



Chapter 4. Economic Development Element

Introduction

Longview has an industrial foundation, has a reputation for heavy industry, and is a cost-competitive alternative to the increasingly costly and congested Portland-Vancouver and Seattle-Tacoma metropolitan areas. However, given the current market conditions and trends, it is becoming more evident that the City needs to diversify its economy to improve economic stability, opportunity, and prosperity as well as stimulate new jobs and investment.

During four public meetings held as part of visioning for the community's Comprehensive Plan Update (February 2005), community members provided input as part of the discussion of economic development goals. An economic development forum involving a diverse set of business and industry stakeholders was conducted in June 2005.

Many of the participants' comments focused on attracting job growth to Longview. Additional goals that they suggested included economic stability, attracting industrial

employers, increasing shopping options, supporting downtown revitalization, diversifying the economy, and developing quality multi-family housing options.

Longview's Economic Development Element is intended to provide background information on the local economy and strategies to strengthen economic conditions to help meet the community's vision:

- Longview in 2023 is a vibrant regional economic center. Support for traditional industries and health care services, a strengthened port, and flourishing new industries result from an environment that welcomes business. Tourism, improved productivity, and paperless business transactions through the use of applied technology reflect change and growth. A vital downtown that is safe, inviting, and historic complements the entire region.

Summary of Existing Conditions and Trends

An Existing Economic Conditions report was prepared by E.D. Hovee & Company in March 2005 to support the City of Longview's Comprehensive Plan update and its Economic Development Summit. This summary highlights the report's findings.

Regional Economic Context

Washington State officially emerged from the 2001 recession in 2003; in 2004 statewide job growth exceeded that of the nation (2.4 versus 1.6%). As of February 2005, the State continues to outperform the nation. Services (including retail, professional services and health care) have led job growth, and manufacturing has again increased as of early 2005, a welcome turnaround, although still 60,000+ jobs short of pre-recession levels. Manufacturing continued to lose jobs through the fall of 2004.

Local Employment

Most analysis for this economic development element was completed at the County level due to Longview's role as the County's population and employment hub and data and disclosure issues associated with obtaining information at subcounty geographies. In 2003, the County encompassed 39,500 jobs, a 5.6% growth rate since 1990. This is one-fifth the statewide job growth rate over this time period.

In 2003, 33% of the County's employment was within the industrial sectors, compared to 24% statewide. Manufacturing represented 18% of countywide employment, down from 24% in 1990 but still well above the statewide average (10%). More than 1,800 manufacturing jobs were lost from 1990 to 2003, primarily in wood/paper products and transportation equipment manufacturing.

The greatest job growth by far was within health care and social assistance, which experienced a net gain of close to 1,600 jobs. Other growth sectors adding 500 to 600 jobs each include retail trade, government, and "other services" (including household employment). Gains of 250 jobs or fewer were realized in a broad range of sectors—professional and scientific, accommodation and food service, transportation and warehousing, arts, and entertainment and recreation.

Wages

In 2003, the average wage countywide was \$34,500. In inflation-adjusted dollars, wages actually fell by close to \$3,000 between 1990 and 2003, largely influenced by the County's decline in both total manufacturing jobs and average manufacturing wage. As of 2004, the average covered wage in Cowlitz County was only 83% of the statewide average. In recent years, non-industrial service sectors have posted the largest wage gains, particularly the finance and insurance, private education, real estate, and information sectors. In 2004, the estimated median household income in Cowlitz County was \$42,241.

Largest Employers

Two of the region's largest five employers remain within the forest products sector: Longview Fibre and Weyerhaeuser. The remaining employers on the top five list are Peace Health and J.H. Kelly Contracting in Longview and Foster Farms in Kelso.

Taken together, the 22 largest employers account for 13,000 jobs, approximately one-third of the County's employment base. More than one-half of these employers are new to the top employers' list since 1993.

Unemployment

In 2004, Cowlitz County's unemployment rate was just above 8%, the fourth year of steady decline after an 11-year high of 11% in 2000. Within the last few years, the historic gap between the County and State's unemployment rates has narrowed. Unemployment fell during this period, despite the prominent industry closures of Longview Aluminum and Prudential Steel.

Commuting Trends

For Cowlitz County, 13% of the resident workforce works out of County. However, out-commuting has increased significantly in recent years. About one-third of workforce growth from 1990 to 2000 has occurred with residents working outside of the County and driving more than 40 minutes. For Longview, census data results are somewhat less clear. Approximately 44% of work force growth has occurred with employees commuting 40 minutes or more; however, the reported percentage of

Longview's workforce employed outside of the City has increased only minimally since 1990.

Tourism

Cowlitz County generated \$98.1 million in tourism-related revenue from nonresidents in 2003. On a per capita basis, Cowlitz County ranks 30th out of 39 counties in the State for travel spending, and has not kept pace with statewide visitor spending growth. Countywide, food and beverage services comprise the largest category of travel spending (28%), followed by retail purchases (19%) and arts, entertainment, and recreation (16%). Compared to the State average, the County reports a smaller portion of traveler spending associated with travelers staying in hotels or motels (31%) and a larger portion associated with travelers staying in campgrounds (15%) and with day travelers (31%).

Retail Market Review

Cowlitz County and the City of Longview currently function as retail hubs for a multi-county trade area. In 2003, retail sales volume in Longview exceeded resident after tax income (at a very high capture rate of 102%). At 61%, the Cowlitz County capture rate was also slightly above the State average (58%). The statewide average sales to income (or capture) ratio can be considered the maximum sales "capture" that a geographic area can achieve unless it markets and sells to residents outside of that geography (e.g., either as a regional hub or by attracting tourists).

The high capture rates of both Longview and Cowlitz County indicate a market area extending well beyond the County's borders. This analysis assumes a trade area equal to Wahkiakum and Pacific counties in Washington and Oregon's Columbia County. In reality, the trade area probably consists of portions of these counties together with southern Lewis and northern Cowlitz counties. The four-county geography reports a capture rate slightly below the state average, with sales leakage available to be captured whether in Longview or elsewhere throughout the trade area.

Generalized sales and buying power data indicate that if the four-county market area were to recapture all "leakage" (sales required to increase the market area's capture rate to the state average), Longview's maximum achievable share would be \$257 million in added sales, with the potential ability to support up to an additional 828,000 square feet of commercial retail space. Because some residents will continue to shop in larger metropolitan areas outside Cowlitz County, it is more likely that some portion (rather than all) of the existing sales leakage could be recaptured, even with an aggressive development and marketing program.

With population growth similar to past trends continuing through 2025 in the City of Longview, the combined recapture plus growth potential increases to \$511 million in added sales potential, or up to 1.6 million square feet of added commercial retail

space. Increasing total retail sales—at the City, County, or four county levels—likely requires marketing throughout the four- county region (or beyond) and continued investment in and development of high quality, competitive retail shopping options. Due to the significant scale of retail currently located within the City of Longview and Cowlitz County, near-term increase in retail supply could also cause some existing retailers to reposition for increased competition.

Recapture opportunities are greatest to the extent that Longview can be positioned to offer a metro scale level of retail store types and dining experiences, both in large planned centers and with an active downtown or urban street retailing.

Downtown

The Longview Downtowners were instrumental in the creation of a downtown plan, completed in 2001. The plan includes the following components:

- An analysis of underrepresented activities within the area’s economic structure, including home furnishings, antiques and home products, outdoor and outfitting, and white-collar employment associated with finance, insurance, and real estate sectors.
- A retail demand analysis that indicates opportunities for additional restaurants, specialty hardware, furniture, and home furnishings, antiques (if open daily with regular hours), and gift and novelty operations.
- A business survey, to find a need for an entrepreneurial development program, an effective revolving loan fund and an understanding of the need for expanded complementary activity downtown, including additional nonretail activity and an ombudsman who communicates with businesses.
- A parking analysis recommending that long-term parking permits and uses should be moved to parking lots with excess capacity, on-street parking on sections of Commerce Avenue should be limited to 2 hours, the zoning code should require buildings to provide parking when use changes or when vacant buildings become active, and parking should be regularly monitored.

The downtown plan also includes recommendations for downtown land use and design guidelines. Another plan recommendation implemented in spring 2002 was the creation of a City position to serve as a liaison to the downtown community. That position was created in spring 2002; the City’s current fleet manager now uses approximately one-quarter of his time to address City-related questions or issues (e.g., permit acquisition) that arise on the part of downtown business owners.

Strengths and Challenges

The Existing Economic Conditions memo prepared by E.D. Hovee & Company in March 2005 lists numerous regional investments and economic successes over the

past several years. Highlights include completion of the \$21 million Industrial Rail Corridor at the Port of Longview; redevelopment of Triangle Mall; completion of Mint Farm Industrial Park in 1998; initiation of a downtown seasonal farmers market in 2003, and the recently refurbished and expanded Cowlitz Regional Conference Center.

Longview's locational strengths, summarized by City management, include its proximity to I-5, water depth along the Columbia River, rail access, cost competitiveness with the Seattle-Tacoma and Portland-Vancouver metropolitan areas, and some of the largest vacant industrial sites on the West Coast.

Labor force strengths, as defined in the Cowlitz Region Workforce Report, include a workforce with greater than average experience in the warehouse and distribution sector, customer service, materials handling, general office skills, sales, and numerous facets of manufacturing including assembly, repair, management and machine operations.

Community strengths are described in the Cowlitz County Community Report Card and through public input. The report card identifies positive community trends such as improved housing affordability, an increase in post-high-school training, and a decrease in both reported child abuse and youth drug and alcohol related crimes. A number of additional community strengths were described in February and June 2005 by Comprehensive Plan update workshop participants, including Longview's small-town atmosphere, historic buildings, Lake Sacajawea, access to outdoor recreation and quality health care, and its low cost of living.

Economic development challenges are described by economic sector and reflect city management and community input:

- **Industrial.** Distance from major metropolitan areas such as Portland-Vancouver and Seattle-Tacoma and distance of prime industrial sites from I-5 (relative to other communities), relative lack of State incentives, recent timber company mergers, and Port property being outside of the City limits. Industrial firms (particularly warehouse-distribution) prefer sites directly on or with immediate access to an interstate freeway. The local street access system beyond I-5 and Tennant Way is viewed as confusing and creates substantial conflicts with non-industrial traffic.
- **Office.** College graduates not returning to Longview, perceived lack of community understanding of the value of higher education and professional sector jobs, and need for conversion of downtown space that may require property owner incentives.
- **Downtown.** Number of social services, nonretail uses in storefronts, low rents hindering property reinvestment, lack of gateways and straightforward access, and increased competition from big box retailers.

- **General economy.** Erosion of small businesses, limited economic diversification, lack of concern with neighborhood quality as a development tool, impact of crime, and lack of four-year college opportunities.

Community challenges are also listed within the Cowlitz County Report Card. Health indicators identified as needing further attention include the percent of residents who are overweight or obese (67% in 2003), a continued low representation of college graduates, and an increase in drug-related deaths.

Longview's Role in the Region

Current Economic Base and Potential Diversification

Longview has an industrial base and a reputation for heavy industry. However, as described above, Longview also functions as a retail hub for a multi-county trade area. The City has several options in terms of economic strategies to capitalize on Longview's strengths and reduce weaknesses where possible.

The City of Longview hosted an Economic Development Summit at the Lower Columbia College on June 15, 2005. About 50 people attended the forum, which was held to meet the following goals:

- Share information about existing economic conditions;
- Identify current and planned economic development activities and priorities of Longview community organizations;
- Respond to and provide feedback about a community-preferred economic development strategy;
- Provide input for the economic development element of the Comprehensive Plan; and
- Foster collaboration and cooperation among various regional and local entities engaged in economic development activities.

The Forum included consideration of the following four options for economic development in the City:

- Planning Option A – Industrial Focus
 - Longview continues as a center for maritime commerce and general/heavy industry
- Planning Option B – Regional Retail Hub
 - Build on established role as commercial center for southwest Washington and northwest Oregon, also targeting Portland/Seattle travel capture

- Planning Option C – Office Development
 - Strengthened role as a regional center for business, professional, health, and government services
- Planning Option D – Housing and Mixed Use
 - Residential with mixed use as a more important (though not traditional) economic strategy, attracting retirees and workers from nearby metropolitan areas

The options were presented for illustrative purposes and are not necessarily mutually exclusive. As proved to be the case in discussion by Forum participants, there may be opportunities to pursue a “hybrid strategy: by combining elements from two or more of the strategic options (Table 4-1).

Participants at the Economic Development Forum generally expressed agreement about the following:

- Overall agreement that a combination of Options A to D be pursued (hybrid approach);
- Identify appropriate locations for each use (Industrial, Regional Retail, Office Development, Housing and Mixed Use);
- Need for aesthetics: facade improvements, quality housing;
- Promote diversity: in housing, entertainment offerings, etc. to attract a variety of residents and employers;
- Seek diversified economy;
- Need for linkages between commercial areas; and
- Consider incentives to attract and keep businesses.

The hybrid economic development option has been considered both in this Economic Development Element as well as the Land Use Element and Future Land Use Map (FLUM).

Table 4-1. Comparison of Economic Development Options for Longview

Industrial Focus	Regional Retail Hub	Office Development	Housing and Mixed Use
<ul style="list-style-type: none"> Builds on a proven competitive strength of the Longview region—closest of the industrial ports to the mouth of the Columbia River and last major general/heavy industrial community along the I-5 corridor from the Canadian border to the southern end of the Willamette Valley. Could do more to generate renewed high-wage, family-wage job potential than any of the other strategies likely to be available over the next 10 to 20 years. 	<p>Advantages</p> <ul style="list-style-type: none"> Opportunity to further capitalize on Longview's established role as commercial hub serving non-urban population in SW Washington and NW Oregon. This regional market draw might be coupled with potential destination/tourism appeal for an expanded I-5 corridor region. Changing nature of retail and ability to serve an expanding population base, with additional large format retailers yet to establish a competitive presence in Cowlitz County. Due to property tax limitations (passed by Washington voters), sales tax associated with retail now represents the only major local government revenue source with substantial upside capacity over time. 	<ul style="list-style-type: none"> Longview's current role as a regional office center for private and public services The potential to focus a considerable portion of future office investment in the downtown area Long-term opportunity for substantially increased office employment as Cowlitz County transitions toward the economic profile of a full-service metropolitan area with a more complete array of office related business, non-profit, and public sector services. 	<ul style="list-style-type: none"> It has become the best tested, most sure-fire strategy for urban revitalization in larger urban centers, with the concept now being extended to smaller urban communities as diverse as Renton and Vancouver, WA and Salem, and Eugene, OR along the I-5 corridor. Residential development in a higher-density, urban format (with significant ownership opportunity as for condos and townhomes) takes advantage of the changing lifestyle preferences of downsizing "empty nesters" and serves to support nearby retail, recreational, and cultural activities. Expansion of the residential community outside of downtown with new or expanded housing products (both single and multi-family) may be important to attract younger families and professionals, better serving the needs of area employers.
<ul style="list-style-type: none"> Success of an industrial strategy is not assured, e.g., decline of manufacturing job base throughout Washington State, including Longview/Cowlitz County in recent years, and globalization. Columbia River ports are not currently competitive for commodities shifting to container traffic. River ports have a strong competitive position, primarily for lower-employment grain, auto, and increasingly limited break-bulk cargoes. High risk that substantial net new employment growth does not occur, leaving the region without a significant 	<p>Disadvantages</p> <ul style="list-style-type: none"> Potential market saturation unless Longview can be effectively positioned to capture more business from a larger multi-county trade area. Fragmentation of existing retail between multiple nodes/corridors in Longview (downtown/Triangle Mall, Ocean Beach Highway, other street corridors) and Kelso (primarily Three Rivers Mall). Absence of direct I-5 presence and demonstrated tourism appeal. Relatively low wage/part time nature of many retail positions. 	<ul style="list-style-type: none"> The potentially long time period before Cowlitz County has the population and diverse economic base to support a broader array of service sector functions requiring office space. Relatively low rents currently associated with Longview office space, absence of County governmental functions (with Kelso as County seat), and continued overabundance of vacant office space due to the recent recession in larger Puget Sound and Portland metropolitan markets. 	<ul style="list-style-type: none"> Lack of a readily apparent benefit (or nexus) between residential and economic (or employment) development. Uncertain public tax revenue implications, Public service costs associated with serving a substantial influx of new residents.

Industrial Focus	Regional Retail Hub	Office Development	Housing and Mixed Use
<ul style="list-style-type: none"> new source of economic activity. 	<ul style="list-style-type: none"> Lack of assurance that downtown Longview would necessarily benefit from a retail strategy, unless there is also focus on downtown as a distinctive destination for street-oriented specialty retail and/or retail to support an expanded downtown office and/or residential neighborhood. 		
Potential Actions			
<ul style="list-style-type: none"> Deepening the Columbia River Channel with expansion of Port of Longview maritime and upland industrial site capabilities. Development of multi-tenant and large user industrial/business park sites in closer proximity to I-5. Improved transportation linkages (highway and rail) with fewer use conflicts in accessing existing and planned industrial sites. Ability to offer extremely competitive industrial land prices with existing infrastructure combined with financing and/or workforce incentive programs. Gateway and other amenity enhancements, presenting a more contemporary and aesthetically attractive entry to Longview's major employment centers. 	<ul style="list-style-type: none"> Focusing new retail on specific high-value retail corridors or nodes offering sites consistent with current retail configuration and access requirements. Potential transition of older and/or lower valued strip commercial for nonretail redevelopment. Aesthetic enhancements for high-priority major retail centers and corridors, including streetscape, signage, and access improvements. Annexation of the entire Ocean Beach highway corridor for consistent land use, design, and transportation/access treatment of commercial and other corridor development. Expanded customer marketing, business recruitment, streetscape, parking and property owner/developer programs for a well-defined downtown retail core district. 	<ul style="list-style-type: none"> Active recruitment of major new office employers to Longview, possibly including back office data and customer service functions for financial service institutions, call centers, educational facilities, and possibly regional headquarters of major industrial companies. Encouraging expansion and upgrade of existing private and public sector employers to better quality downtown area office space, which would support major renovation and new construction. Assembly of sites necessary to accommodate and attract large build-to-suit employers, including supportive public-private arrangements for on- and off-site infrastructure improvements, parking, and/or financing incentives (as occurred with rehabilitation of the Columbia Mercantile building). 	<ul style="list-style-type: none"> Encouraging substantial new housing development, especially for mid- and upper-income residents in or near downtown Longview. Potential use of tax benefits (e.g. a 10-year property tax deferral) for new housing development in downtown or other priority areas of the City. Focusing new housing development around or near major public open space amenities, including trail systems. Considering residential development in other areas of the community with high amenity and view capability, possibly including areas in proximity to or with views of the Columbia River. Encouraging mixed-use development with retail, supporting services and employment either on-site or in close proximity to residential uses.

Source: E.D. Hovee & Company, Existing Economic Conditions, March 21, 2005

Partnerships and Regional Coordination

The following agencies are resources to Longview's government and the community in its economic development efforts. Each is described briefly.

- **Port of Longview.** The Port of Longview is the first full-service operating port on the Columbia River, at River Mile 66. It includes a 150-acre marine terminal complex, a 300-acre industrial park, and eight marine terminals that handle and store dry bulks, breakbulks, forest products, containers, steel, and heavy-lift project cargo. Commodities handled include steel, lumber, logs, pulp, paper, and project. In January 2004, the Port completed a \$21 million Industrial Rail Corridor, its most significant infrastructure development in decades. It provides direct access for trains, between the Burlington Northern/Santa Fe (BNSF) and Union Pacific main-line railroads and Port property. The rail corridor increases operational efficiency and enables rail car storage.
- **Cowlitz County Economic Development Council (CEDC).** CEDC supports regional economic development with the long-term goal of a sustainable economy. CEDC's web site states, "Sustainability is often defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Economic Development is not the end, but rather the means to an end, which is ultimately a higher quality of life for Cowlitz County" (www.cowlitzedc.com). CEDC is currently focused on several key project priorities:

 - assisting in the development of shovel-ready, fully serviced industrial sites and transportation infrastructure;
 - implementing outreach marketing;
 - identifying industrial sectors that compliment the array of business and industry currently located in Cowlitz County; and
 - working with local businesses to resolve specific issues affecting their company.
- **Kelso-Longview Chamber of Commerce.** The Chamber of Commerce represents the Kelso-Longview business community, and works in conjunction with CEDC to support economic development. It sponsors several standing committees: legislative, education, business development, and ambassador (host functions and network events). In addition to its standing committees, the Chamber hosts numerous regular events, such as Community Christmas Lights, the Annual Golf Classic, and multiple networking opportunities, and runs topic-specific taskforces and advisory groups. The Chamber also sponsors the Lower Columbia Leadership Academy, a 9-month program geared toward encouraging active community involvement on the part of area residents. The program involves one daylong seminar per month.

- **Cowlitz-Wahkiakum Council of Governments.** The Council of Governments (COG) coordinates and supports the work of governments within its two-county jurisdiction. The COG serves as a regional data and GIS center. It provides housing/community development coordination, regional parks and recreational plan, regional trails planning, comprehensive economic development strategies planning, and transportation planning. Other COG programs include the Cowlitz-Wahkiakum Youth Commission and substance abuse prevention community mobilization program, and Cowlitz Drug-Free Communities support program. The COG assisted with the Longview Comprehensive Plan Update, particularly housing and transportation.
- **Longview Downtowners.** The Longview Downtowners is a nonprofit organization with a mission to promote, preserve, and enhance the downtown commerce district of Longview and to provide a desirable public market place that is safe, interesting, and welcoming to all. Primary areas of focus involve provision and/or advocating for street beautification projects, economic development, community events, and pedestrian safety. The Downtowners recently worked with the City to complete a 5-year tree project, improving downtown retail visibility and perceived safety. The project maintained, removed, and replaced downtown trees. The group has also worked with City staff to compete for Community Development Block Grant (CDBG) funds to replace aged downtown lighting with more pedestrian-oriented fixtures that exhibit historic design. It continues to coordinate the volunteer planting and maintenance of downtown flower sidewalk gardens. The group was also instrumental in the establishment of a downtown farmers market in 2003 and continues to coordinate logistics such as traffic and parking for market shoppers. The market is held weekly between May and September.
- **Pathways 2020.** Pathways 2020 is a nonprofit organization managed through CEDC, with key support provided by Kaiser Permanente, PeaceHealth, and the Cowlitz County Health Department. Its goal is to “Promote and improve the health and well being of Cowlitz County by fostering community partnerships that provide the fabric and support each person needs to be a healthy and contributing member of the community.” The organization evolved from a 1997 Cowlitz County Health Department report *Project 2020: The Health of Cowlitz County*, which incorporated more than a year of research into health indicators, focus groups, and local agency input. The report had an immediate impact on agencies and policy makers regarding the health of families and the local economy. In 2004, Pathways 2020 produced its fourth *Cowlitz County Community Report*. The agency has evolved to take on new responsibilities for substance abuse and gang reduction in Cowlitz County. Contracts with the Longview Police Department have the organization mobilizing resources in the Highland Community for the Drug Free Communities Project and throughout the County to reduce gang involvement. Additional ongoing projects include

increasing access to prenatal care, reducing tobacco use, designing a Countywide domestic violence law enforcement unit, supporting after school programs for children and teens, developing training for the future workforce, and promoting substance abuse prevention.

- Lower Columbia College (LCC).** LCC was founded in 1934, and as of fall 2001 it served 2,365 full-time and 1,937 part-time students. The campus consists of 25 buildings on 35 acres at the heart of Longview and includes a modern library, computing and tutoring centers, fitness center, art gallery, and bookstore. The college offers college degrees and certificates in more than 70 fields. In addition to 2-year degrees, LCC cooperates with other colleges to offer 2+2 bachelor's degrees in Elementary Education, Business, Social Sciences, and Human Development, and is planning to expand these options. Additional educational services offered include noncredit Community Education courses and Senior Studies classes; high school completion; adult basic education, and English as a Second Language. Its Business and Industry Center offers vocational training programs ranging from Truck Driver Training to Small Business Accounting. About 28% of LCC students are working on transfer degrees, earning the first 2 years of a 4-year degree. Another 44% are in workforce training programs, and the remainder are taking general interest classes or working on basic skills.

Mix of Development

Potential Development Opportunities

Approximately 2,200 acres of vacant land lie within the city of Longview as of 2005: 44% of the vacant land in the city is zoned industrial; 18% is zoned residential; 6% is commercially zoned; and 2% is zoned public/quasi public. Vacant industrial areas, lands around exiting commercial nodes, areas near St John Medical Center, Cowlitz and Columbia river waterfronts, and lands in transition from rural to suburban and urban residences present potential development opportunities for economic growth.

Industrial

The Future Land Use Plan continues to promote heavy and light industrial uses, principally along the Columbia and Cowlitz rivers and lands fronting Industrial Way. To address the large amount of vacant industrial lands and the changing economic base, some lands are reclassified for "mixed-use commercial/industrial," "mixed-use office/commercial," or "mixed-use residential/commercial." Nevertheless, more than one-third of the Longview Planning Area acreage will retain a heavy or light industrial classification, leaving ample opportunity for this important component of Longview's economy.

Retail

One part of the hybrid economic development strategy is to consider added regional retail as well as industrial, office, and other uses. This approach, together with the limited amount of vacant commercial land in the City, means that the Comprehensive Plan needs to identify new appropriate locations for commercial development. This section reviews existing retail capture and likely needed acres of commercial land.

As described earlier in this Chapter, based on Longview's retail sales capture and future population growth, the City could expect a need for 838,000 to over 1 million square feet of commercial development, including grocery, dining, general merchandise (including big box), furniture/electronics, motor vehicles and parts, building materials, specialty retail, and apparel. This translates into a need for approximately 100 acres of commercial property. Based on more detailed breakdowns provided in the March 2005 Existing Economic Conditions Report by E.D. Hovee & Company, the City could assume development of one or more additional community-level shopping centers (e.g., grocery/pharmacy) and one additional "big box" retail (general merchandise), as well as additional restaurant, automotive, specialty, and other retail stores.

Sizing sites for commercial development should consider at least two different locations for community level and regional level retail opportunities. Additionally, parcel sizes should be considered in relation to the "format" of commercial use. Usually, community-oriented centers are about 12 to 15 acres in size, while "big box" centers are usually a minimum of 20 acres, and "power centers," or groupings of "big box" retailers, are often 50 acres. Locations for some uses may require consolidation of lots. Sites for businesses such as restaurants, automotive, or specialty would require smaller site sizes. To ensure efficient use of older, developed areas closer to the center of the community, plans and regulations should provide incentives to redevelop.

The Future Land Use Plan factors in enlarged retail nodes along Ocean Beach Highway and near the confluence of the Columbia and Cowlitz rivers. The Future Land Use Plan also recognizes the compatibility of commercial and light industrial uses in "mixed use commercial/industrial" areas. To study the potential availability of land for commercial uses, an analysis of vacant and underdeveloped¹ acres was conducted for key potential commercial nodes in December 2005². It appears that the "nodes" identified for Community Commercial and Regional Commercial will provide enough total acreage to meet the need for 100 acres of commercial land with

¹ Land value exceeds improvement value.

² Jones & Stokes, December 1, 2005, Preliminary Parcel Specific Map – Analysis and Further Revisions

a more than adequate “market factor”³: approximately 65 acres of vacant and underdeveloped land proposed for Community Commercial and Regional Commercial Uses and over 325 acres of mixed commercial/industrial; in addition there are Mixed Use Commercial/Office areas. It should be recognized that even if lands are not identified as “underdeveloped,” market conditions may encourage such redevelopment as shown by the Lowes’ example. Each node contains a variety of parcel sizes.

Office Development

Office development is currently promoted in Downtown Longview on upper floors of existing buildings. The Plan continues to promote Downtown as a center for smaller professional offices. To capitalize on other Longview strengths, lands near St John Medical Center are identified for “mixed use office/commercial” and may attract medical-related businesses. Offices are also promoted at the confluence of the Cowlitz and Columbia rivers to capture an opportunity for waterfront views. In effect, the Future Land Use Plan can respond to the diverse interests of different office users, including opportunities both for downtown area multi-level office space and interests for more low-rise campus oriented office developments.

Housing and Mixed Uses

Opportunities for housing and mixed uses are found throughout the Longview community.

Mixed uses continue to be promoted in Downtown Longview. In addition, the Future Land Use Plan proposes “mixed use commercial/residential” in the Barlow Point area to promote a village development.

Housing choices in low-, medium-, and high-density formats are provided surrounding Downtown, along the Cowlitz River, and north and south of Ocean Beach Highway. A new Future Land Use Map category, Traditional Neighborhood Development, encourages small lot single-family residences, cottages, and townhouses, and is intended to provide the types of housing that are conducive to affordable home ownership.

Longview Gateways and Corridors

During the public open houses and Economic Development Forum, participants expressed a desire for aesthetic improvements in the community that achieve the following goals:

³ A typical market factor for commercial lands would be 25% – i.e., have at least that percentage above the minimum number of commercial acres needed since not all property owners would want to develop over the planning period.

- create a welcoming environment for visitors to Longview;
- increase the amount of landscaping and greenery in the City;
- provide key gateways, signage, and enhanced entrances into Longview; and
- celebrate the rich history and background of Longview.

Potential topics and actions related to aesthetics could include the following:

- Develop and implement streetscape standards for public improvements and private development. A Boulevard Plan could be developed that provides standards for major transportation corridors through the City to ensure attractively landscape corridors, and a citywide wayfinding system could be implemented that ensures appropriate unified signage to direct residents and visitors and promotes the City's attractions.
- Encourage the installation of trees and landscaping along streets and on private properties. Within the City's general commercial and industrial areas, there is a lack of street trees and landscaping. The City should build upon its urban forestry program to encourage the planting of trees on public and private property along the City's major commercial and industrial corridors. The older neighborhoods in Longview such as the Old Westside, Downtown, and the Highlands have established tree-lined streetscapes. In addition, street trees are required for new residential subdivisions.
- Consider revisions to the City's landscaping standards to address street trees and street frontage landscaping requirements.
- Consider developing a sign code to regulate the size and placement of commercial signage.
- Identify key gateway locations and focus on the major entryways to the City at Ocean Beach Highway, Oregon Way, and SR 411. These and other intersections can then be prioritized for future investments.
- Provide City signage that directs vehicular movement and pedestrians to key destinations and community resources in Longview.

Economic Development Goals, Objectives, and Policies

This Economic Development Element describes a set of goals, objectives, and policies that affect not only land use but other marketing, investment, and employment activities of public agency, non-profit, and private participants in the Longview community. Successful implementation of the economic development element will require careful coordination between the land use and regulatory process

of the Comprehensive Plan with other economic development activities extending beyond the typical purview of a planning document.

Actions that “cut across” the topic-specific components of this economic development element can be summarized to include establishing benchmarks, monitoring, capital budgeting, and marketing and branding.

Economic Diversification

Goal ED-A To achieve a diversified, balanced economy to ensure sustained economic growth and employment opportunities.

Objective ED-A.1. Biennially monitor the City’s strengths and weaknesses for various economic sectors and promote industrial, commercial, office, and mixed uses that capitalize on Longview’s strengths. Measure progress by new jobs created within key economic sectors and new employers located in Longview. Benchmarks and monitoring should involve the following

- Establish a well-defined set of economic development benchmarks that can be readily monitored through the biennial monitoring process. These benchmarks could include such items as employment and wage change by sector, workforce development training needs and results, retail sales and tourism expenditures, and absorption versus remaining inventory of industrial, commercial, and mixed use designated lands.
- Biennially convene a forum involving key business, industry and public/non-profit stakeholders to review monitoring report results and to identify emerging issues and opportunities for economic development. Include means for soliciting input from the interested public in addition to key stakeholders.

Policy ED-A.1.1 Adopt land use plans and zoning classifications that are supportive of responsible economic development, accommodating a range of industrial, commercial and mixed-use opportunities responsive to market demand. Provide a process for land use revisions on a periodic basis if needed to assure an adequate supply of ready-to-build sites across all employment land designations.

Policy ED-A.1.2 Recognize much job growth can come from expansion and redevelopment of existing industry and business in the Longview

Planning Area. Support existing businesses with incentives and programs such as permitting/regulatory assistance, low interest loans, bond programs, work force training, tax credits, etc. Work with partner economic development agencies to implement incentives and programs.

Policy ED-A.1.3 Support, the expeditious processing of applications, permits, and licenses necessary to allow new industry, commerce, office, and mixed uses to locate inside the city limits and to facilitate existing business/industry expansion. Maintain up to date information on local requirements relating to zoning, infrastructure, environmental protection, and other requirements.

Policy ED-A.1.4 Work with the Longview School District and Lower Columbia College to foster a well-trained and educated workforce (e.g., attracting four-year college programs to Longview).

Objective ED-A.2. Establish a public capital improvement budget (or suballocation) within the existing Capital Improvement Plan (CIP) for economic development, including a means for prioritizing projects based on Comprehensive Plan consistency and ability to respond to new opportunities that will make a difference for community economic vitality. This public capital improvement budget could be prepared at the time of the biennial City budget.

Policy ED-A.2.1 Plan for adequate public facilities to attract and support sustained economic growth. Fund construction and maintenance of facilities through a combination of federal, State, and local grants, funds, and system charges as well as through mitigation fees, development extensions, and other sources.

Objective ED-A.3. Develop a marketing and branding program by 2011 in conjunction with economic development partners

- Identify and coordinate activities of organizations involved in economic development marketing, extending from the industrial recruitment and expansion focus of CEDC to also encompass opportunities for tourism, retail, office, and mixed use related business and development marketing.
- Establish a program to “brand” Longview in a manner that can encompass the industrial/port, gateway and planned city heritage attributes of the community to prospective visitors, residents and businesses.

- Identify and promote tourism opportunities within the City as a means to support Longview's commercial sector.

Policy ED-A.3.1 Continue to play an active role and to support local and regional economic development programs, planning, and activities with partner agencies including the Port of Longview, Cowlitz County Economic Development Council, Kelso-Longview Chamber of Commerce, Cowlitz-Wahkiakum Council of Governments, Pathways 2020, Longview Downtowners, Lower Columbia College, Southwest Washington Workforce Development Council, and similar organizations.

Objective ED-A.4. Continue to aggressively market City-owned property in industrial areas, such as the Mint Farm, in collaboration with major businesses and economic development partners. Revise actions and strategies through the City Council goal setting and budgeting process. The City could include the creation of a formula that would reward a capital-intensive business or industry that brings in new jobs and tax base to the City of Longview.

Policy ED-A.4.1 Strive to preserve existing industrial land that is viable and attractive to new and existing industry.

Policy ED-A.4.2 Aggressively seek annexation and development of underutilized industrial property contiguous to the city.

Policy ED-A.4.3 Cooperate with regional economic development partners in obtaining low cost expansion loans or federal or State grants for industry.

Policy ED-A.4.4 Ensure City Transportation Plans promote improved transportation linkages (highway and rail) with fewer use conflicts in accessing existing and planned industrial sites.

Policy ED-A.4.5 Support the deepening of the Columbia River Channel, together with expansion of Port of Longview maritime and upland industrial site capabilities.

Objective ED-A.5. By December 2007, update City zoning regulations for Downtown, Regional, Commercial, and Neighborhood Commercial districts. Consider implementation of flexible land management techniques such as form-based zoning. Commercial locations, development standards, and permitted uses should reflect the intended intensity of the business districts

and ensure each district contributes to City goals for an attractive, flexible, and economically vibrant commercial base.

- Policy ED-A.5.1 Continually strive to make existing retail/service districts viable and attractive to new and existing business. Encourage business district associations and marketing together with property and streetscape maintenance/enhancement programs.
- Policy ED-A.5.2 Focus new retail opportunities around currently established nodes along 15th Avenue and Ocean Beach Highway, as well as at selected locations along SR-432 and Industrial Way, offering sites consistent with current retail configuration and access requirements.
- Policy ED-A.5.3 Encourage the consolidation of commercial land to achieve development that is functional, attractive, and offers community amenities.
- Policy ED-A.5.4 Promote annexation of the entire Ocean Beach highway corridor for consistent land use, design and transportation/access treatment of commercial and other corridor development.
- Objective ED-A.6.** Create incentives to encourage a mix of both downtown multi-level and campus low-rise office and business park development through zoning and marketing. By December 2007, revise the Zoning Code to match the Future Land Use Plan office related districts. Monitor office demand and development needs as part of the biennial monitoring process.
- Policy ED-A.6.1 Encourage expansion and upgrade of existing private and public sector employers to higher quality downtown area and campus-oriented office space, supportive of major renovation and new construction. Encourage the attraction of major office employers with high wage potential as part of the community's overall economic development efforts.
- Policy ED-A.6.2 Apply mixed office and commercial zoning near St John Medical Center and the confluence of the Columbia and Cowlitz rivers to accommodate higher quality, campus-oriented medical and professional office space.
- Policy ED-A.6.3 Actively recruit major new office employers to Longview, possibly including back office data and customer service functions for financial service institutions, call centers, educational facilities, and possibly regional headquarters of major industrial companies.

- Policy ED-A.6.4** Together with regional economic development partners, promote site assembly necessary to accommodate and attract large build-to-suit employers, including supportive public-private arrangements for on- and off-site infrastructure improvements, parking, and/or financing incentives such as occurred with the rehabilitation of the Columbia Mercantile building.
- Objective ED-A.7.** By the end of 2007, update the Zoning Code to implement new and revised Future Land Use Map residential and mixed-use categories to provide a variety of housing, including live-work choices for different household types and incomes. “Live-work” means a building containing a business establishment and serving also as the principal residence of the business operator.
- Policy ED-A.7.1** Promote residential and mixed-use development to attract retirees and workers from nearby metro areas.
- Policy ED-A.7.2** Encourage substantial new housing development, especially for mid-upper income residents in or near downtown Longview.
- Policy ED-A.7.3** Promote use of tax benefits (e.g., a 10-year property tax exemption) for new housing development in downtown or other priority areas of the City.
- Policy ED-A.7.4** Consider residential development in proximity to or with views of the Columbia River in the Barlow Point area.
- Policy ED-A.7.5** Focus new housing development around or near major public open space amenities, including trail systems.
- Policy ED-A.7.6** Encourage mixed-use development with live-work, retail, supporting services, and employment, either on-site or in close proximity to residential uses through the Neighborhood Commercial zone, Regional and Community Commercial nodes along major corridors, and the mixed residential/commercial village designation near Barlow Point.
- Policy ED-A.7.7** Consistent with Land Use Policy LU-D.2.1, encourage the maintenance and updating of the City’s older housing stock, so that neighborhoods are well maintained and existing housing is preserved, updated, or modified to meet the evolving needs of residents. Techniques could include but are not limited to fast-track permitting, educational materials about available weatherization programs, or others.

Downtown

Goal ED-B

To create a downtown in Longview whose viability is based on a unique character, is easily differentiated from other commercial areas in the Longview/Kelso area, is attractive to residents and visitors, is active 24 hours a day, and attracts residents and visitors from Longview and other areas.)

Objective ED-B.1. Continue the implementation of the Downtown Plan through City staff support, development code updates, and coordination with Longview business groups. Key activities and programs should be identified biennially in conjunction with the adoption of the City's budget.

Policy ED-B.1.1 Retain and promote existing businesses. Consistent with the Downtown Plan, expand customer marketing, business recruitment, streetscape improvement, parking supply, and property owner/developer programs for a well-defined downtown retail core and mixed use district.

Policy ED-B.1.2 Work with building owners to encourage viable uses on the second floors of existing buildings. Provide incentives for development of new multi-level mixed use development with ground floor retail, upper level housing and/or office uses, and shared parking opportunity.

Policy ED-B.1.3 Encourage more housing in and near Downtown to strengthen Downtown businesses, take advantage of transit service, offer a range of housing in the community, and provide an active, social character.

Policy ED-B.1.4 Ensure Downtown's historic character is retained as new businesses and buildings are established, such as through Downtown design standards, landmark ordinances, tax incentives, or other means.

Policy ED-B.1.5 Encourage new uses and structures that are in scale and character with surrounding areas through consideration of form-based zoning.

Policy ED-B.1.6 A common design theme should be established to enhance Downtown. The creation of an attractive streetscape and the provision of improved pedestrian and vehicular traffic circulation are encouraged. Revitalization efforts should continue as a way to enhance the entire Downtown area.

- Policy ED-B.1.7 Enliven and refresh Downtown by encouraging adaptive reuse of buildings and new construction that respects the district character and brings added people activity to Downtown.
- Policy ED-B.1.8 Promote and allow for the implementation of Low Impact Development techniques and green building practices.
- Policy ED-B.1.9 Provide for community festivals, the farmers' market, performing arts, or other community events for all ages.
- Policy ED-B.1.10 Coordinate with the Longview Downtowners, and other economic development partners to promote Downtown Longview.

Gateways and Community Identity

- Goal ED-C** To welcome travelers, tourists, workers, and residents by creating a sense of place and identity for Longview capitalizing on the community's unique heritage as a planned city.
- Objective ED-C.1.** By 2011, develop a Longview Gateway and Boulevard Plan for each entrance of the City. Plans may be staggered in a priority order as determined by the City Council through the budgeting process. The plans should address development quality, signage standards, landscape treatments, and public investment actions.
- Policy ED-C.1.1 Define the primary entrances to the City as follows: Ocean Beach Highway (SR 4) at Cowlitz Way and Willow Grove, Tennant Way (SR 432), and Oregon Way.
- Policy ED-C.1.2 Through Gateway and Boulevard Plans, create a hierarchy of tree and vegetation standards, signs, light standards, public art, kiosks, or other features to readily direct users to key destinations. Apply these visual cues to the arterials, off-street trail network, and key local and regional destinations.
- Policy ED-C.1.3 Allow private businesses, civic organizations, and other nonprofit groups an opportunity to support the aesthetic improvement of the City's gateways and streetscape by sharing the project development, establishment, and maintenance cost of landscaping and/or elements of the citywide gateway, boulevard, and wayfinding system.
- Policy ED-C.1.4 Apply landscaping, access, and signage regulations to commercial and mixed-use developments in the City to ensure noticeable, attractive visual appeal. Consider perimeter and

parking lot landscaping, consolidated access points and linked parking areas, and sign sizes based on pedestrian as well as auto orientation.

- Policy ED-C.1.5 Provide street, access, and signage standards that allow for quick emergency vehicle responses.
- Policy ED-C.1.6 In commercial, multi-family, and mixed-use districts, allow for parking to be visible but not dominate the street view. Encourage building, parking and site design treatments that accommodate pedestrians and bicyclists as well as automobiles.
- Policy ED-C.1.7 Require screening of unsightly views, such as heavy machinery, storage areas, loading docks, and parking areas to reduce their visibility from adjacent residential districts and from arterials.
- Policy ED-C.1.8 Minimize long-term or future deterioration of air and water quality caused by economic development through the application of local and State regulations and the SEPA process.