



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of February 27, 2023

Title/Subject

Accept the, "Hermiston Industrial Lands- Site Development Assessment Report."

Summary and Background

This item will be presented and discussed at-length during the February 27 Council Work Session.

It became obvious to City Staff in early 2022 that in a very short amount of time, the community would be sold-out of large acreage industrial parcels which are large enough to support potential new large-scale employers. As a result, the Oregon Business Development Department recommended the firm of Maul Foster & Alongi (MFA) to help conduct an analysis of other large acreage sites within the vicinity of the City's Urban Growth Boundary, in order to inform the best steps for the community moving forward for allocating resources to assist with economic development.

City Staff worked closely with MFA throughout 2022 to inform their analysis of the community's available industrial land. They have now completed their report, and it is recommended that City Council accept this report. The main findings in the report are:

- The city has identified planned developments (lands with issued building permits) on existing vacant industrial-zoned land in the study area that limit potential industrial development.
- The city includes roughly 234 acres of readily developable industrial land.
- Only 10 acres of land in the study area are utility-served, platted, and graded, and most available industrial sites require infrastructure investment.
- There are nearly 800 acres of developable land within one mile outside the UGB.
- Working-age demographic groups are growing in the county and the city.
- Industrial job growth and land demand in the Columbia Basin Region (the region) are expected to grow into 2030.

- The city and the county have limited large industrial building stock and nearly no industrial vacancy.
- City annexations and a UGB amendment by way of an updated Economic Opportunity Analysis (EOA) or “Replenishment Method” will be required to make new industrial land available in the city.

By accepting this report, City Staff will be able to provide this report to interested private development and property owners as a guide for moving forward with expanding the Urban Growth Boundary to accommodate more large acreage industrial sites.

Tie-In to Council Goals

Economic Gardening.

Fiscal Information

Acceptance of this report does not create any ongoing fiscal obligation on the City.

Alternatives and Recommendation

Alternatives

1. Accept the draft report as presented.
2. Request changes to be brought back at a future meeting.
3. Table

Recommended Action/Motion

Motion to accept the draft report as presented.

Submitted By:

Mark Morgan, Assistant City Manager