

## **ECONOMIC ELEMENT**

### CP.190. Economic Element Background Summary.

As the largest City, and the county seat of Clatsop County, Astoria's economy is reflected in that of the region. There is heavy reliance on the natural resources of the area including timber, fish, and shipping. As the commercial and governmental center of the region, retail and wholesale trade is important to the City. Government activities, including education, the US Coast Guard, the Tongue Point Job Corps Center, and State and local government facilities are a significant part of the local economy. As the financial, cultural, and medical center of the region, the community college, hospital, clinics, and related facilities employ a large number of professional people.

Astoria's economy is evolving from one based on natural resources, primarily fishing, seafood processing, wood products, shipping, and water transportation, to trade and services. The growth of tourism is an important part of Astoria's redevelopment. Tourism related income in the County grew at over 6% annually during the period 1991 to 1995, to over \$250 million; and to over \$397 million in 2010. Employment in trade increased over 70% between 1983 and 1996, while employment in lumber and wood products decreased 28% during the same period. (Source: Clatsop Economic Development Commission 1997 report on Employment Department, Bureau of Labor statistics, and Oregon Tourism Commission for 2010.)

The City maintains a significant underutilized inventory of lands especially suited for water dependent development, including the Port of Astoria docks, North Tongue Point, and South Tongue Point. The Port is attempting to find replacement uses for areas formerly devoted to log exports, and other maritime uses. The Oregon Division of State Lands has leased North Tongue Point to Port of Astoria in an attempt to attract industrial users. A large inventory of industrial land was created at South Tongue Point in conjunction with the Marine and Environmental Research and Training Station (MERTS). The changing nature of the economy indicates that many areas formerly used for water dependent or water related development, are no longer needed or desirable for shipping or other activities requiring access to the Columbia River channel.

Rail services to Astoria was formally discontinued in 1996 when the Burlington Northern Railroad filed to abandon the rail line from Tongue Point through Astoria. In February 1997, the Federal Surface Transportation Board applied an "Interim Trail Use Condition" on the approximate seven mile line within the City limits through the National Rails-to-Trails Act. The Burlington Northern Sante Fe Railroad donated the right-of-way of the Astoria line from Willbridge Junction in Portland to Tongue Point. During this same time, the track structures and operating rights were sold to the Portland and Western Railroad which is certified by the Federal Surface Transportation Board as the common carrier operating a line.

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Because of Astoria's water orientation, the Port of Astoria plays an important role in the City's economy. The Port owns approximately 170 acres within the City, and employs approximately 23 people. The Port renewed log exports at the Port piers in 2011.

*[CP.190 amended by Ordinance 98-04, 5-4-98; amended by Ordinance 11-07, 7-5-11]*

CP.195. Conclusions and Problems.

1. Astoria is still the commercial center of the region, but commercial expansion in Warrenton has affected downtown businesses. The perceived lack of parking space is one major factor. The lack of land for expansion has adversely affected businesses looking for new locations. Although the downtown is not in a period of decline, there are several large commercial buildings that are presently unused or underused.

*[CP.195.1 amended by Ordinance 11-07, 7-5-11]*

2. Much of new downtown development is toward the waterfront. The success of new business locating in this area, the demand for old buildings to be renovated, and the interest in the "People Places" concept, River Trail, and Riverfront Vision Plan attests to this trend. There is a potential conflict between commercial activities and marine industry. Land and water use policies should protect those areas which have marine industrial potential, but trends in the industry such as containerization has shifted demand away from the downtown area to areas such as Tongue Point.

*[CP.195.1 amended by Ordinance 11-07, 7-5-11]*

3. The "People Places" concept raises questions about construction costs, maintenance and liability. However, its value in bringing tourists to the downtown, raising property values, and increasing the vitality of the area is well established. Other improvements in the downtown area did not meet voter approval in the past, including parking expansion. Future improvements may be dependent on sources of funding other than property taxes.
4. The distinction between general commercial, tourist commercial, central commercial and to some extent even industrial zoning seems to be increasingly blurred in the City's zoning scheme: there are automobile sales lots in both central and tourist commercial zones, trailer parks, and multi-family dwellings in the industrial zone. Revision of the Comprehensive Plan and Development Code needs to address this question: Does the City wish to have one zone for industrial/commercial uses, or does it wish to protect certain areas for certain uses?

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*[CP.195.4 Amended by Ordinance 98-04, 5-4-98; amended by Ordinance 11-07, 7-5-11]*

5. *[CP.195.5 Deleted by Ordinance 98-04, 5-4-98]*
6. Astoria's economy is significantly affected by forces well beyond the City's control. These include the current condition of ocean resources, State and Federal policies, forest practices both on private and public timber lands, international trade policies, and the prospects for oil production in off-shore Alaska and California. The Port of Astoria, a special district which falls under the purview of the City's Comprehensive Plan, has a powerful effect on the local economy. As yet, the Port has not realized its potential for the generation of jobs and income in the community. The Chamber of Commerce, which is supported to some extent by the City, is concerned with the economy of the area. Many communities participate in the Clatsop County Economic Development Resources (CEDR) group for coordinated efforts concerning economic development projects, the Columbia River Estuary Study Taskforce (CREST), and other local and regional economic development agencies. These groups have been successful in obtaining grants for projects such as the Youngs Bay Salmon Enhancement program, the "People Places" study, and the obtaining of an additional Coast Guard cutter.

*[CP.195.6 amended by Ordinance 11-07, 7-5-11]*

7. Tourism in Clatsop County has increased in recent years, and the Astoria area has been the recipient of some of this economic activity. Astoria is becoming a "destination" like the communities on the ocean beaches. The quantity of lodging facilities in the City have increased in recent years to accommodate the needs except during peak tourist times. The Columbia River Maritime Museum is a major tourist attraction. In recent years, there has been construction of private facilities which can accommodate moderate sized gatherings and conventions. Tourism is an economic activity which has several disadvantages, such as low wages, and seasonality. However, Astoria has a highly seasonal work force which tourism, particularly the convention business during the winter, could counteract. Astoria has begun to capitalize on its scenic, historic character; proper emphasis on it through advertising and public projects has the potential of stimulating the City's tourist economy.

*[CP.195.7 amended by Ordinance 11-07, 7-5-11]*

CP.200. Economic Development Goal 1 and Goal 1 Policies.

Goal:

The City of Astoria will strengthen improve, and diversify the area's economy to increase local employment opportunities.

*[CP.200 amended by Ordinance 11-07, 7-5-11]*

Policies:

1. Encourage, support, and assist existing businesses.
2. Provide support to local start-up businesses.
3. Seek the input of local businesses and carefully consider the economic impacts of proposed programs, regulations and decisions related to implementing the community's comprehensive plan.
4. Encourage private development such as retail, restaurants, commercial services, transient lodging.
5. Provide a supportive environment for new business.
6. Encourage a diversity of businesses, target firms to add to the business mix and strengthen the overall economic base.
7. Encourage and support local industrial development in order to diversify beyond the City's predominant industrial sectors, while maintaining strong support for these sectors.
8. Broaden the economy to help balance the seasonal nature of existing industries and employment.
9. Encourage the broadening of the economy, particularly in areas which help balance the seasonal nature of existing industries.

*[CP.200.1 to CP.200.9 added by Ordinance 11-07, 7-5-11]*

CP.201. Economic Development Goal 2 and Goal 2 Policies.

Goal:

Promote cooperative economic development partnerships.

*[CP.201 added by Ordinance 11-07, 7-5-11]*

Policies:

1. Actively coordinate with the Astoria Downtown Historic District Association, the Port of Astoria, the Chamber of Commerce, and other local and regional groups involved in economic development.
2. Participate in and support regional economic development plans/programs.

*[CP.201.1 to CP.201.2 added by Ordinance 11-07, 7-5-11]*

CP.202. Economic Development Goal 3 and Goal 3 Policies.

Goal:

Strengthen the City's downtown core as the retail center of the region, with the support from the Astoria Downtown Historic District Association.

*[CP.202 amended by Ordinance 11-07, 7-5-11]*

Policies:

1. Promote Astoria's downtown core. The downtown core of Astoria, generally extending from 6th to 16th Streets, and from the waterfront to Exchange Street is the retail, service and governmental center of the region.
2. Continue to work toward establishing public parking areas in the downtown area.
3. Support the efforts of the downtown merchants to improve the appearance of the commercial core. Maintain and enhance all public infrastructures to create a pleasant and convenient business environment including elements such as signage, pocket parks, sidewalks and parking lots.
4. Promote upper story/high density housing in the downtown existing and new construction.
5. Ensure zoning allows for higher density, mixed-use development in the commercial core.

*[CP.202.1 to CP.202.5 added by Ordinance 11-07, 7-5-11]*

6. To develop a Heritage Square on the block bounded by 11th, 12th, Duane, and Exchange Streets (formerly the site of the Safeway store) as a recreational facility that will help to stimulate the revitalization of downtown, support the Astoria Sunday Market, and increase property values in the Astor-East Urban Renewal District. Parking will be included within the block design.

*[CP.202.6 added by Ordinance 12-04, 2-6-12]*

CP.203. Economic Development Goal 4 and Goal 4 Policies.

Goal:

Continue to encourage water-dependent industries to locate where there is deep water, adequate back-up space, and adequate public facilities.

Policies:

1. Maintain areas of the City in order to provide sufficient land for water dependent as well as non-water dependent industries.

*[CP.203 amended by Ordinance 11-07, 7-5-11]*

CP.204. Economic Development Goal 5 and Goal 5 Policies.

Goal:

Encourage the preservation of Astoria's historic buildings, neighborhoods and sites and unique waterfront location in order to attract visitors and new industry.

Policies:

1. Provide public access to the waterfront wherever feasible and protect existing access. The importance of the downtown waterfront in terms of aesthetics, public access and business improvement cannot be overemphasized. The City supports the concept of the "People Places Plan," and encourages local organizations in the construction and maintenance of waterfront parks and viewing areas.

*[CP.204.1 amended by Ordinance 11-07, 7-5-11]*

2. The City will use the Gateway Master Plan as the guiding document for redevelopment of the Gateway Overlay Area.

*[CP.205.4 amended by Ordinance 98-04, 5-4-98; renumbered and amended by Ordinance 11-07, 7-5-11]*

3. Encourage the growth of tourism as a part of the economy.
  - a. Consider zoning standards that improve the attractiveness of the City, including designation of historic districts, stronger landscaping requirements for new construction, and Design Review requirements.

*[CP.205.5 amended by Ordinance 85-08, 5-6-85; renumbered and amended by Ordinance 11-07, 7-5-11]*

4. Protect historic resources such as downtown buildings to maintain local character and attract visitors.

CP.205. Economic Development Goal 6.

Goal:

Maintain a system of public facilities and services capable of supporting existing and future industry, and commercial development.

*[Section CP.200 amended by Ordinance 85-08, 5-6-85; renumbered and amended by Ordinance 11-07, 7-5-11]*

*[Section CP.205.1 to CP.205.6 amended by Ordinance 85-08, 5-6-85; deleted as CP.205, amended and renumbered by Ordinance 11-07, 7-5-11]*

CP.206. Economic Development Goal 7 and Goal 7 Policies.

Goal:

Encourage successful home-based businesses.

*[CP.206 added by Ordinance 11-07, 7-5-11]*

Policies:

1. Encourage home occupations, cottage industries and activities which have little impact on the surrounding neighborhoods through the City's Development Code.
2. Encourage provision of support services needed by home-based businesses.

*[CP.206.1 to CP.206.2 added by Ordinance 11-07, 7-5-11]*

CP.207. Economic Development Goal 8 and Goal 8 Policies.

Goal:

Be prepared for business growth with ready properties.

*[CP.207 added by Ordinance 11-07, 7-5-11]*

Policies:

1. Support the development and maintenance of property inventory.
2. Maintain an adequate supply of vacant commercial, industrial and waterfront development property to provide for the economic growth of the community.
3. Ensure an adequate supply of employment lands with areas large enough to meet the objectives needed for commercial uses, but not so large as to affect adjacent residential neighborhoods.
4. Support efforts to consolidate parcels, where appropriate to meet business needs for larger properties.

*[CP.207.1 toCP.207.4 added by Ordinance 11-07, 7-5-11]*

CP.208. Economic Development Strategies and Actions.

1. Regularly update the City's Buildable Lands Inventory.
2. Make the City's Buildable Lands Inventory and maps readily accessible to prospective employers and developers of commercial and industrial properties.
3. Work proactively with prospective employers to identify suitable sites for future development, including opportunities to consolidate groups of smaller parcels into larger developable sites.
4. Conduct neighborhood, sub-area, or specific area planning processes to identify site-specific opportunities for future business and employment uses.
5. Update home occupation ordinance provisions as needed to encourage home occupations but limit associated negative impacts such as traffic, on-street parking, and noise.
6. Investigate public-private partnerships to actively support a strong commercial core.
7. Work with the Chamber of Commerce and other local and regional economic development groups to develop market fact sheets and marketing packets with highlights of the demographic and retail market analysis.
8. Prepare and maintain a current, up-to-date, inventory of available buildings and land with complete data, including price, features, utilities, infrastructure, maps, photos or contact information. If selected properties are known to soon be



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vacant, include those in the review. Determine which properties are ready for occupancy and which need renovation or complete site prep and development. Evaluate the condition, property owner attitude, price competitiveness and other factors to assess true market readiness.

9. Continue to use urban renewal district(s) and associated funding to support development in specific areas, including land assembly, public improvements and other similar efforts.

*[CP.208.1 to CP.208.9 added by Ordinance 11-07, 7-5-11]*

CP.210. Economic Development Recommendations.

1. In the City's waterfront areas, the City will continue to promote a combination of tourist oriented development, industrial development associated with the City's working waterfront and water-related and dependent industries, and distribution and sales of goods and services for Astoria residents and businesses. These efforts will be guided by and consistent with the Astoria Riverfront Vision Plan.

*(Section CP.210.1 amended by Ord. 15-04, 6-15-15)*

2. The City should evaluate its S-2, General Development Shoreland Zone to ensure that it permits a range of non-water dependent or non-water related uses. Or, the City should consider developing a separate manufacturing or industrial zone.
3. The City should consider allowing the location of small scale manufacturing or cottage industries in its General Commercial Zone, C-3, and Central Commercial Zone, C-4.

4. *[Section CP.210.4 deleted by Ordinance 11-07, 7-5-11]*

5. The City and business community should develop a cooperative program for strengthening and upgrading the core commercial area's competitive position.

6. The City's historic character is one of its major tourist attractions. Historic districts can form the focus for tourist oriented promotion. Therefore, the City should take a more active role in the designation of historic districts.

7. *[Section CP.210(7) deleted by Ordinance 98-04, 5-4-98]*

*[Section CP.210 amended by Ordinance 85-08, 5-6-85]*