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SUBJECT: UPDATE OF ECONOMIC OPPORTUNITY ANALYSIS FOR THE CITY OF ALBANY

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INTRODUCTION

The City of Albany contracted with ECONorthwest in 2000 to prepare the Albany Economic Opportunities Analysis (EOA). Since then, the City has experienced industrial and commercial development, and has identified development constraints (primarily wetlands and floodplain) on lands designated for employment uses.

State policies guiding the completion of economic opportunity analyses have also changed since 2000. In 2005, the Land Conservation and Development Commission (LCDC) adopted substantial amendments to OAR 660-009, the administrative rule that implements Statewide Planning Goal 9 (Economy). Most notably, OAR 660-009-0025 requires that cities of 2,500 or more residents identify needed sites that are suitable for a variety of industrial and other employment uses. The rule amendments also clarified definitions of buildable lands for industrial and other employment uses and created a new requirement that cities provide a short term supply of sites (sites that can be made ready for development in one year or less).

Statewide Planning Goal 9 now requires cities to provide an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and other employment uses. An adequate land supply provides sites suitable for the 20-year planning period as well as for the short-term to meet development opportunities as they occur. This is necessary to accommodate a varied range of small, medium and large employers, for new and expanding businesses and to ensure land is available for immediate development. The 2000 EOA did not address site suitability.

Changes to state planning policy, development activity since 2000, and overall growth in Albany suggest that now is an appropriate time to review the City's EOA to determine whether the City has an appropriate range of employment sites (industrial and other) to accommodate expected growth over the 2007 to 2027 period.

In 2007, the City of Albany contracted with Winterbrook Planning to address the new state planning policy and administrative rule requirements related to the EOA. Winterbrook Planning served as the prime consultant on the Albany EOA update, with ECONorthwest as a subconsultant. Both consultants worked closely with City staff to make sure that the Albany EOA addressed recent economic development activity in the community and its impacts on the supply of suitable industrial sites. ECONorthwest conducted most of the technical analysis in the revised document and Winterbrook Planning provided the policy context and recommendations.

This memorandum presents an update to Albany's EOA. It includes the following sections:

- **Recent economic activity in Albany** describes the employment trends, business activity, and potential growth industries in the City of Albany since the 2000 EOA.
- **Employment forecast and land demand** presents an updated forecast of employment and suitable land needed to accommodate employment growth.
- **Site needs** presents the number, type, and characteristics of sites needed to accommodate expected future employment growth.
- **Suitable sites inventory** presents the serviceable land area and sites with required site characteristics.
- **Comparison of employment site needs with the supply of suitable sites** presents the deficit or surplus of employment land within the Albany UGB.

PART I: RECENT ECONOMIC ACTIVITY IN ALBANY

This section presents a brief overview of economic activity in Albany since 2000.

EMPLOYMENT TRENDS

Since 2000, the economy of Linn and Benton Counties has experienced changes in employment sectors. Tables 1 and 2 show covered employment in Linn and Benton Counties for 2001 and 2005. Over the four-year period, employment grew from 75,273 employees to 76,260 employees, an increase of 987 jobs or 1.3%.

While the number of jobs added has been relatively modest, the distribution of employment by sectors has changed over the four-year period. The sectors that experienced the largest declines in jobs were Manufacturing (1,474 jobs or 10%), Wholesale (274 jobs or 13%), and Information (263 jobs or 16%). The sectors that experienced the greatest growth in jobs were Health and Social Assistance (879 jobs or 12%), Accommodations and Food Services (636 jobs or 13%), and Finance and Insurance (318 jobs or 22%).

Table 1. Covered employment in Linn County, 2001 and 2005

Sector	2001	2005	Change from 2001 to 2005		
			Difference	Percent	AAGR
Agriculture, Forestry, Fishing & Hunting	2,062	1,684	(378)	-18%	-4.9%
Mining	23	13	(10)	-43%	-13.3%
Construction	2,142	2,147	5	0%	0.1%
Manufacturing	8,783	8,400	(383)	-4%	-1.1%
Utilities	168	192	24	14%	3.4%
Wholesale	1,540	1,370	(170)	-11%	-2.9%
Retail	4,398	4,762	364	8%	2.0%
Transportation & Warehousing	2,032	2,096	64	3%	0.8%
Information	634	458	(176)	-28%	-7.8%
Finance & Insurance	848	1,128	280	33%	7.4%
Real Estate Rental & Leasing	485	443	(42)	-9%	-2.2%
Professional, Scientific & Technical Services	629	630	1	0%	0.0%
Management of Companies	493	445	(48)	-10%	-2.5%
Admin. Support & Cleaning Services	2,091	2,442	351	17%	4.0%
Education	232	250	18	8%	1.9%
Health & Social Assistance	3,638	3,683	45	1%	0.3%
Arts, Entertainment & Recreation	302	241	(61)	-20%	-5.5%
Accommodations & Food Services	2,290	2,605	315	14%	3.3%
Other Services (except Public Admin.)	1,383	1,425	42	3%	0.8%
Private Non-Classified	13	10	(3)	-23%	-6.3%
Government	6,536	7,018	482	7%	1.8%
Total Covered Employment & Payroll	40,722	41,442	720	2%	0.4%

Source: Oregon Employment Department

Table 2. Covered employment in Benton County, 2001 and 2005

Sector	2001	2005	Change from 2001 to 2005		
			Difference	Percent	AAGR
Agriculture, Forestry, Fishing, Hunting & Mining	1,161	1,274	113	10%	2.3%
Construction	1,021	1,101	80	8%	1.9%
Manufacturing	6,443	5,352	(1,091)	-17%	-4.5%
Wholesale	527	423	(104)	-20%	-5.3%
Retail	3,233	2,998	(235)	-7%	-1.9%
Transportation, Warehousing & Utilities	423	490	67	16%	3.7%
Information	964	877	(87)	-9%	-2.3%
Finance & Insurance	570	608	38	7%	1.6%
Real Estate Rental & Leasing	459	508	49	11%	2.6%
Professional & Business Services	2,870	2,840	(30)	-1%	-0.3%
Education	257	305	48	19%	4.4%
Health & Social Assistance	3887	4,721	834	21%	5.0%
Arts, Entertainment & Recreation	420	486	66	16%	3.7%
Accommodations & Food Services	2,574	2,895	321	12%	3.0%
Other Services (except Public Admin.)	1,238	1,239	1	0%	0.0%
Private Non-Classified	12	13	1	8%	2.0%
Government	8,492	8,688	196	2%	0.6%
Total Covered Employment & Payroll	34,551	34,818	267	1%	0.2%

Source: Oregon Employment Department

Table 3 shows a summary of covered employment in the Albany UGB in 2003.¹ Albany had more than 1,300 firms that employed about 18,650 people in 2003. The following sectors accounted for 70% of employment in Albany: Government (3,939 employees), Retail Trade (2,607 employees), Health Care & Social Assistance (2,564 employees); Manufacturing (2,341 employees), and Accommodations & Food Services (1,641 employees).

The 2000 Economic Opportunities Analysis (adopted in 2002) reported that Albany had about 20,659 employees at 1,380 firms in 1999. This suggests that Albany lost about 2,000 jobs between 1999 and 2003. However, making comparisons between the covered employment summary in the 2000 Economic Opportunities Analysis and the data in Table 3 is difficult for a number of reasons. The summary in the 2000 Economic Opportunities Analysis summarized employment based on the zip code 97321, while this analysis is based on employment within the Albany UGB. The Quarterly Census of Employment and Wages (QCEW) data used in this analysis was edited by City Staff to correct for inaccuracies in employer location, adding employers that were excluded, and other inaccuracies in the data.

The main problem in comparing the 1999 and 2003 covered employment data is the shift in the way that employment is classified into sectors and industries. Until 2001, industries were classified under the Standard Industrial Classification (SIC) system, which grouped industries according to their primary activity. Although the SIC classification structure was updated periodically to include new industries, its structure was essentially unchanged since its development in the 1930s. The North American Industrial Classification System (NAICS) was developed by the U.S., Canada, and Mexico address deficiencies in SIC.

¹ The 2003 covered employment data is the most current data available that has been reviewed and edited for inaccuracies. Covered employment is self-reported and includes many incorrect addresses, omissions, and other errors.

Table 3. Covered employment, Albany UGB, 2003

Sector/Industry	Establishments	Employees
Agriculture, Forestry, Mining, & Utilities	8	224
Construction	122	582
Construction of Buildings	38	175
Heavy and Civil Engineering Construction	5	12
Specialty Trade Contractors	79	395
Manufacturing	79	2,341
Food Manufacturing	7	867
Fabricated Metal Product Manufacturing	18	176
Chemical Manufacturing	4	126
Furniture and Related Product Manufacturing	6	87
Printing and Related Support Activities	7	69
Transportation Equipment Manufacturing	6	69
Machinery Manufacturing	4	62
Other Manufacturing	27	885
Wholesale Trade	61	357
Merchant Wholesalers, Durable Goods	25	152
Merchant Wholesalers, Nondurable Goods	20	190
Wholesale Electronic Markets and Agents and Brokers	16	15
Retail Trade	199	2,607
General Merchandise Stores	15	845
Motor Vehicle and Parts Dealers	22	356
Food and Beverage Stores	20	298
Building Material & Garden Equip. & Supplies Dealers	13	266
Clothing and Clothing Accessories Stores	23	247
Miscellaneous Store Retailers	31	169
Gasoline Stations	14	120
Sporting Goods, Hobby, Book, and Music Stores	15	103
Other Retail Trade	46	203
Transportation and Warehousing	22	928
Information	15	234
Finance and Insurance	78	704
Real Estate and Rental and Leasing	77	362
Professional, Scientific, and Technical Services	93	403
Management of Companies and Enterprises	9	261
Administrative and Support and Waste Management	76	555
Private Education Services	7	97
Health Care and Social Assistance	136	2,564
Ambulatory Health Care Services	94	1,127
Other Health Care	22	1,259
Social Assistance	20	178
Arts, Entertainment, and Recreation	15	156
Accommodation and Food Services	116	1,641
Accommodation	9	123
Food Services and Drinking Places	107	1,518
Other Services (except Public Admin.)	137	701
Government	66	3,939
Federal Government	6	151
State Government	4	110
Local Government	56	3,678
Total	1,316	18,656

Source: Oregon Employment Department

OUTLOOK FOR GROWTH IN ALBANY

The Oregon Employment Department (OED) forecasts employment growth for 15 economic regions across Oregon. Albany is located in Region 4, which includes Linn, Benton, and Lincoln Counties. Albany is likely to experience growth in the sectors that are forecast to grow the most in Region 4. Table 4 shows the OED's forecast for nonfarm employment by industry in Region 4 for the period 2004 to 2014. The sectors that are expected to lead employment growth in Region 4 are Transportation and Utilities, Professional and Business Services, Education, and Health Services. Together, these sectors are expected to add 10,230 jobs, or 91% of the employment growth in Region 4 between 2004 and 2014. The sectors that are projected to lead employment growth in Oregon for the ten-year period are: Professional and Business Services, Health Services, Leisure and Hospitality, and Retail Trade. Together, these sectors are expected to add 146,900 new jobs, or 61% of the employment growth in Oregon.

Table 4. Nonfarm employment forecast by industry in Region 4, 2004-2014

Sector/ Industry	2004	2014	Change 2004-2014	
			Number	Percent
Natural Resources & Mining	950	890	-60	-6.3%
Construction	3,620	4,270	650	18.0%
Manufacturing	14,960	13,940	-1,020	-6.8%
Durable Goods	11,350	10,530	-820	-7.2%
Wood Product Manufacturing	2,810	2,570	-240	-8.5%
Nondurable Goods	3,610	3,410	-200	-5.5%
Food manufacturing	1,170	1,090	-80	-6.8%
Transportation, & Utilities	15,550	18,300	2,750	17.7%
Wholesale Trade	1,890	2,120	230	12.2%
Retail Trade	10,500	11,910	1,410	13.4%
Transp., warehousing, & utilities	3,160	4,270	1,110	35.1%
Information	1,550	1,760	210	13.5%
Leisure & Hospitality	10,400	11,930	1,530	14.7%
Accommodation & Food Services	9,470	10,890	1,420	15.0%
Accommodation	2,320	2,610	290	12.5%
Food svcs. and drinking places	7,150	8,280	1,130	15.8%
Financial Activities	3,740	4,140	400	10.7%
Professional & Business Services	7,050	8,980	1,930	27.4%
Administration and support svcs.	3,410	4,570	1,160	34.0%
Education	10,270	13,140	2,870	27.9%
Health Care & Social Assistance	9,710	12,390	2,680	27.6%
Other Services	3,130	3,510	380	12.1%
Government	22,320	23,960	1,640	7.3%
Federal Government	1,330	1,280	-50	-3.8%
State Government	9,360	9,880	520	5.6%
Local Government	11,630	12,800	1,170	10.1%
Local Education	6,120	6,630	510	8.3%
Indian Tribal	1,100	1,280	180	16.4%
Total Nonfarm Payroll Emp.	93,540	104,820	11,280	12.1%

Source: Oregon Employment Department. Employment Projections by Industry 2004-2014. Projections summarized by ECONorthwest.

*Note: The Oregon Employment Department issues employment forecasts by region. Region 4 is Benton, Lincoln and Linn Counties combined.

BUSINESS ACTIVITY SINCE 2000

Albany has experienced expansion and location of a number of firms since the completion of the Economic Opportunities analysis in 2000. Business activity in Albany since 2000 includes:

Retail and services:

- Costco opened near the Heritage Mall;
- Expansion at Heritage Mall: Old Navy store was constructed; Kohl's is constructing a building on a site formerly occupied by Mervyns;
- North Albany: A new commercial center developed, including a Ray's grocery store, Starbucks, a salon, and restaurants, and a new medical building is under construction;
- Signal Northwest call center opened;
- Albany has experienced development of numerous retailers, restaurants, and services.

Industrial:

- PepsiCo plans to build a production and packaging facility in Albany, which is expected to employ approximately 200 people when it opens and may employ 500 people within five years. PepsiCo has delayed development of this facility until at least September 2008;
- The Target Distribution Center in South Albany doubled its size;
- Rare Metals: Allvac (formerly Oregon Metallurgical) is planning to add six new buildings, and WahChang added new jobs;
- Food Processing: Eugene Freezing and Storage, National Frozen Foods, and Oregon Freezedry are all expanding;
- The City of Albany's Municipal Airport has added hangars;
- Synthetech Inc. added new bio-science jobs ;
- Viper Northwest added 12 new jobs;
- Pacific Cast Technology added 25 new jobs.

PART II: DEMAND FOR COMMERCIAL AND INDUSTRIAL LAND IN ALBANY

To provide for an adequate supply of commercial and industrial sites consistent with plan policies, Albany needs to have an estimate of the amount of commercial and industrial land that will be needed over the planning period. Demand for commercial and industrial land will be driven by the expansion and relocation of existing businesses and new businesses locating in Albany. The level of this business expansion activity can be measured by employment growth in Albany. This memo presents a projection of future employment levels in Albany for the purpose of estimating demand for commercial and industrial land.

The projection of employment in this chapter has four major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Albany UGB presented in Table 3. Covered employment does not include all workers, so we adjust covered employment to reflect total employment in Albany in Table 5. Employment by sector will be summarized into employment by land use type for the purposes of estimating land demand by type.
2. **Identify potential growth industries in Albany.** Given trends in economic activity and expected growth in Oregon, and Albany comparative advantages, we identify the types of firms and industries that may locate in Albany.
3. **Project total employment.** The projection of total employment uses the safe harbor provision in OAR 660-024-0040 (8) (a) (i) to forecast employment growth in Albany from 2007 to 2027.
4. **Allocate total employment to land use types.** This allocation will use assumptions based on expected trends in employment growth by Industrial and Commercial/Other land uses.

The remainder of this section is organized by headings that correspond to these four major steps for the projection.

EMPLOYMENT BASE FOR PROJECTION

The updated employment forecast uses a base year of 2007. Obtaining an accurate estimate of total employment in 2007 requires estimating the difference between 2003 covered employment and 2003 total employment and then extrapolating that figure to 2007. Table 10 shows ECONorthwest's estimate of total employment in the Albany UGB in 2003. The estimate of covered employment in the Albany UGB is based on confidential QCEW data provided by the Oregon Employment Department. Covered employment, however, does not include all workers in an economy. Most notably, covered employment does not include sole proprietors. Analysis of data shows that covered employment reported by the Oregon Employment Department for Linn County was only about 81% of total employment reported by the U.S. Department of

Commerce.² ECONorthwest compared the percent of total employment that is covered by sector for Linn County to develop covered to total employment ratios. We then applied the covered to total ratios for the County to develop an estimate of total employment in Albany. Table 5 shows Albany had an estimated 24,616 employees within its UGB in 2007.

Table 5. Estimated total employment in the Albany UGB by land use type, 2007

Land Use Type/ Sector	<u>Covered Employment</u>		<u>Total Employment</u>		
	2003	% of 2003 Total Empl.	2004	2007	% of All 2007 Empl.
Industrial	4,432	87%	5,116	5,354	22%
Commercial/Other					
<i>Retail and Services</i>	10,285	72%	14,229	14,892	60%
<i>Government/Other</i>	3,939	94%	4,175	4,370	18%
TOTAL EMPLOYMENT	18,656	79%	23,560	24,616	100%

Source: 2003 covered employment from confidential Quarterly Census of Employment provided by the Oregon Employment Department. Employment summarized by land use type by ECONorthwest. Covered employment as a percent of total employment calculated by ECONorthwest using data for Linn County employment from the U.S. Department of Commerce, Bureau of Economic Analysis (total) and the Oregon Employment Department (covered). 2003 total employment converted to 2007 total employment by ECONorthwest using an annual growth rate of 1.15% over four years.

POTENTIAL GROWTH INDUSTRIES

Albany's mix of productive factors is the foundation of the region's comparative advantage. A primary comparative advantage in Albany is its location on I-5 and central location in the Willamette Valley. This makes Albany attractive to businesses that need easy access to I-5, and Highways 20 and 34.

The industries that have shown growth and business activity in Linn and Benton Counties over the past few years are indicative of businesses that might locate or expand in Albany. The characteristics of Albany will affect the types businesses most likely to locate in Albany:

- **Warehousing and transportation.** Albany's access to I-5 and central location within the Willamette Valley may make Albany attractive to warehousing and distribution firms. Large warehouse facilities that serve large areas appear to favor central locations, similar to Albany's location. Albany has attracted one large retail distribution center (Target) and another company (PepsiCo) has proposed developing a large distribution center at their manufacturing and packaging site in Albany.
- **Manufacturing.** The type of manufacturing businesses likely to locate in Albany are those that need easy access to transportation, a skilled labor force, proximity to existing businesses, or proximity to agricultural production. Examples include: recreational vehicle manufactures or suppliers, food processing, metals manufacturing, and other specialty manufacturing. Albany has attracted a large manufacturing and packaging plant (PepsiCo).

² We used the comparison of covered to total employment in Linn County, rather than Benton County, because about 97% of Albany's employment was located in Linn County in 2003.

- **Retail and local government.** Population growth will drive the growth of retail and local government. Albany may attract a variety of retailers as it grows, including: national large format retailers, food and beverage stores, restaurants, and specialty retailers.
- **Health care services and government.** Health care and government services, especially schools, will grow as population increases.

PROJECTION OF TOTAL EMPLOYMENT

OAR 660-024-0040 (8) (a) (i) allows the City to determine employment land needs based on “The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department.” The Oregon Employment Department forecast that employment in Region 4, which includes Benton, Linn, and Lincoln Counties, would grow from 93,540 jobs in 2004 to 104,820 jobs in 2014, a change of 11,280 jobs at an average annual growth rate of 1.15%. Based on the safe harbor, employment in Albany can be assumed to grow at 1.15% annually.

Table 6 shows the forecast for employment growth in Albany between 2007 and 2027. Employment in Albany is forecast to grow by nearly 6,300 jobs over the twenty-year period. The majority of this growth will be in Retail and Services.

To estimate employment growth by land use type in the Albany UGB, the forecasted level of total employment in 2027 (30,911) was distributed among the three categories of land use types shown in Table 5. The forecast by land use category does not anticipate a shift in the distribution of employment between 2007 and 2027. Employment growth is expected in each of the categories of employment land use.

Table 6. Employment growth by land use type in the Albany UGB area, 2007–2027

Land Use Type	2007 Total	% of Total	2027 Total	% of Total	2007-2027 Growth
Commercial/Other					
<i>Retail and Services</i>	14,892	60%	18,547	60%	3,655
<i>Government/Other</i>	4,370	18%	5,564	18%	1,194
Industrial	5,354	22%	6,800	22%	1,446
Total Employment	24,616	100%	30,911	100%	6,295

Source: ECONorthwest.

Note: shaded cells indicate assumptions by ECONorthwest.

ALLOCATION OF EMPLOYMENT TO LAND-USE TYPES

Employment growth in Albany will drive demand for industrial and other employment (includes all non-industrial jobs, such as commercial and government) land. To estimate the demand for land generated by employment growth, ECO used factors for the number of employees per acre for each of the three land use types used in the employment forecast. ECO began this step by making a deduction from total new employment. This deduction accounts for:

- **Percent of total employment growth that requires no commercial or industrial built space or land.** Some new employment will occur outside commercial and industrial built

space or land. For example, some construction contractors may work out of their homes, with no need for a shop or office space on non-residential land.

- **Percent of employment growth on non-residential developed land currently developed.** Some employment growth will be accommodated on existing developed or redeveloped land, as when an existing firm adds employees without expanding space.

Typical refill (infill and redevelopment) deductions range from 10% in small cities to 30% or more for larger areas. For example, Portland Metro estimated refill at around 40% for 1996 and 1997 in a small empirical study they conducted. The 2000 Economic Opportunities analysis assumed a refill rate of about 10%. However, because the current Buildable Lands Inventory already accounted for infill and redevelopment, we assumed 0%.

The next set of assumptions needed to estimate non-residential land need is employees per acre (EPA). This variable is defined as the number of employees per acre on non-residential land that is developed to accommodate employment growth. There are few empirical studies of the number of employees per acre, and these studies report a wide range of results. Ultimately the employees/acre assumptions reflect a judgment about average densities and typically reflect a desire for increased density of development.

The final assumption is a net to gross factor. The EPA assumptions are employees per *net* acre (e.g., acres that are in tax lots). As land gets divided and developed, some of the land goes for right-of-way and other public uses. The net to gross factor varies by land use, but 10% is a reasonable assumption for employment lands based on existing development patterns in the Buildable Lands Inventory.

Table 7 shows estimated demand for employment land in the Albany UGB by land use type for the 2007-2027 period. These results indicate that Albany needs an estimated 473 gross acres of suitable land for employment within its UGB for the 2007-2027 period. At this stage, the analysis does not account for the site needs, such as size and location, of specific types of industries. That is addressed in Part III.

Table 7. Estimated demand for suitable employment land in the Albany UGB by land use type, 2007–2027

Land Use Type	Total New Employment	Employees per Net Acre	Land Need (Net Acres)	Land Need (Gross Acres)
2007-2027				
Commercial/Other				
<i>Retail and Services</i>	3,655	20	183	201
<i>Government</i>	1,194	10	119	140
Industrial	1,446	12	120	132
Total	6,295		422	473

Source: ECONorthwest.

PART III: SITE NEEDS

OAR 660-009-0015(2) requires the EOA to identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses.

The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

City of Albany staff identified the following trends in development activity and inquiries since 2000 that illustrate the types of sites for which there is demand in the City:

- *Regional Commercial sites.* Over the last five years, the City has received inquiries from businesses looking for 10 to 15 acre properties for development of retail centers.
- *Large sites for national retailers.* The City has heard from national retailers that are interested in siting in Albany (e.g., Wal-Mart, Lowes, Kohls).
- *Sites for light manufacturing.* Commercial realtors have been making inquiries with the City about land or buildings appropriate for light manufacturing, such as manufacturing medical bandages, custom prosthetics, and biodiesel.
- *Sites for other development.* Buildings in Albany's historic downtown are being purchased and remodeled and used for cafes and stores. In addition, the City is experiencing more infill and redevelopment in downtown Albany. Development along the waterfront is underway, mostly mixed-use development that includes cafes/restaurants, office space, and condominiums.

The analysis of site needs presented in this section builds from existing development patterns in Albany, an employment forecast, recent inquiries about sites, and an evaluation of the types of sites that will be needed by prospective industries in Albany. The analysis is presented in aggregate and by major uses (e.g., industrial and retail/services).

Site requirements for new and expanding firms

Firms wanting to expand or locate in Albany will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. Previous research conducted by ECO has found that while there are always specific criteria that are industry-dependent and firm-specific, many firms share at least a few common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints on development, with good transportation access and adequate public services. The exact amount, quality, and relative importance of these factors vary among different types of firms. This section discusses the site requirements for firms in industries with growth potential in the mid-Willamette Valley, as indicated by the Oregon Employment Department forecast shown in Table 9.

Employment growth in Albany is expected in each of the categories defined by type of land use: Retail and Services, Industrial, and Government. There are a wide variety of firms within

each of these categories, and the required site and building characteristics for these firms range widely. As such, a variety of parcel sizes, building types, and land use designations in Albany are required to accommodate expected growth.

Table 8 summarizes the site area typically needed for firms in selected industries with growth potential in the mid-Willamette Valley. The emphasis in Table 8 is on new large firms that have the most potential to generate employment growth. For example, while the number of convenience stores in Albany is likely to grow, the site needs for these stores is not included in Table 8 because they are unlikely to generate substantial employment growth. Large grocery stores, which are typically 50,000 to 100,000 sq. ft. in size, are more likely to generate substantial employment growth in Albany, and these stores require sites of 5 to 10 suitable acres.

Table 8. Typical suitable site area requirements for mid- to large-sized firms in selected industries

Industry	Lot Size (acres)
Manufacturing	
Printing & Publishing	5 - 10
Stone, Clay & Glass	10 - 20
Fabricated Metals	10 - 20
Industrial Machinery	10 - 20
Electronics - Fab Plants	50 - 100
Electronics - Other	10 - 30
Transportation Equipment	10 - 30
Transportation & Wholesale Trade	
Trucking & Warehousing	varies
Retail Trade	
General Merchandise & Food Stores	5-10
Eating & Drinking Places	0.5-5
FIRE & Services	
Non-Depository Institutions	1 - 5
Business Services	1 - 5
Health Services	1 - 10
Engineering & Management	1 - 5

Source: ECONorthwest.

There are exceptions to these site size ranges. For example, in 2006, PepsiCo purchased 243 acres in South Albany. PepsiCo plans to build a production and packaging facility, which is expected to employ approximately 200 people when it opens and may employ 500 people within five years. PepsiCo has delayed development of this facility until at least September 2008. More specific site needs and locational issues for firms in potential growth industries include the following issues address in Table 9.

Table 9. Summary of site characteristics

Characteristic	Description	Comments
Flat, developable sites	Flat topography (slopes with grades below 10%) is needed by almost all firms in every industry except for small Office and Commercial firms that could be accommodated in small structures built on sloped sites. Flat sites that are relatively free from development constraints such as wetlands and floodplains are particularly important for Industrial firms in manufacturing, trucking, and warehousing, since these firms strongly prefer to locate all of their production activity on one level with loading dock access for heavy trucks.	Most of Albany's industrial and commercial sites are located in relatively flat areas.
Parcel configuration and parking	Large Industrial and Commercial firms that require on-site parking or truck access are attracted to sites that offer adequate flexibility in site circulation and building layout. Parking ratios of 0.5 to 2 spaces per 1,000 square feet for Industrial and 2 to 3 spaces per 1,000 square feet for Commercial are typical ratios for these firms. In general rectangular sites are preferred, with a parcel width of at least 200-feet and length that is at least two times the width for build-to-suit sites. Parcel width of at least 400 feet is desired for flexible industrial/business park developments and the largest Commercial users.	Albany may not have sufficient large parcels for industrial and commercial firms that require large, undeveloped parcels.
Soil type	Soil stability and ground vibration characteristics are fairly important considerations for some highly specialized manufacturing processes, such as microchip fabrications. Otherwise soil types are not very important for Commercial, Office, or Industrial firms—provided that drainage is not a major issue.	Soils do not appear to be a constraining factor on most sites in Albany.
Road transportation	All firms are heavily dependent upon surface transportation for efficient movement of goods, customers, and workers. Access to an adequate highway and arterial roadway network is needed for all industries. Close proximity to a highway or arterial roadway is critical for firms that generate a large volume of truck or auto trips or firms that rely on visibility from passing traffic to help generate business. This need for proximity explains much of the highway strip development prevalent in urban areas today.	Not all of Albany's large vacant industrial and commercial sites have direct access to Interstate 5, Highway 20, or Highway 99E.
Rail transportation	Rail access can be very important to certain types of heavy industries. The region has good rail access to many industrial sites.	The following railroads provide service in Albany: Union Pacific, BNSF (Salem-Eugene line), Portland and Western Rail Road, and the short-line Albany & Eastern Rail Road.
Air transportation	Proximity to air transportation is important for some firms engaged in manufacturing, finance,	Albany has sites that are close to the airport, including the State

Characteristic	Description	Comments
	or business services.	Certified site.
Transit	Transit access is most important for businesses in Health Services, which has a high density of jobs and consumer activity, and serves segments of the population without access to an automobile.	Albany has a bus system with four routes that operates along major streets. Busses run most frequently during commuting hours.
Pedestrian and bicycle facilities	The ability for workers to access amenities and support services such as retail, banking, and recreation areas by foot or bike is increasingly important to employers, particularly those with high-wage professional jobs. The need for safe and efficient bicycle and pedestrian networks will prove their importance over time as support services and neighborhoods are developed adjacent to employment centers.	Within Albany, the street grid provides easy pedestrian and bicycle access to most parts of the City.
Labor force	Firms are looking at reducing their workforce risk, that is, employers want to be assured of an adequate labor pool with the skills and qualities most attractive to that industry. Communities can address this concern with adequate education and training of its populace. Firms also review turnover rates, productivity levels, types and amount of skilled workers for their industry in the area, management recruitment, and other labor force issues in a potential site area.	Albany has access to skilled labor existing within the City and can access labor from communities throughout the mid-Willamette Valley. Employers needing employees with special skills can work with Linn-Benton Community College to develop customized training programs.
Amenities	According to the International Economic Development Council ³ , attracting and retaining skilled workers requires that firms seek out places offering a high quality of life that is vibrant and exciting for a wide range of people and lifestyles.	Albany offers urban amenities, with easy access to outdoor recreation and rural lifestyle opportunities. Albany is within an easy drive of Portland, Salem, and Eugene, which offer cultural and shopping amenities that may be lacking in Albany.
Fiber optics and telephone	Most if not all industries expect access to multiple phone lines, a full range of telecommunication services, and high-speed internet communications.	Albany has access to high-speed telecommunications facilities.
Potable water	Potable water needs range from domestic levels to 1,000,000 gallons or more per day for some manufacturing firms. However, emerging technologies are allowing manufacturers to rely on recycled water with limited on-site water storage and filter treatment. The demand for water for fire suppression also varies widely.	The City has sufficient water to meet current and future demand for water.

³ International Economic Development Council. "Economic Development Reference Guide," <http://www.iedconline.org/hotlinks/SiteSel.html>. 10/25/02.

Characteristic	Description	Comments
Power requirements	Electricity power requirements range from redundant (uninterrupted, multi-sourced supply) 115 kva to 230 kva. Average daily power demand (as measured in kilowatt hours) generally ranges from approximately 5,000 kwh for small business service operations to 30,000 kwh for very large manufacturing operations. The highest power requirements are associated with manufacturing firms, particularly fabricated metal and electronics. For comparison, the typical household requires 2,500 kwh per day.	Albany has access to sufficient power supply to accommodate most commercial and industrial users.
Land use buffers	According to the public officials and developers/brokers ECO has interviewed, Industrial areas have operational characteristics that do not blend as well with residential land uses as they do with Office and Commercial areas. Generally, as the function of industrial use intensifies (e.g., heavy manufacturing) so too does the importance of buffering to mitigate impacts of noise, odors, traffic, and 24-hour 7-day week operations. Adequate buffers may consist of vegetation, landscaped swales, roadways, and public use parks/recreation areas. Depending upon the industrial use and site topography, site buffers range from approximately 50 to 100 feet. Selected commercial office, retail, lodging and mixed-use (e.g., apartments or office over retail) activities are becoming acceptable adjacent uses to light industrial areas	XX

Source: ECONorthwest

In summary, the site requirements for industries have many common elements. Firms in all industries rely on efficient transportation access and basic water, sewer and power infrastructure, but may have varying need for parcel size, slope, configuration, and buffer treatments. Transit, pedestrian and bicycle access are needed for commuting, recreation and access to support amenities.

Table 10 shows site needs by site size and major employment use. The estimate of needed sites builds off of the 20-year employment forecast. Employees and employers are distributed in ratios similar to those in 2003. The distribution assumes that Albany will continue to attract similar types of employers in the future as exist in the City now. It also assumes that the average number of employees per firm (16.1) will continue into the future.

Table 10. Estimated needed sites by site size and major use, suitable acres, Albany, 2007-2027

Size of firm	Est Acres Needed	Avg. Site Size	Total		Other Emp.
			Sites Needed	Industrial	
250 +	200	50+ ac	1-2	1-2	-
100-250	220	20-50 ac	5-9	3-6	2-3
50-99	90	5-20 ac	10-14	6-9	4-5
25-49	80	2-5 ac	20-25	10-13	10-12
10-24	50	1-2 ac	35-45	10-15	25-30
1-9	80	<1 ac	75-150	25-50	50-100
Total	720		146-245	55-95	91-150

Source: estimates by ECONorthwest

The results show that Albany needs to provide between 146 and 245 sites to accommodate employment growth between 2007 and 2027. The largest sites (50-acres and larger) will be needed for development by major industries, such as large manufacturing firms or transportation and warehousing firms. Industrial development will also require smaller sites. The majority of the smallest sites (2 acres and less) will be used for other employment, such as retail, services, government, and institutional uses.

The identified site needs shown in Table 10 do not distinguish sites by comprehensive plan designation. It is reasonable to assume that industrial uses will locate primarily in industrial zones, along with supporting office and service uses. Retail and service uses could locate in commercial zones, mixed-use zones, and to a lesser extent in residential zones.

Industrial Sites

Albany's Interstate 5 location attracts large-site industrial users such as PepsiCo and the Target Distribution Center. Winterbrook Planning worked with the City to apply the general siting characteristics described in Table 9 to identify specific site requirements for targeted, large-site industrial firms. Suitable large industrial sites typically require:

- Large blocks of land contiguous to or within the existing UGB;
- Direct access (not more than two miles) to an I-5 interchange via an arterial street;
- A location that avoids truck traffic through, and minimizes common boundaries with, existing or planned urban residential neighborhoods;
- Adjacent to existing industrial or commercial development;
- Slopes of five percent or less that are relatively free of wetlands and floodplain areas;
- Sanitary sewer, water and storm drainage facilities.

Many industrial firms also benefit from rail access to the site and/or nearby air service.

As noted above, PepsiCo purchased 243 acres in South Albany for its manufacturing plant, bottling and distribution plant. The PepsiCo site:

- Has large blocks of land within the existing UGB;
- Has direct access (not more than two miles, and preferably less) to I-5 via State Highways 99E and 34;

- Has direct rail access;
- Avoids routing truck traffic through existing or planned urban residential neighborhoods;
- Is adjacent to existing industrial or commercial development;
- Have five or less percent slope;
- Has immediate access to sanitary sewer, water and storm drainage facilities;
- Is relatively flat and has a completed wetlands delineation so wetland impacts are known in advance.

Retail and Service Sites

Large retail and service centers have somewhat less demanding site requirements. Community shopping centers or large format retail uses typically require:

- Large blocks of land contiguous to or within the existing UGB;
- Direct access to – and visibility from – a high volume arterial street with adequate capacity to serve planned commercial needs;
- Accessibility from existing or planned urban residential neighborhoods;
- Slopes of 10 percent or less; and
- Access to sanitary sewer, water and storm drainage facilities.

We recommend that the City consider designating one or two large sites as “business parks” to meet industrial, limited retail and service uses in a master planned park setting. The business park concept recognizes that the line between “commercial” and “industrial” uses has become increasingly blurred and that many “industrial” uses have relatively minor external impacts, especially when contained within a building. Business parks typically provide for a wide range of relatively low-impact employment uses in “flex” buildings with copious landscaping. Unlike heavy industrial uses, business parks are compatible with nearby residential development.

Business parks typically require sites of 20-50 acres and should:

- Be comprised of large blocks of land contiguous to or within the existing UGB;
- Have direct access to an arterial street with adequate capacity to serve planned commercial and industrial needs;
- Have 10 or less percent slope; and
- Have access to sanitary sewer, water and storm drainage facilities.

PART IV: SUITABLE SITES INVENTORY

The 2002 City of Albany Economic Opportunities Analysis included a buildable lands inventory. This section presents the 2007 updates to the buildable lands inventory and analyzes site suitability. It summarizes the acreage and number of sites in Albany that are suitable for industrial and other employment uses. It is based on recent development data, environmental constraints, correction of errors in the Assessors data found by City staff, verification with recent aerial photos, exclusion of small remnants of land, trends in residential development on employment lands, and land that is in the process of being developed.

OAR 660-009-0005 includes definitions of developed and vacant land. City staff used the following assumptions in completing the Buildable Lands Inventory:

- *Developed* (not likely to be redeveloped in the next 20 years). Land with an improvement value of \$100,000 or more and a committed use (e.g. wetland mitigation, a parking lot adjacent to a commercial use, etc.).
- *Redevelopable* (developed, but likely to be redeveloped in the next 20 years). Land with an improvement value of less than \$100,000 and a size of at least 0.5 acres was considered redevelopable.
- *Partially vacant*. Parcels greater than five acres with less than 0.5 acres occupied by buildings were considered partially vacant.
- *Vacant*. Parcels greater than 0.5 acres with no improvements was considered vacant.
- *Vacant-Committed*. Land that is in the process of being developed was considered committed, e.g., the PepsiCo site. If a building permit was issued for the land, it was considered vacant-committed and was excluded from the summary of vacant and partially vacant land.
- *Environmental Constraints*. Land in the floodway, riparian corridor, with locally significant wetlands or slopes of 25 percent or greater was considered unsuitable for development. However, 50 percent of the industrial land within the 100-year floodplain, non-significant (but jurisdictional) wetlands, and slopes 12-25% was considered to be suitable for development. This is consistent with development patterns. State guidelines allow all land with environmental constraints to be excluded from the inventory, but City staff did not want to exclude all constrained land since some wetlands and land in floodplains are filled.
- *Residential Uses*. Some commercial and mixed use zoning districts allow residential development. To estimate the mix of commercial and residential uses in these zones, City staff analyzed current residential development patterns in commercial and mixed use zones that permit residential development. This is consistent with allowable uses and development patterns.

Table 11 shows the percent of land that is expected to be used for commercial purposes by zoning district. These assumptions were applied to vacant and partially vacant land in these zones, resulting in a reduction of the amount of suitable lands because of expected residential development in these zoning districts.

Table 11. Percent of suitable land likely to be used for commercial uses by zoning district, Albany

Albany Commercial/Mixed Use Zoning Districts	Percent Commercial
Central Business	75%
Neighborhood Commercial	75%
Office Professional	75%
Historic Downtown	67%
Mixed Use Commercial	50%
Waterfront	50%

Source: City of Albany

Table 12 shows the gross acres of suitable vacant and partially vacant industrial and other employment land by plan designation within the Albany UGB as of June 2007. Albany has 120 gross suitable acres of commercial land and 299 gross buildable acres of industrial land, for a total of 419 gross buildable acres within its UGB. The majority of this land (364 acres) is within the Albany city limits. About 381 acres is vacant or partially vacant and 27 acres is redevelopable.

Table 12. Suitable vacant and partially vacant employment land by plan designation, gross acres, Albany UGB, June 2007

	<u>Vacant</u> ¹		<u>Redevelopable</u> ²		<u>TOTAL</u> ³	
	<i>short-term</i>	<i>long-term</i>	<i>short-term</i>	<i>long-term</i>	<i>short-term</i>	<i>long-term</i>
<u>Inside City Limits</u>						
COMMERCIAL	95	5	0	8	95	13
Commercial-General	73	5	0	7	73	11
Commercial-Light	13	0	0	0	13	0
Village Center	9	0	0	1	9	1
INDUSTRIAL	223	22	0	12	223	33
Light Industrial	215	22	0	9	215	31
Heavy Industrial	7	0	0	2	7	2
<u>Outside City Limits/Inside UGB</u>						
COMMERCIAL	0	8	0	4	0	12
Commercial-General	0	0	0	0	0	0
Commercial-Light	0	8	0	4	0	12
Village Center	0	0	0	0	0	0
INDUSTRIAL	0	39	0	4	0	42
Light Industrial	0	39	0	4	0	42
Heavy Industrial	0	0	0	0	0	0
<u>TOTAL Gross Suitable Acres Inside UGB</u>						
COMMERCIAL	95	13	0	12	95	25
INDUSTRIAL	223	60	0	15	223	76
TOTAL	317	73	0	28	317	101
					418	

Source: City of Albany

OAR 660-009-025 (3) requires that “cities and counties that adopt policies relating to short-term supply of land must designate suitable land to respond to economic development opportunities as they arise” by maintaining a short-term supply of land. OAR 660-009 defines a short-term supply of land as “suitable land that is ready for construction within one year of an application for a building permit or request for service extension.”

Table 12 also shows Albany’s short-term supply of land for industrial and other employment development. Of Albany’s 418 gross acres of suitable employment land, 318 gross acres are available and serviceable in the short-term. This includes an approximately 59-acre property located east of Interstate 5 that is certified by the State’s Certified Industrial Lands program.

Tables 13 and 14 show the number of suitable sites by size category within the Albany UGB. Albany has a total of 138 employment sites, of which 63 are available in the short term (0-5 years). Table 13 shows suitable sites that are available in the short term. Of the 63 suitable short-term sites, 34 are designated for commercial, and 29 are designated industrial. Most of these sites are less than five acres. However, Albany has ten suitable employment sites that are five acres or larger. Of these, three are designated for commercial use and seven are designated for industrial use. Albany’s only state-certified industrial site is, by definition, available in the short term.

Table 13. Suitable short-term industrial and other employment sites by plan designation, Albany UGB, June 2007

	< 1 acre	1-2 acres	2-5 acres	5-20 acres	20-50 acres	> 50 acres	Total Sites
<u>Inside City Limits</u>							
COMMERCIAL	17	7	7	2	1	0	34
Commercial-General	11	4	2	1	1	0	19
Commercial-Light	2	2	2	1	0	0	7
Village Center	4	1	3	0	0	0	8
INDUSTRIAL	3	10	9	4	2	1	29
Light Industrial	3	10	6	4	2	1	26
Heavy Industrial	0	0	3	0	0	0	3
<u>Outside City Limits/Inside UGB</u>							
COMMERCIAL	0	0	0	0	0	0	0
Commercial-General	0	0	0	0	0	0	0
Commercial-Light	0	0	0	0	0	0	0
Village Center	0	0	0	0	0	0	0
INDUSTRIAL	0	0	0	0	0	0	0
Light Industrial	0	0	0	0	0	0	0
Heavy Industrial	0	0	0	0	0	0	0
<u>TOTAL Inside UGB</u>							
COMMERCIAL	17	7	7	2	1	0	34
INDUSTRIAL	3	10	9	4	2	1	29
	20	17	16	6	3	1	63

Source: City of Albany

Table 14 shows suitable sites that will be available later in the 20-year planning period. Of the 75 suitable long-term sites, 31 are designated for commercial or other employment, and 44 are designated industrial. Only six of the sites are five acres or more.

Table 14. Suitable long-term industrial and other employment sites by plan designation, Albany UGB, June 2007

	< 1 acre	1-2 acres	2-5 acres	5-20 acres	20-50 acres	>50 acres	Total Sites
<u>Inside City Limits</u>							
COMMERCIAL	14	4	4	1	0	0	23
Commercial-General	7	2	4	1	0	0	14
Commercial-Light Village Center	2	1	0	0	0	0	3
INDUSTRIAL	19	9	6	1	1	0	36
Light Industrial	17	9	5	0	1	0	32
Heavy Industrial	2	0	1	1	0	0	4
<u>Outside City Limits/Inside UGB</u>							
COMMERCIAL	2	0	5	1	0	0	8
Commercial-General	1	0	0	0	0	0	1
Commercial-Light Village Center	1	0	5	1	0	0	7
INDUSTRIAL	1	0	5	1	1	0	8
Light Industrial	1	0	5	1	1	0	8
Heavy Industrial	0	0	0	0	0	0	0
<u>TOTAL Inside UGB</u>							
COMMERCIAL	16	4	9	2	0	0	31
INDUSTRIAL	20	9	11	2	2	0	44
TOTAL	36	13	20	4	2	0	75

Source: City of Albany

PART V: COMPARISON OF EMPLOYMENT LAND DEMAND AND SUPPLY

This section summarizes from data and analysis presented in the site needs analysis to compare “demonstrated need” for suitable commercial and industrial sites with the supply of such sites currently within the Albany UGB and city limits.

Table 15 compares industrial and commercial site need with site supply within Albany UGB between 2007 and 2027. Generally speaking, Albany has an adequate supply of small to medium industrial sites and commercial sites in the two to five acre category. However, Albany has an unmet need for:

- A very large industrial site in the 50-150 acre range;
- Several large commercial, industrial or business park sites in the 20-50 acre range; and
- Several medium commercial and industrial sites in the 5-20 acre range.

Table 15. Comparison of industrial and commercial land need and land supply, gross acres, Albany UGB, 2007-2027

Site Sizes	Total Employment Site Need		Acres in Supply	Industrial Sites			Commercial Sites				
	Site Need	Total Acres Needed		Site Need	Site Supply	Site Surpluses (Deficit)	Site Need	Site Supply	Mixed Use Sites	Sites for Employment Use	Site Surplus (Deficit)
>50 acres	1-2	200	61	1-2	1	(1)	0	0	0	0	0
20-50 acres	5-9	220	161	3-6	4	(1-2)	2-3	1	0	1	(1-2)
5-20 acres	10-14	90	64	6-9	6	(1-3)	4-5	4	0	4	(1)
2-5 acres	20-25	80	71	10-13	20	7-10	10-12	16	3	15	3-5
1-2 acres	35-45	50	25	10-15	19	4-9	25-30	11	4	9	(16-21)
<1 acre	75-150	80	35	25-50	23	(2-27) ¹	50-100	33	10	29	(21-71) ²
Total	146-245	720	417	55-95	73		91-150	65			

Source: City of Albany; analysis by ECONorthwest

¹ assumes some of the surplus sites 1-2 and 2-5 acres in size can be used to meet this need, as well as through infill & redevelopment

² assumes some of the surplus sites 2-5 acres in size can be used to meet this need, as well as through infill and redevelopment, and development on residentially zoned property

Table 16 identifies site needs that are not met within the existing Albany UGB. This amounts to a deficit of approximately 190-310 industrial and commercial acres. In order to meet identified site requirements, Albany should: (a) re-designate residential within the existing UGB; and/or (b) add land to the UGB. Overall, Albany needs one very large industrial site, one large industrial site and one large commercial site, and 1 medium industrial site and one medium commercial site. These sites should meet the large-site industrial and commercial site suitability requirements described in Part IV of this memorandum.

Table 16. Unmet Industrial and Commercial Site Needs

Size Category	Industrial		Commercial		TOTAL Employment	
	Sites	Acres	Sites	Acres	Sites	Acres
>50 Acres	1	120-150	0	0	1	120-150
20-50 Acres	1-2	50-100	1-2	40-60	2-4	90-160
5-20 Acres	1-2	10-20	1	5-10	2-3	15-30
TOTAL	3-5	180-270	2-3	45-70	5-8	225-340

Source: City of Albany; analysis by ECONorthwest

We recommend that the City consider designating a site for a “business park” that would allow a combination of industrial, limited retail and service uses in a master planned park setting. Business parks typically require sites of 20-50 acres. The business park concept recognizes that the line between “commercial” and “industrial” uses has become increasingly blurred and that many “industrial” uses have relatively minor external impacts, especially when contained within a building. Business parks typically provide for a wide range of relatively low-impact employment uses in “flex” buildings with copious landscaping. Unlike heavy industrial uses, business parks are compatible with nearby residential development. The City's Industrial Park zoning district is consistent with the business park concept.

CONCLUSIONS AND RECOMMENDATIONS

Albany has a number of sites that are suitable for meeting the community’s short- and long-term needs for buildable employment land.

However, there is an unmet need for approximately 225-340 industrial and commercial. In order to meet identified large site requirements, Albany should either: (a) re-designate residential lands within the existing UGB that are deemed suitable for employment uses; or (b) add land to the UGB.

Overall, we recommend that Albany designate:

- An additional very large industrial site in the 120-150 acre range;
- 1-2 large industrial sites in the 20-50 acre range, including a business park site;
- 1-2 large commercial sites in the 20-50 acre range for community shopping centers or large format retail;
- 1-2 medium industrial sites in the 5-20 acre range for smaller manufacturing uses; and
- 1 medium commercial site in the 5-20 acre range for health services and larger neighborhood retail

These sites should meet the site suitability requirements described in Part IV of this memorandum.