



*Where Life is Sweet*

Members of the Planning Commission  
**STAFF REPORT**  
For the Meeting of May 8, 2024

**Title/Subject**

Roundtable discussion on preliminary economic opportunities analysis

**Summary and Background**

The city is working towards an urban growth boundary expansion to facilitate additional industrial development. This is a targeted expansion for heavy industry and requires the city to demonstrate an inadequacy of industrial lands to meet the projected 20-year demand. The document which establishes the city's need for employment land, both commercial and industrial, is called an Economic Opportunities Analysis (EOA) in Oregon and is part of the city's comprehensive plan. The city's EOA was last updated in 2017 when the city removed approximately 50 acres from the industrial inventory in the downtown area and converted that land to residential and commercial. Under OAR 660-009-0015, cities are strongly encouraged to assess economic development potential through a public visioning and input process.

Members of the city's economic development community and employment providers have been invited to contribute to a work session with the planning commission. The work session is intended to stimulate conversation and provide feedback on the preliminary findings of the EOA.

At a high level, the EOA demonstrates the city's overall employment outlook and land supply. Hermiston's economy generally grows at a steady rate between 1 and 1.5%. Demographically, Hermiston is younger than the county and the state, but also has a lower average wage. The city is well-positioned to continue steady economic growth. The land supply is adequate for cottage industries and retail growth. There is a marked deficiency in parcels over 100 acres in size. The last 10-years of economic growth in Umatilla and Morrow counties have seen a continuous development of data centers, creating a new information sector of employment. Hermiston has already seen both of its industrial sites over 100 acres develop or be permitted for data center development, leaving the city unable to accommodate any more demand for information sector growth. It is anticipated that the city will need at least another 1,400 acres of land to accommodate information jobs based on existing and projected growth.

**Tie-In to Council Goals**

The city council has established expansion of the urban growth boundary as a goal for 2024 and 2025.

**Fiscal Information**

NA

**Alternatives and Recommendation**

Alternatives

NA

Recommended Action/Motion

No action is required. This work session will solicit feedback and be used to shape the final EOA.

**Submitted By:**

Clinton Spencer, Planning Director