

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: June 30, 2015 **Approx Start Time:** 1:30 **Approx Length:** 1 hour

Presentation Title: Reconciling Employment Land Need Amount.

Department: Admin, Planning

Presenters: Dan Chandler, Mike McCallister

Other Invitees: Barb Cartmill, Martha Fritzie, Gary Barth, Catherine Comer

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Direction on the following question:

1. What amount of land is necessary to satisfy the County's need for a 20-year supply of non-retail employment land?

EXECUTIVE SUMMARY:

County Goal

Last September, the Board of County Commissioners adopted the following goal:

- **By 2020, Clackamas County will have and maintain a 20-year supply of serviceable non-retail employment land in the urban growth boundary.**

This goal was adopted as part of Performance Clackamas, under the area of focus—Build a Vibrant Economy.

Context – Metro and the Urban Growth Boundary.

Under State law, Metro has exclusive authority over the Urban Growth Boundary (UGB) in the Metro area. Metro is required to evaluate the Urban Growth Boundary every 6 years to assure that there is adequate land to provide a 20-year supply of land for housing. While not expressly required by statute, Metro also evaluates the need to provide a 20-year supply of employment land on the same schedule.

Metro prepares a forecast of population and employment growth for the region for the next 20 years and, if necessary, adjusts the boundary to meet the needs of growth forecast for that 20-year period. The forecast is called the Urban Growth Report, or UGR. Metro calls these decisions Growth Management Decisions, the common term however is UGB Decision.

Metro looks at land need on a regional basis, and cannot consider a sub-regional need without first considering the regional context. For example, if there is adequate land in Forest Grove, Metro might not be able to expand the boundary to meet a local need for a city like Wilsonville.

Land Need Studies:

The County commissioned a study by Johnson Economic and Mackenzie entitled "Non-Retail Land Demand Forecast" (hereinafter "Johnson Study").

The study concluded first that the current Urban Growth Report overestimates the amount of suitable land in Damascus. Depending on how much of the presumed land supply was actually suitable, the County has an overall shortage of 329 to 1,180 acres.

Following on the Damascus study, County staff met with City staff and evaluated the actual plans in Damascus. Based on this information staff believes that the UGR overestimates the amount of employment land likely to be available in Damascus in the next 20 years by around 930 acres. This pushes the actual shortage to the high end of the range of shortage forecast in the Johnson Study.

Therefore staff believes that the actual shortage may be in excess of 1,000 acres. See attached memorandum from Mike McCallister.

FINANCIAL IMPLICATIONS (current year and ongoing):

LEGAL/POLICY REQUIREMENTS:

The legal issues and challenges of meeting the land supply need will be the subject of future policy sessions. The current session is aimed at allowing the County to settle on a number, or range.

PUBLIC/GOVERNMENTAL PARTICIPATION:

County and City Staff and elected officials have discussed city aspirations for the UGB and the Metro C4 subcommittee several times since late 2013, and, other than Wilsonville, City officials have not expressed any interest in UGB amendments for 2015.

Property owners in several areas, particularly parts of Stafford have advocated for UGB inclusion on a regular and consistent basis.

OPTIONS AND RECOMMENDATIONS:

Options:

- 1. Direct staff to advocate for a range of non-retail employment land in a range of 930 to 1100 acres;**
- 2. Direct staff to pick a single figure for non-retail employment land; or**

3. Direct staff to advocate for a higher or lower number.


Recommendation

Staff recommends that the County direct staff to advocate for a supply of non-retail employment land in the UGB in the range of 930-1100 acres.

ATTACHMENTS:

1. Memorandum from Mike McCallister, Planning Director.
2. Map showing history of UGB Expansions.

SUBMITTED BY:

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

For information on this issue or copies of attachments, please contact Dan Chandler @
503-742-5394

Fiscal Impact Form

RESOURCES:

Is this item in your current work plan and budget?

- YES
 NO

START-UP EXPENSES AND STAFFING (if applicable):

ONGOING OPERATING EXPENSES/SAVINGS AND STAFFING (if applicable):

ANTICIPATED RESULTS:

N/A

COSTS & BENEFITS:

Costs:							
	Item	Hours	Start-up Capital	Other Start-up	Annual Operations	Annual Capital	TOTAL
	Total Start-up Costs						
	Ongoing Annual Costs						
Benefits/Savings:							
	Item	Hours	Start-up Capital	Other Start-up	Annual Operations	Annual Capital	TOTAL
	Total Start-up Benefit/Savings						
	Ongoing Annual Benefit/Savings						



MIKE MCCALLISTER
PLANNING AND ZONING DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING
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To: Dan Chandler, Strategic Policy Administrator
From: Mike McCallister, Planning Director
Cc: Barb Cartmill, DTD Director
Martha Fritzie, Senior Planner
Gary Barth, BCS
Catherine Comer, BCS
Date: June 30, 2015
RE: Land Needs Goals / Reconciling Land Needs

The memo is intended to address the first step of the four step work program adopted by the Board to determine the appropriate type, location and amount of employment land needed in the County. The first step is for the BCC to identify the total acreage (or range) of needed employment land in the County.

Question:

What amount of additional land does the County need to meet the 20-year land supply goal set out in the Clackamas County Strategic Plan.

Discussion:

It is important that the county have available enough developable employment land to allow existing businesses to stay and expand in the county and attract new businesses. This includes land that is available and could be developed in the short-term, as well as sufficient land in the pipeline to be able to provide for long-term opportunities.

Clackamas County does not have its own buildable lands inventory (BLI). Therefore the supply and characteristics of its employment lands needs to be extrapolated from several different sources including the Metro UGR, the regional large-lot study, and the county's work on identifying strategic employment lands, and indirectly from many of the cities' own BLIs, which were incorporated into those studies.

The Metro Urban Growth Report (UGR) concluded that there is likely enough employment land in the existing urban growth boundary (UGB) for all but the highest 20-year growth scenarios. Analysis done by several jurisdictions, and confirmed by the Johnson Economics report, has concluded that, although on paper it appears the region has enough land within the UGB to support this growth, there are potentially severe problems with a large portion of these identified lands in Clackamas County.

The Non-Retail Employment Land Demand Forecast (Johnson Economics Report) the need for more available employment land in Clackamas County in order to support continued economic growth and job recovery. A demand forecast specific to the urban area (land in the Metro UGB) of the county was generated by Johnson Economics to understand what the county should realistically expect for non-retail employment growth over the next 20 years, and to help determine if the county has sufficient land to accommodate that growth. The report demonstrates there is not enough employment land available to realistically develop in Clackamas County portion of the Metro urban growth boundary (UGB) through the foreseeable future. The shortfall over the next 20 years (2015-2035) is conservatively estimated to include a range of needed land as follows:

- 329 to 934 acres of buildable industrial land; and
- up to 246 acres of buildable commercial land (although this actually underestimates the need by an undetermined amount because the supply includes land that may develop with retail uses, whereas the demand estimates to not include retail)

In summary the Johnson Report demonstrates that a total of 575 to 1180 acres of additional employment land is needed in Clackamas County in the 20 year planning period.

Since the Johnson Report was completed the staff has completed additional analysis of the amount of project employment land in the City of Damascus. In late 2013 and early 2014, the City of Damascus prepared a Buildable Land Inventory (BLI), along with draft comprehensive plan and zoning maps. While these have not been approved by City voter, the County staff and City staff believes they represent the most likely development scenarios for the City, even in the event of anticipated disincorporation. The Metro UGR estimates there are 1,375 acres of employment land in Damascus.

The January, 2014 buildable land inventory concludes that the city has 664 acres of planned employment land. An additional 113 acres lies to the south and west of the city that are also inside the UGB, bringing the total to approximately 770 acres. However approximately 325 acres of that land lies to the east of the "20 year line" which is an area not reasonably or likely to be served in the 20 year planning period identified by the City. Based on this information staff believes that the UGR overestimates the amount of employment land likely to be available in Damascus in the next 20 years by around 930 acres.

A number of other factors support the higher range (acres) of needed employment land in Johnson Report employment land including:

1. Most of the County's identified employment land within the UGB has constraints or limiting attributes for employment such as slopes, environmental restrictions, access to major transportation systems and rail and visibility.
2. A majority of the identified employment land is not vacant but already developed and considered redevelopable. These developed lands may be less likely to redevelop and require different investments and parcel aggregation to support future uses.
3. A disconnect between the geographic location of supply and demand of employment land in the county.
4. The need for large industrial sites (over 25 buildable acres).

ATTACHMENT A

