

# Creswell Economic Opportunities Analysis: Executive Summary

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## FRAMEWORK

This Creswell *Economic Opportunities Analysis* is designed to comply with Oregon's Statewide Planning Goal 9, which requires communities to provide for an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies.

The *Economic Opportunities Analysis* reports our inventory of buildable non-residential land currently in Creswell's UGB. *Buildable* means land that is vacant, zoned for non-residential development, free of constraints on development such as steep slopes or wetlands, and to which public services can be provided. The buildable lands inventory in this report also considers opportunities for redevelopment of currently developed properties in Creswell. The size distribution, location, and availability of public services for buildable land in Creswell.

This *Economic Opportunities Analysis* also reviews regional economic trends and local conditions to project the level of potential employment growth in Creswell. The amount and type of potential employment growth is used to estimate demand for non-residential land in total as well as by size, type, location, and service level.

The supply of buildable land currently in Creswell's UGB is compared to demand generated by potential employment growth to assess whether or not Creswell has an adequate supply of suitable sites for industrial and commercial uses. This assessment considers whether sites currently in Creswell's UGB suitable for the type of projected employment growth in terms of their size, type, location, and availability of public services.

The remainder of this Executive Summary describes our findings on the inventory of buildable land in Creswell's UGB, economic conditions, projected employment growth in Creswell, the resulting demand for non-residential land, and a comparison of demand and supply conditions. This Executive Summary ends with a discussion of the next steps in this study.

## SUPPLY OF BUILDABLE LAND

A cursory review of the buildable lands inventory in Chapter 2 shows that the City has about 137 acres available for commercial and industrial development. Of that land, about 66 acres are designated for industrial use, 48 for commercial use, and 22 for commercial-resort uses.

A more detailed evaluation, however, suggests that Creswell has a more limited inventory of industrial lands. All of Creswell's available industrial lands is in only eight parcels, and two of these parcels have two-thirds of Creswell's available industrial acreage (one with 18 acres and another with 27 acres). The limited number of industrial parcels limits the size range of available parcels and may restrict market choice for certain types of industries interested in locating in Creswell. A more detailed discussion of site needs of potential industries is presented in Chapter 6 of this report.

For commercial lands, several of the sites have access restrictions and do not appear to be desirable sites for commercial uses. These sites, located north of Oregon Avenue and east of Highway 99, are surrounded by residential development. Portions of the sites that are close to I-5 may have some potential for commercial or light industrial use, but any use that generates heavy traffic will cause use conflicts with nearby residences. Moreover, access to the site would need significant improvements to accommodate uses that generate a lot of traffic.

We found that land designated for commercial-resort use has been primarily developed as housing. For this study, we assumed that only 17% of vacant lands designated for commercial-resort use would be in commercial uses. The most likely location for commercial uses is across from the Emerald Valley Resort Clubhouse at the intersection of Dale Kuni Road and Emerald Parkway.

## **ECONOMIC CONDITIONS**

Population growth has occurred at a faster rate in Creswell than in Lane County or Oregon in every decade since the 1970s. Growth in Creswell has been fueled by its proximity to Eugene-Springfield, relatively lower housing costs, and desirable small-town atmosphere.

Employment growth in Creswell has been relatively flat over the few recent years for which data is available. But Creswell has recently seen some substantial development and business activity with the revitalization of the Emerald Valley Resort, residential development around the resort, and the development of the Creswell Marketplace shopping center and surrounding commercial uses east of I-5.

Creswell has a relatively diverse economy, with an employment distribution similar to that for Lane County as a whole. Major employment industries within Creswell's UGB include Education, Manufacturing, Retail Trade, and Health Care/Social Assistance.

The latest population forecast from the Lane Council of Governments (LCOG) shows that Creswell is expected to grow faster than Lane County or any city in Lane County except Coburg over the 2004–2025 period. LCOG did not forecast employment growth in Lane County or Creswell over this period. A ten-year forecast by the Oregon Employment Department shows that total employment in Lane County is expected to grow by 17,500 jobs between 2002 and 2012. Employment growth in Lane County is expected to be led by Retail Trade, Services, Government, Finance/Insurance/Real Estate, and Manufacturing.

Creswell's comparative advantage for attracting business activity is determined by the mix of productive factors present in Creswell relative to other communities in the Willamette Valley. Creswell's primary comparative advantage is its proximity to larger urban areas and location on I-5 combined with its small-town character. This makes Creswell attractive to residents and businesses who want to live and work in a community with small-town character but that still need to have access to urban amenities, a large and skilled workforce, and supplies and services available in larger communities as well as access to major transportation networks.

Economic conditions in Creswell are discussed in more detail in Chapters 3 and 4. Regional economic trends and conditions in Creswell, including Creswell's comparative advantages, were the basis for developing the projection of employment growth summarized in the next section.

## EMPLOYMENT GROWTH IN CRESWELL

Given the expected rapid growth of population in Creswell relative to the County and the implications for the ratio of population to employment, an annual average growth rate of 2.2% was selected for total employment growth in Creswell. This fits with the expectation that Creswell will receive an increasing share of employment growth in Lane County as it becomes a more fully developed community, and growth from spillover caused by increasingly crowded and expensive conditions in Eugene-Springfield.

Based on expected economic trends in Lane County and Creswell, the share of Creswell's employment in Industrial and Commercial uses was assumed to increase slightly while the share of employment in Public uses was assumed to decline. The result of these assumptions applied to the existing level of employment in Creswell is shown in Table 1 below.

**Table 1. Projected employment growth by land use type in the Creswell UGB, 2003–2023**

Land Use Type	2003		2025		2003-25 Growth
	Employment	% of Total	Employment	% of Total	
Industrial	476	33%	825	35%	349
Commercial	781	53%	1298	55%	517
Public	205	14%	236	10%	31
Total	1,462	100%	2,360	100%	898

Source: ECONorthwest.

## SUPPLY AND DEMAND FOR NON-RESIDENTIAL LAND IN CRESWELL

We used assumptions about the number of employees per acre for the three land use types shown in Table 1 to translate employment growth to demand for land. These assumptions of employees per acre are based on observation of actual densities at employment sites. Table 2 shows the level of expected employment

growth, the resulting demand for non-residential land, the existing supply of buildable non-residential land, the resulting surplus or deficit of land in Creswell.

**Table 2. Comparison of land demand and supply, Creswell UGB, 2004-2025**

<b>Land use type</b>	<b>Total emp growth</b>	<b>Emp per net acre</b>	<b>Demand (net buildable acres)</b>	<b>Supply (net buildable acres)</b>	<b>Surplus/(Deficit)</b>
Commercial	349	35	10.0	67.8	57.9
Industrial	517	20	25.9	67.1	41.3
Public	31	15	0.0	0.0	0.0
<b>Total</b>	<b>897</b>		<b>35.8</b>	<b>134.9</b>	<b>99.1</b>

Source: ECONorthwest.

Note: Buildable land supply includes land designated for commercial and commercial/resort uses. We allocated 17% of the total commercial/resort land to commercial uses, with the remaining 83% going for residential uses. Public land demand is set to zero because the City and School District report that they have sufficient land to accommodate their expected growth.

Table 2 indicates that Creswell has an adequate supply of buildable Commercial and Industrial land. This comparison of demand and supply, however, focuses only on the total acreage. An analysis of the specific sites available in Creswell may suggest supply constraints not apparent in Table 2. All of Creswell’s available industrial land is located in two sites at the north and south end of Highway 99. Each of these sites have several large parcels with a few owners.

The north industrial site currently does not have access to sewer facilities, but a line should be extended to this site within two years. The south industrial site is separated from Highway 99 by the railroad and a slough that will require a bridge to access Highway 99 from this site. Alternative access to this site may be provided by Park Drive, but this alternative may be limited by residential structures in the area.

An analysis of the distribution of vacant and partially-vacant parcels by size, as shown in Table 2-4 in Chapter 2, suggests that Creswell’s supply of buildable industrial sites does not have a range of sizes that will allow Creswell to respond to market opportunities. The distribution of industrial parcels in Creswell raises several issues for the availability of buildable land for economic development, including:

- In any market, not all vacant and partially-vacant parcels are on the market or available for development in the immediate future. Thus, it is likely that even fewer industrial parcels than those shown in Chapter 2 are on the market or available for development in the immediate future.
- Many of the types of manufacturing firms that have potential to locate in Creswell need relatively small sites in the range of 0.25 to 5 acres. Chapter 2 shows that there are only three parcels in Creswell in the range of 1 to 4.9 acres, and these parcels are too large for small specialty manufacturers who want a site less than 1 acre.

In addition to the limited distribution of industrial sites in Creswell, other factor suggests that Creswell may not have the right supply of buildable industrial land to respond to market opportunities. Chapter 5 identifies airport-related uses as a potential growth industry in Creswell. The City, however, does not have any buildable industrial land in the airport area currently within the UGB.

## NEXT STEPS

Given the context established by this *Economic Opportunities Analysis*, there are several steps the City of Creswell can take to attract the type of economic development desired in the community:

1. This report shows that Creswell lacks a supply of buildable industrial sites with a variety of sizes that will allow the community to respond to market opportunities. In addition, the small number of buildable industrial sites suggests that Creswell may not have any sites available for development when an opportunity presents itself. To address these constraints, the City should consider expanding the UGB to include more areas designated for industrial development. Areas around the airport should be among the sites considered for this expansion in order to take advantage of opportunities presented by that site.
2. Actions recommended in the 2004 *Economic Development Plan* for the City of Creswell include steps that would support employment growth in Creswell. These steps include creating State-certified market-ready development sites and working with ODOT on permitting for sites adjacent to highways and the railroad. The City should work with ODOT and OECDD to help resolve site access issues for the southern industrial site. The City could also pursue State certification of development sites, either now or after an expansion of the UGB.
3. The City has identified a vision and goals that are generally supportive of economic development in the community. The economic development planning to date, however, does not contain specific policies or actions the City should adopt to attract the type of development desired in the community. The next phase of this study will be the development on an implementation plan that identifies specific policies and actions the City might adopt to affect the level and type of economic development in the community.