



JOINT CLACKAMAS COUNTY-METRO COUNCIL WORK SESSION

Meeting Minutes

July 14, 2015

Clackamas County Development Services Building
150 Beaver Creek Rd, Oregon City

Members Present: Clackamas County Chair John Ludlow and Clackamas County Commissioners Jim Bernard, Tootie Smith, and Paul Savas; Metro Council President Tom Hughes and Metro Councilors Bob Stacey, Shirley Craddick, Carlotta Collette, Craig Dirksen, Kathryn Harrington, and Sam Chase

Members Excused: Clackamas County Commissioner Martha Schrader

Chair John Ludlow called the joint Clackamas County-Metro Council work session to order at 1:31 p.m.

1. INTRODUCTIONS, MEETING PURPOSE

Chair Ludlow and Metro Council President Hughes welcomed those in attendance and provided opening remarks. Chair Ludlow announced the purpose of the meeting, which was to discuss the economic landscape of Clackamas County and how Metro can be supportive of Clackamas County's economic development efforts, noting that the remand of urban and rural reserves by the Land Conservation and Development Commission (LCDC) would be discussed at a future meeting. Metro Council President Tom Hughes added that the Portland area regional economy is dependent on the cooperation of the Portland area's counties and cities.

2. CLACKAMAS COUNTY ECONOMIC LANDSCAPE

Clackamas County staff provided an overview of the county's economy. Mr. Gary Barth, Director of Clackamas County Business and Community Services, described the emerging economic trends in the county. Mr. Barth described the regional economy, of which Clackamas County contributed \$18.1 billion or 11% of the regional GDP. Key economic sectors (clusters) for the county include:

- Professional Business Services
- High Tech Manufacturing
- Wholesale Trade
- Advanced Manufacturing-Metals and Machinery

County staff noted that, to increase economic development in Clackamas County, defining target industries, markets, and site locations was important. Additionally of importance to the county, was creating strategies to increase middle- and high-wage jobs.

Discussion:

Discussion among the Commission and Council centered on the county's role in economic development, challenges related to site readiness, and the productivity of specific industrial corridors within the county. Metro Councilor Bob Stacey inquired if it is typical for a county government to provide economic development programs. County staff responded that, because Clackamas County cities are much smaller than other cities in the Portland metro region and do not have large economic development and planning departments, the county plays a stronger, more collaborative role to expand county-wide economic opportunities. Metro Councilor Shirley Craddick inquired about the percentage of industrial land in unincorporated areas and if those locations create additional challenges than those inside cities. Mr. Barth responded that he will find out what percentage of industrial land is in unincorporated lands.

Metro Councilor Kathryn Harrington inquired about wholesale trade as a cluster and why much of the remaining vacant employment land supply is considered by staff as "challenged." Mr. Barth answered that it is a value-added prospect – they bring products, add value to them, and sell them, for example electronic and medical devices. Chair Ludlow elaborated that 80% of land in Clackamas County sloped at a 50% grade and not suitable for industrial land use. Metro Councilor Craig Dirksen inquired about transportation issues related to Clackamas industrial sites, specifically whether the greater challenge was roads within the sites or connectivity to the broader region. Mr. Barth responded that it is connectivity to the region and to employment areas near Canby, Estacada, Molalla, and Sandy.

Speaking to specific corridors, President Hughes inquired if Kruse Way has the potential to have the same economic development impacts as a transportation corridor in Clackamas County as Highway 26 has in Washington County. Mr. Barth replied Kruse Way will likely not have the same impacts as Highway 26, given its constraints and the types of industry adjacent to the facility.

3. METRO SNAPSHOT OF CLACKAMAS COUNTY AND HOW METRO CAN HELP

Metro staff provided an overview of economic activity in the county and additional information about how Clackamas County fits into the regional economic picture. Ms. Elissa Gertler, Metro Planning and Development Director, reported that job creation has been happening in most sectors in Clackamas County since the recession. Like in much of the U.S., housing is being built in more urban settings closer to larger cities, centers, corridors, and downtowns. This is partly being driven by a demand from younger people choosing to live closer to urban areas and transit. Future housing needs are shifting as young people put off marriage and having children and the population ages, growing the demand for single occupant housing options. Mr. John Williams, Metro Planning and Development Deputy Director, described the movement of workers into and out of Clackamas County, noting that hundreds of thousands of people work in a different county than the one in which they reside.

Discussion:

There was none.

4. PLACES OF OPPORTUNITY

Clackamas County staff presented on three major industrial areas in the county, within the existing urban growth boundary, which present opportunities for new or added industrial development.

A. North Milwaukie Industrial Area

Staff presented on the North Milwaukie Industrial Area, located just south of the Multnomah County/Clackamas County line along Highway 99E. Mr. Barth described the possibilities of the area to redevelop in a way that mirrored other significant regional area campuses, such as the Oregon Health and Science University (OHSU), Nike, and Intel. The county described a strong partnership with the City of Milwaukie to support redevelopment of the site.

Discussion:

Council President Hughes indicated that North Milwaukie has cheaper land for development than other industrial areas in the Portland region which could attract many industries. Metro Councilor Carlotta Collette announced that light rail is coming to North Milwaukie and will link it with OHSU. Councilor Dirksen acknowledged the potential economic development opportunity of North Milwaukie because of its relation to the rail lines, transportation networks, surrounding community, proximity to Portland and other major economic centers. Metro Councilor Sam Chase noted the regional challenges regarding industrial activity in close proximity to residential communities, such as air and water quality, and public health. Clackamas County Commissioner Jim Bernard also noted the importance of light rail in North Milwaukie stimulating economic development.

B. Rock Creek/Sunrise Corridor

Clackamas County staff presented on industrial development opportunities in the Rock Creek/Sunrise Corridor, located along state Highway 212 and in the city of Happy Valley. Mr. Mike Bezner, Clackamas County Transportation and Development Engineering Manager, spoke about the transportation issues Happy Valley faces with regards to the future site developments, which are owned by Providence Health Services, specifically along SE 162nd Avenue. Ms. Karen Buehrig, Clackamas County Transportation Planning Supervisor, described the need for updated north-south transportation networks and added that Metro could assist the county with mobility in the area.

Discussion:

Councilors Collette and Craddick agreed that updated north-south transportation network connections are critical and inquired about progress on improving these facilities. Mr. Bezner responded that the Sunrise Corridor is a priority and they are working with the Oregon Department of Transportation (ODOT) to scope improvements and will provide a follow-up. Councilor Craddick inquired if Clackamas County is looking at other forms of transportation to reduce the burden on Highway 212. Ms. Buehrig answered that the county is looking at high capacity transit as an option to serve the corridor.

C. McLoughlin Boulevard Corridor

County staff provided an overview of redevelopment opportunities along state Highway 99E between the cities of Milwaukie and Gladstone. Mr. Mike McCallister, Clackamas County Planning Director, spoke about the importance of improving the McLoughlin Boulevard and incorporating pedestrian friendly elements, new design concepts, and engaging property owners in the commercial district. Ms. Buehrig elaborated on the mobility issues along the corridor and the regional transit strategy.

Discussion:

Councilor Collette indicated the area has a lot of opportunity and value in it that is not being fully utilized. Commissioner Bernard suggested that the added transit access provided by the new light rail would open up the area to for more businesses and housing. Commissioner Paul Savas elaborated on the low cost of housing in the area and concerns about gentrification. Commissioner Tootie Smith was encouraged about working together with Metro and looking at economic redevelopment opportunities. Councilor Craddick was impressed with Clackamas County's plan to support access and development.

5. FUTURE CONVERSATIONS

Chair Ludlow briefly listed several issues which may benefit from further discussion between the Metro Council and the Clackamas County Board, including:

- Clackamas County's need for employment lands
- The situation with the disincorporation of the City of Damascus
- Legal issues surrounding the Stafford area
- Location issues for composting facilities and the Solid Waste Roadmap; and
- Regional equity on transportation funding between Metro's three counties.

6. ADJOURN

Seeing no further business, Chair Ludlow adjourned the joint work session at 3:48 p.m.

Respectfully submitted,



Botond Kovacs, Council Policy Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JULY 14, 2015

| ITEM | DOCUMENT TYPE | DOC DATE | DOCUMENT DESCRIPTION | DOCUMENT No. |
|-------------|----------------------|-----------------|------------------------------------|---------------------|
| 3.0 | Handout | 07/14/15 | Metro Snapshot of Clackamas County | 071415cw-01 |