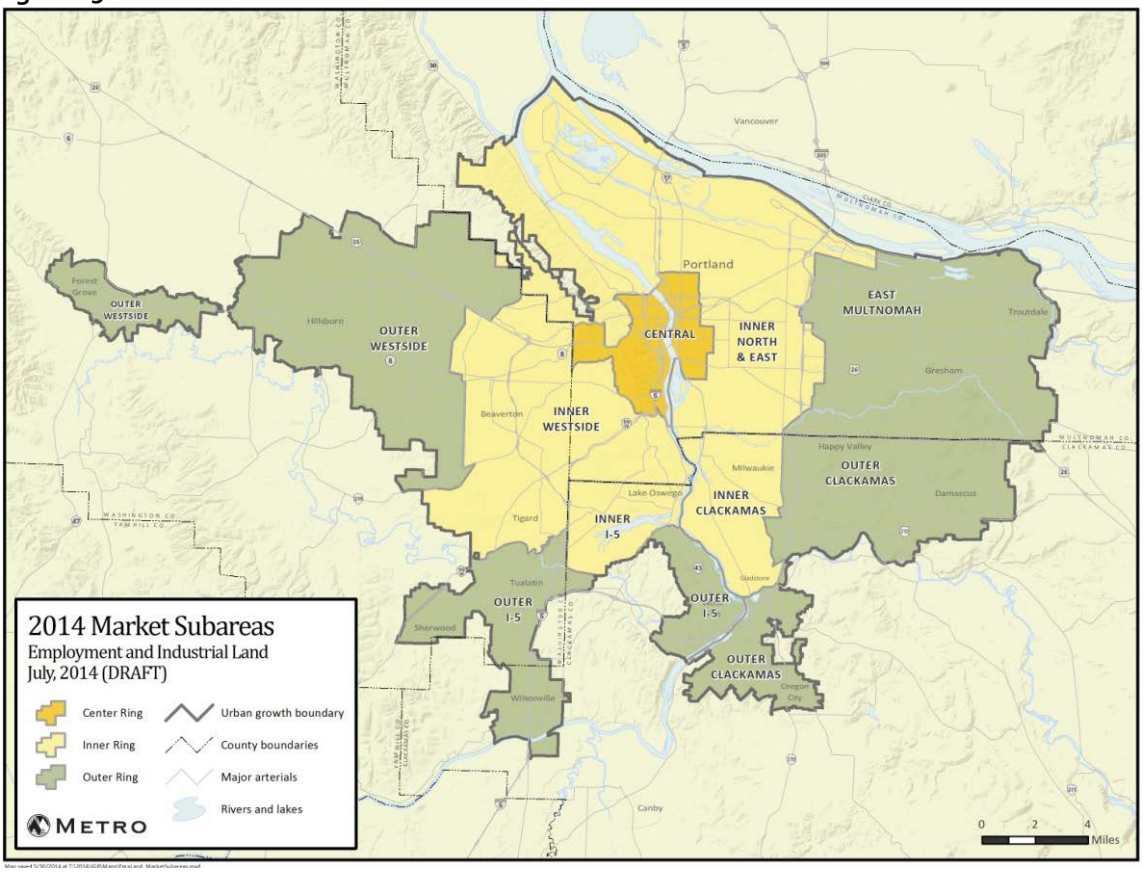
FORECAST COMPARISON TO METRO UGR ESTIMATES

As a member of the broader Metro urban area, it is prudent for Clackamas County to recognize regional planning efforts and how its own economic development objectives may differ from regional allocations. Here, UGR demand estimates are summarized relating to Clackamas County in comparison to forecast scenarios in this analysis. The methodological overview for production of UGR demand estimates are included as Appendix 6 in the 2014 Metro UGR.

UGR DEMAND ESTIMATES BY LAND TYPE

The UGR forecasts demand into two broad land categories, general industrial and commercial. Manufacturing, warehouse, distribution, and flex/business park are considered industrial uses; while office, retail, and institutional are uses are consolidated in the commercial category. The UGR methodology also allocates demand by geographic subarea and type (i.e. regional center, corridors, employment area, etc.) Different assumptions are used geographically in the region across a range of nine subareas. Four of these subareas cover Clackamas County; Outer Clackamas, Inner Clackamas, Inner I-5, and Outer I-5/205. Large-lot demand is considered in a separate analysis.

Figure 29: Metro UGR Demand Subareas



From Figure 29 we observe a limitation of this process when considering county specific data. Specifically, these subareas do not conform to county boundaries. In the case of Clackamas County, the Outer I-5/205 subarea includes West Linn and Wilsonville but also parts of Tualatin and Sherwood in Washington County.

With this condition, it is impossible to make direct apples to apples comparisons for county specific forecasts. Considering this caveat, this analysis allocates a share of Outer I-5/205 demand to Clackamas County. Detailed results in Figure 30 represent the forecast's Baseline Growth Scenario.

Figure 30: Metro UGR Employment Land Demand by Subarea and Type, Clackamas County (2015-2035)

Subarea	Central	Corridors	Regional Centers	Town Centers	RSIA's[1]	Industrial	Employment	Other[2]	Total
COMMERCIAL									
Inner Clackamas	0	65	53	21	17	17	22	92	287
Inner I-5	0	61	28	38	0	2	73	108	310
Outer Clackamas	0	0	0	1	0	1	2	3	7
Outer I-5/205[3]	0	39	5	20	1	29	72	79	243
TOTAL:	**0**	**165**	**86**	**80**	**18**	**49**	**169**	**282**	**847**
INDUSTRIAL									
Inner Clackamas	0	96	9	4	89	55	23	43	319
Inner I-5	0	34	14	12	0	5	62	45	172
Outer Clackamas	0	0	0	1	1	1	2	5	10
Outer I-5/205[3]	0	93	16	23	47	168	127	79	550
TOTAL:	**0**	**223**	**39**	**40**	**137**	**229**	**214**	**172**	**1,051**

1 Regionally Significant Industrial Area
2 Definition unspecified in UGR
3 Assumes 50% allocation to Clackamas

- With the assumption that 50% of the Outer I-5/205 subarea demand is driven by Wilsonville and West Linn, an estimated 847 acres of commercial and 1,051 acres of industrial land in the UGR forecast is attributable to Clackamas County.

- This represents only a 24% capture of metro wide commercial demand and 28% of industrial demand.

- Roughly 39% of Clackamas County commercial land demand is expected to be driven by corridor, town, and regional center development forms. An additional 53% is from employment and "other" areas.

- On the industrial side, 29% of industrial development is driven by corridor, regional, and town centers with 21% in industrial areas, 20% in employment areas, and 13% in regionally significant industrial areas.

- The Outer Clackamas subarea is projected to account for less than 17 acres (< 1%) of total demand across both land types.

LARGE-LOT INDUSTRIAL

A separate analysis was conducted to evaluate the impacts of large-lot industrial demand in the region. This analysis forecasted potential demand for 21 large industrial sites in the region over the next 20-years. That analysis did not specify demand geographically in the region.

Figure 31: Metro UGR Large-Lot Demand Baseline Forecast, Portland Metro Area, 2015-2035

Building Type	25-49 Acres	50-99 Acres	100+ Acres	LAND AREA (Acres) Low	-	High[1]
Flex/Business Park	4	1	1	250	-	445
Manufacturing Industrial	4	1	0	150	-	295
Warehouse	6	3	1	400	-	741
TOTAL	**14**	**5**	**2**	**800**	**-**	**1,481**

[1] Assumes a maximum of 150 acre site

The Metro UGR large-lot demand analysis established a baseline scenario net-need for 800 to nearly 1,500 acres of large-lot industrial land over the next 20-years. The more aggressive high-growth scenario identified 34 sites at 1,430 to 2,470 large-lot industrial acres demanded regionally.

COMPARISON TO CLACKAMAS FORECAST SCENARIOS

The Clackamas County forecasts in our analysis did not attempt to distribute demand geographically within the region. Therefore in Figure 32 we consider only combined Clackamas County estimates. It is important to note in this section that the UGR estimates consider all commercial demand, including retail, while the Clackamas County forecasts consider only employment uses on commercial land (i.e. office, medical, creative, institutional etc.).

Figure 32: Metro UGR and Clackamas Non-Retail Demand Forecast Reconciliation[21]

Land Type	UGR FORECAST Baseline	UGR FORECAST High	CLACKAMAS NON-RETAIL SCENARIOS Scenario I	Scenario II	Scenario III	Scenario IV
Commercial	847	1,367	825	813	816	1,002
Industrial	1,051	1,375	824	1,040	1,373	1,726
Large-Lot Industrial [1]	319	535	None	None	*	*
TOTAL:	**2,217**	**3,277**	**1,648**	**1,853**	**2,188**	**2,728**

[1] Assumes midrage estimate by scenario @ Metro's 28% industrial capture rate for Clackamas County

* Large-lot demand stimates are includeed in the industrial demand category of Scenarios III and IV.

- Excluding large-lot demand, despite using different assumptions, our estimates in Scenario I and II are similar to the UGR baseline estimates.

- The Scenario III forecast projects roughly 30 fewer acres of commercial land but a sizably larger share, 322 acres of industrial land. When-large lot demand is considered in the UGR analysis; the Scenario III gross industrial estimates are inline with the Baseline UGR forecast.

- Similarly, the more optimistic Scenario IV forecast assumes commercial demand in the middle of the two identified UGR based forecasts at roughly 1,000 acres. The general industrial land estimates are higher in Scenario IV, which is offset in gross terms when large-lot demand is considered.

[21] Demand in the UGR forecast is based on a series of capture assumptions for large-lot demand and for Clackamas County's share of demand in the Outer I-5/205 subarea. Changes or refinement of these assumptions would influence findings in Figure 32 considerably.

- It is clear that the forecasts produced in the Clackamas County Non-Retail Demand Analysis are more optimistic about manufacturing growth potential in Clackamas County—and by extension general industrial land demand, compared to the UGR forecasts.

RECONCILIATION WITH CLACKAMAS COUNTY LAND SUPPLY

The final analytical step in our analysis is to consider future growth in the context of the location, quality, and characteristics of Clackamas County's industrial land supply. This process moves beyond a consideration of simple gross acreage comparisons and provides insight into the extent to which Clackamas County's land inventory is suitable to accommodate expected growth.

SOURCE OF INFORMATION

While Clackamas County is working to maintain a comprehensive inventory of employment lands in its jurisdiction, at this time it was determined by the County to be premature to provide meaningful input to this analysis. Therefore, we relied on the buildable land inventory and characteristics report in the 2014 Metro UGR to derive land supply assessments. Due to sheer area the UGR covers in its analysis, it must rely on GIS based assumptions and metrics relating to value, slope, natural resources, development, etc. to derive its land supply assessments[22]. Our review of this analysis finds that this methodology generally results in a more liberal inventory of vacant and redevelopable land than studies done on a local basis that factor in local and more detailed knowledge of sites or areas.

For large-lot land supply, we rely on Metro's recent update of its Phase 1 regional large-lot industrial land inventory.

LAND SUPPLY ASSESSMENT

Total Acres

The 2014 Metro UGR estimates vacant and "potentially" redevelopable land by jurisdiction throughout the metro area for commercial and industrial uses. Additionally, the UGR estimates the commercial capacity that could be met by mixed-use areas through new or redeveloped properties. Taken together, Clackamas County's inventory of buildable land includes 1,234 vacant acres and 1,829 "potentially" redevelopable acres, totaling roughly 3,063 acres of buildable land. This includes roughly 1,405 acres of industrial land and 1,658 acres of commercially developable land.

Figure 33: Clackamas County BLI by Type, 2014

Type	Vacant	Redev.	Total
Industrial	667	738	1,405
Commercial on Commercial Land	*53*	*188*	*241*
Commercial on Mixed-Use Land	*514*	*903*	*1,417*
Total Commercial	567	1,091	1,658
TOTAL LAND	**1,234**	**1,829**	**3,063**

SOURCE: 2014 Metro UGR

[22] See Appendix 2 of the 2014 Metro UGR for an overview of their buildable land inventory methodology.