

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: 12/11/2024 **Approx. Start Time:** 11:30 AM **Approx. Length:** 60 mins

Presentation Title: Development Ready Land Study, Part #2

Department: Transportation and Development

Presenters: Dan Johnson, DTD Director, Jamie Stasny, Transportation and Land Use Policy Manager

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Approval to begin the Industrial Site Readiness Study and to apply for a Metro grant for the Development Ready Land Study.

EXECUTIVE SUMMARY:

Staff is prepared to advance two necessary components of the Development Ready Land Strategy requested by the Board: the Industrial Site Readiness Study and the Development Ready Land Study.

The Industrial Site Readiness Study will discover if the County has sufficient land that is appropriately zoned, has suitable characteristics and is supported by necessary infrastructure to enable the growth of key industry clusters. This study to understand the alignment between current inventory inside the UGB and industry requirements could begin immediately upon Board authorization, as it would use Lottery funds. The results of this study are estimated to be available by June of 2026.

The Development Ready Land Study is a broader information gathering exercise to understand development challenges in Future Urban Areas (urban reserves and rurally zoned areas in the Portland Metropolitan Urban Growth Boundary). Informed by the Industrial Site Readiness Study, the Development Ready Land Study will gather information about land readiness within future growth areas. This study would require strong city partnerships and would be funded by a Metro grant. The study would begin after funding has been awarded and agreements are in place. If the project was funded in the next grant cycle the results of this study would be estimated to be available by December of 2026.

BACKGROUND:

Previous Board Action

On September 4, 2024, Chair Smith suggested initiating a Development Ready Land Strategy. The Board discussed potential components and requested staff return with additional information about considerations, partners, outcomes, and possible next steps. On October 8, 2024, the Board directed staff to collaborate with city partners to develop a refined study scope for a Development Ready Land Study. On November 13, 2024, the Board received an update on the Economic Landscape Analysis (ELA) report and directed staff to establish a Scope of Work for an Industrial Site Readiness Study.

Development Ready Land Strategy

Retention and expansion of small, medium, and large businesses in priority industries - especially those in the traded sector - is essential to the current and future economic health of the County. While the ELA identified the County's priority industries, additional information is needed to learn what lands could best support existing and future businesses and housing. A future land need assessment is particularly important to understand land readiness for future employment and housing uses in Future Urban Areas.

The Development Ready Land Strategy has two related but unique components:

- **Industrial Site Readiness Study:** Industrial site characteristics will provide clarity on the specific land, site and infrastructure characteristics needed by the industry clusters and sectors identified by the Economic Landscape Analysis presented to the Board on November 12, 2024. This study has four expected outcomes:

1. Define Target Sub-cluster and Emerging Industries.
Growth opportunities of key anchor and sub-clusters (supply chain), as well as emerging clusters for targeted growth.
2. Industry Cluster Impact Analysis
Market feasibility analysis, economic analysis and fiscal impact analysis.
3. Land, Site and Infrastructure Requirements
Specific land, site and infrastructure needs for industry anchor clusters. Example sites, specific infrastructure needs and development costs.
4. Assessment of Current and Forecasted Employment Lands Needed by Type.
Available and buildable industrial and employment land supply within the UGB. Applying the specific land characteristics, identify available sites within the UGB. Summarize Economic Opportunity Analyses completed by cities. Estimate future employment and industrial lands needed.

The Industrial Site Readiness Study will support the Development Ready Land Study by establishing the land characteristics and infrastructure needed by the target industries.

- **Development Ready Land Study:** Understanding development challenges in Future Urban Areas requires a broader analysis of development feasibility. This study has five expected outcomes:
 1. Alignment and Partnership with city partners and impacted service providers.
 2. Understanding of Available Usable Lands for both future housing and job growth.
 3. Public/Private Partnerships to support development.
 4. Information that will inform regional and state land use advocacy approaches.
 5. A high level understanding of the real cost of Infrastructure Investments necessary to make land shovel ready.

Considerations

There are partners whose involvement is paramount to the success of any land strategy. The Oregon Legislature, the Oregon Land Conservation and Development Commission, and Metro have each created laws and rules that guide Urban Growth Boundary processes. Additionally, there are a number of initiatives underway that would benefit from the information gained by a land study.

City Coordination: Cities hold the key to unlocking the land potential within the County. Most Future Urban Areas abut cities. Their partnership in the process and agreement on mutual goals is vital. It is essential to understand whether lands can be served in a cost-effective way.

Metro: Metro is charged with assessing growth trends and managing the regional UGB. This regional analysis does not always reflect the needs of individual jurisdictions.

Metro Future Vision project: Metro is in the process of establishing a Future Vision Commission. The Future Vision project will be underway at the same time as the new Regional Housing Coordination Strategy, the Cooling Corridors study, updates to the Climate Smart strategy and many other projects led by partner agencies. Having a shared understanding of the development challenges in the future urban areas will provide locally reviewed and coordinated information about places in Clackamas County that may be impacted by regional discussions.

Next Steps

With Board direction to proceed, staff will undertake the Industrial Site Readiness Study and will prepare and submit a Metro 2040 Planning and Development grant application for the Development Ready Land Study.

FINANCIAL IMPLICATIONS (current year and ongoing):

Industrial Site Readiness Study

Is this item in your current budget? YES NO

What is the cost? \$ **200,000**

What is the funding source? **Lottery Funds**

Development Ready Land Study

Is this item in your current budget? YES NO

What is the cost? \$ **1 Million**

What is the funding source? **Metro 2040 Planning and Development Grant**

STRATEGIC PLAN ALIGNMENT:

This item relates to all five of the county's Performance Clackamas goals:

- Build public trust through good government;
- Grow a vibrant economy;
- Build a strong infrastructure;
- Ensure safe, healthy, and secure communities; and

- Honor, utilize, promote, and invest in our natural resources.

LEGAL/POLICY REQUIREMENTS:

Oregon Revised Statute (ORS) 461.540, related to Lottery funds, stipulates these funds are to be utilized for the following public purposes:

- A. Creating jobs;
- B. Furthering economic development in Oregon; or
- C. Financing public education.

“Furthering economic development” includes, but is not limited to, providing:

- A. Services or financial assistance to for-profit and nonprofit businesses located or to be located in Oregon;
- B. Services or financial assistance to business or industry associations to promote, expand or prevent the decline of their businesses; or
- C. Services or financial assistance for facilities, physical environments or development projects, as defined in ORS 285B.410 (definitions for ORS 285B.410 to 285B.482) that benefit Oregon’s economy.

PUBLIC/GOVERNMENTAL PARTICIPATION:

These studies will require partnership and ongoing collaboration with city and regional partners.

OPTIONS:

1. Direct staff to begin the Industrial Site Readiness Study and prepare the Metro 2040 Planning and Development grant application for the Development Ready Land Study.
2. Direct staff to assess issues raised by the Board and return for future consideration.
3. Direct staff to delay advancement of one or both of these Studies at this time.

RECOMMENDATION:

Staff respectfully recommend Option 1: Direct staff to begin the Industrial Site Readiness Study and prepare the Metro 2040 Planning and Development grant application for the Development Ready Land Study.

ATTACHMENTS:

SUBMITTED BY:

Division Director/Head Approval 
Department Director/Head Approval _____
County Administrator Approval _____

For information on this issue or copies of attachments, please contact Jamie Stasny at 971-678-6406

