Len Goodwin, Vice Chairman



Sandra Larson, Mayor

ATTEST:



Darci Henneman, Assistant City Recorder