

CELEBRATING



**OREGON**  
Department of  
Land Conservation  
& Development

*Economic development is a shared priority in Oregon, recognized in the land use planning system in [Goal 9: Economic Development](#). Successful land use planning helps communities attract and retain jobs, maintain a healthy economy, and ensure Oregonians around the state have access to employment.*

DLCD staff help cities maintain a supply of employment land according to communities' vision. These plans respond to local and national industry trends. Each Oregon city and county has a unique vision for the future that balances aspirations with local conditions, workforce, housing, and infrastructure availability. With [Business Oregon](#) and Oregon's Economic Development Districts, DLCDD works to provide economic opportunities in Oregon that will support communities and residents for decades to come.

### Assessing Economic Opportunities

Statewide land use planning [Goal 9](#) requires cities and counties to provide an adequate supply of sites of suitable size, type, location, and service level for a variety of industrial and other employment uses. An [Economic Opportunity Analysis](#) (EOA) contains four main elements: trend analysis, identifying site characteristics, land inventory, and assessment of a community's economic development potential. An understanding of the local workforce, housing, and how Oregonians will access employment opportunities available are all part of these studies. Though most jobs in Oregon are created by existing business, new industry requires consideration of how people travel; and impacts on schools; housing; water, wastewater, and stormwater systems; electric and communication utilities, and more.

### Supplying Land for Employment

Completion of an Economic Opportunities Analysis can determine whether a city needs additional land for employment, and if so, of what type. Cities determine demand for land using industry growth trends and local economic development potential. Communities assess land supply using an inventory of existing developed, redevelopable, and vacant employment lands. Brownfield redevelopment, a commonly overlooked potential land supply, can be supported through a variety of funding sources including with funding from Business Oregon for assessment and rehabilitation. If a community lacks sufficient land within a current [urban growth boundary](#) (UGB), an expansion provides the necessary land through a routine process. Locating industrial and other employment lands inside a UGB has additional benefits including access to homes, parks, schools, existing infrastructure and services, and preserves working farm and forest lands.

### Bringing a Community Vision to Life

Community values inform development of local Economic Opportunities Analyses. These are then translated into comprehensive plan policies to implement the community economic development objectives. For example, an objective of providing adequate land supply for industrial jobs could be reached by creating policies protecting those lands from conversion, or requiring they be replaced if rezoned to other uses. Alternately, an objective of redeveloping a business district might be supported by developing partnerships with entrepreneurship support organizations. Communities use an action plan, based on community vision, to prioritize objectives, creating an implementation schedule, estimating infrastructure costs, and identifying potential funding sources through these planning processes. DLCDD advises that a local Economic Development Action Plan or Strategy be operationalized as soon as possible and updated regularly. Putting a plan into action quickly can ensure relevance and success.



Employment lands and industrial areas are the lifeblood of Oregon's economy. Meeting these land needs for communities and the state is a DLCDD priority.

## Supporting Development, Identifying Constraints

Many industries have specific site requirements. Physical characteristics may constrain or provide opportunities in site development. For example, if some or all of a parcel is in a floodplain or hazard zone, the cost of construction or mitigation may be prohibitive. Planners consider riparian areas, compatibility, and brownfields when designating employment lands. Additionally, supply chain, the ability to transfer and ship goods, and labor markets all play into the feasibility of successful development of employment land. Developers will have different needs related to parcel configuration and parking, building types, availability of broadband, water, power requirements, roadways, transit, bike and pedestrian facilities, air and water quality requirements.

Once a community designates [employment or industrial lands](#), negotiating parcel assembly with private landowners may be necessary if the site need is greater than the available parcels. The process of site assembly can be time consuming. Planners and developers may use tools such as horizontal development agreements to coordinate property owners and public entities for developing infrastructure for an intended use. Negotiating with property owners and preparing a written agreement prior to designation can speed this process.

## Protecting Industrial Lands

Conversion of industrial lands for other uses after designation often puts communities at a disadvantage as they try to meet long term economic development goals. Several techniques to protect prime industrial lands can be used to prevent this including use of special districts or overlay zones, limiting retail uses within these areas, maintaining large-lot parcel requirements and limiting partitions, providing financial incentives for private owners, reinvestment in existing industrial districts, and providing local flexibility to accommodate a large range of industrial uses.



Prineville Data Centers

## Keeping Oregon Competitive

Semiconductor and other electronics and advanced manufacturing suppliers are Oregon's leading economic industry cluster, followed by agricultural products. Oregon is currently home to 15% of the country's semiconductor workforce. Notably, semiconductors account for nearly half the state's exports. The semiconductor industry is part of a historic investment with a \$52 billion appropriation as part of the CHIPS and Science Act signed by President Biden in August 2022. The Oregon Semiconductor Competitiveness Task Force [Seizing Opportunity](#) report identified the need for a range of development-ready sites to serve this industry cluster. DLCD staff are working with local governments and the Semiconductor Task Force Industrial Lands Subcommittee to help identify opportunities for Oregon to maintain our competitive advantage. Two semiconductor ecosystem projects have already been announced in Oregon: one in Beaverton, and one in Medford.

DLCD is working closely with Business Oregon and the Semiconductor Competitiveness Task Force Industrial Lands Subcommittee to identify ways and locations where Oregon can accommodate expansion of the industry. Staff are supporting several communities throughout Oregon to update their Economic Opportunities Analyses, and to recommend urban growth boundaries expansions where needed.