



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

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Salem, OR 97301-2540

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NOTICE OF ADOPTED AMENDMENT

August 6, 2007



TO: Subscribers to Notice of Adopted Plan or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Carlton Plan Amendment
DLCD File Number 001-07

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. Copies of the adopted plan amendment are available for review at DLCD offices in Salem, the applicable field office, and at the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: August 20, 2007

This amendment was submitted to DLCD for review prior to adoption with less than the required 45-day notice. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE DATE SPECIFIED ABOVE.**

Cc: Doug White, DLCD Community Services Specialist
Gary Fish, DLCD Regional Representative
Suzanne Dufner, City Of Carlton

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DEPT OF

JUL 31 2007

LAND CONSERVATION AND DEVELOPMENT

NOTICE OF ADOPTION

Must be filed within 5 working days
See OAR 660-18-040

Jurisdiction: Carlton Local File Number: LA 07-2
Date of Adoption: July 9, 2007 Date Mailed: 7/30/07
Date Proposal was Provided to DLCD: 3/30/07

Type of Adopted Action: (Check all that apply)

- Comprehensive Plan Text Amendment
- Comprehensive Plan Map Amendment
- Land Use Regulation Amendment
- Zoning Map Amendment
- New Land Use Regulation
- Other: _____
(Please Specify Type of Action)

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached."
This amendment added the following revised sections to the Carlton Comprehensive Plan: Population, Housing, Land Use and Economics. The amendment also amended the Comprehensive Plan Map designations and rezoned several properties (see attached maps).

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "Same." If you did not give notice for the proposed amendment, write "N/A."

Plan Map Changed from: see attached maps to _____

Zone Map Changed from: see attached maps to _____

Location: see attached Acres Involved: 18.61

Specify Density: Previous: _____ New: _____

Applicable Statewide Planning Goals: 1, 2, 9, 10

Was an Exception Adopted? Yes: _____ No: _____

DLCD File Number: 001-07 (16004)

DEPT OF
Did the Department of Land Conservation and Development receive a notice of Proposed Amendment
FORTY FIVE (45) days prior to the first evidentiary hearing. Yes: X No: ___
If no, do the Statewide Planning Goals apply. Yes: ___ No: ___
If no, did the Emergency Circumstances Require immediate adoption. Yes: ___ No: ___

Affected State or Federal Agencies, Local Governments or Special Districts: None

Local Contact: Suzanne Dufner Area Code + Phone Number: (503) 588-6177
Address: MWVCOG 105 High St SE
City: Salem Zip Code+4: 97301-3667

ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision** per ORS 197.610, OAR Chapter 660 – Division 18.

1. Send this form and TWO (2) Copies of the Adopted Amendment to:
ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540
2. Submit **TWO (2) copies** of the adopted material, if copies are bound please submit **TWO (2) complete copies** of documents and maps.
3. Please note: Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.
4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.
5. The deadline to appeal will be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date the “Notice of Adoption” is sent to DLCD.
6. In addition to sending the “Notice of Adoption” to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.
7. **Need more copies?** You can copy this form onto 8 1/2 x11 green paper only; or call the DLCD office at (503) 373-0050; or fax your request to: (503) 378-5518; or Email your request to Larry.French@state.or.us - ATTENTION: PLAN AMENDMENT SPECIALIST.

ORDINANCE #665

AN ORDINANCE AMENDING THE CITY OF CARLTON COMPREHENSIVE PLAN, COMPREHENSIVE PLAN MAP, AND ZONING MAP AND DECLARING AN EMERGENCY

WHEREAS, the City of Carlton deemed it necessary to update the urbanization, housing, land use, and economic development portions of the Carlton Plan along with associated findings of fact and policies; and

WHEREAS, the City of Carlton deemed it necessary to amend the Comprehensive Plan Map and Zoning Map as follows; and

WHEREAS, the Comprehensive Plan Map designation is changed from Agricultural Holding to Industrial and the zoning designation is changed from Agricultural Holding (AH) to General Industrial (GI) for an approximately 11-acre portion of a property identified as Assessor Map 3421, Tax Lot 300; and

WHEREAS, Comprehensive Plan Map designation is changed from Agricultural Holding to Residential and the zoning designation is changed from Agricultural Holding (AH) to Multi-Family Residential (MR) for a 0.90-acre property identified as 3422CC Tax Lot 1100; and

WHEREAS, the Comprehensive Plan Map designation is changed from Industrial to Public and the zoning designation is changed from General Industrial (GI) to Public Facility (PF) for a 2.0-acre property identified as Assessor Map 3421AA, Tax Lot 100; and

WHEREAS, the Comprehensive Plan Map designation is changed from Commercial to Public and zoning designation is changed from Commercial Business (CB) to Public Facility (PF) for a 0.42-acre property identified as Assessor Map 3421AD Tax Lot 2800.

WHEREAS, the zoning designation is changed from Suburban Residential (SR) to Mixed-Density Residential (MX) for a 1.8-acre property identified as Assessor Map 3422BC, Tax Lot 300; and

WHEREAS, the zoning designation is changed from Suburban Residential (SR) to Mixed-Density Residential (MX) for a 4.7-acre property identified as Assessor Map 3422CC, Tax Lot 1101; and

WHEREAS, the Carlton Planning Commission held a public hearing on the proposed amendments on May 7, 2007, at which time the public was given full opportunity to be present and heard on the matter;

WHEREAS, the Carlton City Council held a public hearing on the proposed amendments to the City of Carlton Development Code on June 11, 2007, at which time the public was given full opportunity to be present and heard on the matter;

WHEREAS, proper notice of the said public hearings was given to the public pursuant to applicable state statutes; and

NOW THEREFORE, The people of the City of Carlton ordain as follows;

SECTION 1. Comprehensive Plan amendments. The amended portions of the City of Carlton Comprehensive Plan attached hereto and marked Exhibit A are hereby adopted.

SECTION 2. Amended Comprehensive Plan Map. The revised Carlton Comprehensive Plan Map attached hereto and marked Exhibit B is hereby adopted.

SECTION 3. Amended Zoning Map. The revised Carlton Zoning Map attached hereto and marked Exhibit C is hereby adopted.

SECTION 4. Emergency Clause. The Council desires and deems it necessary for the preservation of the health, peace, and safety of the City of Carlton that this ordinance take effect at once, and therefore, an emergency is hereby declared to exist, and this ordinance shall be in full force and effect from and after its passage by the Council and approval by the Mayor.

Passed by this Council this 9th day of July, 2007, by the following vote:

AYES: Williams, Carl, Berry, Oriet, VanDeWalle, Jernstedt _____

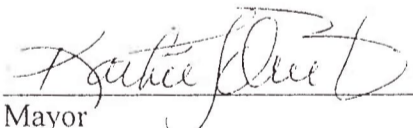
NAYS: _____ None _____

ABSTAIN: _____ None _____

ABSENT: _____ Rhoads _____

Approved by the Mayor this 9th day of July, 2007.

ATTEST:  _____
City Recorder

 _____
Mayor

POPULATION

Historic Population Trends

Carlton's historic population trends have been highly variable and inconsistent with population trends in other cities in the Yamhill County area. Most of this can be credited to significant local economic impacts, such as mill closures, at a period in time when commuting significant distances was neither acceptable nor a physical option. **Table 1** demonstrates these historic fluctuations.

**Table 1 - Population Element
Carlton Population
1910 - 1970**

Year	Population	Percent Change	AAGR ¹
1910	386	---	---
1920	552	43.0	3.58
1930	749	35.7	3.05
1940	864	15.6	1.43
1950	1,081	25.1	2.24
1960	959	-11.3	-1.20
1970	1,126	17.4	1.61

Source: US Census

¹Average Annual Growth Rate

Recent Population Trends

During the period from 1970 through 2000, the population of Carlton grew from 1,126 to 1,514 persons. During the 1980s population growth slowed dramatically in many cities in Oregon, during this period, the population of Carlton actually declined slightly. From the period from 1990 through 2006, the city's population has grown at an average annual rate of approximately 1.60 percent. As shown in **Table 2**, for the 36-year period from 1970 through 2006, Carlton's population has grown at an average annual rate of 1.10 percent.

**Table 2 - Population Element
Carlton Population
1970 - 2006**

Year	Population	AAGR ¹
1970	1,126	---
1980	1,302	1.50%
1990	1,289	0.00%
2000	1,514	1.60%
2006	1,670	1.60%
AAGR 1970-2006		1.10%

Source: US Census, Portland State University, and MWVCOG, 2007

¹Average Annual Growth Rate

² Population estimate from Portland State University Center for Population Research

Yamhill County's population increased significantly during the period from 1970 through 2006 as shown in **Table 3**. The County's population increased at an average annual growth rate of 1.98 percent annually, with most of the growth occurring in the periods from 1970 through 1980 and 1990 through 2000. Yamhill County's population grew at an average annual rate approximately 1.0 percent higher than that of Carlton during this 36-year period.

**Table 3 - Population Element
Population Trends, Yamhill County and Carlton
1970 - 2006**

Location	Population					Average Annual Growth Rate				
	1970	1980	1990	2000	2006 ¹	1970-80	1980-90	1990-00	2000-06	AAGR 1970 - 2006
Yamhill County	40,213	55,332	65,553	84,992	90,310	3.20%	1.70%	2.60%	1.22%	2.10%
Carlton	1,126	1,302	1,289	1,514	1,670	1.50%	0.00%	1.60%	1.60%	1.10%

Source: US Census, Portland State University Center for Population Research, and MWVCOG, 2007

¹ 2006 population estimates from Portland State University Center for Population Research

Population forecasts for Oregon counties have been developed by the Oregon Office of Economic Analysis. **Table 4** shows the forecast population for Yamhill County for the period from 2000 through 2030. By 2030, the County's forecast population is 141,505 persons. The average annual growth rate for the period from 2000 through 2030 is 1.21 percent.

**Table 4 - Population Element
Yamhill County Population Forecast
2000 - 2030**

Year	Population	AAGR¹
2000	85,500	---
2005	90,098	1.05%
2010	98,932	1.87%
2015	108,812	1.90%
2020	119,011	1.79%
2025	129,850	1.74%
2030	141,505	1.72%
AAGR 2000-2030		1.70%

Source: Oregon Office of Economic Analysis, 2004

¹Average Annual Growth Rate

Population Projection

Oregon Revised Statutes (ORS) 195.036 requires that counties “establish and maintain a population projection for the entire area within its boundary for use in maintaining and updating comprehensive plans” and to “coordinate the forecast with the local governments within its area”. In 1999, Yamhill County adopted a 2017 population projection for Carlton. The projection was for the period from 1998 through 2017 and was based on an analysis of regional growth trends of Carlton and neighboring cities of Dayton, Dundee, Newberg, and Yamhill. The 2017 projection for Carlton was 2,480 persons. The projection translated into an average annual growth rate of 2.60 percent for the period from 1998 through 2017.

Based on growth trends projected for Yamhill County, Carlton adopted a revised population projection in 2007 that extends through 2027. This projection is based on an average annual growth rate of 1.70 percent. The growth rate is the same as that forecast for Yamhill County for the period through 2030. The proposed growth rate is also consistent with the 1.60 percent annual growth rate that has occurred in Carlton since 1990. Although the annual growth rate in Carlton lagged behind that of Yamhill County over the period from 1970 through 2000, recent growth trends in the city indicate that population will grow at a faster rate than in previous years. Development of the 31-unit Vineyards Subdivision and the recent approval of some 200 new residential building lots, indicate that it is reasonable to expect that the city’s growth rate in the coming years will more closely approximate that of Yamhill County.

Table 5 shows the population projection for Carlton through 2027. The 2000 Census figure is used in the table as well as the 2006 population estimate for the city developed by Portland State University. The 1.70 percent growth rate is applied to the 2006 population estimate to derive the population projections through 2027.

Table 5
Carlton Population Projection
2000 - 2027

Year	Population
2000	1,514
2006 ¹	1,670
2010	1,724
2015	1,876
2020	2,121
2025	2,220
2027	2,379
Population change 2000 - 2027	709

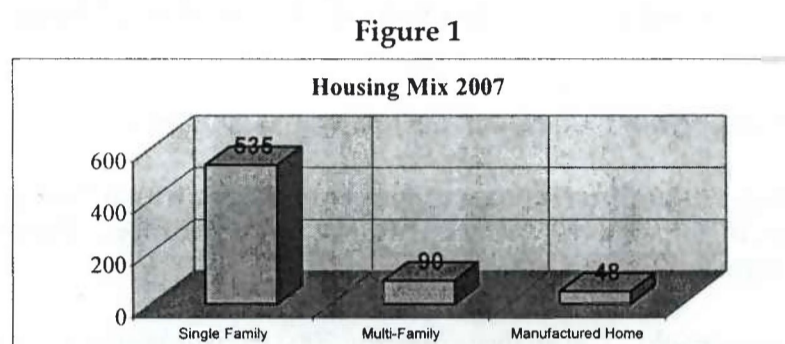
• Source: U.S. Census, Portland State University Center for Population Research and MWVCOG, 2006

¹ 2006 population estimate from Portland State University

HOUSING

Existing Conditions

Figure 1 shows the mix of residential housing units within the Carlton city limits in 2007. These figures use 2000 Census data as well as building permit records for the period from 2001 through 2006. Of the 673 residential units, 535 units, or 79 percent are detached single-family residential units. Approximately 13 percent of the units are multi-family residences and the remaining seven (7) percent of the units are manufactured homes.



The 2000 Census identified 588 residential dwelling units in Carlton. Of these, 498 units, or about 85 percent, were single-family residential units (including both "stick-built" units and manufactured homes). The remaining 90 residential units were multi-family dwellings. Of the 540 occupied housing units identified in the 2000 Census, 407 or approximately 75 percent were owner-occupied units and the remaining 133 units were rental units. The Census identified 38 vacant units within the community for an overall vacancy rate of approximately 6.3 percent.

Table 1 shows that 85 new dwelling units have been constructed in Carlton from the period since the 2000 Census through 2006. This new construction brings the total number of dwelling units within the city to 663 units. Of the 85 new units added between 2001 and 2006, all were single-family dwellings.

**Table 1 - Housing Element
Housing Development, Carlton
2001-2006**

Year	Housing Starts	
	Single-Family	Multi-Family
2001	0	0
2002	1	0
2003	3	0
2004	9	0
2005	29	0
2006	43	0
Total	85	0

Source: City of Carlton building permit data, 2007

Housing Needs Analysis

This section presents estimates of housing need for various housing types. The needs analysis data in this chapter come from Housing and Land Needs Model S developed in 2000 by the Oregon Housing and Community Services Department. The data are mostly based on Census figures. Other sources of information include the *Regional Consumer Expenditure Survey* that is conducted every year by the U.S. Bureau of Labor Statistics as well as income data collected by *Claritas, Inc.*, a private company. The model uses age, income, and expenditure information to predict the ability of households to afford housing. The analysis is intended to predict need for both owner-occupied and rental housing units at either end of a 20-year period from 2007 to 2027.

The analysis of housing need is based on the following assumptions:

- (1) Vacancy Rates. At any given time, a number of homes within the community are vacant. The 2000 Census identified a 6.25 percent vacancy rate in Carlton. The analysis assumes that this rate will remain the same in 2027.
- (2) Persons per household. The analysis uses the 2000 Census household size of 2.8 persons per household and assumes that this household size will remain the same in 2027.
- (3) The analysis does not include any reference to persons living in group quarters. Persons living in group quarters include persons who are institutionalized or living in non-institutional group homes, rooming houses, assisted-living facilities, etc. This definition also includes students living in college dormitories. The 2000 Census did not identify any persons living in group quarters in Carlton. The analysis assumes that this trend will continue through 2027.
- (4) The ratio of owner-occupied units to rental units found in the 2000 Census would remain the same in 2027. It is assumed that 75.4 percent of all units will be owner-occupied units and the remaining 24.6 percent of all units will be rental units.
- (5) The analysis cannot predict any major changes in the economy and any associated impacts to local household income. The analysis assumes that economic conditions in 2027 are similar to those in 2000.

Current Housing Needs

Table 2 shows various elements of the local housing market in 2006. The table uses the 2006 population projection for Carlton developed by The Center for Population Research at Portland State University.

**Table 2 - Housing Element
Housing Status
Carlton, 2007**

Population	Persons per Household	Total Dwelling Units	Occupied Dwelling Units	Vacant Units	Owner- Occupied Units	Rental Units	Owner- Occupied Units (percent)	Rental Units (percent)
1,670	2.80	673	631	42	507	166	75.4	24.6

Source: 2000 U.S. Census, Center for Population Research at Portland State University, and MWVCOG, 2007

The housing needs model shows that 160 rental units are currently needed in Carlton. The rental unit market is comprised of both multi-family residences (apartments, duplexes, etc.) as well as single-family dwelling units. Census and building permit data shows that 90 multi-family units are currently located in Carlton. The 2000 Census showed that approximately 67 percent of all rental units were multi-family residences and the other 32 percent of all local rental units were single-family residences. Using this percentage, as many as 43 single-family residences are currently used as rental units. Combined with the 90 existing multi-family units, the estimated supply of rental units in Carlton consists of 133 units where 160 units are needed. As shown in Table 3, the estimated supply of rental housing units in Carlton does not meet the current need for rental units. An additional 27 rental units, consisting of 18 additional multi-family units and nine (9) single-family dwelling units are needed to meet the current housing needs.

**Table 3 - Housing Element
Rental Housing Supply and Need
Carlton, 2007**

Rental Units Needed	Existing Multi- Family Units	Single-Family Units Used as Rentals	Total Number of Existing Rental Units	Difference Between Existing Rental Units and Rental Units Needed
160	90	43	133	(27)

Source: Oregon Housing and Community Services Housing Needs Model and MWVCOG, 2007

Projected Housing Needs

The 2027 population projection for Carlton is 2,379 persons. This projection has been adopted by Yamhill County for the City of Carlton through a coordinated process required under state law (ORS195.036). As shown in Table 4, 906 dwelling units will be needed in Carlton by 2027 to accommodate this population.

**Table 4 - Housing Element
Projected Housing Status
Carlton, 2027**

Population (projected) ¹	Persons per Household	Total Dwelling Units	Occupied Dwelling Units	Vacant Units ²	Owner-Occupied Units	Rental Units	Owner-Occupied Units (percent)	Rental Units (percent)
2,379	2.80	906	850	56	679	227	75.4	24.6

Source: 2000 U.S. Census and MWVCOG, 2007

¹ The 2027 population projection has been coordinated with the projections for Yamhill County as required by Oregon Revised Statutes 195.036.

² Based on an assumed vacancy rate from the 2000 U.S. Census of 6.25 percent.

Table 5 shows the total number of additional dwelling units that will be needed for the period from 2007 through 2027. With 980 residential units in 2006, an additional 233 new housing units will be needed to accommodate the 2027 population.

**Table 5 - Housing Element
Additional Dwelling Units Needed in Carlton by 2027**

Total Dwelling Units 2006	Total Dwelling Units 2027	Additional Dwelling Units Needed
673	906	233

Source: U.S. Census, City of Carlton, and MWVCOG, 2007

Table 6 shows the residential units needed by 2027. Of the 233 new residential units, an estimated 57 new rental units will be needed, assuming approximately 24.6 percent of the local housing market is comprised of rental units, as was the case in 2000. The analysis of new rental units assumes that approximately 67 percent of the rental market is comprised of multi-family residences, with the remainder comprised of single-family units. Based on this assumption, then, approximately 39 new multi-family residences and 18 additional single-family dwellings will be needed to meet the projected need for rental units in 2027. In addition, as shown in Table 3, the number of rental units currently available is about 27 units (18 multi-family and nine (9) single-family dwelling units) short of meeting the existing need. Consequently, in order to meet existing and projected need for such housing, a total of 57 new multi-family units will be needed over the next 20 years in addition to 176 new single-family dwelling units.

**Table 6 - Housing Element
Additional Dwelling Units Needed in Carlton by 2027**

Dwelling Units Needed by 2027	Single-Family Units	Multi-Family Units	Total
Dwelling Units Needed to Meet 2007 Rental Demand	9	18	27
Rental Units Needed 2027	18	39	57
Owner-Occupied Units Needed 2027	149	0	149
Total	176	57	233

Source: MWVCOG, 2007

LAND USE

Introduction

A land use plan indicates the area into which various types of activities are expected to occur. Carlton designates five categories of land uses to be described and located on the land use map.

1. Residential. The Residential Plan designation is implemented through the Suburban Residential (SR), Multi-Family Residential (MR), and Manufactured Home (MH) zones. The maximum density in the Suburban Residential Zone is 5.80 dwelling units per acre. The maximum density in the Multi-Family Zone is 13.75 dwelling units per acre. The Manufactured Housing Zone allows for manufactured home parks at a density of 5.80 dwelling units per acre. Manufactured home parks are also allowed as a permitted use in the Multi-Family (MR) Zone at a maximum density of 10 dwelling units per acre.
2. Commercial. The Commercial Plan designation is implemented through the Commercial Business (CB) and Commercial-Industrial (CI) zones. Commercial uses include all activities of a commercial nature as authorized by the implementing zones.
3. Industrial. The Industrial Plan designation is implemented through the Industrial Zone. Industrial use covers the range of manufacturing, warehousing, and wholesaling activities. The Commercial-Industrial (CI) Zone also allows a number of industrial uses.
4. Public Facilities. The Public Facilities Plan designation includes all government and semi-public lands and uses, including park land. The Public Facility (PF) Zone implements this Plan designation.
5. Agricultural Holding. The Agricultural Holding Plan designation is implemented through the Agricultural-Holding (AH) Zone. The Agricultural-Holding Zone includes areas for future growth within the Carlton Urban Growth Boundary (UGB) and allows an orderly phasing of urban development of land. The AH Zone is a holding district that allows agricultural uses to continue until such time that the agricultural lands are needed for urban uses and public facilities and services are available. Conversion of AH property to a non-agricultural use requires a zone change.

The land use designations in the Comprehensive Plan are of a general nature and are intended to indicate the expected community growth pattern. Implementation of the plan occurs through more specific actions such as zoning, subdivision control, annexation review, Urban Growth Boundary administration and public facilities planning. Although the plan is designed to be somewhat flexible, it must be understood that it is a significant policy statement and a great deal of responsibility must be exercised in its use and updating.

In 2007, the city conducted a buildable lands inventory. **Table 1** shows the amount of developed acreage by zoning designation within the city. Approximately 224.6 acres are currently developed within the Carlton urban area.

**Land Use Element - Table 1
Developed Land Uses within the Carlton UGB
By Zone, 2007**

Zoning Designation	Acres¹	Percent of Total Area
Suburban Residential	145.9	65.0%
Park/Open Space	18.0	8.0%
Multi-Family Residential	11.1	4.9%
Commercial Business	10.9	4.9%
Agricultural Holding	9.5	4.2%
Public	9.2	4.1%
Commercial-Industrial	7.7	3.4%
Manufactured Housing	7.2	3.2%
Industrial	5.1	2.3%
Total	224.6	100.0%

Source: MWVCOG, 2007.

¹ Acreage data is from the Yamhill County Assessor and does not include public rights-of-way.

Buildable Lands Inventory

Buildable lands were inventoried for each land type - residential, commercial, and industrial. The analysis of each land type includes totals for land that is completely vacant and redevelopable. The following parameters are used to determine whether land is vacant or redevelopable.

- Vacant residential land includes all parcels that are at least 5,000 square feet (0.11 acres) in size with improvement values of less than \$5,000. The minimum lot size for new residential parcels in the Suburban Residential (SR) Zone is 7,500 square feet, however the City allows development of existing lawfully created lots that are smaller than the minimum lot size. The minimum lot size in the Multi-Family (MR) Zone is 5,000 square feet.
- Vacant commercial or industrial land includes all parcels with improvement values of less than \$5,000
- Redevelopable residential land consists of residential-zoned parcels that are at least 0.50 acre in size with an improvement value of at least \$5,000. This analysis assumes that 0.25-acre is devoted to the existing house, with the remainder considered vacant (redevelopable).

- Redevelopable commercial and industrial land includes parcels in commercial and industrial zones where some limited improvements have been made, but where potential for redevelopment for more intense uses is probable. For the purpose of this analysis, redevelopable land is defined as commercial or industrial parcels with improvement values of at least \$5,000, where the ratio of land value to improvement value is 1:1 or greater.

The analysis also includes an assessment of land that is not buildable due to physical constraints such as steep slopes, riparian buffers, floodways, and wetlands. These areas have been subtracted from the amount of gross acreage that is considered buildable.

Figure 1 shows vacant, and redevelopable land within the Carlton urban area by zoning designation.

Residential Land

Table 2 shows the amount of buildable land for each residential zoning district within the Carlton urban area. All of the residential land included in this table is located within the existing city limits. In Carlton, the city limits and urban growth boundary are in the same location.

Approximately 90.1 buildable acres are available for residential development within the urban area. Approximately 166.5 acres within the Carlton UGB are currently developed for residential use.

**Land Use Element - Table 2
Buildable Residential Land
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Suburban Residential (SR) Zone	58.9	30.7	89.6
Multi-Family Residential (MR) Zone	0.4	0.0	0.4
Manufactured Home (MH) Zone	0.1	0.0	0.1
Buildable Acres Within the Urban Area	59.4	30.7	90.1

Source: Yamhill County Assessor data, MWVCOG, 2007.

Commercial Land

Table 3 shows that approximately 8.1 vacant acres are available for commercial development within the Carlton city limits. Approximately 1.9 acres designated for commercial use can be considered redevelopable. Approximately 18.6 acres within Carlton are currently developed for commercial uses.

**Land Use Element - Table 3
Buildable Commercial Land¹
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Commercial Business (CB) Zone	6.0	1.0	7.0
Commercial-Industrial (CI) Zone ¹	2.1	0.9	2.9
Buildable Acres within the Urban Area	8.1	1.9	10.0

Source: Yamhill County Assessor data, MWVCOG, 2007.

Industrial Land

Table 4 shows the amount of buildable industrial land within the Carlton urban area. Approximately 1.5 acres of vacant or redevelopable industrial land are available within Carlton. An additional 2.0-acre vacant industrial-zoned parcel has recently been purchased by the Carlton Fire District for development of a new fire station. Approximately 5.1 acres within Carlton are currently developed for industrial uses.

**Land Use Element - Table 4
Buildable Industrial Land
Carlton, 2007**

Zone	Vacant(acres)	Redevelopable	Total
General Industrial (GI) Zone	1.0	0.5	1.5
Buildable Acres Within the Urban Area	1.0	0.5	1.5

Source: Yamhill County Assessor data, MWVCOG, 2007.

¹ The Commercial-Industrial (CI) Zone also allows all of the industrial uses permitted outright in the General Industrial (GI) Zone. These uses include mini-warehouse storage; assembly, including light manufacturing, processing, packaging, treatment, fabrication of goods or merchandise; laboratories, offices, bottling and distribution centers, light repair facilities, wholesale businesses, and similar uses.

Land for Future Development

The Agricultural-Holding Zone includes areas for future growth within the Carlton UGB. The AH Zone is a holding district that allows agricultural uses to continue until such time as these lands are needed for urban uses and public facilities and services are

available. Table 5 shows that approximately 190.6 acres are available for future development in the Agricultural Holding (AH) Zone.

**Land Use Element - Table 5
Buildable Land for Future Development
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Agricultural Holding (AH) Zone	107.4	83.2	190.6
Buildable Acres Within the Urban Area	107.4	83.2	190.6

Source: Yamhill County Assessor data, MWVCOG, 2007.

Land Needs Analysis

The buildable lands inventory is used in conjunction with the 2027 population projection to determine if adequate land is available for future residential, commercial, and industrial development.

Future Residential Land Needs

Residential Densities

To determine the amount of land needed for future residential development, it is necessary to determine residential densities for single-family and multi-family housing developments. The Carlton Development Code specifies the following maximum densities for residential zones:

- Suburban Residential (SR) Zone - 5.8 dwelling units per acre
- Multi-Family Residential (MR) Zone - 13.8 dwelling units per acre

To determine land needs for residential development, net densities were developed for these zones. This net density is determined by subtracting 25 percent of each developed acre for public facilities, such as street rights-of-way, then applying the minimum lot size to the remainder. The resulting net densities for each zone are as follows:

- Suburban Residential (SR) Zone - 4.4 dwelling units per acre
- Multi-Family Residential (MR) Zone - 10.3 dwelling units per acre

The housing needs analysis (Housing Element - Table 6) identified 233 new residential units that will be needed to accommodate the projected 2027 population of 2,379 persons. Of these 233 new residential units, 176 single-family dwelling units and 57 multi-family dwelling units will be needed. The table is shown again below.

**Table 6 - Land Use Element
Additional Dwelling Units Needed in Carlton by 2027**

Dwelling Units Needed by 2027	Single-Family Units	Multi-Family Units	Total
Dwelling Units Needed to Meet 2007 Rental Demand	9	18	27
Rental Units Needed by 2027	18	39	57
Owner-Occupied Units Needed by 2027	149	0	149
Total	176	57	233

Source: MWVCOG, 2007

Table 7 shows the amount of buildable residential land needed through 2027 to accommodate various types of housing, including multi-family housing. Based on the densities described above, approximately 83.1 acres will be needed to provide for residential development in Carlton through 2027.

**Land Use Element - Table 7
Projected Housing Mix and Residential Land Needs
Carlton, 2027**

Housing Type	Units Needed 2027	Percent of New Units	Density (units/acre)	Acres Needed 2027
Single Family	176	75.5%	4.4	40.0
Multi-Family	57	24.5%	10.3	5.5
Total	233	100.0%		45.5

Source: MWVCOG, 2007.

Looking back at Table 2, approximately 67.1 acres of vacant or redevelopable residential land is available to accommodate future housing needs within the existing urban growth boundary. An estimated 45.5 acres will be needed to accommodate residential growth through 2027. This includes approximately 5.52 acres designated Multi-Family Residential to accommodate multi-family housing needs. An additional 40 acres will be needed to provide for single-family housing development.

To meet the need for multi-family residential development Carlton amended the Comprehensive Plan Map designation and rezoned two (2) properties that were identified as redevelopable in the buildable lands inventory. Table 8 shows the properties that have been rezoned to meet future residential land needs. The amount of buildable acres is a net figure, with 0.25 acres subtracted from the total area of each tax lot to account for the existing dwelling on each property.

Land Use Element - Table 8
Residential Land Re-designations to Meet Projected Need
For 2027

Assessor Map/Tax Lot	Current Plan Designation	Current Zoning	New Plan Designation	New (Proposed) Zoning	Buildable Acres
3422CC 1100	Residential	Suburban Residential	No change	Mixed-Density Residential	4.7
3422CC 1101	Agricultural Holding	Agricultural Holding	Residential	Multi-Family Residential	0.7
3422BC 300	Residential	Suburban Residential	No change	Mixed-Density Residential	1.8
Total					7.3

Source: MWVCOG, 2007.

Table 9 shows the buildable residential land within the urban area after properties have been re-designated to meet projected housing need through 2027. Approximately 62.2 acres is available for single-family residential development in the Suburban Residential Zone where an estimated 40 acres is needed. Approximately 6.3 acres will be available for multi-family development in the Multi-Family Residential (MR) Zone. As shown in **Table 9**, the city has provided sufficient land for various housing types and densities in response to projected need.

Land Use Element - Table 9
Buildable Residential Land after Re-designations
Carlton, 2007

Zone	Vacant (acres) ¹	Redevelopable	Total	Acres Needed 2027
Suburban Residential (SR)	57.1	30.0	88.9	40.0
Multi-Family Residential (MR)	0.4	0.7	1.1	
Mixed-Density Residential (MX)	1.8	4.7	6.5	5.7
Manufactured Home (MH) ¹	0.1	0.0	0.1	NA
Total	59.4	35.4	94.8	45.7

Source: MWVCOG, 2007.

¹ No specific analysis of future need in the Manufactured Home (MH) Zone is required as manufactured home parks with a maximum density of 10 units per acre are allowed as a permitted use in the Multi-Family Residential Zone.

² The MX Zone provides for a mixture of housing types with a maximum density of nine (9) dwelling units per acre.

Future Commercial and Industrial Land Needs

The Economy of the City section of the Comprehensive Plan includes a 2027 projection of local employment (see the Economics Element - Table 7). One purpose for forecasting local employment is to determine if sufficient land is currently designated in the Comprehensive Plan to accommodate projected commercial and industrial development. Table 7 of the Economics Element shows the projected amount of land

need for commercial and industrial uses through 2027. That information is also included in Table 10 below.

Table 10 shows a comparison of land needed to accommodate new employment growth (demand) through 2027 and the available supply of vacant and redevelopable land. The comparison shows that there is sufficient commercial land available within the Carlton urban area to meet the projected land demand. The table indicates there is a surplus of approximately 4.9 acres of commercial land and a projected deficit of approximately 10.8 acres of industrial land based upon the need through 2027.

**Land Use Element -Table 10
Comparison of Supply and Demand for Commercial and Industrial Land
Carlton, 2027**

Land Use Type	Vacant/Redevelopable Acres
Supply	
Commercial	9.5
Industrial	2.5
Total Supply	12.0
Demand	
Commercial	4.6
Industrial	13.3
Total Demand	17.9
Surplus (Deficit)	
Commercial	4.9
Industrial	(10.8)

Source: MWVCOG, 2007.

To meet the need for future industrial growth, Carlton amended the Comprehensive Plan Map designation and rezoned a 11.0-acre portion of a 21.8-acre property that was formerly designated and zoned Agricultural Holding as shown in Table 11.

**Land Use Element - Table 11
Residential Land Re-designations to Meet Projected Need
For 2027**

Assessor Map/Tax Lot	Current Plan Designation	Current Zoning	New Plan Designation	New (Proposed) Zoning	Property Size (acres)	Area Proposed for Redesignation Rezoning (acres)
3421 300	Agricultural Holding	Agricultural Holding	Industrial	General Industrial	21.8	11.0
Total						11.0

Source: MWVCOG, 2007.

ECONOMY OF THE CITY

Statewide Planning Goal 9 (Economic Development) requires cities to provide an adequate supply of suitable sites for a variety of industrial and other employment uses. This section of the Carlton Comprehensive Plan serves as an Economic Opportunity Analysis (EOA) to fulfill the Goal 9 requirements and ensure an adequate supply of land is available for new and expanding businesses in Carlton over the 20 year planning horizon. This element of the Comprehensive Plan includes a description of the economic trends combined with an assessment of the community's economic strengths and weaknesses to determine the economic development potential of the area. This chapter also includes a description of the amount of land and types of sites needed to fulfill Carlton's economic needs over the next 20 years. This assessment of future land needs is compared with the supply of vacant and underutilized commercial and industrial lands available to determine whether or not there are any deficiencies in the land supply. The chapter concludes with a discussion of the planning implications and policy recommendations.

ECONOMIC TRENDS

Economic activity within the Carlton area is influenced by greater economic forces found at the national, state and regional levels. How well the overall economy is performing at the national level will in turn have an impact on which businesses experience prosperity and decline in Carlton and the Willamette Valley region. Recent economic trends and the economic outlook for these areas are the primary basis for our expectations of future economic development in Carlton.

Population

Oregon's economic conditions are strongly related to population growth. As shown in Table 1, growth was slow for the State and Carlton due to the recession in the early 1980s. Population increased during the economic expansionary period of the 1990s. Population growth has continued for the State and County through today, although at a slower rate than the expansionary period of the 1990s. Unlike the State and County's population growth, Carlton's growth rate continued to increase slightly since 2000. This suggests Carlton has been less susceptible to the most recent business cycles than the State and County as a whole.

**Economics -Table 1
Population - Oregon, Yamhill County, and Carlton 1980-2006**

Location	1980	1990	2000	2006	Average Annual Growth Rate		
					1980-90	1990-00	2000-06
Oregon	2,633,156	2,842,321	3,421,399	3,690,505	0.8%	1.9%	1.3%
Yamhill County	55,332	65,551	84,992	91,675	1.7%	2.6%	1.3%
Carlton	1,302	1,289	1,514	1,670	0%	1.6%	1.7%

Source: U.S. Census and the Center for Population Research and Census, Portland State University, 2006.

Personal Income

Table 2 shows median household income and the percentage of households below the poverty level in Carlton, Yamhill County, and Oregon for 2000. Median household income for Yamhill County exceeded that for Oregon. In Carlton, median income was lower than Yamhill County but higher than Oregon. The percentage of families living below the poverty level was lower in Carlton than the state, but greater than in the county.

Economics -Table 2
Median Household Income and Percent of Households Living Below Poverty Level
Carlton, Yamhill County, and Oregon, 2000 (in 2000 dollars)

Location	Median Household Income	Families Below Poverty Level
Carlton	\$41,827	6.0%
Yamhill County	\$44,111	4.5%
Oregon	\$40,916	7.9%

Source: 2000 U.S. Census.

Region Employment

Table 3 shows covered employment data for the McMinnville area, which includes the communities of McMinnville, Amity, Lafayette, Dayton, Yamhill, and Carlton. Combined employment in these communities reached 16,074 in 2003. The Employment Division reports that the largest employment industries for the area include: trade, transportation and utilities; education/health services; manufacturing; and government. Natural resources employment at 13 percent, is much larger than the state's percentage at three (3) percent and is largely in nurseries, greenhouses, and fruit and nut crops, including wine grapes.

Economics -Table 3
McMinnville Area Covered Employment by Industry
2003

Industry	Percent
Trade/Transportation/Utilities	17%
Natural Resources/Mining	13%
Government	14%
Manufacturing	14%
Education/Health Services	15%
Construction	4%
Leisure/Hospitality	8%
Professional/Business Services	6%
Other Services	3%
Financial Activities	5%
Information	1%
Total	100.0%

Source: State of Oregon Employment Department,
Employment Snapshot of McMinnville Area, 2005.

Economic Outlook

Long-range economic forecasts generally predict growth at the national level, despite short-term national trends, which may run counter to the long-term trend. Several national economic trends will continue to impact Oregon and the Willamette Valley. These include continued population increase due to migration of the U.S. population to the western United States and the decline of employment in resource-intensive industries and the increase in employment in service-oriented sectors of the economy.

The State of Oregon is predicted to perform at least as well in the long-term forecast as the nation, due to its economic advantages that include, location, labor force, and diversity. According to the Oregon Employment Department, the three (3) industrial sectors that are expected to account for most of the state's job growth include: professional and business services; education and health services; and trade, transportation and utilities. The State forecasts additional job losses in the resource-based manufacturing sectors, although at a decreasing rate from the previous forecast period. The Willamette Valley, combined with the Portland Metro Area, is expected to add the majority of jobs over the forecast period.

Region Forecast

The Oregon Employment Department provides an employment forecast for each market region in Oregon. Carlton is located in Region 3, which is comprised of Yamhill, Marion and Polk counties. Like the state economy, the region continues to make the transition from a reliance on resource extractive industries and manufacturing towards information, and services and high-tech manufacturing. As a result, jobs are being lost in some sectors as they are being added in others.

Table 4 shows projected employment within Marion, Polk, and Yamhill counties for the period from 2002 through 2014. Employment in Region 3 is projected to increase by 15 percent during the period from 2004 through 2014. The Oregon Employment Department indicates that service and construction industries will experience the most significant job growth within the region through 2014. Government employment is forecast to grow more slowly than the average of all industries over the period through 2014.

**Economics -Table 4
Employment Projections by Selected Industry
Marion, Polk, and Yamhill Counties, 2004 and 2014**

Industry	2004	2014	Percent Change
Total Non-Farm Payroll Employment	169,400	194,900	15.1%
Manufacturing, Total	20,100	20,000	-0.5%
Durable Goods	10,900	10,800	-0.9%
Non-durable Goods	9,200	9,200	0.0%
Non-Manufacturing, Total	149,300	174,900	17.1%
Construction	8,800	10,700	21.6%
Financial activities	8,300	9,200	10.8%
Trade, transportation and utilities	28,000	32,300	15.4%
Services	58,100	72,000	23.9%
Government	42,500	46,800	10.1%

Source: State of Oregon, Employment Department. *Regional Profile Industry Employment in Region 3, 2005.*

Carlton Economy

Carlton's economy has historically been based in the agricultural and forest industries. In the early 1900s, the area was identified as the state's "logging center". Over the years, Carlton has been home to several logging companies and the Carlton Manufacturing Company sawmill operations. Changes in the economy drove many lumber companies out of business and eventually led to the closure of the Carlton Manufacturing Company. Early agricultural activities were centered on hops, hay, pigs, and fruit and nut trees.

Traditional extractive industries continue to have a significant impact upon the local economy through today. Carlton is currently home to over nine (9) wineries and a dozen horse farms. The City has also experienced recent growth in other industries such as the service, construction and trade, transportation and utilities sectors. Despite the recent diversification of the Carlton economy, the area continues to rely heavily upon McMinnville and other larger cities for the majority of its commercial and other service needs. **Table 5** shows recent covered employment data by industry for the Carlton area based on employer records with a 97111 zip code. The agriculture, forestry, fishing & hunting and the manufacturing industries make up approximately 53 percent of the area's employment.

**Economics -Table 5
Carlton Covered Employment
2005**

Industry	Covered Employment	Percent of Covered Employment
Agriculture, Forestry, Fishing & Hunting	147	24.3%
Construction	60	9.9%
Manufacturing	176	29.1%
Wholesale Trade, Transportation, and Warehousing	55	9.1%
Retail Trade	26	4.3%
Finance and Insurance	11	1.8%
Services and Real Estate	116	19.2%
Public Sector Employment	14	2.3%
Total	605	100.0%

Source: State of Oregon Employment Department sorted and summarized by MWVCOG, 2007.

Covered employment includes only those workers covered under unemployment insurance. The data tends to underestimate total employment by excluding certain employees, such as business owners and some agricultural workers. Overall, covered employment accounts for only about 81 percent of all employment in Oregon. In Table 6, covered employment is converted to total employment using statewide conversion ratios.

**Economics -Table 6
Carlton Covered and Total Employment
2005**

Sector	Covered Employment Percentage	2005 Covered Employment	2005 Total Employment
Agriculture, Forestry, Fishing & Hunting	62%	147	237
Construction	73%	60	82
Manufacturing	94%	176	187
Wholesale Trade, Transportation, and Warehousing	87%	55	63
Retail Trade	84%	26	31
Finance and Insurance	60%	11	18
Services and Real Estate	74%	116	157
Public Sector Employment	100%	14	14
Total		605	789

Source: State of Oregon Employment Department sorted and summarized by MWVCOG, 2007.

ECONOMIC OPPORTUNITIES AND CONSTRAINTS

This section examines factors that influence economic growth opportunities in Carlton, including a discussion on the City's economic strengths and weaknesses. Through identifying Carlton's strengths and weaknesses, the city can begin to understand which types of industries have the greatest potential for growth and expansion, and what areas the city should work on to improve economic opportunity within the area.

Location

Carlton is located in Yamhill County's wine region with a number of local vineyards within close proximity to the City. The proximity to vineyards and availability of fruit to produce wine was one of the key strengths to doing business in Carlton indicated during interviews with local wine makers. Given these economic advantages and the tendency for related businesses to locate in close proximity to one another, the wine industry is an area of Carlton's economy that is likely to continue to grow and expand in the future.

While wineries themselves do not typically have large numbers of employees, an area where there is additional employment opportunity is the wine tourism industry. The Oregon wine industry indicates that there is a great potential for increasing tourism related to the Oregon wine trade. A recent report commissioned by the Oregon wine industry noted the need for additional tourism infrastructure services and facilities such as hotels, restaurants and shopping opportunities. An increase in the availability of the types and number of overnight accommodation services would encourage wine tourists to extend their stays and increase the demand for tourist-related services in Carlton and the surrounding area. Interviews with local wineries indicate support for this type of development.

While Carlton's location serves as an advantage to the local wine industry, Carlton's location in close proximity to McMinnville and Newberg, put it at a disadvantage for meeting shopping needs of the local market. Carlton residents have access to a wide and deep selection of shopping and restaurants within a few short miles of the City. Local businesses identified the need to drive to larger cities such as McMinnville, to buy business goods and services as one of the weakness to doing business in Carlton.

Transportation

State Highway 47 passes through the west side of Carlton and connects Carlton with Forest Grove and the Portland Metro Area to the north. To the south, State Highway 47 connects with State Highway 99W 4.4 miles south of Carlton. State Highway 99W connects Yamhill cities such as McMinnville and Newberg, with the Portland Metro Area markets. Interstate 5 serves as the primary transportation artery in the Willamette Valley. Cities in Yamhill County lack direct access to Interstate 5. Lack of direct access to I-5 will limit the ability of Carlton and surrounding cities to attract firms that require access to that facility.

North Yamhill Street and West Main Street, are identified as arterial streets in the Carlton Transportation System Plan and provide direct access to industrial zoned properties in Carlton. Industrially zoned parcels in Carlton also have access to the Southern Pacific Railroad that runs north/south through the city. Railroads can be an important form of transportation for businesses that need to transport bulky inputs and finished products.

Utilities

The City owns and operates its own wastewater collection treatment and disposal system. The City's sewer system is generally in good condition and is accessible to most commercial and industrial zoned parcels within the City. The recently completed Sewer Master Plan identifies system improvements needed including, routine repairs to rehabilitate and replace old lines and pump stations, and some plant improvements to expand the system's capacity. These improvements are generally funded through SDC sewer funds.

The City also owns and operates its own water distribution system. Currently there are major improvements needed to the City's water system to meet fire flow requirements. Improvements needed to the City's water system include constructing a larger water line that connects the city to the reservoir site. The estimated cost to complete these improvements is approximately \$900,000. The City is currently exploring sources of funding to fix the problem. The inability to meet fire flow requirements is a major constraint for economic development within the City of Carlton.

The majority of the vacant and commercial sites located within the Carlton UGB have access to city services. Future industrial sites located in the northwest section of the City may require a pump station to provide adequate sewer service.

Quality of Life

Quality of life is a subjective standard that is hard to quantify. It includes economic factors, such as income, employment, and housing costs, as well as, non-economic factors, such as natural and physical amenities, quality of local education, and cultural and recreational opportunities. Quality of life plays a role in economic development because it affects the relative attractiveness of the city to migrants. A more attractive quality of life may help Carlton attract a greater share of in-migrants. These migrants not only bring job skills to various employment sectors, such as construction, services, and retail trade, but some may also start new businesses in the community.

One of Carlton's comparative advantages is that it has a relatively intact commercial district, as it existed 100 years ago, giving it a unique sense of place. The City recently completed work on a downtown improvement project, which included, water and sewer line replacements, road resurfacing, installation of sidewalks and other pedestrian improvements such as, street lights, trees, park benches, trash receptacles and crosswalk repainting. All of these improvements help contribute to an active downtown that is welcoming to business activity and pedestrians.

One of the disadvantages of the downtown area is the heavy truck traffic, which can be an intimidating and noisy environment for pedestrians. Additionally, there are a number of vacant buildings and lots within the downtown area that create a shopping district that lacks cohesiveness. A unified pedestrian-friendly district requires uninterrupted storefronts and active retail or entertainment businesses with strong street appeal. The City's continued efforts to make improvements to the downtown area are intended to increase the appeal of the downtown area and help attract additional businesses and also to serve as a unique destination for visitors. The City is exploring the formation of an urban renewal district as a funding mechanism to further aid revitalization in the downtown area.

Business Support

One of the strengths noted during interviews with local businesses was the City's support for local businesses and ease of working with City staff through the permitting process. A study completed with assistance from the Oregon Downtown Development Association in 2001, also identified a number of local factors that create support for businesses. Some of the comparative advantages identified in this study include, a strong volunteer base through local organizations such as, the Carlton Together Cares group; local investment in Carlton's economic future through new residential and commercial development and the passing of a recent school bond levy. There is also the presence of a strong core group of individuals that believe in a healthy and positive future for Carlton that help others see the benefits to doing business in Carlton.

Land Cost

The OregonProspector.com is the state's official public-private website for site consultants and businesses interested in relocating or expanding a business in Oregon. This site provides an on-line database of available commercial and industrial properties in Oregon. The most recent database listing shows four (4) vacant properties in Yamhill County with advertised sales prices, three (3) of which are in McMinnville. These properties range in size from 0.78 acres to 26 acres. Sale prices for the properties range from \$50,000/acre to \$485,897/acre with an average sales price of \$199,411/acre.

While none of the properties listed are in Carlton, Yamhill County Assessor records show that the real market value of several vacant industrial properties in the community is approximately \$84,813/acre. While this obviously does not represent a comprehensive market survey, it does indicate that land costs, particularly in relation to the McMinnville market, may be lower in the Carlton area. Lower land cost is often a primary reason for the firms to locate in smaller communities.

City Policies Affecting Economic Development

The Carlton Comprehensive Plan includes a number of supportive economic development related policies stated as follows. In general Carlton supports economic development that adds to the quality of life of the community that does not detract from the small town character of the city.

1. Carlton shall encourage the type of industrial development that contributes substantially to the community's economy by assuring that revenues and wages generated will be recycled through the local economy.
2. Carlton shall encourage industry that will raise the wage scale in the community.
3. Carlton shall encourage industry that will offer employment to, and create a balance between, a broad range of workers, including professional, skilled and unskilled labor.
4. Industry shall be encouraged that provides training opportunities in skills that can be transferred to other job categories and opportunities.
5. The City shall encourage industry that would pay its fair share for services required for its establishment and maintenance.

6. An industrial facility proposal shall be evaluated to consider both short and long term social, environmental, and economic impacts to the City and surrounding area before being approved.
7. Carlton shall encourage industry and/or economic activity that will be energy efficient and include, but are not limited to the following:
 - (a) efficient building, manufacturing and heating practices,
 - (b) co-generation systems including the burning of wastes, and
 - (c) utilization of new and alternative systems.
8. Carlton shall encourage industrial development that meets appropriate pollution control requirements.
9. Carlton shall, encourage a strategy of economic development that will:
 - (a) efficiently utilize and develop existing resources,
 - (b) encourage further development and expansion of existing facilities and industries and/or economic activity,
 - (c) identify local, state, and federal resources to assist in the economic and industrial expansion (growth) desired in Carlton,
 - (d) identify and correct problems that discourage desired economic growth, and
 - (e) identify and promote industry and/or economic activity that will be compatible with, and enhance and maintain Carlton's small town character, quality of life and identity.
10. Carlton shall direct future industrial growth determined to be incompatible with residential neighborhoods away from existing or designated areas of future residential development. These industries shall be sited in controlled areas sufficiently buffered from adjacent uses to prevent conflict.

Summary of Economic Opportunities and Constraints

Carlton has a number of economic advantages that will help foster additional economic development over the planning horizon. The city has a high quality of life and is supportive of local businesses and efforts to improve the city's downtown area. The city is located in close proximity to local wineries and a number of visitor support services have developed in the city recently such as, wine tasting rooms, restaurants and retail stores that attract wine tourist in the region. As the wine industry and general population continue to grow in the Carlton area, there will be an increasing need for establishments that provide support goods and services to the wine industry and the general population.

A major limitation to new commercial and industrial development is the City's water system, which currently cannot provide adequate fire flows. This is a critical limitation to overcome in order to encourage economic development within the Carlton area. Future economic opportunity in Carlton is also constrained by its proximity to McMinnville and lack of major highway or Interstate access. Due to these constraints, it is unlikely that the City will be able to attract large scale manufacturing firms or become a retail service center for the larger area.

However, as Carlton's population continues to grow, there will be an increased demand for convenience shopping.

CARLTON EMPLOYMENT GROWTH PROJECTION

Given the national, state and regional economic forecasts and comparative advantage to doing business in Carlton, the City can be expected to perform at least as well as the region over the 20 year planning horizon. Rather than attempt to project the number of new jobs created as a percentage of the region, which is relatively small, this analysis uses the "Safe Harbor" method to determine employment needs as identified in Oregon Administrative Rules (OAR) 660-024-0040(8). The Safe Harbor method assumes the number of jobs created in the City will grow at a rate equal to the regional job growth rate provided in the most recent forecast published by the Oregon Employment Department. The most recent forecast provided by the Oregon Employment Department estimates the region's employment will grow by 15 percent from 2004 to 2014. This same growth rate was extrapolated throughout the 20-year planning horizon through the year 2027. This moderately conservative employment growth rate continues to reflect Carlton's identity as a bedroom community to McMinnville, while still anticipating some economic growth in the community, especially in the wine manufacturing and support service sectors. The City should review and update the economic forecast as more recent employment data and forecasts for the region become available in the future.

Table 7 shows the projected total employment growth through the year 2027. This projection shows that 281 new jobs will be added over the planning horizon, for a total employment of 1,070 by 2027. This represents an increase of 35.6 percent over 2005 total employment.

**Economics -Table 7
Total Employment Projection
Carlton, 2005 and 2027**

Sector	2005		2027	
	Percent	Total	Percent	Total
Agriculture, Forestry, Fishing & Hunting	30.0%	237	30.0%	321
Construction	10.3%	82	10.3%	111
Manufacturing	23.7%	187	23.7%	254
Wholesale Trade, Transportation, and Warehousing	8.0%	63	8.0%	86
Retail Trade	3.9%	31	3.9%	42
Finance and Insurance	2.3%	18	2.3%	24
Services and Real Estate	9.4%	157	9.4%	213
Public Sector Employment	1.8%	14	1.8%	19
Total		789		1,070

Source: MWVCOG, 2007.

LAND DEMAND ANALYSIS

A primary function of the economic opportunities analysis is to determine if sufficient land is available to accommodate projected employment over the planning horizon. In order to accomplish that, the employment growth forecasted above must be aggregated into general

land use categories. Next, the number of new jobs created for commercial and industrial use must be converted into the number of acres needed for commercial and industrial uses over the 20 year planning horizon.

The employment sectors forecasted above were allocated to two (2) land use categories as follows:

- Commercial: Retail Trade; Finance and Insurance; and Services (including Real Estate).
- Industrial: Construction; Manufacturing; and Wholesale Trade, Transportation, Communications and Utilities.

This analysis assumes growth in the public sector employment will occur on existing public lands and that growth in agriculture, forestry and fishing industries will occur primarily on adjacent agricultural lands outside the urban area.

Table 8 shows the 2027 employment growth by land use type. **Table 8** shows that there will be approximately 73 new commercial jobs created and 136 new industrial jobs created, for a combined total of 209 new commercial and industrial jobs created by 2027.

Economics -Table 8
Total Employment Growth by Land Use Type
Carlton, 2027

Sector	2027
Commercial	73
Industrial	136
Total	209

Source: MWVCOG, 2007.

To convert the employment growth shown in **Table 8** above to the number of acres needed by land use type, an assumption must be made regarding the density of employment per acre. One of the common methods used to determine the job density of an area is to calculate the number of employees per developed acre of land. Using employment data and the buildable lands analysis, estimates of commercial and industrial employment per acre in Carlton were determined.¹ Based on this information, this analysis assumes 15.8 employees per acre for commercial uses and 10.2 employees per acre for industrial uses.

Table 9 shows the amount of land needed to accommodate new commercial and industrial employment growth through 2027. Approximately 4.6 acres will be needed to accommodate projected commercial employment growth through this period. Approximately 13.3 acres will be needed to accommodate projected industrial employment growth through this period.

¹ Approximately 7.7 acres are developed in the Commercial-Industrial (CI) Zone, which allows a broad mixture of industrial and commercial uses. It is estimated that approximately 5.0 acres in this zone are developed with commercial uses and approximately 2.7 acres are developed with industrial uses.

**Economics -Table 9
Land Need by Land Use Type
Carlton 2027**

Sector	Total Employment Growth	Employees Per Acre	Land Demand (acres)
Commercial	73	15.8	4.6
Industrial	136	10.2	13.3
Total			17.9

Source: MWVCOG, 2007.

COMMERCIAL AND INDUSTRIAL SITE REQUIREMENTS

An additional consideration is the type of sites needed for future commercial and industrial developments. Site requirements include the physical characteristics required for a particular type of industrial or commercial use to operate, such as parcel size, site configuration, and access to a specific type of transportation facility. Employment growth is forecasted for all of the major commercial and industrial sectors in Carlton over the planning horizon; therefore, it is important that a variety of sites be available to meet the forecasted employment needs.

Table 10 shows the size characteristics of developed commercial and industrial properties in Carlton. Commercial uses in Carlton have developed on properties that are between 5,000 and 17,000 square feet (0.1 and 0.4 acres) in size. Developed industrial properties average about 1.0 acre in size. The current size of commercial and industrial parcels in Carlton indicates the need for a number of small to medium sized parcels.

**Economics -Table 10
Size Characteristics of Developed Properties by Zone
Carlton 2007**

Zone/Plan Designation	Average (acres)	Median (acres)	Parcel Size Range (acres)
Commercial Business Zone (CB)	0.2	0.2	0.1 - 0.4
Commercial Industrial (CI)	0.4	0.3	0.1 - 0.7
General Industrial Zone (IG)	1.0	1.0	0.5 - 1.7

Source: Yamhill County Assessor data, MWVCOG, 2007.

As discussed under the economic opportunities and constraints section above, Carlton is well positioned to see economic growth in the small scale manufacturing industry (wineries) and visitor commercial services (retail, restaurant, lodging). A discussion of the specific site requirements for these types of industries is provided as follows.

Small Scale Manufacturing

Site characteristics for small-scale manufacturing include building sites with slopes less than 15 percent, on soils without severe building limitations. These businesses often locate on parcels between one (1) to three (3) acres in size that are preferably rectangular in shape with a lot depth of 200 to 300 feet. Small-scale manufacturers prefer direct access to a state highway or

other well-travel transportation facility. Wineries in particular, often desire visibility to a major highway to attract visitors to wine tasting rooms found on the premise. Buildings configurations should allow for a variety of ancillary uses such as show rooms, or tasting rooms in the case of wineries, and office space. These types of industries do not have as large of an impact as large-scale manufacturers and heavy industries, and thus do not require larger land use buffers of 50 to 100 feet. However, consideration should be given to provide some buffering between industrial and residential uses and avoiding truck traffic through residential areas.

Visitor Commercial Services

Services typically needed for visitors include, specialty retail shops, lodging and restaurants. The majority of employment growth in these services will take place in small businesses. Small businesses often lack capital to construct new buildings and therefore, require existing buildings with leasable space. Due to the high turnover in small business start-ups, it is also desirable that building sites provide enough flexibility to accommodate various users. Typically building sizes for restaurant and specialty retail shops are 5,000 to 10,000 square feet. Commercial uses require access to streets with high traffic volumes and visibility to attract customers. These types of uses often locate in close proximity to one another to allow customers the ability to access other commercial services. Good pedestrian access and attractive streetscapes are important to encourage customers to access nearby services by walking.

COMMERCIAL AND INDUSTRIAL LAND INVENTORY

In order to determine whether or not there is sufficient employment land over the planning horizon, an up-to-date inventory of the current land supply is needed. The following section identifies the supply of vacant and underutilized employment land within the Carlton Urban Area.

Table 11 shows a summary of the amount of vacant and redevelopable commercial and industrial land available within the Carlton urban area. Table 11 shows a total available acreage of 10 acres of vacant and redevelopable commercial land and 2.5 acres of industrial land.

Economics -Table 11
Commercial and Industrial Buildable Lands Inventory
Carlton, 2007

Zone/Plan Designation	Vacant (acres)	Redevelopable	Total Acres
Commercial Business (CB)	6.0	1.0	7.0
Commercial Industrial (CI)	2.1	0.9	3.0
Commercial Acreage	8.1	1.9	10.0
General Industrial (GI) ¹	1.0	1.5	2.5
Industrial Acreage	1.0	1.5	2.5
Total	9.1	3.4	12.5

Source: Yamhill County Assessor data, MWVCOG, 2007.

¹ An additional 2.0-acre vacant industrial-zoned parcel has recently been purchased for development of a new fire station.

Table 12 shows the number of vacant and redevelopable commercial and industrial land by parcel size. There are a number of small size commercial and industrial parcels one-half acre or less in size. However, the table indicates the Carlton area lacks any vacant or redevelopable parcels in the 1.5 to 3.0 acre parcel size. Additionally, there are no industrial parcels 3.0 acres or greater in size that could be subdivided to create smaller parcels. To create additional opportunity for employment growth in the target industries, additional parcels should be added to the industrial land supply that are 1.5 acre in size or greater.

Economics -Table 12
Commercial and Industrial Vacant Land Inventory by Parcel Size
Carlton, 2007

Parcel Size	Number of Commercial Parcels	Number of Industrial Parcels
0.0 - 0.5 acres	24	1
0.6 - 1.5 acres	1	1
1.5 - 3.0 acres	0	1
3.0 acres or greater	1	0
Total	26	3

Source: Yamhill County Assessor data, MWVCOG, 2007.

Comparison of Land Demand and Supply

Table 13 shows a comparison of land needed to accommodate new employment growth (demand) through 2027 and the available supply of vacant and redevelopable land. The comparison shows that there is sufficient commercial land available within the Carlton urban area to meet the projected land demand. The table indicates there is a surplus of 4.9 acres of commercial land and a projected deficit of approximately 10.8 acres of industrial land based upon the need through 2027.

Economics - Table 13
Comparison of Supply and Demand for Commercial and Industrial Land
Carlton, 2027

Land Use Type	Vacant/Redevelopable Acres
Supply	
Commercial	10.0
Industrial	2.5
Total Supply	12.5
Demand	
Commercial	4.6
Industrial	13.3
Total Demand	17.9
Surplus (Deficit)	
Commercial	4.9
Industrial	(10.8)

Source: MWVCOG, 2007.

Short Term (5 Year) Land Needs

Table 14 identifies short-term land needs for the City of Carlton. Short-term land needs are characterized by those lands that will be needed for employment growth within the next five (5) years. Ideally, land available for short-term employment growth is not constrained by the lack of infrastructure or those lands considered unavailable due to land speculation. Carlton's short term supply of vacant commercial and industrial lands is currently constrained by immediate improvements needed to the City's water system to meet fire flow requirements. In addition to improvements to the City's water system, there is currently a need to redesignate parcels 1.5 acres or greater in size to industrial in order to provide additional opportunities for industrial growth.

Economics - Table 14
Short Term Demand for Commercial and Industrial Land
Carlton, 2012

Land Use Type	Vacant/Redevelopable Acres
Demand	
Commercial	1.1 ac
Industrial	3.3 ac
Total Demand	4.2 ac

Source: MWVCOG, 2007.

As shown in Table 13, the city does not have enough land available to meet the projected need for industrial land through 2027. Oregon Administrative Rules 660-009-0025 requires that, as part of an Economic Opportunities Analysis, the city must designate enough land to meet the

total projected land needs for each industrial or other employment use category identified in the plan during the 20-year planning period.

The City has identified an area for rezoning that would meet the projected need for industrial land. The area is approximately 12 acres in size and part of an approximately 21.8-acre parcel located north of McKinley Avenue and west of Highway 47. The property is identified as Tax Assessor Map 3421, Tax Lot 300. The property is currently designated as Agricultural-Holding in the Comprehensive Plan and is zoned Agricultural-Holding and is located adjacent to the industrial development near the northern city limits and Urban Growth Boundary.

Future Planning Implications and Recommendations

Economic trends and local comparative advantages support economic growth in the Carlton area over the next 20 years. While employment opportunities in the large-scale manufacturing sectors may be limited in Carlton, the City is in a prime location for attracting small scale manufacturers such as, wineries, and commercial visitor services, such as specialty retail shops, restaurants and lodging.

Total employment in Carlton is projected to reach 1,070 by 2027, an increase of 281 jobs from 2005. A review of the City's updated land inventory indicates the City has sufficient land of suitable sizes to accommodate projected commercial land needs. However, there is a shortage of approximately 10.8 acres of industrial land and a need to redesignate land for industrial purposes. Due to changing economic conditions over the planning horizon, the City should review the employment forecast and land inventory at least every five (5) to ten (10) years and make adjustments where necessary.

Additionally, in order for Carlton to reach its full economic potential, water system improvements are needed to enable new development to meet fire flow requirements. The City should also encourage further economic development by approving quality commercial and industrial developments, and supporting continued efforts to revitalize the downtown area to create a pedestrian friendly area that is inviting to visitors.

Recommended New Economic Policies:

- Carlton shall encourage business development that retains, strengthens and expands the business base in Carlton.
- Carlton shall encourage businesses that will complement and improve the existing downtown commercial mix and will enhance downtown's attractiveness to its target markets.
- Carlton shall maintain a long-term (20 year) supply of industrial and commercial lands that includes a variety of parcel sizes and locations. Redesignation of land to or from commercial or industrial may be allowed providing:
 - a. It serves the community's interests and does not impact the long-term continuity of the 20 year land supply; and
 - b. There is a demonstrated need to expand the industrial/commercial or non-residential land use supply.
- Carlton will review the City's economic forecast and commercial and industry land supply as updated employment data and regional forecasts become available.

Comprehensive Plan Findings and Policies

LAND USE PLANNING
[Goal-2]

Findings

- Data inventories were prepared on the natural resources, man-made structures and utilities, developable lands, population and economic characteristics and projections to the year 2027 and are included as a part of the planning atlas.
- Land requirements were projected and facilities and services capability to meet future growth needs were analyzed.
- The plan and urban growth boundary were evaluated based on the above information, citizen input and governmental coordination.

Goal

1. To maintain a land use planning process and policy framework as a basis for all decisions and actions related to the use of the land and to assure an adequate factual base for such decisions and actions.

Policy

1. The Planning Commission will conduct a thorough review of the Plan and Implementing Ordinances at least as often as directed by the Oregon Department of Land Conservation and Development in order to satisfy the periodic review requirements of ORS 197.633.

HOUSING [Goal-10]

One of the major concerns of the City is to allow the opportunity for the provision of an adequate choice of housing for both its present and future residents. With the rapidly accelerating costs in the housing market, it is the City's intent to provide the opportunity for the development of a wide range of housing types.

Findings

- As of the end of 2006, there were 673 housing units in Carlton. Approximately 88% of these are single family including manufactured housing, and 12% are multifamily.
- The 2000 Census found that 75.4 percent of all residential units were owner-occupied units and the remaining 24.6 percent were rental units.
- Based on a population projection of 2,379 by year 2027, it is estimated that 233 additional dwelling units will be needed in Carlton.
- Using the Housing Needs Model developed by the Oregon Housing and Community Services Department there will be an estimated need for 176 new single-family and 57 multifamily units by the year.

Goal

1. To develop a variety of housing opportunities to meet the needs of all present and future residents at the lowest possible cost, and with the highest possible standards.

Policies

1. To permit new developments only when all urban services become available. These services shall include: public water, sanitary sewers, storm drainage, solid waste collection, streets, parks and recreation facilities, and adequate police, and fire protection.
2. To conserve and improve structurally sound existing housing stock in Carlton.

3. Within already-developed areas, a variety of infill housing types shall be made available using appropriate density and design standards.
4. The City recognizes manufactured housing as a significant source of housing supply, and manufactured dwelling units shall be permitted anywhere single-family dwellings are permitted, subject to the construction standards and exceptions allowed by State law.
5. To assist parties to access to federal, state, or other funds for the rehabilitation of existing housing.
6. Residential Land Use Policy
 - a. All residential development within the City of Carlton shall conform to the state building, electrical, plumbing, and fire codes. Residential development shall be encouraged in a compact and efficient manner to provide the needed housing units for varying income levels, reduce the amount of land used for residences, conserve energy supplies, and facilitate the provision of public facilities and services in an efficient and economic manner.
 - b. The City shall encourage a mix of housing types including duplex development within new subdivisions and residential planned unit developments until the City's housing mix more closely resembles the preferred ratio of 75 percent single-family to 25 percent multifamily.
 - c. Varying lot sizes and configurations shall be encouraged in order to provide for a variety of housing types, densities and designs.

URBANIZATION
[Goal 14]

Carlton's city limits and Urban Growth Boundary have been identical since the time of the Urban Growth Boundary (**UGB**) adoption on January 9, 1978 except for a 1985 simultaneous UGB and annexation action to include Wennerberg Park. The following findings of fact indicate that there was sufficient buildable land within the city limits to accommodate the City's projected needs to the year 2017. There is no demonstrated need to expand the City's UGB at this time.

The City recognizes the need to wisely manage and plan for growth inside its adopted UGB, and to assure that the coordinated development of all public facilities and services occurs with the urbanization of available land.

Findings

- Existing land use data show there is a total of approximately 306 acres of vacant, redevelopable, and/or agricultural land in the city.
- Of the 289.5 acres that are classified as residential, commercial or industrial, there are approximately 101.6 acres that are vacant or redevelopable, which could be used for development.
- Based upon land use projections to the year 2027 it is estimated that Carlton will need a total of 17.9 acres of commercial and industrial land. The 2007 buildable lands inventory shows that only 12.5 acres of commercial and industrial zoned land is available to meet future demand. An additional 11 acres of land was rezoned from Agricultural-Holding to General Industrial to provide sufficient land to meet the projected need.
- Based upon an estimated projection of an additional 437 dwelling units by the year 2027, residential land needs will call for an additional 81.6 acres of land by the year 2017, the City has a total of 89.5 acres of vacant property designated for residential development.
- The existing developable land base within the city is sufficient to meet projected needs.

Goal

1. To provide for an orderly and efficient transition from rural to urban land use.

Policies

1. The City shall define a growth policy consistent with population projections and expectations and identify possible future development areas on the Plan map.
2. Change of the Urban Growth Boundary shall be based upon consideration of the following factors:
 - (a) Demonstrated need to accommodate long-range urban population growth requirements,
 - (b) Need for housing, employment opportunities and livability,
 - (c) Orderly and-economic provision of public facilities and services,
 - (d) Maximum efficiency of land uses within and on the fringe of existing urban area,
 - (e) Compatibility between the proposed urban uses and nearby agricultural activities, and
 - (f) Environmental, energy, social and economic consequences.
4. The City shall encourage the availability of sufficient land for various urban uses to ensure choices in the market place.
5. The size of the parcels of urbanizable land that are converted or developed shall be of adequate dimension to maximize the utility of land resources and to enable the logical extension of services to the parcels.
6. Methods and devices for guiding urban land use should include but not be limited to the following as they become feasible:
 - (a) Tax incentives and disincentives,
 - (b) Multiple use and joint development practices,

- (c) Fee and less than fee acquisition techniques, and
 - (d) Capital improvement programming.
7. The City of Carlton shall continue to support the Urban Growth Management Agreement entered into with Yamhill County in June 1979. [See Appendix C]
 8. The City shall investigate the use of growth management techniques to promote a reasonable rate of growth consistent with the availability of public facilities and services and the fiscal ability of the City to provide public facilities and services.
 9. The City shall require new developments to pay all costs of capital improvements to that development.
 10. Encourage the location of housing to minimize the consumption of prime agricultural land and other areas of natural resource that contribute to the community's rural character.
 11. Development shall avoid locating in areas, which are subject to, and/or generate adverse environmental impacts.
 12. Development shall be encouraged to utilize vacant parcels of bypassed land in order to achieve a more compact community.

ECONOMY of the City [Goal-9]

Like most of Yamhill County's small cities, Carlton has served chiefly as retail and service center supplying goods and services for those living and working in the surrounding area. Agriculture and the lumber industry have historically dominated the economy of the area. Today the lumber industry is no longer significant to the City and the local economy is largely concentrated in retail trade and services.

Findings

- Industrial and commercial land supplies exist to serve the community to the year 2027
- Commercial growth is most likely to occur in capturing weekend highway trade from the Portland metropolitan area.
- Industrial growth is most likely to occur in small specialty industries including the wine industry.
- The highest percentage of the work force commutes to either McMinnville or Newberg.

Goal

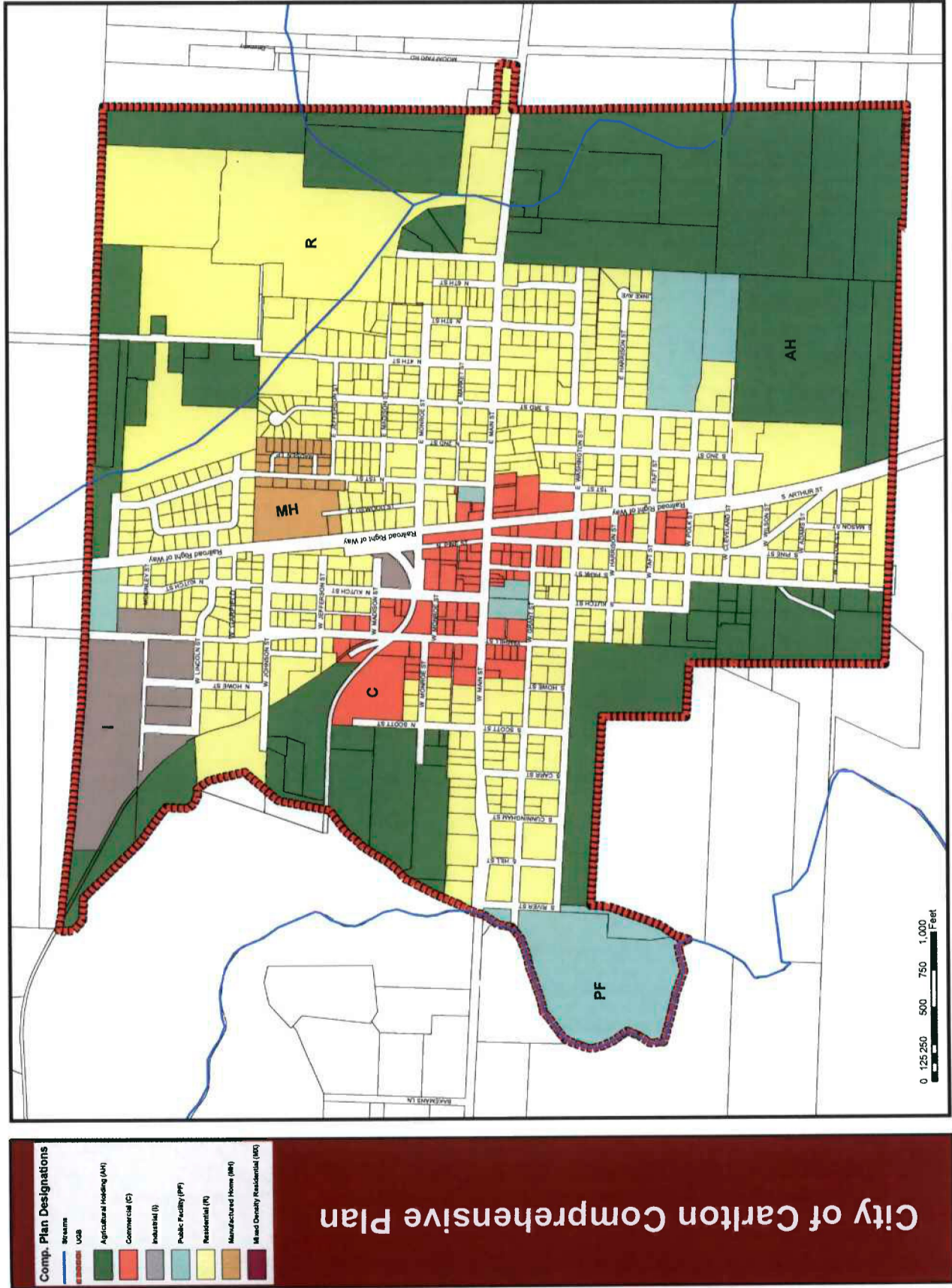
1. To provide for the needs of existing industries, encourage desired economic growth, develop a stable community-based economy, and provide for greater employment opportunities for Carlton's citizens.

Policies

1. Carlton shall encourage the type of industrial development that contributes substantially to the community's economy by assuring that revenues and wages generated will be recycled through the local economy.
2. Carlton shall encourage industry that will raise the wage scale in the community.
3. Carlton shall encourage industry that will offer employment to, and create a balance between, a broad range of workers, including professional, skilled and unskilled labor.

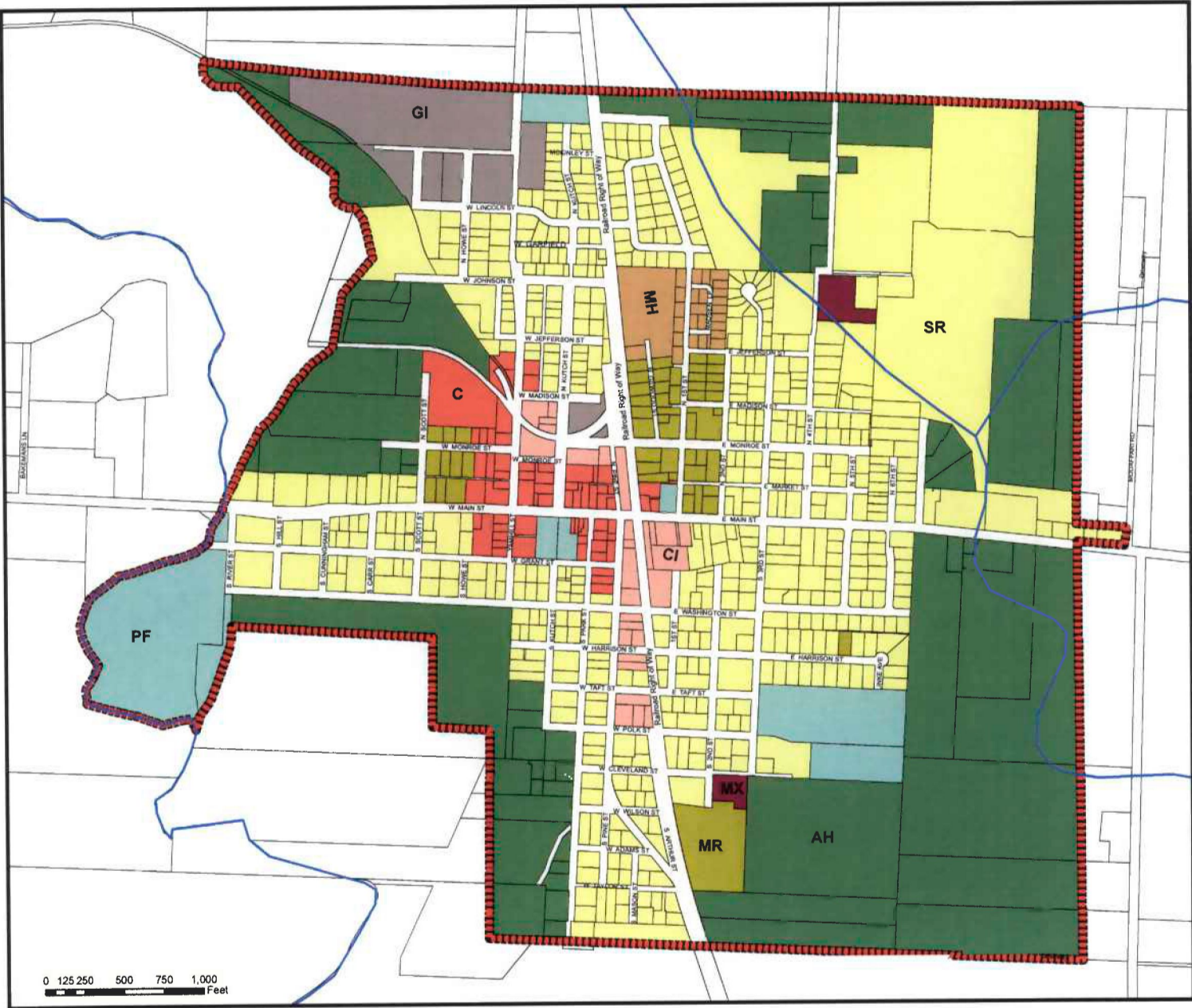
4. Industry shall be encouraged that provides training opportunities in skills that can be transferred to other job categories and opportunities.
5. The City shall encourage industry that would pay its fair share for services required for its establishment and maintenance.
6. An industrial facility proposal shall be evaluated to consider the social, environmental, and economic impacts to the City and surrounding area before being approved.
7. An industrial facility proposal shall be evaluated to consider both short and long term social, environmental, and economic impacts to the City and surrounding area before being approved.
8. Carlton shall encourage industry and/or economic activity that will be energy efficient and include, but are not limited to the following:
 - (a) efficient building, manufacturing and heating practices,
 - (b) co-generation systems including the burning of wastes, and
 - (c) utilization of new and alternative systems.
9. Carlton shall encourage industrial development that meets appropriate D.E.Q. pollution control requirements.
10. Carlton shall, encourage a strategy of economic development that will:
 - (a) efficiently utilize and develop existing resources,
 - (b) encourage further development and expansion of existing facilities and industries and/or economic activity,
 - (c) identify local, state, and federal resources to assist in the economic and industrial expansion (growth) desired in Carlton,
 - (d) identify and correct problems that discourage desired economic growth, and
 - (e) identify and promote industry and/or economic activity that will be compatible with, and enhance and maintain Carlton's small town character, quality of life and identity.

11. Carlton shall direct future industrial growth determined to be incompatible with residential neighborhoods away from existing or designated areas of future residential development. These industries shall be sited in controlled areas sufficiently buffered from adjacent uses to prevent conflict.
12. Industrial development along Highway 47, including the entrances to Carlton, shall be attractively designed with landscaping to screen industrial storage and work areas from view..
13. Carlton shall encourage business development that retains, strengthens and expands the business base in Carlton.
14. Carlton shall encourage businesses that will complement and improve the existing downtown commercial mix and will enhance downtown's attractiveness to its target markets.
15. Carlton shall maintain a long-term (20 year) supply of industrial and commercial lands that includes a variety of parcel sizes and locations. Redesignation of land to or from commercial or industrial zones may be allowed providing:
 - a. It serves the community's interests and does not impact the long-term continuity of the 20 year land supply; and
 - b. There is a demonstrated need to expand the industrial/commercial or non-residential land use supply.
16. Carlton will review the City's economic forecast and commercial and industry land supply as updated employment data and regional forecasts become available.



City of Carlton Zoning

- Zoning Designations**
- Streams
 - UGB
 - Agricultural Holding (AH)
 - Commercial (C)
 - Commercial Industrial (CI)
 - General Industrial (GI)
 - Multi-Family Residential (MR)
 - Public Facility (PF)
 - Suburban Residential (SR)
 - Manufactured Home (MH)
 - Mixed Density Residential (MX)



Memorandum

MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS

105 HIGH STREET S. E. SALEM, OREGON 97301-3667
TELEPHONE: (503)588-6177 FAX: (503)588-6094

TO: Carlton City Council

FROM: Mark Fancey, City Planner

RE: Legislative Amendment 07-02 – Amendments to the Carlton Comprehensive Plan

DATE: June 5, 2007

In 2006, the City of Carlton obtained a Technical Assistance Grant from the Oregon Department of Land Conservation and Development to update the Population, Housing, Land Use, and Economics sections of the city's Comprehensive Plan. As a result of that process, several properties in the city are proposed for amended Comprehensive Plan Map designations and rezoning.

Legislative Amendment 07-02 includes updated and revised findings, goals, and policies pertaining to:

- Land Use Planning;
- Housing;
- Urbanization; and
- Economics.

Legislative Amendment 07-02 also includes updated and revised Comprehensive Plan sections for Population, Land Use, Housing, and Economics.

- The Population section describes population trends for both Carlton and Yamhill County from 1970 through 2006. The city's current 2017 population projection was adopted by Yamhill County in 1999. The Population Section includes a 2027 population projection for Carlton, using a 1.70 percent average annual growth rate. Yamhill County staff concurs with the growth rate proposed (as required by Oregon Revised Statutes). The 2027 projection provides the basis for the residential land needs analysis that is part of the Land Use Section.
- The Land Use section includes findings from the recently completed buildable lands inventory as well as an assessment of future land needs (through 2027) for residential land. The buildable lands needs inventory shows that approximately 90 acres of vacant or redevelopable residential land is available within Carlton. Approximately 10 acres of commercial land is either vacant or redevelopable. Only 1.5 acres of industrial land is available for future development. Approximately 191 acres of land zoned Agricultural Holding is available for future development.

Mixed Density Residential (MX) as part of Legislative Amendment 07-02 (see attached letter and map). The proposed rezoning would make additional land available for mixed residential development in the north portion of town. Rezoning the property from Suburban Residential (SR) to Mixed Density Residential (MX) would make approximately 6.5 acres of land zoned MX available for development in the city.

The additional rezoning was reviewed by the Planning Commission during a work session on June 4, 2007. After review, the Planning Commission voted to recommend that the additional rezoning be included as part of Legislative Amendment 07-02.

Tables 8 and 9 of the Land Use section have been revised to reflect the recommended additional rezoning.

Also attached is a letter from Gary Fish, Field Representative from the Oregon Department of Land Conservation and Development (DLCD). Mr. Fish asked that the DLCD letter be entered into the record at the public hearing.

The City Council's options include the following:

- A. Adopt Legislative Amendment 07-02:
 - 1. As recommended by the Planning Commission; or
 - 2. As further amended by the City Council (state revisions).
- B. Take no action on Legislative Amendment 07-02.
- C. Continue the public hearing:
 - 1. To a time certain, or
 - 2. Indefinitely.

attachments

Comprehensive Plan Findings and Policies

Proposed new language is shown **bold and underlined**. Language to be deleted is shown ~~struck-through~~.

LAND USE PLANNING
[Goal-2]

Findings

- Data inventories were prepared on the natural resources, man-made structures and utilities, developable lands, population and economic characteristics and projections to the year ~~2017~~ **2027** and are included as a part of the planning atlas.
- Land requirements were projected and facilities and services capability to meet future growth needs were analyzed.
- The plan and urban growth boundary were evaluated based on the above information, citizen input and governmental coordination.

Goal

1. To maintain a land use planning process and policy framework as a basis for all decisions and actions related to the use of the land and to assure an adequate factual base for such decisions and actions.

Policy

1. The Planning Commission will conduct a thorough review of the Plan and Implementing Ordinances at least as often as directed by the Oregon Department of Land Conservation and Development in order to satisfy the periodic review requirements of ORS 197.633.

HOUSING [Goal-10]

One of the major concerns of the City is to allow the opportunity for the provision of an adequate choice of housing for both its present and future residents. With the rapidly accelerating costs in the housing market, it is the City's intent to provide the opportunity for the development of a wide range of housing types.

Findings

- As of the end of 2006, Presently there were ~~are 527~~ occupied 673 housing units in Carlton. Approximately 88% of these are single family including manufactured housing, and 12% are multifamily.
- The 2000 Census found that 75.4 percent of all residential units were owner-occupied units and the remaining 24.6 percent were rental units.
- ~~Carlton's housing stock has increased by about 12% since 1990. The greatest change in housing types during this period has been in single family including manufactured homes. During this period 71% of dwelling units added have been single family; and about 29% have been multifamily. The role of multifamily housing as a component of housing stock continues to grow.~~
- ~~Overall housing conditions in Carlton are moderately good. About 53% of the housing stock is in good to excellent condition; 28% in fair condition; 14% in poor condition and 5% in inferior condition.~~
- Based on a population projection of ~~2,480~~ 2,379 by year ~~2,017~~ 2027, it is estimated that ~~437~~ 233 additional dwelling units will be needed in Carlton.
- ~~Based upon a housing mix of 75 percent single family and 25 percent multifamily~~ Using the Housing Needs Model developed by the Oregon Housing and Community Services Department of there will be an estimated need for to be 328 176 new single-family and ~~109~~ 57 multifamily units by the year ~~2,017~~.

Goal

1. To develop a variety of housing opportunities to meet the needs of all present and future residents at the lowest possible cost, and with the highest possible standards.

Policies

1. To permit new developments only when all urban services become available. These services shall include: public water, sanitary sewers, storm drainage, solid waste collection, streets, parks and recreation facilities, and adequate police, and fire protection.
2. To conserve and improve structurally sound existing housing stock in Carlton.
3. Within already-developed areas, a variety of infill housing types shall be made available using appropriate density and design standards.
4. The City recognizes manufactured housing as a significant source of housing supply, and manufactured dwelling units shall be permitted anywhere single-family dwellings are permitted, subject to the construction standards and exceptions allowed by State law.
5. To assist parties to access to federal, state, or other funds for the rehabilitation of existing housing.
6. Residential Land Use Policy
 - a. All residential development within the City of Carlton shall conform to the state building, electrical, plumbing, and fire codes. Residential development shall be encouraged in a compact and efficient manner to provide the needed housing units for varying income levels, reduce the amount of land used for residences, conserve energy supplies, and facilitate the provision of public facilities and services in an efficient and economic manner.
 - b. The City shall encourage a mix of housing types including duplex development within new subdivisions and residential planned unit developments until the City's housing mix more closely resembles the preferred ratio of 75 percent single-family to 25 percent multifamily.

c. Varying lot sizes and configurations shall be encouraged in order to provide for a variety of housing types, densities and designs.

URBANIZATION
[Goal 14]

Carlton's city limits and Urban Growth Boundary have been identical since the time of the Urban Growth Boundary (UGB) adoption on January 9, 1978 except for a 1985 simultaneous UGB and annexation action to include Wennerberg Park. The following findings of fact indicate that there was sufficient buildable land within the city limits to accommodate the City's projected needs to the year 2017. There is no demonstrated need to expand the City's UGB. at this time.

The City recognizes the need to wisely manage and plan for growth inside its adopted UGB, and to assure that the coordinated development of all public facilities and services occurs with the urbanization of available land.

Findings

- ~~— Of the 564.7 acres within the City, about 74 acres, or 13 percent of the total land area, shows severe building limitations because of soil characteristics, steep slopes or flood hazards.~~
- Existing land use data show there is a total of ~~393~~ **approximately 306** acres of vacant, **redevelopable**, and/or agricultural land in the city.
- Of the ~~249.4~~ **289.5** acres that are classified as residential, commercial or industrial, there are approximately ~~112.2~~ **101.6** acres that are vacant or ~~underutilized~~ **redevelopable**, which could be used for development.
- Based upon land use projections to the year ~~2017~~ **2027** it is estimated that Carlton will need a total of ~~27.28~~ **17.9** acres of commercial land and industrial land, ~~it currently has a total 42.8 acres.~~ **The 2007 buildable lands inventory shows that only 12.5 acres of commercial and industrial zoned land is available to meet future demand. An additional 11 acres of land was rezoned from Agricultural-Holding to General Industrial to provide sufficient land to meet the projected need.**
- Based upon an estimated projection of an additional 437 dwelling units by the year ~~2017~~ **2027**, residential land needs will call for an additional 81.6 acres of land by the year 2017, the City has a total of 89.5 acres of vacant property designated for residential development.
- The existing developable land base within the city is sufficient to meet projected needs.

Goal

1. To provide for an orderly and efficient transition from rural to urban land use.

Policies

1. The City shall define a growth policy consistent with population projections and expectations and identify possible future development areas on the Plan map.
2. Change of the Urban Growth Boundary shall be based upon consideration of the following factors:
 - (a) Demonstrated need to accommodate long-range urban population growth requirements,
 - (b) Need for housing, employment opportunities and livability,
 - (c) Orderly and-economic provision of public facilities and services,
 - (d) Maximum efficiency of land uses within and on the fringe of existing urban area,
 - (e) Compatibility between the proposed urban uses and nearby agricultural activities, and
 - (f) Environmental, energy, social and economic consequences.
4. The City shall encourage the availability of sufficient land for various urban uses to ensure choices in the market place.
5. The size of the parcels of urbanizable land that are converted or developed shall be of adequate dimension to maximize the utility of land resources and to enable the logical extension of services to the parcels.
6. Methods and devices for guiding urban land use should include but not be limited to the following as they become feasible:
 - (a) Tax incentives and disincentives,
 - (b) Multiple use and joint development practices,

- (c) Fee and less than fee acquisition techniques, and
 - (d) Capital improvement programming.
7. The City of Carlton shall continue to support the Urban Growth Management Agreement entered into with Yamhill County in June 1979. [See Appendix C]
 8. The City shall investigate the use of growth management techniques to promote a reasonable rate of growth consistent with the availability of public facilities and services and the fiscal ability of the City to provide public facilities and services.
 9. The City shall require new developments to pay all costs of capital improvements to that development.
 10. Encourage the location of housing to minimize the consumption of prime agricultural land and other areas of natural resource that contribute to the community's rural character.
 11. Development shall avoid locating in areas, which are subject to, and/or generate adverse environmental impacts.
 12. Development shall be encouraged to utilize vacant parcels of bypassed land in order to achieve a more compact community.

ECONOMY of the City [Goal-9]

Like most of Yamhill County's small cities, Carlton has served chiefly as retail and service center supplying goods and services for those living and working in the surrounding area. Agriculture and the lumber industry have historically dominated the economy of the area. Today the lumber industry is no longer significant to the City and the local economy is largely concentrated in retail trade and services.

Findings

- Industrial and commercial land supplies exist to serve the community to the year 2027
- Commercial growth is most likely to occur in capturing weekend highway trade from the Portland metropolitan area.
- Industrial growth is most likely to occur in small specialty industries including the wine industry.
- The highest percentage of the work force commutes to either McMinnville or Newberg.

Goal

1. To provide for the needs of existing industries, encourage desired economic growth, develop a stable community-based economy, and provide for greater employment opportunities for Carlton's citizens.

Policies

1. Carlton shall encourage the type of industrial development that contributes substantially to the community's economy by assuring that revenues and wages generated will be recycled through the local economy.
2. Carlton shall encourage industry that will raise the wage scale in the community.
3. Carlton shall encourage industry that will offer employment to, and create a balance between, a broad range of workers, including professional, skilled and unskilled labor.

4. Industry shall be encouraged that provides training opportunities in skills that can be transferred to other job categories and opportunities.
5. The City shall encourage industry that would pay its fair share for services required for its establishment and maintenance.
6. An industrial facility proposal shall be evaluated to consider the social, environmental, and economic impacts to the City and surrounding area before being approved.
7. An industrial facility proposal shall be evaluated to consider both short and long term social, environmental, and economic impacts to the City and surrounding area before being approved.
8. Carlton shall encourage industry and/or economic activity that will be energy efficient and include, but are not limited to the following:
 - (a) efficient building, manufacturing and heating practices,
 - (b) co-generation systems including the burning of wastes, and
 - (c) utilization of new and alternative systems.
9. Carlton shall encourage industrial development that meets appropriate D.E.Q. pollution control requirements.
10. Carlton shall, encourage a strategy of economic development that will:
 - (a) efficiently utilize and develop existing resources,
 - (b) encourage further development and expansion of existing facilities and industries and/or economic activity,
 - (c) identify local, state, and federal resources to assist in the economic and industrial expansion (growth) desired in Carlton,
 - (d) identify and correct problems that discourage desired economic growth, and
 - (e) identify and promote industry and/or economic activity that will be compatible with, and enhance and maintain Carlton's small town character, quality of life and identity.

11. Carlton shall direct future industrial growth determined to be incompatible with residential neighborhoods away from existing or designated areas of future residential development. These industries shall be sited in controlled areas sufficiently buffered from adjacent uses to prevent conflict.
12. Industrial development along Highway 47, including the entrances to Carlton, shall be attractively designed with landscaping to screen industrial storage and work areas from view..
13. Carlton shall encourage business development that retains, strengthens and expands the business base in Carlton.
14. Carlton shall encourage businesses that will complement and improve the existing downtown commercial mix and will enhance downtown's attractiveness to its target markets.
15. Carlton shall maintain a long-term (20 year) supply of industrial and commercial lands that includes a variety of parcel sizes and locations. Redesignation of land to or from commercial or industrial zones may be allowed providing:
 - a. It serves the community's interests and does not impact the long-term continuity of the 20 year land supply; and
 - b. There is a demonstrated need to expand the industrial/commercial or non-residential land use supply.
16. Carlton will review the City's economic forecast and commercial and industry land supply as updated employment data and regional forecasts become available.

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POPULATION

Historic Population Trends

Carlton's historic population trends have been highly variable and inconsistent with population trends in other cities in the Yamhill County area. Most of this can be credited to significant local economic impacts, such as mill closures, at a period in time when commuting significant distances was neither acceptable nor a physical option. Table 1 demonstrates these historic fluctuations.

Table 1 - Population Element
Carlton Population
1910 - 1970

Year	Population	Percent Change	AAGR ¹
1910	386	---	---
1920	552	43.0	3.58
1930	749	35.7	3.05
1940	864	15.6	1.43
1950	1,081	25.1	2.24
1960	959	-11.3	-1.20
1970	1,126	17.4	1.61

Source: US Census

¹Average Annual Growth Rate

Recent Population Trends

During the period from 1970 through 2000, the population of Carlton grew from 1,126 to 1,514 persons. During the 1980s population growth slowed dramatically in many cities in Oregon, during this period, the population of Carlton actually declined slightly. From the period from 1990 through 2006, the city's population has grown at an average annual rate of approximately 1.60 percent. As shown in Table 2, for the 36-year period from 1970 through 2006, Carlton's population has grown at an average annual rate of 1.10 percent.

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**Table 2 - Population Element
Carlton Population
1970 - 2006**

Year	Population	AAGR ¹
1970	1,126	---
1980	1,302	1.50%
1990	1,289	0.00%
2000	1,514	1.60%
2006	1,670	1.60%
AAGR 1970-2006		1.10%

Source: US Census, Portland State University, and MWVCOG, 2007

¹Average Annual Growth Rate

² Population estimate from Portland State University Center for Population Research

Yamhill County's population increased significantly during the period from 1970 through 2006 as shown in **Table 3**. The County's population increased at an average annual growth rate of 1.98 percent annually, with most of the growth occurring in the periods from 1970 through 1980 and 1990 through 2000. Yamhill County's population grew at an average annual rate approximately 1.0 percent higher than that of Carlton during this 36-year period.

**Table 3 - Population Element
Population Trends, Yamhill County and Carlton
1970 - 2006**

Location	Population					Average Annual Growth Rate				
	1970	1980	1990	2000	2006 ¹	1970-80	1980-90	1990-00	2000-06	AAGR 1970 - 2006
Yamhill County	40,213	55,332	65,553	84,992	90,310	3.20%	1.70%	2.60%	1.22%	2.10%
Carlton	1,126	1,302	1,289	1,514	1,670	1.50%	0.00%	1.60%	1.60%	1.10%

Source: US Census, Portland State University Center for Population Research, and MWVCOG, 2007

¹ 2006 population estimates from Portland State University Center for Population Research

Population forecasts for Oregon counties have been developed by the Oregon Office of Economic Analysis. **Table 4** shows the forecast population for Yamhill County for the period from 2000 through 2030. By 2030, the County's forecast population is 141,505 persons. The average annual growth rate for the period from 2000 through 2030 is 1.21 percent.

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**Table 4 - Population Element
Yamhill County Population Forecast
2000 - 2030**

Year	Population	AAGR¹
2000	85,500	---
2005	90,098	1.05%
2010	98,932	1.87%
2015	108,812	1.90%
2020	119,011	1.79%
2025	129,850	1.74%
2030	141,505	1.72%
AAGR 2000-2030		1.70%

Source: Oregon Office of Economic Analysis, 2004

¹Average Annual Growth Rate

Population Projection

Oregon Revised Statutes (ORS) 195.036 requires that counties “establish and maintain a population projection for the entire area within its boundary for use in maintaining and updating comprehensive plans” and to “coordinate the forecast with the local governments within its area”. In 1999, Yamhill County adopted a 2017 population projection for Carlton. The projection was for the period from 1998 through 2017 and was based on an analysis of regional growth trends of Carlton and neighboring cities of Dayton, Dundee, Newberg, and Yamhill. The 2017 projection for Carlton was 2,480 persons. The projection translated into an average annual growth rate of 2.60 percent for the period from 1998 through 2017.

Based on growth trends projected for Yamhill County, Carlton adopted a revised population projection in 2007 that extends through 2027. This projection is based on an average annual growth rate of 1.70 percent. The growth rate is the same as that forecast for Yamhill County for the period through 2030. The proposed growth rate is also consistent with the 1.60 percent annual growth rate that has occurred in Carlton since 1990. Although the annual growth rate in Carlton lagged behind that of Yamhill County over the period from 1970 through 2000, recent growth trends in the city indicate that population will grow at a faster rate than in previous years. Development of the 31-unit Vineyards Subdivision and the recent approval of some 200 new residential building lots, indicate that it is reasonable to expect that the city’s growth rate in the coming years will more closely approximate that of Yamhill County.

Table 5 shows the population projection for Carlton through 2027. The 2000 Census figure is used in the table as well as the 2006 population estimate for the city developed by Portland State University. The 1.70 percent growth rate is applied to the 2006 population estimate to derive the population projections through 2027.

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**Table 5
Carlton Population Projection
2000 - 2027**

Year	Population
2000	1,514
2006 ¹	1,670
2010	1,724
2015	1,876
2020	2,121
2025	2,220
2027	2,379
Population change 2000 - 2027	709

Source: U.S. Census, Portland State University Center for Population Research and MWVCOG, 2006

¹2006 population estimate from Portland State University

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Housing Needs Analysis

This section presents estimates of housing need for various housing types. The needs analysis data in this chapter come from Housing and Land Needs Model S developed in 2000 by the Oregon Housing and Community Services Department. The data are mostly based on Census figures. Other sources of information include the *Regional Consumer Expenditure Survey* that is conducted every year by the U.S. Bureau of Labor Statistics as well as income data collected by *Claritas, Inc.*, a private company. The model uses age, income, and expenditure information to predict the ability of households to afford housing. The analysis is intended to predict need for both owner-occupied and rental housing units at either end of a 20-year period from 2007 to 2027.

The analysis of housing need is based on the following assumptions:

- (1) Vacancy Rates. At any given time, a number of homes within the community are vacant. The 2000 Census identified a 6.25 percent vacancy rate in Carlton. The analysis assumes that this rate will remain the same in 2027.
- (2) Persons per household. The analysis uses the 2000 Census household size of 2.8 persons per household and assumes that this household size will remain the same in 2027.
- (3) The analysis does not include any reference to persons living in group quarters. Persons living in group quarters include persons who are institutionalized or living in non-institutional group homes, rooming houses, assisted-living facilities, etc. This definition also includes students living in college dormitories. The 2000 Census did not identify any persons living in group quarters in Carlton. The analysis assumes that this trend will continue through 2027.
- (4) The ratio of owner-occupied units to rental units found in the 2000 Census would remain the same in 2027. It is assumed that 75.4 percent of all units will be owner-occupied units and the remaining 24.6 percent of all units will be rental units.
- (5) The analysis cannot predict any major changes in the economy and any associated impacts to local household income. The analysis assumes that economic conditions in 2027 are similar to those in 2000.

Current Housing Needs

Table 2 shows various elements of the local housing market in 2006. The table uses the 2006 population projection for Carlton developed by The Center for Population Research at Portland State University.

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Table 2 - Housing Element
Housing Status
Carlton, 2007

Population	Persons per Household	Total Dwelling Units	Occupied Dwelling Units	Vacant Units	Owner-Occupied Units	Rental Units	Owner-Occupied Units (percent)	Rental Units (percent)
1,670	2.80	673	631	42	507	166	75.4	24.6

Source: 2000 U.S. Census, Center for Population Research at Portland State University, and MWVCOG, 2007

The housing needs model shows that 160 rental units are currently needed in Carlton. The rental unit market is comprised of both multi-family residences (apartments, duplexes, etc.) as well as single-family dwelling units. Census and building permit data shows that 90 multi-family units are currently located in Carlton. The 2000 Census showed that approximately 67 percent of all rental units were multi-family residences and the other 32 percent of all local rental units were single-family residences. Using this percentage, as many as 43 single-family residences are currently used as rental units. Combined with the 90 existing multi-family units, the estimated supply of rental units in Carlton consists of 133 units where 160 units are needed. As shown in Table 3, the estimated supply of rental housing units in Carlton does not meet the current need for rental units. An additional 27 rental units, consisting of 18 additional multi-family units and nine (9) single-family dwelling units are needed to meet the current housing needs.

Table 3 - Housing Element
Rental Housing Supply and Need
Carlton, 2007

Rental Units Needed	Existing Multi-Family Units	Single-Family Units Used as Rentals	Total Number of Existing Rental Units	Difference Between Existing Rental Units and Rental Units Needed
160	90	43	133	(27)

Source: Oregon Housing and Community Services Housing Needs Model and MWVCOG, 2007

Projected Housing Needs

The 2027 population projection for Carlton is 2,379 persons. This projection has been adopted by Yamhill County for the City of Carlton through a coordinated process required under state law (ORS195.036). As shown in Table 4, 906 dwelling units will be needed in Carlton by 2027 to accommodate this population.

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**Table 4 - Housing Element
Projected Housing Status
Carlton, 2027**

Population (projected) ¹	Persons per Household	Total Dwelling Units	Occupied Dwelling Units	Vacant Units ²	Owner-Occupied Units	Rental Units	Owner-Occupied Units (percent)	Rental Units (percent)
2,379	2.80	906	850	56	679	227	75.4	24.6

Source: 2000 U.S. Census and MWVCOG, 2007

¹ The 2027 population projection has been coordinated with the projections for Yamhill County as required by Oregon Revised Statutes 195.036.

² Based on an assumed vacancy rate from the 2000 U.S. Census of 6.25 percent.

Table 5 shows the total number of additional dwelling units that will be needed for the period from 2007 through 2027. With 980 residential units in 2006, an additional 233 new housing units will be needed to accommodate the 2027 population.

**Table 5 - Housing Element
Additional Dwelling Units Needed in Carlton by 2027**

Total Dwelling Units 2006	Total Dwelling Units 2027	Additional Dwelling Units Needed
673	906	233

Source: U.S. Census, City of Carlton, and MWVCOG, 2007

Table 6 shows the residential units needed by 2027. Of the 233 new residential units, an estimated 57 new rental units will be needed, assuming approximately 24.6 percent of the local housing market is comprised of rental units, as was the case in 2000. The analysis of new rental units assumes that approximately 67 percent of the rental market is comprised of multi-family residences, with the remainder comprised of single-family units. Based on this assumption, then, approximately 39 new multi-family residences and 18 additional single-family dwellings will be needed to meet the projected need for rental units in 2027. In addition, as shown in Table 3, the number of rental units currently available is about 27 units (18 multi-family and nine (9) single-family dwelling units) short of meeting the existing need. Consequently, in order to meet existing and projected need for such housing, a total of 57 new multi-family units will be needed over the next 20 years in addition to 176 new single-family dwelling units.

**Table 6 - Housing Element
Additional Dwelling Units Needed in Carlton by 2027**

Dwelling Units Needed by 2027	Single-Family Units	Multi-Family Units	Total
Dwelling Units Needed to Meet 2007 Rental Demand	9	18	27
Rental Units Needed 2027	18	39	57
Owner-Occupied Units Needed 2027	149	0	149
Total	176	57	233

Source: MWVCOG, 2007

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LAND USE

Introduction

A land use plan indicates the area into which various types of activities are expected to occur. Carlton designates five categories of land uses to be described and located on the land use map.

1. Residential. The Residential Plan designation is implemented through the Suburban Residential (SR), Multi-Family Residential (MR), and Manufactured Home (MH) zones. The maximum density in the Suburban Residential Zone is 5.80 dwelling units per acre. The maximum density in the Multi-Family Zone is 13.75 dwelling units per acre. The Manufactured Housing Zone allows for manufactured home parks at a density of 5.80 dwelling units per acre. Manufactured home parks are also allowed as a permitted use in the Multi-Family (MR) Zone at a maximum density of 10 dwelling units per acre.
2. Commercial. The Commercial Plan designation is implemented through the Commercial Business (CB) and Commercial-Industrial (CI) zones. Commercial uses include all activities of a commercial nature as authorized by the implementing zones.
3. Industrial. The Industrial Plan designation is implemented through the Industrial Zone. Industrial use covers the range of manufacturing, warehousing, and wholesaling activities. The Commercial-Industrial (CI) Zone also allows a number of industrial uses.
4. Public Facilities. The Public Facilities Plan designation includes all government and semi-public lands and uses, including park land. The Public Facility (PF) Zone implements this Plan designation.
5. Agricultural Holding. The Agricultural Holding Plan designation is implemented through the Agricultural-Holding (AH) Zone. The Agricultural-Holding Zone includes areas for future growth within the Carlton Urban Growth Boundary (UGB) and allows an orderly phasing of urban development of land. The AH Zone is a holding district that allows agricultural uses to continue until such time that the agricultural lands are needed for urban uses and public facilities and services are available. Conversion of AH property to a non-agricultural use requires a zone change.

The land use designations in the Comprehensive Plan are of a general nature and are intended to indicate the expected community growth pattern. Implementation of the plan occurs through more specific actions such as zoning, subdivision control, annexation review, Urban Growth Boundary administration and public facilities planning. Although the plan is designed to be somewhat flexible, it must be understood that it is a significant policy statement and a great deal of responsibility must be exercised in its use and updating.

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In 2007, the city conducted a buildable lands inventory. **Table 1** shows the amount of developed acreage by zoning designation within the city. Approximately 224.6 acres are currently developed within the Carlton urban area.

**Land Use Element - Table 1
Developed Land Uses within the Carlton UGB
By Zone, 2007**

Zoning Designation	Acres¹	Percent of Total Area
Suburban Residential	145.9	65.0%
Park/Open Space	18.0	8.0%
Multi-Family Residential	11.1	4.9%
Commercial Business	10.9	4.9%
Agricultural Holding	9.5	4.2%
Public	9.2	4.1%
Commercial-Industrial	7.7	3.4%
Manufactured Housing	7.2	3.2%
Industrial	5.1	2.3%
Total	224.6	100.0%

Source: MWVCOG, 2007.

¹ Acreage data is from the Yamhill County Assessor and does not include public rights-of-way.

Buildable Lands Inventory

Buildable lands were inventoried for each land type - residential, commercial, and industrial. The analysis of each land type includes totals for land that is completely vacant and redevelopable. The following parameters are used to determine whether land is vacant or redevelopable.

- Vacant residential land includes all parcels that are at least 5,000 square feet (0.11 acres) in size with improvement values of less than \$5,000. The minimum lot size for new residential parcels in the Suburban Residential (SR) Zone is 7,500 square feet, however the City allows development of existing lawfully created lots that are smaller than the minimum lot size. The minimum lot size in the Multi-Family (MR) Zone is 5,000 square feet.
- Vacant commercial or industrial land includes all parcels with improvement values of less than \$5,000
- Redevelopable residential land consists of residential-zoned parcels that are at least 0.50 acre in size with an improvement value of at least \$5,000. This analysis assumes that 0.25-acre is devoted to the existing house, with the remainder considered vacant (redevelopable).

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Table 2 - Housing Element
Housing Status
Carlton, 2007

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**Table 4 - Housing Element
Projected Housing Status
Carlton, 2027**

Population (projected) ¹	Persons per Household	Total Dwelling Units	Occupied Dwelling Units	Vacant Units ²	Owner-Occupied Units	Rental Units	Owner-Occupied Units (percent)	Rental Units (percent)
2,379	2.80	906	850	56	679	227	75.4	24.6

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¹ The 2027 population projection has been coordinated with the projections for Yamhill County as required by Oregon Revised Statutes 195.036.

² Based on an assumed vacancy rate from the 2000 U.S. Census of 6.25 percent.

Table 5 shows the total number of additional dwelling units that will be needed for the period from 2007 through 2027. With 980 residential units in 2006, an additional 233 new housing units will be needed to accommodate the 2027 population.

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Table 6 shows the residential units needed by 2027. Of the 233 new residential units, an estimated 57 new rental units will be needed, assuming approximately 24.6 percent of the local housing market is comprised of rental units, as was the case in 2000. The analysis of new rental units assumes that approximately 67 percent of the rental market is comprised of multi-family residences, with the remainder comprised of single-family units. Based on this assumption, then, approximately 39 new multi-family residences and 18 additional single-family dwellings will be needed to meet the projected need for rental units in 2027. In addition, as shown in Table 3, the number of rental units currently available is about 27 units (18 multi-family and nine (9) single-family dwelling units) short of meeting the existing need. Consequently, in order to meet existing and projected need for such housing, a total of 57 new multi-family units will be needed over the next 20 years in addition to 176 new single-family dwelling units.

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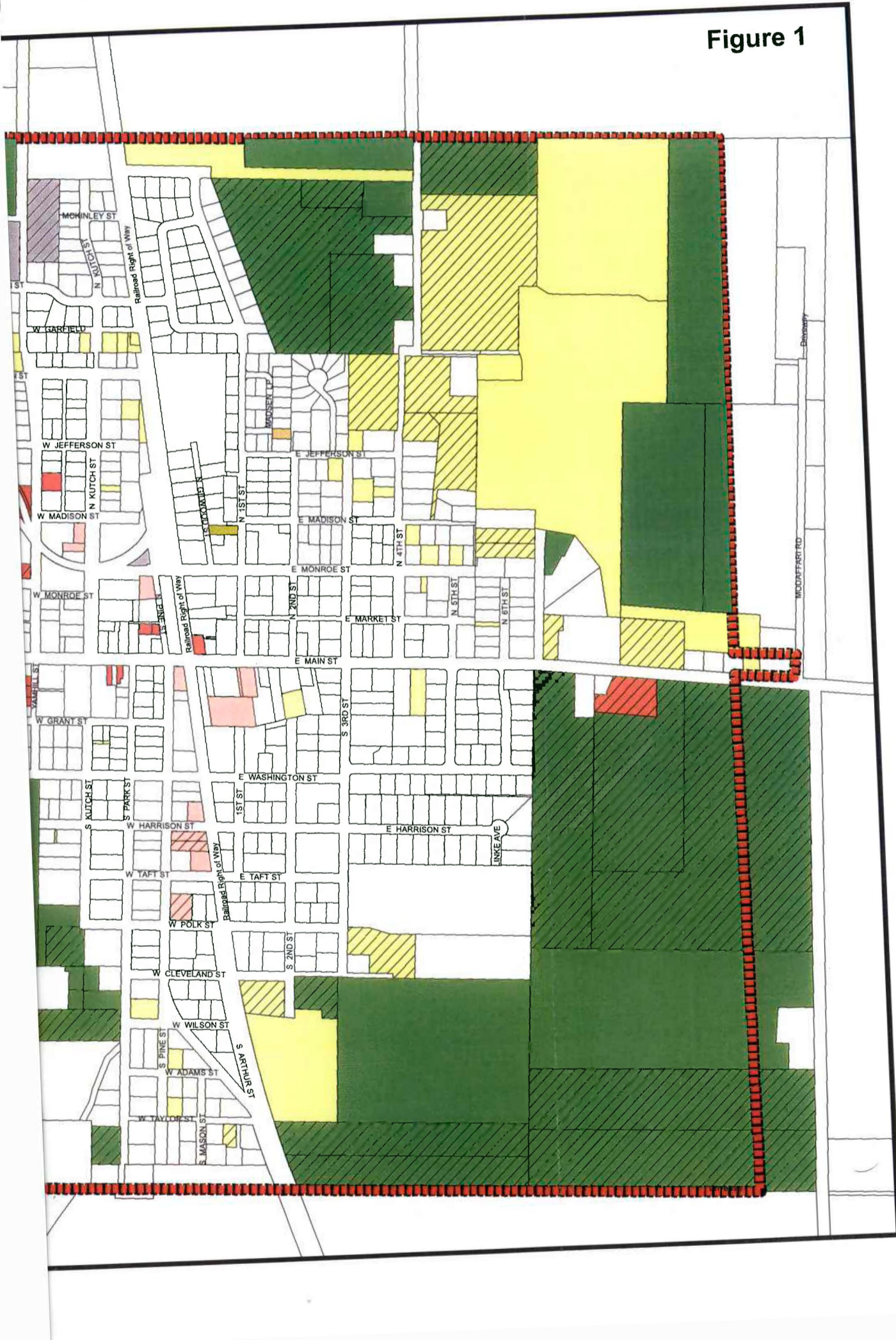
Source: MWVCOG, 2007

City of Carlton Buildable Lands Inventory

- Zoning Designations**
-  Streams
 -  UGB
 -  Redevelopable
- Vacant Lands**
-  Agricultural Holding (AH)
 -  Commercial (C)
 -  Commercial Industrial (CI)
 -  General Industrial (GI)
 -  Multi-Family Residential (MR)
 -  Parks and Recreational Facilities
 -  Suburban Residential (SR)
 -  Manufactured Home (MH)



Figure 1



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LAND USE

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- Vacant commercial or industrial land includes all parcels with improvement values of less than \$5,000
- Redevelopable residential land consists of residential-zoned parcels that are at least 0.50 acre in size with an improvement value of at least \$5,000. This analysis assumes that 0.25-acre is devoted to the existing house, with the remainder considered vacant (redevelopable).

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- Redevelopable commercial and industrial land includes parcels in commercial and industrial zones where some limited improvements have been made, but where potential for redevelopment for more intense uses is probable. For the purpose of this analysis, redevelopable land is defined as commercial or industrial parcels with improvement values of at least \$5,000, where the ratio of land value to improvement value is 1:1 or greater.

The analysis also includes an assessment of land that is not buildable due to physical constraints such as steep slopes, riparian buffers, floodways, and wetlands. These areas have been subtracted from the amount of gross acreage that is considered buildable.

Figure 1 shows vacant, and redevelopable land within the Carlton urban area by zoning designation.

Residential Land

Table 2 shows the amount of buildable land for each residential zoning district within the Carlton urban area. All of the residential land included in this table is located within the existing city limits. In Carlton, the city limits and urban growth boundary are in the same location.

Approximately 90.1 buildable acres are available for residential development within the urban area. Approximately 166.5 acres within the Carlton UGB are currently developed for residential use.

**Land Use Element - Table 2
Buildable Residential Land
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Suburban Residential (SR) Zone	58.9	30.7	89.6
Multi-Family Residential (MR) Zone	0.4	0.0	0.4
Manufactured Home (MH) Zone	0.1	0.0	0.1
Buildable Acres Within the Urban Area	59.4	30.7	90.1

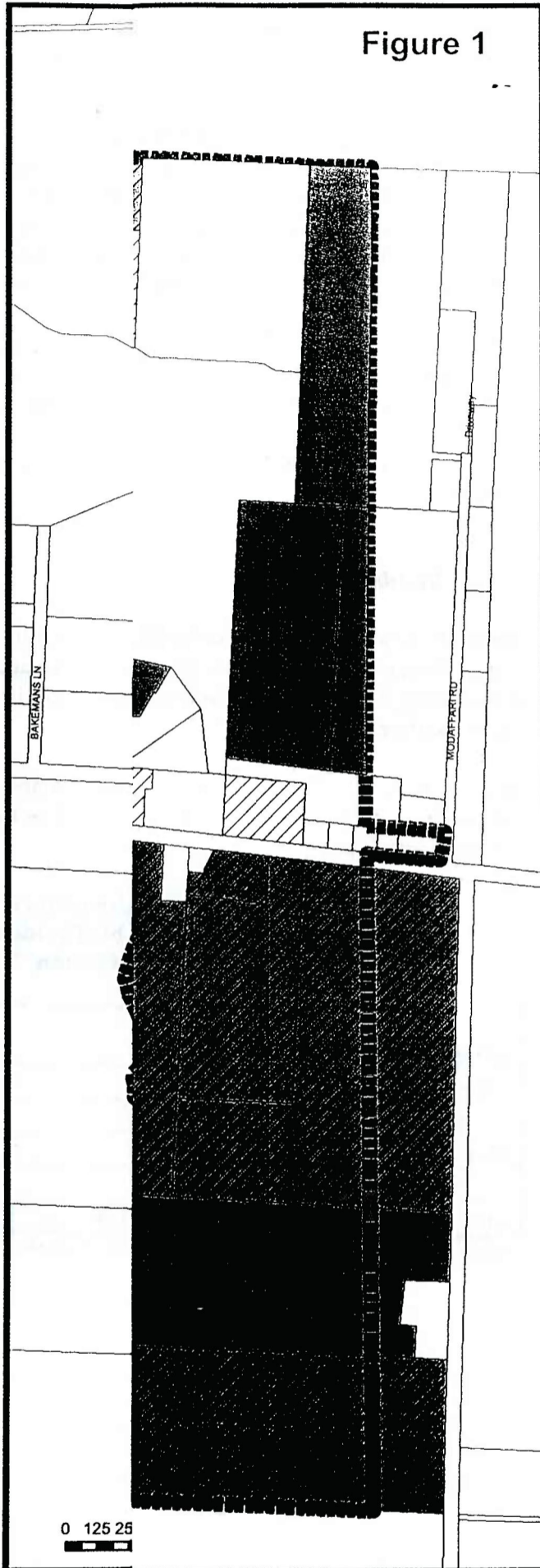
Source: Yamhill County Assessor data, MWVCOG, 2007.

Zoning Designations

-  Streams
-  UGB
-  Redevelopable
- Vacant Lands**
-  Agricultural Holding (AH)
-  Commercial (C)
-  Commercial Industrial (CI)
-  General Industrial (GI)
-  Multi-Family Residential (MR)
-  Parks and Recreational Facilities
-  Suburban Residential (SR)
-  Manufactured Home (MH)

**City of Carlton
Buildable Lands Inventory**

Figure 1



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Commercial Land

Table 3 shows that approximately 8.1 vacant acres are available for commercial development within the Carlton city limits. Approximately 1.9 acres designated for commercial use can be considered redevelopable. Approximately 18.6 acres within Carlton are currently developed for commercial uses.

**Land Use Element - Table 3
Buildable Commercial Land¹
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Commercial Business (CB) Zone	6.0	1.0	7.0
Commercial-Industrial (CI) Zone ¹	2.1	0.9	2.9
Buildable Acres within the Urban Area	8.1	1.9	10.0

Source: Yamhill County Assessor data, MWVCOG, 2007.

Industrial Land

Table 4 shows the amount of buildable industrial land within the Carlton urban area. Approximately 1.5 acres of vacant or redevelopable industrial land are available within Carlton. An additional 2.0-acre vacant industrial-zoned parcel has recently been purchased by the Carlton Fire District for development of a new fire station. Approximately 5.1 acres within Carlton are currently developed for industrial uses.

**Land Use Element - Table 4
Buildable Industrial Land
Carlton, 2007**

Zone	Vacant(acres)	Redevelopable	Total
General Industrial (GI) Zone	1.0	0.5	1.5
Buildable Acres Within the Urban Area	1.0	0.5	1.5

Source: Yamhill County Assessor data, MWVCOG, 2007.

¹ The Commercial-Industrial (CI) Zone also allows all of the industrial uses permitted outright in the General Industrial (GI) Zone. These uses include mini-warehouse storage; assembly, including light manufacturing, processing, packaging, treatment, fabrication of goods or merchandise; laboratories, offices, bottling and distribution centers, light repair facilities, wholesale businesses, and similar uses.

Land for Future Development

The Agricultural-Holding Zone includes areas for future growth within the Carlton UGB. The AH Zone is a holding district that allows agricultural uses to continue until such time as these lands are needed for urban uses and public facilities and services are

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available. Table 5 shows that approximately 190.6 acres are available for future development in the Agricultural Holding (AH) Zone.

**Land Use Element - Table 5
Buildable Land for Future Development
Carlton, 2007**

Zone	Vacant (acres)	Redevelopable	Total
Agricultural Holding (AH) Zone	107.4	83.2	190.6
Buildable Acres Within the Urban Area	107.4	83.2	190.6

Source: Yamhill County Assessor data, MWVCOG, 2007.

Land Needs Analysis

The buildable lands inventory is used in conjunction with the 2027 population projection to determine if adequate land is available for future residential, commercial, and industrial development.

Future Residential Land Needs

Residential Densities

To determine the amount of land needed for future residential development, it is necessary to determine residential densities for single-family and multi-family housing developments. The Carlton Development Code specifies the following maximum densities for residential zones:

- Suburban Residential (SR) Zone - 5.8 dwelling units per acre
- Multi-Family Residential (MR) Zone - 13.8 dwelling units per acre

To determine land needs for residential development, net densities were developed for these zones. This net density is determined by subtracting 25 percent of each developed acre for public facilities, such as street rights-of-way, then applying the minimum lot size to the remainder. The resulting net densities for each zone are as follows:

- Suburban Residential (SR) Zone - 4.4 dwelling units per acre
- Multi-Family Residential (MR) Zone - 10.3 dwelling units per acre

The housing needs analysis (Housing Element - Table 6) identified 233 new residential units that will be needed to accommodate the projected 2027 population of 2,379 persons. Of these 233 new residential units, 176 single-family dwelling units and 57 multi-family dwelling units will be needed. The table is shown again below.

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**Table 6 - Land Use Element
Additional Dwelling Units Needed in Carlton by 2027**

Dwelling Units Needed by 2027	Single-Family Units	Multi-Family Units	Total
Dwelling Units Needed to Meet 2007 Rental Demand	9	18	27
Rental Units Needed by 2027	18	39	57
Owner-Occupied Units Needed by 2027	149	0	149
Total	176	57	233

Source: MWVCOG, 2007

Table 7 shows the amount of buildable residential land needed through 2027 to accommodate various types of housing, including multi-family housing. Based on the densities described above, approximately 83.1 acres will be needed to provide for residential development in Carlton through 2027.

**Land Use Element - Table 7
Projected Housing Mix and Residential Land Needs
Carlton, 2027**

Housing Type	Units Needed 2027	Percent of New Units	Density (units/acre)	Acres Needed 2027
Single Family	176	75.5%	4.4	40.0
Multi-Family	57	24.5%	10.3	5.5
Total	233	100.0%		45.5

Source: MWVCOG, 2007.

Looking back at Table 2, approximately 67.1 acres of vacant or redevelopable residential land is available to accommodate future housing needs within the existing urban growth boundary. An estimated 45.5 acres will be needed to accommodate residential growth through 2027. This includes approximately 5.52 acres designated Multi-Family Residential to accommodate multi-family housing needs. An additional 40 acres will be needed to provide for single-family housing development.

To meet the need for multi-family residential development Carlton amended the Comprehensive Plan Map designation and rezoned two (2) properties that were identified as redevelopable in the buildable lands inventory. Table 8 shows the properties that have been rezoned to meet future residential land needs. The amount of buildable acres is a net figure, with 0.25 acres subtracted from the total area of each tax lot to account for the existing dwelling on each property.

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Land Use Element - Table 8
Residential Land Re-designations to Meet Projected Need
For 2027

Assessor Map/Tax Lot	Current Plan Designation	Current Zoning	New Plan Designation	New (Proposed) Zoning	Buildable Acres
3422CC 1100	Residential	Suburban Residential	No change	Mixed-Density Residential	4.7
3422CC 1101	Agricultural Holding	Agricultural Holding	Residential	Multi-Family Residential	0.7
3422BC 300	Residential	Suburban Residential	No change	Mixed-Density Residential	1.8
Total					7.3

Source: MWVCOG, 2007.

Table 9 shows the buildable residential land within the urban area after properties have been re-designated to meet projected housing need through 2027. Approximately 62.2 acres is available for single-family residential development in the Suburban Residential Zone where an estimated 40 acres is needed. Approximately 6.3 acres will be available for multi-family development in the Multi-Family Residential (MR) Zone. As shown in **Table 9**, the city has provided sufficient land for various housing types and densities in response to projected need.

Land Use Element - Table 9
Buildable Residential Land after Re-designations
Carlton, 2007

Zone	Vacant (acres) ¹	Redevelopable	Total	Acres Needed 2027
Suburban Residential (SR)	57.1	30.0	88.9	40.0
Multi-Family Residential (MR)	0.4	0.7	1.1	5.7
Mixed-Density Residential (MX)	1.8	4.7	6.5	
Manufactured Home (MH) ¹	0.1	0.0	0.1	NA
Total	59.4	35.4	94.8	45.7

Source: MWVCOG, 2007.

¹ No specific analysis of future need in the Manufactured Home (MH) Zone is required as manufactured home parks with a maximum density of 10 units per acre are allowed as a permitted use in the Multi-Family Residential Zone.

² The MX Zone provides for a mixture of housing types with a maximum density of nine (9) dwelling units per acre.

Future Commercial and Industrial Land Needs

The Economy of the City section of the Comprehensive Plan includes a 2027 projection of local employment (see the Economics Element - Table 7). One purpose for forecasting local employment is to determine if sufficient land is currently designated in the Comprehensive Plan to accommodate projected commercial and industrial development. Table 7 of the Economics Element shows the projected amount of land

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need for commercial and industrial uses through 2027. That information is also included in Table 10 below.

Table 10 shows a comparison of land needed to accommodate new employment growth (demand) through 2027 and the available supply of vacant and redevelopable land. The comparison shows that there is sufficient commercial land available within the Carlton urban area to meet the projected land demand. The table indicates there is a surplus of approximately 4.9 acres of commercial land and a projected deficit of approximately 10.8 acres of industrial land based upon the need through 2027.

**Land Use Element - Table 10
Comparison of Supply and Demand for Commercial and Industrial Land
Carlton, 2027**

Land Use Type	Vacant/Redevelopable Acres
Supply	
Commercial	9.5
Industrial	2.5
Total Supply	12.0
Demand	
Commercial	4.6
Industrial	13.3
Total Demand	17.9
Surplus (Deficit)	
Commercial	4.9
Industrial	(10.8)

Source: MWVCOG, 2007.

To meet the need for future industrial growth, Carlton amended the Comprehensive Plan Map designation and rezoned a 11.0-acre portion of a 21.8-acre property that was formerly designated and zoned Agricultural Holding as shown in Table 11.

**Land Use Element - Table 11
Residential Land Re-designations to Meet Projected Need
For 2027**

Assessor Map/Tax Lot	Current Plan Designation	Current Zoning	New Plan Designation	New (Proposed) Zoning	Property Size (acres)	Area Proposed for Redesignation Rezoning (acres)
3421 300	Agricultural Holding	Agricultural Holding	Industrial	General Industrial	21.8	11.0
Total						11.0

Source: MWVCOG, 2007.

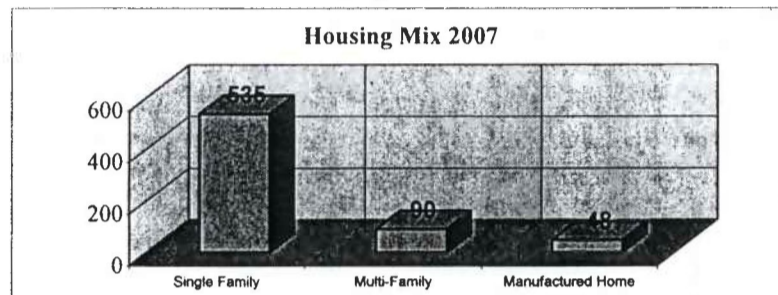
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HOUSING

Existing Conditions

Figure 1 shows the mix of residential housing units within the Carlton city limits in 2007. These figures use 2000 Census data as well as building permit records for the period from 2001 through 2006. Of the 673 residential units, 535 units, or 79 percent are detached single-family residential units. Approximately 13 percent of the units are multi-family residences and the remaining seven (7) percent of the units are manufactured homes.

Figure 1



The 2000 Census identified 588 residential dwelling units in Carlton. Of these, 498 units, or about 85 percent, were single-family residential units (including both "stick-built" units and manufactured homes). The remaining 90 residential units were multi-family dwellings. Of the 540 occupied housing units identified in the 2000 Census, 407 or approximately 75 percent were owner-occupied units and the remaining 133 units were rental units. The Census identified 38 vacant units within the community for an overall vacancy rate of approximately 6.3 percent.

Table 1 shows that 85 new dwelling units have been constructed in Carlton from the period since the 2000 Census through 2006. This new construction brings the total number of dwelling units within the city to 663 units. Of the 85 new units added between 2001 and 2006, all were single-family dwellings.

Table 1 - Housing Element
Housing Development, Carlton
2001-2006

Year	Housing Starts	
	Single-Family	Multi-Family
2001	0	0
2002	1	0
2003	3	0
2004	9	0
2005	29	0
2006	43	0
Total	85	0

Source: City of Carlton building permit data, 2007

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ECONOMY OF THE CITY

Statewide Planning Goal 9 (Economic Development) requires cities to provide an adequate supply of suitable sites for a variety of industrial and other employment uses. This section of the Carlton Comprehensive Plan serves as an Economic Opportunity Analysis (EOA) to fulfill the Goal 9 requirements and ensure an adequate supply of land is available for new and expanding businesses in Carlton over the 20 year planning horizon. This element of the Comprehensive Plan includes a description of the economic trends combined with an assessment of the community's economic strengths and weaknesses to determine the economic development potential of the area. This chapter also includes a description of the amount of land and types of sites needed to fulfill Carlton's economic needs over the next 20 years. This assessment of future land needs is compared with the supply of vacant and underutilized commercial and industrial lands available to determine whether or not there are any deficiencies in the land supply. The chapter concludes with a discussion of the planning implications and policy recommendations.

ECONOMIC TRENDS

Economic activity within the Carlton area is influenced by greater economic forces found at the national, state and regional levels. How well the overall economy is performing at the national level will in turn have an impact on which businesses experience prosperity and decline in Carlton and the Willamette Valley region. Recent economic trends and the economic outlook for these areas are the primary basis for our expectations of future economic development in Carlton.

Population

Oregon's economic conditions are strongly related to population growth. As shown in Table 1, growth was slow for the State and Carlton due to the recession in the early 1980s. Population increased during the economic expansionary period of the 1990s. Population growth has continued for the State and County through today, although at a slower rate than the expansionary period of the 1990s. Unlike the State and County's population growth, Carlton's growth rate continued to increase slightly since 2000. This suggests Carlton has been less susceptible to the most recent business cycles than the State and County as a whole.

Economics -Table 1
Population - Oregon, Yamhill County, and Carlton 1980-2006

Location	1980	1990	2000	2006	Average Annual Growth Rate		
					1980-90	1990-00	2000-06
Oregon	2,633,156	2,842,321	3,421,399	3,690,505	0.8%	1.9%	1.3%
Yamhill County	55,332	65,551	84,992	91,675	1.7%	2.6%	1.3%
Carlton	1,302	1,289	1,514	1,670	0%	1.6%	1.7%

Source: U.S. Census and the Center for Population Research and Census, Portland State University, 2006.

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Personal Income

Table 2 shows median household income and the percentage of households below the poverty level in Carlton, Yamhill County, and Oregon for 2000. Median household income for Yamhill County exceeded that for Oregon. In Carlton, median income was lower than Yamhill County but higher than Oregon. The percentage of families living below the poverty level was lower in Carlton than the state, but greater than in the county.

Economics -Table 2
Median Household Income and Percent of Households Living Below Poverty Level
Carlton, Yamhill County, and Oregon, 2000 (in 2000 dollars)

Location	Median Household Income	Families Below Poverty Level
Carlton	\$41,827	6.0%
Yamhill County	\$44,111	4.5%
Oregon	\$40,916	7.9%

Source: 2000 U.S. Census.

Region Employment

Table 3 shows covered employment data for the McMinnville area, which includes the communities of McMinnville, Amity, Lafayette, Dayton, Yamhill, and Carlton. Combined employment in these communities reached 16,074 in 2003. The Employment Division reports that the largest employment industries for the area include: trade, transportation and utilities; education/health services; manufacturing; and government. Natural resources employment at 13 percent, is much larger than the state's percentage at three (3) percent and is largely in nurseries, greenhouses, and fruit and nut crops, including wine grapes.

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**Economics -Table 3
McMinnville Area Covered Employment by Industry
2003**

Industry	Percent
Trade/Transportation/Utilities	17%
Natural Resources/Mining	13%
Government	14%
Manufacturing	14%
Education/Health Services	15%
Construction	4%
Leisure/Hospitality	8%
Professional/Business Services	6%
Other Services	3%
Financial Activities	5%
Information	1%
Total	100.0%

Source: State of Oregon Employment Department,
Employment Snapshot of McMinnville Area, 2005.

Economic Outlook

Long-range economic forecasts generally predict growth at the national level, despite short-term national trends, which may run counter to the long-term trend. Several national economic trends will continue to impact Oregon and the Willamette Valley. These include continued population increase due to migration of the U.S. population to the western United States and the decline of employment in resource-intensive industries and the increase in employment in service-oriented sectors of the economy.

The State of Oregon is predicted to perform at least as well in the long-term forecast as the nation, due to its economic advantages that include, location, labor force, and diversity. According to the Oregon Employment Department, the three (3) industrial sectors that are expected to account for most of the state's job growth include: professional and business services; education and health services; and trade, transportation and utilities. The State forecasts additional job losses in the resource-based manufacturing sectors, although at a decreasing rate from the previous forecast period. The Willamette Valley, combined with the Portland Metro Area, is expected to add the majority of jobs over the forecast period.

Region Forecast

The Oregon Employment Department provides an employment forecast for each market region in Oregon. Carlton is located in Region 3, which is comprised of Yamhill, Marion and Polk counties. Like the state economy, the region continues to make the transition from a reliance on resource extractive industries and manufacturing towards information, and services and high-tech manufacturing. As a result, jobs are being lost in some sectors as they are being added in others.

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Table 4 shows projected employment within Marion, Polk, and Yamhill counties for the period from 2002 through 2014. Employment in Region 3 is projected to increase by 15 percent during the period from 2004 through 2014. The Oregon Employment Department indicates that service and construction industries will experience the most significant job growth within the region through 2014. Government employment is forecast to grow more slowly than the average of all industries over the period through 2014.

**Economics -Table 4
Employment Projections by Selected Industry
Marion, Polk, and Yamhill Counties, 2004 and 2014**

Industry	2004	2014	Percent Change
Total Non-Farm Payroll Employment	169,400	194,900	15.1%
Manufacturing, Total	20,100	20,000	-0.5%
Durable Goods	10,900	10,800	-0.9%
Non-durable Goods	9,200	9,200	0.0%
Non-Manufacturing, Total	149,300	174,900	17.1%
Construction	8,800	10,700	21.6%
Financial activities	8,300	9,200	10.8%
Trade, transportation and utilities	28,000	32,300	15.4%
Services	58,100	72,000	23.9%
Government	42,500	46,800	10.1%

Source: State of Oregon, Employment Department. *Regional Profile Industry Employment in Region 3, 2005.*

Carlton Economy

Carlton's economy has historically been based in the agricultural and forest industries. In the early 1900s, the area was identified as the state's "logging center". Over the years, Carlton has been home to several logging companies and the Carlton Manufacturing Company sawmill operations. Changes in the economy drove many lumber companies out of business and eventually led to the closure of the Carlton Manufacturing Company. Early agricultural activities were centered on hops, hay, pigs, and fruit and nut trees.

Traditional extractive industries continue to have a significant impact upon the local economy through today. Carlton is currently home to over nine (9) wineries and a dozen horse farms. The City has also experienced recent growth in other industries such as the service, construction and trade, transportation and utilities sectors. Despite the recent diversification of the Carlton economy, the area continues to rely heavily upon McMinnville and other larger cities for the majority of its commercial and other service needs. **Table 5** shows recent covered employment data by industry for the Carlton area based on employer records with a 97111 zip code. The agriculture, forestry, fishing & hunting and the manufacturing industries make up approximately 53 percent of the area's employment.

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Economics -Table 5
Carlton Covered Employment
2005

Industry	Covered Employment	Percent of Covered Employment
Agriculture, Forestry, Fishing & Hunting	147	24.3%
Construction	60	9.9%
Manufacturing	176	29.1%
Wholesale Trade, Transportation, and Warehousing	55	9.1%
Retail Trade	26	4.3%
Finance and Insurance	11	1.8%
Services and Real Estate	116	19.2%
Public Sector Employment	14	2.3%
Total	605	100.0%

Source: State of Oregon Employment Department sorted and summarized by MWVCOG, 2007.

Covered employment includes only those workers covered under unemployment insurance. The data tends to underestimate total employment by excluding certain employees, such as business owners and some agricultural workers. Overall, covered employment accounts for only about 81 percent of all employment in Oregon. In Table 6, covered employment is converted to total employment using statewide conversion ratios.

Economics -Table 6
Carlton Covered and Total Employment
2005

Sector	Covered Employment Percentage	2005 Covered Employment	2005 Total Employment
Agriculture, Forestry, Fishing & Hunting	62%	147	237
Construction	73%	60	82
Manufacturing	94%	176	187
Wholesale Trade, Transportation, and Warehousing	87%	55	63
Retail Trade	84%	26	31
Finance and Insurance	60%	11	18
Services and Real Estate	74%	116	157
Public Sector Employment	100%	14	14
Total		605	789

Source: State of Oregon Employment Department sorted and summarized by MWVCOG, 2007.

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ECONOMIC OPPORTUNITIES AND CONSTRAINTS

This section examines factors that influence economic growth opportunities in Carlton, including a discussion on the City's economic strengths and weaknesses. Through identifying Carlton's strengths and weaknesses, the city can begin to understand which types of industries have the greatest potential for growth and expansion, and what areas the city should work on to improve economic opportunity within the area.

Location

Carlton is located in Yamhill County's wine region with a number of local vineyards within close proximity to the City. The proximity to vineyards and availability of fruit to produce wine was one of the key strengths to doing business in Carlton indicated during interviews with local wine makers. Given these economic advantages and the tendency for related businesses to locate in close proximity to one another, the wine industry is an area of Carlton's economy that is likely to continue to grow and expand in the future.

While wineries themselves do not typically have large numbers of employees, an area where there is additional employment opportunity is the wine tourism industry. The Oregon wine industry indicates that there is a great potential for increasing tourism related to the Oregon wine trade. A recent report commissioned by the Oregon wine industry noted the need for additional tourism infrastructure services and facilities such as hotels, restaurants and shopping opportunities. An increase in the availability of the types and number of overnight accommodation services would encourage wine tourists to extend their stays and increase the demand for tourist-related services in Carlton and the surrounding area. Interviews with local wineries indicate support for this type of development.

While Carlton's location serves as an advantage to the local wine industry, Carlton's location in close proximity to McMinnville and Newberg, put it at a disadvantage for meeting shopping needs of the local market. Carlton residents have access to a wide and deep selection of shopping and restaurants within a few short miles of the City. Local businesses identified the need to drive to larger cities such as McMinnville, to buy business goods and services as one of the weakness to doing business in Carlton.

Transportation

State Highway 47 passes through the west side of Carlton and connects Carlton with Forest Grove and the Portland Metro Area to the north. To the south, State Highway 47 connects with State Highway 99W 4.4 miles south of Carlton. State Highway 99W connects Yamhill cities such as McMinnville and Newberg, with the Portland Metro Area markets. Interstate 5 serves as the primary transportation artery in the Willamette Valley. Cities in Yamhill County lack direct access to Interstate 5. Lack of direct access to I-5 will limit the ability of Carlton and surrounding cities to attract firms that require access to that facility.

North Yamhill Street and West Main Street, are identified as arterial streets in the Carlton Transportation System Plan and provide direct access to industrial zoned properties in Carlton. Industrially zoned parcels in Carlton also have access to the Southern Pacific Railroad that runs north/south through the city. Railroads can be an important form of transportation for businesses that need to transport bulky inputs and finished products.

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Utilities

The City owns and operates its own wastewater collection treatment and disposal system. The City's sewer system is generally in good condition and is accessible to most commercial and industrial zoned parcels within the City. The recently completed Sewer Master Plan identifies system improvements needed including, routine repairs to rehabilitate and replace old lines and pump stations, and some plant improvements to expand the system's capacity. These improvements are generally funded through SDC sewer funds.

The City also owns and operates its own water distribution system. Currently there are major improvements needed to the City's water system to meet fire flow requirements. Improvements needed to the City's water system include constructing a larger water line that connects the city to the reservoir site. The estimated cost to complete these improvements is approximately \$900,000. The City is currently exploring sources of funding to fix the problem. The inability to meet fire flow requirements is a major constraint for economic development within the City of Carlton.

The majority of the vacant and commercial sites located within the Carlton UGB have access to city services. Future industrial sites located in the northwest section of the City may require a pump station to provide adequate sewer service.

Quality of Life

Quality of life is a subjective standard that is hard to quantify. It includes economic factors, such as income, employment, and housing costs, as well as, non-economic factors, such as natural and physical amenities, quality of local education, and cultural and recreational opportunities. Quality of life plays a role in economic development because it affects the relative attractiveness of the city to migrants. A more attractive quality of life may help Carlton attract a greater share of in-migrants. These migrants not only bring job skills to various employment sectors, such as construction, services, and retail trade, but some may also start new businesses in the community.

One of Carlton's comparative advantages is that it has a relatively intact commercial district, as it existed 100 years ago, giving it a unique sense of place. The City recently completed work on a downtown improvement project, which included, water and sewer line replacements, road resurfacing, installation of sidewalks and other pedestrian improvements such as, street lights, trees, park benches, trash receptacles and crosswalk repainting. All of these improvements help contribute to an active downtown that is welcoming to business activity and pedestrians.

One of the disadvantages of the downtown area is the heavy truck traffic, which can be an intimidating and noisy environment for pedestrians. Additionally, there are a number of vacant buildings and lots within the downtown area that create a shopping district that lacks cohesiveness. A unified pedestrian-friendly district requires uninterrupted storefronts and active retail or entertainment businesses with strong street appeal. The City's continued efforts to make improvements to the downtown area are intended to increase the appeal of the downtown area and help attract additional businesses and also to serve as a unique destination for visitors. The City is exploring the formation of an urban renewal district as a funding mechanism to further aid revitalization in the downtown area.

Business Support

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One of the strengths noted during interviews with local businesses was the City's support for local businesses and ease of working with City staff through the permitting process. A study completed with assistance from the Oregon Downtown Development Association in 2001, also identified a number of local factors that create support for businesses. Some of the comparative advantages identified in this study include, a strong volunteer base through local organizations such as, the Carlton Together Cares group; local investment in Carlton's economic future through new residential and commercial development and the passing of a recent school bond levy. There is also the presence of a strong core group of individuals that believe in a healthy and positive future for Carlton that help others see the benefits to doing business in Carlton.

Land Cost

The OregonProspector.com is the state's official public-private website for site consultants and businesses interested in relocating or expanding a business in Oregon. This site provides an on-line database of available commercial and industrial properties in Oregon. The most recent database listing shows four (4) vacant properties in Yamhill County with advertised sales prices, three (3) of which are in McMinnville. These properties range in size from 0.78 acres to 26 acres. Sale prices for the properties range from \$50,000/acre to \$485,897/acre with an average sales price of \$199,411/acre.

While none of the properties listed are in Carlton, Yamhill County Assessor records show that the real market value of several vacant industrial properties in the community is approximately \$84,813/acre. While this obviously does not represent a comprehensive market survey, it does indicate that land costs, particularly in relation to the McMinnville market, may be lower in the Carlton area. Lower land cost is often a primary reason for the firms to locate in smaller communities.

City Policies Affecting Economic Development

The Carlton Comprehensive Plan includes a number of supportive economic development related policies stated as follows. In general Carlton supports economic development that adds to the quality of life of the community that does not detract from the small town character of the city.

1. Carlton shall encourage the type of industrial development that contributes substantially to the community's economy by assuring that revenues and wages generated will be recycled through the local economy.
2. Carlton shall encourage industry that will raise the wage scale in the community.
3. Carlton shall encourage industry that will offer employment to, and create a balance between, a broad range of workers, including professional, skilled and unskilled labor.
4. Industry shall be encouraged that provides training opportunities in skills that can be transferred to other job categories and opportunities.
5. The City shall encourage industry that would pay its fair share for services required for its establishment and maintenance.

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6. An industrial facility proposal shall be evaluated to consider both short and long term social, environmental, and economic impacts to the City and surrounding area before being approved.
7. Carlton shall encourage industry and/or economic activity that will be energy efficient and include, but are not limited to the following:
 - (a) efficient building, manufacturing and heating practices,
 - (b) co-generation systems including the burning of wastes, and
 - (c) utilization of new and alternative systems.
8. Carlton shall encourage industrial development that meets appropriate pollution control requirements.
9. Carlton shall, encourage a strategy of economic development that will:
 - (a) efficiently utilize and develop existing resources,
 - (b) encourage further development and expansion of existing facilities and industries and/or economic activity,
 - (c) identify local, state, and federal resources to assist in the economic and industrial expansion (growth) desired in Carlton,
 - (d) identify and correct problems that discourage desired economic growth, and
 - (e) identify and promote industry and/or economic activity that will be compatible with, and enhance and maintain Carlton's small town character, quality of life and identity.
10. Carlton shall direct future industrial growth determined to be incompatible with residential neighborhoods away from existing or designated areas of future residential development. These industries shall be sited in controlled areas sufficiently buffered from adjacent uses to prevent conflict.

Summary of Economic Opportunities and Constraints

Carlton has a number of economic advantages that will help foster additional economic development over the planning horizon. The city has a high quality of life and is supportive of local businesses and efforts to improve the city's downtown area. The city is located in close proximity to local wineries and a number of visitor support services have developed in the city recently such as, wine tasting rooms, restaurants and retail stores that attract wine tourist in the region. As the wine industry and general population continue to grow in the Carlton area, there will be an increasing need for establishments that provide support goods and services to the wine industry and the general population.

A major limitation to new commercial and industrial development is the City's water system, which currently cannot provide adequate fire flows. This is a critical limitation to overcome in order to encourage economic development within the Carlton area. Future economic opportunity in Carlton is also constrained by its proximity to McMinnville and lack of major highway or Interstate access. Due to these constraints, it is unlikely that the City will be able to attract large scale manufacturing firms or become a retail service center for the larger area.

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However, as Carlton's population continues to grow, there will be an increased demand for convenience shopping.

CARLTON EMPLOYMENT GROWTH PROJECTION

Given the national, state and regional economic forecasts and comparative advantage to doing business in Carlton, the City can be expected to perform at least as well as the region over the 20 year planning horizon. Rather than attempt to project the number of new jobs created as a percentage of the region, which is relatively small, this analysis uses the "Safe Harbor" method to determine employment needs as identified in Oregon Administrative Rules (OAR) 660-024-0040(8). The Safe Harbor method assumes the number of jobs created in the City will grow at a rate equal to the regional job growth rate provided in the most recent forecast published by the Oregon Employment Department. The most recent forecast provided by the Oregon Employment Department estimates the region's employment will grow by 15 percent from 2004 to 2014. This same growth rate was extrapolated throughout the 20-year planning horizon through the year 2027. This moderately conservative employment growth rate continues to reflect Carlton's identity as a bedroom community to McMinnville, while still anticipating some economic growth in the community, especially in the wine manufacturing and support service sectors. The City should review and update the economic forecast as more recent employment data and forecasts for the region become available in the future.

Table 7 shows the projected total employment growth through the year 2027. This projection shows that 281 new jobs will be added over the planning horizon, for a total employment of 1,070 by 2027. This represents an increase of 35.6 percent over 2005 total employment.

**Economics -Table 7
Total Employment Projection
Carlton, 2005 and 2027**

Sector	2005		2027	
	Percent	Total	Percent	Total
Agriculture, Forestry, Fishing & Hunting	30.0%	237	30.0%	321
Construction	10.3%	82	10.3%	111
Manufacturing	23.7%	187	23.7%	254
Wholesale Trade, Transportation, and Warehousing	8.0%	63	8.0%	86
Retail Trade	3.9%	31	3.9%	42
Finance and Insurance	2.3%	18	2.3%	24
Services and Real Estate	9.4%	157	9.4%	213
Public Sector Employment	1.8%	14	1.8%	19
Total		789		1,070

Source: MWVCOG, 2007.

LAND DEMAND ANALYSIS

A primary function of the economic opportunities analysis is to determine if sufficient land is available to accommodate projected employment over the planning horizon. In order to accomplish that, the employment growth forecasted above must be aggregated into general

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land use categories. Next, the number of new jobs created for commercial and industrial use must be converted into the number of acres needed for commercial and industrial uses over the 20 year planning horizon.

The employment sectors forecasted above were allocated to two (2) land use categories as follows:

- Commercial: Retail Trade; Finance and Insurance; and Services (including Real Estate).
- Industrial: Construction; Manufacturing; and Wholesale Trade, Transportation, Communications and Utilities.

This analysis assumes growth in the public sector employment will occur on existing public lands and that growth in agriculture, forestry and fishing industries will occur primarily on adjacent agricultural lands outside the urban area.

Table 8 shows the 2027 employment growth by land use type. **Table 8** shows that there will be approximately 73 new commercial jobs created and 136 new industrial jobs created, for a combined total of 209 new commercial and industrial jobs created by 2027.

**Economics -Table 8
Total Employment Growth by Land Use Type
Carlton, 2027**

Sector	2027
Commercial	73
Industrial	136
Total	209

Source: MWVCOG, 2007.

To convert the employment growth shown in **Table 8** above to the number of acres needed by land use type, an assumption must be made regarding the density of employment per acre. One of the common methods used to determine the job density of an area is to calculate the number of employees per developed acre of land. Using employment data and the buildable lands analysis, estimates of commercial and industrial employment per acre in Carlton were determined.¹ Based on this information, this analysis assumes 15.8 employees per acre for commercial uses and 10.2 employees per acre for industrial uses.

Table 9 shows the amount of land needed to accommodate new commercial and industrial employment growth through 2027. Approximately 4.6 acres will be needed to accommodate projected commercial employment growth through this period. Approximately 13.3 acres will be needed to accommodate projected industrial employment growth through this period.

¹ Approximately 7.7 acres are developed in the Commercial-Industrial (CI) Zone, which allows a broad mixture of industrial and commercial uses. It is estimated that approximately 5.0 acres in this zone are developed with commercial uses and approximately 2.7 acres are developed with industrial uses.

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**Economics -Table 9
Land Need by Land Use Type
Carlton 2027**

Sector	Total Employment Growth	Employees Per Acre	Land Demand (acres)
Commercial	73	15.8	4.6
Industrial	136	10.2	13.3
Total			17.9

Source: MWVCOG, 2007.

COMMERCIAL AND INDUSTRIAL SITE REQUIREMENTS

An additional consideration is the type of sites needed for future commercial and industrial developments. Site requirements include the physical characteristics required for a particular type of industrial or commercial use to operate, such as parcel size, site configuration, and access to a specific type of transportation facility. Employment growth is forecasted for all of the major commercial and industrial sectors in Carlton over the planning horizon; therefore, it is important that a variety of sites be available to meet the forecasted employment needs.

Table 10 shows the size characteristics of developed commercial and industrial properties in Carlton. Commercial uses in Carlton have developed on properties that are between 5,000 and 17,000 square feet (0.1 and 0.4 acres) in size. Developed industrial properties average about 1.0 acre in size. The current size of commercial and industrial parcels in Carlton indicates the need for a number of small to medium sized parcels.

**Economics -Table 10
Size Characteristics of Developed Properties by Zone
Carlton 2007**

Zone/Plan Designation	Average (acres)	Median (acres)	Parcel Size Range (acres)
Commercial Business Zone (CB)	0.2	0.2	0.1 - 0.4
Commercial Industrial (CI)	0.4	0.3	0.1 - 0.7
General Industrial Zone (IG)	1.0	1.0	0.5 - 1.7

Source: Yamhill County Assessor data, MWVCOG, 2007.

As discussed under the economic opportunities and constraints section above, Carlton is well positioned to see economic growth in the small scale manufacturing industry (wineries) and visitor commercial services (retail, restaurant, lodging). A discussion of the specific site requirements for these types of industries is provided as follows.

Small Scale Manufacturing

Site characteristics for small-scale manufacturing include building sites with slopes less than 15 percent, on soils without severe building limitations. These businesses often locate on parcels between one (1) to three (3) acres in size that are preferably rectangular in shape with a lot depth of 200 to 300 feet. Small-scale manufacturers prefer direct access to a state highway or

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other well-travel transportation facility. Wineries in particular, often desire visibility to a major highway to attract visitors to wine tasting rooms found on the premise. Buildings configurations should allow for a variety of ancillary uses such as show rooms, or tasting rooms in the case of wineries, and office space. These types of industries do not have as large of an impact as large-scale manufacturers and heavy industries, and thus do not require larger land use buffers of 50 to 100 feet. However, consideration should be given to provide some buffering between industrial and residential uses and avoiding truck traffic through residential areas.

Visitor Commercial Services

Services typically needed for visitors include, specialty retail shops, lodging and restaurants. The majority of employment growth in these services will take place in small businesses. Small businesses often lack capital to construct new buildings and therefore, require existing buildings with leasable space. Due to the high turnover in small business start-ups, it is also desirable that building sites provide enough flexibility to accommodate various users. Typically building sizes for restaurant and specialty retail shops are 5,000 to 10,000 square feet. Commercial uses require access to streets with high traffic volumes and visibility to attract customers. These types of uses often locate in close proximity to one another to allow customers the ability to access other commercial services. Good pedestrian access and attractive streetscapes are important to encourage customers to access nearby services by walking.

COMMERCIAL AND INDUSTRIAL LAND INVENTORY

In order to determine whether or not there is sufficient employment land over the planning horizon, an up-to-date inventory of the current land supply is needed. The following section identifies the supply of vacant and underutilized employment land within the Carlton Urban Area.

Table 11 shows a summary of the amount of vacant and redevelopable commercial and industrial land available within the Carlton urban area. Table 11 shows a total available acreage of 10 acres of vacant and redevelopable commercial land and 2.5 acres of industrial land.

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**Economics -Table 11
Commercial and Industrial Buildable Lands Inventory
Carlton, 2007**

Zone/Plan Designation	Vacant (acres)	Redevelopable	Total Acres
Commercial Business (CB)	6.0	1.0	7.0
Commercial Industrial (CI)	2.1	0.9	3.0
Commercial Acreage	8.1	1.9	10.0
General Industrial (GI) ¹	1.0	1.5	2.5
Industrial Acreage	1.0	1.5	2.5
Total	9.1	3.4	12.5

Source: Yamhill County Assessor data, MWVCOG, 2007.

¹ An additional 2.0-acre vacant industrial-zoned parcel has recently been purchased for development of a new fire station.

Table 12 shows the number of vacant and redevelopable commercial and industrial land by parcel size. There are a number of small size commercial and industrial parcels one-half acre or less in size. However, the table indicates the Carlton area lacks any vacant or redevelopable parcels in the 1.5 to 3.0 acre parcel size. Additionally, there are no industrial parcels 3.0 acres or greater in size that could be subdivided to create smaller parcels. To create additional opportunity for employment growth in the target industries, additional parcels should be added to the industrial land supply that are 1.5 acre in size or greater.

**Economics -Table 12
Commercial and Industrial Vacant Land Inventory by Parcel Size
Carlton, 2007**

Parcel Size	Number of Commercial Parcels	Number of Industrial Parcels
0.0 - 0.5 acres	24	1
0.6 - 1.5 acres	1	1
1.5 - 3.0 acres	0	1
3.0 acres or greater	1	0
Total	26	3

Source: Yamhill County Assessor data, MWVCOG, 2007.

Comparison of Land Demand and Supply

Table 13 shows a comparison of land needed to accommodate new employment growth (demand) through 2027 and the available supply of vacant and redevelopable land. The comparison shows that there is sufficient commercial land available within the Carlton urban area to meet the projected land demand. The table indicates there is a surplus of 4.9 acres of commercial land and a projected deficit of approximately 10.8 acres of industrial land based upon the need through 2027.

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Economics - Table 13
Comparison of Supply and Demand for Commercial and Industrial Land
Carlton, 2027

Land Use Type	Vacant/Redevelopable Acres
Supply	
Commercial	10.0
Industrial	2.5
Total Supply	12.5
Demand	
Commercial	4.6
Industrial	13.3
Total Demand	17.9
Surplus (Deficit)	
Commercial	4.9
Industrial	(10.8)

Source: MWVCOG, 2007.

Short Term (5 Year) Land Needs

Table 14 identifies short-term land needs for the City of Carlton. Short-term land needs are characterized by those lands that will be needed for employment growth within the next five (5) years. Ideally, land available for short-term employment growth is not constrained by the lack of infrastructure or those lands considered unavailable due to land speculation. Carlton's short term supply of vacant commercial and industrial lands is currently constrained by immediate improvements needed to the City's water system to meet fire flow requirements. In addition to improvements to the City's water system, there is currently a need to redesignate parcels 1.5 acres or greater in size to industrial in order to provide additional opportunities for industrial growth.

Economics - Table 14
Short Term Demand for Commercial and Industrial Land
Carlton, 2012

Land Use Type	Vacant/Redevelopable Acres
Demand	
Commercial	1.1 ac
Industrial	3.3 ac
Total Demand	4.2 ac

Source: MWVCOG, 2007.

As shown in Table 13, the city does not have enough land available to meet the projected need for industrial land through 2027. Oregon Administrative Rules 660-009-0025 requires that, as part of an Economic Opportunities Analysis, the city must designate enough land to meet the

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total projected land needs for each industrial or other employment use category identified in the plan during the 20-year planning period.

The City has identified an area for rezoning that would meet the projected need for industrial land. The area is approximately 12 acres in size and part of an approximately 21.8-acre parcel located north of McKinley Avenue and west of Highway 47. The property is identified as Tax Assessor Map 3421, Tax Lot 300. The property is currently designated as Agricultural-Holding in the Comprehensive Plan and is zoned Agricultural-Holding and is located adjacent to the industrial development near the northern city limits and Urban Growth Boundary.

Future Planning Implications and Recommendations

Economic trends and local comparative advantages support economic growth in the Carlton area over the next 20 years. While employment opportunities in the large-scale manufacturing sectors may be limited in Carlton, the City is in a prime location for attracting small scale manufacturers such as, wineries, and commercial visitor services, such as specialty retail shops, restaurants and lodging.

Total employment in Carlton is projected to reach 1,070 by 2027, an increase of 281 jobs from 2005. A review of the City's updated land inventory indicates the City has sufficient land of suitable sizes to accommodate projected commercial land needs. However, there is a shortage of approximately 10.8 acres of industrial land and a need to redesignate land for industrial purposes. Due to changing economic conditions over the planning horizon, the City should review the employment forecast and land inventory at least every five (5) to ten (10) years and make adjustments where necessary.

Additionally, in order for Carlton to reach its full economic potential, water system improvements are needed to enable new development to meet fire flow requirements. The City should also encourage further economic development by approving quality commercial and industrial developments, and supporting continued efforts to revitalize the downtown area to create a pedestrian friendly area that is inviting to visitors.

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Recommended New Economic Policies:

- Carlton shall encourage business development that retains, strengthens and expands the business base in Carlton.
- Carlton shall encourage businesses that will complement and improve the existing downtown commercial mix and will enhance downtown's attractiveness to its target markets.
- Carlton shall maintain a long-term (20 year) supply of industrial and commercial lands that includes a variety of parcel sizes and locations. Redesignation of land to or from commercial or industrial may be allowed providing:
 - a. It serves the community's interests and does not impact the long-term continuity of the 20 year land supply; and
 - b. There is a demonstrated need to expand the industrial/commercial or non-residential land use supply.
- Carlton will review the City's economic forecast and commercial and industry land supply as updated employment data and regional forecasts become available.

The residential land needs analysis shows that an additional 45.5 acres will be needed to provide for residential development through 2027. The inventory showed that only 0.4 acres of land zoned Multi-Family Residential is available for development, where approximately 5.5 acres are needed to meet projected demand through 2027. Consequently, staff is recommending that two parcels, totaling approximately 5.7 acres be rezoned for multi-family development.

- The Housing section includes an inventory of the existing housing stock as well as local findings using a housing model designed by the Oregon Housing and Community Services Department. The model uses age, income, and expenditure information to predict the ability of households to afford housing. The analysis is intended to predict need for both owner-occupied and rental housing units at either end of a 20-year period from 2006 to 2027. Some of this information is used in the Land Use Element to assess future residential land needs.
- The Economics section includes an Economic Opportunities Analysis required by Oregon Administrative Rules 660-09. The analysis includes 2027 employment projections and an estimate of commercial and industrial land needs based on those projections. The analysis showed that Carlton has sufficient commercial land for the planning period. The analysis did identify the need for an additional 10.8 acres of industrial land. Consequently, staff is recommending that an 11-acre portion of a 21.8-acre property be rezoned for industrial development.
- Legislative Amendment 07-02 also includes the following amendments to the Carlton Comprehensive Plan Map and Zoning Map:
 - Amend the Comprehensive Plan Map designation from Agricultural Holding to Industrial and change the zoning from Agricultural Holding (AH) to General Industrial (GI) for an approximately 11-acre portion of a property identified as Assessor Map 3421, Tax Lot 300;
 - Change the zoning from Suburban Residential (SR) to Mixed-Density Residential (MX) for a 4.7-acre property identified as Assessor Map 3422CC, Tax Lot 1101;
 - Amend the Comprehensive Plan Map designation from Agricultural Holding to Residential and change the zoning from Agricultural Holding (AH) to Multi-Family Residential (MR) for a 0.90-acre property identified as 3422CC Tax Lot 1100;
 - Amend the Comprehensive Plan Map designation from Industrial to Public and change the zoning from General Industrial (GI) to Public Facility (PF) for a 2.0-acre property identified as Assessor Map 3421AA, Tax Lot 100; and
 - Amend the Comprehensive Plan Map designation from Commercial to Public and change the zoning from Commercial Business (CB) to Public Facility (PF) for a 0.42-acre property identified as Assessor Map 3421AD Tax Lot 2800.

The Planning Commission conducted a public hearing to review the proposed amendments on May 7, 2007. At the conclusion of the hearing, the Planning Commission voted to recommend that the City Council adopt Legislative Amendment 07-02.

After the Planning Commission conducted its public hearing on the proposed amendments, the City has received a request from Dan Armstrong, the owner of a 1.78-acre property identified as Assessor Map 3422BC, Tax Lot 300, located on N. 4th Street, to rezone his property from Suburban Residential (SR) to