



# City of Dallas, Oregon

## Economic Development Strategy

2022-2026

July 2021

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## INTRODUCTION & BACKGROUND

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The Dallas Economic Development Commission, as stated in Ordinance No. 1835, shall “Develop and recommend to the [Dallas City] Council a strategic economic development plan and a marketing plan for the Dallas area.” This plan is guided by the Dallas 2030 Vision. Specifically, Section II “Our Economy and Jobs” section, provides the framework around from which this Strategy attempts to build and create action items. The Strategy also references in part the section of the Dallas 2030 Vision Section I, “Our Community & Identity.”

### ***DALLAS 2030 VISION***

#### ***OUR ECONOMY AND JOBS***

***OUR DALLAS IN 2030 has an active business climate and investment environment with strong partnerships. The Dallas identity builds on our strong schools and quality of life, attracting and retaining workers of all incomes and their families. We offer an exceptionally well-trained workforce with high-quality job skills. We support small- and medium-sized businesses, as well as resource efficient and environmentally stable industries. We employ creative solutions for available building sites to promote new commercial development. Dallas embraces the wine and craft brewing industry as an important part of our agriculture and tourism economies.***

The Strategy further relies upon the specific action items set forth in the “Dallas Strategic Plan Fiscal Years 2022-2026” and the “City of Dallas Economic Opportunities Analysis” of April 2021.

## OVERALL PURPOSE of an ECONOMIC DEVELOPMENT STRATEGY for DALLAS, OREGON; STRATEGY PRIORITIES

The purpose of this Economic Development Strategy is to:

### Increase the Commercial and Industrial property tax base in Dallas.

This purpose will be accomplished through the following two long-range activities:

PRIORITY #1. Address the Commercial Lands deficit in Dallas.

PRIORITY #2. Prepare the Dallas Mill Site for development.

This purpose will be supported by the following short-term activity:

PRIORITY #3. Continue Urban Renewal and downtown revitalization efforts.

This purpose will be supported by the following Primary Objective to guide day-to-day activities:

Daily Primary Objective: Engage with the Dallas business community and regional partners to facilitate a healthy, growing and diverse local economy

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## PLANNING HORIZON FOR CITY OF DALLAS ECONOMIC DEVELOPMENT STRATEGY

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This Strategy as adopted will cover the time period of January 1, 2022 through June 30, 2026. Elements of the Strategy and/or the accompanying Marketing Plan may be amended in part or whole at any time by the City Council, with recommendations by the Economic Development Commission. Staff recommends the Strategy be a “living document” and reviewed and updated as needed by Staff and the Economic Development Commission at least annually.

Since many of the tasks are “front-loaded” in the early years of the Strategy, it is also recommended that the entire Strategy be revisited in early 2024 to determine 1) the status of those tasks which are scheduled to be completed in the initial years; 2) consider adding new or expanded tasks related to completed or substantially completed tasks; 3) evaluate the feasibility of completion of all tasks; 4) monitor the effectiveness of those ongoing tasks.

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## PROCESS TIMELINE

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The Dallas Economic Development Commission established the following project timeline:

June 24, 2021 -	EDC and City staff meet to discuss and review draft Strategy
July 27, 2021 -	Regular EDC meeting. EDC and City staff continue discussions and feedback generation
Aug. 26, 2021 -	EDC and City staff fine tune document and agree on draft Strategy
Late Aug. -	City staff coordinate tourism partner integration to the process
Sept. 23, 2021 -	EDC conducts a joint meeting with Dallas tourism partners to discuss and draft Strategy Marketing Plan
Nov. 18, 2021 -	EDC and City staff finalize the Strategy and Marketing Plan, recommend adoption to the City Council
Dec. 6, 2021 -	Regular City Council meeting. Council considers adoption of the Strategy and Marketing Plan

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## BACKGROUND ON INDIVIDUAL STRATEGIES

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### STRATEGY TOP PRIORITIES

1. **PRIORITY #1. Address the deficiency of Commercially-zoned land within the City of Dallas.** This item is referenced in the April 2021 City of Dallas Economic Opportunities Analysis and in the Dallas 2022-26 Strategic Plan. This item was identified as a top Priority by the Economic Development Commission in May 2021 and again in July 2021.
  - a. The BLI [Buildable Lands Inventory] shows that Dallas has 45 acres of buildable commercial land in the UGB. Almost half (24 acres) are in the La Creole Master Plan area, which does not have the necessary infrastructure to build out for commercial uses.
  - b. The EOA demonstrates that there is **a deficit of 94 acres of Commercial land.**
  - c. The Dallas EDC believes **the need to act is much more immediate** than suggested in the EOA.

*Dallas does not have enough commercial land to accommodate employment growth, but it can accommodate the deficit within the existing UGB through the following actions:*

- *Re-zone industrial and residential land*
- *Accommodate complementary commercial employment in industrial areas*
- *Redevelop existing commercial land to allow more employment*

**The failure to address the commercial land issue will ultimately result in the exacerbation of the current trend of Dallas residents meeting their commercial needs in neighboring communities, notably Salem, and/or conducting more business online. Likewise, the jobs potentially employed by those commercial businesses will also shift away from Dallas, adding to transportation system stresses not only through consumer traffic but by employees as well.**

- d. The EOA recommends to rezone land in the La Creole Node for consistency with the Comprehensive Plan Map designations.
- e. Explore expanding the Commercial Neighborhood zone surrounding West Valley Hospital, allowing potential expansion of medical services in the area.
- f. Evaluate need for code amendments to allow for hospital expansion.
- g. Explore potential for a new Commercial Neighborhood zone in the southwest portion of the City.
- h. Create and maintain a balanced approach between downtown redevelopment and new/expanded commercial development.
- i. Explore options for expanding our General Commercial lands.

2. **PRIORITY #2. Prepare the former mill site for redevelopment.** (As referenced in the Dallas Strategic Plan Fiscal Years 2022-2026.) This item is referenced in Section II – OUR ECONOMY & JOBS, Vision 2: The Downtown Development Commission and the Economic Development Commission respond to the changing needs of the economy and are active in development and redevelopment activities. This item is Goal 16 of the Strategic Plan and was identified by the City Council in April 2021 to be one of five overall priorities for the City as a whole in the near-term fiscal years.
  - a. Apply for a TGM grant to conduct a feasibility study and analysis regarding the extension of Monmouth Cutoff Road through the mill site property to Main Street, as well as determining appropriate land uses if an extension were to occur.
  - b. Consider the creation of an urban renewal district to include the mill site property.
  - c. Study flood plain and environmental barriers to redevelopment.
  
3. **PRIORITY #3. Continue Urban Renewal and downtown revitalization efforts.**
  - a. Support development and business activity in the Central Business District.
  - b. Continue to implement urban renewal grants for building improvements and redevelopment.
  - c. Develop a downtown parking plan (explore the use of and LID or EID to support new parking development).
  - d. Identify opportunities for infill and other development.
  - e. Work with property owners to reduce vacancies; encourage businesses to locate downtown.
  - f. Sponsor events that occur in the downtown.
  - g. Revise the building height requirement in the CBD from a minimum of two stories to one story.
  - h. Evaluate unmet need for retail and services through a market analysis that includes a retail leakage analysis.
  - i. Explore the creation of a National downtown historic district and complete historic district interest survey.
  - j. Create new agribusiness ties in the downtown, such as wine-related businesses, microbreweries and/or a farmers' market

**OTHER STRATEGIES to Engage with the Dallas business community and regional partners to facilitate a healthy, growing and diverse local economy.**

1. **Provide assistance to existing businesses; nurture a pro-business environment.**
2. **Attract diverse new businesses, expansions and investment to Dallas (including tourism), with partner support.**
3. **Support and enhance small businesses, entrepreneurs and start-ups.**
4. **Help to build community organizational capacity.**
5. **Assess future development capacity and identify and address constraints.**

## **DETAIL ON OTHER STRATEGIES**

### **1. Provide assistance to existing businesses; nurture a pro-business environment.**

- Convene and support discussions about workforce training needs.
- Utilize the Enterprise Zone for existing business expansions.
- Develop and maintain a comprehensive city-wide business registry. Consider development of Economic Recovery Plan.
- Launch a proactive Business Retention & Expansion (BR&E) visitation program.

### **2. Attract diverse new businesses, expansions and investment to Dallas (including tourism), with partner support.**

- Promote and support diversification of Dallas's economic base
- Evaluate the potential use of incentives to attract businesses to Dallas, including the Enterprise Zone.
- Participate in the Polk County Tourism Alliance; ongoing. Staff recommends a somewhat more aggressive approach beyond participation. This will include a metric-based MOU and continued funding support at a minimum. Staff intends to provide leadership resources to seek out new opportunities for collaboration and partnerships to increase the economic impact of the tourism industry and the enhanced utilization of tourism to further short and long-term investments in the community. Work with partners to create an effective regional marketing strategy that will benefit Dallas and all of Polk County.
- Regularly interface with commercial brokers and work with SEDCOR and Business Oregon to effectively market commercial and industrial sites and buildings
- Review and regularly update and disseminate digital marketing materials.

### **3. Support and enhance small businesses, entrepreneurs and start-ups.**

- Work with regional and local partners to support small businesses and entrepreneurship to grow and retain businesses in Dallas. This may include coworker office space or a business incubator.
- Conduct small business/ entrepreneur trainings and networking opportunities in Dallas.

### **4. Help to build community organizational capacity.**

- Leverage City leadership to build, enhance and strengthen community organizational collaborations and effectiveness.

### **5. Assess future development capacity and identify and address constraints.**

- Develop a code audit to identify opportunities for changes to development standards that could increase industrial or commercial development in Dallas.
- Evaluate opportunities to mitigate wetland constraints.