

# ANNUAL REPORT

## ECONOMIC DEVELOPMENT



# 2019



*City of Tualatin*



## VISION

A thriving and diversified economy that includes living wage jobs, increased tourism, and sustained financial stability for the whole community.

Tualatin City Council 2030 Vision

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## A MESSAGE FROM THE CITY

I am pleased to present the 2019 Annual Economic Development Report for the City of Tualatin's Economic Development Division.

The report highlights the efforts of the Economic Development Division in promoting "a thriving diversified economy that includes living wage jobs, increased tourism, and sustained financial stability for the whole community" through the implementation of the 2014 Economic Development Strategic Plan.

In 2019, the division focused its efforts in two areas: recruiting new industries and enhancing relationships with our business community. Through our efforts, the City successfully recruited two projects with a total capital investment of \$106 million with an anticipated 366 high-paying jobs. In addition, Tualatin also successfully obtained over \$250,000 in business grants for local industries, an increase of \$181,000 over 2018.

As a smaller program than our regional counterparts, the Division prides itself on working with our local partners including the Tualatin Chamber of Commerce, Greater Portland Inc., Business Oregon, and the Port of Portland. These partnerships have helped tremendously in our economic development efforts.



**Jonathan Taylor**  
Economic Development  
Manager

## MISSION

To retain and cultivate growth of existing business, attract new industry, while creating and maintaining a positive business climate within our community.

Economic Development Strategic Plan



STRATEGY 1

# BUSINESS RETENTION, EXPANSION & RECRUITMENT

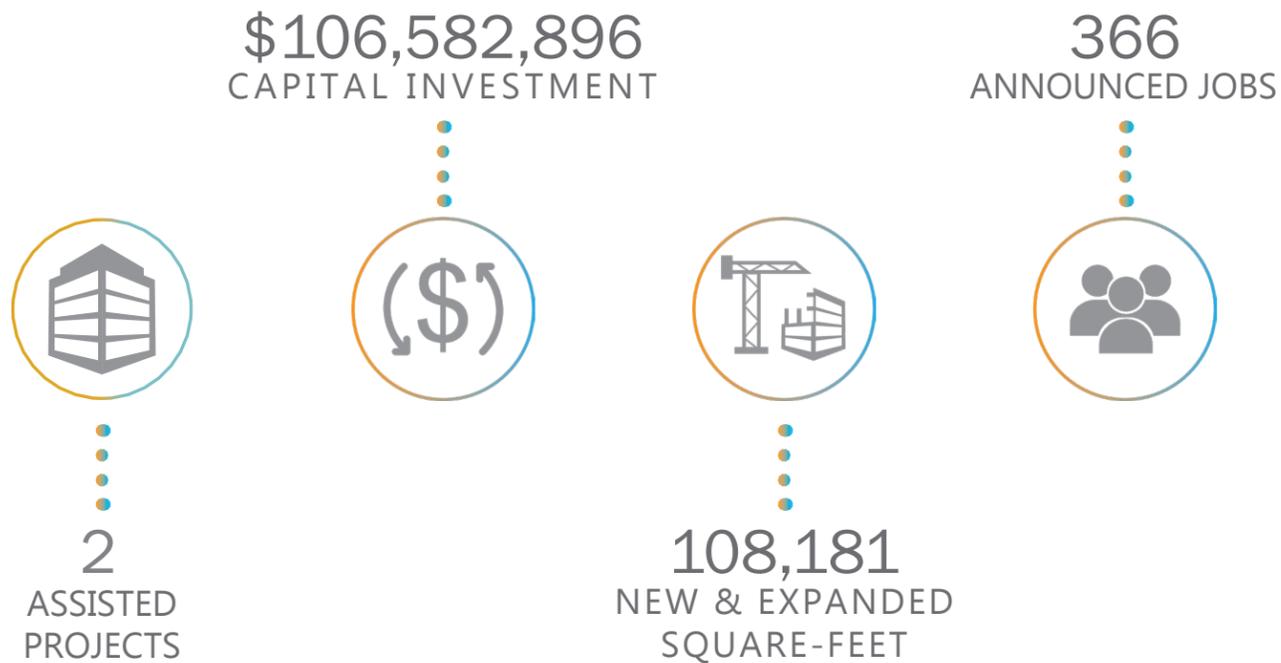


Retaining and cultivating the growth of existing businesses, as well as attracting new employers, is central to the health of Tualatin.

ECONOMIC DEVELOPMENT STRATEGIC PLAN

## BY THE NUMBERS

By the numbers represents projects in which the Economic Development Division led or actively participated.

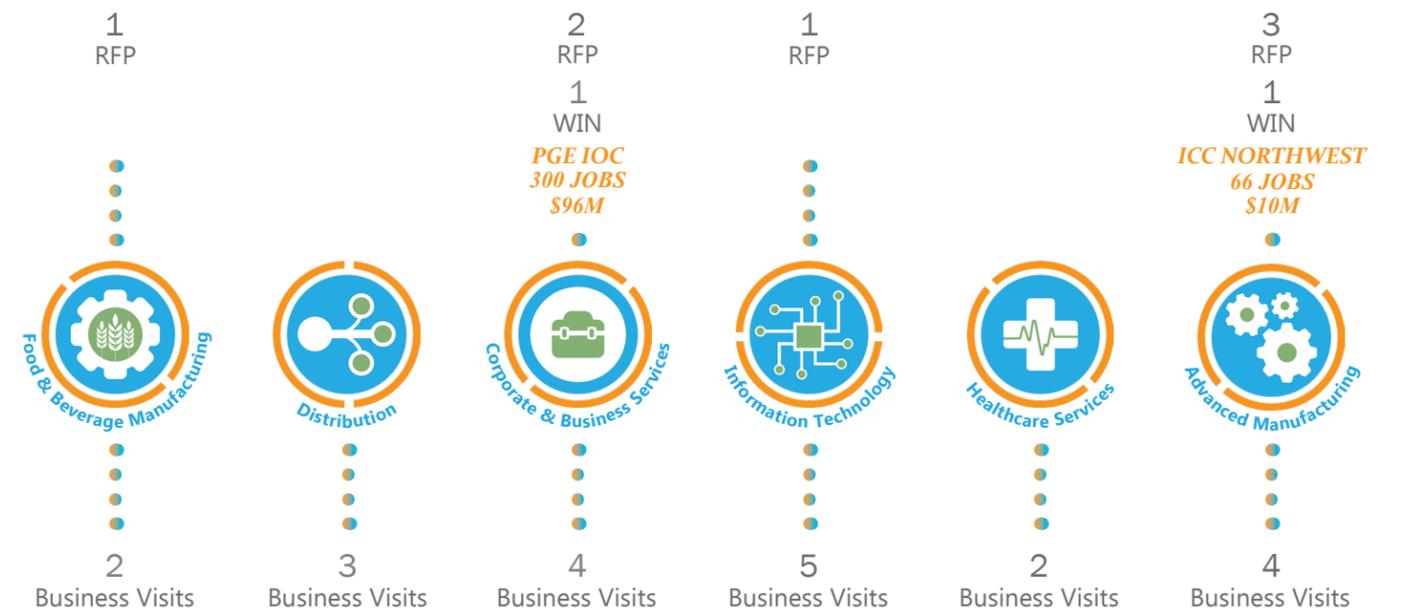


**“For every \$1 spent on Economic Development, \$86 was gained in community investment.”**



## SITE SELECTION

In addition to our efforts, The City of Tualatin also worked with Greater Portland Inc. and Business Oregon to respond to interested industries looking to locate or expand in the Portland Market. The City responded to **seven requests** and secured **two wins**.



## BUSINESS VISITS

The Economic Development Division conducted **30 business visits**, 20 with firms in our identified industry clusters.

**\$251,515**

### GRANTS SECURED

The City of Tualatin worked with our local businesses and regional partners to secure over \$250,000 in grants for business expansion and trade market opportunities. This is an increase of \$181,000 over 2018.

**\$200,000**  
Strategic Reserve Fund

**\$16,515**  
Trade Assistance

**\$35,000**  
Capital Access Program



# INVESTMENT MAPS

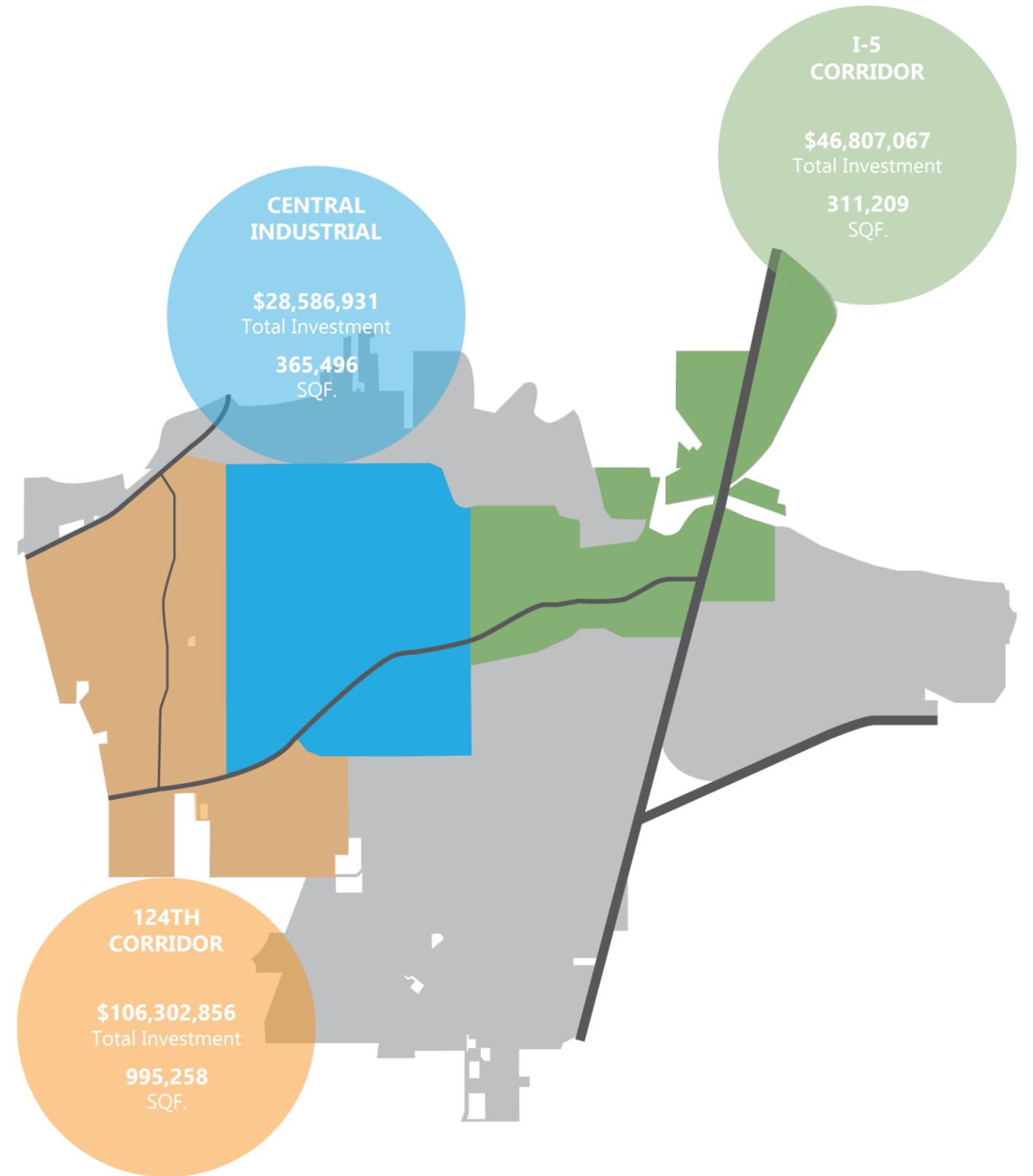
## Tualatin's Investment Areas

The following maps represent private and public investments in geographical areas of Tualatin that are defined by a unifying marker of transportation or zoning.

These identified areas contain a diverse industry sector that provides located firms with direct access to the international airports and seaports, retail amenities, quality transportation systems, and a skilled workforce of nearly one million within a 30 minute commute.

## Private and Public Investment

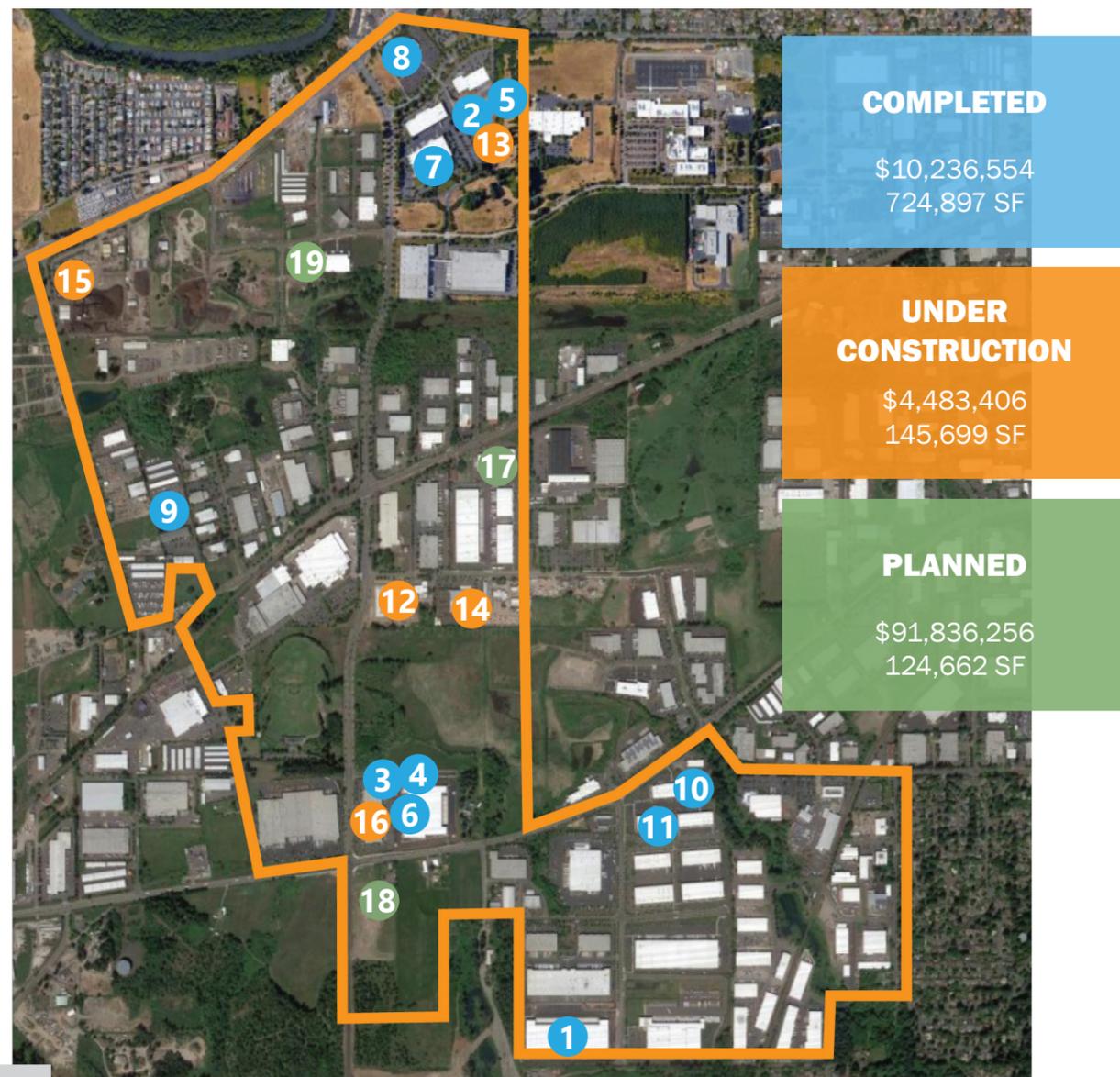
The listed public and private investments occurred within each identified area during 2019. These projects represent all permits applied for (planned), issued (under construction), or finalized (completed) - including multi-family permits.



# 124TH CORRIDOR

PRIVATE INVESTMENT: \$14,719,960 | PUBLIC INVESTMENT \$91,582,896

CENTERED AROUND THE NEWLY EXPANDED 124TH AVE, THE 124TH CORRIDOR EXTENDS THE WESTERN BORDER OF TUALATIN, ADJACENT TO THE CITY OF SHERWOOD. THE AREA IS EXCLUSIVELY ZONED MANUFACTURING WITH LIGHT, GENERAL, AND PARK DESIGNATIONS. TOTAL EMPLOYMENT IN THIS AREA IS ESTIMATED 5,000.



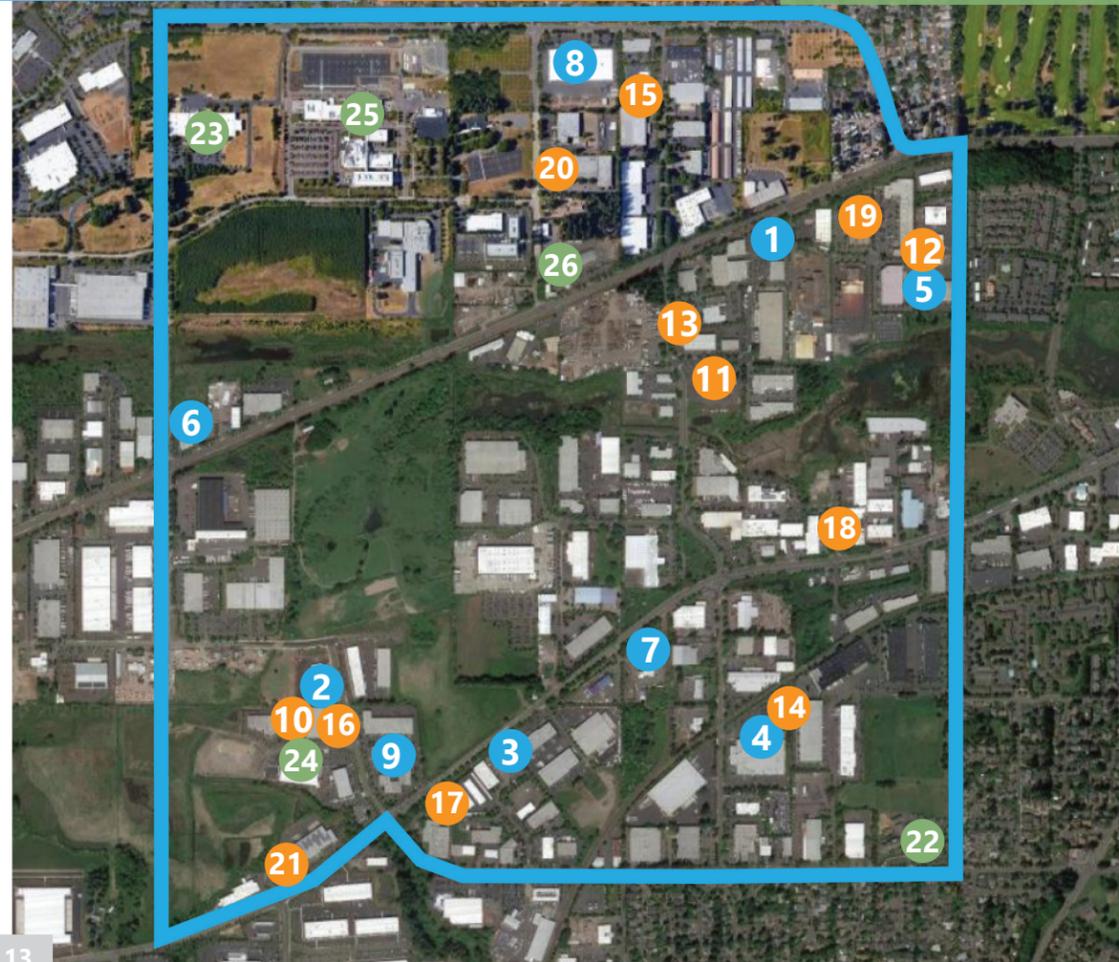
- 1 Amazon**  
Total Investment: \$5,900,000  
Completed  
Tenant Improvements: 226,960 sf
- 2 Mittlemen Properties**  
Total Investment: \$3,250,000  
Completed  
Tenant Improvements: 4,881 sf
- 3 MSI Stone**  
Total Investment: \$452,000  
Completed  
Tenant Improvements: 84,646 sf
- 4 IPT Gensco**  
Total Investment: \$202,000  
Completed  
New Construction: 2,950 sf  
New Tenant Improvements: 157,230 sf
- 5 California Closets**  
Total Investment: \$143,600  
Completed  
Tenant Improvements: 10,930 sf
- 6 Shields Manufacturing**  
Total Investment: \$115,000  
Completed  
New Construction: 493 sf  
Tenant Improvements: 10,930 sf
- 7 Schneider Electric**  
Total Investment: \$62,273  
Completed  
New Construction: 1,143 sf  
Tenant Improvements: 141,131 sf
- 8 US Bank**  
Total Investment: \$48,960  
Completed  
Tenant Improvements: 1,680 sf
- 9 Tualatin Industrial**  
Total Investment: \$45,000  
Completed  
New Construction: 611 sf
- 10 Pacific Realty**  
Total Investment: \$12,450  
Completed  
New Construction: 38,812 sf
- 11 Union Wine**  
Total Investment: \$5,271  
Completed  
Tenant Improvements: 42,500
- 12 Four S**  
Total Investment: \$3,900,706  
In-progress  
Tenant Improvements: 56,387 sf
- 13 Sam Medical**  
Total Investment: \$530,200  
In-progress  
Tenant Improvements: 32,068 sf
- 14 Albina Co. Inc**  
Total Investment: \$35,000  
In-progress  
Tenant Improvements: 56,794 sf
- 15 Grimm's Fuel Co.**  
Total Investment: \$12,500  
In-progress  
Tenant Improvements: 450 sf
- 16 Shield's Manufacturing**  
Total Investment: \$5,000  
In-progress
- 17 PDX Movers**  
Total Investment: \$100,000  
Planned
- 18 PGE IOC**  
Total Investment: \$91,582,896  
Planned  
New Construction: 108,181 sf
- 19 Anodize Solutions**  
Total Investment: \$153,360  
Planned  
New Construction: 1,415 sf  
Tenant Improvement: 15,066 sf

# CENTRAL INDUSTRIAL

PRIVATE INVESTMENT: \$12,991,931 | PUBLIC INVESTMENT \$15,595,000

THE PRIMARY EMPLOYMENT AREA FOR THE CITY OF TUALATIN, THE CENTRAL INDUSTRIAL AREA. PRIMARILY ZONED MANUFACTURING WITH LIGHT, GENERAL, AND PARK USES, THE AREA ALSO CONTAINS LIMITED COMMERCIAL AND RETAIL OPERATIONS. TOTAL EMPLOYMENT IN THIS AREA IS ESTIMATED 15,000.

COMPLETED	UNDER CONSTRUCTION	PLANNED
\$666,713 58,860 SF	\$8,373,518 248,268 SF	\$19,546,700 58,368 SF



- 1 Tualatin Industrial Center**  
Total Investment: \$154,351  
Completed  
Tenant Improvements: 10,972 sf
- 2 Perlo - Hedges B**  
Total Investment: \$150,000  
Completed  
Tenant Improvements: 10,098
- 3 Bridgetown Coffee**  
Total Investment: \$102,418  
Completed
- 4 United Advantage NW Federal Credit Union**  
Total Investment: \$95,800  
Completed
- 5 Warne Scope Mounts**  
Total Investment: \$87,094  
Completed
- 6 Re-Bath**  
Total Investment: \$26,800  
Completed  
Tenant Improvements: 21,414 sf
- 7 Praxair**  
Total Investment: \$26,000  
Completed
- 8 Waveform**  
Total Investment: \$15,000  
Completed  
Tenant Improvements: 13,376 sf
- 9 CDI**  
Total Investment: \$9,250  
Completed
- 10 Hedges C**  
Total Investment: \$5,245,473  
In-progress  
New Construction: 71,471 sf
- 11 LMC Teton**  
Total Investment: \$1,700,000  
In-progress  
Tenant Improvements: 17,477 sf  
New Construction: 13,759 sf
- 12 Beauport**  
Total Investment: \$500,000  
In-progress  
New Construction: 3,943 sf
- 13 Hartman and Forbes**  
Total Investment: \$500,000  
In-progress  
Tenant Improvements: 32,504 sf  
New Construction: 3,010 sf
- 14 UA Local 290**  
Total Investment: \$100,000  
In-progress
- 15 Waveform**  
Total Investment: \$91,000  
In-progress  
Tenant Improvements: 13,376 sf
- 16 Perlo**  
Total Investment: \$52,237  
In-progress  
Tenant Improvements: 3,790 sf
- 17 Arlington Commons**  
Total Investment: \$50,000  
In-progress  
New Construction: 1,962 sf
- 18 Pacific Foods**  
Total Investment: \$43,411  
In-progress  
New Construction: 696 sf
- 19 Ichor Systems Inc.**  
Total Investment: \$52,897  
In-progress  
New Construction: 60,620 sf  
Tenant Improvements: 25,660 sf
- 20 Ascentic**  
Total Investment: \$23,500  
In-progress
- 21 NMotion**  
Total Investment: \$15,000  
In-progress
- 22 TVF&R Logistics Center**  
Total Investment: \$9,745,000  
Planned  
New Construction: 3,147 sf  
Tenant Improvements: 39,508 sf
- 23 JAE**  
Total Investment: \$2,366,100  
Planned
- 24 Machine Sciences**  
Total Investment: \$1,500,000  
Planned
- 25 Lam Research**  
Total Investment: \$85,600  
Planned
- 26 Tualatin Service Center**  
Total Investment: \$5,850,000  
Planned  
New Construction: 9,516 sf  
Tenant Improvements: 6,197 sf

# I - 5 CORRIDOR

PRIVATE INVESTMENT: \$43,114,762

ANCHORED BY INTERSTATE-5, THIS EMPLOYMENT AREA PROVIDES TUALATIN WITH DIRECT ACCESS TO INTERSTATE COMMERCE. PRIMARILY ZONED COMMERCIAL, THE I-5 CORRIDOR PROVIDES HIGH-END RETAIL DESTINATIONS, NOTABLE PARKS SPACES, AND OUTDOOR RECREATION. THE TOTAL EMPLOYMENT IN THIS AREA IS ESTIMATED 6,000.



**COMPLETED**

\$5,456,302  
168,738 SF

**UNDER CONSTRUCTION**

\$727,025  
19,557 SF

**PLANNED**

\$40,623,740  
122,914 SF

- 1 Metropolitan Pediatrics**  
Total Investment: \$925,000  
Completed  
Tenant Improvements: 4,881 sf
- 2 Basics Market**  
Total Investment: \$750,000  
Completed  
New Construction: 534 sf  
Tenant Improvements: 5,596 sf
- 3 South Lake Center**  
Total Investment: \$750,000  
Completed  
Tenant Improvements: 35,572 sf
- 4 Boot Barn**  
Total Investment: \$545,000  
Completed  
New Construction: 120 sf  
Tenant Improvements: 6,822 sf
- 5 Bank of America**  
Total Investment: \$343,235  
Completed  
Tenant Improvements: 1,146 sf
- 6 Modern Noise**  
Total Investment: \$290,000  
Completed  
Tenant Improvements: 3,870 sf
- 7 Davis Dental**  
Total Investment: \$194,528  
Completed
- 8 Ferguson Showroom**  
Total Investment: \$181,550  
Completed  
Tenant Improvements: 7,330 sf
- 9 AG Properties**  
Total Investment: \$176,000  
Completed  
Tenant Improvements: 18,290 sf
- 10 Active Edge PT**  
Total Investment: \$150,000  
Completed  
Tenant Improvements: 3,125 sf
- 11 Sonetics Lab**  
Total Investment: \$135,000  
Completed  
Tenant Improvements: 15,267 sf
- 12 Brain Balance**  
Total Investment: \$125,000  
Completed  
Tenant Improvements: 2,511 sf
- 13 Bridgeport Village C-104**  
Total Investment: \$123,000  
Completed
- 14 ShareTea**  
Total Investment: \$90,000  
Completed
- 15 BPV Space**  
Total Investment: \$90,000  
Completed
- 16 Centercal**  
Total Investment: \$80,000  
Completed
- 17 Code Ninjas**  
Total Investment: \$69,000  
Completed  
Tenant Improvements: 1,630 sf
- 18 Kaiser Permanente**  
Total Investment: \$79,995  
Completed
- 19 Cascade Coil**  
Total Investment: \$71,924  
Completed  
Tenant Improvements: 31,552 sf
- 20 Western Psychology and Counseling Services**  
Total Investment: \$68,673  
Completed  
Tenant Improvements: 2,082 sf
- 21 Burn Boot Camp**  
Total Investment: \$45,000  
Completed  
Tenant Improvements: 4,020 sf
- 22 US Bank**  
Total Investment: \$40,000  
Completed  
Tenant Improvements: 2,110 sf
- 23 Pendleton Woolen Mills**  
Total Investment: \$40,000  
Completed  
Tenant Improvements: 1,105 sf
- 24 Best Buy**  
Total Investment: \$35,000  
Completed
- 25 Public Storage**  
Total Investment: \$30,000  
Completed  
Tenant Improvements: 15,140 sf
- 26 Centercal Properties**  
Total Investment: \$10,000  
Completed
- 27 Tualatin Station**  
Total Investment: \$6,607  
Completed  
Tenant Improvements: 5,500 sf
- 28 Eyestyles**  
Total Investment: \$5,000  
Completed
- 29 Sunglass Hut**  
Total Investment: \$5,000  
Completed  
New Construction: 535 sf
- 30 Metro Gymnastics Center**  
Total Investment: \$1,790  
Completed
- 31 McDonald's**  
Total Investment: \$125,000  
In-progress  
Tenant Improvements: 4,037 sf
- 32 DI Brokers**  
Total Investment: \$120,000  
In-progress  
Tenant Improvements: 5,820 sf
- 33 ShareTea**  
Total Investment: \$90,000  
In-progress
- 34 McKenna**  
Total Investment: \$80,000  
In-progress
- 35 Eyestyles**  
Total Investment: \$80,000  
In-progress  
Tenant Improvements: 2,200 sf
- 36 Trailblazer Training Facility**  
Total Investment: \$70,070  
In-progress
- 37 NW Compounders**  
Total Investment: \$48,500  
In-progress  
Tenant Improvements: 4,700 sf
- 38 Gluten Free Baking Co.**  
Total Investment: \$46,000  
In-progress
- 39 Meridian Square**  
Total Investment: \$17,272  
In-progress
- 40 Deering Management**  
Total Investment: \$8,398  
In-progress
- 41 60's Cafe and Diner**  
Total Investment: \$36,585  
In-progress  
New Construction: 200 sf  
Tenant Improvements: 2,600 sf
- 42 JayDo**  
Total Investment: \$5,200  
In-progress
- 43 Emler Swim School**  
Total Investment: \$1,300,000  
Planned  
New Construction: 108,181 sf
- 44 76 Station**  
Total Investment: \$700,000  
Planned
- 45 HP Office**  
Total Investment: \$235,000  
Planned  
Tenant Improvement: 3,040 sf
- 46 Seneca Building**  
Total Investment: \$12,800  
Planned
- 47 Commons on the Tualatin**  
Total Investment: \$37,729,340  
Planned
- 48 Jackson's #533**  
Total Investment: \$85,600  
In-progress  
New Construction: 651 sf  
Tenant Improvements: 2,627 sf
- 49 Evereve**  
Total Investment: \$350,000  
Planned  
Tenant Improvements: 3,074 sf
- 50 Pollmeier USA**  
Total Investment: \$60,000  
Planned  
Tenant Improvements: 1,720 sf
- 51 Lush Cosmetics**  
Total Investment: \$65,000  
Planned  
Tenant Improvements: 1,536 sf
- 52 Robinson Crossing**  
Total Investment: \$86,000  
Planned  
Tenant Improvements: 2,085 sf



## TUALATIN REAL ESTATE

Tualatin's industrial, commercial, and retail real estate markets continue to be strong. Over the last year, Tualatin added 400K sq/ft of industrial space, providing more options to industries for relocation and expansion. Further, Tualatin's retail sector is strong with a retail vacancy rate of 2%, **the lowest in a decade!**

### INDUSTRIAL MARKET



### OFFICE MARKET



### RETAIL MARKET

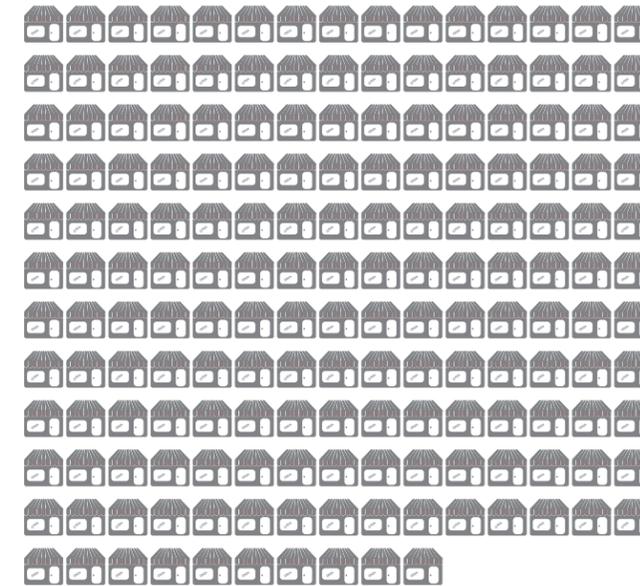
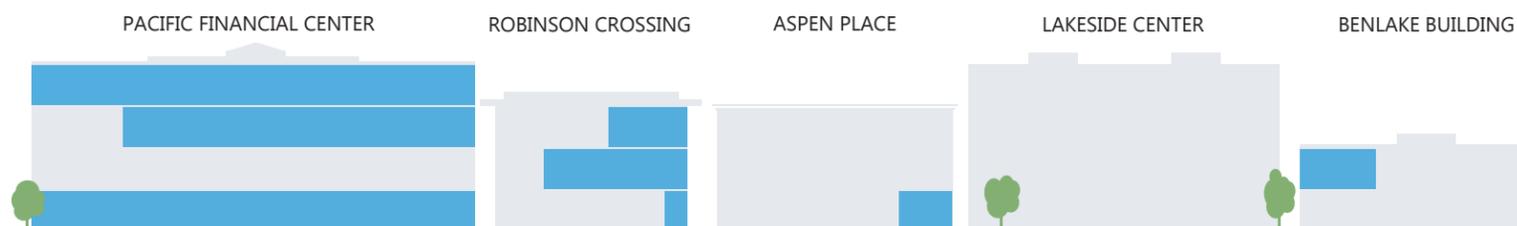


↑ DENOTES INCREASE OVER 2018    ↓ DENOTES DECREASE OVER 2018

SOURCE: COSTAR 2019

### MAJOR BUILDING VACANCY

■ DENOTES VACANCY



# 176

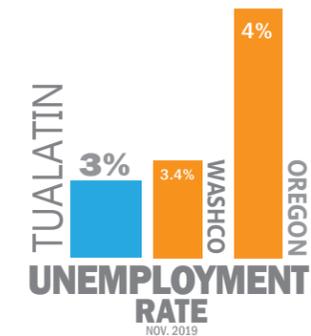
## NEW BUSINESS LICENSES

Total new business licenses filed with the City of Tualatin in 2019.

# 1,232

## EMPLOYMENT

Total employment as a result of new business licenses filed in 2019.



Source: Tualatin Business Licenses 2019; Oregon Employment Department, Dec. 2019

**“The Economic Development Division assisted 7 unique small business requests.”**





Creating and maintaining a positive climate for business through actively refining our procedures and codes to encourage business development and job creation.

ECONOMIC DEVELOPMENT STRATEGIC PLAN

STRATEGY 2

# BUSINESS CLIMATE & COMPETITIVE POSITIONING



# tualatin | 2040

## ABOUT

Led by a 16-member community advisory committee, the project was an **ambitious** 10-month effort that looked at policy and code development for a 20-year forecast for housing and economic development. This project was an evolution of the Tualatin Development Code Modernization Project.

## OUTCOME

A set of economic and housing policies were adopted by the Tualatin City Council in December 2019. These policies will guide the City of Tualatin in preserving and expanding opportunities for business and housing development.

600+

PEOPLE ENGAGED



1000+

WEB IMPRESSIONS



9

COMMUNITY EVENTS



## STRATEGIES

ECONOMY HOUSING

ENSURE ADEQUATE SUPPLY OF LAND

IDENTIFY REDEVELOPMENT SITES

SUPPORT GROWTH, RETENTION, AND EXPANSION

PLANNING AND ECONOMIC CONNECTIONS

ENSURE ADEQUATE SUPPLY OF

ENCOURAGE VARIETY OF HOUSING TYPES

SUPPORT AFFORDABILITY

IDENTIFY FUNDING TOOLS

IDENTIFY REDEVELOPMENT OPPORTUNITIES

ENSURE PLANNING AND AREA CONNECTIONS



One of the best public outreach efforts done by the City!"





### SMALL CITIES CONSORTIUM

Bringing together over fifteen Metro municipalities' mayors and economic development professionals, the Small Cities Consortium is a monthly forum that tackles economic development issues through the lens of **regional collaboration**. Issues discussed in 2019 included workforce childcare options, transportation, electric vehicles, and site development.

### GPI AMBASSADORS

The GPI Certified Ambassadors are an elite cohort of regional leaders tasked with the promotion and marketing of the Portland Metro region in efforts to further economic development efforts in our communities. For the **second consecutive year**, Economic Development Manager Jonathan Taylor is **one of only five** government representatives (and one of 16 individuals) certified.

**“GPI has successfully recruited three firms with 75 jobs since 2015 to Tualatin.”**

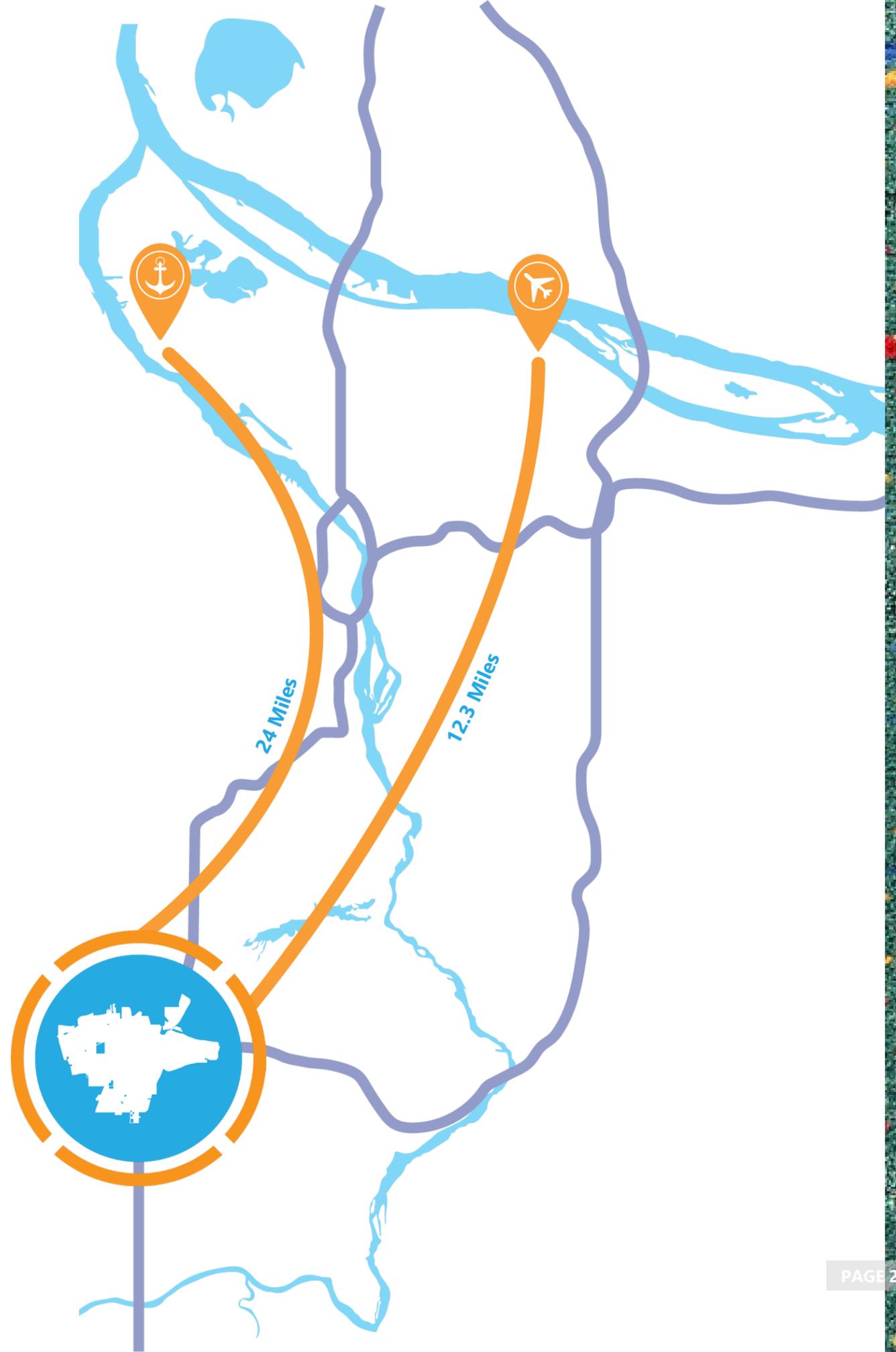


# PORT OF PORTLAND

## SITE READINESS TOOL KIT

Over the last two years, the City of Tualatin has been a member of the Port of Portland's project management team in developing a site readiness tool kit. The tool kit will assist local communities and regional partners with moving identified site constrained lands and long-term vacant buildings to **development ready status**.

- ENTITLEMENTS
- REDEVELOPMENT
- SITE ASSEMBLY
- INFRASTRUCTURE
- BROWNFIELD REMEDIATION
- GRAVELPIT CONVERSION
- NATURAL RESOURCE MITIGATION
- EQUITABLE DEVELOPMENT



## TUALATIN SITE TOUR

In September 2019, the City of Tualatin **hosted** the first South Metro tour and promotion with Port of Portland and National Association of Industrial and Office Properties Oregon Chapter. The event provided **massive exposure** for the City of Tualatin and its office & industrial assets.



**125**  
ATTENDEES



**3**  
PROPERTIES



# TOURISM



TO ENCOURAGE VISITOR  
ATTRACTION BY INVESTING  
TRANSIENT LODGING TAX  
IN CAPITAL DEVELOPMENT,  
EVENTS, PLACEMAKING, VISITOR  
SERVICES, AND MARKETING.



### The Tualatin Visitor

In 2017, it is estimated that Tualatin had over 150 thousand overnight visitors, spending \$67 million dollars. Based on data from local hoteliers, leisure visitors accounted for 56% of overnight visitors, with 44% for business or professional trips. Over 60% of overnight visitors stayed an average of two nights. The busiest month is August and the top visitor origin is Washington State.

### The Portland Metro Visitor

According to Longwoods International, in 2017, the Portland Metro area hosted 10.9 million overnight visitors, with 87% for leisure trips and 13% for business travel.

The primary travel method for overnight visitors were automobiles (63%) followed by plane (20%.) With this travel, visitors primarily used "other hotel" (AirBNB or Booking.com) for overnight stays.

The top three activities and experiences for overnight trips are outdoor activities, brewery/ fine dining, and cultural activities.

### TUALATIN VISITOR



### TUALATIN'S TOURISM INDUSTRY



Sources: Longwood International, 2017; AirBNB 2018; EMSI, 2018

### Tualatin's Hotel Industry

There are 370 hotel rooms available in Tualatin. The average annual hotel occupancy rate in 2017 was 74.5%.

### MARKETING: DIGITAL PHOTOGRAPHY LIBRARY

**TOTAL FUNDING: \$20,000**

In efforts to update our municipal image library for promotion and marketing efforts, the City of Tualatin utilized transient lodging dollars to hire a professional photographer to provide the City with a set of high-quality images capturing landscapes, events, ceremonies, and activities that showcase Tualatin.

### MARKETING: TRAILBLAZER'S YEARBOOK AD

**TOTAL FUNDING: \$2,000**

With a noted circulation of nearly 1 million impressions, the City of Tualatin purchased advertisement space in the Official Yearbook of the Portland Trailblazers.

### EVENTS: PUMPKIN REGATTA

**TOTAL FUNDING: \$30,000**

With the help of the transient lodging tax revenues, our Parks and Recreation Department expanded Tualatin's signature event, the Pumpkin Regatta, to a two-day.

### VISITOR SERVICES: TUALATIN CHAMBER OF COMMERCE

**TOTAL FUNDING: \$20,500**

The Tualatin Chamber of Commerce serves as the official visitor center for Tualatin, Oregon. Located at the Commons, the Chamber provides in-person and online assistance to visitors and new residents alike. In the 2019-2020 FY Budget, the Chamber of Commerce received 5% of total transient lodging tax revenues. In addition, the Chamber was approved for funding to assist in creating an ice age promotional video and an all-inclusive visitor's guide.

### EVENTS: VIVA TUALATIN

**TOTAL FUNDING: \$10,000**

The inaugural event held in 2019, Viva Tualatin is a brand new festival that celebrates Tualatin's vibrant culture that brings together visual and performing artists, variety of different cuisines, and artisan vendors.



Report Produced and Designed:  
Jonathan Taylor, Economic Development Manager  
City of Tualatin  
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Tualatin, OR 97601