



City of McMinnville

# ECONOMIC DEVELOPMENT STRATEGY

**SWOT Analysis**  
**May 24, 2018**

## KEY FINDINGS (FROM DATA PROFILE)

- McMinnville has **the largest population and highest employment in Yamhill County**, which positions the city as a subregional center, on the outskirts of the greater Portland region. McMinnville is expected to grow and capture more than half of projected population growth in Yamhill County in the coming years, thereby increasing its role as the commerce and population center of Yamhill County.
- For those moving to McMinnville, **most come from within Yamhill County** or other places within the State of Oregon, indicating that McMinnville is a regional draw.
- **Yamhill County's population is aging** and will continue to age; residents 65+ will account for a larger share of the population in the coming decades and will be the largest age segment by 2055.
- **The McMinnville and Yamhill County economy has balanced industry sectors**, with Educational and Medical Services, Manufacturing, Trade, Transportation and Utilities, Government, and Leisure and Hospitality each accounting for between 11% - 22% of countywide employment. McMinnville has large employers (or many employers) in each of these sectors, including Cascade Steel, Willamette Valley Medical Center, Linfield College, Yamhill County (government), and others.
- **Office-using employment, such as Professional and Business Services, Financial Activities and Information, is low**, though Professional and Business Services are expected to grow rapidly. Educational and Medical Services are expected to add the greatest number of jobs in the Mid-Valley region through 2024.
- **McMinnville's median household income is low**, with disparities by race or ethnicity and educational attainment; healthcare practitioner and technical occupations is the highest-paying occupational category in McMinnville, at \$68,000.
- **Most McMinnville residents commute to work alone in a car**. Many McMinnville residents (39%) work in McMinnville, and the most common commute destinations for residents are to Portland and Salem (12% total).
- **A lower percentage of McMinnville residents obtain a bachelor's degree or higher**; educational attainment lags relative to the region.
- **Housing affordability is a challenge, as it is throughout the greater Portland region**. Housing costs are not more burdensome than in many other communities throughout the region.
- **McMinnville's poverty rate is relatively high at 20%**, but poverty varies across family types, race or ethnicity, and educational attainment. In McMinnville, more than half of single mothers and one-quarter of all families with children are in poverty; one-third of Hispanic or Latino individuals are in poverty and one-third of individuals with less than a high school diploma live in poverty.

## **STRENGTHS**

- **High quality of life** to boast about and attract investment
- Strong, widely-recognized **downtown**
- **Robust wine and tourism economy**, as well as cultural (e.g. Air and Space Museum) and recreational amenities that bring visitors
- **Well known regionally and nationally** as a destination for wine and food, with some supporting tourist assets
- **Balanced employment across industry sectors**
- Presence and involvement of **postsecondary educational institutions** (Linfield College and Chemeketa Community College)
- **Location advantages:**
  - Good location in proximity to major metro area
  - High quality soils in surrounding areas, climate suited for agriculture
  - Natural environment assets nearby, including Yamhill River, access to the ocean and mountains
- **Inexpensive power and water**, with sustainable sources
- **Major infrastructure assets:** major highways, freight rail, airport
- Various **parks and recreational assets**
- **Positive business climate** perceptions and a sense of **civic leadership**

## **WEAKNESSES**

- Relatively low educational attainment
- A limited labor pool for local companies and those looking to relocate
- Difficult access to and from I-5 and no near-term possibility of a more direct connection
- End-of-the-line location for wine country visitors coming from the Portland area
- Lack of housing options
- Low levels of professional and office-using employment
- Comparatively high poverty rates and low median household income

## OPPORTUNITIES

- **Proximity to Portland** allows McMinnville to capitalize on urban infrastructure and amenities
- **Local airport** has comparative advantages over other regional airports
- **Highway 99 bypass**: future completion will improve access to McMinnville
- A stronger framework for **regional collaboration**, improved opportunity in surrounding communities
- Opportunity sites for **new downtown development**
  - New housing development – **higher density**, diversity of types, live-work units
- Improved connections to the **University of Oregon and Oregon State University**
- **Stronger branding and improved gateways** into McMinnville
- **Innovation in agriculture and food systems**,
  - Wine-oriented makerspace
  - Food hub
  - \$6M gift to **Linfield College's wine program**
  - Expanded **culinary and craft beverage** retail offerings
- Better use of recreational assets
  - Creating new trails
  - Hosting tournaments and events
  - Improvements to the Community Center and pool
  - **Bike tourism**, improved and expanded bike routes

## **OPPORTUNITIES (CONT'D)**

- Clustering around major **high-tech employers** like TTR, Northwest UAV and Northwest Rapid Manufacturing
- Increased **apprenticeship** (and similar) programs for trade-oriented occupations
- **Telecommuting** to jobs in larger cities, development of a **co-working space**
- **Conference space** for different sized groups; improved **hospitality** options

## THREATS

- **Limited land availability** for residential, commercial and industrial development
- **Regulatory challenges** associated with UGB expansion
- Worsening **housing affordability**
- **Brain drain** due to local graduates leaving for other job markets
- Absorption of projected growth without detrimental **impacts to character, congestion, affordability**
- Future **oversaturation of wine/tourism** and increasing concentration of **low-wage service industry jobs**
- Need to find a sustainable solution to **homelessness**
- Future impacts of **climate change** on agriculture and related industries, including tourism