



**WELCOME TO FOREST GROVE**  
Home of Pacific University

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

Forest Grove, Oregon  
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# ECONOMIC DEVELOPMENT STRATEGIC PLAN

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## VISION STATEMENT

A strong, sustainable, local economy that fosters opportunity and prosperity for the whole community.

## MISSION STATEMENT

We foster a vibrant economic climate that encourages and attracts sustainable and equitable business development through strategically focused policies and programs, collaboration and partnerships.

## DEFINITIONS

Short Term – Less than two years.

Long Term – More than two years.

Measurements – Metrics that reflect the success of the Strategic Plan. The metrics will be compiled into a report that is given to the Economic Development Commission and City Council on an annual basis.

Annually – A calendar year unless otherwise specified.

# **GOAL 1. SUPPORT INDUSTRIAL AND COMMERCIAL BUSINESS GROWTH AND RETENTION**

## **OBJECTIVES**

### **SHORT TERM**

- Provide direct assistance and high quality customer service to help new companies navigate the permitting process and access program resources.
- Proactively work to identify a 20-year supply of employment lands and target initiatives to increase market-ready certified sites.
- Evaluate and refine permitting process, where needed, to increase efficiencies and predictability and ensure a user-friendly experience.
- Review Forest Grove's competitive advantages and ensure that these are on the City's website and part of advertising and marketing collateral.
- Maintain and market an inventory of available sites and buildings, socio-economic data, program resources and incentives.
- Complete Oak Street Area Concept Plan.

### **LONG TERM**

- Implement business attraction strategies for both traded sector and larger commercial businesses tailored to their specific needs.
- Respond, in collaboration with partners, to business leads and companies whose targets include Forest Grove.
- Maintain and manage business retention and expansion program.
- Prioritize marketing to targeted traded sector key industry clusters such as Advanced Manufacturing and those identified in the Economic Opportunity Analysis. Maintain an incentive toolkit.

- Convene local industry clusters to build networks, understand needs and address priorities.

## **MEASUREMENTS**

- Total assessed value – industrial.
- Total assessed value – commercial.
- Total square footage – industrial.
- Total square footage – commercial.
- Industrial square footage vacancy rate.
- Commercial square footage vacancy rate.
- Number of Business Enterprise Zone applications.

## **STRATEGIC EXTERNAL PARTNERS**

Forest Grove-Cornelius Chamber of Commerce, Business Oregon, Forest Grove EDC, Greater Portland Inc., Westside Economic Alliance, Commercial Brokers, and Site Selectors.

# **GOAL 2. EXPAND OPPORTUNITIES FOR ENTREPRENEURSHIP AND INNOVATION**

## **OBJECTIVES**

### **SHORT TERM**

- Study opportunities with partners to establish an accelerator, incubator, or maker space to support entrepreneurship and innovation.
- Host and participate in conferences, workshops, and training that promote innovation and entrepreneurial development.

## **LONG TERM**

- Establish and maintain stronger ties with Pacific University School of Business and related institutes, Forest Grove High School, and emerging Clean Water Services environmental and wetland technologies and concepts to encourage innovation and entrepreneurship opportunities.
- Disseminate information on efforts to encourage start-ups and innovation strategies in Forest Grove.

## **MEASUREMENTS**

- Prepare a report on the potential to establish innovation/entrepreneurship initiatives, including a center in Forest Grove.

## **STRATEGIC EXTERNAL PARTNERS**

Pacific University-School of Business, Forest Grove High School, Portland Community College, Clean Water Services, Oregon Entrepreneurs Network, PCC Small Business Development Center, SCORE.

# **GOAL 3. SUPPORT SMALL BUSINESS DEVELOPMENT AND RETENTION**

## **OBJECTIVES**

### **SHORT TERM**

- Disseminate and maintain information, technical assistance, programs, initiatives, and incentives that support small business growth and operations.
- Work to identify and address the challenges and barriers faced by Latino businesses and other groups in an effort to support a more diverse and inclusionary business community.

## **LONG TERM**

- Convene resource partners and small businesses to better understand existing resources and the needs and challenges faced by small business.

## **MEASUREMENTS**

- Number of Marketlink Market Analysis Reports completed.
- Number of Business Program applications completed.

## **STRATEGIC EXTERNAL PARTNERS**

Forest Grove-Cornelius Chamber of Commerce, Pacific University- School of Business, PCC Small Business Development Center, Columbia-Pacific Economic Development District, Adelante Mujeres, Micro-Enterprise Services of Oregon, Mercy Corps NW, SCORE, Local and Regional Banks, Commercial Brokers.

# **GOAL 4. ASSIST IN THE DEVELOPMENT OF A PROSPEROUS DOWNTOWN**

## **OBJECTIVES**

### **SHORT TERM**

- Partner with the private sector to improve the attractiveness of downtown through implementation of the Town Center Plan.
- Work with partners to enhance organizational capacity to better promote downtown events, activities, and the interests of downtown. Research the possibility of a Main Street program.

### **LONG TERM**

- Continue to work with property owners and brokers with site development and vacant space reduction while seeking a diverse mix of businesses.

- Support and promote a vibrant and active City Center through unique, colorful, and family-friendly events that draw new visitors.

## **MEASUREMENTS**

- Number of Storefront Façade Program projects completed.
- Number of net new businesses.
- Reach decision on Main Street Program.

## **STRATEGIC EXTERNAL PARTNERS**

City Club of Forest Grove, Forest Grove -Cornelius Chamber of Commerce, Small Business Development Centers, Micro-Enterprise Services of Oregon, Oregon Main Street, Commercial Brokers, Property Owners.

# **GOAL 5. EXPAND THE ECONOMIC IMPACT OF TOURISM**

## **OBJECTIVES**

### **SHORT TERM**

- Serve on the tourism advisory committee (TAC) to increase support and awareness of tourism strategies.

### **LONG TERM**

- Develop strategies for marketing, branding, capital projects, and event development through contracted services.
- Enhance and strengthen collaborations with tourism amenity operators and opportunities: local wineries, Hagg Lake, bicycling trails, and regional parks and forests.

## **MEASUREMENTS**

- Overnight lodging stays per year.
- Transit Lodging Tax revenues per year.

## **STRATEGIC EXTERNAL PARTNERS**

Washington County Visitors Association, Forest Grove Tourism Services Contractor, Forest Grove-Cornelius Chamber of Commerce, Travel Portland, Travel Oregon, Washington County Parks & Recreation (Hagg Lake), Oregon Forestry Department (Tillamook Forest), Oregon Parks & Recreation, North Willamette Vintners Assoc., Local Tourism Amenity Operators.

# **GOAL 6. FOSTER A COMPETITIVE BUSINESS CLIMATE THAT SUPPORTS ECONOMIC GROWTH**

## **OBJECTIVES**

### **SHORT TERM**

- Support transportation investments that enhance freight mobility and access, community livability, connectivity, congestion reduction, and public transit options.
- Maintain adequate supply of water, wastewater capacity, and power and telecommunication utilities to support planned business growth.
- Maintain affordable power as a competitive advantage for Forest Grove.
- In collaboration with the Forest Grove-Cornelius Chamber of Commerce, Forest Grove High School and Pacific University, Increase local employment opportunities through the establishment of a local job board: employee-employer job match platform.

## **LONG TERM**

- Work with businesses to enhance understanding, access, and use of workforce programs.
- Coordinate K-12 and higher education institutions with local companies to better understand current and future needs of business, enhance workforce skills, and identify employment opportunities.

## **MEASUREMENTS**

- Power price benchmarked against providers in the region.
- Water price benchmarked against providers in the region.
- Number of broadband infrastructure companies providing service in Forest Grove benchmarked against companies providing services in the region.

## **STRATEGIC EXTERNAL PARTNERS**

Portland Community College, Pacific University , Forest Grove High School, Oregon Work Source Centers, Work system, Inc. Frontier, Electric Light Wave, Comcast, Washington County Land Use and Transportation. Oregon Department of Transportation, Metro, Tri-Met, Forest Grove Light and Power, Clean Water Services.

# **GOAL 7. EXPAND PARTNERSHIP, OUTREACH, AND EQUITY EFFORTS**

## **OBJECTIVES**

### **SHORT TERM**

- Work to understand and reduce barriers that Latinos and other diverse populations face in starting and operating businesses.
- Proactively coordinate with regulatory agencies to reduce delays and barriers to development.

## **LONG TERM**

- Work to increase access and utilization of services to diverse members of community.
- Collaborate locally and regionally to establish strategic relationships in support of economic development priorities.
- Represent Forest Grove’s economic development interests and needs externally in the region and state by increasing visibility and engagement.
- Develop outreach strategies to educate the public about the City’s economic development strategies.
- In coordination with the leadership of the Forest Grove –Cornelius Chamber, celebrate business achievements and consider an annual awards program.

## **MEASUREMENTS**

- Completion of equity research study identifying barriers for Latino small businesses.
- Increase understanding and reduce barriers for minority-owned start-ups.
- Assure minority representation on EDC through outreach efforts.
- Number of regional/partners organizations participated in.
- Number of minority or economically disadvantaged persons/businesses assisted.

## **STRATEGIC EXTERNAL PARTNERS**

Pacific University, Forest Grove-Cornelius Chamber of Commerce, City Club of Forest Grove, Adelante Mujeres, Business Oregon, Greater Portland Inc., Portland Community College, Work Source/Oregon Employment Department, Metro, Washington County Visitors Association, Micro Enterprise Services of Oregon, PCC Small Business Development Center.

# APPENDIX A

## STRATEGIC PLAN GENERAL MEASUREMENTS

- Number of jobs created.
- Number of leads generated.
- Number of impressions.
- Number of businesses provided assistance.
- Number of businesses accessing workforce services.

## ANNUAL FOREST GROVE ECONOMIC INDICATORS

- Population and growth rate.
- Unemployment rate.
- Median household income.
- Average wage.
- Total employment.
- Forest Grove employment sectors.
- Education attainment.
- Poverty rate.

## STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS (SWOT) ANALYSIS

# S

- Great Downtown
  - Tourism draw
- Low power/utility rates
- Full Service City – utilities, infrastructure, etc.
- Fiber optics
- Quality of Life
- Pacific University
  - Academic conferences attract attendees from around the world – global exposure; they spend dollars on local eateries, hotels
- Clean, Cheap water
  - Public ownership - “we control our fate”
  - Stable – we have a back-up source
- 3 Tier One large lot industrial sites (Tier One = development-ready)
- Wineries
- Tremendous nearby recreational assets – Fern Hill Reservoir; Hagg lake; trails
- Farmers’ Market Great Events – Concours d’Elegance; Sidewalk Art Festival
- Historic Districts – 3 residential; DT HD in the works
- Hollywood has discovered us – university, other “sets” for films/tv/ads
- Business Friendly City administration
  - Entitlements – parallel path rather than sequential, allows for quicker process timelines
  - Collaborative spirit
  - Supportive, encouraging staff
  - Facilitates engagement with other regulatory entities – e.g. CWS
- Tools
  - Urban Renewal
  - Enterprise Zone
  - E Commerce
  - Business Incentive program
- Urban Renewal Area (formed 2014)
- Jesse Quinn – new mixed use development
- McMenamin’s/Grand Lodge
- Business Diversity
- Local ownership of business
- Agricultural Identity
  - Our roots & heritage – sense of place – character – not a generic suburb
  - Where we come from; who we are
  - Advantage of being on the edge of the Portland region – “I can breathe”; livability
- Agriculture not just about the past – new Ag business is growing; Example: nursery, organics
- History – oldest City in the County
- Strong working relationships with nearby communities, e.g. Cornelius
- Latino business assistance
  - Adelante Mujeres
  - Centro Cultural
- Forest Grove HS – high AP class percentage; lots of extra-curriculars; hosts sporting events-expands exposure.
- City has a good bond rating (but see discussion in weaknesses re: need to diversify the tax base

# W

- Distance from highways (26)
  - Long travel times to PDX, DT Portland
- Industrial Areas have challenging access – narrow streets, difficult for trucks to navigate
- Workforce “daily exodus”
  - 83% of working residents commute to jobs in other jurisdictions
  - Higher wages in Hillsboro, Beaverton, Portland – tough for local companies to compete for FG workers
- “End of the line” – no pass-through customers
- Commute patterns bypass commercial areas – lost opportunity to capture customers
- Logjam east of Highway 47; Cornelius has Fred Meyer, Walmart because it is easier to access
- Limited transit options
- Only one grocery store
- Challenge in attracting/retaining skilled workforce – more work, better pay in Hillsboro and points east
  - A person can make more money in construction in Portland than a manufacturing job in FG
- Schools – flat growth projected for the next twenty years
- School funding (however – Forest Grove was the only place in Oregon during the recession to approve a bond)
- Schools are “adequate”; particularly given the funding
- Kids are going to other schools – transferring to other districts (i.e. Gaston) or private
- Some industrial lots are Tier 3 (difficult to develop due to infrastructure capacity, transportation deficiencies)
- Perception of distance from Portland; perception that Forest Grove is “on the coast” or close to it
- Property tax revenue base imbalanced – too much residential (a tax “taker”) and not enough industrial (a tax “giver”)
- Tax base needs to be more diversified – bond counsel tells us our rating would be stronger if the tax base were more diverse
- Rising rents – making housing (workforce in particular) less affordable
- Dearth of hotel rooms – need more hotels, particularly upper end/4 star
- Lack of parking downtown – holding us back
- Lack of a hospital, only urgent care clinic



- Trails in the region (Salmonberry, Council Creek, Yamhalis) – Forest Grove not connected, but could be the hub – attract Eco-tourists, generate more demand for hotels, restaurants
- Metro Open Space bond – could help address prior point
- Wine Country – could Forest Grove get a resort hotel like the Allison in Newberg?
- WCVA – how might we tap into their resources and energy more
- TLT – do a strategic plan to guide our efforts; deploy these dollars strategically/intentionally
- Craft breweries – let's attract one or several – give people a local option rather than have to go to DT Portland, etc.
- Downtown parking study (underway) – opportunity to strengthen business district
- Town Center Plan (underway) – opportunity to guide future UR and other investments in bolstering DT
- Clusters to build on: tech; food including ag tech
  - Opportunity to diversify our economy
- Connections between our businesses and local farmers (e.g. distillery, bakery) for our businesses
- High Tech – opportunity to attract more suppliers to Intel, etc.; spin-offs; Example: MGC
- Ag – same – opportunity to attract more suppliers, spin-offs
- Strengthen ties between schools and businesses tied to vocational training; Schools have a new hire in Food Services
- FG has a disproportionately high percentage of seniors opportunity to expand medical service businesses/cluster
  - Maple Street Clinic is increasing its services; they've had a huge spike in number of customers. The Clinic's residents stay there for two years – many will remain in the community
  - Dialysis unit – High water usage. Our high quality/stable water supply an advantage/op.
- Business Retention focus
- Pacific's new business school – op to integrate with our efforts.
  - Mutually beneficial; our businesses will benefit from Pacific's engagement in business planning, analysis; and the students get real world experience
  - Plus – a pipeline of workers as students get to know our businesses and our community
  - Plus – supplement City Ec Dev staff and Chamber
- Business "exit interviews" – interview people who have gone through entitlement process. Opportunity to expand this. Create stronger feedback loop on "how we're doing"
- Developer roundtable – op for developers, others who go through the process to weigh in on code, policy, permitting, fee issues
- Clean Water Service purchase of TTM office building. Opportunity for R & D Center, accelerator, incubator.
- Build a hospital in Forest Grove. Expand medical services from current status.



- Diminishing supply of industrial land
  - If recent absorption patterns (last 3-4 years) continue, we may not have a 20 year supply of market ready employment land as called for in State land use law
- Metro's restrictions on UGB expansion
  - "Grand Bargain" removed our long term "Urban Reserve" supply of employment land
- Limited resources for business retention/recruitment. Jeff doing a great job but there's only so much band width and funding.
  - The challenge is exacerbated by the increasing complexity of Ec Dev – e.g., E-commerce.
- "Public should do its business; private sector should do its business" – in other words, public sector should "set the table" and then get out of the way
- High senior population – is Forest Grove convenient/accessible for seniors.
- Low unemployment – hard to keep people here – tough for small business.
  - Tough to compete with smaller communities out of the region, where there is a lower minimum wage – i.e. we have higher labor costs than some of our competition.