

Chapter 23.52. ECONOMY

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23.52.010. Economy.

Basic to the preparation of all comprehensive plans is an understanding of the economy in the study area. Knowing the employment characteristics, the economic trends and the likely new economic opportunities helps a community make useful decisions about its future. This knowledge can permit a better perception of the traits and numbers of the anticipated new population as well as help allocate adequate amounts of land for various purposes at the correct locations. Further, an economic analysis can point out resources (both human and natural) which are underutilized, and the analysis can permit the community to avoid errors that might otherwise occur.

Much of the following information is taken from the Deschutes County Overall Economic Development Plan.

Deschutes County's economy is fairly typical of a rural County experiencing rapid growth as it changes from its former rural economy to one more characteristic of an urban area. Resource activities such as farming, timber and mining once played far more dominant roles than is true today. Agricultural employment and income have declined, although recent years have witnessed relatively stable production and an increase in gross agricultural income. Timber and wood processing has remained an important economic element and although future years should see some employment growth despite the same or a small decrease in the allowable cut, it will likely decline in relative importance as the character of the economy continues to change. Mining's importance has continued to decline and employment will likely remain fairly constant.

An industry often found in rural parts of Oregon is tourism. The magnificent scenery, clean environment and numerous, as well as varied, sites for recreation make Deschutes County a popular vacation area. Much of the initial and a considerable portion of today's commercial investment was and is related to serving tourists.

Tourism and recreation rank second to timber as an income producer for the County. Recently questions about gasoline availability, loss of scenic attractiveness due to development and the desirability of an industry with relatively low wage rates have raised serious doubts about tourism's future locally.

The most dramatic changes occurring in Deschutes County's economic picture seem to be related to the growth taking place locally; contract construction plus services and miscellaneous have grown dramatically. Wholesale and retail sales, as well as finance-insurance-real estate, are also growing significantly. The only service industry not increasing its relative importance is government, which is declining as a percentage of those employed.

Manufacturing has been growing in the County but at a slower rate than non-manufacturing. Part of the problem has been the relative isolation of the area from major markets but this may change in the future as Redmond's industrial park is completed. If Redmond is successful in attracting significant new industrial employment it is possible that manufacturing could become a much more important part of the local economic situation. Usually manufacturing employment does provide significant improvements in local incomes, although the resulting rise in the cost of living can adversely effect those on low or fixed income.

In addition to the attraction of non-transportation dependent industries, there is also interest in attracting more tourism, particularly conventions. Also the increasing number of new shopping centers is expected to somewhat enlarge Bend's market area and perhaps improve the community's position as a regional trade center. Bend is already the major service center in Central Oregon.

Table 1

Alternative Future Employment Scenarios*

CATEGORY	1970		Percent Change		2000 A		2000 B	
	Number Employed	Percent of Total	A	B	Number Employed	Percent of Total	Number Employed	Percent of Total
Manufacturing								
Lumber & Wood Products	1620	16.36	322.78	Same	6849	13.32	6849	12.87
Food Products	110	1.11	-62.73	Same	41	0.08	41	.07
Other Products	610	6.16	414.26	1761.64	3137	6.10	11356	19.69
Total Manufacturing	2340	23.64			10027	19.5	18246	32.63
Non-Manufacturing								
Contract Construction	480	4.85	856.67	450.42	4592	8.93	2642	4.58
Transportation Comm. Util.	570	5.76	356.49	Same	2602	5.06	2602	4.51
Wholesale & retail Trade	2230	22.53	451.79	Same	12305	23.93	12305	21.33
Finance, Ins., Real Est.	710	7.17	446.46	Same	3882	7.55	3882	6.73
Service & Miscellaneous	1510	15.25	498.34	Same	9035	17.57	9035	15.66
Government	2060	20.81	335.83	Same	8978	17.46	8978	15.56
Total Non-Manufacturing	7560	76.36			41394	80.50	39444	68.37
Total	9900	100.00			51,421	100.00	57,690	100.00
Scenario A = Assumes trends evident during 1970-1978 continue, and percent of population in total Employed remains unchanged.								
Scenario B = Assumes major new industries locate in Deschutes County, contract construction stabilizes and declines somewhat in relative importance because of scale, and there is an increase in the labor force up to 45% of the population as additional women enter								
* Scenarios are not meant to be precise predictions but only illustrative examples of possibilities.								

The population is likely to continue growing, although the present 6.3 per cent annual growth is expected to slow to an average of 4.5 per cent annually, until the year 2000. Interestingly, even though the population growth rate is the highest in the State, the labor force has been growing even faster. Some people speculate this is due to the number of seasonal employees attracted, while others believe it demonstrates the inadequacy of present population estimates. Even with the high unemployment characteristic of rapidly growing areas, it appears Deschutes County is increasing its employment at an amazing rate. This probably also implies considerable local under-employment as people take whatever job is available. People apparently are somewhat willing to sacrifice employment for improved livability.

To see the people of Deschutes County to the year 2000 the following goals have been prepared. (Ord. 2002-005 §1, 2002; Ord. 2000-017 §1, 2000; Ord. 80-203, 1980; PL-20, 1979)

23.52.020. Goals.

1. To diversify and improve the economy of the area.
2. To enhance and maintain the existing natural resource, commercial and industrial segments of the local economy.

(Ord. 2002-005 §1, 2002; Ord. 2000-017 §1, 2000; Ord. 80-203, 1980; PL-20, 1979)

23.52.030. Policies.

1. Tourism.
 - a. The importance of tourism to the local economy is well known, but there also exists considerable potential for strengthening and improving this segment of the economy. The County shall assist in the development of a long-range plan to encourage tourism (including destination resorts) and recreation locally (see Recreation Chapter for additional information). This study will include consideration of the impacts likely to be created by increasingly expensive gasoline.
 - b. Private commercial activities consistent with other County policies which enhance tourism shall be encouraged by the County.
 - c. The County shall encourage the development of a convention center and multi-purpose civic auditorium in Bend to further encourage additional tourism. The County's support may include providing County-owned land should that be determined to be appropriate and legal.
 - d. Consistent with policies in the Recreation and Open Space chapters, cooperation with Federal and State agencies shall be sought by the County in preserving and developing, as appropriate, scenic and recreational resources.
 - e. Improved transportation to winter recreation areas shall be encouraged by better snow removal on roads to such areas, as well as by seeking programs providing alternative transportation methods.
2. Natural resources.
 - a. The County shall protect agricultural land to assure continued agricultural production and the benefits to tourism (see Agricultural chapter).
 - b. Where consistent with other County policies on open spaces and tourism Deschutes County shall support Deschutes National Forest land use alternatives which stabilize or increase the annual allowable cut. Reforestation of the national forest is of particular importance. The County will continue to support the concept of multiple use.
 - c. Deschutes County shall support additional Wilderness Area only if there is no significant reduction to the annual allowable harvest, or when it can be shown that the added Wilderness Area will result in local economic benefits equal or greater than those available from the harvesting of the timber.
 - d. The County shall encourage the development of alternative additional uses for non-metallic minerals (non-aggregate materials only - see Surface Mining chapter).
- 3 Land.
 - a. Adequate lands for commercial and industrial requirements shall be set aside (see Rural Development and Urbanization chapters).
 - b. In order that local residents have adequate employment the County shall encourage programs that appropriately increase employment opportunities and assist, where feasible, public plans and programs to develop industrial land.
 - c. While medium and heavy industry which meets State and Federal pollution standards shall be accommodated, the County shall seek and encourage only non-polluting (most likely light industry) manufacturers which are compatible with existing air and water quality.
 - d. Deschutes County and the City of Bend will explore the feasibility of using the BLM land adjacent to the northern boundary of the original Bend Urban Growth Boundary, and fronting on the east side of Highway 97, as future industrial land. The County shall work with the BLM to protect this land for possible industrial use until a final land use determination is made.
 - e. Publicly owned land is a community resource that should be used as trading stock and otherwise to implement this plan thereby assisting and meeting the community's future needs.
 - f. Where there is a demonstrated public need for conversion of public land to private use, the County should continue to sell such land at public auction.

- g. Deschutes County shall cooperate with other local agencies in the preparation of a County-wide economic development plan and as an interim plan shall adopt as part of this plan the Deschutes County Overall Economic Development Plan.
- h. Deschutes County recognizes that the City of Redmond may need additional land for future industrial use. Thus, the 909 acres within County jurisdiction immediately to the south of the Redmond Airport, located outside of the Urban Growth Boundary, and further described as the southern half of Sections 27 and 28, and that portion which lies to the west of the COI North Unit Canal in the southern half of Section 26, all in Township 15 South, Range 13 East, shall be considered for future industrial use. The County will take the necessary steps to preserve this area and preclude development which would be incompatible with industrial development.

(Ord. 2002-005 §1, 2002; Ord. 2000-017 §1, 2000; Ord. 80-203, 1980; PL-20, 1979)