

agenda

CITY OF KEIZER TECHNICAL ADVISORY COMMITTEE MEETING 1

8/29/2012

6:00 PM to 7:30 PM

Attendees: OT

INTRODUCTION

TAC Introductions

15 Minutes

Project Scope and Schedule

City Staff/Consultants

TAC Expectations

MARKET ANALYSIS

Target Industry Trends

45 Minutes

Interview Summaries

Johnson Reid

Summary of Findings

Implications

DISCUSSION

TAC input and discussion on Findings

20 Minutes

Johnson Reid

City Staff

NEXT STEPS

Schedule Meetings

10 Minutes

Johnson Reid

City Staff

CITY OF KEIZER

MARKET ANALYSIS SUMMARY
Economic Opportunities
Analysis

City of Keizer Technical Advisory Committee

Meeting 1

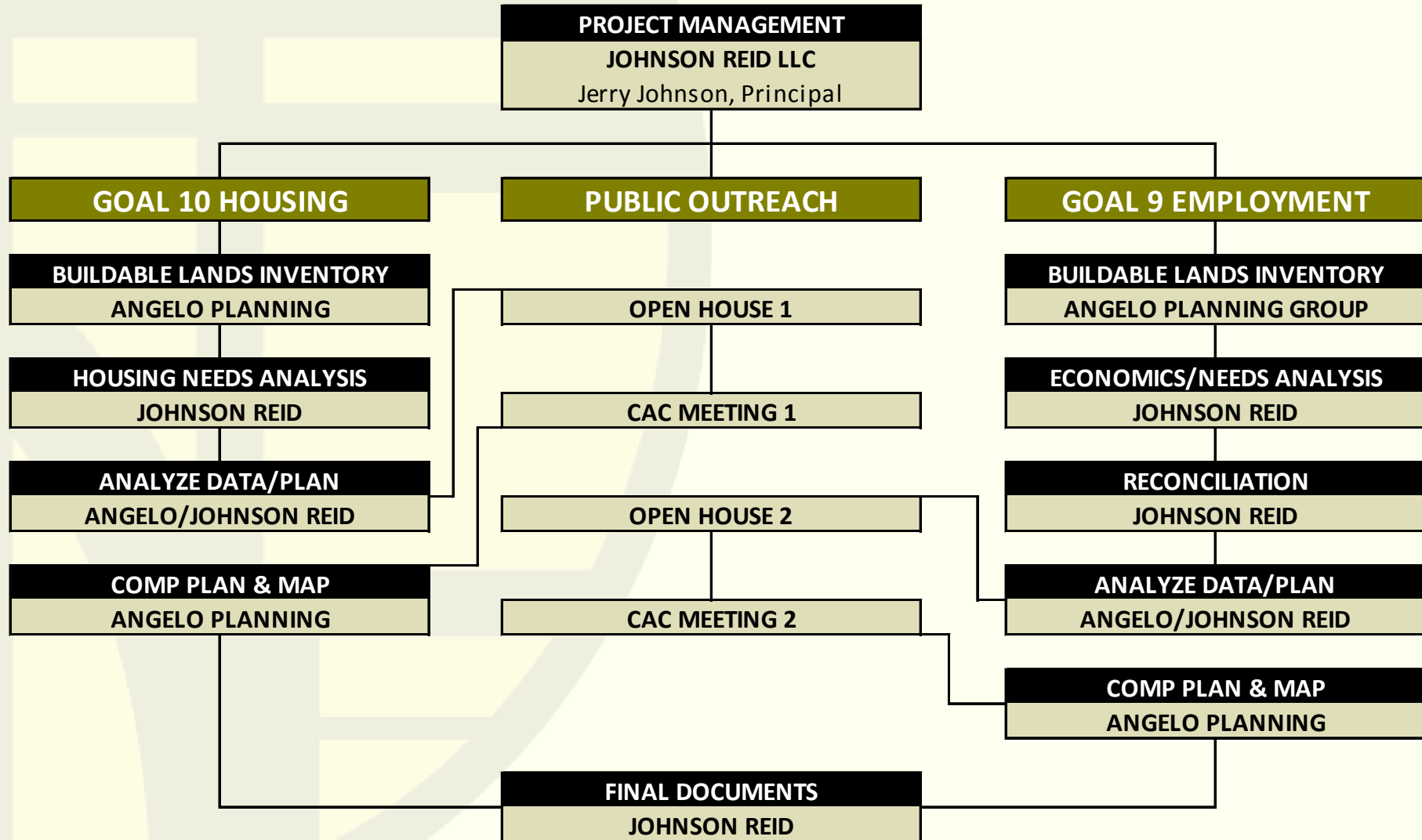
August 29, 2012



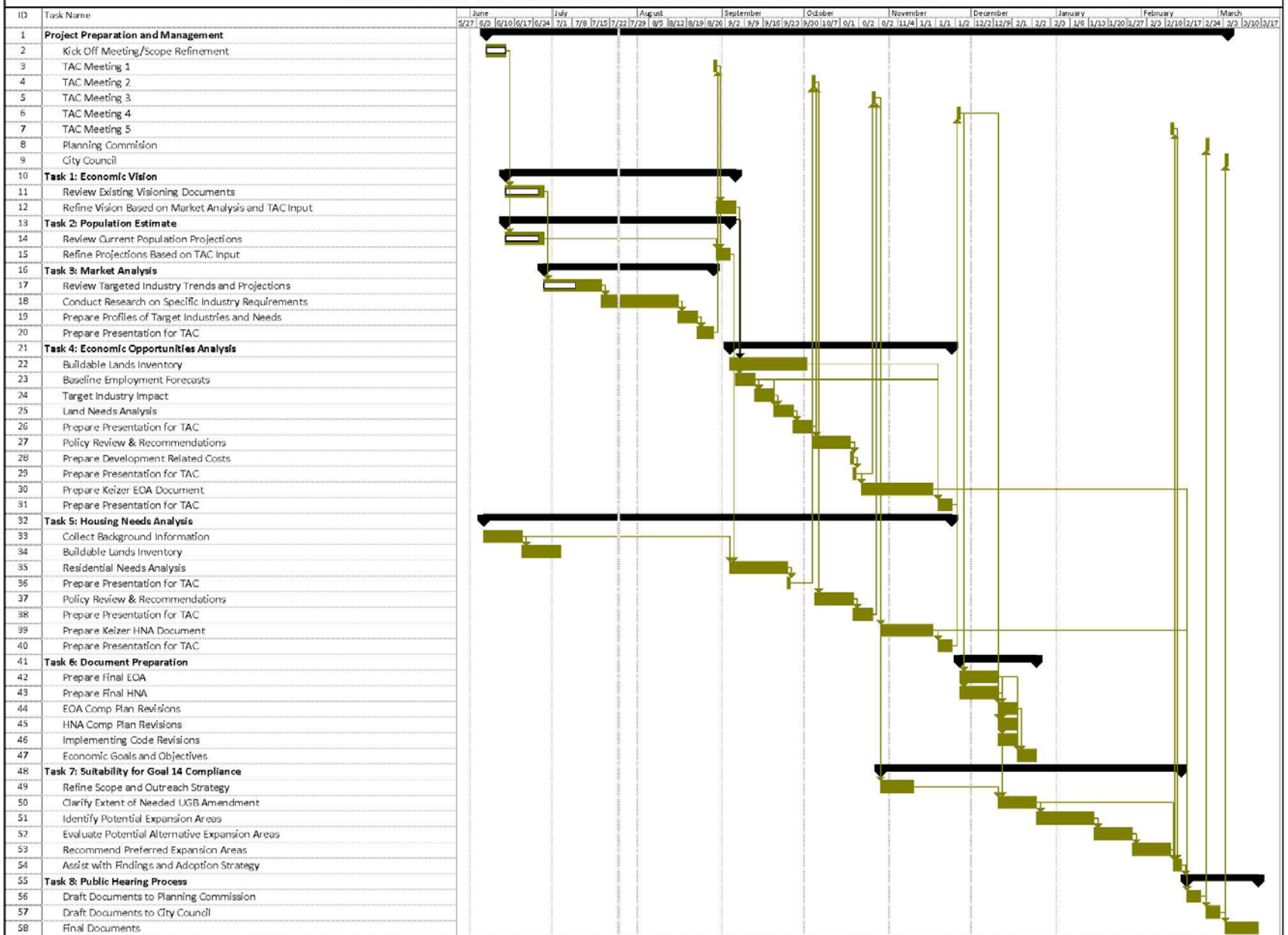
SUMMARY OF PROCESS

- **ECONOMIC OPPORTUNITIES ANALYSIS**
 - Market Analysis
 - Need Analysis
 - Buildable Lands Inventory
 - Reconciliation
- **HOUSING NEEDS ANALYSIS**
 - Needs Analysis
 - Buildable Lands Inventory
 - Reconciliation
- **PRELIMINARY GOAL 14 FINDINGS**

PROJECT TEAM



PROJECT SCHEDULE - CITY OF KEIZER ECONOMIC OPPORTUNITIES AND HOUSING NEEDS ANALYSIS



TWO STUDY ELEMENTS

☐ Task 1: Evaluation of National, State, and Local Trends

- Employment
- Demographics
- Migration
- Wages
- Other

☐ Task 2: Target Industry Profiles

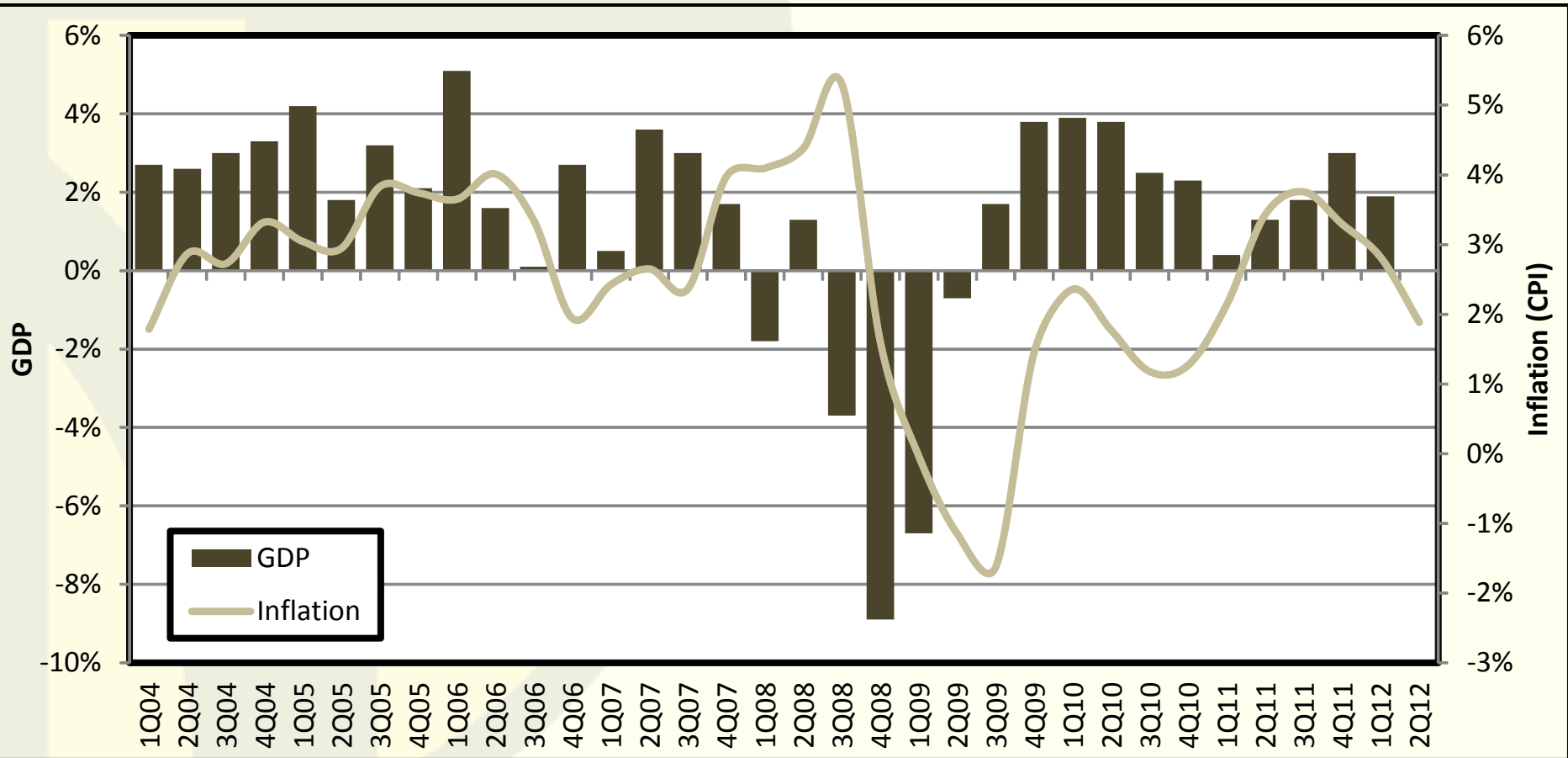
- Three Tiers of Potential Targets



NATIONAL TRENDS

GROSS DOMESTIC PRODUCT

U.S. Gross Domestic Product and Inflation
2004 - present



SOURCE: Bureau of Economic Analysis

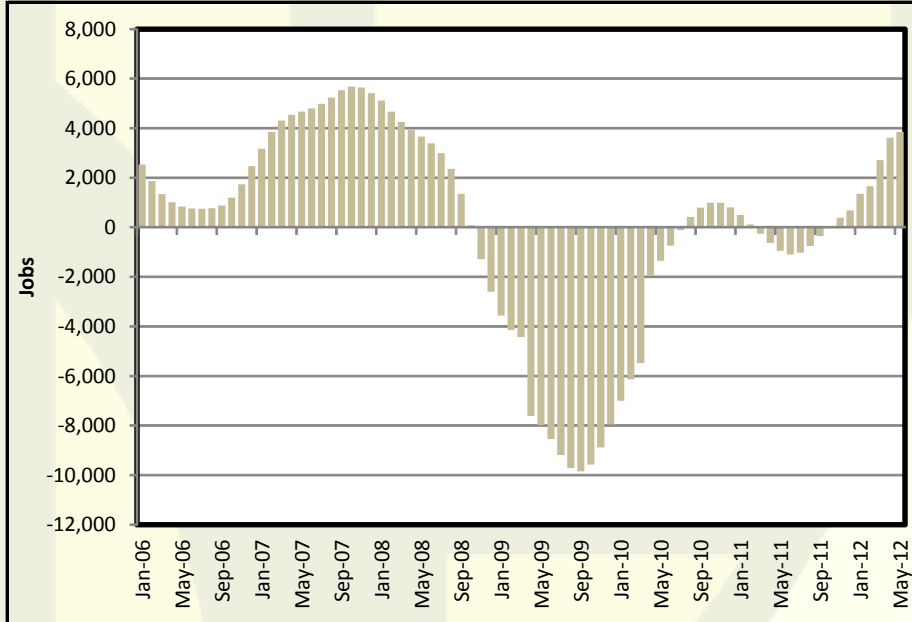


NATIONAL TRENDS

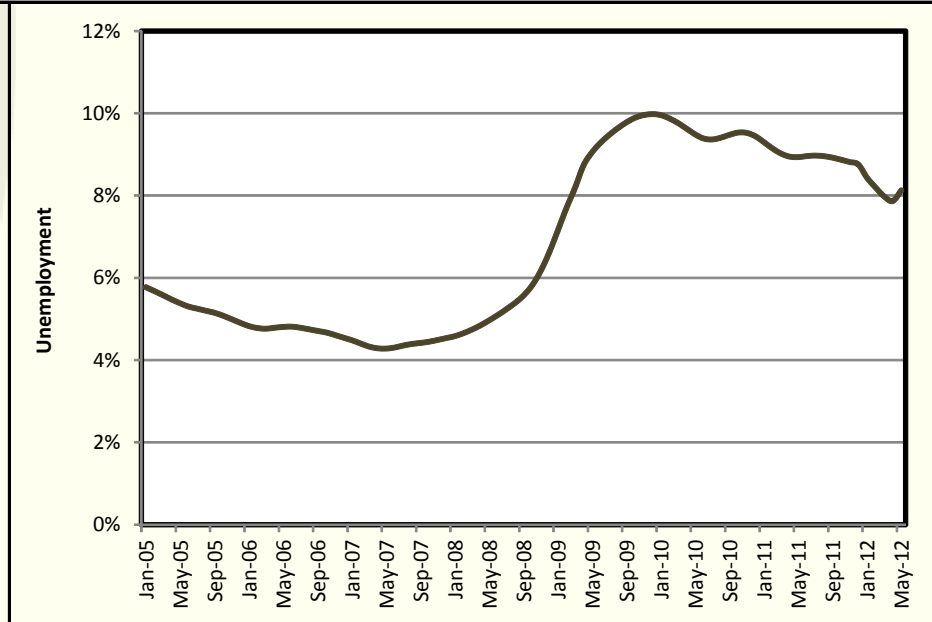
EMPLOYMENT SITUATION

Year-over-Year Employment Growth and the Unemployment Rate, United States

Year-over-Year Employment



Unemployment Rate



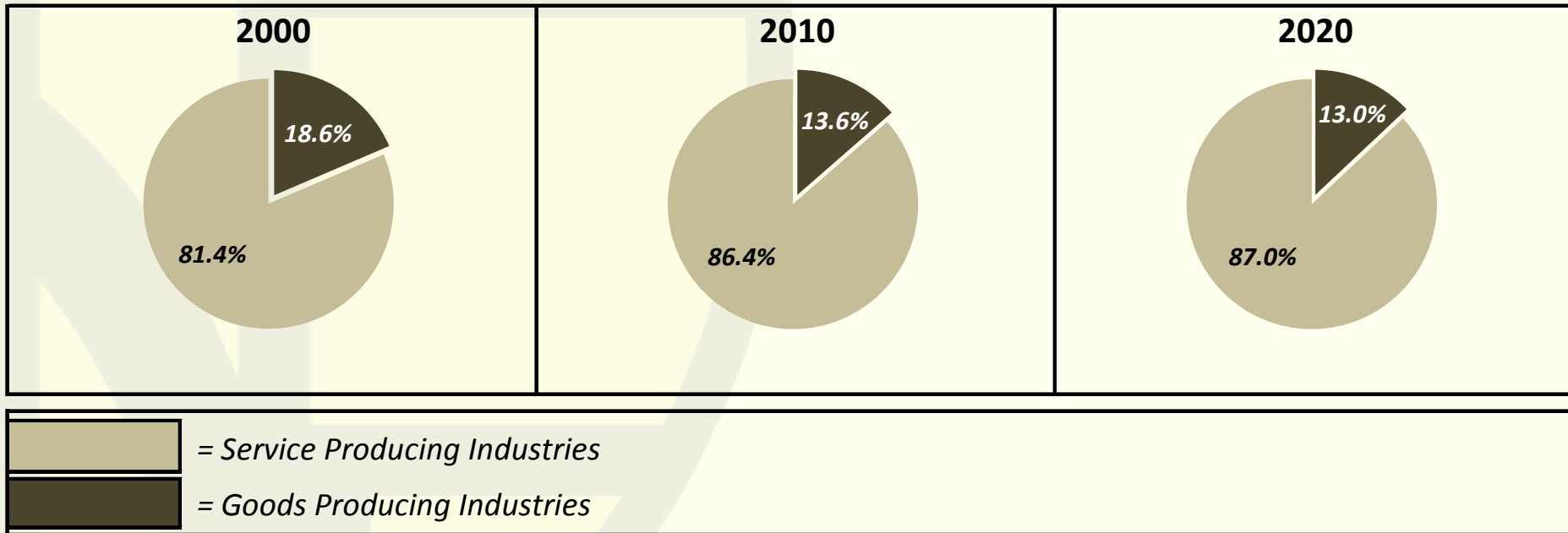
SOURCE: U.S. Bureau of Labor Statistics



NATIONAL TRENDS

INDUSTRIAL COMPOSITION

**Broad Industrial Composition by Employment
United States, 2000–2020 forecast**



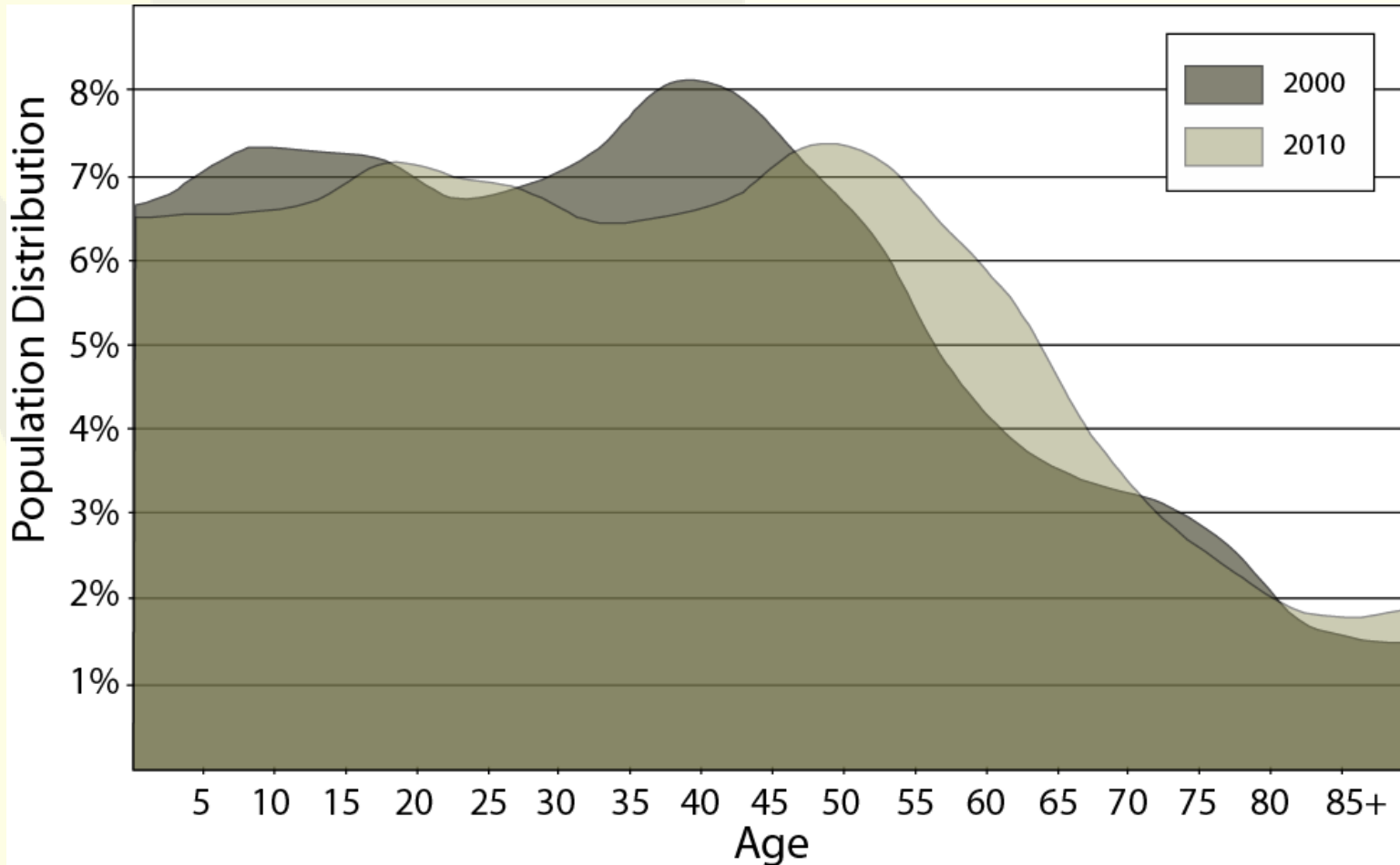
SOURCE: Bureau of Labor Statistics, Forecast of Industry Employment, CES Data



NATIONAL TRENDS

DEMOGRAPHIC COMPOSITION

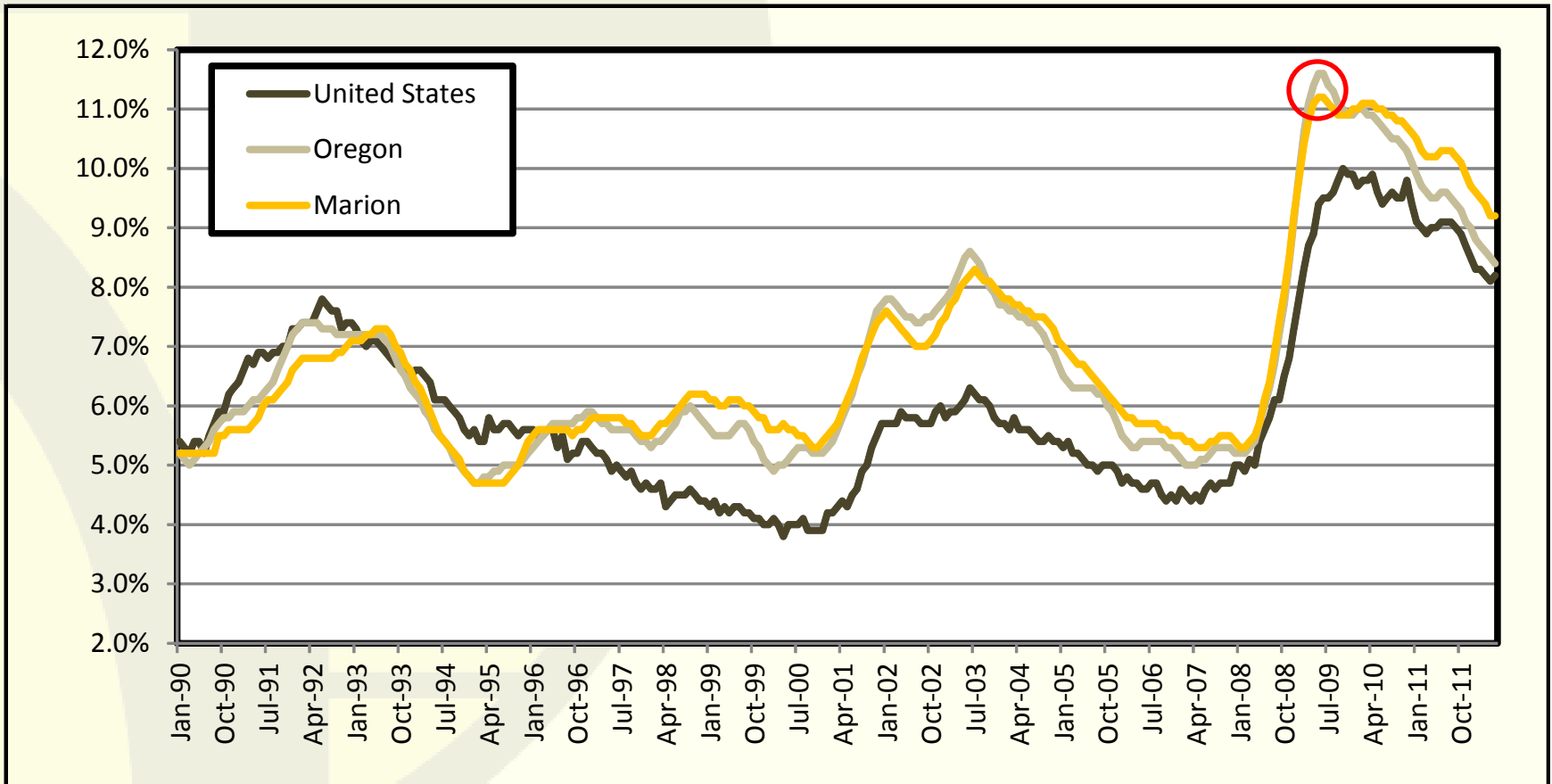
Shift in Demographic Composition by Age Cohort,
United States, 2000 - 2010



STATE AND LOCAL TRENDS

UNEMPLOYMENT

Unemployment Rate Trend
United States, State of Oregon, and Marion County



SOURCE: Oregon Employment Department

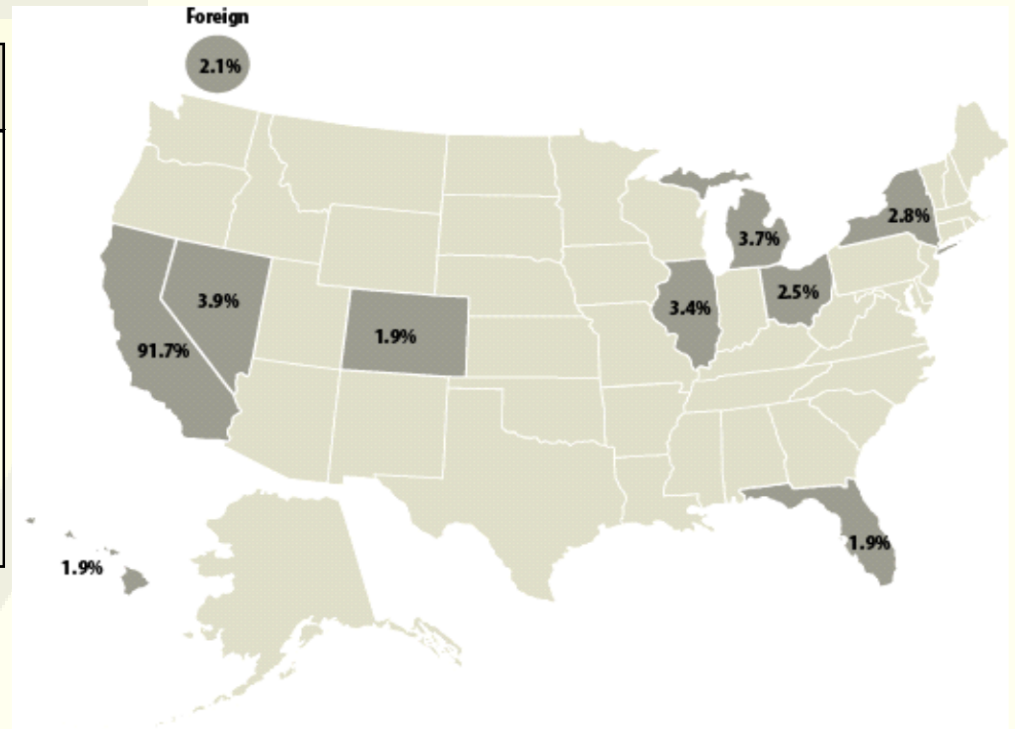


STATE AND LOCAL TRENDS

MIGRATION

Net-Migration into the State of Oregon by Source Area 2004-2010

State	Net Migration	Net Income
California	82,220	\$2,641,513,000
Nevada	3,453	\$25,274,000
Michigan	3,340	\$85,928,000
Illinois	3,010	\$112,489,000
New York	2,492	\$130,814,000
Ohio	2,265	\$65,849,000
Foreign	1,879	\$185,000
Florida	1,737	\$46,620,000
Colorado	1,711	\$48,394,000
Hawaii	1,662	\$37,990,000
Total, All States:	89,619	\$2,928,807,000
<i>Average Net-Migration Rate:</i>		<i>5.56</i>



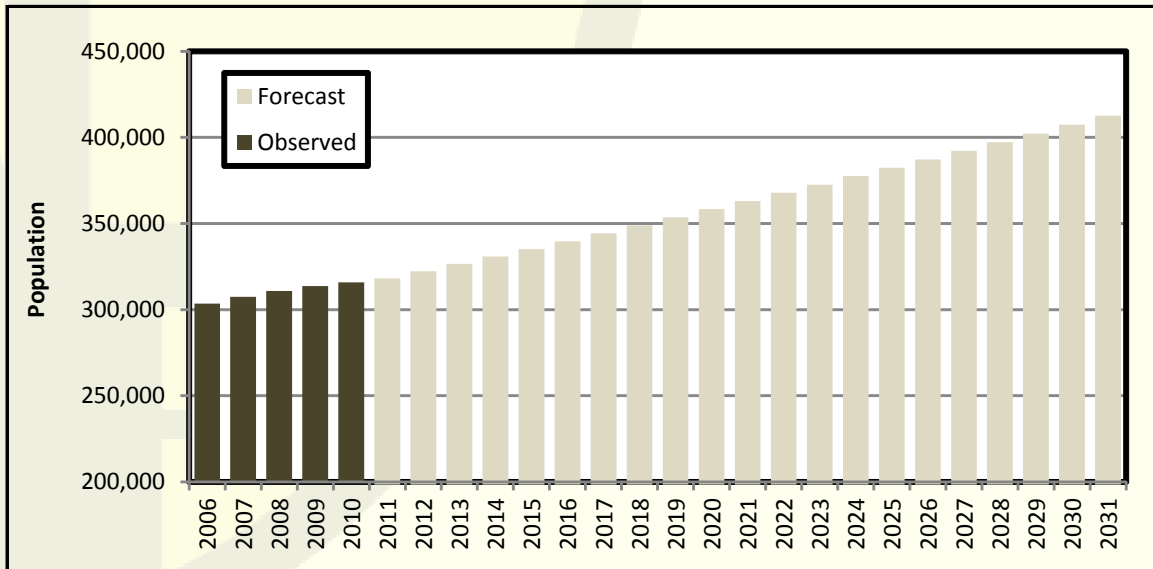
STATE AND LOCAL TRENDS

POPULATION GROWTH AND FORECAST

Population Trend in Oregon, Marion County, and the City of Keizer 2001-2011

Region	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	AAGR
Oregon	3,470,385	3,502,588	3,538,591	3,578,895	3,626,938	3,685,206	3,739,359	3,784,182	3,815,775	3,837,300	3,857,625	1.06%
Marion	287,676	289,757	294,188	296,268	299,484	303,545	307,481	310,807	313,643	315,900	318,150	1.0%
Keizer	32,950	33,100	34,010	34,380	34,735	34,880	35,435	36,150	36,220	36,570	36,715	1.1%

Population Forecast, Marion County, 2011-2031



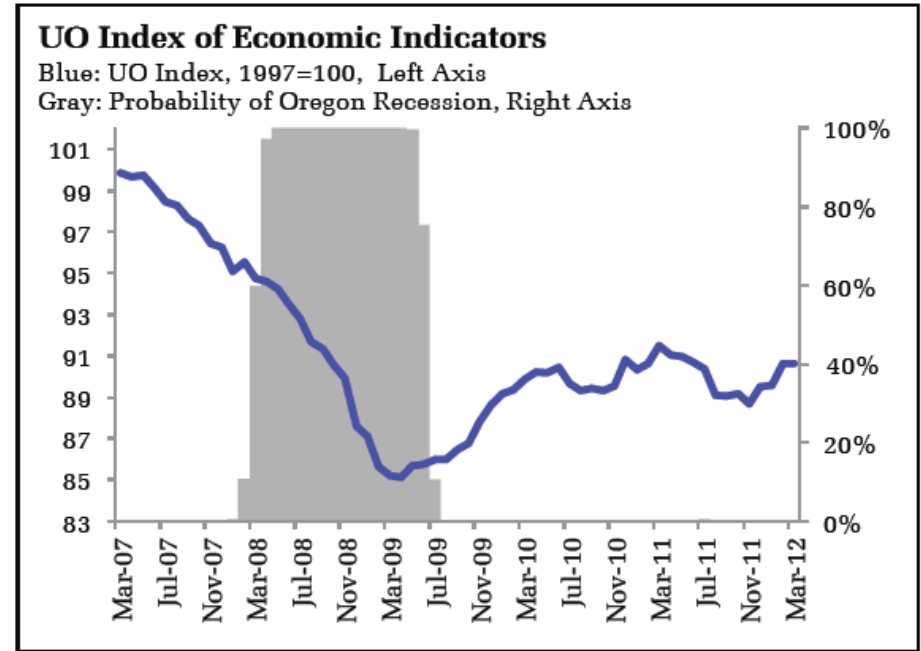
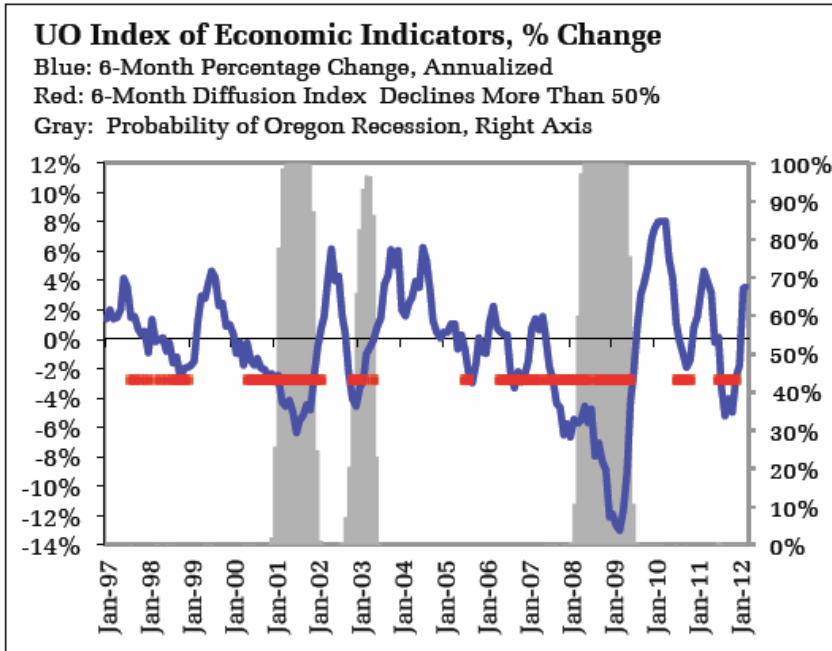
SOURCE: Portland State Population Research Center and the Oregon Office of Economic Analysis



STATE AND LOCAL TRENDS

ECONOMIC INDICATORS

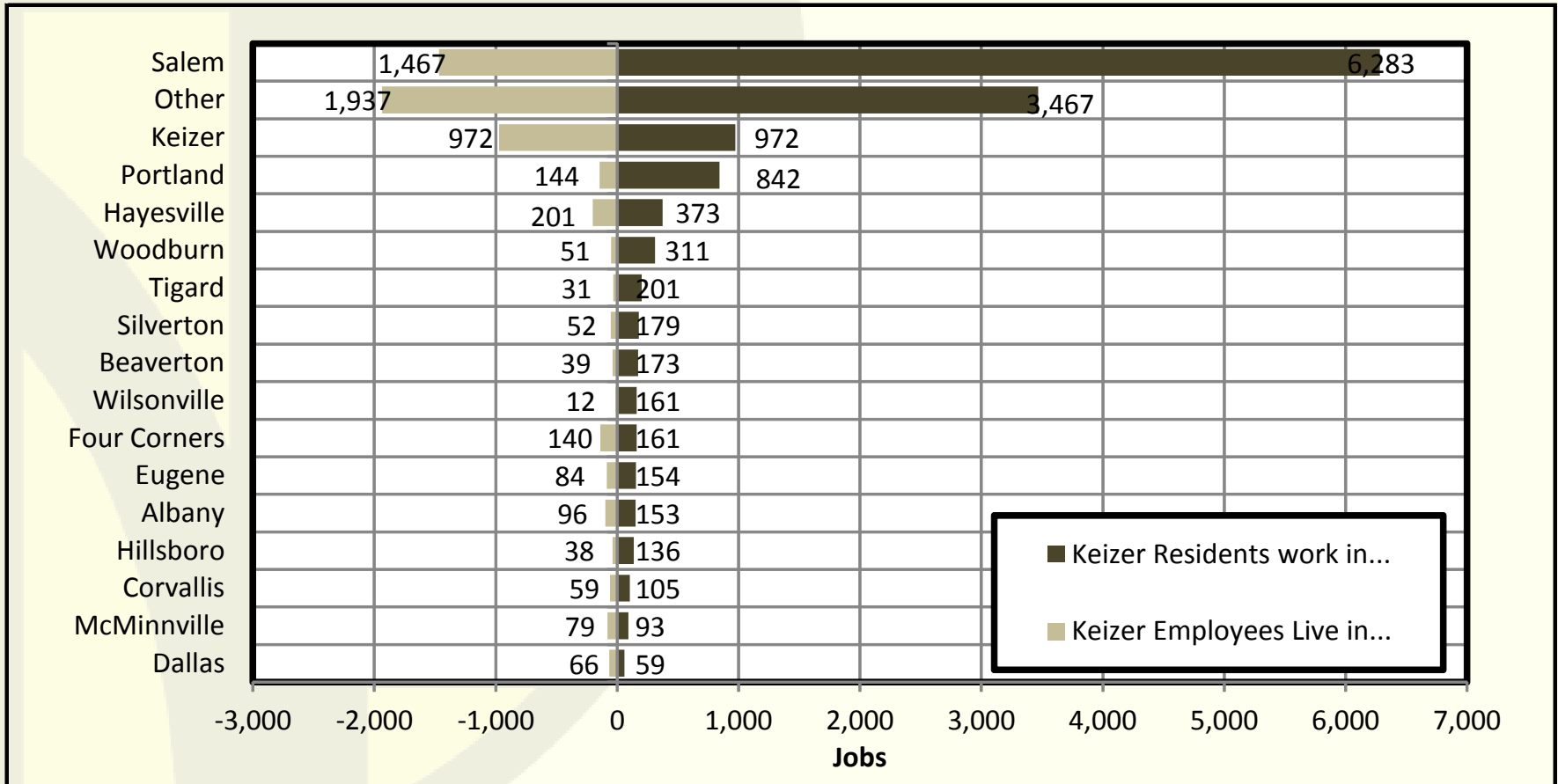
University of Oregon Index of Economic Indicators State of Oregon



STATE AND LOCAL TRENDS

COMMUTE PATTERNS

Commute Patterns of Keizer Residents and Keizer Employees by Location of Residence or Employment, City of Keizer (2010)



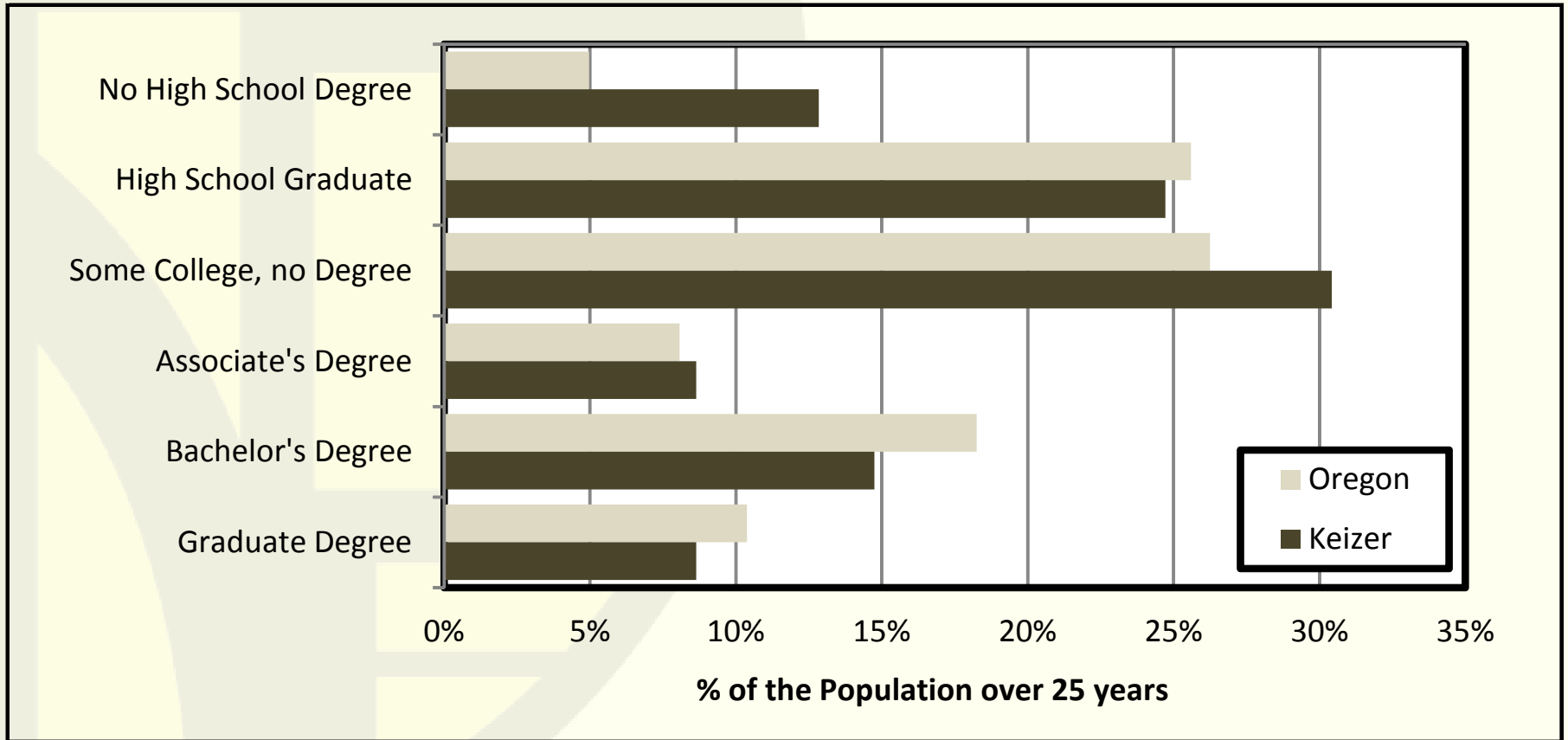
SOURCE: U.S. Census Bureau



STATE AND LOCAL TRENDS

EDUCATIONAL ATTAINMENT

Level of Educational Attainment of Keizer Residents,
State of Oregon and City of Keizer (2010)



SOURCE: U.S. Census Bureau, 2010

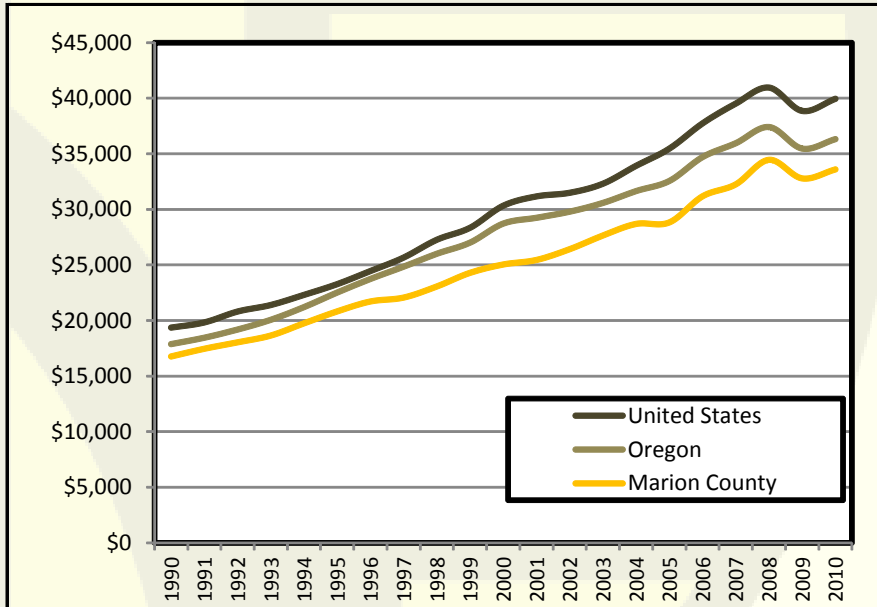


STATE AND LOCAL TRENDS

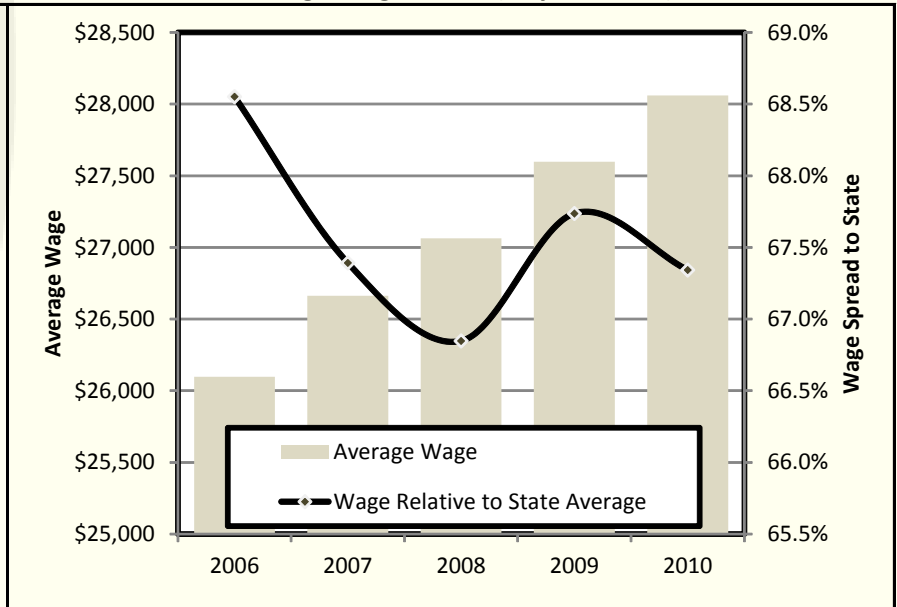
PERSONAL INCOME & WAGES

Personal Income and Wage Levels, State of Oregon and City of Keizer (2010)

Personal Income



Average Wage Levels (City of Keizer)



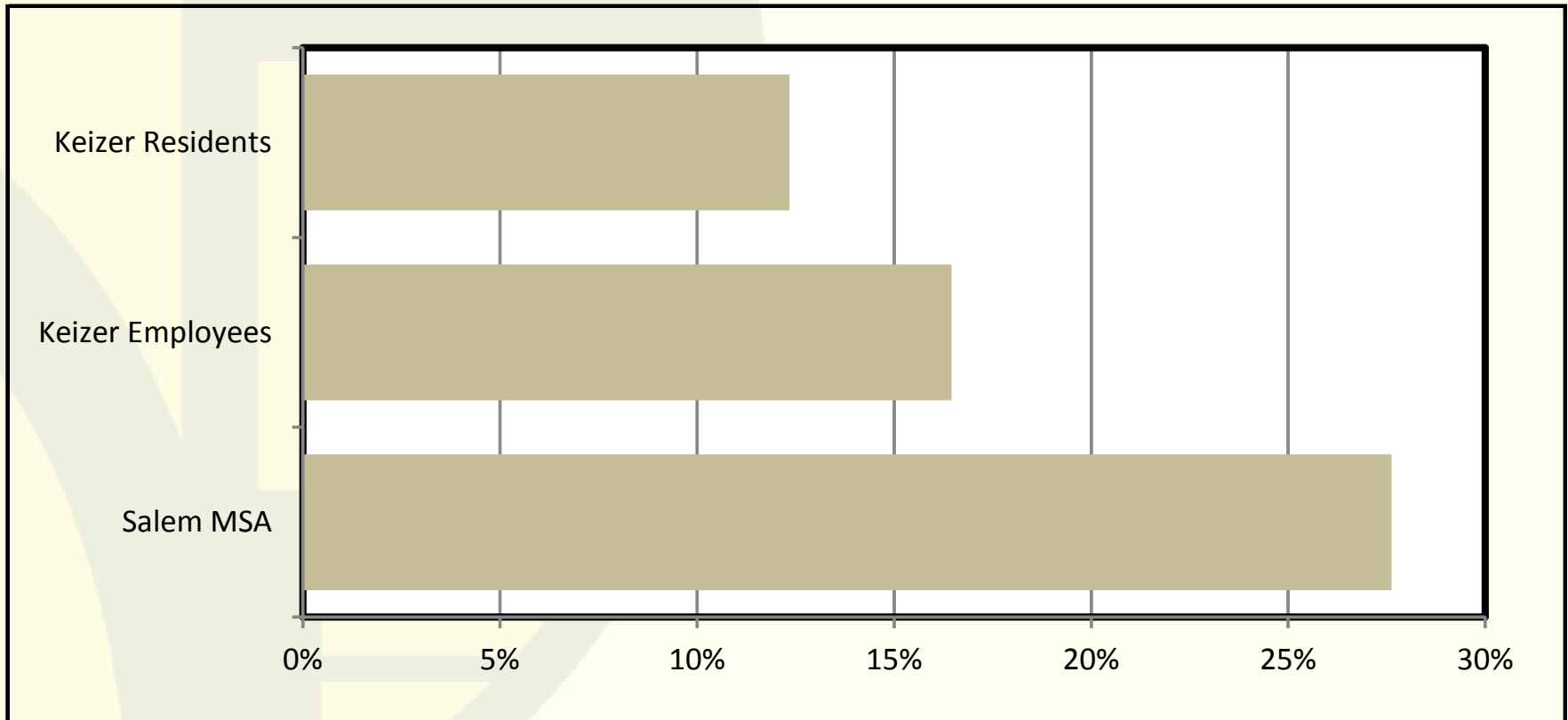
SOURCE: U.S. Bureau of Economic Analysis and the Oregon Employment Department



STATE AND LOCAL TRENDS

GOVERNMENT EMPLOYMENT

Share of Employment in the Government Sector,
Salem MSA and City of Keizer (2010)



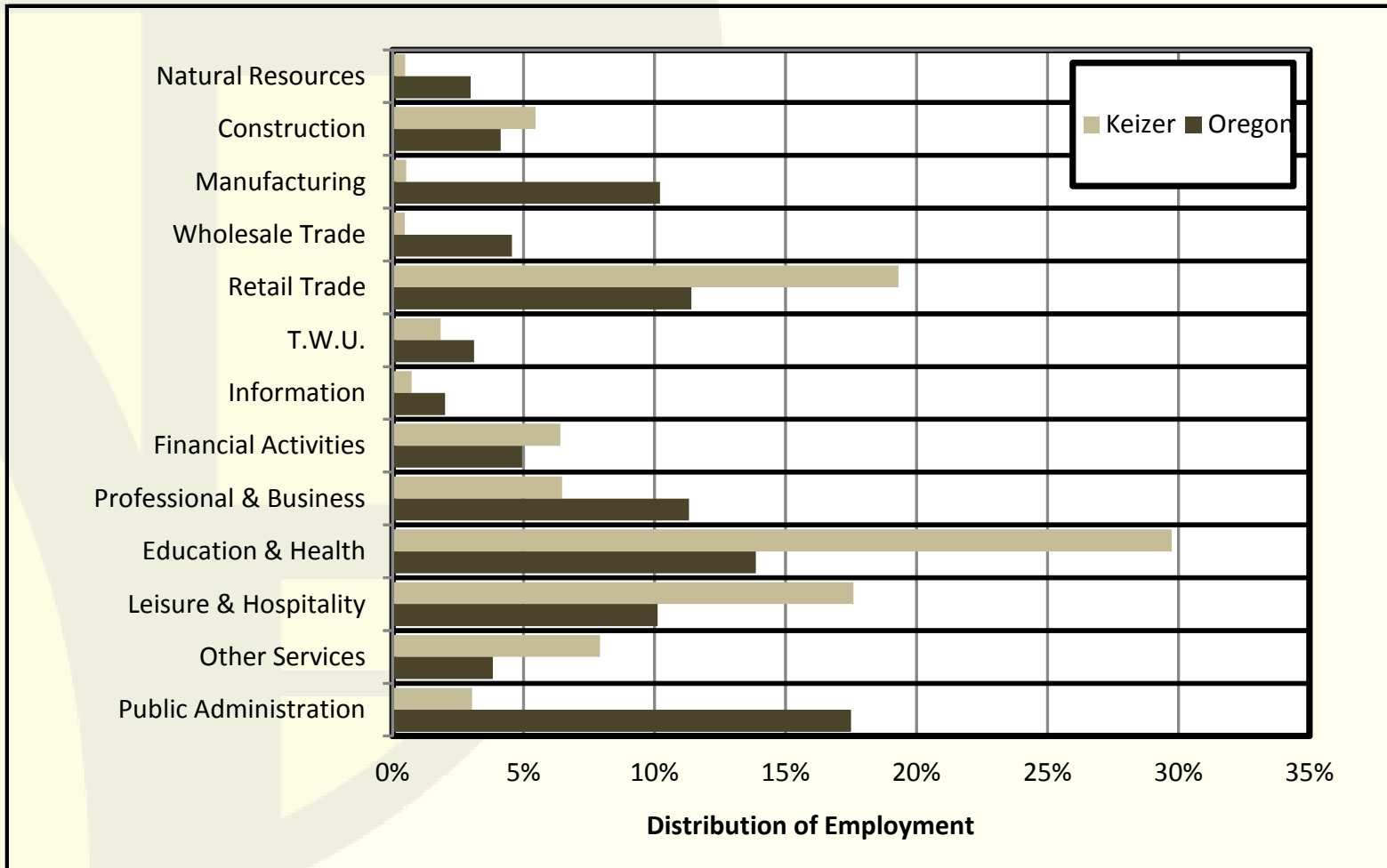
SOURCE: Oregon Employment Department



STATE AND LOCAL TRENDS

INDUSTRIAL COMPOSITION

**Distribution of Employment by Broad Industry,
State of Oregon and City of Keizer (2010)**



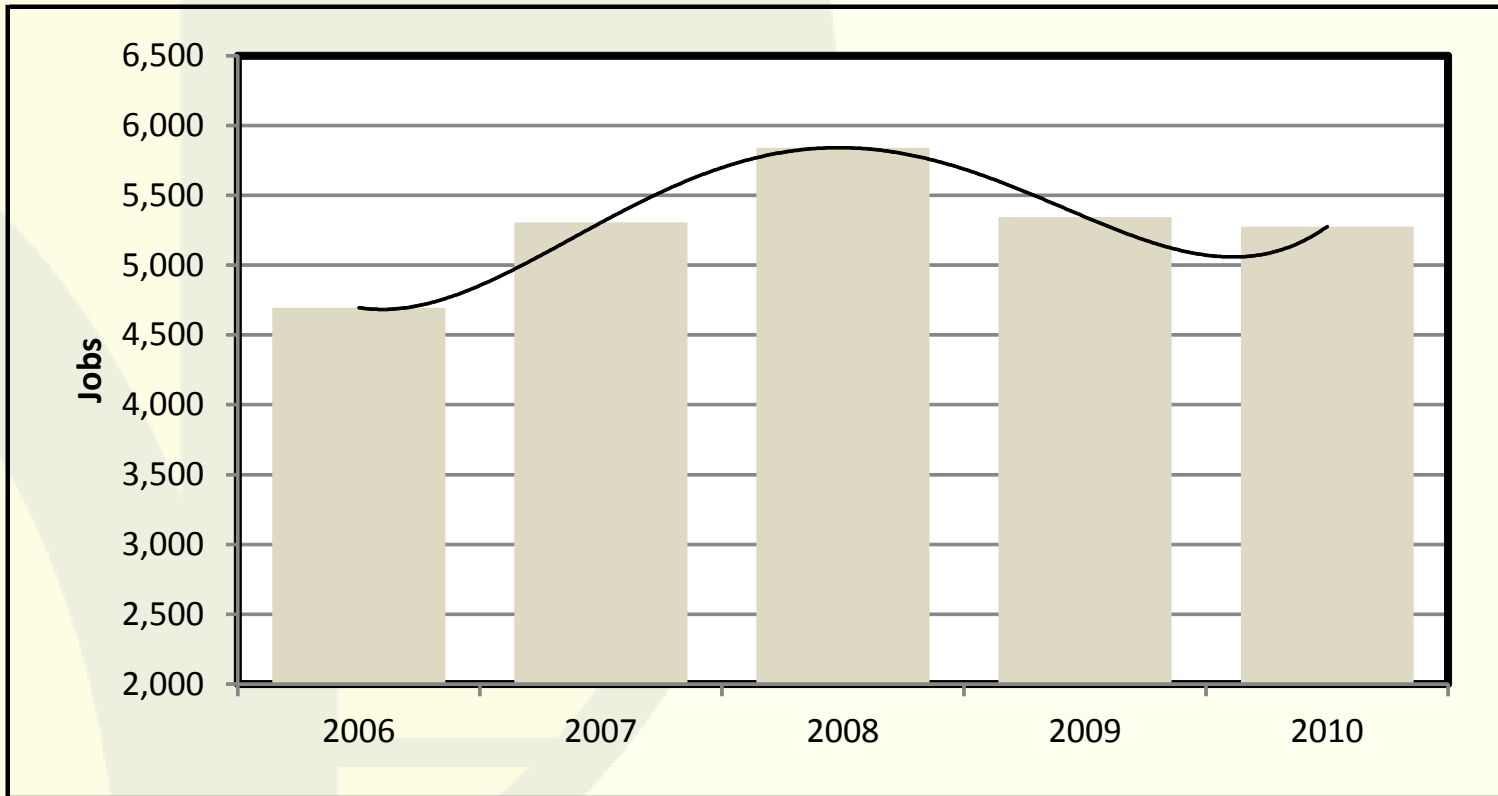
SOURCE: Oregon Employment Department



LOCAL EMPLOYMENT AND INDUSTRY

RECENT EMPLOYMENT TREND

Covered Employment Trend,
City of Keizer (2006-2010)



SOURCE: Oregon Employment Department



LOCAL EMPLOYMENT AND INDUSTRY

INDUSTRIAL SPECIALIZATION

Top Industries by Relative Specialization (Location Quotient), City of Keizer (2010)

NAICS	NAICS Description	Employment	L.Q.
814	Private Households	111	4.14
623	Nursing and Residential Care Facilities	531	4.01
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	183	3.28
451	Sporting Goods, Hobby, Book, and Music Stores	76	2.97
444	Building Material and Garden Equipment and Supplies Dealers	141	2.91
453	Miscellaneous Store Retailers	88	2.68
221	Utilities	90	2.62
713	Amusement, Gambling, and Recreation Industries	151	2.58
443	Electronics and Appliance Stores	53	2.47
531	Real Estate	135	2.30
445	Food and Beverage Stores	256	2.15
722	Food Services and Drinking Places	713	1.80
711	Performing Arts, Spectator Sports, and Related Industries	29	1.76
811	Repair and Maintenance	82	1.70
452	General Merchandise Stores	201	1.58
236	Construction of Buildings	81	1.55



TARGETED INDUSTRIES

Tier 1 Target Industries

Industry Clusters with regional aspiration, but little or no local representation.

- Renewable Energy Manufacturing.
- Food Processing.
- Metals and Machinery Manufacturing.

Tier 2 Target Industries

Industry Clusters with regional aspiration, with some local representation

- Information Technology/Back Office.
- Medical Office/Campus.
- Professional Services/Campus.
- Warehouse and Distribution.

Tier 3 Target Industries

Industry Clusters with a current concentration or competitive advantage

- Retail Trade.
- Leisure & Hospitality.
- Other Services.



TARGETED INDUSTRY PROFILES

TIER 1 INDUSTRIES

RENEWABLE ENERGY MANUFACTURING

Target Industry NAICS Categories:

- 221119 Other Electric Power Generation
- 325193 Ethyl Alcohol Manufacturing
- 325199 All Other Basic Organic Chemical Manufacturing
- 333414 Heating Equipment (except Warm Air Furnaces) Manufacturing
- 333511 Industrial Mold Manufacturing
- 3336 Engine, Turbine, and Power Transmission Equipment Manufacturing
- 334413 Semiconductor and Related Device Manufacturing
- 334516 Analytical Laboratory Instrument Manufacturing
- 334516 Analytical Laboratory Instrument Manufacturing
- 334519 Other Measuring and Controlling Device Manufacturing

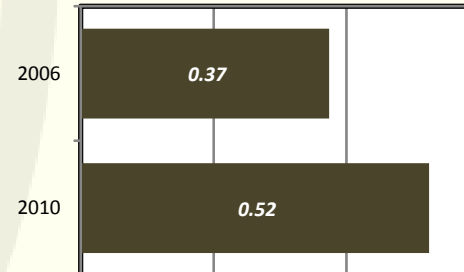
Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	262,040	0.247%
STATE OF OREGON:	1,705	0.129%

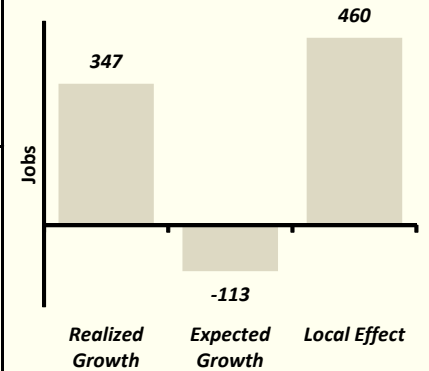
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-23,684	-8.3%
State of Oregon:	347	25.6%

State of Oregon Sector Specialization (Location Quotient)



2006-2010 Shift-Share Analysis (State)



National AAGR:	-2.1%
State AAGR:	5.9%
Local Affect AAGR:	7.6%



TARGETED INDUSTRY PROFILES

TIER 1 INDUSTRIES

FOOD PROCESSING

Target Industry NAICS Categories:

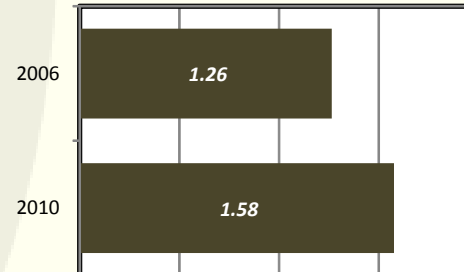
- 3112 Grain and Oilseed Milling
- 3114 Fruit and Vegetable Preserving and Specialty Food Manufacturing
- 3115 Dairy Product Manufacturing
- 3116 Animal Slaughtering and Processing
- 3117 Seafood Product Preparation and Packaging
- 3118 Bakeries and Tortilla Manufacturing
- 3119 Other Food Manufacturing
- 31211 Soft Drink and Ice Manufacturing
- 31212 Breweries
- 31213 Wineries
- 31214 Distilleries

		Employment in 2010	
	Jobs	Share of Economy	
UNITED STATES:	1,344,231	1.266%	
STATE OF OREGON:	26,307	1.996%	

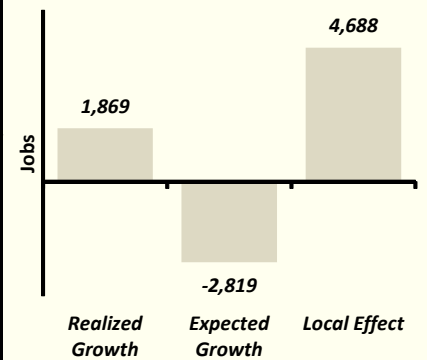
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-175,255	-11.5%
State of Oregon:	1,869	7.6%

State of Oregon Sector Specialization (Location Quotient)



2006-2010 Shift-Share Analysis (State)



National AAGR:	-3.0%
State AAGR:	1.9%
Local Affect AAGR:	4.5%



TARGETED INDUSTRY PROFILES

TIER 1 INDUSTRIES

METAL AND MACHINERY MANUFACTURING

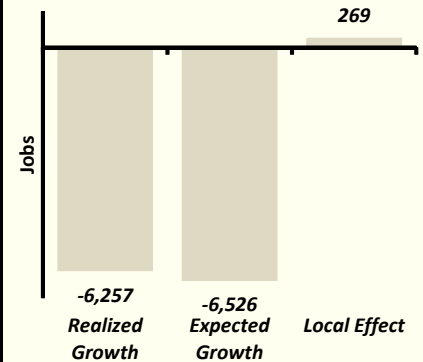
Target Industry NAICS Categories:

- 331 Primary Metal Manufacturing
- 332 Fabricated Metal Product Manufacturing
- 333 Machinery Manufacturing
- 334113 Computer Terminal Manufacturing

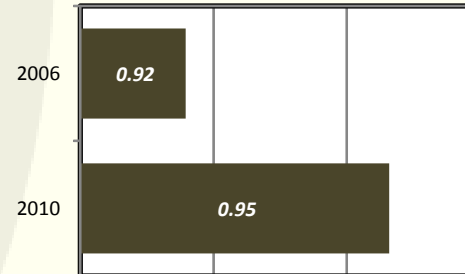
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-560,337	-17.5%
State of Oregon:	-6,257	-16.8%

2006-2010 Shift-Share Analysis (State)



State of Oregon Sector Specialization (Location Quotient)



Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	2,641,341	2.487%
STATE OF OREGON:	31,029	2.354%

National AAGR:	-4.7%
State AAGR:	-4.5%
Local Affect AAGR:	0.2%



TARGETED INDUSTRY PROFILES

TIER 2 INDUSTRIES

INFORMATION TECHNOLOGY/BACK OFFICE

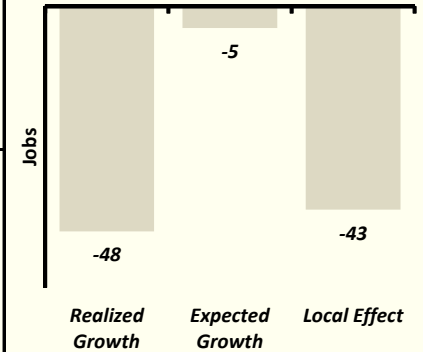
Target Industry NAICS Categories:

- 518 Data Processing, Hosting, and Related Services
- 5611 Office Administrative Services
- 5612 Facilities Support Services
- 5614 Business Support Services
- 5619 Other Support Services

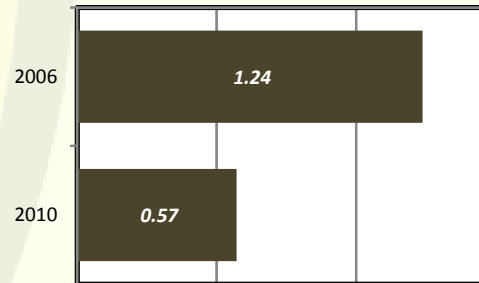
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-89,753	-4.6%
State of Oregon:	-1,904	-7.7%
City of Keizer:	-48	-47.5%

2006-2010 Shift-Share Analysis (Keizer)



City of Keizer Sector Specialization (Location Quotient)



Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	1,867,335	1.76%
STATE OF OREGON:	22,778	1.73%
CITY OF KEIZER:	53	1.00%

National AAGR:	-1.2%
Local AAGR:	-14.9%
Local Affect AAGR:	-13.1%



TARGETED INDUSTRY PROFILES

TIER 2 INDUSTRIES

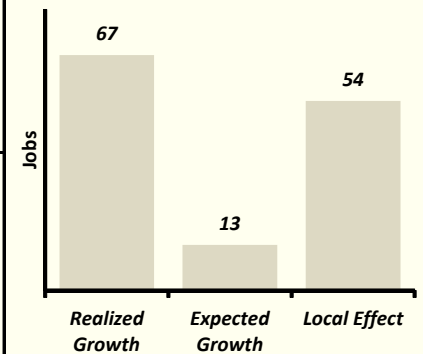
MEDICAL OFFICE/CAMPUS

Target Industry NAICS Categories:

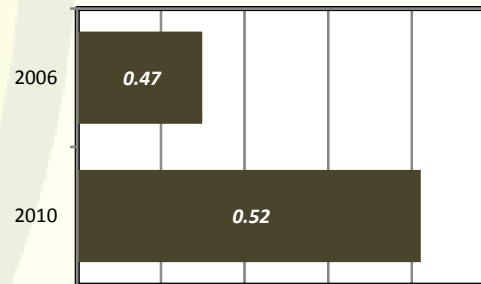
- 6211 Offices of Physicians
- 6213 Offices of Other Health Practitioners
- 6214 Outpatient Care Centers
- 6215 Medical and Diagnostic Laboratories
- 621999 All Other Miscellaneous Ambulatory Health Care Services
- 622 Hospitals

Sector Performance		
2006-2010 Job Growth	Jobs	%
United States:	665,362	8.5%
State of Oregon:	9,352	9.9%
City of Keizer:	67	43.8%

2006-2010 Shift-Share Analysis (Keizer)



City of Keizer Sector Specialization (Location Quotient)



Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	8,481,314	7.99%
STATE OF OREGON:	103,530	7.85%
CITY OF KEIZER:	220	4.17%

National AAGR:	2.1%
Local AAGR:	9.5%
Local Affect AAGR:	7.8%



TARGETED INDUSTRY PROFILES

TIER 2 INDUSTRIES

PROFESSIONAL SERVICES/CAMPUS

Target Industry NAICS Categories:

- 5411 Legal Services
- 5412 Accounting, Tax Preparation, Bookkeeping, and Payroll Services
- 5413 Architectural, Engineering, and Related Services
- 5414 Specialized Design Services
- 5415 Computer Systems Design and Related Services
- 5416 Management, Scientific, and Technical Consulting Services
- 5417 Scientific Research and Development Services
- 5418 Advertising, Public Relations, and Related Services
- 5419 Other Professional, Scientific, and Technical Services
- 5511 Management of Companies and Enterprises

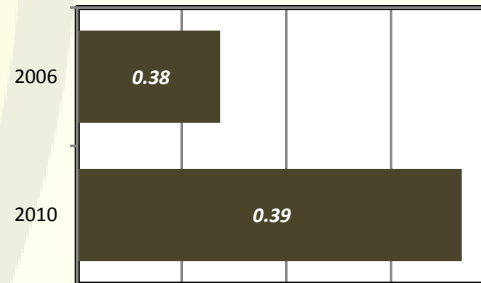
Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	9,312,691	8.77%
STATE OF OREGON:	100,251	7.60%
CITY OF KEIZER:	182	3.45%

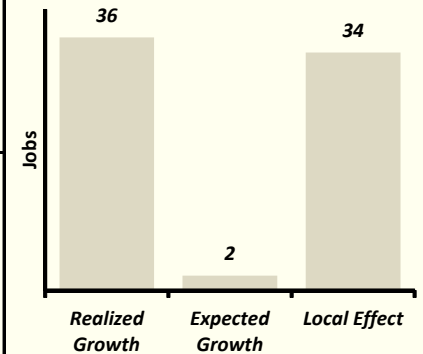
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	134,584	1.5%
State of Oregon:	2,927	3.0%
City of Keizer:	36	24.7%

City of Keizer Sector Specialization (Location Quotient)



2006-2010 Shift-Share Analysis (Keizer)



National AAGR:	0.4%
Local AAGR:	5.7%
Local Affect AAGR:	5.4%



TARGETED INDUSTRY PROFILES

TIER 2 INDUSTRIES

WAREHOUSING AND DISTRIBUTION

Target Industry NAICS Categories:

- Air Transportation
- Rail Transportation
- Water Transportation
- Truck Transportation
- Pipeline Transportation
- Support Activities for Transportation
- Couriers and Messengers
- Warehousing and Storage

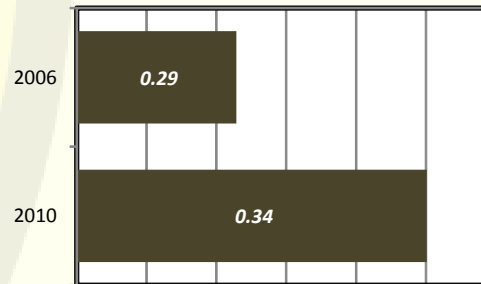
Employment in 2010

	Jobs	Share of Economy
UNITED STATES:	5,743,276	5.41%
STATE OF OREGON:	44,779	3.40%
CITY OF KEIZER:	97	1.84%

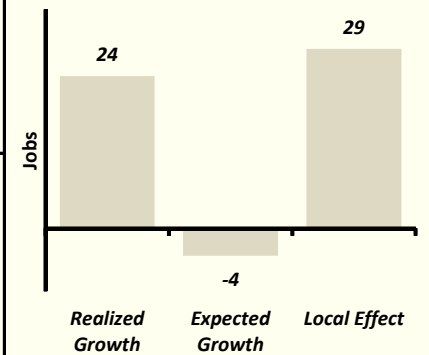
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-363,166	-5.9%
State of Oregon:	-5,923	-11.7%
City of Keizer:	24	33.5%

City of Keizer Sector Specialization (Location Quotient)



2006-2010 Shift-Share Analysis (Keizer)



National AAGR:	-1.5%
Local AAGR:	7.5%
Local Affect AAGR:	8.7%



TARGETED INDUSTRY PROFILES

TIER 3 INDUSTRIES

RETAIL TRADE

Target Industry NAICS Categories:

- 441 Motor Vehicle and Parts Dealers
- 442 Furniture and Home Furnishings Stores
- 443 Electronics and Appliance Stores
- 444 Building Material and Garden Equipment and Supplies Dealers
- 445 Food and Beverage Stores
- 446 Health and Personal Care Stores
- 447 Gasoline Stations
- 448 Clothing and Clothing Accessories Stores
- 451 Sporting Goods, Hobby, Book, and Music Stores
- 452 General Merchandise Stores
- 453 Miscellaneous Store Retailers

	Jobs
UNITED STATES:	14,549,251
STATE OF OREGON:	182,478
CITY OF KEIZER:	1,019

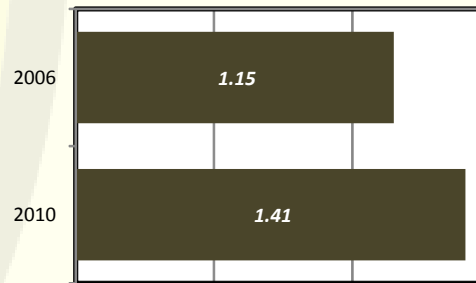
Employment in 2010

	Share of Economy
UNITED STATES:	13.70%
STATE OF OREGON:	13.84%
CITY OF KEIZER:	19.31%

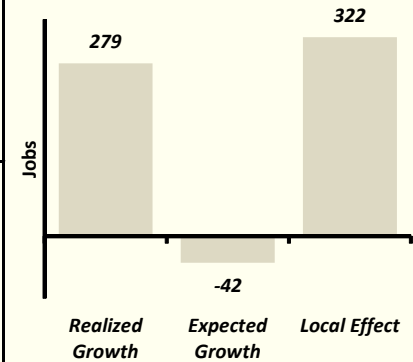
Sector Performance

2006-2010 Job Growth	Jobs	%
United States:	-885,859	-5.7%
State of Oregon:	-14,715	-7.5%
City of Keizer:	279	37.8%

City of Keizer Sector Specialization (Location Quotient)



2006-2010 Shift-Share Analysis (Keizer)



National AAGR:	-1.5%
Local AAGR:	8.3%
Local Affect AAGR:	9.4%



TARGETED INDUSTRY PROFILES

TIER 3 INDUSTRIES

LEISURE & HOSPITALITY

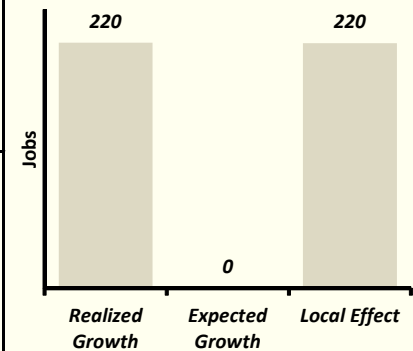
Target Industry NAICS Categories:

- 711 Performing Arts, Spectator Sports, and Related Industries
- 712 Museums, Historical Sites, and Similar Institutions
- 713 Amusement, Gambling, and Recreation Industries
- 721 Accommodation
- 722 Food Services and Drinking Places

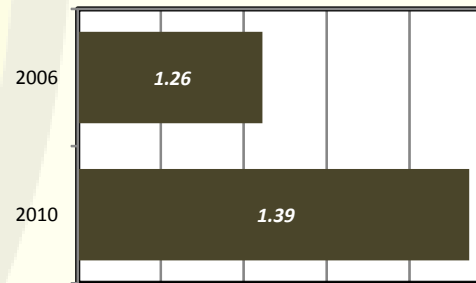
Sector Performance

<u>2006-2010 Job Growth</u>	<u>Jobs</u>	<u>%</u>
United States:	7,755	0.1%
State of Oregon:	-2,807	-1.7%
City of Keizer:	220	31.1%

2006-2010 Shift-Share Analysis (Keizer)



City of Keizer Sector Specialization (Location Quotient)



Employment in 2010

	<u>Jobs</u>	<u>Share of Economy</u>
UNITED STATES:	13,484,197	12.70%
STATE OF OREGON:	161,886	12.28%
CITY OF KEIZER:	928	17.60%

National AAGR:	0.0%
Local AAGR:	7.0%
Local Affect AAGR:	7.0%



TARGETED INDUSTRY PROFILES

TIER 3 INDUSTRIES

OTHER SERVICES

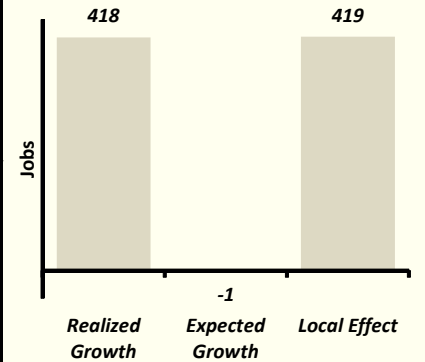
Target Industry NAICS Categories:

- 811 Repair and Maintenance
- 812 Personal and Laundry Services
- 813 Religious, Grantmaking, Civic, Professional, and Similar Organizations
- 814 Private Households

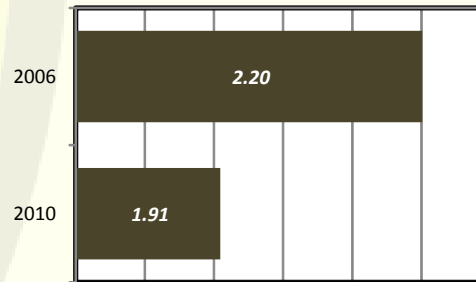
Sector Performance

<u>2006-2010 Job Growth</u>	<u>Jobs</u>	<u>%</u>
United States:	-14,178	-0.3%
State of Oregon:	-630	-1.0%
City of Keizer:	418	103.1%

2006-2010 Shift-Share Analysis (Keizer)



City of Keizer Sector Specialization (Location Quotient)



Employment in 2010

	<u>Jobs</u>	<u>Share of Economy</u>
UNITED STATES:	4,406,249	4.15%
STATE OF OREGON:	61,364	4.65%
CITY OF KEIZER:	418	7.92%

National AAGR:	-0.1%
Local AAGR:	0.8%
Local Affect AAGR:	19.4%



INFRASTRUCTURE NEEDS

INFRASTRUCTURE

Transportation

Auto/Truck

Interstate - Miles

Public Transportation

Rail

Marine

Airport - Regional Commercial

Max Distance, Miles

Airport - International

Max Distance, Miles

Water

Min. Domestic Line Size/Inches

Min. Fire Line Size/Inches

High Pressure Supply

Flow/GPD

Sanitary Sewer

Min. Size/Inches

Natural Gas/Preferred Min./Inches

Electricity

Min. Service Demand/kva

Proximity to Substation

Secondary System Dependency

Telecommunications

High Capacity

Route Diversity

Fiber Optics

- CLEAN TECH/ACTIVEWEAR
 - Local Functions Office Related
 - National/International Linkages
 - Telecommunications/Airport Links
- SOFTWARE
 - Telecommunications/Fiber
- ADVANCED MANUFACTURING
 - Water supply & price for wafers
 - Electrical capacity and quality
 - Competitive shipping routes



WORKFORCE NEEDS

WORKFORCE

Workforce/50 Mile Radius
Demographics
Educational Attainment
Migration Rates
Incomes
Commute Times
Labor Force Participation Rates
Unemployment Rate
Executive & Workforce Housing
Educational Resources
K-12 System
Four Year Institutions
Community Colleges
Vocational/Technical Centers
Wage Levels
Average Salaries by Occupation
Labor Management
Right to Work State
% of Workforce Organized

- LABOR FORCE
 - Skilled, specialized labor
 - Ability to attract migration
 - Commute time/commute shed
 - Labor pricing
- HOUSING
 - Executive
 - Workforce
- EDUCATIONAL RESOURCES
 - K-12
 - Vocational
 - Four Year Institutions



COST TO DO BUSINESS VARIABLES

TAXES

Structure
Rates

MARKET CONDITIONS

Land Availability
Site Sizes
Pricing
Space Availability
Vacancy Rates
Contiguous Spaces
Lease Rates
Length of Time for Approvals
Cost of Construction
Construction Sector
SDCs and Fees

- TAXES
 - Structure
 - Rates
- MARKET CONDITIONS
 - Land Availability
 - Space Availability
 - Pricing
- COST OF CONSTRUCTION
 - Length of time for approvals
 - Construction costs
 - SDCs and Fees



TARGET INDUSTRIES

Renewable Energy

- Manufacturers of renewable energy technology, such as solar or wind components.
- Production of energy from alternative fuels such as biomass.
- Research and development.

Food Processing

- Processing, packaging of local agriculture inputs.
- Organic and specialty food preparation.
- Breweries, wineries or distilleries.

TARGET INDUSTRIES (Cont.)

Metal & Machinery Manufacturing

- Advanced manufacturing of machinery and complex components
- Metal component fabrication

Information Technology/ Back Office

- Back-office admin functions for large businesses
- Information technology, call centers, processing, accounting & admin

TARGET INDUSTRIES (Cont.)

Medical Office/ Campus

- Hospital or clinic
- Clustered medical office, medical group
- Related such as long-term care, ambulatory services

Professional Services/ Campus

- Office park development for traditional users
- Legal, financial, high-tech, marketing, service providers, etc.

EMPLOYER SITE REQUIREMENTS

Target Industries	Min. Site Size	Interstate Proximity	Rail Access	Airport Proximity	Workforce w/i 50-Miles	High-Capacity Telecom
Renewable Energy Companies	25	15 miles	Not req.	100 miles	50,000	Required
Food Processing	10	30 miles	Preferred	300 miles	20,000	Preferred
Metal & Machinery Manufacturing	10	20 miles	Preferred	300 miles	30,000	Preferred
IT/ Back Office	5	N/A	Not req.	300 miles	25,000	Required
Medical Office/ Campus	25	20 miles	Not req.	300 miles	30,000	Required
Professional Services/ Campus	25	NA	Not req.	300 miles	25,000	Required
City of Keizer	1 - 7 acre	0 - 3 miles	West side	10 miles (SLE) 50 miles (PDX)	1 million +	Variable

Keizer Location Strengths

Strengths	Challenges
* Central regional location	* Small number of remaining sites
* Transportation access	* Few large parcels
* Proximity to State Govt	* Available parcels are scattered
* Family-centric, stable community	* Target industries not yet established
* Supportive of Econ. Development	
* Potential expansion land	