RESOLUTION No. 621-26

A RESOLUTION OF THE DONALD CITY COUNCIL REGARDING IMPLEMENTATION OF THE CITY OF DONALD ECONOMIC DEVELOPMENT STRATEGY

WHEREAS, the economic development systems that form the Donald business community are critical elements for the provision of a productive, sustainable, and thriving business environment, present and future; and

WHEREAS, the City is a partner in the regional economic development strategy that encompasses nine jurisdictions in North Marion County; and

WHEREAS, the formation of a local economic development strategy for the City of Donald is derived from and aligns with the regional economic development strategy; and

WHEREAS, the intent of the Donald Economic Development Strategy is to:

- Maintain a positive but sustainable rate of growth
- Support small businesses and entrepreneurship
- Support the growth of local services
- Encourage the health, retention, and expansion of existing businesses
- Welcome new companies and encourage employment growth and;

WHEREAS, the City Council desires to be of greater assistance to the business community by fully implementing the recommendations in the Donald Economic Development Strategy and allowing more work to be done in support of the business community;

NOW, THEREFORE, THE CITY OF DONALD RESOLVES AS FOLLOWS:

Section 1: To direct staff to implement the Donald Economic Development Strategy.

Section 2: To direct staff to work in partnership with relevant outside agencies and partners, Donald businesses, and the community to advance the goals set forth in the Donald Economic Development Strategy.

PASSED and ADOPTED by the City Council of the City of Donald at their regular meeting on this 8th day of September, 2026 by the vote of 6 ayes and 0 nays.

DATE: September 8, 2026

[redacted]

James Houdyshell, Mayor

ATTEST by Interim City Manager this 8th day of September, 2026

[redacted]

Alonso Limones, Interim City Manager

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City of Donald

Economic Development Strategic Plan

Prepared For:

City of Donald, Oregon

With Funding By:

The Ford Family Foundation

July 2026

ECONOMIC DEVELOPMENT VISION

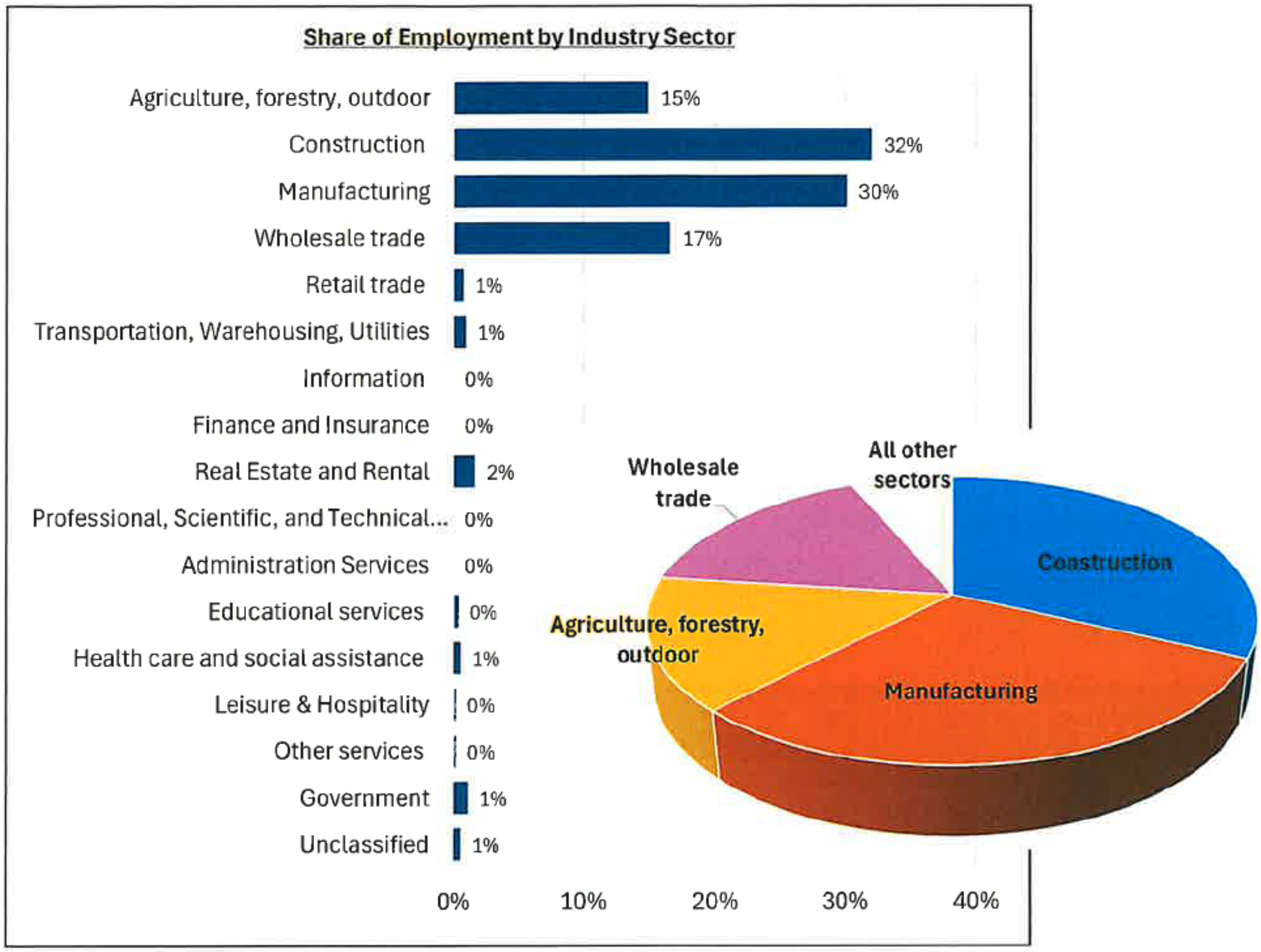
In Donald, the economy is centered around natural resources, drawn from the land in our community and region. The area's long farming tradition has supported growth in the produce and food processing industries, while the region's forestry tradition supports the lumber and wood materials sector. Donald is home to large "traded sector" businesses in these industries, meaning they sell their products far beyond the local area, bringing profits and resources back to the community.

Donald is an attractive place to both live and work. The community enjoys a good quality of life and affordability, in an attractive small town atmosphere. It is a good community for families, where people know each other in a safe and welcoming setting. Donald is proud of its local heritage and traditions.

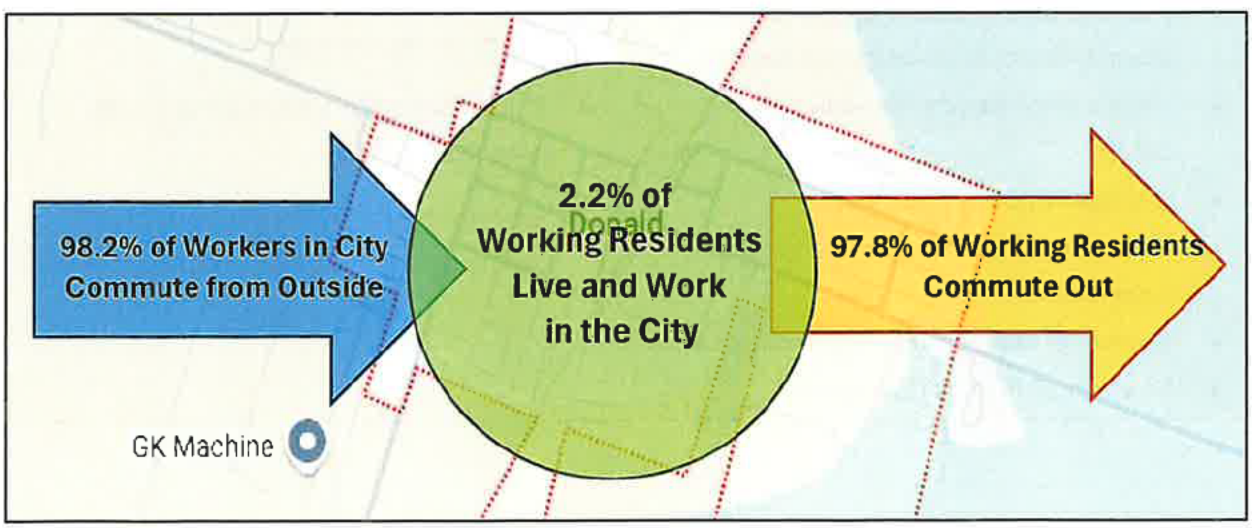
The community seeks to maintain a positive but sustainable rate of growth, in keeping with available services and infrastructure capacity. The area supports small business and entrepreneurship, craftspeople and artisans, and remote workers who sustain economic activity in the place they live. Other than the resource industries, the community supports growth of local services such as new dining, shopping, and personal services, as well as tourism and events.

Donald supports the health, retention, and expansion of existing businesses, and welcomes new companies to the city. To the best of its ability, the city works to ensure that there is sufficient land for growing commercial and industrial employment, and that public processes are efficient, cost-effective, and provide clear and objective standards to businesses.

Employment Profile



Source: Oregon Employment Department, 2023 QCEW data, Johnson Economics



Source: Census Bureau, LEHD Data

SWOT Analysis

STRENGTHS

- Large, traded-sector employers
- Good regional transportation connectivity
- Small, friendly and quiet community
- A business friendly city
- Home-based businesses, entrepreneurs
- New businesses opening in town
- Good relationships among local employers

WEAKNESSES

- Limited retail/restaurant options
- Fresh food desert, no farmer's market
- Connectivity is poor for mobility challenged
- Poor broadband connectivity
- Need more to attract local employees to also live here, and appropriate housing
- Trust between City and businesses
- Finding enough properly skilled workforce
- Growing pains, old vs. new
- Running out of sewer capacity

OPPORTUNITIES

- Growing past and new community events to attract tourism; farmers or craft markets
- Improved partnerships between City and businesses
- Improved partnerships between City and regional economic development partners
- Historic properties for renovation (train depot)
- Upgraded freeway interchange
- More continuing education and training opportunities
- Encourage new public transport connections
- New water infrastructure/capacity

THREATS

- Low sewer capacity, lack of funding
- Aging infrastructure, water service lines, roads, etc.
- Decreasing number of development sites left for new businesses
- Traffic congestion from regional growth, pass-through traffic
- Emergency services located next to rail, danger of lack of mobility in emergencies

Regional Industries

Largest Industries (# of Jobs)

1) Agriculture, Forestry, Outdoors
2) Retail Trade
3) Health Care and Social Services
4) Construction
5) Lodging and Food Service

Highest Representation (Relative to Nationally)

1) Agriculture, Forestry, Outdoors
2) Education
3) Food Manufacturing (Processing)
4) Construction
5) Health Care and Social Services
6) Delivery and Warehousing

Fastest Growing (Relative to Nationally)

1) Construction
2) Manufacturing
3) Retail
4) Delivery and Warehousing
5) Lodging and Food Service
6) Health Care and Social Services

Projected Growth (State of Oregon Forecast)

1) Construction
2) Delivery and Warehousing
3) Health Care and Social Services
4) Lodging, Food Service, Tourism
5) Information
6) Professional and Business Services

Implementation Strategies and Actions

LAND SUPPLY AND SITE READINESS					
	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
				Options Low/ med/ high	**Options** 1 to 2 years/ 2-5 years/ 5-10 years/ 10+ years
1	Establish and maintain a competitive short-term and long-term supply of buildable land, in readily developable sites.	Maintain an inventory of locally available lands and buildable sites via regular Land Needs Analyses, or interim inventories. Options to address land needs: ensure that existing buildable lands can be readily served; rezoning of other land categories to commercial or industrial; redevelopment of obsolete or underbuilt land uses to updated, more intensive uses; UGB expansion or swap.	City	**HIGH**	**ON-GOING**
2	Encourage infill, redevelopment and/or adaptive reuse of obsolete or underused properties.	Existing employment and residential space in the town center areas and along commercial corridors might be more intensively used, accommodating more growth. More intensive development and mixed-use construction often encounter a feasibility gap between costs and end value. Common approaches to bridging this gap include TIF funding, tax credit programs, tax incentives, and public/private partnerships.	City/ Property Owners	**MEDIUM**	**2-5 Years**
3	Inventory properties that might be good opportunity sites for potential public/private catalyst projects.	Public control of a property by the City, TIF agency, or other public agency provides the public with a valuable incentive with which to forge a public/private deal that provides public benefits that a private development might not. Examples include incentivizing the developer to build mixed-use density, transit-oriented or other design elements in keeping with the neighborhood character, and other public goods.	City/ Property Owners	**MEDIUM**	**2-5 Years**

4	Facilitate clean up and utilization of identified or suspected brownfield sites.	Work with the appropriate agencies to identify requirements, as well as potential funding sources, to bring environmentally contaminated sites to productive use. Costs are often high. Possible incentives include local and state tax abatement programs, and surcharge-based clean up funds.	Cities/ County/ State	**LOW**	**5-10 Years**
5	Evaluate assisting in wetland mitigation to increase developable land inventory, including creating or partnering in a wetland mitigation bank.	Significant and non-significant wetlands are common in some parts of the valley and can constrain new development. Costs of mitigating can be prohibitive for many developers while on site mitigation reduces usable site area and can be difficult for a business operator to maintain over time. Mitigation banks allow for off-site mitigation. Credits at existing wetland banks are available or a local bank can be established.	Cities/ County/ State	**LOW**	**5-10 Years**
6	Encourage greater density and mixed-use development forms in the Downtown Mixed Use (DMU) zone to increase intensity of development.	Ensure that the code allows for more intensive development. (See more below) As the town center, he DMU zone is an appropriate area to encourage some additional density, while areas outside of the DMU are less appropriate given their traditional low density character.	City	**MEDIUM**	**5-10 Years**
7	Identify infrastructure maintenance, repair and expansion projects needed to accommodate new growth areas and/or key sites. Expand infrastructure as needed to accommodate growth.	Work with the appropriate agencies to coordinate the funding of infrastructure necessary to accommodate anticipated growth, particularly in areas that are expected to intensify uses. Ensure that buildable parcels are served, and areas in the path of development can be served in a timely fashion. Ensure that other planning initiatives for infrastructure and utilities recognize and support future employment growth areas. Maintain and repair existing street and utility infrastructure, while planning for expansion.	Cities/ County	**HIGH**	**ON-GOING**

POLICY AND CODE STRATEGIES

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
8	Review and update Comprehensive Plan chapters to support economic development and housing goals.	The Comp Plan language related to housing and employment should be kept up to date to ensure that it reflects the community's latest goals and initiatives. The adopted Plan provides the underlying support for the locality's planning efforts. The Comp Plan should reflect the community's latest economic development objectives, identified target industries, workforce, housing, and other initiatives. If the community has not completed a comprehensive land need assessment and land use planning process (Goal 9 and 10) in some time, an update might be beneficial to inform these updates.	City	**HIGH**	**ON-GOING**
9	Ensure that applicable Comp Plan designations and zoning allow the mix of uses sought in commercial and industrial areas, and if necessary, limit those uses that don't contribute to goals.	An early step in bringing about the economic development vision is to ensure that the desired zones are in place and permit the uses that are foreseen for the area. Segments of the highway corridor may be planned for commercial retail, office, industrial, residential, or some mix of these uses. Where current zoning does not match the vision, consider rezoning, or amending zone standards.	City	**MEDIUM**	**2-5 Years**
10	Continue to improve and streamline development regulations and review processes where possible, to reduce cost and time, and provide predictability.	The city should work to be development and employer friendly to encourage employment growth, new and expanding businesses, and real estate development. In real estate development, waiting periods and uncertainty bring additional costs, as funds are commonly tied up during the process, and loan payments are made.	City	**MEDIUM**	**5-10 Years**

SUPPORT AND EXPAND EMPLOYMENT

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
11	Maintain and enhance business outreach and communication.	Coordinate business cluster and employment district networking opportunities. Participate in efforts of major regional economic development partners. Potential actions in support of this strategy include developing and updating marketing materials, attending industry trade shows, following up on referrals by partner organizations, publicizing the success of local businesses, and highlighting competitive advantages of the area for proposals.	• N. Marion Partners • SEDCOR • Business Oregon • N. Marion Bus. Alliance • N. Marion Tourism Collaborative • Industry groups Local chambers	HIGH	ON-GOING
12	Develop a marketing plan to attract businesses within the identified target industry business sectors.	Assemble and distribute materials of specific interest to targeted industries and identify key industry groups. Adopt and regularly update target industry profiles.	City/ SEDCOR/ Chamber	MEDIUM	2-5 Years
13	Support and engage regional and statewide partners.	Regularly meet and coordinate with groups such as the local cities, county, Chambers, SEDCOR, Business Oregon, and neighboring jurisdictions. Promote available employment space and land.	• N. Marion Partners • Marion County • MWVCOG • SEDCOR • Business Oregon • Chemeketa C.C. • Other regional cities • N. Marion Bus. Alliance • N. Marion Tourism Collaborative • Key employers • Industry groups • Ford Family Found. • Other funders	HIGH	1-2 Years

14	Regularly update Oregon Prospector to promote available employment space and land to site selectors.	Business Oregon provides the Oregon Prospector tool which provides open, free data on available employment lands across the state, including both industrial and commercial properties. Ensure that all key sites are listed, and information is accurate and up to date.	City/ Business OR	**MEDIUM**	**ON-GOING**
15	Adopt and promote locally available tools: Enterprise Zones; Opportunity Zones; Tax Credit Programs; Urban Renewal Funds and other resources.	In all site listings and marketing materials, ensure that the benefits and tools of the existing zones are mentioned where applicable.	City/ SEDCOR/ County	**HIGH**	**2-5 Years**

SMALL BUSINESS DEVELOPMENT

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
16	Market and expand programs to help retain and attract small, emerging, growing and under-capitalized firms. Help firms scale and stay in the region.	Technical assistance, micro loans, storefront improvement programs, master leases, and credit enhancement. Refer businesses to partnering economic development agencies, development corporations, etc. as appropriate.	City/ TIF Agency/ SEDCOR	**MEDIUM**	**2-5 Years**
17	Evaluate development of incubator space.	A shared work or incubator space, often affiliated with a college, economic development agency, or other agency, to provide space for small but promising companies to work and collaborate in a subsidized environment while they grow. This type of space might be developed in conjunction with the Urban Renewal District, or Community College.	City/ SEDCOR/ Chemeketa CC	**MEDIUM**	**ON-GOING** w/ partners
18	Evaluate development of shared fabrication space and/or "makers" collective.	Look for opportunities to repurpose existing space to support multi-tenant maker spaces. These provide small spaces for craftsmen and artisans to work and share tools and knowledge, to incubate new businesses. A good fit for a local economy with a diverse manufacturing base and workforce.	City/ SEDCOR/ Chemeketa CC	**LOW**	**5-10 Years**

19	Connect small business opportunities with property owners.	The agency can serve as a clearinghouse or matchmaker, matching business needs with local property owners. This could include food carts, which can serve as an incubator for future food service tenants.	City	MEDIUM	ON-GOING
20	Provide information and education to small developers.	Educating developers about the cities and county policies, goals for economic development and housing, and funding sources may provide greater clarity and certainty for small-scale developers, businesses or property owners interested in redevelopment/renovation of their property. This information could be provided as pamphlets at the planning counter and online.	City	MEDIUM	ON-GOING

WORKFORCE INITIATIVES

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
21	Support connections between local industry, K-12, community college, university and university extension service for education and training courses.	Help match training programs to employers, potentially coordinating internships or regular interaction with local businesses. Ensure that these programs address target industries in particular and stay up to speed on rapidly evolving industry norms and technology.	• Willamette Workforce Partnership • WorkSource OR • Chemeketa CC • CTEC • SEDCOR • Employers • Chambers • N. Marion Bus. Alliance • N. Marion Tourism Collab.	MEDIUM	ON-GOING

22	Promote workforce training resources.	Increase knowledge of new and existing training programs for job seekers via Willamette Workforce Partnership, local economic development agencies, Worksource Oregon, high school and college.	(See above)	**MEDIUM**	**ON-GOING**
23	Ensure the housing policies allow for an appropriate mix of housing for the local workforce.	The community should strive to provide the full range of housing types and price points to meet the needs of the full workforce and encourage residents to both live and work in the community. Regularly update the Housing Needs Analysis and implement its recommendations. Communities with major employers can encourage and contribute to the development of dedicated employee housing.	City	**HIGH**	**2-5 Years**
24	Support local affordable housing developers.	Low-wage positions are a key component of any local economy, and most industries rely on this workforce either primarily, or through their supporting firms. Subsidized affordable housing is one key segment of the workforce housing puzzle.	Cities/ County/ Housing Authority/ Non-profits	**HIGH**	**ON-GOING**
25	Prioritize childcare as a workforce readiness issue.	Childcare is a commonly identified need for working households if all adults are working, or working unusual hours, etc. This topic is increasingly raised as an important part of attracting and maintaining an available workforce. Home-based childcare businesses are also a source of self-employment for local residents.	City	**HIGH**	**ON-GOING**

DEVELOPMENT INCENTIVES

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
26	System Development Charge (SDC) and fees waivers, reductions, financing, or deferrals	Reducing the cost to a developer of SDCs, permitting fees or other fees is one lever that a community can use provide financial incentives for new development. These upfront fees often come before a project is completed and produces income. With waivers or reductions, the public will lose some revenue for service provision in return for incentivizing positive development. A deferral allows the project to delay payment until completion, while financing allows the developer to pay the charges over time, usually at a low interest rate. These programs can be targeted to incentivize certain types of development that meet public goals.	City	**MEDIUM**	**2-5 Years**
27	Expedited development review	Offer expedited review and permitting for commercial, residential or mixed-use projects that meet certain criteria (e.g., provide workforce housing, are taking advantage of other local incentives, meet job creation criteria). Expedited review allows projects to save time and money in the development phase.	City	**MEDIUM**	**2-5 Years**
28	Tax Exemptions & Abatements	Local cities and counties are able to adopt a range of tax abatement programs authorized by the state. Most of these programs are aimed at encouraging housing development, rather than commercial or industrial development. However, there are programs that can be applied to mixed use projects. Localities can adopt their own rules for these programs, but abatements often offer up to 10 years of tax relief which can be a sizable benefit to a private developer. In return, the developer builds a housing or property type that meets public goals but would not otherwise be market feasible.	City	**LOW**	

29	Enterprise Zone	The North Marion County Enterprise Zone covers parts of Aurora, Donald, and Hubbard. Woodburn also maintains an enterprise zone. An enterprise zone is a powerful tool to offer tax-based incentives to expanding or new employers making a sizable investment in the community. Local enterprise zones develop their own program rules with qualifying businesses typically meeting some expectation of the increased property value, number and types of jobs created. After investment, the business is eligible for an exemption to local property taxes for a set number of years.	City	**HIGH**	**ON-GOING**
30	Opportunity Zones	There is an established Opportunity Zone in Woodburn. These zones are designated economically disadvantaged areas, where medium- to long-term investments by businesses and developers may be eligible for significant tax savings. The benefit can help investors defer capital gains tax. While complex, localities can market the presence of these zones to prospective investors in the area. This program lasts until 2028, and it is currently unclear if it will be extended and/or new zones will be designated.	City	**LOW**	**NA**

TRANSPORTATION SYSTEM AND DESIGN

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
31	Plan and support the local street network connections to the highway corridor	Many small communities in the region have a historic town center or downtown areas along or adjacent to the highway corridor. The local street system provides an important linkage for non-highway visitors to access the main street, and for other businesses and housing to thrive on cross streets near the corridor. These side streets also provide street parking for businesses on and near the corridor. Generally, a local street network of short, walkable blocks promotes strong town centers by encouraging multi-modal use by locals and visitors. To the extent possible on a high-volume corridor, the highway itself should adopt a slower local street character through town centers.	City/ ODOT	**MEDIUM**	**5-10 Years**

32	Plan for multi-modal transportation improvements to increase use, safety, and traffic calming	In order to make a commercial corridor into a destination, it should be attractive to residents who are walking, biking, using mobility assistance, or electric scooters, etc. Local transportation plans can consider adding design features that encourage this use, such as bike lanes, crosswalks, curb extensions, signage and pavement markings, medians, reducing auto lane width, etc. Improvements to the streetscape environment for pedestrians and bikes tend to also have a traffic calming effect on auto users.	City	**MEDIUM**	**5-10 Years**
33	Make streetscape and landscaping improvements	In conjunction with multi-modal transportation improvements, and placemaking efforts discussed above, general improvements to the attractiveness and usability of the sidewalk and landscaping environment can increase foot traffic and help build an area's identity. Streetscape improvements can include wider sidewalks, decorative paving, street trees and plantings, street furniture such as benches and cafe seating, and ornamental streetlamps.	City	**HIGH**	**2-5 Years**

FUNDING SOURCES

	ACTIONS	NOTES	PARTNERS	PRIORITY	TIMELINE
34	General Funds	Many cities use portions of their general funds for public improvements and maintenance which might include transportation, public space, or streetscape improvements. General funds are usually funded via property taxes and are the most flexible.	City	**LOW**	
35	Local Improvement District	Improvement districts assign all or a portion of the cost of infrastructure improvements to the properties that will directly benefit from them. These costs for property owners are in addition to the standard assessed property taxes but typically substitute for SDCs. A local improvement district (LID) is a method for a group of property owners to pay for improvements that will provide collective benefits to them all. Oregon law authorizes local governments to establish LIDs, and they are common in Oregon.	City/ Property Owners	**MEDIUM**	**EXPLORE**

36	Tax Increment Financing	The Tax Increment Financing (TIF) mechanism can be a powerful tool for generating dedicated funding for making public improvements within an identified district. TIF (aka "Urban Renewal") works by "freezing" the current property tax base in the TIF district and assigning the future tax growth to the district itself to pursue projects identified in an adopted Plan. Urban Renewal funds must generally be used for physical improvements to infrastructure and property, which may be public or private. In support of these goals, the TIF agency can contribute to related actions such as direct acquisition or pre development phases (feasibility and design). These projects can include participating in public/private partnerships with developers for constructing projects.	City	**HIGH**	**EXPLORE**
37	General Obligation Bond	General Obligation (GO) bonds are secured by a taxing jurisdiction's ability to levy an increased property tax sufficient to pay the bond. The additional property tax is dedicated solely to repaying the bonds and cannot be used for other purposes. The amount and rate of the tax are "unlimited" so a jurisdiction may levy whatever amount is necessary to collect enough taxes to pay the bonds. They are usually issued as long-term, fixed rate bonds, but they can be issued as short-term bonds, or variable rate bonds as well. GO bonds must be approved by a majority of voters and may only be issued to finance capital costs associated with the acquisition, construction, improvement, remodeling, furnishing, equipping, maintenance, or repairing of real or personal property.	City	**LOW**	
38	Local Option Levy	A local option levy is a time-limited property tax (five years for operations and 10 years for capital projects), that is subject to voter approval. It is levied in addition to a taxing jurisdiction's permanent rate to pay for specified programs or investments. Local option levies are issued as a rate, rather than an amount, meaning that actual revenues may fluctuate from year to year with new development. Levies may be used for programs or operations, in addition to capital projects. Levies are subject to the limitations imposed by Measures 5 and 50.	City	**LOW**	

39	State Highway Trust Fund	This statewide fund receives revenue from the fuel tax, registration and other fees, and trucking fees. Funds are distributed to Oregon cities on a per capita basis for use on road-related projects, including walking and biking in the public right-of-way. Many small cities receive modest but steady funding from the Trust Fund. These funds may take many years to accrue to pay for major infrastructure projects. However, they are a steadier source than SDCs which fluctuate with development activity.	State	**HIGH**	**As Available**
40	Other State Grant and Loan Programs	The state offers many grants, loans, and other programs to assist in local projects, including many programs aimed at multimodal transportation improvements. These programs typically have an allocated budget for which localities can apply to fund proposed projects. Often additional matching funds are required. Examples are the Transportation Growth Management program, Statewide Transportation Improvement Program (STIP), Sidewalk Improvement Program (SWIP), State Transportation Infrastructure Bank loans, and various programs for trails and open space. The state also administers many Federal funding programs.	State	**HIGH**	**As Available**