Article 9: Economic Development

The Statewide Planning Goal 9 states: “To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens”.

Local Context

The downturn in the timber industry in the mid-1980s resulted in Toledo losing most of its timber mills and a resulting loss of jobs in the timber industry and the other economic sectors that relied on the industry. As one consequence of the downturn of the mid-1980s, Toledo has attempted to diversify the economy to include other economic activity such as boat repair, commercial businesses including arts and antiques, and service-related businesses. The forest products industry continues to play a vital role in the economic well-being of Toledo.

The Great Recession was an economic decline in the late 2000s. The housing market went from boom to bust, and building activity slowed dramatically. Toledo’s housing building permit data reflects this change and new housing units remained low until 2018. The impacts of the Great Recession were long lasting in Toledo and Oregon.

Furthermore, Lincoln County and the City of Toledo were impacted by the COVID-19 Pandemic. The jobs recovery is underway, but not complete. According to the Oregon Employment Department (OED) Lincoln County had an unemployment rate of nearly 24% in the Spring of 2020. The unemployment rate has stabilized and is seasonally adjusted unemployment rate was 4.3% in June 2023.

The City of Toledo completed an Economic Opportunities Analysis (EOA) in 2010 (Appendix X). The study is now over a decade old and needs updating. With that said, the study identified that, “Lincoln County and the City of Toledo can expect to see the majority of employment growth in non-industrial sectors, including educational and health services, professional and business services, and leisure and hospitality. However, based on national, regional and local trends, as well as Toledo’s unique characteristics, growth can be anticipated in several specific industrial sectors. These include: boat building, repair and marine industries; renewable energy; food processing, including fish; and small manufacturing enterprises.”

The Comprehensive Plan Survey asked: “If you could promote and target economic business development and growth – which of the following sectors would be a good fit for Toledo?” Accommodation and Food Services, Agriculture, Forestry, fishing, hunting, and agri-tourism, and Retail were the top three answers. The answers in the survey were varied which reflects a desire for a more diversified economy. The Goals and Policy’s in this chapter reflect the answers in the survey.

In addition, the Comprehensive Plan Survey asked: “What are your top priorities for Toledo’s downtown?” Business support and attracting businesses, revitalizing historic buildings, and more outdoor events and festivals were the top three answers. Business Support and Attracting
Businesses was the clear number one answer. Many of the Goals and Policy’s below reflect the
desire to support existing businesses and attract new businesses.

The median household wage in Lincoln County for 2021 was $54,961 which is less than the state
average of $70,084. Lincoln County has an age dependency ratio of 86.1 compared to Oregon
which has a ratio of 62.4 (the ratio describes the level of pressure on an economy from
supporting its non-productive population – under 18 and over 65). This means that Lincoln
County has more pressure on the economy to support its non-productive population. The top 3
industries in the county were accommodation and food services, retail trade, and health care
and social assistance. From 2010-2019 the fastest growing industry was food manufacturing and
Food manufacturing had an average wage of $52,687 (OED 2019). Lincoln County is listed on the
Oregon Economic and Community Development’s list of Distressed Areas valid through the end
of 2022.

The primary commercial areas within Toledo are the downtown Main Street area and
Business Highway 20 between East Slope Road and French Avenue. Commercial zoned
property is also found on ‘A’ Street both north and south of Business Highway 20. Other
commercial zoned properties are located around the City. Toledo also has a number of
businesses that are operated as residential home occupations as allowed by the municipal code.

The City of Toledo has also been working to revitalize the Toledo Downtown. The city has a 1996
Toledo Downtown Revitalization Plan which is now outdated. The City of Toledo has also been
successful in attracting grant money that, along with a substantial investment of funds by the
City, will allow for several murals.

The City of Toledo has several sites with existing industrial development and potential for future
industrial development. Other industrial properties in addition to the ones listed below exist in
the City of Toledo.

- Georgia-Pacific pulp and paper facility continues to be the largest industrial employer in
  Lincoln County. Additionally, other jobs related to wood products and the timber industry
  such as trucking also continue to play an important role in the economy of Toledo.
- Toledo Industrial Park (Donated by Georgia Pacific in 1986). The site has a 1995 Master
  Plan.
- Port of Toledo Shipyard (1000 SW Altree Lane).
- Toledo Mill Site. The Confederated Tribes of Siletz Indians purchased the former
  Publishers Paper site located at the end of Sturdevant Road and have been in the process
  of developing an overall development plan for the approximately 70 acres of industrial
  zoned property adjacent to the Yaquina River. The Confederated Tribes are looking to
  expand industrial activity on the site by attracting more industry/business.

The Toledo Chamber of Commerce, ART Toledo, and other organizations work to promote the
community through events such as the Art Walk, Phantom Art Galleries, Art Oysters and Brews,
and other events designed to bring people into the community to support local businesses.
The Economic Development Alliance of Lincoln County (EDALC) works, “to deliver economic development services to facilitate creation, growth and retention of Lincoln County businesses.”

The Yaquina Pacific Railroad Historical Society (YPRHS) has a railroad museum located at NW 1st Street and NW A Street adjacent to the existing railroad tracks. The museum and rail car display provides an attraction to encourage people to visit Toledo.

An updated EOA is needed to review Economic Development in Toledo in more detail.

Business Growth and Marketing – Goal 1

Improve the economic position of all elements of Toledo’s economic base by retaining and expanding the current businesses while recruiting new businesses into the community.

Policy 1 Support Existing Businesses and Business Recruitment. Develop a marketing and business recruitment plan and program to support existing businesses and encourage new business location/development within Toledo. Improve signage, public interest stories and marketing programs to encourage tourists to visit and shop in Toledo and to reduce "leakage" of Toledo dollars to outside markets.

Policy 2 Marketing and Branding. Promote Toledo's economic, social and cultural image and market Toledo throughout the state and region and where appropriate, at the national and international levels. Create a local brand to promote the City of Toledo.

Policy 3 Livable Wages. Encourage employment and business opportunities that assist Toledo's residents to earn a household income that is a livable wage, maintain the highest per household average income in Lincoln County.

Policy 4 Tourism. Maintain and strengthen Toledo's position as a tourist destination with shopping, recreational, eating/drinking, lodging, and entertainment opportunities. Toledo is less than a 15-minute drive to Newport and could attract tourist dollars if a hotel or other lodging was available.

Policy 5 Community Events. Community events in Toledo have included the Keg and Barrel Race, Art, Oysters, and Brews, Main Street Halloween, Cycle Oregon, Summer Festival, and 4th of July Fireworks. Recognize and promote community events as:

a. Potential positive economic impacts.

b. Important community promotional activities demonstrating the abilities, talents, and resources of the community and its residents.

c. Tools to develop local pride and community identity.

Policy 6 Historic Character. Recognize and support Toledo's unique historic character as a major cultural and tourist oriented economic resource.

Policy 7 Waterfront Area. Protect waterfront area use and promote its economic strength.
Policy 8 Commercial Development. Enhance and promote Toledo's commercial centers, e.g. on Main Street and a portion of Business Loop Highway 20, through public and private improvement and marketing programs.

Policy 9 Urban Renewal. The City of Toledo approved an Urban Renewal District in 2021. The city will utilize the Urban Renewal District to support building improvements, public buildings, recreation improvements, utility infrastructure, pedestrian improvements, and other projects to support economic development in Toledo.

Policy 10 Downtown Investment. Renovate and improve the Main Street Downtown area as a tourist destination and the cultural, financial, commercial, entertainment, existing and new business, multi-family housing and government center of Toledo and east Lincoln County.

Policy 11 Encourage Entrepreneurs and Small Businesses. Encourage start up and growth of small to medium-sized businesses through regional partnerships. Promote Toledo's role as a center for working artists and art galleries, antique and specialty shops, incubator businesses, restaurants, and entertainment activities. Seek to provide co-working spaces for community members that work from home. Recognize the City of Toledo Library as a resource that may be used by small businesses.

Policy 12 Home Based Businesses. Allow appropriate home business occupations within residential districts to accommodate the needs of those engaged in small business ventures. Appropriate home occupations are those compatible with the surrounding neighborhoods and that have the appearance and impacts of a residence.

Policy 13 Education and Workforce Support. Support Toledo's educational resources as being vital to the social and economic well-being of the community and the success of the local businesses in maintaining a trained employment base. Partner with the Oregon Coast Community College, Port of Toledo, the Lincoln County School District, and the City of Toledo Library to provide educational opportunities. Encourage and emphasize education and youth programs with a Science, Technology, Engineering, and Mathematics (STEM) focus.

Policy 14 Childcare. Many families across Oregon and Lincoln County cannot find care for their children. Inadequate access to such care prevents parents from participating in the workforce and young children from receiving the benefits of early education. The City of Toledo will support efforts to increase childcare availability and affordability. This includes smaller home-based businesses, center based childcare, and after school programs.

Land Use – Goal 2

Ensure an adequate supply of appropriately zoned land to provide for the full range of economic development opportunities in Toledo including commercial, industrial, water dependent, office and institutional service development.

Policy 1 Buildable Land. Provide appropriately designated vacant buildable land in adequate quantities to meet the forecasted needs of Toledo.
Policy 2 Designate Land for Projected Growth. Designate land uses in a manner that accommodates projected population and employment growth.

Policy 3 Workforce Housing. Economic Development and Housing are linked. Many employees struggle to find affordable housing in Toledo and in Lincoln County. This prevents some workers from moving to the City of Toledo. Toledo will support efforts to increase workforce housing availability and affordability.

Economic Diversity – Goal 3

Diversify the economic base of the Toledo area and strengthen the role as the industrial center for Lincoln County.

Policy 1 Full Range of Services. Provide opportunities to develop the full range of commercial, recreational, and professional services to meet the needs of Toledo’s residents and others. Reduce the need for Toledo’s residents to go to other communities for retail purchases and services.

Policy 2 Maintain and Diversify Industrial Base. Maintain Toledo’s economic strength in the wood products, fishing and other resource-based industries while diversifying the industrial base within the community.

Consistency and Partnerships – Goal 4

Ensure local planning consistency with the region, county, and state.

Policy 1 Balance Regulatory Requirements and Economic Development. Assure that regulatory requirements provide for high standards of public health, safety, environmental protection, and welfare but are structured to support economic development.

Policy 2 Local and Regional Coordination. Continue to participate in and support local and regional coordination of economic development planning.

Policy 3 Public and Private Sector Cooperation. Encourage cooperation between public and private sectors to support economic growth.

Policy 4 Local and Regional Plans Consistency. Ensure consistency with the region, Lincoln County, and the State of Oregon urban growth management and functional plans.

Facilities and Services – Goal 5

Provide for the orderly and efficient extension of public facilities, utilities, and services.

Policy 1 Fair Share. Develop codes and standards which ensure that business and industry maintain the environmental quality important to Toledo's residents and shoulder a fair share allocation of the costs of providing and maintaining public services but that also eliminate unnecessary delays, inconsistencies, conflicts and ambiguities in municipal codes, standards and procedures.
Policy 2 Improve and Maintain Public Infrastructure Facilities. Improve and maintain all public infrastructure facilities (e.g. transportation, water, wastewater, storm water, broadband, and communication) to support the ability of local businesses to compete effectively in the world marketplace. Encourage and support state and federal agencies to improve and maintain public infrastructure facilities to allow Toledo-based businesses to compete in the world marketplace.

Policy 3 Transportation Improvements. Enhance Toledo's potential for economic development associated with its location as the transportation hub of Lincoln County with rail, water and highway transportation linkages, facilities, and communications. Support advancements in transportation infrastructure including Electric Vehicle charging and other innovations.

Complete the infrastructure improvements market and sell or lease out the Toledo Industrial Park complex. [Complete]