

OPPORTUNITIES FOR COMMERCIAL BUSINESS

Forest Grove, Oregon

2018/2019

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WELCOME TO FOREST GROVE
Home of Pacific University

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HIGHLIGHTS

Forest Grove, Oregon, sitting next to the Silicon Forest, is part of the dynamic Portland metropolitan area. The city is located in Washington County which considered the wealthiest county in the state. Since 2000, Forest Grove has been one of the fastest growing cities in the State of Oregon and the Portland metropolitan area. In fact, over the past few years, Forest Grove is the 6th fastest growing city in Oregon with populations of 5,000 or more residents. Over 300 new rental units will be completed in 2018 and retail demand persists in most. It offers lower business costs, growth in high-end residential homes and income, a center for area tourism and recreational activities, and a business conducive environment. Come see what commercial opportunities Forest Grove has to offer!

Median Household Income & Population (2016)		
Mile Radius	Income (\$)	Population
10	\$64,138	176,398
5	\$54,859	53,771
3	\$51,096	36,930
City of Forest Grove (2018)	\$54,503	24,125

- ◆ The Greater Forest Grove retail market shows a continued unfulfilled retail gap as demand continues to be greater than total retail supply at all distances.

Total Retail Demand & Supply (2016)			
Mile Radius	Demand (\$)	Supply (\$)	Gap (\$)
10	\$2,631,260,787	\$2,305,995,153	\$325,265,634
5	\$665,992,000	\$649,000,000	\$17,475,000
3	\$411,850,000	\$333,452,000	\$78,400,000

- ◆ Forest Grove continues to see significant population growth. Over the last five years, it remained one of the top six fastest growing communities for cities over 5,000 people in Oregon. The city has grown 8% to 24,125 people during this period, faster than the State of Oregon and Portland Metro PMSA averages.
- ◆ Within a 10-mile radius there is a local population of 176,398, \$4.5 billion in household expenditures.
- ◆ Housing units are being built at an increased rate. In 2018, 300 apartment units in three complexes came into the market and nearly all have been leased. Within the single family

subdivisions, there are 791 approved but yet to be built lots in Forest Grove and neighboring Cornelius.

- ◆ The city's economic base is firm; 10 new industrial projects account for \$65.5 million in recent investments and generated 110 jobs over the last three years.
- ◆ In relation to the workforce itself, recent data reports a solid jump in the percentage of Forest Grove residents that hold a college degree.
- ◆ In downtown Forest Grove, the Jesse Quinn Apartments, a \$15 million 78 unit apartment and mixed use development opened up in September 2018. Also, 20 new independently owned gift boutiques, micro-breweries, restaurants and service businesses were introduced over the last 2-3 years or are about to open. Within that period, an additional four existing business completed renovations to their space.
- ◆ For the first time in many years, a new commercial/retail shopping center called the Stonewood Center is being built. It will contain nearly 50,000 square feet of space once fully built out. The first pad has been completed with four new businesses and one remaining vacant space.
- ◆ McMenamín's Grand Lodge, a small resort with 90 guest rooms, featuring lodging, restaurant, bars, spa, Movie Theater, soaking pool, and other amenities has experienced consistent growth. They recently completed a \$4.1 million renovation project adding additional guest rooms to the lodge.
- ◆ Pacific University continues investing and growing within Forest Grove. The current graduate and undergraduate student population is 3,433. Considerable investments over the past few years are a \$12 million 42,000 square feet LEED academic building, a 163 bed, 4-story LEED dormitory and \$11 million into the Lincoln Park sports complex including 300 and 500 seat stadiums, and a track and field center; suitable for semi-professional and amateur sporting events.
- ◆ **There are major unmet retail demands in the following areas:**
 - Clothing Stores
 - Shoe Stores
 - Jewelry
 - Luggage
 - Leather Goods Stores
 - Miscellaneous Store Retailers
 - Florists
 - Office Supplies
 - Stationary
 - Gift Stores
 - Restaurants and Other Eating Places
 - Specialty Food Stores

- Furniture and Home Furnishing Stores
- Book, Periodical, and Music Stores

Name brand retail companies in Forest Grove area include:

◆ **Fast-Food, Restaurants, Coffee Shops:**

- Pizza Hut
- Dominos
- McDonald's
- Godfather's Pizza
- Jack-In-the-Box
- Dutch Bros. Coffee
- Taco Bell
- Starbucks
- Panda Express
- Pizza Schmizza
- Sonic
- Little Caesar's

◆ **Hotels and Lodging:**

- McMenamin's Grand Lodge
- Best Western Hotel
- Americas Best Value Inn & Suites

◆ **Banks:**

- Bank Of America
- Wells Fargo
- US Bank

◆ **Grocery, Drug Stores, and Superstores:**

- Safeway
- Walmart (Superstore)
- Dollar Tree
- Walgreen's
- Fred Meyer (Kroger's)
- Goodwill

◆ **Auto, Hardware, and Tools:**

- Parr Lumber
- Sherwin-Williams Paint
- Ace Hardware
- Ford Auto Dealer
- AutoZone
- Napa Auto Parts
- O'Reilly Auto Parts
- Les Schwab Tire Center

◆ Other:

- 7-Eleven
- Bi-Mart
- Chevron
- 76 Gas
- FedEx Courier Company

POPULATION AND DEMOGRAPHICS SUMMARY

The population of Forest Grove in 2018 was 24,125. Since 2010, it has grown 11.7%, one of the more rapid rates in the State of Oregon and Portland Metropolitan area. Since 2012, Forest Grove has been the 6th fastest growing city in Oregon with populations of 5,000 or more residents. Over the next five years, the average annual population growth rate is expected to accelerate from 1.6% to 1.8%. Washington County estimated in 2016 that within a 5 mile radius of Forest Grove, there is a population of 53,771.

- Washington County also estimated that within a 10 mile radius of Forest Grove, there is a population of 189,364.
- Viewed in another measure, there is a population of 39,000 within a 10 minute drive and a population of 88,000 within a 15 minute drives from the center of Forest Grove.
- There is a labor force of 84,497 within a 10-mile radius of Forest Grove.
- The number of households in Forest Grove has risen from 7,152, to 8,500, producing an increase of 18% between 2010 and 2017. Over the next five years, the number of households is projected to increase by 9.05% with an average annual household growth rate of 1.8%.

Population	3 Miles	5 Miles	10 Miles
2016 Population	36,930	53,771	176,398
2016 Median Age	33.2	34.4	34.7
2016 White	72.2%	74.2%	73.3%
2016 Black	1.0%	1.2%	1.7%
2016 Asian/Pacific Islander	3.1%	3.4%	8.2%
2016 American Indian/Alaska Native	1.2%	1.1%	1.0%
2016 Latino	33.7%	29.7%	23.5%
2016 Households	11,956	17,477	61,557
2016 Number and Percent Owner Occupied Housing Units	7,041 (58.9%)	10,715 (61.3%)	37,246 (60.5)
2021 Projected Population	39,548	57,298	189,364
2021 Projected Median Age	33.8%	34.9	35.1
2021 White	70.3%	72.2%	70.9%
2021 Black	1.1%	1.3%	1.9%
2021 Asian/Pacific Islander	3.5%	4.0%	9.3%

2021 American Indian/Alaska Native	1.2%	1.2%	1.1%
2021 Latino	35.7%	31.6%	24.9%
2021 Households	12,770	18,588	65,993
<u>Income</u>	<u>3 Miles</u>	<u>5 Miles</u>	<u>10 Miles</u>
2016 Median Disposable Income	\$40,881	\$43,780	\$50,733
2016 Avg. Median Disposable Income	\$49,141	\$53,809	\$59,645
2016 Median Household Income	\$51,096	\$54,859	\$64,138
2021 Median Household Income	\$57,550	\$61,848	\$72,540
2016 Per Capita Income	\$21,820	\$24,303	\$28,431
2021 Per Capita Income	\$23,807	\$26,469	\$31,171
2016 Aggregate Disposable Income	\$587.53M	\$940.42M	\$3,672.57B
<u>Labor Force</u>	<u>3 Miles</u>	<u>5 Miles</u>	<u>10 Miles</u>
2016 est. Total Businesses	1,008	1,915	–
2016 est. Total Employees	9,811	21,545	–
2016 Average Travel Time To Work	25.5 min	25.5 min	27min
2016. Labor Force Pop. ≥16	17,680	25,545	91,000
2016 Labor Force Civilian Employed	16,281 (92.1%)	23,752 (93%)	85,867 (94%)
2016 Labor Force Civilian Unemployed	1,399 (7.9%)	1,793 (7.0%)	5,133 (6.0%)
2016 White Collar Workers	47%	52.4%	58.9%
2016 Blue Collar Workers	30.5%	25%	21%
2016 Service Workers	21.4%	19.4%	17.4%
<u>Housing</u>	<u>3 Miles</u>	<u>5 Miles</u>	<u>10 Miles</u>
2016 Median Home Value	\$228,512	\$251,514	\$268,294
2016 Average Home Value	\$252,031	\$291,522	\$314,030

WORKFORCE

- **Nonfarm Employment:** The 2017 Washington County nonfarm employment was 294,200, an increase of 2.4 % over 2016 and a 5-year increase in the City of Forest Grove total nonfarm employment was 9,262.
- **Unemployment Rate:** The 2018 unemployment rate in the Washington County was 3.4% and 3.6% in Forest Grove.
- **Average Wage:** The 2017 average wage in the Washington County was \$68,180, \$58,607 in the Portland Metro area, and \$46,408 in the City of Forest Grove. For the retail sector the average annual wage was \$32,571 in the Portland Metro area.

LABOR FORCE

Labor Force	Forest Grove	3 mile	5 mile	10 mile
Total Population	24,125	36,930	53,771	176,398
Labor Force 16+	10,501	17,680	25,545	91,000
Civilian Employed	9,357	16,281	23,752	85,867
Civilian Unemployed	1,144	1,399	1,973	5,133
Armed Services	0	49	75	185
Not in Labor Force	6,582	10,569	15,957	45,110
Education Adults 25+	Forest Grove	3 mile	5 mile	10 mile
Less than High School	15.1%	20.6%	17.8%	13.3%
High School	27.8%	29.2%	23.4%	23.5%
Some College	25.1%	24.0%	23.8%	24.7%
Associates	7.6%	7.4%	7.9%	9.3%
Bachelor Degree or Higher	24.4%	16.6%	22.6%	30.5%

Employment	Forest Grove	3 mile	5 mile	10 mile (2017 est.)
Number of Jobs	9,262	16,636	25,599	93,833
Unemployed (%)	3.6%	3.70%	3.70%	3.5%
Wage Rates for Selected Categories	-Washington Co. -Multnomah Co. (2018)			
	25th Percentile	Median		
Supervisors of food prep workers	\$12.78	\$14.86		
Cooks, short order food prep workers	-s-	-s-		
Cooks, Restaurant	\$12.54	\$13.88		
Waiters/Waitresses	\$12.35	\$12.41		
Retail Salesperson	\$12.42	\$12.57		
Supervisors of retail workers	\$15.97	\$19.59		
Supervisors of non-retail workers	\$23.41	\$29.50		
Cashiers	\$12.42	\$12.50		
Telemarketers	\$13.00	\$14.42		
Accounting Clerk	\$17.44	\$20.96		
File Clerk	\$16.11	\$18.78		

HOUSING INVENTORY, SALES, & PERMITS

- Forest Grove has approximately 8,500 housing units with families representing 65% of all households. The projected annual household growth from now until 2038 is 1.81% resulting in over 12,000 new households.
- The median sale price for a home in the Forest Grove-Hillsboro submarket for 2018 YTD through October is \$372,000, a 6% increase over 2017.
- The average sale price for a home in the Forest Grove-Hillsboro submarket for 2018 YTD through October is \$392,000, a 6.5% increase over 2017.
- Average home prices for 2018 YTD through October in the Forest Grove - Hillsboro submarket is 12.5% lower than the Portland Metro Area overall and frequently provide more amenities or are built on larger parcels.
- Forest Grove retains a diverse housing stock for all income levels including service industry workers. The city has starter single family homes, 229 duplexes and over 2,000 multi-family units. Additionally, 300 new rental units were completed in 2018 and over the last 4.5 years, 800 new housing units have been permitted.
- Looking ahead, Forest Grove has 12 active subdivisions accounting for 580 lots. Of those subdivisions, permits have been issued for 268 lots with 312 still to be issued. An additional 495 housing lots have been approved in the neighboring city of Cornelius.

Housing Starts	Single/MF Combined
FY 18/19	62
FY 17/18	338
FY 16/17	179
FY 15/16	117
FY 14/15	104
TOTAL	800

Average Apartment Rent Comparison (2018) All units	
<u>Forest Grove</u>	\$1,200
<u>Hillsboro</u>	\$1,405
<u>Portland</u>	\$1,505

INCOME & CONSUMER BUYING POWER

HOUSEHOLD INCOME & EFFECTIVE BUYING INCOME (2016)

	0-3 Mile Radius	0-5 Mile Radius	0-10 Mile Radius
2016 Median Household Income (\$)	51,096	54,859	64,138
2016 Per Capita Household Income (\$)	21,820	24,303	28,431
2016 Est. Average Effective Buying Income (\$)	49,141	53,809	59,645
2016 Est. Median Effective Buying Income (\$)	40,881	43,780	50,733

DISPOSABLE INCOME (2016)

Age:	0-3 Mile Radius		0-5 Mile Radius		0-10 Mile Radius	
	Median Disposable Income (\$)	Average Disposable Income (\$)	Median Disposable Income (\$)	Average Disposable Income (\$)	Median Disposable Income (\$)	Average Disposable Income (\$)
<25	26,854	33,912	28,161	35,396	33,364	40,637
25-34	42,249	49,142	44,154	51,481	50,210	55,874
35-44	49,979	55,515	51,680	60,062	55,029	64,747
45-54	52,109	59,855	54,846	65,372	59,390	70,578
55-64	42,618	52,213	45,973	57,483	52,527	63,893
65-74	35,330	42,786	37,307	47,258	42,388	53,607
75+	20,451	27,871	22,434	30,299	26,993	35,317

Disposable Income (\$)	0-3 Mile Radius	0-5 Mile Radius	0-10 Mile Radius
	Number of Households (2016)	Number of Households (2016)	Number of Households (2016)
< 15,000	1,957	2,520	6,154
15,000-24,999	1,409	1,945	5,777
25,000-34,999	1,491	2,078	6,570
35,000-49,999	2,315	3,284	11,491
50,000-74,999	2,626	3,874	15,931
75,000-99,999	1,214	1,911	8,023
100,000-149,999	810	1,436	5,593
150,000-199,999	87	273	1,282
200,000 <	47	156	736

HOUSEHOLD INCOME PERCENTAGES

- The 2010 U.S. Census showed that Forest Grove caught up with the State of Oregon Median Household Income (\$47,120 for Forest Grove vs. \$46,536 for the State of Oregon). The highest Median Household Income in the region was Washington County at \$60,555. However, three of six Forest Grove US Census Block Groups had a Median Household Income higher than the county. These areas within Forest Grove continue experiencing significant growth and more expensive single family income construction. The 2018 Median Household Income for the City of Forest Grove is \$63,103.
- The 2010 U.S. Census showed that the Median Household Income grew faster in Forest Grove over a 10 year period than the region as whole.

<u>Area</u>	<u>% Growth in Median HHI 2000-2010</u>
Forest Grove	15%
Washington County	14%
Portland PMSA region	11%
Oregon	12%

UNMET RETAIL NEEDS

3-DIGIT NAICS UNMET GAP (2016): RETAIL SECTOR

NAICS Code	Industry Group	0-3 Miles Gap (\$)	0-5 Miles Gap (\$)	0-10 Miles Gap (\$)
441	Motor Vehicle & Parts Dealers	\$68,218,735	\$(1,247,112)	\$115,676,917
448	Clothing & Clothing Accessories Stores	\$13,895,272	\$21,397,921	\$82,082,486
453	Miscellaneous Store Retailers	\$11,660,797	\$8,654,477	\$618,746,004
722	Food Services & Drinking Places	\$9,369,191	\$12,072,413	\$70,050,567
442	Furniture & Home Furnishing Stores	\$6,279,938	\$10,514,152	\$42,068,543
451	Sporting Goods, Hobby, Book, & Music Stores	\$6,228,908	\$(466,308)	\$3,976,211
454	Non-Store Retailers	\$5,428,522	\$5,372,718	\$16,318,274
445	Food & Beverages	\$5,311,445	\$(10,930,065)	\$31,151,191

4-DIGIT NAICS UNMET GAP (2016): RETAIL SECTOR

NAICS Code	Industry Group	0-3 Miles Gap (\$)	0-5 Miles Gap (\$)	0-10 Miles Gap (\$)
4411	Automobile Dealers	\$60,388,659	\$(13,666,939)	\$102,267,323
7725	Restaurants/Other Eating Places	\$9,781,520	\$13,410,972	\$66,280,466
4481	Clothing Stores	\$8,965,108	\$14,225,041	\$52,599,360
4451	Grocery Stores	\$5,461,738	\$(13,468,719)	\$10,245,802
4421	Furniture Stores	\$4,575,014	\$7,780,358	\$34,546,812
4532	Office Supplies & Gift Stores	\$3,098,418	\$4,521,349	\$13,339,806

4-DIGIT DEMAND, SUPPLY, UNMET GAP, & LEAKAGE/SUPPLY:

3 MILE

NAICS Code	Industry Group	Retail Demand (\$)	Retail Supply (\$)	Retail Gap (\$)	Leakage/Surplus (%)
4532	Office Supplies, Stationary, & Gift Stores	\$3,280,502	\$182,084	\$3,098,418	89.5 %
4411	Automobile Dealers	\$68,811,305	\$8,422,646	\$60,388,659	78.2 %
4481	Clothing Stores	\$10,923,642	\$1,958,534	\$8,965,108	69.6 %
4421	Furniture Stores	\$6,944,165	\$2,369,151	\$4,575,014	49.1 %
4511	Sporting Goods/Hobby/Musical Instrument Stores	\$10,924,507	\$5,997,913	\$4,926,594	29.1 %
7725	Restaurants/Other Eating Places	\$36,233,664	\$26,452,144	\$9,781,520	16 %
4451	Grocery Stores	\$56,730,945	\$51,269,207	\$5,461,738	5.1 %

4-DIGIT DEMAND, SUPPLY, UNMET GAP, & LEAKAGE/SUPPLY:

5 MILE

NAICS Code	Industry Group	Retail Demand (\$)	Retail Supply (\$)	Retail Gap (\$)	Leakage/Surplus (%)
4532	Office Supplies, Stationary, & Gift Stores	\$5,332,284	\$810,935	\$4,521,349	73.6 %
4481	Clothing Stores	\$17,656,833	\$3,431,792	\$14,225,041	67.5 %
4421	Furniture Stores	\$11,259,444	\$3,479,086	\$7,780,358	52.8 %
7725	Restaurants/Other Eating Places	\$58,756,668	\$45,345,696	\$13,410,972	13 %
4451	Grocery Stores	\$90,927,394	\$104,396,113	\$(13,468,719)	(6.9) %

4-DIGIT DEMAND, SUPPLY, UNMET GAP, & LEAKAGE/SUPPLY:

10 MILE

NAICS Code	Industry Group	Retail Demand (\$)	Retail Supply (\$)	Retail Gap (\$)	Leakage/Surplus (%)
4421	Furniture Stores	\$45,053,593	\$10,506,781	\$34,546,812	62.2 %
4481	Clothing Stores	\$70,581,283	\$17,981,923	\$52,599,360	59.4 %
4532	Office Supplies, Stationary, & Gift Stores	\$21,172,149	\$7,832,343	\$13,339,806	46.0 %
7725	Restaurants/Other Eating Places	\$235,147,392	\$168,866,926	\$66,280,466	16 %
4521	Department Stores Excluding Leasing Departments	\$344,293,071	\$286,168,519	\$58,124,552	9.2 %
4451	Grocery Stores	\$358,533,817	\$348,288,015	\$10,245,802	1.4 %

TRAFFIC COUNTS & TRANSPORTATION ACCESS

- Forest Grove is only 24 miles away from downtown Portland.
- With the continuing increase in population, vehicle travel has also increased.
- Forest Grove can be accessed by State Highway 8 (Tualatin Valley Highway) or Highway 47 in Forest Grove. U.S. Highway 26 is six miles to the north. Direct connections to Highway 26 can be made through Highway 47 bypass in Banks or through Verboort, Cornelius, or North Plains. It is approximately eight miles to Hwy 26, 25 miles to I-405, 16 miles to Highway 217, and 20 miles to I-5.
- Highway 47 (Quince Street) and Highway 8 (Pacific Avenue) intersect in Forest Grove. At this location there is an Average Daily Traffic count (ADT) in 2017 of:
 - 0.20 mile North on Verboort Road = 7,100
 - 0.12 mile South on Verboort Road = 8,600
 - 0.02 mile South on Sunset Drive = 8,000
 - 0.02 mile North on Tualatin Valley Highway (OR8) = 14,100
 - 0.02 mile West on Yew Street = 32,500
 - 0.10 mile West on Mt. View Lane = 29,100
 - 0.02 mile East on Maple Street = 11,700
 - 0.02 mile West on Elm Street = 9,800
 - 0.05 mile South on Old Nehalem Highway ("B" Street) = 14,100
- The 57-TV Hwy/Forest Grove Tri-Met bus route connects Forest Grove, Cornelius, Hillsboro, Aloha and Beaverton, via Pacific, Baseline, TV Highway and Canyon Road. During the weekday morning and afternoon rush hours, buses run about every 15 minutes. The service operates 24 hours a day, 7 days a week.
- GroveLink transportation was added to the Forest Grove community in 2013. Extending beyond Tri-Met's line 57, the GroveLink bus serves a more substantial part of the city. Helping to link residents with downtown locales as well as with bus line 57.
- The Light Rail station to Portland and the Westside suburbs is only six miles from the center of Forest Grove. Connections can be made via the public bus service which arrives every 15 minutes during peak times.

GROVELINK ROUTE MAP

GroveLink Route Map

**BIKERACKS AND ACCESSIBILITY**

All buses are equipped with bike racks and lifts. If you need assistance, just ask your driver.

SEVERE WEATHER

On days with severe weather such as snow or ice, GroveLink schedules may follow snow routes to avoid hilly areas. Or all service may be suspended until the weather improves.

If conditions warrant a closure or change in the regular hours of operation a notice will be on Twitter, local news outlets and on our website www.rideconnection.org. You can also call 503.226.0700.

HOLIDAY CLOSURES

Service will not be available on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day.

Note: If New Year's Day, July 4th or Christmas Day occur on a Saturday, the holiday will be observed the Friday before the holiday. If the holiday occurs on a Sunday, the holiday will be observed on Monday.

CUSTOMER COMMENTS

Your input is appreciated. Feel free to contact us: 503.226.0700 info@rideconnection.org

WE RESPECT CIVIL RIGHTS

For a copy of our policy, please call 503.528.1721.

COMMERCIAL SECTOR OPPORTUNITIES

RESTAURANT & DINING OPPORTUNITIES

There is an outstanding unmet need for restaurants and dining business opportunities in Forest Grove. There is continuing growth in the number of higher-income families and college students. The most urgent needs are for higher-end fine-dining restaurants and larger mid-scale family eateries including ones that provide a full breakfast menu.

Population	3 Miles	5 Miles	10 Miles
2016	36,930	53,771	176,398
2021 Projection	39,548	57,288	189,364
2010 Census	34,006	50,166	163,488

Total Spent On Food Away From Home (Annually)			
Drive Time	3 miles (\$)	5 miles (\$)	10 miles (\$)
Food Away from Home	\$31,285,388	\$50,710,641	\$202,714,247

Industry & Code	0-3 miles (\$)	0-5 miles (\$)	0-10 miles (\$)
Food Service & Drinking Places (722)	\$9,369,191	\$12,072,413	\$70,050,567
Restaurants/Other Eating Places (7225)	\$9,781,520	\$13,410,972	\$66,280,466

CASUAL FINE DINING

- There are multiple casual fine dining restaurants in the area surrounding Forest Grove extending out to Cornelius, Gaston, Banks, North Plains. The following are some ethnic restaurants located in the Forest Grove area: Kama’aina, a Hawaiian restaurant; Sawa, a Japanese Izakaya restaurant; Bites, a fusion of Asian and American cuisine; and McMenamin's Grand Lodge. There are three fine dining restaurants within a one-mile radius
 - There are three fine dining restaurants within a 5 miles radius
 - There are four fine dining restaurants within an 10 mile radius
- The closest fine dining restaurants are at Orenco Station in Hillsboro, approximately 10 miles away. They include:
 - Swagath: Indian
 - Orenco Grill: American
- Approximately 11.5 miles away in the Tanasbourne area, there are several casual upscale chain restaurants including:
 - PF Chang’s: Chinese
 - Stanford’s: American
 - Spaghetti Factory: Italian
 - Bugatti’s: Italian
 - Le Hana: Independent-Japanese
- Approximately 12 miles to the west of Forest Grove heading into the Tillamook State Forest, there is one fine dining restaurant:
 - OutAZblue: Mediterranean/Italian

FAMILY DINING

- There is a need for other family restaurants. The only two sit-down full-service family restaurants within an 8-mile radius are Diversity Café in downtown Forest Grove and Prime Time Sports Bar and Restaurant in eastern Forest Grove. Diversity Café recently renovated the facility with a large amount of seating and expanding their menu to include breakfast, lunch and dinner.
- Other restaurants near and in Forest Grove that may be considered family friendly are McMenamin’s Grand Lodge providing a full menu including pizza and burgers; and Godfather’s Pizza located in the Ballard Towne Shopping Center with an ample amount of seating. In downtown Hillsboro, eight miles away, there is an Elmer’s that serves a broad menu of home-cooked type meals including breakfast.
- Approximately 10 miles away on TV Highway 8, there is a Shari’s, Izzy’s Pizza - an American food buffet, and a Red Robin.

- There are only four fast-food operations in Forest Grove and the adjacent City of Cornelius: McDonald's, Taco Bell, Jack in the Box and one independent business Scottie's. Within five miles in Cornelius there is a Sonic and Burger King.
- There are five pizza chains Domino's, Pizza Hut, Papa Murphy's, and Godfather's Pizza and one local chain in downtown Pizza Schmizza.
- There are a couple of subs/sandwich chains, Subway and two local independents: Phil's subs and Boxer Pub and Grill. In Cornelius roughly six miles away there is also a Jimmy John's.
- The ethnic & fast casual restaurants represented in Forest Grove are taquerias (4), Chinese (4), Thai (1), Japanese (2), and Hawaiian (1) and American cuisines: The Vault and Cornerstone Pub and Grill. All are local independents. In Cornelius within five miles there are Chinese restaurants (2), including a Panda Express, burger and sandwich pub and grills (2) and multiple Mexican eateries. In downtown Hillsboro approximately eight miles away Lebanese (1), Chinese (1), and Thai (2) and multiple Mexican. All independently owned and operated; they provide superb food and the facilities are clean but have limited seating available.

BREAKFAST

- Within Forest Grove, Cornelius, Banks, and Gaston there are limited breakfast options. There is a need for a full service sit down breakfast menu.
 - Three larger facilities, like Prime Time, serve daily breakfast until 2 pm. McMenamin's Grand Lodge and Maridon serve a traditional breakfast daily but are limited in seating. In downtown Forest Grove, Diversity Café has a full breakfast menu and Maggie's Buns (closed on Sunday) has a limited breakfast menu.
 - There are no breakfast establishments in Cornelius and heading east within downtown Hillsboro, eight miles away, there is an Elmer's. Heading west of Forest Grove toward Tillamook State Forest there is a full daily breakfast menu at Coleman's 11 miles away.

COFFEE & DESSERT

- There are three independent sit down coffee shops with limited menus in Forest Grove. Two are in the downtown, and one is at the Ballard Town Shopping Center next to Safeway in eastern Forest Grove.
- There are two ice cream and frozen yogurts stores. One in Forest Grove and one in Cornelius; both are independent.

- Maggie's Buns in downtown Forest Grove has a bakery, a full lunch menu and coffee. They are closed in the late afternoons and on Sunday.

BEER & WINE

- In downtown Forest Grove, there are two wine bars and three micro-breweries/fresh beer pubs. All are local independents. One micro-brewery has a full pub menu and one wine bar, Urban Decanter, features a small menu of Panini, soups, and small plates.

TOURISM & VISITOR GROWTH

The Washington County Visitors Association reported the following tourism and travel impacts for Washington County in 2017:

Total Overnight Trips: 3,183.9

Total Nights Stayed: 8,679.5

Total Travel Spending: 537.2 Million

- Forest Grove offers the most wineries in the 6-county Portland metro area. There are 12 wineries in the Forest Grove area and many more not too far away.
- Forest Grove is building a branding identity affiliated with local wine, while also looking to establish a wine center at the northern gateway to wine country. The City seeks to capture a share of the fast-growing wine enthusiast tourism sector. These people are immensely valuable because they tend to spend more on average than others. They also maintain cross-over interests like fine dining, outdoor recreation, and history and heritage exploration. Two fine dining restaurants are able to serve wine country tourists and visitors.
- They are also looking to establish small winery tours. Washington County wineries have been strengthening the Washington County Vintners Association to develop wine tourism; much of it would come right through Forest Grove.
- Forest Grove also has two B&B's/Inns that are marketing to this customer type.
- Forest Grove lures tourists and visitors with its amateur sports athletic complex and outdoor recreations. Some examples are the Tillamook State Forest and Hagg Lake, bicycling tour routes, Fernhill Wetlands birding sanctuary, and history and heritage sites like Pacific University.
- Lastly for a small city, Forest Grove runs several colorful events including the Concours d' Elegance car show, Forest Grove Uncorked Food and Wine on Main Street, Sidewalk Chalk Art Fest, First Wednesday, Holiday Light Parade, Pacific University Hawaiian Luau, Pacific University Performing Art Series, and Farmer's Market.

Day Trip Day Trip Size Stay (Nights), 2017p						
	Travel Party		Person		Party	Length of
	Day	Trip	Day	Trip	Size	Stay (nights)
Hotel, Motel	\$301	\$630	\$143	\$292	2.10	2.10
Private Home	\$63	\$201	\$32	\$99	2.00	3.20
Other Overnight	\$96	\$333	\$34	\$116	2.80	3.50
All Overnight	\$125	\$351	\$62	\$169	2.00	2.80

Washington County Travel Trends, 2010-2017p						
	Spending (\$M)	Earnings (\$M)	Employment (Jobs)	Tax Receipts (Thousands)		
				Local	State	Total
2014	670.8	184.0	7,070	9.1	20.6	29.7
2015	686.8	202.3	7,480	10.9	21.9	32.8
2016	754.7	235.4	8,300	12.7	24.5	37.2
2017	832.8	257.5	8,620	16.8	28.3	45.1

Annual Percentage Change						
2016-2017	10.3%	9.4%	4.0%	31.9%	15.7%	21.2%
2010-2017	5.9%	8.9%	6.0%	15.5%	8.6%	10.8%

WASHINGTON COUNTY TRAVEL IMPACTS (2008-2017)

Total Direct Travel Spending (\$Million)							
Destination Spending	448.1	438.7	512.0	540.7	571.0	633.1	697.1
Other Travel	139.0	117.9	141.3	130.0	115.8	121.6	135.7
Total Direct Spending	587.1	556.6	653.3	670.8	686.8	754.7	832.8
Visitor Spending by Commodity Purchased (\$Million)							
Accommodation	81.3	70.7	93.4	103.2	118.7	144.5	169.2
Food Service	135.5	141.2	161.2	174.6	187.2	208.0	227.8
Food Stores	35.1	35.1	39.7	42.6	45.0	46.8	48.2

Local Tran. & Gas	67.2	61.5	75.3	73.2	67.0	70.1	7907
Arts, Ent. & Rec.	50.0	49.5	54.1	56.4	59.0	63.7	67.5
Retail Sales	79.0	80.7	88.4	90.8	94.2	100.0	104.6
Destination Spending	448.1	438.7	512.0	540.7	571.0	633.1	697.1
Industry Earnings Generated by Travel Spending (\$Million)							
Accom. & Food Serv.	88.5	84.6	105.9	120.1	134.5	158.5	173.2
Arts, Ent. & Rec.	16.5	15.3	17.2	18.5	19.6	22.0	23.9
Retail	14.3	14.2	15.8	16.8	18.0	19.6	21.2
Ground Tran.	6.4	6.2	7.2	7.8	8.4	9.7	11.0
Other Travel	22.9	21.5	23.2	20.7	21.9	25.7	28.3
Total Direct Earnings	148.6	141.8	169.3	184.0	202.3	235.4	257.5
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	3,840	3,560	4,250	4,700	5,050	5,690	5,870
Arts, Ent. & Rec.	900	860	940	980	1,010	1,120	1,190
Retail	550	540	570	590	610	640	680
Ground Tran.	220	210	230	240	240	270	290
Other Travel	650	580	570	560	560	580	600
Total Direct Employment	6,150	5,740	6,560	7,070	7,480	8,300	8,620
	2008	2010	2012	2014	2015	2016	2017

PACIFIC UNIVERSITY & OTHER LOCAL INSTITUTIONS

PACIFIC UNIVERSITY

Pacific University offers a vast array of undergraduate, graduate and professional programs across five colleges (Arts & Sciences, Business, Education, Health Professions and Optometry), providing a plethora of career pathways for them while enabling the university to sustain itself as a leader in supplying a contemporary higher education environment for students.

- Pacific University offers both undergraduate and graduate degrees including liberal arts and the dynamic healthcare field. Pacific has nearly 4,000 students (1,904 undergraduates and 2,069 graduates). The main campus is located in Forest Grove and a center for mostly graduate programs of business and health professions is located in Hillsboro.
- Pacific employs nearly 1,100 faculty and staff. The University also attracts non-students with professional summer conferences, alumni events, college athletic events and a range of arts and culture programs for the public including concerts, art, theatre and more.
- Founded in 1849, the private liberal arts university offers scores of undergraduate programs and pre-professional tracks in the College of Arts and Sciences. It also offers professional programs in education and social work and health professions including optometry, psychology, occupational therapy, physician assistance and pharmacy.
- Major investments have been made over the last few years: a \$12 million 42,000 LEED academic building, a 163 bed, 4-story LEED dormitory, and a \$11 million Lincoln Park sports complex including 300 and 500 seats stadium, and track and field center, attracting semi-professional and amateur sporting events.
- Each fall, a new freshman class of about 500 students arrives on campus. The students make expenditures on a range of items to outfit their dormitory rooms or on-campus apartments, as well as buying meals, groceries and other day-to-day products.
- The university attracts additional visitors into the region with a number of college and community events such as parent and alumni functions, sport events, a performing arts series, fine arts, lectures, workshops and conferences. Pacific hosts several annual community events such as the Chamber of Commerce Corn Roast, Forest Grove National Night Out and the Forest Grove Rotary Concours d'Elegance. In the summer months, the university residence halls house youth and sports camps, as well as a variety of adult and professional conferences.

OTHER INSTITUTIONS

Forest Grove has two large institutions, Pacific University and TTM Company and one sector - Assisted Living - that generates a need to entertain clients, friends and family.

- ◆ **McMenamin's Grand Lodge.** A small resort with 90 guest rooms, featuring lodging, restaurant, bars, spa, Movie Theater, soaking pool, and other amenities has experienced stable growth. They have recently completed a \$4.1 million renovation including adding new rooms. It is part of the regional chain of lodges and restaurants. This former Masonic & Eastern Star property on the edge of Oregon wine country is rich with historic significance, restaurants, live music, and a spa. The Lodge's two restaurants serve local and seasonal pub fare. Choose from distillery flights or signature cocktails; unwind with inventive beers and wines crafted from the very grapes and hops that characterize the Cascade region. The disc golf clubhouse, Pat's Corner, offers seasonal outdoor seating on the lawn where you can catch glimpses of the course. In the summer months, enjoy live music along with your drinks on Thursday, Friday and Saturday evenings.
- **TTM Technologies.** Advanced circuit board manufacturer, TTM is the largest employer in Forest Grove employing roughly 550 people. They are a global company with facilities in Forest Grove, California and China. They operate seven days a week and their largest manufacturing facilities and headquarters are in Forest Grove.
- **Assisted Living Care.** On a per capita basis, Forest Grove has one of the highest concentrations of Assisted Living and Nursing Home Care in the United States. There are eight major facilities in the city that account for 700 residents; most importantly, they attract visits from their children and relatives. When in town they seek local dining options for what are often short visits.

UTILITIES & SELECT BUSINESS COSTS

UTILITY PROVIDERS

Water:

[City of Forest Grove](#)

1924 Council Street
Forest Grove, 97116, OR
(503) 992-3221

Sanitary Sewer:

[City of Forest Grove](#)

1924 Council Street
Forest Grove, 97116, OR
(503) 992-3221

Electricity:

[City of Forest Grove Light & Power](#)

1818 B Street
Forest Grove, 97116, OR
(503) 992-3250

Natural Gas:

[Northwest Natural](#)

220 NW Second Ave
Portland, 97209, OR
(503) 226-4211
1-800-422-4012

Garbage:

[Waste Management Services](#)

1548 "B" Street
Forest Grove, 97116, OR
(503) 249-8078

Telecommunications & Broadband:

Frontier

www.frontier.com
+1 (877) 462-8188

Comcast

www.comcast.com
+1 (888) 824-8264

AVAILABLE SITES

COMMERCIAL & RETAIL LAND

Commercial/Retail Land				
Location	Type	Size	Sale Info	Contact
Thatcher Road	Zoned CPD, commercial planned development	3.2 acres located between Thatcher Rd and Gales Creek (Hwy 8) High growth residential area.	For Sale \$1.9 million	Cindy Sturm Sturm Real Estate (503) 356-8767 cindysturm@verizon.net
1728 Pacific Ave	Commercial, retail, service, office, mixed use. Zoned Community Commercial	1.27 acres – 6 lots. Corner of Pacific and B Street. Across from new 4-story Jesse Quinn mixed use development.	For Sale \$1.4 million	Kevin Mapes Keller Williams Sunset Corridor (o) 971-770-0237 (c) 503-341-0267 kevin@connectpdxgroup.com
1837 Pacific Ave	Commercial, retail, service, office, mixed use. Zoned Town Center Transitional	1.1 acres	To be determined	Paul Downey City of Forest Grove 503-992-3220 pdowney@forestgrove-or.gov
1940 Filbert Street	Commercial, retail, service, office, mixed use. Zoned Community Commercial	.57 acres	For Sale \$425,000	Jesse Dill KW Realty 503-969-3236 jessedill@kwrealty.com
2617 Pacific Ave	Commercial, retail, service, office, mixed use. Zoned Community Commercial	.35 acres. Lot cleared, Pacific Ave frontage. Public transportation route	For Sale \$299,000 http://www.kw.com/homes-for-sale/97116/OR/Forest-Grove/2617-PACIFIC-AVE/3yd-RMLSOR-18300445.html	Jesse Dill KW Realty 503-969-3236 jessedill@kwrealty.com
2624 Pacific Ave	Zoned community commercial. Retail,	1 Acre Frontage on Pacific Ave	Land for Lease Price Negotiable	Stacia Truax (503)546-3535

	service, office			
3731 Pacific Ave	Zoned community commercial. Retail, service, office	2 sites, 1 acre each. Fronts Pacific Ave. with large parking area. Hwy frontage	Lease, build to suit or For Sale. Can subdivide. Negotiable	Jeff Duyck 503-341-4289
4202 Pacific Ave	Zoned Community Commercial. Retail, service, office, mixed	37,800 sq. ft. buildable lot	For Sale \$450,000 (\$12/sq. ft.) or build to suit	503-235-5906
4233 Pacific Ave	Zoned community commercial. Retail, service, office	2.5 acres commercial land Pacific Ave frontage	Land for Lease	
Corner Quince (Hwy 47) and Pacific (Hwy 8)	Zoned community commercial. Retail, service, office	8 acres	For Sale Negotiable	Albertson's 208-395-3617
Davidson Site Corner of Hwy 47	Zoned PD Planned Development Mixed Use Residential. Min commercial 20,000sf. Max 120,000sf	25 acres	Currently not on market. Make offer.	Ernie Davidson

COMMERCIAL & RETAIL BUILDINGS

Commercial/Retail Buildings				
Location	Type	Size	Sale Info	Contact
1931 Main Street	Zoned Town center core. Retail, commercial, service.	2,500sf Former restaurant. Kitchen intact. Up to 2 mos free lease if tenant makes custom improvements.	For Lease or Sale Lease: \$2,200/mo. NNN Sale: negotiable	Ari Tjahjani Weichert Realtors 971-373-6072 Aset.tj@gmail.com
2020 Main Street	Zoned Town center core. Signature Building in downtown, Corner Main/Pacific	2-story historical commercial building. Currently vacant. 10,000sf large space on 1st floor. Good potential or apts on 2nd floor	For Sale \$1.25 million	Jenny Ortega Windemere West, LLC 503-707-1567 503-648-1169 jennyoretega@windemere.com
2032 Pacific Ave	Zoned town center core, Commercial, office, service, retail	Former Barnes & Noble Retail 4,122 SF Retail space on first floor and 3,200 SF basement storage Total: 7,322 SF New restrooms, rear deck	2032 Pacific Ave For Lease	Nick Baldwin Hayden Group LLC 503-709-6190 www.hgcrest.com
3438 Pacific Ave	Zoned Community Commercial: retail, service, commercial	Pacific Oak Development New Development For Lease <ul style="list-style-type: none"> • 3 story office/retail 20,220sf divisible w/Pacific Ave Frontage • Single story office/retail 3,149sf 	For Lease	Dave Ellis Russ Mahan Capacity Commercial Group 503-326-9000
2031 Hawthorne St	Office/service Commercial or Professional service.	Maywood Buildings Dedicated parking on site. Handicap Access	Office space for lease Suite C 1410 sf Suite G 1256 sf	Tim Budelman Norris-Stevens Office (503) 225-8472 Cell (503) 710-1253

			Broker Flyer	timb@norris-stevens.com
2835 Pacific Ave	Zoned Community Commercial -retail, service, office	Two commercial suite for lease Suite 1 - 3,000 sq. ft Suite 2 - 2,500 sq. ft. Suites can be combined. Each have own bathroom.	For Lease \$1/sf plus property taxes Suite 1 \$3,000+ Suite 2 \$2,500+	Kenny 503-475-4803
Ballad Town /Safeway Plaza 3012 Pacific Ave	Office/service/retail/ Commercial	1-3 suites 1,200 sq. ft. plus	Space for lease	Jerry or Kristy Metro Property Management (866)-214-7988
3602 Pacific Ave	Zoned Community Commercial: office, retail, service	The Stonewood Center New Development Pad #1 1,192 SF -12,788 SF Some with Pacific Ave frontage. Up to 40,000sf entire site	Commercial/retail space to lease.	Rob Moneyhan Urbanworks 503-228-3080 www.urbanworksrealestate.com

SELECT BUSINESS COSTS

Forest Grove, Oregon 2018	
Item	Cost
Water	Commercial: \$2.82 per 1,000 gal + monthly fixed rate based on meter size. Industrial: \$2.45 per 1,000 gal + monthly fixed rate based on water meter: 3/4" = \$24.44; 1" = \$34.24; 1.5" = \$50.43; 2" = \$69.93; 3" = \$127.97.
Sewer	1) Standard: Consumption Based Commercial Service Charge: Monthly fixed rate of \$32.21/DUE plus variable rate of \$2.506 x average winter water usage (in 1,000s of gallons). 2) Wastewater from industrial production only: Industrial Category II-Minor: \$3.17/100 cu. ft., in addition to the above standard commercial service charge for sanitary and domestic use.* OR Industrial Category III-Major: \$3.17/100 cu. ft. of metered discharge; plus \$0.163/pound COD over 800 mg/L; plus \$0.249/ pound SS over 400 mg/L, in addition to the above standard commercial service charge for sanitary and domestic use.**
Storm Water	\$9.25 per ESU. 1 ESU = 2,640 sq. ft.
Power	Commercial/Industrial rate: flat rate of \$67.65 plus variable load rate (heavy load rate = 5.00 cents/kWh, light load = 4.16 cents/kWh) plus demand charge of \$6.83/kW plus (if used) a reactive charge of \$2.49/kVAR over 40% of kW demand.
Property Taxes (2017-18)	\$17.6699 per \$1,000 assessed value.
Business License	For 0-50 employees ranges from \$38.50-\$110 annually. Over 50 \$110 plus \$1.10 per employee capped at \$275.
Energy Conservation Incentive	Forest Grove Light and Power offers rebates and other incentives for energy conservation improvements.
Property Tax Incentive	Enterprise Zone property tax exemption incentive for industrial companies/call centers. For new investment and added employees. 3-5 yr. exemption

* Industrial Category II (Minor) – Defined as a source of industrial waste or wastewater discharging less than 25,000 gallons per day.

** Industrial Category III (Major) – Defined as a source of industrial waste or wastewater discharging more than 25,000 gallons per day, or with a strength of waste discharge of more than 800 mg/l chemical oxygen demand (COD), or 400 mg/l suspended solids (SS).

Definitions for Industrial Categories II and III from *Exhibit A, Clean Water Services Rates and Charges, Resolution and Order No. 17-9, Fiscal Year July 1, 2017-June 30, 2018, Appendix A.*

CONTACTS

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Economic Development Manager
City of Forest Grove
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1924 Council Street
Forest Grove, OR 97116

Phone: (503) 992-3293

E-Mail: jking@forestgrove-or.gov

APPENDIX

Forest Grove Available Sites & Properties:

https://www.forestgrove-or.gov/sites/default/files/fileattachments/economic_development/page/1241/web_available_sites_2.pdf

Washington County Travel Impacts and Visitor Volume Bureau of Economic Analysis and Bureau of Labor Statistics Estimates by Dean Runyan Associates:

http://www.deanrunyan.com/doc_library/ORImp.pdf

ESRI Demographic and Income Profile:

<file:///w2k/ED/Economic%20Development/Intern/Kelsey%202018/Forest%20Grove%20Commercial%20Profile/Demographic%20and%20Income%20Profile.pdf>

ESRI Household Income Profile:

<file:///w2k/ED/Economic%20Development/Intern/Kelsey%202018/Forest%20Grove%20Commercial%20Profile/Household%20Income%20Profile.pdf>

ESRI Market Profile:

<file:///w2k/ED/Economic%20Development/Intern/Kelsey%202018/Forest%20Grove%20Commercial%20Profile/Market%20Profile.pdf>