

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: 11/6/2012 **Approx Start Time:** 1:30 p.m. **Approx Length:** 1 Hr

Presentation Title: Economic Development Commission 2012 Final Committee Reports

Department: Business & Community Services, Gary Barth, Director
Business & Economic Development, Catherine Comer, Manager

Presenters:

Staff: Catherine Comer, Business & Economic Development Manager, Cindy Hagen, Business & Economic Development Coordinator, Jamie Johnk, Business & Economic Development Coordinator, Mike McCallister, Planning Director, Dan Johnson, Development Agency Manager

Executive Committee: Conrad Johnson, Chair, Jason Lehne, Vice Chair, Raymond Phelps, Immediate Past Chair, Elizabeth Peters, Kenneth McClintock

Other Invitees: 2012 Economic Development Commission Members

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

The purpose of this study session is to present the 2012 EDC final committee reports for consideration by the Board of County Commissioners.

EXECUTIVE SUMMARY:

The Economic Development Commission (EDC) focused on service based topics for their committee work this year. Following 2011 success with committees focused on geographic areas of the County (McLoughlin Corridor, Clackamas Industrial Area, Ag Investment Plan, Government Camp), the EDC under direction of the Board of County Commissioners reviewed and assessed the following:

- Exporting Goods and Services
 - Assess practices and opportunities for national and international trade.
 - Review export initiatives and feedback from reports such as the Ag Investment Plan.
 - Research opportunities for exports for all Clackamas County industries.
- Infrastructure Financing
 - Explore tools to build support for infrastructure and economic development project financing.
 - Review employment lands and areas such as McLoughlin Corridor, Clackamas Industrial Area, and Government Camp.
- Permitting Process Assessment
 - Evaluate current permitting practices and timelines and make recommendations on the development review process.
 - Look at other regional tools i.e. form-based code, flexible design standards, etc.

FINANCIAL IMPLICATIONS (current year and ongoing):

Staff time and program costs (undetermined at this time)

LEGAL/POLICY REQUIREMENTS:

No legal/policy requirements at this time. Policy recommendations in the report are made by the EDC for consideration by the BCC in future programming.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Undetermined at this time

OPTIONS:

1. Accept the EDC 2012 Final Committee Reports
2. Request additional feedback from the EDC on the three focus areas

RECOMMENDATION:

Staff respectfully recommends that the BCC accept the EDC 2012 Final Committee Reports.

ATTACHMENTS:

Economic Development Commission 2012 Final Committee Reports, PowerPoint presentation

SUBMITTED BY:

Division Director/Head Approval 

Department Director/Head Approval 

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Teresa Sears @ 503-742-4329



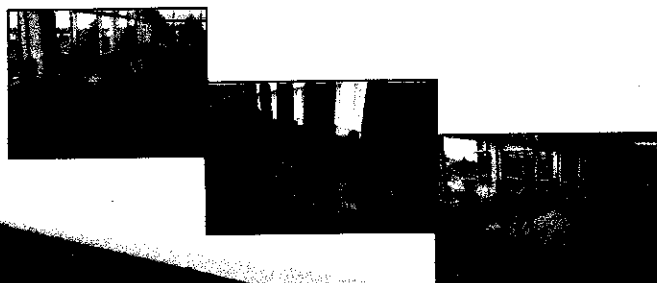
Economic Development Commission (EDC)

Final Report of 2012 Committees
Findings and Recommendations
Presented to the Board of County Commissioners
November 6, 2012

2012 Committees



Exporting Goods and Services
Infrastructure Financing
Permitting Process Assessment



Exporting Goods and Services

EDC Executive Committee Liaisons:

Elizabeth Peters
Jason Lehne

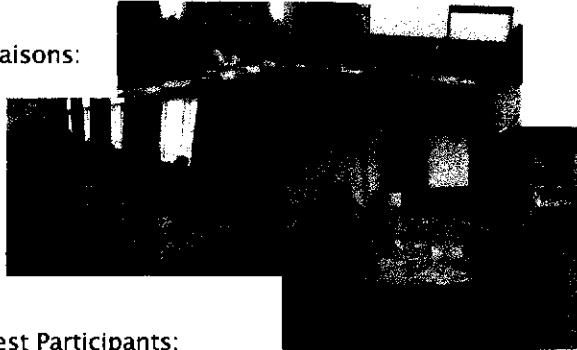
EDC Committee Members:

Bill Avison
Lita Colligan
Ray Hoyt
Bennett Johnson
Andrew McIntire
Gary Phillips

County Staff:
Catherine Comer

Guest Participants:

Chad Freeman, Business Oregon
Randy Fischer, Port of Portland
Lynn Wallis, Oregon Employment Department
Don Richards, U.S. Applied Horticulture Consulting
Allan Christian, U.S. Commercial Service
Derrick Olsen, Greater Portland Inc.
Rob Campbell, Small Business Development Center
Pamela Martin, Oregon's Wild Harvest



Exporting Goods and Services

Recommendations

Programs:

- ▶ Continue efforts from Business and Economic Development Division towards development of an export initiative.
- ▶ Dedicate a full-time export coordinator to work with businesses to increase export opportunities and assist businesses through the processes of exporting goods and services. "In-house Consultant/Coordinator"
- ▶ Train existing economic development staff who regularly work with businesses to be able to represent export opportunities and practices.
- ▶ Continue to host the Annual Export Summit.
- ▶ Continue to partner with State and Regional Export Organizations.
- ▶ Continue to seek opportunities to host Export training seminars for businesses.



Exporting Goods and Services

Recommendations

- ▶ Assess and redevelop web based tools that provide export assistance to businesses, add a "Frequently Asked Questions" section, and provide quick links to "hands on" assistance.
- ▶ Clackamas County should take a pro-active role in marketing and recruiting opportunities for exporting.
- ▶ The County Ag Investment Plan should be utilized in developing additional opportunities for exports.

Policies:

- ▶ Develop a goal statement supporting awareness, education, and export opportunities for Clackamas County businesses.
- ▶ Continue to support infrastructure that would help move goods and services from Clackamas County businesses.



Infrastructure Financing

EDC Executive Committee Liaisons:

Conrad Johnson
Kenneth McClintock

EDC Committee Members:

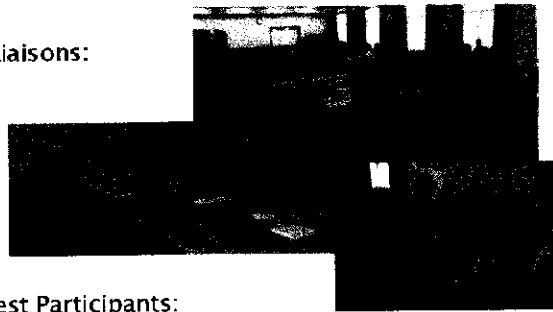
Matt Butts
Danny Crossman
Archie Ewers
Richard Goddard
Patrick Johnson
Cheryl McGinnis
Mike Park
Gordon Young

County Staff:

Jamie Johnk
Dan Johnson

Guest Participants:

Diedre Landon, Clackamas County Department of Transportation
David Soloos, Clackamas County Technology Services
Tom Hendrie, Cal Grimmer, and Shanna Brownstein, NW Natural Gas
Teri Bankhead, City of Milwaukie
Thelma Haggemiller, MABA
Jeff Reardon, Candidate for House District 48
Eugene & Nancy Whitley, MABA



Infrastructure Financing

Recommendations

Programs:

- ▶ We recommend that the Board of County Commissioners continue to support the diverse nature of Economic Development programs currently provided and assess other local, regional, and national agencies to identify economic incentive programs that might viably be implemented in Clackamas County. We proposed achieving this goal by considering the following recommendations:
 - Become more strategic in matching land use and available infrastructure resources.
 - Be more efficient on determining where to spend infrastructure funds (i.e. closer to employment hubs).
 - Public education is key to successful development; therefore an education campaign should begin to better inform the public prior to development of an area.
 - Compile a fees chart so that businesses are more aware of what they will pay when they move into an area.
 - Develop specific criteria of key industries infrastructure needs based on marketplace demands and community values.
 - Continue the efforts of the EDC Infrastructure Subcommittee.

Infrastructure Financing

Recommendations

Policies:

- ▶ We recommend that the Board of County Commissioners continue to prioritize identifying a sustainable funding source for a healthy transportation system supporting the economic needs of Clackamas County.
- ▶ We recommend that the Board of County Commissioners develop a guide of available funding sources for infrastructure development, and target those funding sources that would be most effective in promoting the goals and objectives for specific development areas.
- ▶ We recommend that the Board of County Commissioners assess adopting policies to guide and assist with the placement of adequate utility facilities to meet the industrial needs of Clackamas County.

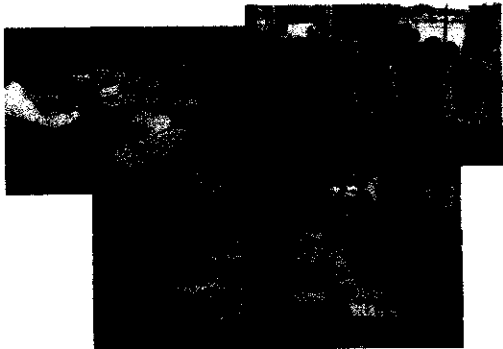
Permitting Process Assessment

EDC Executive Committee Liaison:
Ray Phelps

EDC Committee Members:

Ross Conner
Danny Crossman
James Crowell
Joe Dills
Kenneth Everett
Wilda Parks
Troy Soenen

County Staff:
Cindy Hagen
Mike McCallister
Deana Mulder
Kevin Noreen




Guest Participants:
Justin Wood, Home Builders Association
Bruce Goldson, Theta Engineering

Permitting Process Assessment

Recommendations

Programs:

- ▶ Establish on-going regular feedback mechanism for customers who have participated in the development review process. Consider changes to the makeup of the Development Liaison Committee (DLC) to include members from the DLC, EDC, Design Review Committee, Planning Commission and Service Districts to perform this function.
 - ▶ Where feasible, establish clear and objective standards for the alteration and expansion of nonconforming developments to minimize land use review and / or a two tiered program to provide more flexibility through the Design Review process. The Planning and Zoning Division is in the first year of a 5 year audit of the Zoning and Development Ordinance, this project will include review and improvement of the regulations for nonconforming developments.
 - ▶ Conduct outreach to service districts, agencies and others who attend and participate in pre-application conferences to clearly identify expectations of the pre-application conference.
 - ▶ Support any efforts to consolidate service districts and for service districts to standardize application forms similar to the Metro Building Code program.
- 

Permitting Process Assessment

Recommendations

- ▶ Establish protocols for planning documents and other relevant information to be easily available for applicants to prepare for pre-application conferences (on-line due diligence).
- ▶ Notify and provide an opportunity for the EDC to suggest projects and to participate in the adoption of the Planning and Zoning Divisions annual work program.
- ▶ Notify and provide the EDC an opportunity to comment on Comprehensive Plan and ZDO amendments that affect commercial, industrial and multifamily zoning districts. Coordinate with the EDC in the evaluation of land uses allowed within the Industrial Zoning Districts.
- ▶ Provide on-line services for tracking the status of permits (Accela program).
- ▶ Revisit and consider changes to a one-stop plan review submittal program.
- ▶ Consider ways to encourage or require all new projects or other significant projects to be managed by a qualified professional or multi-disciplinary team of professionals.
- ▶ Consider program changes in the Building Division to have small tenant improvement projects approved over the counter.

Permitting Process Assessment

Recommendations

- ▶ Consider establishing a "Fee Specialist" to respond to requests for information about fees and costs of development proposals. Review opportunities for on-line fee calculations.
- ▶ Continue to improve the pre-application process with an emphasis on the following:
 - Provide additional training for staff and other participants in the pre-application process to maintain a positive interaction and problem solving attitude with the applicant.
 - Place a strong emphasis on explaining the review process and timelines particularly to those who are not familiar with the process.
 - Perform early evaluation of pre-apps as much as possible so that problem identification and problem solving can occur at the pre-application conference.
 - Establish protocols and encourage fact finding / preliminary due-diligence pre-application conferences to begin a dialogue as early in the process as possible.
 - Continue to promote engagement of the applicants with local Community Planning Organizations.

Policies:

There are no policy recommendations.

Clackamas County

Economic Development Commission

2012 Final Committee Reports



2012 Committees

Exporting, Infrastructure, Permitting

Clackamas County Economic Development Commission (EDC)

The purpose of the EDC is to advise and make recommendations to the Board of County Commissioners on matters pertaining to the support and growth of a balanced, sustainable economy within the County and cities within the County. Balanced economic development means providing county residents opportunities for better jobs and higher incomes, while managing the interrelationships among people, land, resources, and infrastructure. Implementing the vision requires detailed goals and action steps by the county.

Mission: Create prosperity by fostering balanced economic development in Clackamas County through a close partnership with government and the private sector.

Background:

The EDC focused on service based topics for their committee work this year. Following 2011 success with committees focused on geographic areas of the County (McLoughlin Corridor, Clackamas Industrial Area, Ag Investment Plan, Government Camp), the EDC under direction of the Board of County Commissioners looked at Exporting, Infrastructure, and Permitting processes. The following outlines the committees' focus:

2012 Committee Descriptions:

- **Exporting Goods and Services**
 - Assess practices and opportunities for national and international trade.
 - Review export initiatives and feedback from reports such as the Ag Investment Plan.
 - Research opportunities for exports for all Clackamas County industries.
- **Infrastructure Financing**
 - Explore tools to build support for infrastructure and economic development project financing.
 - Review employment lands and areas such as McLoughlin Corridor, Clackamas Industrial Area, and Government Camp.
- **Permitting Process Assessment**
 - Evaluate current permitting practices and timelines and make recommendations on the development review process.
 - Look at other regional tools i.e. form-based code, flexible design standards, etc.

Guest Speakers to all EDC Members:

Randy Fischer, Port of Portland – gave a presentation regarding current terminals and activities through the port of Portland including samples of Clackamas County Importers and Exporters, and the County connections to the Port of Portland.

Diedre Landon, Clackamas County Department of Transportation & Development – gave a presentation on tools for infrastructure financing, transportation in our County, where revenue comes from, and provided an overview on the Transportation System Plan (TSP) and Clackamas County Coordinating Committee (C4).

Richard Goddard, Portland General Electric (PGE) – gave an overview of PGE territory, infrastructure addition, and substation capacity.

David Soloos, Clackamas County Technology Services – discussed the broadband infrastructure for Clackamas County.

Colin Sears and Derrick Olsen, Greater Portland Inc. (GPI) – shared the GPI work plan which includes business development, marketing and branding, and regional strategy and coordination.

Congressman Kurt Schrader – addressed current business and economic issues and updated federal efforts to support economic recovery. Commented and supported the work that EDC is doing on addressing Exports, Infrastructure Financing, and Permitting.

Committee: Exporting Goods and Services

Executive Committee Liaisons: Elizabeth Peters, Jason Lehne
EDC Committee Members: Bill Avison, Lita Colligan, Ray Hoyt, Andrew McIntire, Gary Phillips, Bennett Johnson
Guests: Pam Martin, Oregon's Wild Harvest and Rob Campbell, Small Business Development Center
County Staff: Catherine Comer, Teresa Sears
Guest Participants: Chad Freeman, Business Oregon
Randy Fischer, Port of Portland
Lynn Wallis, Oregon Employment Department
Don Richards, U.S. Applied Horticulture Consulting
Gary Phillips, Rockwell Collins
Allan Christian, U.S. Commercial Service
Derrick Olsen, Greater Portland Inc.

Executive Summary: Exporting Goods and Services

Clackamas County is strategically positioned to share in the regional efforts to increase exports of products and services. According to the Greater Portland Export Plan through the Brookings "Export Nation" report, "*Exports are critical to national and regional economic growth and job creation.*"

The Clackamas County Economic Development Division has added "*Exporting Clackamas County*", an initiative to increase export awareness, education and opportunities to their ongoing work plan.

The EDC Export Committee has focused their efforts this year on becoming familiar with the current State, Regional, and County efforts, available tools, issues, and opportunities regarding exports. They invited experts from U.S. Commerce Department, Business Oregon, Port of Portland, Oregon Employment Department, as well as representatives from industries and businesses to share information on export activity. They have reviewed global trade data and information including the export operations at the Port of Portland, current Clackamas County export destinations, transportation access issues, broadband fiber structure for transporting intellectual properties and services, current informational tools such as the County's online links to export assistance, and potential opportunities to increase exports to new national and international markets. Congressman Kurt Schrader shared with the EDC that there is interest in Congress in improving exports and that exports are a way to help get businesses going and can position us as leaders in this new economy. He stated that new programs through the SBA will provide valuable resources.

The Committee also reviewed the online tools under the County's Business and Economic Development website. The Committee agreed that the site is cumbersome with too much information and should be redesigned into a more user friendly site for businesses to easily find export assistance.

The EDC Export Committee agreed that having County staff with expertise in exports and international trade would expedite the County's goals to increase opportunities for businesses to export goods and services and assist businesses through the steps of the export process. Recognizing the efforts of the County Business and Economic Development Team in developing the export initiative, the Committee agrees that dedicating full-time staff as an Export Coordinator and continuing education of existing staff, who currently work with the business community, would bring Clackamas County to a higher level of success in export business.

Recommendations

Programs:

- Continue efforts from Business and Economic Development Division towards development of an export initiative
- Dedicate a full-time export coordinator to work with businesses to increase export opportunities and assist businesses through the processes of exporting goods and services. "In-house Consultant/Coordinator"
- Train existing economic development staff who regularly work with businesses to be able to represent export opportunities and practices
- Continue to host the Annual Export Summit
- Continue to partner with State and Regional Export Organizations
- Continue to seek opportunities to host Export training seminars for businesses
- Assess and redevelop web based tools that provide export assistance to businesses, add a "Frequently Asked Questions" section, and provide quick links to "hands on" assistance
- Clackamas County should take a pro-active role in marketing and recruiting opportunities for exporting
- The County Ag Investment Plan should be utilized in developing additional opportunities for exports

Policies:

- Develop a goal statement supporting awareness, education, and export opportunities for Clackamas County businesses
- Continue to support infrastructure that would help move goods and services from Clackamas County businesses

Committee Process

What has been learned?

- There is currently a great regional effort towards increasing export business throughout the region.
- There is County, State, Regional, and National support to increase exports of goods and services.
- Clackamas County through Business and Economic Development is developing an export initiative that supports the regional effort and will seek opportunities to increase exports for Clackamas County Businesses.
- There are currently many online toolkits designed to assist businesses with export procedures, opportunities and information.
- Many large businesses in Clackamas County such as Rockwell Collins and Shimadzu have domestic supply chains in place that support small business in Oregon. Those examples of local supply chain procurement could become a model to help other businesses in the County.

What is working well?

- Businesses that have current strong export relationships are doing well.
- Market demand for goods and services is expected to continue to grow.
- Organizations such as the US Commercial Center, US Department of Commerce, Small Business Development Centers, Business Oregon, and Greater Portland Inc. have created a network of services and programs to educate businesses and create great opportunities for exporting.

What are the challenges?

- Resources are needed at County level to assist businesses in the "step by step" process for identifying and creating an export market.
- The County online toolkit for export assistance to businesses needs to be more user friendly.
- There is not enough awareness to businesses regarding "how to increase or develop exports".

Test Case: Exporting Goods and Services

The Export Committee chose Oregon's Wild Harvest, an independently owned and operated herb farm located in Sandy, Oregon as a test case to study a business perspective on exporting. Products include: traditional medicinal herbs, herbal supplements, bulk herbs, culinary herbs and spices, herbal extracts, herbal teas, herbal oils, tropical herb applications and specialized formulas for children, men, and women. Oregon's Wild Harvest grows herbs on their Biodynamic farm and also purchases additional herbs from a few organic farms in the northwest, Canada, and overseas. They have 40 employees. Owner Pam Martin provided an overview of her exporting experience to the committee. She had a negative experience with a foreigner exporter and asks the questions: "How do you know you can trust your export relationships?" "How do you choose an export broker?" "How do you manage risk?"

The Committee reviewed the issues of Oregon's Wild Harvest and through the advice of Allan Christian, Senior International Trade Specialist, U.S. Commercial Service, U.S. Dept. of Commerce; the committee learned that there are expert resources in place to assist businesses such as Pam's. "The Small Business Development Center in Portland, led by Director Tammy Marquez Oldham, is the most appropriate first resource for people needing assistance with developing an export business plan for their company or for forming an export management company to work in international trade development. Our office's Export Strategies, Tools and Techniques seminar and our many "Export Basics" tutorials and information resources on Export.gov would be the other resource for individuals and companies first entering into export business development.

For companies that have done some exporting or are infrequent exporters, but have some understanding and experience with the export process, and are looking to increase their exports, our U.S. Commercial Service organization and Business Oregon's international trade division (represented by Dana Shannon and his colleagues) would be the appropriate contact for these exporters. We can then assist these companies, as well as connect them to trade services providers and to other export promotion service providers, depending on the assistance they need.

For companies specifically needing assistance with export finance or looking for information on the range of export finance options that best match their need, these companies should be connected to Jeff Deiss to learn about the range of U.S. Small Business Administration export finance programs, and to EXIM Bank's rep. for Oregon, Jim Lucchesi. Alexa Hamilton, a Global Trade Manager at Business Oregon (a colleague of Dana Shannon's) manages Business Oregon's participation in EXIM Bank's State Partnership Program. Alexa coordinates with Jim on promoting EXIM Bank services to Oregon exporters."

Committee Interactive or Extra Meetings:

Online Toolkit – The committee met in a computer lab to assess existing online exporting resources to help develop an easy-to-use, informative online toolkit for exporting.

Details of Guest Speakers: Chad Freeman, Business Oregon – Discussed with the committee Oregon's position in world trade and investment, top export industries, and markets.
Randy Fischer, Port of Portland – After sharing with the whole EDC Randy expanded on exporting with this committee.
Lynn Wallis, Oregon Employment Department – Provided the committee with a detailed report on Oregon's gross domestic product, annual exports by industry, and Oregon's fastest growing global markets. Lynn also showed the committee a breakdown of exports for seven different countries.
Don Richards, U.S. Applied Horticulture Consulting – Provided the committee with a discussion regarding the differences in Asian markets and the importance of Agriculture industry partners like the Oregon Department of Agriculture.

Gary Phillips, Rockwell Collins – Shared a supply chain example with the committee.
Allan Christian, U.S. Commercial Service – Provided the committee with some exporting tips for a business getting started with exporting.
Derrick Olsen, Greater Portland Inc. – After the overview presentation to the whole EDC Derrick spoke with the committee about GPI Metropolitan Export Initiative work team and council efforts.

Committee: Infrastructure Financing

Executive Committee Liaisons: Kenneth McClintock and Conrad Johnson
EDC Committee Members: Matt Butts, Danny Crossman, Archie Ewers, Richard Goddard, Patrick Johnson, Cheryl McGinnis, Gordon Young
Guests: Commissioner Savas, Mike Park, Thelma Haggenmiller, Eugene and Nancy Whitley, Teri Bankhead, Chris Didway, Jeff Reardon
County Staff: Jamie Johnk, Dan Johnson
Guest Participants: Diedre Landon, Clackamas County Department of Transportation
David Soloos, Clackamas County Technology Services
Tom Hendrie, Cal Grimmer, and Shanna Brownstein, NW Natural Gas

Executive Summary: Infrastructure Financing

The Infrastructure Financing Committee was given two primary tasks:

- Explore tools to build support for infrastructure and economic development project financing.
- Review employment lands and areas such as the McLoughlin Corridor, Clackamas Industrial Area, and Government Camp.

To educate the Committee members on the types of available Infrastructure Financing tools, several guest speakers from various businesses and backgrounds were asked to share their knowledge and experiences. The Committee was also able to utilize an impressive software program developed by Clackamas County's Department of Transportation and Development which enabled members to understand trade-offs in applying various taxing structures to any project(s). To assist the Committee in exploration of both financing tools and employment land, a test case was selected. The Park Development has 130 contiguous acres, and was recently annexed into the City of Estacada. The site is owned by Mike Park and has no natural gas along with transportation constraints. One of the biggest stumbling blocks of the Estacada project was presented clearly by a team of experts from NW Natural Gas. According to NW Natural Gas representatives, at this time NW Natural Gas could not support developing infrastructure without business customers locating within the park.

The Committee's recommendations are framed by the Estacada example and encompass the member's views that more time is needed to assess infrastructure financing alternatives. This includes more detail on land use and availability. There is also a request for more guidance from the Board of County Commissioners on where infrastructure projects are most beneficial for the County. Another suggestion is to gather more input from businesses both inside and outside Clackamas County.

Recommendations

Programs:

We recommend that the Board of County Commissioners continue to support the diverse nature of Economic Development programs currently provided and assess other local, regional, and national agencies to identify economic incentive programs that might viably be implemented in Clackamas County. We proposed achieving this goal by considering the following recommendations:

- Become more strategic in matching land use and available infrastructure resources.
- Be more efficient on determining where to spend infrastructure funds (i.e. closer to employment hubs).
- Public education is key to successful development; therefore an education campaign should begin to better inform the public prior to development of an area.
- Compile a fees chart so that businesses are more aware of what they will pay when they move into an area.
- Develop specific criteria of key industries infrastructure needs based on marketplace demands and community values.
- Continue the efforts of the EDC Infrastructure Subcommittee.

Policies:

We recommend that the Board of County Commissioners continue to prioritize identifying a sustainable funding source for a healthy transportation system supporting the economic needs of Clackamas County.

We recommend that the Board of County Commissioners develop a guide of available funding sources for infrastructure development, and target those funding sources that would be most effective in promoting the goals and objectives for specific development areas.

We recommend that the Board of County Commissioners assess adopting policies to guide and assist with the placement of adequate utility facilities to meet the industrial needs of Clackamas County.

Committee Process

What has been learned?

Information and Resources Shared:

- Deidre Landon, Clackamas County Department of Transportation shared an interactive infrastructure financing tool that allowed the Committee to see how different funding tools can help fill the infrastructure funding gap.
- David Soloos, Clackamas County Technology Services presented Clackamas County broadband project and discussed the need to coordinate with utility and infrastructure providers.
- Tom Hendrie, Cal Grimmer, and Shanna Brownstein, NW Natural Gas discussed the methods used to determine line extensions including.
- County staff discussed a variety of funding tools used for infrastructure development projects.
- Mike Park, Park Development in Estacada, shared his project located in Estacada OR which comprises infrastructure development in a 130.4 acre industrial park. Discussions throughout the process included land use, financing options, infrastructure needs, etc.

Comments:

- Infrastructure takes many different forms (public/private, roads, utilities, etc.).
- Infrastructure can be funded through various methods.
- County does not have control over all of these methods or priorities.
- Limited resources available to fund infrastructure projects.
- Resources that are available are complicated to use and understand.
- Clackamas County should develop funding tools specific for their infrastructure needs.
- Natural gas will not be available in Estacada area anytime soon as there are currently no funding tools assist with the gas line extension.
- Once the government gets involved projects get more complex.
- Service providers should be required to look to future for services (i.e. gas). Government has to step up to enforce.
- Current transportation funding levels are insufficient to support the long term needs of the region.
- Existing land use policies are not conducive to grow industrial land.
- Focus resources and find scale to establish land use policies to support and grow employment.
- Study Major Streets Transportation Improvement Program (MSTIP) (Washington County) and determine if it is a viable tool for Clackamas County.
- Need to develop an *infrastructure needs* checklist for businesses.
- Continue discussions on infrastructure needs and financing tools.
- Need more business and private sector involvement.
- Need to further discuss urban renewal.

What is working well?

- Local and regional transportation funding discussion is underway (C4 discussion, TSP, etc.).
- Clackamas Industrial Area planning and urban renewal funding for infrastructure.
- Established centers of employment areas.
- Environmental stewardship.
- County has completed an agricultural lands analysis and is currently working on an in-depth employment lands analysis.

What are the challenges?

- Lack of funding.
- How do we access funding tools that are available outside of our area and get them here?
- Return on investment: best land for certain uses.
- Need to grow land at the same pace as we grow the population.
- Transportation mobility and accessibility.
- Employment land inventory.
- More projects than identified solutions.
- Need to hear from more industries.
- Some areas of the County are easier to serve with infrastructure than others.

Committee: Permitting Process Assessment

Executive Committee Liaison: Ray Phelps
EDC Committee Members: Ross Conner, Danny Crossman, James Crowell, Joe Dills, Kenneth Everett, Wilda Parks, Troy Soenen
Guests: Commissioner Jim Bernard
County Staff: Cindy Hagen, Mike McCallister, Kevin Noreen, Deana Mulder, Teresa Sears
Guest Participants: Justin Wood, Home Builders Association and Bruce Goldson, Theta Engineering from the Clackamas County Development Liaison Committee (DLC)

Executive Summary: Permitting Process Assessment Committee

The goal of the Permitting Process Assessment Committee was to review and gain a better understanding of Clackamas County's development review process. The scope of work was focused on commercial and industrial development, the entire development review process, timelines, agency coordination and regulatory standards. The following two action items were identified:

- Evaluate current permitting practices and timelines and make recommendations on the development review process.
- Look at other regional tools i.e. form-based code, flexible design standards, etc. (note: work of the Committee was focused primarily on the development review process.)

During this process, EDC committee members attended pre-application and design review meetings to observe the overall process. The committee also hosted a Development Roundtable to gather feedback from external businesses on their experience working with the County on new development projects. Feedback received was that the overall interaction with staff is positive and that a good partnership between the County and the developer improves the timeliness of the review process and final product. However, the complexity of "The System" results in a prolonged and protracted development review process with no certainty. We would like to be known as the County that helps you obtain your building permit easily and quickly, your building ready for occupancy quickly; and your business profitable quickly.

The Committee also engaged Clackamas County Development Services staff to discuss their experience in the permitting process. These conversations resulted in a better understanding by the EDC Committee of the current process, along with a suggested list of program and policy recommendations which are listed below.

Recommendations

Programs:

- Establish on-going regular feedback mechanism for customers who have participated in the development review process. Consider changes to the makeup of the Development Liaison Committee (DLC) to include members from the DLC, EDC, Design Review Committee, Planning Commission and Service Districts to perform this function.
- Where feasible, establish clear and objective standards for the alteration and expansion of nonconforming developments to minimize land use review and / or a two tiered program to provide more flexibility through the Design Review process. The Planning and Zoning Division is in the first year of a 5 year audit of the Zoning and Development Ordinance, this project will include review and improvement of the regulations for nonconforming developments.

- Conduct outreach to service districts, agencies and others who attend and participate in pre-application conferences to clearly identify expectations of the pre-application conference.
- Support any efforts to consolidate service districts and for service districts to standardize application forms similar to the Metro Building Code program.
- Establish protocols for planning documents and other relevant information to be easily available for applicants to prepare for pre-application conferences (on-line due diligence).
- Notify and provide an opportunity for the EDC to suggest projects and to participate in the adoption of the Planning and Zoning Divisions annual work program.
- Notify and provide the EDC an opportunity to comment on Comprehensive Plan and ZDO amendments that affect commercial, industrial and multifamily zoning districts. Coordinate with the EDC in the evaluation of land uses allowed within the Industrial Zoning Districts.
- Provide on-line services for tracking the status of permits (Accela program).
- Revisit and consider changes to a one-stop plan review submittal program.
- Consider ways to encourage or require all new projects or other significant projects to be managed by a qualified professional or multi-disciplinary team of professionals.
- Consider program changes in the Building Division to have small tenant improvement projects approved over the counter.
- Consider establishing a "Fee Specialist" to respond to requests for information about fees and costs of development proposals. Review opportunities for on-line fee calculations.
- Continue to improve the pre-application process with an emphasis on the following:
 - Provide additional training for staff and other participants in the pre-application process to maintain a positive interaction and problem solving attitude with the applicant.
 - Place a strong emphasis on explaining the review process and timelines particularly to those who are not familiar with the process.
 - Perform early evaluation of pre-apps as much as possible so that problem identification and problem solving can occur at the pre-application conference.
 - Establish protocols and encourage fact finding / preliminary due-diligence pre-application conferences to begin a dialogue as early in the process as possible.
 - Continue to promote engagement of the applicants with local Community Planning Organizations.

Policies:

There are no policy recommendations.

Committee Process

What has been learned?

A. The Development Review Process

The process is a complex system due to a combination of the following factors:

- Statewide Land Use Goals
- The Clackamas County Comprehensive Plan
- The Clackamas County Zoning and Development Ordinance
- Regional land use regulations (Metro Functional Plan)
- Measure 49 land use approvals
- Multiple local service districts (fire, water, storm water, sewer) with different regulations and standards
- Overlapping jurisdiction and often conflicting environmental regulations between the County, service districts, State and Federal agencies
- Community expectations to participate and affect the outcome of the development
- Judicial nature of the system (rights to appeal land use decision, etc.)
- Regular and dynamic regulatory changes (rule making, decisions from the courts, etc.)
- Staffing and budgetary restraints

B. Development Roundtable Feedback

- The Development Review process is generally efficient and effective.
- Overall, the permitting process and interaction with staff is a positive experience. A good partnership between the County and developer improves the timeliness of the review process and final product.
- Clackamas County's timelines for processing land use applications are consistently good. Land use decisions for Design Review applications (commercial, industrial and multi-family projects) are issued within 45-60 days.
- There is a wide variety of customers doing business with the County, ranging from individual property owners with no expertise in the process, to individual professionals (engineers, architects, consultants), to professional multi-disciplinary project teams.
- Individual property owners and developers with no experience in the development review process do not know that the process is complex and require more assistance in the process from the County staff than professionals or teams of professionals who do have experience in the process.
- Projects managed by a multi-disciplinary team of professionals results in a quicker and more efficient process and require less staff resources.
- Quality and timely submittals by a developer results in a more efficient and timely process.
- The development review process includes a number of tools and programs to assist the developer from start to finish, including pre-application conferences, post-transition meetings and project management assistance.
- Having calls / emails returned quickly in regards to project updates and permit status is important to developers.
- The standards of the Zoning Development Ordinance (ZDO) that apply to "redeveloping" a site or nonconforming site are not clear. The ZDO could be improved with a two-tiered system to provide alternatives for the developer. The first tier would include clear and objective standards that do not require land use review. The second tier would include more flexible (discretionary) standards reviewed through a Design Review application.
- The adoption of the Uniform Building Code is a positive in the development review process because it provides one set of regulations that apply throughout the County, Region and State (Scott Caufield).

C. The organizational structure of the Development & Transportation Department (DTD)

- Development Services Division is well suited to focus on and provide a coordinated, efficient review process.
- The Development Services Division is comprised of the Planning and Zoning, Engineering, Building Codes and Surveyor Division under the supervision of the Deputy Director of DTD.
- The Planning and Zoning Division issues land use decisions which incorporate conditions of approval required under the ZDO, other divisions within DTD, service districts and state and federal agencies. This provides the customer with a comprehensive review of the proposal and coordinated conditions of approval that apply to the development proposal.
- The Engineering Division reviews site development, driveway, road frontage and other site associated development.
- The Building Codes Division is responsible for the review and issuance of building permits for new buildings, remodels and tenant improvements as well as plumbing, electrical, mechanical and grading permits.
- The Survey Division is responsible for the review of boundary surveys, survey monuments and the review and recording of partition and subdivision plats.

D. The "coordination" of the development review process

- The County plays an integral role in the overall coordination of the process.
- The Planning and Zoning Division facilitates agency coordination in the development review process. This is not required by law, rather a conscience policy choice to ensure a coordinated efficient process for the County, agencies and the applicant. The Planning and Zoning Division should continue in that role.
- The Planning and Zoning Division and other County divisions are in the best position to help all developers "connect the dots" and coordinate the development review process.
- Land use decisions issued by the Planning and Zoning Division include conditions of approval from other divisions, agencies and service districts.
- The County coordinates with 14 cities, 13 fire districts, 5 sewer districts, 22 water districts, 1 street lighting district, 2 park districts and other regional, state and federal agencies.
- Coordinating activities include those of public facilities, street improvements and construction, overall site design and resolving regulatory conflicts. Limitations do exist in solving regulatory or design conflicts because the County does not have the authority to interpret or administer service district regulations or standards.
- Coordinating activities with outside agencies requires significant staff time and resources.

E. Pre-Application Conference Feedback

- The pre-app is a very important component of the development review process.
- The focus of the pre-application process is to provide feedback on the proposal, identify significant issues, assist in identifying design alternatives, problem solving, explaining submittal requirements, permitting processes and timelines, other agency requirements, costs and fees and to introduce staff and project managers.
- Pre-application conferences are required for all commercial, industrial and multi-family projects.
- The variety of pre-application conferences ranges from developers who are doing initial due diligence for a potential project to developers who are committed to begin a project.
- Overall, developers like the opportunity to have a pre-application conference because it begins to allow a dialogue and conversation about the project. It is the biggest opportunity in the development review process to affect change.

- Pre-application conferences are most successful when there are no “surprises.” It is important to get as much information as possible to the applicant as early as possible in the process.
- There should be a strong emphasis on explaining the “process” particularly for those who are not familiar with the County process.
- The Planning and Zoning Division schedules and coordinates all pre-application conferences including providing notices and request for comments for other divisions, service districts and agencies.
- The EDC members observed two pre-application conferences. The staff interaction and problem solving in one was excellent and less effective in the other. The staff interaction with the applicant must be positive.
- The attitude of the staff and other agency and service district personnel to problem solve is critical for a pre-application conference to be successful.
- Attendance and preparation by outside agencies and service districts is important for a timely coordinated pre-application conference.

F. Fees and costs

- Fees and costs are important to identify early in the development review process.
- Fees are required from a wide variety of County departments, service districts, school districts, park districts and other agencies.
- There are two main categories of fees – “development review fees” and “special service district fees and assessments.” Special service district fees and assessments are used to fund necessary infrastructure (sewer, water, surface water and transportation facilities) to support development.
- Fees from sewer districts and County Transportation System Development Charges (TSDC’s) represent the largest percentage of the total fees for most projects.
- Based on a case study of an industrial warehouse facility in Clackamas County, “development review fees” from the County Planning, Building and Engineering Division represent less than 1.5% of the total cost of the project. “Special service district fees and assessments” represent 5.58% of the total cost of the project. All fees represent 7% of the total cost of the project.
- Based on a fee study provided to the EDC by Group Mackenzie, Clackamas County fees are very competitive compared to fees in similar jurisdictions.
- There is interest from the development community to determine fees and the costs of projects early in the process and from on-line sources if possible.
- The County Engineering Division facilitates and coordinates the collection of TSDC fees for the City of Happy Valley and the North Clackamas Parks District.
- The County Building Division facilitates and coordinates the collection of School District Construction Excise Tax for 16 school districts in the County.

G. Zoning and Development Ordinance

- There are two main categories of regulatory standards, “discretionary standards” and “clear and objective” standards.
- Clear and objective standards reduce land use and permitting timelines and provide less flexibility.
- Discretionary standards require longer permitting timelines, including the potential for an appeal and provide more flexibility.
- Clackamas County has 6 different environmental overlay districts mandated by the Statewide Planning Goals, Metro and the Federal Emergency Management Area (FEMA).
- Other environmental regulations that apply in Clackamas County include those adopted by three different sanitary / surface water districts, State (DSL) and Federal (Corp of Engineers) agencies.

- Environmental regulations and the associated development review and permitting process is particularly burdensome due to conflicting regulations, overlapping jurisdictions and different goals of the regulatory agencies (water quality, stream buffers, protection of habitat for fish and wildlife, scenic qualities, flooding, etc.)
- The Planning and Zoning Division contracts with the Water Environment Services (WES) Division to administer Clackamas County Service District #1 and Surface Water Management Agency of Clackamas County (SWMACC) stream buffer regulations. This provides a single point of contact and staffing expertise to resolve regulatory conflicts between the ZDO and district regulations for developers in these two districts.

What is working well?

- The re-organization of the Department of Transportation and Development (DTD) created a "Development Services Division" under one management authority. The Development Services Division focuses primarily on the development review process. The Development Services Division continues to be actively engaged and committed to streamlining and improving the development review process.
- The Development Services Division has a number of tools and programs to assist citizens and developers in all aspects of the development review process including:
 - Pre-application conferences
 - Land use decisions which provide a comprehensive review and list of conditions for each development
 - Post transition meetings
 - Project management assistance
 - One-stop partition and subdivision plat review process
- The "coordinating role" of the County in the development review process is an effective tool for customers, developers, service districts and agencies from the beginning to the end of a project.
- The development review process is most efficient and timely when a project is managed by a qualified multi-disciplinary team of professionals.
- The recent amendments to the Zoning and Development Ordinance require pre-application conferences for all significant development projects. The result is positive because it establishes an early dialogue between the County and the customer about each project.
- The Planning and Zoning Division administers stream buffer regulations on behalf of two service districts administered by the Water Environment Services (WES) Division. This simplifies the review and coordination of the County and WES environmental regulations for customers within a large geographic area of the unincorporated urban area of the County.
- The Engineering Division has worksheets and other handouts for developers to determine the cost of development review and service district fees and assessments. This enables customers to obtain fees and costs of projects early in the process.
- The County has streamlined the payment of fees for customers by collecting school district construction excise taxes for school districts and SDC's for the North Clackamas Parks District and the City of Happy Valley.

What are the challenges?

- Educating and keeping customers informed about the development review process and timelines so that a development can meet project timelines (Strained processing timelines from developers / i.e. not hearing from them early enough).
- The dynamic nature of land use laws, service district regulations and agency requirements makes it difficult for County staff and customers to stay abreast of current regulations and requirements.
- The fragmentation of development regulations due to the different roles and jurisdiction of governing bodies, service districts and other regulatory agencies.
- Maintaining an on-going feedback mechanism for the development review process from the development community.
- The number of different services districts, cities and agencies involved in the development review process and a corresponding lack of consistent standards, application requirements and fees between service districts.
- Maintaining consistent and timely outside agency participation and coordination during the pre-application conference and throughout the development review process.
- Local, State and Federal environmental regulations which have overlapping jurisdictions and at times conflicting regulations that are designed to accomplish different objectives.
- Receiving quality and timely submittals from customers throughout the development review process.
- Staff time and resources necessary to manage projects for customers who do not have the expertise or the assistance of a qualified professional to navigate the development review process.
- Emphasizing team and positive leadership, rather than negative attitude to staff.

Committee Interactive or Extra Meetings:

1. Pre-Application Conference – EDC members had two opportunities to observe pre-application conferences. Overall there was positive feedback from the conferences with a better understanding of the goals/objectives.
2. Developer Roundtable – Bryan Dickerson, PacLand- Work primarily with retail development and Jennifer Kimura, VLMK Consulting Engineers came in to share their specific project experience with development projects in Clackamas County. EDC members gathered information on what is working well and what could be improved. Other items discussed included development fees, building codes, and timing of land use applications.

Details of Guest Speakers: Justin Wood, Home Builders Association and Bruce Goldson, Theta Engineering from the Development Liaison Committee (DLC) – Introduction between existing members of the DLC and the EDC to share overall mission and purpose.