

EMPLOYMENT IN JUNCTION CITY

Table A-6 shows a summary of confidential employment data for Junction City in 2006. Junction City had 4,023 jobs at 216 establishments in 2006, with an average firm size of 19 employees. The sectors with the greatest employees were: Manufacturing (54%), Retail Trade (19%), and Government (7%). These sectors accounted for 3,210 or 80% of Junction City's jobs.

Table A-6. Covered employment in Junction City, 2006

Sector / Industry	Establish- ments	Employees	
		Number	% of Total
Agriculture, Forestry, Fishing & Hunting	3	5	0%
Construction	16	39	1%
Construction of Buildings	8	14	0%
Specialty Trade Contractors	8	25	1%
Manufacturing	18	2,154	54%
Wood Product Manufacturing	3	216	5%
Furniture & Related Product Manufacturing	3	28	1%
Other Manufacturing	12	1,910	47%
Wholesale Trade	5	29	1%
Retail Trade	35	766	19%
Food & Beverage Stores	7	118	3%
Gasoline Stations	4	33	1%
Other Retail Trade	24	615	15%
Transportation & Warehousing	6	44	1%
Finance & Insurance	15	57	1%
Real Estate & Rental & Leasing	15	29	1%
Professional, Scientific, & Technical Srv. & Information Management of Companies & Admin. & Support Srv.	17	59	1%
Health Care & Social Assistance & Private Education	7	89	2%
Ambulatory Health Care Services	21	176	4%
Nursing & Residential Care Facilities	9	56	1%
Other Health Care & Social Assistance & Private Education	6	104	3%
	6	16	0%
Leisure Services	14	170	4%
Other Services (except Public Administration)	33	116	3%
State & Local Government	11	290	7%
Total	216	4,023	100%

Source: Oregon Employment Department Quarterly Census of Employment and Wages (QCEW). Summary by industry and percentages calculated by ECONorthwest

Firms wanting to expand or locate in Junction City will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. One way to describe site needs is to group industries based on building and site characteristics. Each sector has been uniquely assigned to a "typical" building type, grouped by industrial and commercial uses.

Table A-7. Converting employment to building types

Building Type	Types of industries	NAICS Sectors
Industrial		
	Ag, Mining, Utilities, Construction, Manufacturing,	11, 21,22, 23, 31-33, 42, 48-
Industrial	Transportation & Wholesale Trade	49
Commercial		
Office	Information, FIRE, Professional Srv, Mgt of Companies, Admin & Support & Waste Mgt, Utilities	51-56
Retail	Retail (includes Leisure Services)	44-45, 71, 72
Other Services	Other Services, Health & Social Services, Private	
Government	Education, Public Administration	61, 62, 81 92

Source: ECONorthwest based on methodology used by Metro in the report "Urban Growth Report: An Employment Need Analysis," 2002

Table A-8 shows the estimated covered employment located in non-residential plan designations by type of building in Junction City in 2006. About 88% of Junction City employees (3,539 employees) were located in non-residential plan designations.⁵⁷ Nearly two-thirds of Junction City's employees were in Industrial building types and one-quarter were in Retail building types.

Table A-8. Estimated covered employment in non-residential plan designations by type of building, Junction City, 2006

Building Type	Employees		Firms	
	Number	Percent	Number	Percent
Industrial	2232	63%	35	23%
Office	203	6%	39	25%
Retail	929	26%	46	30%
Other Services	129	4%	30	19%
Government	46	1%	4	3%
Total	3,539	100%	154	100%

Source: ECONorthwest based on QCEW data

Table A-9 shows the distribution of employees by building type and site size in non-residential plan designations in Junction City in 2006. About 54% of Junction City's employment was on sites 5 to 20 acres, 23% was on of less than 1-acre, and 15% was on sites 2 to 5 acres. Three percent of employment was on sites 20 to 50 acres and Junction City had no employment on sites 50-acres and larger.

⁵⁷ Non-residential plan designations are: Commercial, Industrial, and Commercial/Residential.

Table A-9. Percent of employees by building type and site sizes, Junction City, 2006

Building Type	Site Size (acres)						Total Employees
	Less than 1	1 to 2	2 to 5	5 to 20	20 to 50	Greater than 50	
Industrial	6%	2%	1%	86%	5%	0%	100%
Office	97%	2%	1%	0%	0%	0%	100%
Retail	35%	13%	52%	0%	0%	0%	100%
Other Services	81%	11%	6%	2%	0%	0%	100%
Government	100%	0%	0%	0%	0%	0%	100%
Total	23%	5%	15%	54%	3%	0%	100%

Source: ECONorthwest based on QCEW data

REGIONAL BUSINESS CLUSTERS

One way to assess the types of businesses that are likely to have future growth in an area is to examine relative concentration and employment growth of existing businesses. This method of analysis can help determine relationships and linkages within industries, also called industrial clusters. Sectors that are highly concentrated (meaning there are more than the “average” number of businesses in a sector in a given area) and have had high employment growth are likely to be successful industrial cluster. Sectors with either high concentration of businesses or high employment group may be part of an emerging cluster, with potential for future growth.

The Oregon Economic and Community Development Department (OECD) prepared a report titled “Oregon’s Traded Clusters: Major Industries and Trends.” This report identified the following clusters in Lane County that may be appropriate for Junction City.

- **Agricultural Products.** Lane County has a concentration of Farm Product Wholesalers and a smaller concentration of Crop and Animal Production. The average annual wages for Farm Product Wholesalers are about \$41,600 and \$25,000 or less for Crop and Animal Production. Employment growth in these industrial was relatively flat between 2003 and 2005. Junction City may attract businesses in these industries because of the City’s proximity to farms and other agricultural activities and because of the growth in production of biofuels.
- **Business Services.** This cluster is dominated by Professional, Scientific, and Technical Services and Employment Services. The average annual wage varies by sector, with the highest pay in Professional, Scientific, and Technical Services (about \$51,800). Employment growth in these industries was moderate to fast between 2003 and 2005. Business Services firms may be attracted to

Junction City as a result of firms located in Junction City, the availability of educated workers within the region, and the high quality of life and access to recreation in Junction City.

- **Communication Equipment** This cluster includes manufacturing and wholesaling of computer, communications, and audio and video equipment. Lane County has clusters of both manufacturing and wholesaling communication equipment but the manufacturing cluster is bigger in the County. Employment growth in the cluster was fastest in computer and peripheral manufacturing between 2003 and 2005. The average annual wage in this sector is higher than the State average, at \$68,076. Firms in this cluster may be attracted to Junction City as the City's location and access to transportation, the availability of educated workers within the region, and the high quality of life and access to recreation in Junction City.
- **Medical products.** This cluster includes medical and equipment supplies manufacturing. This sector has higher than average wages and had moderate employment growth during the 2003 to 2005 period. Firms may be attracted to Junction City as a result of firms located in Junction City, the availability of educated workers within the region, and the high quality of life and access to recreation in Junction City.
- **Metals and Related Products.** This cluster includes metals manufacturing, including Fabricated Metals Manufacturing and Primary Metals Manufacturing. Although employment decreased in this cluster over the 2003-2005 period, Lane County has the largest cluster of Metal Wholesalers outside of the Portland metropolitan area. Wages in this cluster were general at or above State averages. Firms may be attracted to Junction City as a result of existing businesses and the availability of labor.
- **Processed Foods and Beverages.** This cluster includes manufacturing of food and beverages. Employment in this cluster decreased over the 2003-2005 period and average wages in this cluster are at or below State averages. Firms may be attracted to Junction City as a result of the City's proximity to food growers and the availability of labor.
- **Wood and Other Forest Products.** This cluster includes wood product manufacturing, logging, paper making, and support activities. The average annual wage was below State averages and employment grew slowly within the cluster over the 2003-2005

period. Firms may be attracted to Junction City as a result of the City's proximity to natural resources and the availability of labor.

REGIONAL BUSINESS ACTIVITY

Junction City exists within the Eugene-Springfield regional economy. Junction City is able to attract labor from across the region, Junction City employers and residents benefit from training opportunities present in Eugene (e.g., the University of Oregon and Lane Community College), and Junction City businesses and residents are affected by economic activity within the region. This section presents the large-scale business activities in Junction City that may impact the regional economy.

Development of the State Prison

The Oregon Department of Corrections (DOC) is building a new state prison in Junction City. The DOC owns about 240 acres of land at Junction City's southern end, about 70 acres of which are in the City's urban growth boundary. The site is located east of Highway 99 N and south of Milliron Road.

The DOC plans to build the prison in two phases:

- **Phase 1: Minimum Security Facility.** This facility will have 532 beds and is expected to be completed in February 2012. This development phase will include building the men's minimum-security facility, an administration building, a warehouse, and other support buildings.
- **Phase 2: Medium Security Facility.** This facility will have 1,278 beds and is expected to be completed in February 2017. This development phase will include building the men's medium-security facility and additional support buildings.

The DOC's estimates for the economic impacts of the prison were presented in the report "Community Impact Study for Junction City and the Southern Willamette Valley." The report presented estimated employment and economic impacts of the prison on the Southern Willamette Valley region, including from Junction City, Eugene, Harrisburg, and Monroe. The report was written in 2002 and cost and wage information is reported in 2001 dollars.

- **Construction impact.** Construction of the prison is expected to create 370 jobs during the two-year construction period. Employee compensation for construction is expected to average \$11 million

over this period, with average compensation of more than \$29,000 per employee. Industrial output is expected to average \$32 million per year as a result of construction of the prison. The construction costs are likely to be higher than those reported in the Impact Study because of increases in construction costs since 2002.

- **Operational impact.** The DOC projects that the minimum-security facility will employ between 100 to 150 people, with an average annual payroll of \$3 to \$6 million. The DOC projects that the medium-security facility will employ an additional 300 to 350 people, with an average annual payroll of \$19 to \$16 million.
- **Other impacts.** The new prison will change the regional economy, through increases in employment and payroll throughout the region and in Junction City. These changes will occur as a result of construction or operation the prison, such as increased demand for construction materials or increased demand for services. After the medium security facility is completed, the DOC estimates that these changes will increase employment by more than 225 jobs annually at an estimated annual wage of \$27,350 and \$16 million of industrial output.

Overall, the operation of the facility is expected to increase the regional employment based by nearly 650 jobs. Employee compensation is expected to reach \$18.8 million, with an average annual wage of about \$29,000. Industrial output is expected to increase by about \$134 million annually as a result of operation of the prison.

Development of the Oregon State Hospital

The Oregon Department of Human Services plans to site one of two new Oregon State Hospitals in Junction City. The hospital will be located south of Junction City, adjacent to the planned State Prison. The Department of Human Services is in the planning phase of developing the hospital and has not yet conducted studies about the facility's operations or employment. The hospital is expected to have approximately 360 beds, with construction beginning in 2011 and reaching completion in 2013. Staff at the Department of Human Services expect the facility to employ approximately 1,100 people.⁵⁸

⁵⁸ This employment estimate is based on preliminary estimates of employment and was provided by Patricia Feeny. It is likely that the estimate of employment will be refined, as Department of Human Services progresses in planning the facility.

Other potential business activity

Junction City has other opportunities for increases in business activity.

- Grain Millers is considering expanding its facilities to a site in Junction City. Grain Millers operates an oat and specialty grain processing facility in Oregon and has done so for 22 years. The company's facility in downtown Eugene processes regionally grown grains into ingredients that are sold to industrial food processors and retailers. Grain Millers has outgrown its existing facility and needs a facility with increased capacity, transportation access, and infrastructure support.

Grain Millers activities have important economic impacts in the region and in the local economy. A significant share of Grain Millers raw materials suppliers and customers are located in Oregon and other parts of the Pacific Northwest. Grain Millers has about 95 employees with a payroll that exceeds \$6 million annually (including benefits). On average, Grain Millers has added about 4 new employees annually for the last 20 years.

- Junction City has been identified as a possible location for development of a bioenergy park that would use ryegrass straw to produce biofuel and would use other technologies to produce energy from renewable sources. The City is considering allowing the location of a bioenergy firm on five acres of the City's future wastewater site.
- A property owner has annexed about 80 acres of land on Oaklea Drive for professional and technical uses but there is no employer identified to use this site.
- Planning for an approximately 300-unit multifamily planned unit development (on a property along 18th Avenue and Rose) is underway, which will increase demand for goods and services.

Continued importance of manufacturing

Manufacturing is important to the economy in Junction City and in Lane County. Manufacturing accounted for 14% of employment (more than 20,000 jobs) in Lane County and 54% of employment (more than 2,100 jobs) in Junction City in 2006.⁵⁹ Manufacturing industries continue to offer jobs with above-average wages, making these jobs more desirable.

⁵⁹ Oregon Employment Department

Manufacturing grew slowly in Lane County between 1980 and 2006, at an average annual rate of 0.3%, adding more than 4,000 jobs. The State forecasts continued growth in manufacturing at the same rate over the 2006 to 2016 period.

Manufacturing is a traded sector industry, which brings revenue into Oregon and Lane County from outside the State. The following manufacturing industries accounted for two-thirds (\$11 billion) of revenue from exports in Oregon in 2007: Computer & Electronic Production, Transportation Equipment, Machinery Manufacturers, Chemical Manufacture, and Primary Metal Manufacturers.⁶⁰ These industries are all present in Lane County, accounting for 44% of manufacturing employment in the County.

Continuing changes in the economy may impact manufacturing in Lane County. For example, high energy prices may have been a factor in the decrease of RV manufacturing in Lane County, which has resulted in the layoff of employees beginning in 2006. In addition, the economic downturn and consolidation of the paper manufacturing industry may result in layoffs in firms that manufacture wood products and paper, such as the closure of the Weyerhaeuser plywood production facility earlier in 2008.

Junction City has a substantial amount of employment in RV manufacturing. In 2006, Country Coach, the largest RV manufacturer in Junction City, had over 1,600 employees⁶¹, accounting for about 75% of manufacturing employment in Junction City. According to information from Junction City staff, Country Coach may reduce its workforce to about 500 employees during 2009. Country Coach's future is uncertain and it is unclear what level of production and how many employees the firm will maintain beyond 2009.

Significance of agriculture in Lane County

Agriculture continues to be important in Lane County's economy. Table B-11 shows the market value of agricultural products and the top five agricultural products in Lane County in 2002 and 2007. In 2007, Lane County had approximately \$131 million in total gross sales from agriculture, a nearly 50% increase over the \$88 million in total gross sales in 2002.

⁶⁰ "Economic Data Packet, Mary 2008," Oregon Economic And Community Development Department

⁶¹ Country Coach's company profile, accessed on 10/28/2008 at:
<http://www.countrycoach.com/company/about/index.cfm?mode=profile>

The top five agricultural products in Lane County in 2007 were: Nursery and greenhouse (\$33 million); fruits, tree nuts, and berries (\$13.8 million); poultry and eggs (\$12.8 million); milk and dairy (\$11.1 million); and cattle and calves (\$9.9 million). The agricultural products that had the largest increase in sales between 2002 and 2007 were nursery and greenhouse (increase of \$11.8 million or 56%) and fruits, tree nuts, and berries (increase of \$7.1 million or 107%).

Table B-11. Six agricultural products with the highest sales value, Lane County 2002 and 2007

Item	Value of Sales	Farms	Average Value of Sales per Farm
2007 Total Sales	\$131,089,000	3,355	\$39,073
Nursery, greenhouse, floriculture, & sod	\$32,810,000	204	\$160,833
Fruits, tree nuts, & berries	\$13,811,000	339	\$40,740
Poultry & eggs	\$12,794,000	433	\$29,547
Milk & other dairy products from cows	\$11,135,000	32	\$347,969
Cattle & calves	\$9,895,000	929	\$10,651
Vegetables, melons, potatoes, & sweet potatoes	\$5,743,000	110	\$52,209
2002 Total Sales	\$87,824,000	2,577	\$34,080
Nursery, greenhouse, floriculture, & sod	\$21,001,000	208	\$100,966
Milk & other dairy products from cows	\$10,290,000	9	\$1,143,333
Cattle & calves	\$7,622,000	779	\$9,784
Fruits, tree nuts, & berries	\$6,683,000	382	\$17,495
Vegetables, melons, potatoes, & sweet potatoes	\$5,955,000	155	\$38,419
Poultry & eggs	\$5,919,000	218	\$27,151

Source: USDA Census of Agriculture, 2007; Calculations by ECONorthwest

While agriculture is an important source of economic activity in Lane County, relatively few people in the Junction City UGB are engaged in agriculture. In 2006, about 0.1% of Junction City's covered employment (5 employees) were employed in the Agriculture, Forestry, Fishing, and Hunting sectors. Consistent with statewide land use policy, land within the Junction City's UGB is committed for future urban uses, rather than agricultural uses.

Junction City is surrounded by farmland, which may provide opportunities for development of firms related to agricultural production, such as agricultural services or food production. Other changes in agri-business may create opportunities for business development in Junction City. For example, agri-businesses are trying to attract urban-dwellers to farms and bring farm goods directly to urban areas. Examples include the proliferation of farmer's markets or wine tasting room. Oregon Country Trails is an organization in the mid-Willamette Valley that markets rural businesses through connecting visitors with agri-businesses, such as wineries, alpaca or cow ranches, fishing and hatcheries, u-pick farms,

apparel and furnishing stores, and related events and businesses. Junction City may be attractive to agricultural businesses that are geared towards visitors.

OUTLOOK FOR GROWTH IN JUNCTION CITY

Table A-12 shows the population forecast developed by the Office of Economic Analysis for Oregon and Lane County for 2000 through 2040. Lane County is forecast to grow at a slower rate than Oregon over the 2010 to 2030 period. The forecast shows Lane County's population will grow by about nearly 83,000 people over the 20-year period, a 24% increase. Over the same period, Oregon is forecast to grow by more than 1.0 million people, a 27% increase.

Table A-12. State population forecast, Oregon and Lane County, 2000 to 2040

Year	Lane	
	Oregon	County
2000	3,436,750	323,950
2005	3,618,200	333,855
2010	3,843,900	347,494
2015	4,095,708	365,639
2020	4,359,258	387,574
2025	4,626,015	409,159
2030	4,891,225	430,454
2035	5,154,793	451,038
2040	5,425,408	471,511
Change 2010 to 2030		
Amount	1,047,325	82,961
% Change	27%	24%
AAGR	1.2%	1.1%

Source: Office of Economic Analysis

Table A-13 shows the Oregon Employment Department's forecast for employment growth by industry for Lane County over the 2006 to 2016 period. The sectors that will lead employment growth in Lane County for the ten-year period are Health Care & Social Assistance (adding 5,600 jobs), Government (adding 3,600 jobs), Professional and Business Services (adding 3,000 jobs), Leisure & Hospitality (adding 2,800 jobs), and Retail Trade (adding 2,400 jobs). Together, these sectors are expected to add 17,400 new jobs or 76% of employment growth in Lane County.

Table A-13. Nonfarm employment forecast by industry in Lane County, 2006-2016

Sector / Industry	2006	2016	Change 2006-2016	
			Amount	% Change
Natural resources & Mining	900	900	0	0%
Construction	8,000	9,200	1,200	15%
Manufacturing	20,300	21,000	700	3%
Durable Goods	16,300	16,900	600	4%
Wood product mfg.	4,700	4,500	-200	-4%
Transportation equip. mfg.	4,400	4,700	300	7%
Nondurable goods	4,000	4,100	100	3%
Transportation, & utilities	3,300	3,700	400	12%
Wholesale trade	5,900	6,500	600	10%
Retail trade	19,700	22,100	2,400	12%
Information	3,700	4,100	400	11%
Financial activities	8,300	9,300	1,000	12%
Professional & business srv.	16,100	19,100	3,000	19%
Administrative & support srv.	8,200	9,700	1,500	18%
Education	1,500	1,900	400	27%
Health care & social assist.	18,100	23,700	5,600	31%
Health care	15,400	20,500	5,100	33%
Leisure & hospitality	14,200	17,000	2,800	20%
Accommodation & food srv.	12,100	14,300	2,200	18%
Food srv. & drinking places	10,700	12,700	2,000	19%
Other srv.	5,100	5,700	600	12%
Government	28,400	32,000	3,600	13%
Federal government	1,800	1,700	-100	-6%
State government	11,300	13,200	1,900	17%
State education	8,700	10,200	1,500	17%
Local government	15,400	17,100	1,700	11%
Local education	8,600	9,300	700	8%
Total nonfarm employment	153,400	176,100	22,700	15%

Source: Oregon Employment Department. Employment Projections by Industry 2004-2014. Projections summarized by ECONorthwest.

Factors Affecting Future Economic Growth in Junction City

Appendix B

This appendix presents a detailed analysis consistent with the requirements of OAR 660-009-0015(4) of Junction City's competitive advantage relative to the Eugene-Springfield area, Lane County, Willamette Valley, and Oregon. The information presented in this appendix is summarized in Chapter 3.

Each economic region has different combinations of productive factors: land (and natural resources), labor (including technological expertise), and capital (investments in infrastructure, technology, and public services). While all areas have these factors to some degree, the mix and condition of these factors vary. The mix and condition of productive factors may allow firms in a region to produce goods and services more cheaply, or to generate more revenue, than firms in other regions.

By affecting the cost of production and marketing, competitive advantages affect the pattern of economic development in a region relative to other regions. Goal 9 and OAR 660-009-0015(4) recognizes this by requiring plans to include an analysis of the relative supply and cost of factors of production.⁶² An analysis of competitive advantage depends on the geographic areas being compared. In general, economic conditions in Junction City will be largely shaped by national and regional economic conditions affecting the Willamette Valley. Chapter 2 and Appendix A present trends and forecasts of conditions in Oregon and Junction City to help establish the context for economic development in Junction City. Local economic factors will help determine the amount and type of development in Junction City relative to other communities in Oregon.

This appendix focuses on the competitive advantages of Junction City relative to the Southern Willamette Valley and the rest of Oregon. The implications of the factors that contribute to Junction City's competitive advantage are discussed at the end of this chapter.

⁶² OAR 660-009-0015(4) requires assessment of the "community economic development potential." This assessment must consider economic advantages and disadvantages—or what Goal 9 broadly considers "competitive advantages."

LOCATION

Junction City is a city with a population of approximately 5,135 people in 2007, located in the Southern Willamette Valley. Interstate 5 runs to the east of Junction City and Highway 99 runs north-south through Junction City. Junction City's location will continue to impact Junction City's future economic development.

- Junction City is located about 10 miles north of Eugene, which has a population of nearly 153,700 people in 2007. The Eugene-Springfield Metropolitan Statistical Area (MSA), which includes all of Lane County, had more than 343,000 people in 2007, accounting for 9% of Oregon's population. Junction City is also located about 25 miles south of Corvallis, which had a population of nearly 54,900 in 2007.
- Junction City has access to the State's highway system and other transportation opportunities. Highway 99 is the main north-south route through Junction City. Interstate 5 runs to the east of Junction City and is accessible to the south through Eugene via the Belt Line Highway, and to the north through Halsey via Highway 228. Residents and businesses in Junction City can access other modes of transportation in Eugene, including the Eugene Airport, Greyhound bus service, and passenger rail service.
- Residents of Junction City have easy access to shopping, cultural activities, indoor and outdoor recreational activities, and other amenities in Junction City, Eugene, Springfield, and rural Lane County.
- Junction City residents have several nearby opportunities for post-secondary education: the University of Oregon, Lane Community College, Pacific University, Northwest Christian College, and Gutenberg College. Junction City residents also have access to post-secondary institutions in or near Corvallis: Oregon State University and Linn-Benton Community College.

Junction City's proximity to Eugene, access Highway 99, and proximity to Eugene are primary competitive advantages for economic development in Junction City.

BUYING POWER OF MARKETS

The buying power of Junction City and Lane County forms part of Junction City's competitive advantage by providing a market for goods and services. Table B-1 shows average household expenditures for common purchases in Oregon, Lane County, and Junction City in 2007. Junction City's households spend an average of \$41,035 on commonly purchased items. Junction City's households spent less than the regional and state averages, with about 93% of the \$44,331 average expenditures for all households in Lane County and 86% of statewide average household expenditures.

Table B-1. Average household expenditures, Oregon, Lane County, and Junction City 2007

	Oregon		Lane County		Junction City	
	\$ per Household	% of total	\$ per Household	% of total	\$ per Household	% of total
Transportation	\$9,645	20%	\$8,930	20%	\$8,328	20%
Shelter	\$9,263	19%	\$8,548	19%	\$7,880	19%
Food and Beverages	\$7,405	15%	\$6,903	16%	\$6,468	16%
Utilities	\$3,394	7%	\$3,188	7%	\$3,029	7%
Health Care	\$2,978	6%	\$2,807	6%	\$2,665	6%
Entertainment	\$2,681	6%	\$2,469	6%	\$2,278	6%
Apparel	\$2,300	5%	\$2,121	5%	\$1,953	5%
Household Furnishings & Equip.	\$2,092	4%	\$1,912	4%	\$1,738	4%
Contributions	\$1,767	4%	\$1,601	4%	\$1,409	3%
Household Operations	\$1,696	4%	\$1,534	3%	\$1,373	3%
Gifts	\$1,263	3%	\$1,150	3%	\$1,022	2%
Education	\$1,128	2%	\$1,017	2%	\$884	2%
Miscellaneous Expenses	\$809	2%	\$756	2%	\$712	2%
Personal Care	\$698	1%	\$647	1%	\$601	1%
Personal Insurance	\$486	1%	\$441	1%	\$393	1%
Tobacco	\$321	1%	\$307	1%	\$302	1%
Reading	\$158	0%	\$147	0%	\$135	0%
Total	\$47,926	100%	\$44,331	100%	\$41,035	100%

Source: Oregon Prospector

Businesses located in Junction City may benefit from Junction City's proximity to nearby cities by capturing expenditures from households in Eugene, Springfield, Harrisburg, Monroe, or other areas. The types of expenditures that Junction City is most likely to capture are for purchases that are unique to Junction City, such as activity generated by the Scandinavian Festival.

AVAILABILITY OF TRANSPORTATION FACILITIES

Businesses and residents in Junction City have access to a variety of modes of transportation: automotive (Highway 99, Interstate 5, and local roads); rail (Union Pacific and Amtrak); transit (LTD); and air (Eugene Airport).

Junction City has automotive access for commuting and freight movement along Highway 99. Junction City is located about 10 miles from Interstate 5, the primary north-south transportation corridor on the West Coast, linking Junction City to domestic markets in the United States and international markets via West Coast ports. The Harrisburg I-5 interchange is a rural interchange and has limited capacity to accommodate automotive traffic and freight shipping. Junction City has developed along Highway 99, connecting Junction City to Eugene and Springfield to the south.

Other transportation options in Junction City are:

- **Rail.** Multiple Union Pacific rail lines serve Lane County, providing freight service. The primary junction in Eugene is located in northwest Eugene on Bethel Drive, about 11 miles from Junction City. Passenger rail service (Amtrak) is also available in Eugene on Willamette Street.
- **Transit.** The Lane Transit District (LTD) provides limited transit service to the Junction City. LTD bus route 95 runs from Eugene Station to Junction City and makes several stops before returning to Eugene Station. Route 95 runs eight times per day during the week at times convenient to commuters and twice on Saturdays.
- **Air.** The Eugene Airport provides both passenger and freight service for Lane County residents. The airport is the second busiest in the state, and the fifth largest in the Pacific Northwest. The airport is served by five commercial airlines, and is the primary airport for a six county region. Junction City is only about 6 miles from the airport, providing unusually easy access to a major airport for a city of its size.

Junction City's access to transportation has both advantages and disadvantages that will affect the overall type of employment and its growth for the region.

Junction City's transportation access provides the City with competitive advantages for attracting some businesses. Junction City's location along Highway 99 gives the City access to workers throughout the region and

provides opportunities for freight shipment along Highway 99, primarily for products that are shipped within the southern and mid-Willamette Valley, such as wood products.

In addition, businesses in Junction City have access to rail transportation, which may be important for businesses that ship bulky or heavy products that do not need to be shipped fast. Access to rail transportation within Junction City varies, depending on the location of the site and the logistics of building a rail spur to unserved sites.

Junction City is located closer to the Eugene Airport than most locations within the Eugene-Springfield area. This proximity would be more important for businesses that depend on access to air transportation, such as business services or corporate headquarters.

Junction City's access to I-5 is a competitive disadvantage for businesses that depend on quick, easy access to the Interstate. These businesses include warehousing and distribution firms or firms that ship large amounts of freight by truck. Firms that require easy access to I-5 may choose not to locate in Junction City.

PUBLIC FACILITIES AND SERVICES

Provision of public facilities and services can impact a firm's decision on location within a region but ECO's past research has shown that businesses make locational decisions primarily based on factors that are similar with a region. These factors are: the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region.

Once a business has chosen to locate within a region, they consider the factors that local governments can most directly affect: tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

TAX POLICY

The tax policy of a jurisdiction is a consideration in economic development policy. Table B-2 shows that Junction City's property tax rate is between \$14.70 and \$15.01 per \$1,000 of assessed value, compared with a state average of \$15.20.

Table B-2. Property tax rate per \$1,000 assessed value for Oregon, Lane County, and Junction City, 2007.

	Tax Rate (per \$1,000 assessed value)
Oregon	\$15.20
Lane County	\$15.47
Junction City	\$14.70 - \$15.01

Source: Oregon Department of Revenue

WATER

The City obtains all of its water from groundwater sources (wells), which can produce a maximum of 2.95 million gallons per day (mgd). There are, however, concerns about the quality of some of the water sources, primarily from elevated nitrate levels. The use of some wells in the Junction City area is restricted because of nitrate levels that exceed the State Health Divisions' standards for drinking water.

The City is in the process of upgrading its water system by 2013, at a cost of \$30 million. When completed, the City will have the ability to produce a maximum of 5 mgd of potable water. The Prison and Hospital are expected to require about 360,000 gallons per day. Water system upgrades include upgrading the water distribution and storage systems. The City plans to implement a new user fee system to encourage conservation of water.

The City will need to continue to improve its water system following this improvement program. For example, it will continue to need to replace antiquated portions of the distribution system, as well as to replace mechanical components that are at the end of their useful lives. Additional storage and an expansion of the water treatment plant may be required.

WASTEWATER

The existing wastewater collection and conveyance facilities are largely capable of conveying the existing peak flows to the City's wastewater treatment plant. The City's wastewater treatment plant (WWTP) was built in 1968. The existing wastewater treatment plant is capable of treating the organic loading from a service population of about 6900 people, assuming no commercial or industrial activity.⁶³ Junction City currently has 5,300

⁶³ The estimate of 6,900 people is based on the following assumptions: 46 acres of lagoons x 30 ppd/acre = 1380 ppd capacity. 1380 ppd/0.2 ppd/capita/day = 6,900 people.

residents.). In addition to the domestic flows to the WWTP, the City also has significant commercial and industrial loads. The City is now undertaking a process to try to identify and quantify these large users. It is believed that the largest industrial user is the DariMart Creamery. While the flows from the City's commercial and industrial users are relatively small, the loadings contributed to the WWTP are not. At times, the organic loading from the industrial and commercial users exceeds that of the rest of the community.

The current wastewater treatment plan is sized for an average influent flow of about 0.65 million gallons per day (mgd). The current WWTP is not capable treating all of the waste stream to DEQ's basin standards and the City is under a Mutual Agreement and Order with the State to make needed improvements to the facilities.

Flows to the WWTP are influenced to a very high degree by infiltration and inflow (I/I) contributions. Flows to the WWTP in the late summer and fall typically remain in the range of dry weather flows until the groundwater table rises to above the level of the gravity sewer collection system piping. Once this occurs, flows to the WWTP increase by a factor of at least two or three fold. Flows to the WWTP continue to remain elevated late into the spring and well after the winter rains end until the groundwater table drops. Dry weather flows (May 1-October 31) to the WWTP typically average in the range of about 0.80 mgd.

The WWTP discharges treated effluent during the winter months (November - April) to Flat Creek, a valley floor stream with a seasonal flow regime. During the summer months a limited amount of treated effluent is land applied on the City owned agricultural lands adjacent to the WWTP.

Flows and loads to the WWTP exceed its capacity. Major problems with the current treatment and disposal program include an inadequate receiving stream for the flows and mass loads, organic loads in excess of what the WWTP can reasonably treat and inadequate hydraulic storage capacity. The City is planning to correct these deficiencies and recognizes the need to make improvements to the facilities. The City is presently under a Mutual Agreement and Order with the Oregon DEQ to make the required improvements.

Junction City is in the process of updating the City's Wastewater Facilities Plan. The upgrades are required for the City to be able to provide wastewater service for the State Prison and Hospital. Proposed upgrades to the wastewater system are expected to be completed by 2013, at a cost

of approximately \$40 million. The wastewater system will have the following upgrades:

- Extension of gravity sewer service south from town to the prison/hospital site
- Improvements to the 3rd and Maple pump station
- Construction of a new force main from the 3rd and Maple pump station to the wastewater treatment plant site
- Improvement to other City pump stations
- Expansion of the existing wastewater treatment plant or construction of a new wastewater treatment plant at the site of the existing plant
- Construction of an effluent disposal pipeline to the Long Tom River.
- The new wastewater treatment plant will have a design year average day annual capacity of 2.74 mgd and a peak week capacity of 6.60 mgd. The projected flows from the prison/hospital are 0.36 mgd.

When these improvements are complete, the City will have completed a major infrastructure program. The sewerage system will then be sized to accommodate the growth projected within the study period and as will be outlined in the Facilities Plan. The wastewater facilities that are not easily expanded incrementally (e.g., gravity sewers, force mains, and effluent pipelines) will be designed to serve the City's existing population and businesses, the Prison and Hospital, and growth expected over the 20-year period. The City will continue to need to perform wastewater system upgrades, such as replacing the original 1948 wastewater collection system. Most of this piping is scheduled to be replaced during the next 20 years.

LABOR MARKET FACTORS

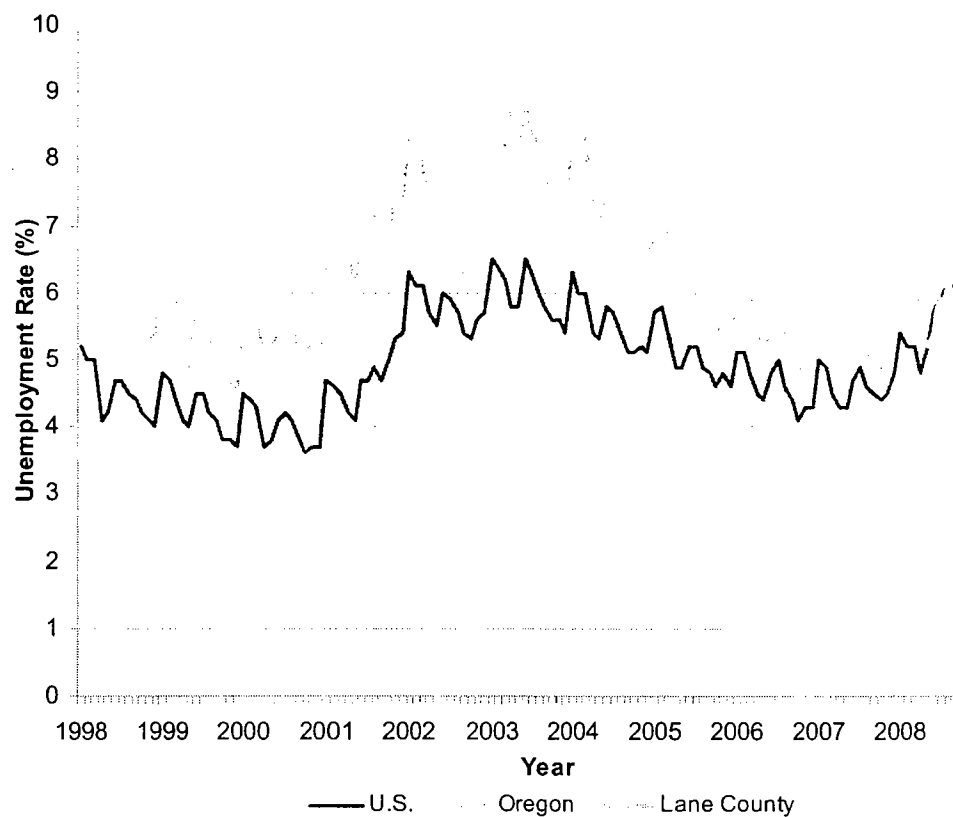
The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available, but the quality, skills, and experience of available workers as well. This section examines the availability of workers for Junction City.

The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the

labor force. According to the 2000 Census, Lane County has 166,216 people in its labor force, with 1.4% of the County's labor force located in Junction City (2,253 participants in the labor force).

The unemployment rate is one indicator of the relative number of workers who are actively seeking employment. Labor force data from the Oregon Employment Department shows that unemployment in Lane County 6.7% in September 2008, higher than the State average of 5.8%. Figure B-1 shows the unemployment rate for Lane County, Oregon, and the United States for the past decade. During this period, Lane County's unemployment has been very similar to the statewide unemployment rate. The County and State unemployment rates have been consistently higher than the national average, but the difference has decreased in recent years.

Figure B-1. Unemployment rates for Lane County, Oregon, and the U.S., January 1998 to September 2008

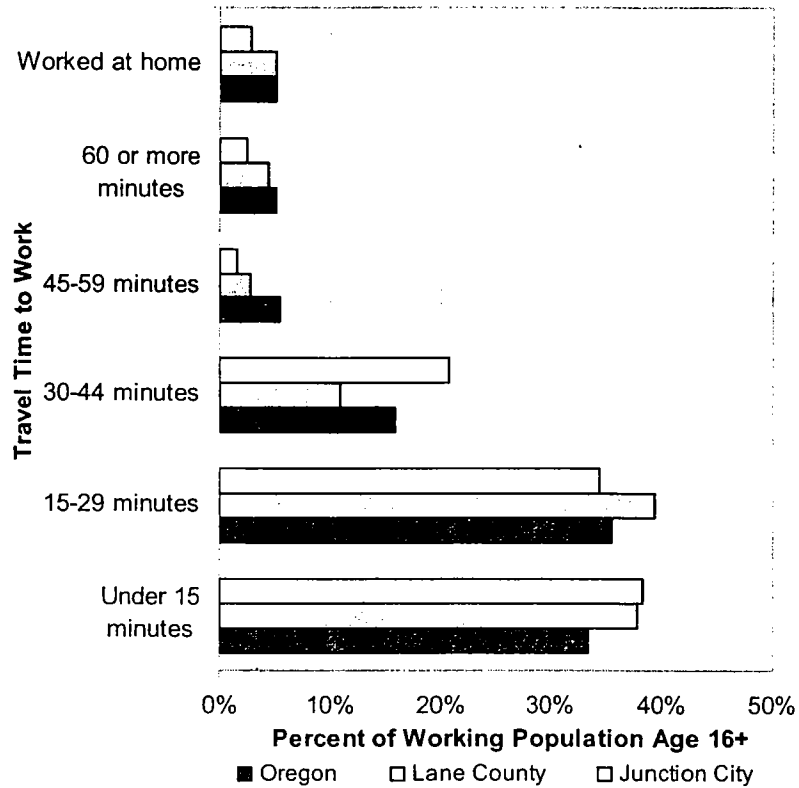


Source: Bureau of Labor Statistics
 Note: unemployment data is not seasonally adjusted

Another important factor in the labor force is the distance that workers are willing to commute. Figure B-2 shows a comparison of the commute time

to work for residents 16 years and older for Oregon, Lane County, and Junction City in 2008. Junction City residents were more likely to have a commute of between 30 and 44 minutes than residents of the State or County. About 21% of Junction City residents commute 30 to 44 minutes, compared with the 16% of State residents and 11% of County residents.

Figure B-2. Commuting time to work in minutes for residents 16 years and older, Oregon, Lane County, and Junction City, 2008



Source: Claritas 2008

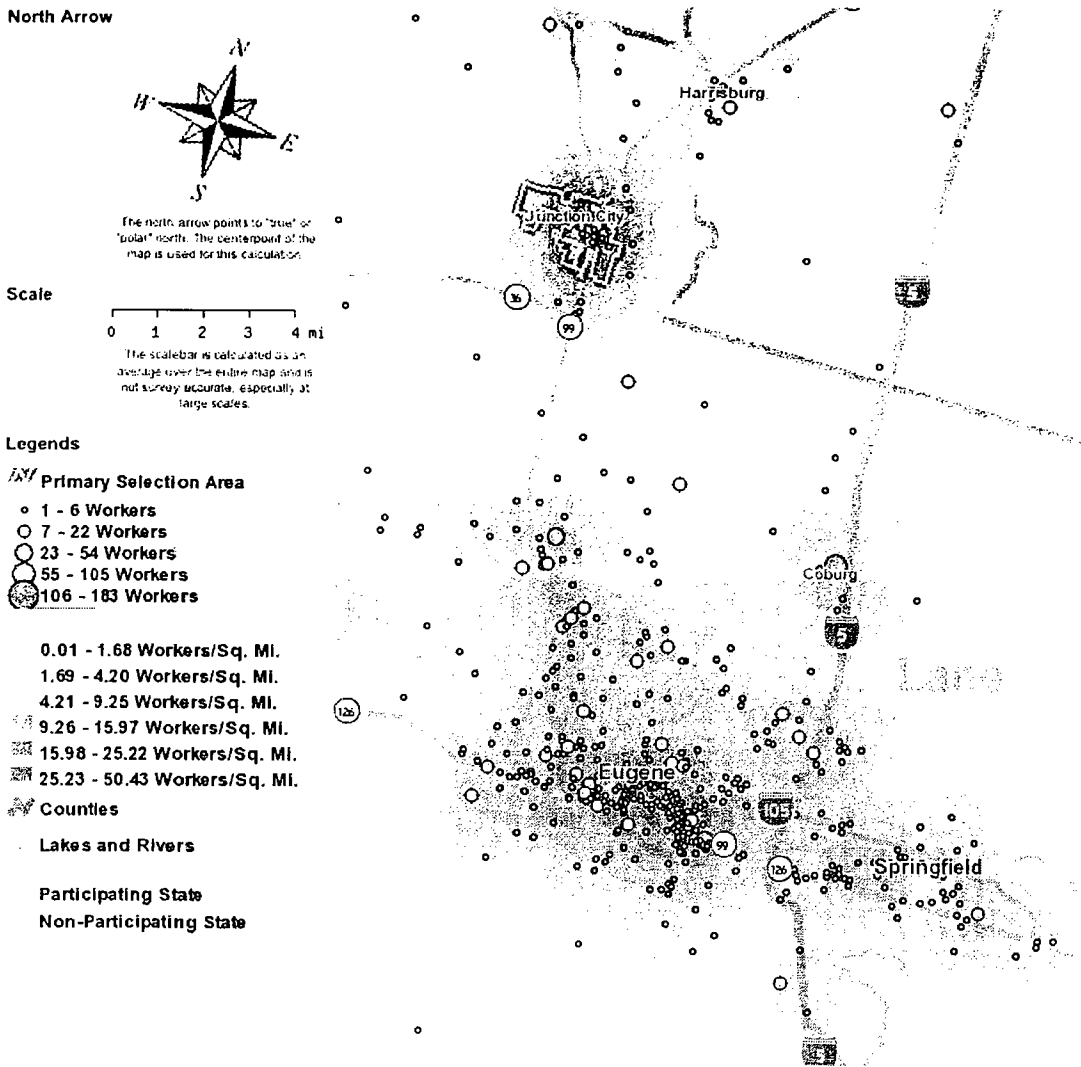
Figure B-3 and Table B-3 show where residents of Junction City worked in 2006. Figure B-3 and Table B-3 show that 78% of Junction City’s residents were employed in Lane County, with 37% of Junction City’s residents working in Eugene or Springfield and 23% working in Junction City. About 9% of Junction City’s residents commuted to Linn or Benton Counties and 13% commuted to other locations.

Table B-3. Places that residents of Junction City were employed, 2006

Location	Number	Percent
Lane County	1,780	78%
Eugene	715	31%
Junction City	529	23%
Springfield	130	6%
Coburg	62	3%
Linn County	132	6%
Benton County	68	3%
Other Locations	291	13%
Total	2,271	100%

Source: U.S. Census Bureau: LED on the Map

Figure B-3. Places that residents of Junction City were employed, 2006



Source: U.S. Census Bureau: LED on the Map

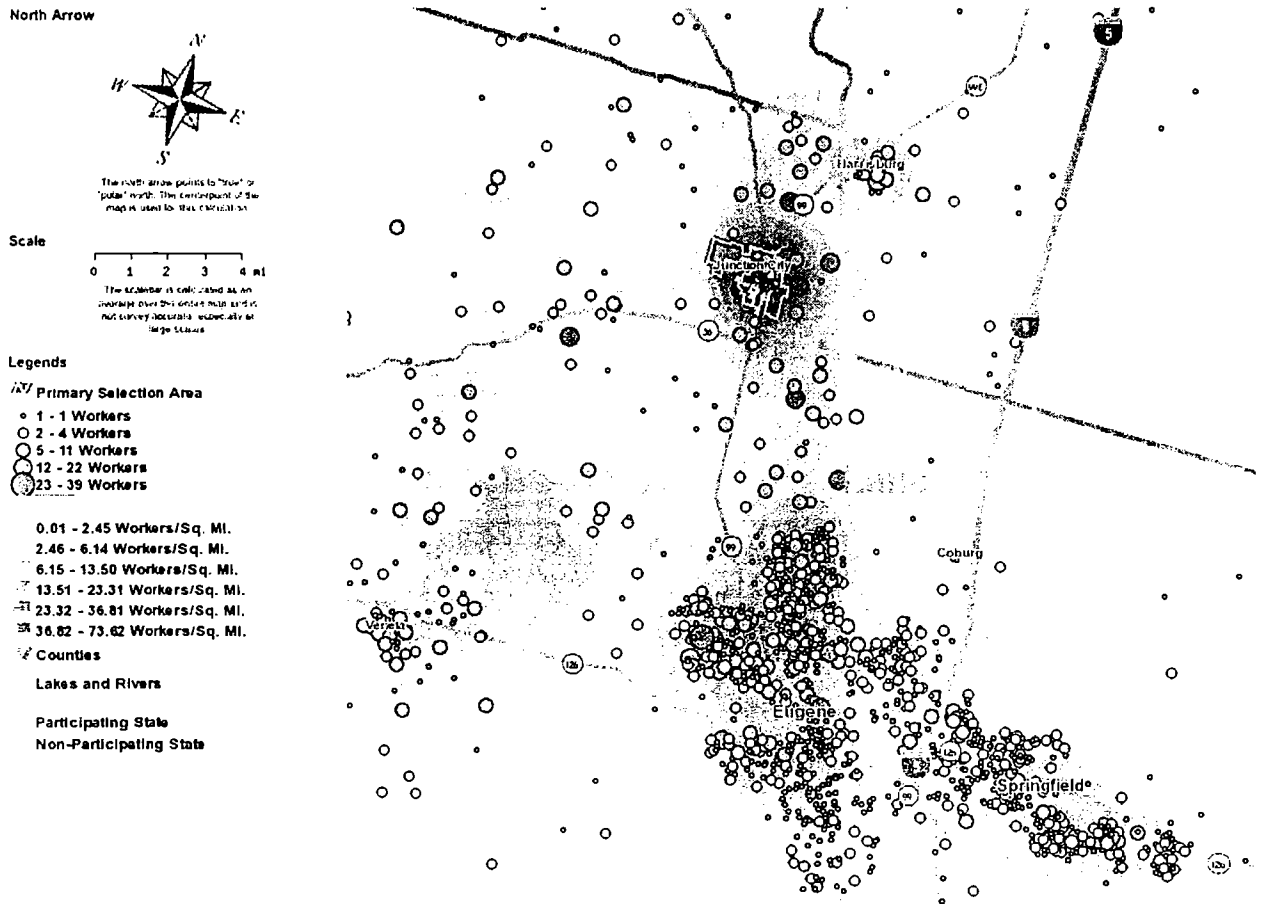
Figure B-4 and Table B-4 show where employees of firms located in Junction City lived in 2006. Eighty-two percent of Junction City's workers lived in Lane County. Twenty-seven percent lived in Eugene, 13% lived in Junction City, and 11% lived in Springfield. Very few workers lived in other cities in Lane County, though 40% of Junction City's workers in Lane County lived outside of Junction City, Eugene, and Springfield, signifying a large number of workers living in unincorporated areas of Lane County. Twenty-one percent of Junction City's workers lived outside of Lane County.

Table B-4. Places where workers in Junction City lived, 2006

Location	Number	Percent
Lane County	3,284	82%
Eugene	1,074	27%
Junction City	529	13%
Springfield	425	11%
Linn County	386	10%
Benton County	163	4%
Other Locations	191	5%
Total	4,024	100%

Source: U.S. Census Bureau: LED on the Map

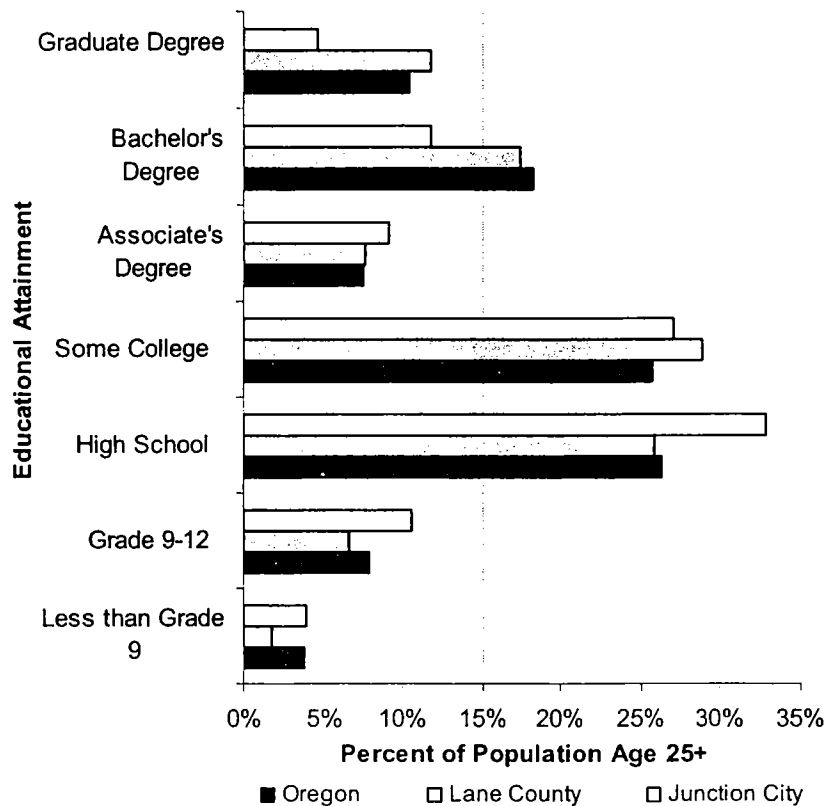
Figure B-4. Places where workers in Junction City lived, 2006



Source: U.S. Census Bureau: LED on the Map

Educational attainment is an important labor force factor because firms need to be able to find educated workers. Figure B-5 shows the share of population by education level completed in Oregon, Lane County, and Junction City in 2007. About 26% of Junction City's residents had an associate's degree or higher, compared with 37% of Lane County residents and 36% of Oregonians.

Figure B-5. Educational attainment for the population 25 years and over, Oregon, Lane County, and Junction City, 2007



Source: OregonProspector.com

Opportunities for workforce training and post-secondary education for residents of Lane County include: the University of Oregon, Lane Community College, Pacific University, Northwest Christian College, and Gutenberg College. Junction City residents also have access to post-secondary institutions in or near Corvallis: Oregon State University and Linn-Benton Community College.

Table B-5 shows changes in ethnicity Oregon, Lane County, and Junction City in 1990, 2000, and 2008. This table shows that Junction City had a larger share of Hispanic or Latino residents than Lane County in 2000, with 8.3% compared to the County average of 4.6%. Between 1990 and 2000, Junction City's Hispanic and Latino population grew by 436% (318 people), compared with growth in the Hispanic and Latino population of 117% in Lane County and 144% in Oregon.

In 2008, Hispanic residents accounted for 10.6% of Oregon's population and 6.1% of Lane County's population. Junction City's Hispanic population grew by 59% between 2000 and 2008, slowing from the rate of the previous decade.

Table B-5. Changes in ethnicity, Oregon, Lane County, and Junction City, 1990, 2000, and 2008

	Oregon	Lane County	Junction City
1990			
Total Population	2,842,321	282,912	3,670
Hispanic or Latino	112,707	6,852	73
Percent Hispanic or Latino	4.0%	2.4%	2.0%
2000			
Total Population	3,421,399	322,959	4,721
Hispanic or Latino	275,314	14,874	391
Percent Hispanic or Latino	8.0%	4.6%	8.3%
2008			
Total Population	3,772,854	343,961	4,902
Hispanic or Latino	400,435	20,941	623
Percent Hispanic or Latino	10.6%	6.1%	12.7%
Change 1990-2000			
Hispanic or Latino	162,607	8,022	318
Percent Hispanic or Latino	144%	117%	436%
Change 2000-2008			
Hispanic or Latino	125,121	6,067	232
Percent Hispanic or Latino	45%	41%	59%

Source: U.S. Census 1990 and 2000, Claritas 2008

Commuting is common in Junction City. Thirty-one percent of the people who live in Junction commute to Eugene for work. Less than one out of every seven of Junction City's workers live in Junction City. The implication of this workforce analysis is that, while only one-seventh of Junction City's workforce lives within the City, Junction City is able to attract workers from Eugene, Springfield, and surrounding areas in Lane county.

It does not appear that workforce will be a constraint on employment growth in Junction City. Junction City should be able to continue to draw on residents of Eugene for workers, even if energy prices continue to rise but Junction City's ability to attract workers from outside of the Eugene-Springfield area may be negatively impacted by continued increases in energy prices.

3. **Allocate employment.** This step involves allocating employment to different building types, based on similar requirements for built space.

EMPLOYMENT BASE FOR PROJECTION

To forecast employment growth in Junction City, we must start with a base of employment growth on which to forecast. Table C-1 shows ECO's estimate of total employment in the Junction City UGB in 2006. To develop the figures, ECO started with estimated covered employment in the Junction City UGB from confidential QCEW (Quarterly Census of Employment and Wages) data provided by the Lane Council of Governments and the Oregon Employment Department.

Covered employment, however, does not include all workers in an economy. Most notably, covered employment does not include sole proprietors. Analysis of data shows that covered employment reported by the Oregon Employment Department for Lane County is only about 74% of total employment reported by the U.S. Department of Commerce. We made this comparison by sector for Lane County and used the resulting ratios to convert covered employment to total employment in Junction City. Table C-1 shows Junction City had an estimated 4,779 employees within its UGB in 2006.

Table C-1. Estimated total employment in the Junction City UGB by sector, 2006

Sector	Covered Employment		Estimated Total Employment
	Number	% of Total Emp.	
Agriculture, Forestry, Fishing, & Mining	5	71%	7
Construction	39	65%	60
Manufacturing	2,154	99%	2,183
Wholesale Trade	29	85%	34
Retail	766	79%	972
Transportation & Warehousing & Utilities	44	70%	63
Finance & Insurance	57	66%	86
Real Estate & Rental & Leasing	29	33%	88
Professional, Scientific, & Technical Services	59	52%	113
Management of Companies & Administrative & Support Srv.	89	79%	113
Health Care & Social Assistance & Private Education	176	72%	246
Leisure Services	170	78%	219
Other Services	116	48%	240
Government	290	82%	355
Total	4,023	84%	4,779

Source: 2006 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) data provided by the Oregon Employment Department. Covered employment as a percent of total employment calculated by ECONorthwest using data for Lane County employment from the U.S. Department of Commerce, Bureau of Economic Analysis (total) and the Oregon Employment Department (covered).

EMPLOYMENT PROJECTION

Table C-1 presents an estimate of total employment in Junction City's UGB in 2006, 4,779 employees. Since 2006, Junction City's employment base has changed substantially, with lay-offs at Country Coach. In addition, Junction City's economy will be changed by development of the State Prison and Hospital, construction on both of which will be completed by 2015.

Table C-2 presents a forecast of employment in Junction City for the 2009 to 2029 period. We have made the following adjustments in the employment base:

- Decreased employment by of 1,500 employees to account for expected changes at Country Coach
- Added 1,800 employees between 2012 and 2014 with completion of the Minimum Security Prison, State Hospital, and Medium Security Prison

OAR 660-024-0040 (8) (a) (A) allows the City to determine employment land needs based on "The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department." Junction City is part of Region 5, which includes all of Lane County. Based on this safe harbor, the employment forecast in Table C-2 assumes that employment in Junction City will grow at 1.4% annually between 2009 to 2029, in addition to the adjustments described above.

Table C-2 shows the result of applying this growth rate to the total employment base of 4,913 employees in Junction City in 2008. Table C-2 shows that employment is forecast to grow by 3,345 employees (a 96% increase) between 2009 and 2029.

Table C-2 also presents a long-range employment forecast for Junction City for 2029 to 2059. The forecast assumes employment growth of 1.0% annually for the thirty-year period. Based on these assumptions, Junction City will add nearly 2,400 employees, an increase of 35% over the thirty-year period.

**Table C-2. Employment growth
in Junction City's UGB, 2009-2029
and 2029 to 2059**

Year	Total Employment
2008	4,913
2009	3,481
2029	6,826
2039	7,540
2049	8,329
2059	9,200
Change 2009 to 2029	
Employees	3,345
Percent	96%
AAGR	3.4%
Change 2029 to 2059	
Employees	2,374
Percent	35%
AAGR	1.0%

Source: ECONorthwest

Junction City does not have a current twenty-year coordinated population forecast. Junction City's acknowledged population forecast is for 8,130 people in 2020 and assumes average annual population growth of 1.5%. Junction City is working with Lane County to agreement on a population forecast for the City in 2030. The City requested that the County adopt a forecast of 10,268 people in 2030, an increase of nearly 4,300 people within the UGB. Lane County contracted with Portland State University to develop a population forecast. PSU's preliminary forecast for the UGB is for 13,136 people in 2030, which includes 2,170 people in group quarters in the State Hospital and Prison (not included in the City's requested forecast).

ALLOCATE EMPLOYMENT TO DIFFERENT BUILDING TYPES

The next step in the employment forecast is to allocate future employment to building type, as described in Table A-8 in Appendix A. The allocation was done by grouping employment into building types with similar building and site requirements. For example, the following service sectors were grouped together into the "office" building type because they need similar types of built space with similar site requirements: information, finance, real estate, professional services, management of companies, administrative support, utilities, arts and entertainment, and other services.

Table C-3 shows the forecast of employment growth by building type in Junction City's UGB in from 2009 to 2029. The forecast projects growth in

all building types but projects the greatest growth in industrial and other services.

Table C-3. Forecast of employment growth in by building type, Junction City UGB, 2009–2029

Building Type	2009		2029		Change 2009 to 2029
	Employment	% of Total	Employment	% of Total	
Industrial					
Industrial	946	27%	1,365	20%	419
Commercial					
Office	418	12%	683	10%	265
Retail	1,241	36%	1,707	25%	466
Other Services	506	15%	819	12%	313
Government	370	11%	2,253	33%	1,883
Total	3,481	100%	6,826	100%	3,345

Source: ECONorthwest

Note: Blue shading denotes an assumption by ECONorthwest

Table C-3 shows that Junction City’s economy will undergo a fundamental shift over the 20-year period. In 2006, about 49% of employment was in industrial and about 7% in government. The lay-offs at Country Coach (about 1,500 employees) and development of the State prison and hospital will bring approximately 1,800 jobs to Junction City, changing the distribution of employment in the City. The forecast in Table C-3 assumes that employment in industrial will grow by about 419 employees over the twenty-year period, based in part on the City’s economic development objective of attracting industrial firms.

The greatest uncertainty about the forecast in Table C-3 is how the RV industry will change in response to the downturn in the economy that started in 2008 and potential long-term increases in energy prices. RV manufacturing accounted for about two-thirds of industrial employment in Junction City in 2006. In particular, Country Coach’s future is uncertain but City staff expects Country Coach will continue to employ about 100 people, based on media reports and conversations with Country Coach management. The forecast in Table C-3 does not project additional substantial change in the amount of employment in RV manufacturing over the 20-year period but does project that other industrial employment will grow in Junction City. Additional big changes in the amount of employment in RV manufacturing would have a substantial impact of employment growth in Junction City.

It is worth noting that the employment projections in this appendix do not take into account a major jump in employment that could result from the unforeseen location of one or more large employers in the community

during the planning period. This could take place if the City were successful in its recruitment efforts, either on its own or in conjunction with the Governor's Initiative to bring new industry to the State. The State prison and hospital are examples of such events. Such a major change in the community's employment would essentially be over and above the growth anticipated by the City's employment forecast and the implied land needs (for employment, but also for housing, parks and other uses). Major economic events such as the successful recruitment of a very large employer are very difficult to include in a study of this nature. The implications, however, are relatively predictable: more demand for land (of all types) and public services.

Table C-4 shows the forecast of employment growth by building type in Junction City's UGB in from 2029 to 2059. The forecast projects growth in all building types but projects the greatest growth in industrial and other services.

Table C-4. Forecast of employment growth in by building type, Junction City UGB, 2029–2059

Building Type	2029		2059		Change 2009 to 2059
	Employment	% of Total	Employment	% of Total	
Industrial					
Industrial	1,365	27%	2,300	25%	935
Commercial					
Office	683	12%	1,380	15%	697
Retail	1,707	36%	2,300	25%	593
Other Services	819	15%	920	10%	101
Government	2,253	11%	2,300	25%	47
Total	6,826	100%	9,200	100%	2,374

Source: ECONorthwest

Note: Blue shading denotes an assumption by ECONorthwest

SITE NEEDS

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

Firms wanting to expand or locate in Junction City will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. Previous research conducted by ECO has found that while there are always specific criteria that are industry-dependent and specific firm, many firms share at least a few common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints on development, with good transportation access and adequate public services. The exact amount, quality, and relative importance of these factors vary among different types of firms. This section discusses the site requirements for firms in industries with growth potential in the Eugene-Springfield Region, as indicated by the Oregon Employment Department forecast shown in Table A-13.

FACTORS THAT AFFECT LOCATIONAL DECISIONS

Why do firms locate where they do? There is no single answer – different firms choose their locations for different reasons. Key determinates of a location decision are a firm's *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues: if demand for goods and services is held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often and increasingly the most important factor of production. Other things equal, firms look at productivity – labor output per dollar. Productivity can decrease if certain types of labor

are in short supply, which increases the costs by requiring either more pay to acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally. Based on existing commuting patterns, Junction City has access to labor from the Eugene-Springfield Region.

- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways.
- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product, either goods or services, to the market, and they rely on access to different modes of transportation to do this. Junction City's location along Highway 99 provides the City with advantages to businesses that need access to a state highway and easy access to both Eugene and Corvallis. In addition, the City's access to rail and air transportation provide advantages that may appeal to firms that use these methods of transportation. The City's access to I-5 is a disadvantage for attracting firms that need to ship large volumes of freight by truck.
- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources: lumber manufacturing requires trees. Or, farther down the line, firms may need intermediate materials: for example, dimensioned lumber to build manufactured housing.
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar.

The supply, cost, and quality of any of these factors obviously depend on market factors: on conditions of supply and demand locally, nationally,

and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain the quality of life. Overly burdensome regulations, however, can be a disincentive for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Studies show that tax rates are not a primary location factor within a region – they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The cost of these production factors is usually similar within a region. Therefore, differences in tax levels across communities within a region are more important in the location decision than are differences in tax levels between regions.
- **Financial incentives.** Governments can offer firms incentives to encourage growth. Studies have shown that most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may suggest that a location decision is based entirely on a straight-forward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development, however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.

- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region's quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical attachment to a place or set of amenities, without much regard for the cost of other factors of production.
- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping U.S. cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. Innovation affects both the overall level and type of economic development in a region. Government can be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

Table C-5 provides a summary of production factors in Junction City as well as comments on local opportunities and constraints. It also discusses implications of each factor for future economic development in Junction City.

Table C-5. Summary of production factors and their implications for Junction City

Category	Opportunities	Challenges	Implications
Labor	<ul style="list-style-type: none"> • Access to labor from the across the Eugene-Springfield Region • Workforce development through Lane Community College programs 	<ul style="list-style-type: none"> • Existing workforce is less educated than regional averages • Potential difficulty in finding dependable labor for manufacturing jobs 	<p>The City has access to labor from the region.</p> <p>Commuting patterns may be negatively impacted by increases in energy prices.</p>
Land	<ul style="list-style-type: none"> • Opportunities for development along Highway 99 • Proximity to agricultural activities 	<ul style="list-style-type: none"> • Distance from I-5 • Short-term availability 	<p>Firms that prefer large, undeveloped parcels near the Interstate are unlikely to locate in Junction City, such as warehousing and distribution or manufacturers that require freight access.</p>
Local infrastructure	<ul style="list-style-type: none"> • Location along Highway 99 and availability of freight shipping by rail • Opportunities for transportation via transit, bicycle, and pedestrian • Increases in the capacity of water and wastewater systems resulting from development of the State Prison and Hospital 	<ul style="list-style-type: none"> • Cost of providing additional infrastructure 	<p>Once the infrastructure for the new prison is developed, Junction City has sufficient local infrastructure to attract and retain businesses.</p>
Access to markets	<ul style="list-style-type: none"> • Location along Highway 99 and availability of freight shipping by rail • Access to the Port of Portland via rail • Proximity to Eugene Airport for transportation of people and small quantities of goods 	<ul style="list-style-type: none"> • Distance from I-5 	<p>Junction City's highway and rail access is sufficient to attract firms that need access to markets via state highways.</p> <p>Junction City is relatively unlikely to attract firms that need to move large quantities of freight via trucks on I-5.</p>

Category	Opportunities	Challenges	Implications
Materials	<ul style="list-style-type: none"> Proximity to natural resources (e.g., timber or agricultural products) Access to multiple rail lines 	<ul style="list-style-type: none"> Cost of shipping raw and finished products 	<p>Junction City may be attractive to manufacturers that need access to natural resources. However, firms dependent on highway access to transport large quantities of materials may not locate in Junction City.</p>
Entrepreneurship	<ul style="list-style-type: none"> The City's Revolving Loan Program, which is available to businesses within the Junction City UGB Access to the University of Oregon and Lane Community College 	<ul style="list-style-type: none"> Distance from the University of Oregon Junction City's image as having a "blue collar" business environment. 	<p>Junction City may be attractive to entrepreneurs who value the City's quality of life attributes, access to outdoor recreation, and other locational attributes. Junction City has opportunities to encourage entrepreneurship through continued improvement of the City's image and through attracting more professional jobs, possibly those associated with the State prison or hospital</p>
Regulation	<ul style="list-style-type: none"> Pro-business attitudes among City officials and leaders 		<p>The City has the opportunity to develop a regulatory framework that can promote economic activity through economic development policies, plans for providing infrastructure, and provision of a variety of housing types.</p>
Taxes	<ul style="list-style-type: none"> Property taxes are lower than Eugene 		<p>Junction City needs revenue sources for providing public services and infrastructure, just as other cities do. The City has options about how to raise these funds: through property taxes, development fees, and other fees to taxes.</p>
Industry clusters	<ul style="list-style-type: none"> Potential for development of a cluster of agricultural-related businesses Potential for development of a social service cluster related to the State Prison and Hospital 	<ul style="list-style-type: none"> Uncertainty about RV manufacturing Distance from regional clusters, such as the medical cluster that is forming at River Bend or the call center cluster in Eugene and Springfield 	

Category	Opportunities	Challenges	Implications
Quality of life	<ul style="list-style-type: none"> • High quality of life, including access to recreation, proximity to cultural amenities in Eugene, regional shopping opportunities and environmental quality 	<ul style="list-style-type: none"> • Growth management challenges, such as balancing development with protection of environmental quality 	<p>Junction City's policy choices will affect the City's quality of life, such as decisions regarding development of natural areas, housing policies, or policies that lead to redevelopment of downtown.</p>
Innovative capacity	<ul style="list-style-type: none"> • Educated regional workforce • Proximity to the University of Oregon and Lane Community College • Existing regional businesses, clusters, and innovators 	<ul style="list-style-type: none"> • Attracting and retaining good workers in the region • Availability of higher-end housing and cultural amenities to attract creative class workers 	<p>Government can be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.</p>

CHARACTERISTICS OF SITES NEEDED TO ACCOMMODATE EMPLOYMENT GROWTH

Table C-6 summarizes the lot sizes typically needed for firms in selected industries. The emphasis in Table C-6 is on new large firms that have the most potential to generate employment growth. For example, while the number of convenience stores in the region is likely to grow, the site needs for these stores is not included in Table C-6 because they are unlikely to generate substantial employment growth. Large food stores, which are typically 50,000 to 100,000 sq. ft. in size, are more likely to generate substantial employment growth in the region, and these stores require sites of 5 to 10 acres.

Table C-6. Typical lot size requirements for firms in selected industries

Industry	Lot Size (acres)
Manufacturing	
Printing & Publishing	5 - 10
Stone, Clay & Glass	10 - 20
Fabricated Metals	10 - 20
Industrial Machinery	10 - 20
Electronics - Fab Plants	50 - 100
Electronics - Other	10 - 30
Transportation Equipment	10 - 30
Transportation & Wholesale Trade	
Trucking & Warehousing	varies
Retail Trade	
General Merchandise & Food Stores	5-10
Eating & Drinking Places	0.5-5
FIRE & Services	
Non-Depository Institutions	1 - 5
Business Services	1 - 5
Health Services	1 - 10
Engineering & Management	1 - 5

Source: ECONorthwest.

More specific site needs and locational issues for firms in potential growth industries include a range of issues. Table C-7 summarizes site needs and key issues related to sites in Junction City.

Table C-7. Summary of site requirements

Site Attribute	Comments
<p>Flat sites. Flat topography (slopes with grades below 10%) is needed by almost all firms in every industry except for small Office and Commercial firms that could be accommodated in small structures built on sloped sites. Flat sites are particularly important for Industrial firms in manufacturing, trucking, and warehousing, since these firms strongly prefer to locate all of their production activity on one level with loading dock access for heavy trucks.</p>	<p>Sites in and around Junction City are relatively flat.</p>
<p>Parcel configuration and parking. Large Industrial and Commercial firms that require on-site parking or truck access are attracted to sites that offer adequate flexibility in site circulation and building layout. Parking ratios of 0.5 to 2 spaces per 1,000 square feet for Industrial and 2 to 3 spaces per 1,000 square feet for Commercial are typical ratios for these firms. In general rectangular sites are preferred, with a parcel width of at least 200-feet and length that is at least two times the width for build-to-suit sites. Parcel width of at least 400 feet is desired for flexible industrial/business park developments and the largest Commercial users.</p>	<p>Four of Junction City's six industrial sites larger than 10 acres are located in Junction City along Highway 99, between the two rail lines. The configuration and transportation access on these sites may make them unattractive for development.</p>
<p>Soil type. Soil stability and ground vibration characteristics are fairly important considerations for some highly specialized manufacturing processes, such as microchip fabrications. Otherwise soil types are not very important for Commercial, Office, or Industrial firms—provided that drainage is not a major issue.</p>	<p>Junction City is surrounded by hydric soils and high quality-agricultural soils. Available data suggests that hydric soils frequently indicate the presence of a wetland and that about 50% of wetland areas will be undevelopable.</p>
<p>Road transportation. All firms are heavily dependent upon surface transportation for efficient movement of goods, customers, and workers. Access to an adequate highway and arterial roadway network is needed for all industries. Close proximity to a highway or arterial roadway is critical for firms that generate a large volume of truck or auto trips or firms that rely on visibility from passing traffic to help generate business. This need for proximity explains much of the highway strip development prevalent in urban areas today.</p>	<p>Businesses in Junction City have access to Highway 99 and to I-5 via the Diamond Hill exchange which is about 10-miles away.</p> <p>Junction City also has a well-developed street network within the City. The City may need to work with large businesses to increase automotive capacity in newly developed areas or in areas where the intensity of employment uses increase substantially.</p>
<p>Rail transportation. Rail access can be very important to certain types of heavy industries. The region has good rail access to many industrial sites.</p>	<p>Junction City is served by Union Pacific and Burlington Northern Santa Fe rail lines.</p>
<p>Air transportation. Proximity to air transportation is important for some firms engaged in manufacturing, finance, or business services.</p>	<p>Junction City is located 6 miles from the Eugene Airport.</p>
<p>Transit. Transit access is most important for businesses in Health Services, which has a high density of jobs and consumer activity, and serves segments of the population without access to an automobile.</p>	<p>Junction City has access to transit through the Lane Transit District (LTD). LTD bus route 95 runs from Eugene Station to Junction City eight times per day during the week at times convenient to commuters and twice on Saturdays.</p>

Site Attribute	Comments
<p>Pedestrian and bicycle facilities. The ability for workers to access amenities and support services such as retail, banking, and recreation areas by foot or bike is increasingly important to employers, particularly those with high-wage professional jobs. The need for safe and efficient bicycle and pedestrian networks will prove their importance over time as support services and neighborhoods are developed adjacent to employment centers.</p>	<p>Junction City's urban core has pedestrian facilities, such as sidewalks.</p>
<p>Labor force. Firms are looking at reducing their workforce risk, that is, employers want to be assured of an adequate labor pool with the skills and qualities most attractive to that industry. Communities can address this concern with adequate education and training of its populace. Firms also review turnover rates, productivity levels, types and amount of skilled workers for their industry in the area, management recruitment, and other labor force issues in a potential site area.</p>	<p>Commuting patterns within Junction City suggest that businesses in Junction City have access to the workforce of the Eugene-Springfield Region.</p> <p>Firms in Junction City will need employees with a range of skills, from people with customer service skills to highly educated professionals. Some types of skills that employers may need include: prison guard training, a range of medical training, administrative and support skills, management skills, technology, manufacturing (e.g., machinist or wood-working), , creative skills, and other skills or education. The educational and skill requirements of businesses in Junction City are likely to be similar to the needs of businesses throughout the Eugene-Springfield Region.</p>
<p>Amenities. According to the International Economic Development Council⁶⁴, attracting and retaining skilled workers requires that firms seek out places offering a high quality of life that is vibrant and exciting for a wide range of people and lifestyles.</p>	<p>Junction City offers access to outdoor amenities. Many urban amenities are available in Junction City and Eugene.</p>
<p>Fiber optics and telephone. Most if not all industries expect access to multiple phone lines, a full range of telecommunication services, and high-speed internet communications.</p>	<p>Junction City has access to high-speed telecommunications facilities.</p>
<p>Potable water. Potable water needs range from domestic levels to 1,000,000 gallons or more per day for some manufacturing firms. However, emerging technologies are allowing manufacturers to rely on recycled water with limited on-site water storage and filter treatment. The demand for water for fire suppression also varies widely.</p>	<p>Junction City has sufficient potable water to meet current and expected needs.</p>

⁶⁴ International Economic Development Council. "Economic Development Reference Guide," <http://www.iedconline.org/hotlinks/SiteSel.html>. 10/25/02.

Site Attribute	Comments
<p>Power requirements. Electricity power requirements range from redundant (uninterrupted, multi-sourced supply) 115 kva to 230 kva. Average daily power demand (as measured in kilowatt hours) generally ranges from approximately 5,000 kwh for small business service operations to 30,000 kwh for very large manufacturing operations. The highest power requirements are associated with manufacturing firms, particularly fabricated metal and electronics. For comparison, the typical household requires 2,500 kwh per day.</p>	<p>Junction City has access to sufficient power supply to accommodate most commercial and industrial users.</p>
<p>Land use buffers. According to the public officials and developers/brokers ECO has interviewed, Industrial areas have operational characteristics that do not blend as well with residential land uses as they do with Office and Commercial areas. Generally, as the function of industrial use intensifies (e.g., heavy manufacturing) so to does the importance of buffering to mitigate impacts of noise, odors, traffic, and 24-hour 7-day week operations. Adequate buffers may consist of vegetation, landscaped swales, roadways, and public use parks/recreation areas. Depending upon the industrial use and site topography, site buffers range from approximately 50 to 100 feet. Selected commercial office, retail, lodging and mixed-use (e.g., apartments or office over retail) activities are becoming acceptable adjacent uses to light industrial areas.</p>	

LONG-TERM LAND AND SITE NEEDS

Table C-3, presented earlier in this appendix, discusses Junction City's forecast for employment by building type. The analysis of long-term site needs in Junction City builds off of the employment forecast for Junction City. Consistent with the requirements of OAR 660-009-0015(2), the site needs analysis presented in this section identifies the number of sites by broad category of site type and size reasonably expected to be needed for the 20-year planning period.

The steps in to get from the employment forecast in Table C-3 to an estimate of needed sites are:

- Determine the amount of employment that can be accommodated in non-employment plan designations.

- Allocate new employment requiring land in employment designations⁶⁵ to sites ranging in size from less than 1-acre to greater than 50-acres. This allocation is based on historic employment patterns, discussed in Appendix A, and the City's economic development strategies.
- Estimate the reasonable range of sites needed based on the employment forecast, historic development patterns, the City's economic development strategies and infill and redevelopment potential.
- Estimate the needed sites by site size and building type, using the range of sites identified in the previous step.

The remainder of this section is organized based on these steps.

In 2006, approximately 12% of Junction City's employment was located in non-employment (predominantly residential) plan designations. We assumed that a similar percentage of employment would continue locating in non-employment designations.

Table C-8 shows employment growth by the employment location. Table C-8 makes two assumptions that decrease land needed for new employment:

- **Some employment growth will occur on land not designated for employment use.** Some new employment will occur outside commercial and industrial built space or land. For example, some construction contractors may work out of their homes, with no need for a shop or office space on non-residential land. Currently 12% of employment is located in residential zones. ECO assumed that this trend will continue.
- **Some employment growth will not require new commercial or industrial built space or land.** Some employment growth will be accommodated on existing developed or redeveloped land, as when an existing firm adds employees without expanding space. For example, businesses may add new cubicles to their existing office space, rather than move to a new office, resulting in an increase in use of existing office space. Typically about 10 to 15% of new employment is accommodated in existing

⁶⁵ Not all new employment will require additional land in employment zoning designations. Some employment growth will occur on land not designated for employment use (e.g., employment in residential zones) and some employment growth will not require new commercial or industrial built space or land (e.g., new employment accommodated in existing built space).

commercial or industrial built space. ECO assumed that 10% of new employment will be accommodated in existing commercial or industrial built space. The exception to this assumption is Government employment, which will have 1,800 employees on new land (at the new State Prison and Hospital). The remaining new Government employment (36 employees) may locate in existing built space.

Using these assumptions, Junction City will need to provide land for approximately 2,989 new employees between 2009 and 2029 and 1,946 new employees between 2029 and 2059.

Table C-8. New employment locating in non-employment plan designations, Junction City, 2029 and 2059

Type	New Employment	Employment Location		Employment on New Land
		Non-employment designations	Existing Com. & Ind. Built Space	
Employment Growth 2009 to 2029				
Industrial				
Industrial	419	0	42	377
Commercial				
Office	265	32	27	206
Retail	466	56	47	363
Other Services	313	38	31	244
Government	1,883	0	83	1,800
Total for 2009-2029	3,345	126	230	2,989
Employment Growth 2029 to 2059				
Industrial				
Industrial	935	-	94	841
Commercial				
Office	697	84	70	543
Retail	593	71	59	463
Other Services	101	12	10	79
Government	47	24	5	19
Total for 2029-2059	2,374	191	238	1,946

Source: ECONorthwest

Note: For the 2029 to 2059 period, 50% of government employment growth is assumed to be in schools and will not require new land.

Determining Junction City's site needs requires distributing employment to a range of site sizes, ranging from small sites (less than 1 acre and 1 to 2 acre sites) to large sites (20 to 50 acre and sites greater than 50 acres). Table C-9 shows the distribution of employees by building type and site size in non-residential plan designations in Junction City in 2006. About 54% of Junction City's employment is on sites 5 to 20 acres, 23% is on of less than 1-acre, and 15% is on 2 to 5-acre sites.

Table C-9. Percent of employees by building type and site sizes, Junction City, 2006

Building Type	Site Size (acres)						Total Employees
	Less than 1	1 to 2	2 to 5	5 to 20	20 to 50	Greater than 50	
Industrial	6%	2%	1%	86%	5%	0%	100%
Office	97%	2%	1%	0%	0%	0%	100%
Retail	35%	13%	52%	0%	0%	0%	100%
Other Services	81%	11%	6%	2%	0%	0%	100%
Government	100%	0%	0%	0%	0%	0%	100%
Total	23%	5%	15%	54%	3%	0%	100%

Source: ECONorthwest based on QCEW data

Junction City's future site needs should reflect expected changes resulting from development of the State Hospital and Prison, as well as other expected changes in the local and regional economy. Table C-10 shows Junction City's estimated site needs in 2009. The City's site needs will be different than the current distribution of employment by site size because of the siting of the State Prison and Hospital and changes in the City's economy (e.g., the decline in the RV industry) will fundamentally change Junction City's economy over the next 20-years.

The site needs in Table C-10 is based on the following considerations:

- The City's workforce will grow by approximately 3,345 workers, with 2,989 new employees locating on new employment land. About 1,800 of these employees will work at the State Prison or Hospital. Junction City will need to provide land for about 1,189 employees, in addition to the employees that will work at the State facilities.
- The majority of needed sites will be for sites two acres and smaller, the majority of which will provide opportunities for retail, office, and other services.
- The City's economic development objectives include providing industrial sites, including sites 20 acres and larger.
- The City's target industries include manufactures that will require large industrial sites, including food processing and biofuel production.
- The City wants to provide opportunity for choice of sites, especially larger sites to attract large employers that may have higher than average wages.

Table C-10 shows that Junction City needs approximately 75 sites. Most sites are small, 2-acres or less. Junction City needs approximately 6 sites larger than 20-acres.

Table C-10. Estimated needed sites by site size and building type, Junction City, 2009 to 2029

Building Type	Site Size (acres)							Total Sites
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	20 to 50	Greater than 50	
Industrial	3	3	3	2	1	2	1	15
Office	5	3	2	1				11
Retail	30	6	4	1				41
Other Services	4	2	2	0				8
Government						0	0	0
Total	42	14	11	4	1	2	1	75

Source: ECONorthwest

The site needs in Table C-10 do not include a site for the State Prison and Hospital. The State has chosen an approximately 235 acre site at the south end of Junction City's UGB as the site for the new facilities. About 70 acres of the site is located within the City's UGB and the remainder is located outside the UGB. Approximately 1,800 employees are expected work at the State site at the Prison and Hospital.

Table C-10 also does not include need for additional land for expansion of the City's wastewater facilities, which the State and City have identified as a necessary for operation of the State facilities. The City will need about 80 additional acres of land for the wastewater facility expansion. The City has about 40 acres of land within the UGB identified for expansion of the wastewater facility and has identified a 40 acre site adjacent to the existing wastewater facility.

Junction City's economic development strategies include objectives to: (1) provide large industrial sites to meet regional demand for employment land, (2) increase employment in one of the regional industry clusters, and (3) recruit businesses that have higher than average wages. One way to reach these goals is to attract manufacturing firms, some of which may require sites 20-acres or larger.

Attracting these firms may require opportunity for site choice to allow a firm to find land that meets the firm's requirements. The analysis in Table C-10 assumes that Junction City will need to provide enough sites for choice in all site sizes. Site choice, however, is especially important for businesses that will need medium-sized sites (5 to 20-acres) and large sites (20-acre and larger).

Historically, Junction City has not had firms located on sites 50-acres or larger and comparatively few firms on sites 20 to 50-acres. The need for these large sites (20 to 50 acres and 50 acres and larger) in Table C-10 is

based on: (1) planned development of the State Prison and Hospital (on a State-owned 235-acre site, 70-acres of which is in the UGB) and (2) the City's economic development objective of attracting regional employers on large sites.

The identified site needs shown in Table C-10 do not distinguish sites by comprehensive plan designation. It is reasonable to assume that industrial uses will primarily locate in industrial zones. Retail and service uses could locate in commercial zones, mixed use zones, and residential zones.

Table C-11 shows Junction City's site needs for the 2029 to 2059 period. Junction City will need approximately 122 sites, most of which will be 2-acres or less. Junction City needs approximately 2 sites larger than 20-acres.

Table C-11. Estimated needed sites by site size and building type, Junction City, 2029 to 2059

Building Type	Site Size (acres)						Total Sites	
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	20 to 50		Greater than 50
Industrial	10	8	5	2	2	1	1	29
Office	8	5	4	2	1			20
Retail	35	12	4	3				54
Other Services	7	5	4		1			17
Government		1	1					2
Total	60	31	18	7	4	1	1	122

Source: ECONorthwest