



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

Fax (503) 378-5518

www.lcd.state.or.us



NOTICE OF ADOPTED AMENDMENT

05/06/2013

TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Plan Amendment Program Specialist

SUBJECT: Clackamas County Plan Amendment
DLCD File Number 001-13

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. A Copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: Tuesday, May 21, 2013

This amendment was submitted to DLCD for review prior to adoption pursuant to ORS 197.830(2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE:** The Acknowledgment or Appeal Deadline is based upon the date the decision was mailed by local government. A decision may have been mailed to you on a different date than it was mailed to DLCD. As a result, your appeal deadline may be earlier than the above date specified. NO LUBA Notification to the jurisdiction of an appeal by the deadline, this Plan Amendment is acknowledged.

Cc: Martha Fritzie, Clackamas County
Jon Jinings, DLCD Community Services Specialist
Jennifer Donnelly, DLCD Regional Representative

<paa> YA/email



FORM 2

DLCD

Notice of Adoption

In person electronic mailed

DEPT OF
MAY 01 2013
LAND CONSERVATION
AND DEVELOPMENT
For Office Use Only

This Form 2 must be mailed to DLCD within **20-Working Days after the Final Ordinance is signed** by the public Official Designated by the jurisdiction and all other requirements of ORS 197.615 and OAR 660-018-000

Jurisdiction: **Clackamas County**

Local file number: **ZDO-242**

Date of Adoption: **4/25/2013**

Date Mailed: **4/30/2013**

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? Yes No Date: 1/17/2013

Comprehensive Plan Text Amendment

Comprehensive Plan Map Amendment

Land Use Regulation Amendment

Zoning Map Amendment

New Land Use Regulation

Other:

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

Legislative Comprehensive Plan text amendment to adopt 20-year coordinated population forecasts for Clackamas County's five rural cities: Barlow, Canby, Estacada, Molalla, and Sandy. These forecasts are consistent with the applicable statutory requirements of ORS 195.025 and 195.036.

Does the Adoption differ from proposal? No, no explanation is necessary

Plan Map Changed from:

to:

Zone Map Changed from:

to:

Location:

Acres Involved:

Specify Density: Previous:

New:

Applicable statewide planning goals:

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

Was an Exception Adopted? YES NO

Did DLCD receive a Notice of Proposed Amendment...

35-days prior to first evidentiary hearing?

Yes No

If no, do the statewide planning goals apply?

Yes No

If no, did Emergency Circumstances require immediate adoption?

Yes No

DLCD file No. _____

Please list all affected State or Federal Agencies, Local Governments or Special Districts:

Cities of Barlow, Canby, Estacada, Molalla, and Sandy; DLCD; ODOT; Metro

Local Contact: **Martha Fritzie**

Phone: **(503) 742-4529** Extension:

Address: **150 Beaver Creek Rd**

Fax Number: **503-742-4550**

City: **Oregon City**

Zip: **97045-**

E-mail Address: **mfritzie@clackamas.us**

ADOPTION SUBMITTAL REQUIREMENTS

This Form 2 must be received by DLCD no later than 20 working days after the ordinance has been signed by the public official designated by the jurisdiction to sign the approved ordinance(s)

per ORS [197.615](#) and [OAR Chapter 660, Division 18](#)

1. This Form 2 must be submitted by local jurisdictions only (not by applicant).
2. When submitting the adopted amendment, please print a completed copy of Form 2 on light **green paper if available**.
3. Send this Form 2 and one complete paper copy (documents and maps) of the adopted amendment to the address below.
4. Submittal of this Notice of Adoption must include the final signed ordinance(s), all supporting finding(s), exhibit(s) and any other supplementary information ([ORS 197.615](#)).
5. Deadline to appeals to LUBA is calculated **twenty-one (21) days** from the receipt (postmark date) by DLCD of the adoption ([ORS 197.830 to 197.845](#)).
6. In addition to sending the Form 2 - Notice of Adoption to DLCD, please also remember to notify persons who participated in the local hearing and requested notice of the final decision. ([ORS 197.615](#)).
7. Submit **one complete paper copy** via United States Postal Service, Common Carrier or Hand Carried to the DLCD Salem Office and stamped with the incoming date stamp.
8. Please mail the adopted amendment packet to:

**ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540**

9. **Need More Copies?** Please print forms on **8½ -1/2x11 green paper only if available**. If you have any questions or would like assistance, please contact your DLCD regional representative or contact the DLCD Salem Office at (503) 373-0050 x238 or e-mail plan.amendments@state.or.us.

<http://www.oregon.gov/LCD/forms.shtml>

Updated December 6, 2012

ORDINANCE NO. ZDO-242

**An Ordinance Amending Chapter 4 and Appendix B of the
Clackamas County Comprehensive Plan**

WHEREAS, state law identifies Clackamas County as the coordinating body for its five rural cities of Barlow, Canby, Estacada, Molalla and Sandy and requires the coordinating body to establish and maintain a 20-year coordinated population forecast for the cities; and

WHEREAS, the County's Planning and Zoning Division received a grant in January 2012 from the Department of Land Conservation and Development to complete the 20-year coordinated population forecasts consistent with ORS 195.036 and OAR 660-024-0030; and

WHEREAS, the Planning and Zoning Division completed this coordinated effort in January 2013 and reached agreement with all five cities as to the 20-year forecast results; and

WHEREAS, the Planning Director initiated an amendment to Chapter 4 of the Comprehensive Plan to adopt the 20-year coordinated population forecasts for the five rural cities, and

WHEREAS, the Department of Land Conservation and Development has been duly noticed of the proposed amendments; and

WHEREAS, the proposed amendments are consistent with the Clackamas County Comprehensive Plan, the Statewide Planning Goals and Guidelines and all other applicable state and federal laws and regulations; and

WHEREAS, after a duly-noticed public hearing, the Clackamas County Planning Commission recommended approval of ZDO-242 on February 25, 2013; and

WHEREAS, after a duly-noticed public hearing, the Clackamas County Board of County Commissioners approved ZDO-242 on March 20, 2013;

The Board of Commissioners of Clackamas County ordains as follows:

Section 1: The Clackamas County Rural Cities Population Coordination Background Report and Forecasts, Final: March 12, 2013, hereto attached as Exhibit B, are hereby adopted.

Section 2: Chapter 4 and Appendix B of the Clackamas County Comprehensive Plan are hereby amended as shown in Exhibit A, hereto attached.

Section 3: This ordinance shall be effective on July 1, 2013.

ADOPTED this 25th day of APRIL, 2013

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary



**Clackamas County
Rural Cities Population Coordination
Background Report and Forecasts**

Final: March 12, 2013

Prepared by: Clackamas County Planning & Zoning Division, in coordination with the cities of Barlow, Canby, Estacada, Molalla and Sandy and with contributions from the Metro data resource center.

This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views of policies of the State of Oregon.

EXECUTIVE SUMMARY

State law requires that forecasts be managed by a “coordinating body” that establishes and maintains a 20-year population forecast for the entire area within its boundary (ORS 195.036). Metro is the coordinating body for the urban areas of Clackamas County, Washington County, and Multnomah County within the Metro boundary. Clackamas County is the coordinating body for the rural area of the County (the area outside the Metro boundary), including the five rural-area cities. To date, the County has not coordinated forecasts for its rural cities.

Clackamas County has five rural cities: Barlow, Canby, Estacada, Molalla and Sandy. Combined, these cities comprise less than 10% of the county’s total population. Several of these cities have been growing very rapidly, however. Between 2000 and 2010, the cities of Canby, Molalla and Sandy captured 25% of the County’s total population growth.

- Canby increased by 3,039 people (8% of County growth).
- Molalla increased by 2,374 people (6% of County growth).
- Sandy increased by 4,065 people (11% of County growth).

Barlow and Estacada posted slower growth over the last decade:

- Barlow has and will continue to have very limited growth due primarily to the fact that there is not sewer service available in the city and the city is largely built-out.
- Estacada posted slow growth over the last decade but recent permit activity and interest by developers indicated this city should experience stronger growth in the future.

As a result of recent trends, Canby, Estacada, Molalla and Sandy have been working hard to position themselves to attract more economic and population growth moving into the future by undertaking such activities as creating urban renewal districts, downtown redevelopment plans and economic marketing strategies, and preparing industrial land to be “shovel-ready” for development. These cities also continue to provide a more affordable housing alternative than in the urban cities (inside the Metro UGB).

Strong growth is expected to continue in these cities (with the exception of Barlow, for reasons noted in the report and in Appendix A). The table below summarizes the 20-year coordinated population projections that have resulted from the collaborative efforts of the county, Metro and the five rural cities. Each of the rural cities was provided several opportunities to review and provide feedback on these forecasts and this report in general.

These projections were completed to be consistent with OAR 660-024-0030 and meet the statutory requirements of ORS 195.025 and ORS 195.036 and will be presented to the Board of County of Commissioners for adoption into Clackamas County’s Comprehensive Plan in March 2013.

City	2012 population	2032 population	Net growth 2012-2032	Avg. Annual Growth Rate (AAGR) 2012-2032
Barlow	136	146	10	0.4%
Canby	16,820	26,730	9,910	2.3%
Estacada	2,845	4,345	1,500	2.1%
Molalla	8,532	12,760	4,228	2.0%
Sandy	10,322	17,960	7,628	2.8%

Source: US Census, Metro, Clackamas County

INTRODUCTION

In January 2012, Clackamas County’s Planning Division received a grant to complete a coordinated population forecast for its rural cities, per ORS 195.036.¹ The goal of the Rural Cities Population Coordination project is to establish coordinated population forecasts for rural unincorporated Clackamas County and its five rural cities: Barlow, Canby, Estacada, Molalla and Sandy. These forecasts will be appropriate for and useful to each city as they continue to plan for urban development within their jurisdictions.

This report summarizes the project; reviews the historic demographic trends and current conditions in Clackamas County and its rural cities; and presents the 20-year forecast for each of the rural cities that are proposed for adoption by the county in March 2013.

Evaluating past demographic trends provides clues about what the forecast will look like and helps determine the realm of likely possibilities. Past trends explain the dynamics of population growth particular to local areas. Relating recent and historical population change to events that influenced the change serves as a gauge for what might realistically occur in a given area over the long term.

The forecasts in this report draw on household and employment forecasts developed by the Metropolitan Service District, Metro, but focuses on the unincorporated areas and jurisdictions beyond the Metro boundary, the rural area of Clackamas County. It utilizes the “control total” forecasts developed by Metro as well as allocations to the rural areas of the county and attempts to show how the final forecasts resulting from this process are reasonable in light of historic growth trends in the cities and commensurate with analyses completed by individual cities.

This report is organized into the following sections:

Background Report	Section I:	Background and Context (Clackamas County setting; data sources and methodology; population growth assumptions)
	Section II:	Demographic Trends (General overview of State and Clackamas County; characteristics of the rural area cities including historic population growth, current conditions, building permits, etc.)
Forecast	Section III:	Methodology and Factors Affecting Population Growth (regional and local)
	Section IV:	Forecasts (State and Metro forecasts; countywide; inside & outside Metro boundary; draft cities’ forecasts)
Appendices	Appendix A:	Information considered in assessment of city forecasts
	Appendix B:	Documentation of coordination with rural cities
	Appendix C:	Summary of Metro forecasting methodology
	Appendix D:	Maps of TAZ groups and city boundaries
	Appendix E:	Supporting data and additional demographic tables
	Appendix F:	Excerpts from Statewide Economic & Demographic Reports

¹ The urban cities in Clackamas County are part of Metro (the Metropolitan Service District), which is responsible for coordinating population forecasts within its boundary.

BACKGROUND REPORT

SECTION I: BACKGROUND AND CONTEXT

Background of Population Forecasts

Local governments in Oregon have developed and adopted population forecasts for planning purposes since the inception of the statewide planning program in the late 1970's. The forecasts are used to determine the size of Urban Growth Boundaries (UGBs), guide capital improvement planning, and meet other planning requirements. For example, State laws require cities with populations greater than 25,000 to plan for sufficient buildable lands inside their urban growth boundaries for housing needed to accommodate population growth (ORS 197.295 – 197.296) and for industrial and commercial development to support economic growth (ORS 197.712).

To achieve consistency through the forecasting process and results, the Oregon legislature designated the state Office of Economic Analysis (OEA), a division of the Department of Administrative Services, as the primary forecasting agency for the state. The OEA prepares population and employment forecasts for the state and each county. The most recently adopted OEA forecast was completed in 2004 but a draft of the current (2012) forecast was released for review in late 2012.

State law requires that forecasts be managed by a “coordinating body” that establishes and maintains a 20-year population forecast for the entire area within its boundary (ORS 195.036). Metro is the coordinating body for the urban areas of Clackamas County, Washington County, and Multnomah County within the Metro boundary. Clackamas County is the coordinating body for the rural area of the County (the area outside the Metro boundary), including the five rural-area cities. To date, the County has not coordinated forecasts for its rural cities. Because Metro is currently coordinating regional households forecasts that include planning areas beyond the Metro boundary in its model, Clackamas County has the opportunity to use forecasts developed by this agency as a basis for its rural cities’ population coordination.

Data Sources

Information in this population report is based on data obtained from a number of sources, including:

- **Metro**

As the metropolitan region’s planning agency, Metro (<http://www.oregonmetro.gov/>) provides the technical analysis to produce population and employment forecasts for the Portland-Vancouver metropolitan region, including Multnomah County, Washington County, Clackamas County in Oregon and Clark County in Washington. The agency manages “an integrated land use and transportation model” called Metroscope. These data also are integral to a regional economic/population model and the “travel demand model.”

Metroscope comprises the databases to forecast changes in population, household and employment, and these forecasts “result in an equilibrium growth allocation which balances residential or employment capacity against regional population or employment growth trends.”

Data from the Metroscope and many of the assumptions going into Metroscope were provided to the local jurisdictions (cities and counties) for review prior to the completion of the 2025 and 2035 forecasts.

- **Oregon Office of Economic Analysis (OEA)**

OEA (<http://www.oea.das.state.or.us/DAS/OEA/demographic.shtml>) provides long-term population forecasts and historic population trends on a county-wide level. These data were used to compare with Metro forecasts.

- **Rural cities**

The cities in Clackamas County's rural area provided data from past population studies and projections (completed by individual cities), with estimates of buildable lands and capacity for various land uses. The cities were also asked to provide information about current conditions and any known future conditions or changes that could positively or negatively affect population growth into the future (see Appendix A).

- **Portland State University, Population Research Center (PRC)**

Annual population estimates for cities and counties of Oregon are prepared by the Population Research Center at Portland State University (<http://pdx.edu/prc/>) as part of its Population Estimates Program. Data on State income tax returns, births, deaths, Medicare, school enrollment, and city annexations, and information about changes in housing stock and group quarters population are utilized in developing the population estimates. Population estimates for Clackamas County, its cities and its unincorporated area from 2000 to 2011 are used in this study to help to understand growth trends throughout the county.

- **US Census**

The decennial census (<http://www.census.gov/>) is the only source of data collected for small areas across the nation. The 2000 Census and 2010 Census data were used to obtain the population by age and sex, of those residing in the County's cities and unincorporated areas. Historic data from past decennial census was used to look at longer term growth trends.

Clackamas County Setting

Clackamas County, Oregon is located within the northwest tier of the state and is the third-most populated population county in the state with 375,922 residents after Multnomah County (735,334 residents) and Washington County (529,710 residents).² The County land area is approximately 1,880 square miles, about half of which is in National forest lands located in the eastern and southern reaches of the county.

Regional land use and transportation planning for the urban areas of these three counties is overseen and managed by the Metropolitan Service District, Metro. The Metro Board and elected officials of participating jurisdictions set policy direction for long range planning, coordinate population forecasts for the region, and agree on a range of services for the urban area. Metro also maintains the "Metro Boundary" and the metro area's Urban Growth Boundary (UGB) which delineate the lands for urban development from rural areas.

Clackamas County's densely populated urban area is focused in the northwest quadrant of the county; the urban area, with about 72% of the county's population, has nine cities, portions of three cities shared with other counties, and a sizeable population in unincorporated communities. The rural area supports five cities, unincorporated resort communities near Mt. Hood, and a rural population involved in farming and forestry.

² 2010 US Census

Table 1 lists the populations of the cities and unincorporated areas in Clackamas County by location either inside the Metro UGB (urban area) or outside the Metro UGB (rural area). As noted earlier, the area outside the Metro UGB (rural area) will be the focus of this report.

Table 1. 2010 Population for Clackamas County Cities and Unincorporated Areas

	2010 Population*	Percent of Total Population
RURAL AREA		
Barlow	135	0.04%
Canby	15,830	4.20%
Estacada	2,730	0.72%
Molalla	8,110	2.15%
Sandy	9,655	2.56%
Total Rural Cities	36,460	9.68%
Rural Unincorporated Area**	68,345	18.14%
Total Rural Area Population	104,805	27.82%
URBAN AREA		
Damascus	10,540	2.80%
Gladstone	11,495	3.05%
Happy Valley	14,100	3.74%
Johnson City	565	0.15%
Lake Oswego	34,067	9.04%
Milwaukie	20,290	5.39%
Oregon City	31,995	8.49%
West Linn	25,150	6.67%
Wilsonville	17,385	4.61%
Rivergrove***	258	0.07%
Portland***	744	0.20%
Tualatin***	2,869	0.76%
Total Urban Cities	169,458	44.98%
Urban Unincorporated Area**	102,517	27.21%
Total Urban Area Population	271,975	72.18%
Total County Population	376,780	

* July 1, 2010 revised Estimates, prepared by Population Research Center, PSU, March 2012. Numbers may differ slightly from 2010 Census numbers due to methodology and estimate dates (US Census reports April 1, 2010).

** Estimated population of unincorporated areas based on Census data (CCD and Census Tract) and from Metro's allocation of households to Transportation Analysis Zones (TAZ).

*** Includes only the portions of these cities that are within Clackamas County.

SECTION II: HISTORIC DEMOGRAPHIC TRENDS

Historic Population Growth

Table 2 (next page) shows the population of the State of Oregon, Clackamas County and the county's rural cities for the decades from 1960 to 2010. During this 50-year period, the nation's population increased by 72%, the State of Oregon's population increased by 117% and Clackamas County's population by 233%.

Population changes by decade largely reflect the expansion and contraction of the US economy during those fifty years. Oregon's population increase in the 1960's and 1970's outpaced that of the nation growing by 18% and 26% respectively, compared to 13% and 11% for the nation. Clackamas County itself experienced significant increases, posting a 47% increase in the 1960's and 46% increase in the 1970's.

The recession of the 1980's slowed Oregon's growth to 8%, lagging behind the 10% growth in the United States; although Clackamas County's growth managed a higher rate of 15%. During the 1990's, the population of Oregon and Clackamas County increased at higher rates (20% and 21% respectively) than the nation's. From 2000 to 2010, the rates of population increase for Oregon and Clackamas County (12% and 11% respectively) were again higher than the rate for the nation, but this decade's growth was significantly less than that experienced during the boom years of the 1990's.

A recent report from the state Office of Economic Analysis³ provides a perspective of how the economy affects the state's population, in particular how changes in the economy affect migration. The protracted recession starting in about 2007 has greatly decreased the share that migration plays in population change:

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain local work force as well as attract job seekers from national and international labor market. As Oregon's total fertility rate remains below the replacement level and deaths continue to rise due to ageing population, long-term growth comes mainly from net in-migration. Working-age adults come to Oregon as long as we have favorable economic and employment environments. During the 1980s, which included a major recession and a net loss of population, net migration contributed to 22 percent of the population change. On the other extreme, net migration accounted for 73 percent of the population change during the booming economy of 1990s. This share of migration to population change declined to 56 percent in 2002 and it was further down to 32 percent in 2010. (p. 9)

³Oregon Economic and Revenue Forecast" June 2012. Volume XXXII, No. 1. Release Date: May 22, 2012 (See Appendix F)

Table 2. Population Change by Decade, 1960 to 2010. State of Oregon, Clackamas County and Rural Cities

	1960	1970	10-yr change	% Change	1980	10-yr change	% Change	1990	10-yr change	% Change	2000	10-yr change	% Change	2010	10-yr change	% Change
OREGON	1,753,687	2,091,533	322,846	18%	2,655,105	541,572	26%	2,642,557	205,232	8%	3,421,457	575,100	26%	3,831,074	409,637	12%
		<i>Avg Annual Rate:</i>		1.69%			2.33%			2.77%			1.87%			1.14%
Clackamas County	113,033	166,088	53,055	47%	241,915	75,831	46%	278,550	36,631	15%	358,367	59,537	21%	375,992	17,605	11%
		<i>Avg Annual Rate:</i>		3.92%			3.33%			1.43%			1.95%			1.06%
Barlow	85	105	20	24%	105	-	0%	115	10	10%	140	25	22%	135	(5)	-4%
		<i>Avg Annual Rate:</i>		2.14%			0.00%			2.91%			1.95%			-0.36%
Canby	2,173	5,813	1,635	75%	7,655	3,846	101%	9,115	1,456	19%	12,750	5,575	40%	15,829	3,039	14%
		<i>Avg Annual Rate:</i>		5.76%			7.22%			1.76%			3.45%			2.33%
Eitacada	957	1,164	207	22%	1,415	255	22%	1,553	564	40%	2,475	492	25%	2,695	220	9%
		<i>Avg Annual Rate:</i>		1.98%			2.00%			3.40%			2.24%			0.86%
Molalla	1,501	2,005	504	34%	2,992	937	49%	3,653	691	23%	5,754	2,151	56%	8,108	2,374	41%
		<i>Avg Annual Rate:</i>		2.94%			4.03%			2.10%			4.53%			3.53%
Sandy	1,147	1,554	407	35%	2,862	1,338	44%	4,210	1,346	47%	5,505	1,295	21%	9,570	4,065	74%
		<i>Avg Annual Rate:</i>		3.08%			5.30%			3.93%			2.72%			5.69%

Source: US Census

Rural Area Population Changes (2000 to 2010)

Table 3 focuses on the 2000 to 2010 demographic trends of Clackamas County’s rural area, covering the five cities and unincorporated communities. The table shows the population growth and percentage of change for the last decade.

Table 3. Population Changes, 2000-2010. Clackamas County Rural Cities

Jurisdiction	Year 2000	% of County 2000	Population Change 2000 to 2010			Year 2010	% of County 2010
			Amount	Percent	AAGR		
Oregon	3,421,437		409,637	12%	1.14%	3,831,074	
Clackamas County	338,387		37,605	11%	1.06%	375,992	
Barlow	140	0.04%	-5	-3.6%	-0.36%	135	0.04%
Canby	12,790	3.78%	3,039	23.8%	2.15%	15,829	4.21%
Estacada	2,371	0.70%	324	13.7%	1.29%	2,695	0.72%
Molalla	5,734	1.69%	2,374	41.4%	3.53%	8,108	2.16%
Sandy	5,505	1.63%	4,065	73.8%	5.69%	9,570	2.55%
Rural Uninc.*	65,185	19.26%	3,051	4.7%	0.46%	68,236	18.15%
Total Rural Area	91,725	27.11%	12,848	14.0%	1.32%	104,573	27.81%

* The rural unincorporated population for 2000 was estimated as 40% of the County’s total unincorporated population. The 40% figure was Metro’s allocation to rural unincorporated areas in 2010 and accounted for the incorporation of Damascus in 2004. Source: US Census

At 375,992, the 2010 population of Clackamas County was 11.1% higher than the 2000 population. The County’s average annual growth rate in this decade was 1.06%, slightly lower than the State’s rate of 1.14%. Even with this lower rate, Clackamas County retained close to 10% of the State population between 2000 and 2010 (9.9% and 9.8% respectively), although the county’s population as a percentage of the Portland-Vancouver-Hillsboro MSA population decreased slightly between 2000 and 2010 (17.55% in 2000 and 16.89% in 2010).

Because of the small population base for the rural cities, the percent of population change over the 2000 to 2010 time period is higher than the population change for the county as a whole. Still, the cities of Canby, Molalla and Sandy all increased their share of the total population in the county, meaning that these cities are growing faster than the county in real terms. The portion in Estacada dropped slightly during this period.

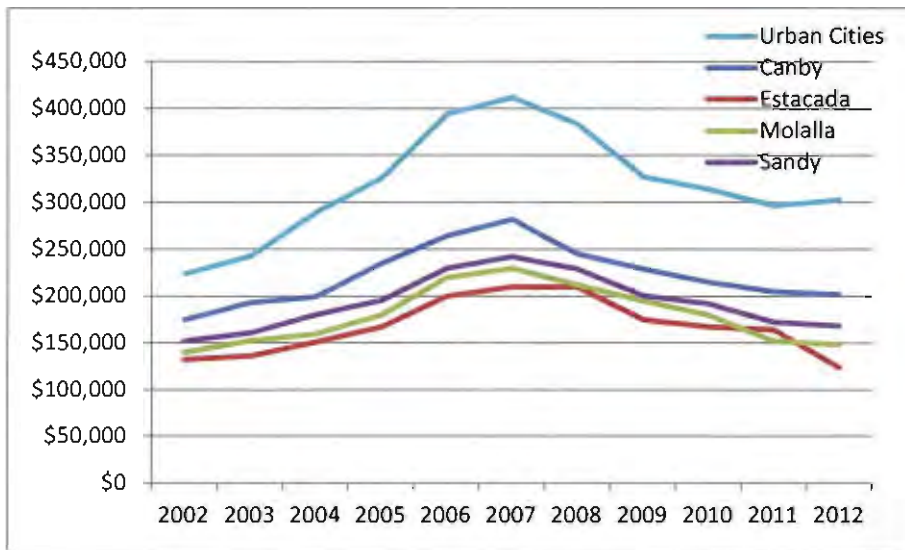
- The total population of the five rural cities was 7.9% of County population in 2000, and their population increased to 9.7% of the County’s 2010 population.
- The cities of Canby, Molalla and Sandy captured 25% of the County’s total population growth (37,605 persons) between 2000 and 2010.
 - The City of Canby increased population by 3,039 (8% of County growth), the City of Molalla by 2,374 (6% of County growth) and the City of Sandy by 4,065 (11% of County growth).
 - The population of these three cities increased from 7.1% of the County’s population in 2000 to 8.9% of the County’s population in 2010.

Population increases due to annexations to the cities were low and were not a contributing factor to the high growth rates. From March 2002 through March 2012, Estacada gained 50 residents, Canby 41 residents and Molalla 3 residents through annexation.⁴

A more likely contributing factor in this high growth is the fact that the five rural cities have consistently provided less expensive housing than in the Metro area, particularly during the housing boom years when home prices were appreciating at unprecedented rates.

As shown in Figure 1, median home sales prices in the five rural cities were substantially lower than those of the county’s urban area cities from 2002 to 2012 (see Appendix E for details).

**Figure 1. Median Home Sales Price 2002-2012.
Clackamas County’s Urban and Rural Cities**



Note: For context only, some sales not verified

Source: Clackamas County Tax Assessor

The population for the rural unincorporated area is an estimate drawn from several sources, including Metro’s 2010 household allocation, population figures from OEA (“Population for Oregon’s Counties and Incorporated Places, 1990-2010” which included the population of the unincorporated area), and population by 2010 Census tracts. The low average annual increase in population, 0.46%, in the unincorporated areas reflects several factors, including land use regulations which restrict residential development on lands zoned for farm and forest uses, as well as the downturn in the economy during this decade.

⁴ Per Population Research Center at Portland State University

Building Permits

Annual building permit activity for the rural area cities provides a good illustration of the effects of the housing boom in the early 2000s and the economic downturn 2008.

**Table 4. Single Family Building Permits, 2000 to 2011
Clackamas County Rural Area Cities**

Year	Canby	Estacada	Molalla	Sandy	TOTAL by Year
2000	96	0	43	150	289
2001	132	5	40	176	353
2002	143	2	42	162	349
2003	97	2	70	123	292
2004	110	9	148	93	360
2005	121	12	99	162	394
2006	197	7	82	193	479
2007	79	46	55	149	329
2008	15	13	27	77	132
2009	4	5	16	46	71
2010	4	47	15	45	111
2011	7	17	14	32	70
TOTAL by City	1,005	165	651	1,408	3,229

Source: US Census

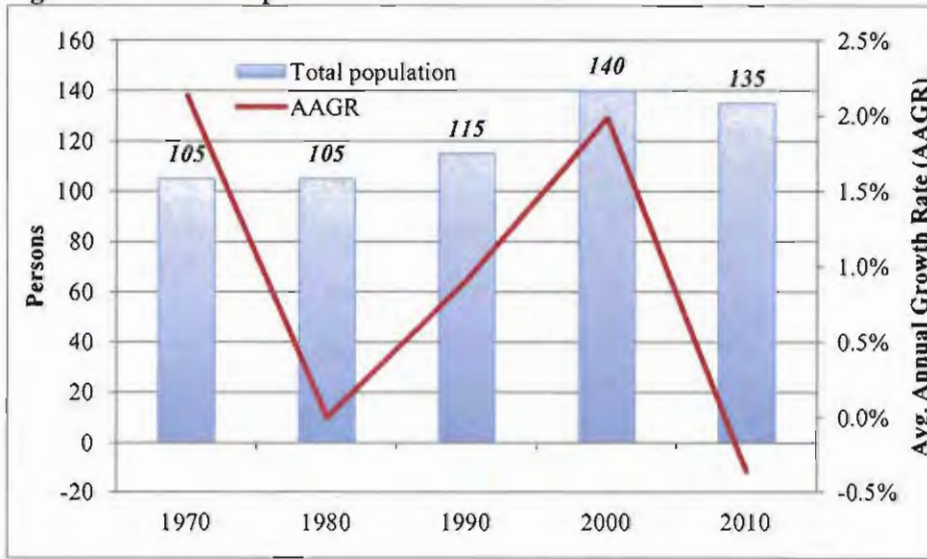
The cities of Canby, Molalla and Sandy had strong years from 2000 through 2007, and Estacada had its largest number of permits issued in 2007. Combined, the cities averaged 355 single family building permits each year during this period. With the downturn in the economy in 2007, the number of building permits dropped; combined, the cities averaged only 96 single family permits each year for 2008 through 2011.

Characteristics of the Rural Cities

Barlow

Barlow is a small city with approximately 135 residents, located about 25 miles south of Portland, just south of the City of Canby. According to the US Census the entire city encompasses approximately 0.1 square miles of land. Barlow is a stable community, growing by only 30 to 35 residents since 1970. The last decade (2000 to 2010) posted a slight loss in population, from 140 to 135. The median age of residents in Barlow was similar to that of the County (38.1 years versus 40.6 years old countywide) but households were larger, with an average of 3.07 persons per households versus 2.56 countywide.

Figure 2. Historic Population Growth - Barlow



Source: US Census, Clackamas County

Growth in Barlow has been and will continue to be greatly limited due to the fact that the city has no sewer system – all the properties have septic systems for sewage disposal. Because of the space needed to fit a home and septic system, it is generally not feasible to develop “urban” sized lots without a sewer system.

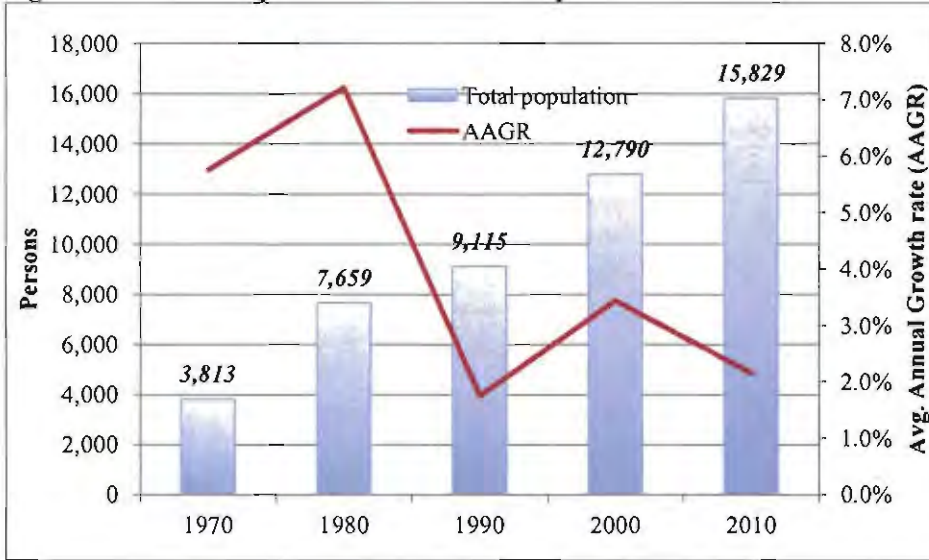
Canby

Canby is a rapidly growing community of approximately 15,830 residents, located 25 miles south of Portland and 30 miles north of Salem. With State Highway 99E running through town, it offers businesses excellent highway access, ample utilities, and a plentiful supply of shovel-ready land. Canby offers residents urban development within close proximity to highly valued farmland, orchards and a thriving nursery industry.

Canby has consistently been one of the fastest growing rural cities in Clackamas County. Population growth averaged 4.0% over the last 50 years and 2.8% annually over the last 20 years. Despite the drop in the growth rate, the actual increase in population has remained fairly consistent over that time period and even *increased* over the last 20 years. From 1970 to 2010, the city’s population grew at an average of 273 persons per year. Over the last two decades (1990-2010) actual population growth averaged slightly higher, at 336 persons per year.

Residential development last decade peaked in 2006, with an average of 128 new residential building permits issued each year. The city saw a steep decline in residential building permits after 2006, with 79 permits issued in 2007 and an average of only 8 permits issued annually from 2008 to 2011.

Figure 3. Historic Population Growth - Canby



Source: US Census, Clackamas County

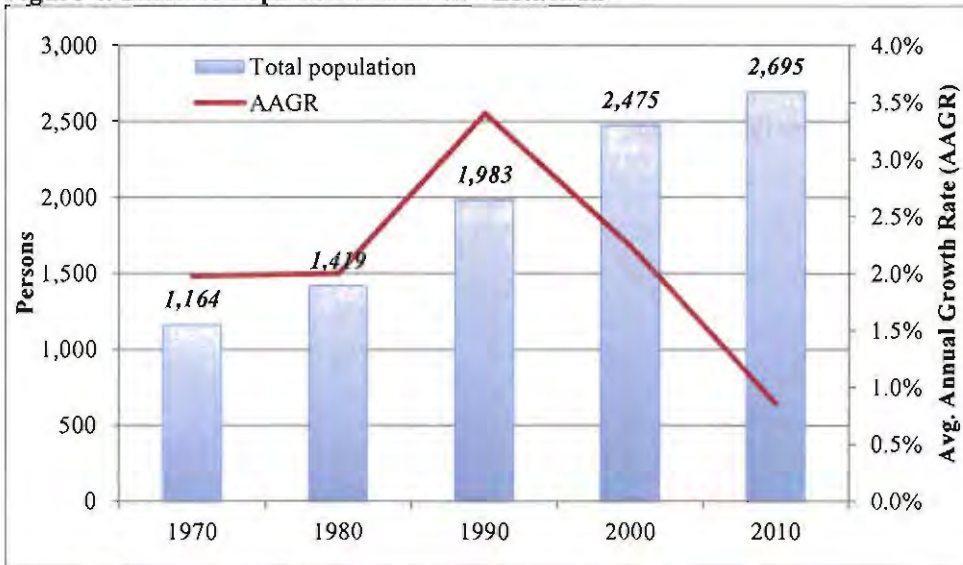
Canby's households are generally younger and larger households than those county-wide, with an average age of 35.7 years versus 40.6 years old countywide and an average household size 2.78 persons, versus 2.56 countywide.

Estacada

Estacada is a rural community of approximately 2,600 residents situated about 30 miles southeast of Portland and is known as the "gateway to the Clackamas River." Historically, the primary base for Estacada's economy has been lumber. As the timber industry declined in the recent past, the economy of the city became depressed; however, in recent years an arts community has been emerging and a limited amount of new industrial development and businesses have also been locating in the city. In 2009, Estacada's UGB was expanded by 130 acres to accommodate more industrial growth in the northwest corner of the city, along Highway 224.

Population growth has been moderate in Estacada, averaging only 2.1% over the last 50 years. In the last 20 years growth has dropped to an average of 1.5% annually, representing an increase of approximately 36 persons per year. Similarly, new residential growth has been slow, even through the housing boom. Based on building permit data, residential development peaked in 2007 and 2010, with 46 and 47 residential permits issued those years, respectively. The rest of the 2000's decade saw an average of only 7 building permits issued per year. Interestingly, most of the residential permits issued in the last decade have been post-2008, an indication that perhaps population growth may see a recovery over the slow rates posted in the past two decades.

Figure 4. Historic Population Growth - Estacada



Source: US Census, Clackamas County

Population in Estacada is also comprised of younger households – the average age in 2010 was 35.7 years, versus 40.6 years countywide. Average household size is the same as the county (2.56 persons per household).

Molalla

Molalla is a rural community of approximately 8,100 residents located about 30 miles southeast of Portland. Like Estacada, Molalla’s economy was hurt by the decline in the timber industry, which remained the mainstay of the community’s economy until the 1980s. In recent years, the city has been making efforts to diversify its economic base with new manufacturing and commercial investments and creating an Enterprise Zone to encourage more economic development.

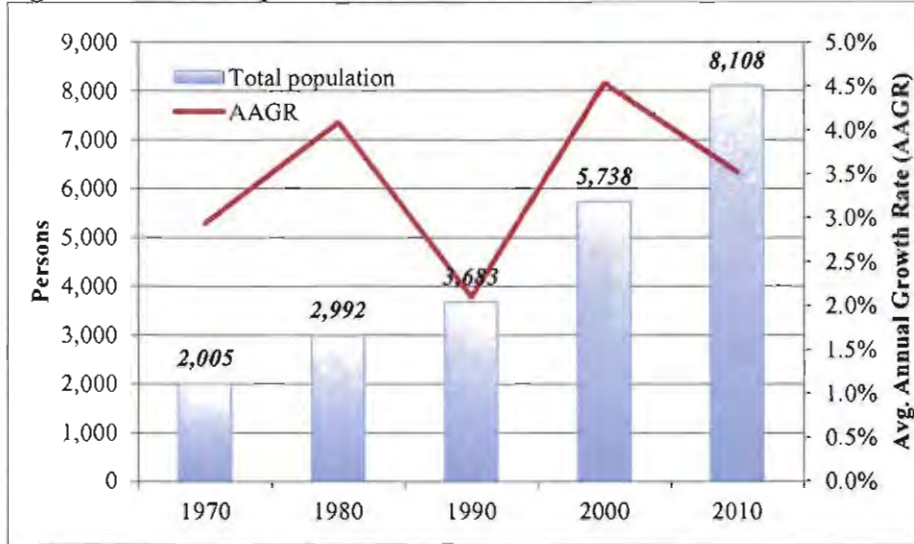
Tourism is playing an increasing role in the city’s economy as well. Molalla is the gateway to the Molalla River Recreation Corridor, attracting thousands of visitors year-round for sightseeing, fishing, hunting, kayaking, rafting, swimming, picnicking, camping, hiking, mountain biking and horseback riding.

Despite recent economic difficulties, Molalla remains an attractive location to reside, near these recreational activities, and it has largely become a bedroom community to the Portland area.

Population growth has been strong in Molalla, averaging 4.0% annually over the last 20 years, slightly higher than the 50 year average of 3.4% annual growth. The population increased steadily from 1970 to 2000, averaging approximately 70 persons per year. Population increases jumped from 1990-2010, averaging around 200 persons per year. Based on building permit data (Table 4), this jump in population growth may be largely due to the housing boom from 2000 to 2007, with an average of 72 new permits issued each year. In the latter part of the last decade, building activity declined dramatically, with an average of only 18 new permits issued annually from 2008 to 2010.

Molalla also has a low supply of developable residential land, however, which could be exacerbating this slowdown. Based on a buildable lands inventory (BLI) completed in 2007-2008 only 71 acres of buildable residential land remains in the city's UGB.⁵

Figure 5. Historic Population Growth - Molalla



Source: US Census, Clackamas County

On average, households in Molalla are much younger (31.4 year old versus 40.6 years old) and slightly larger than those in the region (2.82 persons per household versus 2.56).

Sandy

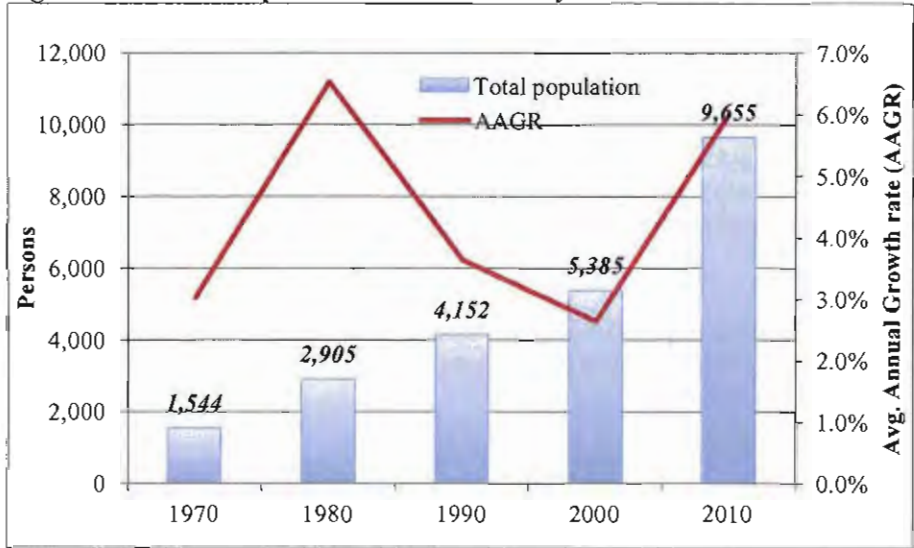
The City of Sandy has a population of approximately 9,570 and is located east of Portland in the Mt. Hood corridor, approximately 35 minutes to Portland International Airport and 45 minutes to downtown Portland. Sandy has developed a small but diverse business base, including many stores and services for visitors to the Mt. Hood Recreation Area. Sandy is an attractive location to reside because it offers good access to outdoor recreation as well as to the more urban amenities in the metro area while offering relatively inexpensive land for development.

Sandy has consistently been one of the fastest growing rural cities in Clackamas County. Population growth averaged 4.4% annually over the last 70 years and 4.3% annually over the last 20 years.

Population increased steadily, averaging approximately 128 persons per year from 1970 to 2000. Population increase spiked from 2000-2010, averaging over 400 persons per year. Based on building permit data (Table 4), some of this jump in population growth can be attributed to the housing boom from 2000 to 2007, with an average of 151 new permits issued each year. In recent years, building activity has declined dramatically, with an average of only 41 new permits issued annually since 2008. Even so, 41 new households/homes per year would still result in population growth roughly equivalent to the historic growth; the fact that this is occurring in a recession could indicate the city is poised to resume rapid growth as the housing recovery continues to take hold.

⁵ The findings of this inventory have not been verified by county staff; the actual acreage may be different.

Figure 6. Historic Population Growth - Sandy



Source: US Census, Clackamas County

Rural Unincorporated Clackamas County

The remaining portion of rural Clackamas County consists of unincorporated rural communities and other large unincorporated areas with rural residential zoning (large lots) and natural resource land (farm and forest lands). Development in rural Clackamas County is limited because of the large amount of natural resource lands, on which new homes are allowed only under certain situations. Still, residential development in the unincorporated area is possible under a few processes that require approval either by the State or by Clackamas County.

Under State Ballot Measure 49 (“Measure 49”) residential development of 3 to 10 houses may be approved by the State Department of Land Conservation and Development (DLCD) for private property owners in some rural areas that may otherwise have been restricted because of the underlying farm or forest zoning. DLCD notes in its description of the process that “If claim property is currently zoned for resource use (farm, forest or mixed farm/forest), Measure 49 places some limits on how the proposed development must be located to protect and preserve that resource use.” Other development restrictions apply to prime farmland and water restricted areas under this measure.

In total, 1,145 new dwellings will be allowed in Clackamas County’s rural unincorporated area based on Measure 49 claims alone.

Other situations require approval by Clackamas County, including the following: building in the limited areas zoned Rural Residential; building in the areas zoned for resort communities (associated with the recreational and tourist centers near Mt. Hood); having a residence approved as a “non-farm” dwelling on a pre-existing small lot; or having a residence approved as part of a farm management plan.

As noted in Table 3, the rural unincorporated area of Clackamas County grew very slowly over the last decade. According to the county’s best estimate, this area grew at a rate of 0.46% annually from 2000 to 2010, gaining only approximately 3,050 persons. It is expected that the urban areas (both inside and outside the Portland Metro UGB) have and will continue to capture the majority of the new growth in the county simply because they have a greater amount of land available for development.

SUMMARY

Clackamas County's rural cities offer a small snapshot of the great diversity among the different areas of the county. Each has its own unique circumstances and its own attractors for potential new residents and for potentially retaining the young families that seem to be attracted to these communities. Over the last several decades several of these cities have been very successful at attracting people to live outside the Portland metro area. Some of this success has been due to offering less expensive housing than in the metro area while offering relatively easy access both to the metro area and to recreational amenities in the rural area. The cities are all continuing to plan for and to capture new growth of both households and employment.

The information described in the above background report and found in Appendices A and E, were all taken into consideration when assessing future population forecasts.

FORECASTS

SECTION III: METHODOLOGY AND FACTORS AFFECTING POPULATION GROWTH

Regional Trends

The State's current presentation of the economic forecast⁶ provides a summary of current conditions and outlook for the state. The assessment is that the State has been coming out of the recession of the mid 2007-2010 period, but that the pace of improvement "remains slower than what we have become accustomed to in past economic recoveries, and has not been shared across all communities." (p. 6)

The outlook is that Oregon will not recover all of the jobs it has lost until the end of 2014 (p.6), and even with that cautious prediction, the assessment is that "ongoing production slowdown among some of Oregon's largest trading partners in Asia" is a downside risk to the recovery (p.7).

As a sign of slow to modest economic gain, the ratio of net migration-to-population change will increase gradually and is expected to reach 70 percent by the end of this report's forecast horizon [2010 to 2020]. Although the economy and employment situation in Oregon look stagnant at this time, the migration situation is not expected to replicate the early 1980s pattern of negative net migration. Potential Oregon out-migrants have no better place to go since other states are also in the same boat in terms of economy and employment. (p.8)

Age structure and its change affect employment, state revenue, and expenditure. Demographics are the major budget drivers, which are modified by policy choices on service delivery. Growth in many age groups will show the effects of the baby-boom and their echo generations during the period of 2010-2020. It will also reflect demographics impacted by the depression era birth cohort combined with diminished migration of the working age population and elderly retirees. (p.8-9)

Overall, the elderly population over age 65 will increase rapidly whereas population groups under age 65 will experience slower growth in the coming decade. (p.9)

See Appendix F for more excerpts from of the Economic and Revenue Forecast.

Local Trends

Clackamas County and its rural cities are affected by national, statewide and regional trends but also have their own unique set of circumstances. As discussed in the Background Report, several of these cities are suffering from a loss of economic base (Estacada and Molalla) due to the decline in the timber industry which had historically driven these city's economies. These cities, along with Sandy and Canby appear to be committed to attempts at figuring out how to generate greater economic development and diversity, from taking advantage of their locations to attract visitor dollars and tourist businesses to expanding their industrial areas to attract a larger base of employers, to encouraging retail establishments to locate in their jurisdictions to quell the leakage of dollars out of the cities because of lack of choice for consumers. To the extent these cities' are successful in these endeavors, greater population growth or sustained high population growth (depending on the city) could easily occur.

⁶ Oregon Economic and Revenue Forecast June 2012. Volume XXXII, No. 1. Release Date: May 22, 2012
Prepared by: Office of Economic Analysis, DAS (See Appendix F)

As noted in the Background Report, several of the county's rural cities have experience rapid population growth over the last one to two decades. Some of this growth has been driven by the substantial discount housing prices offered in these areas when compared to the county's urban area cities. With the steep decline in housing prices over the last four-five years, housing has become more attainable in the metro urban area and not as many households may be making the decision to move farther out to the rural cities. The extent and speed at which the housing prices recover will also have a sizeable effect on the rural city growth in the future.

Methodology

As noted previously, Metro is completing household and employment forecasts for the region, including both the urban and rural areas of Clackamas County. In general, regional population and household growth is projected as components of population by birth, death and migration. For employment, an employment-population ratio is the approach used to create the alternative growth paths from the base case assumptions. More specific details about Metro forecasting, models and assumptions can be found in Appendix C.

Metro and the participating jurisdictions have reviewed and refined the forecasts for more than a year and Metro adopted the 2025 and 2035 forecasts for the region in November 2012. Within these forecasts are "control totals" for the basic sub-areas in the region. The "control totals" pertinent to this project are those for the urban/rural split within the county, namely a control total for the area within the Metro boundary and a control total for each county area outside the Metro boundary. For carrying out this population coordination project, the "control total" for households and employment was held constant for the Clackamas County area outside the Metro boundary. Within that control total, forecasts for some of the individual cities were adjusted during this review, as warranted, to best represent the specific plans that have been completed for the cities and where growth in rural areas is most likely to be able to locate.

Geographic Differences in Data

The household and employment data sets described above are integral to Metro's "travel demand model," which displays the region divided into 2,162 Transportation Analysis Zones (TAZ). Each TAZ has allocations of the current and forecasted households and employment figures.

For the rural area of Clackamas County (its area outside the Metro boundary), there are 88 TAZ sub-areas that distribute the future population and employment into the rural cities and the rural, unincorporated area. Overall, the boundaries of the several TAZ units that contain a rural city cover a larger area than the city boundaries alone. Each rural city will include a "TAZ group", or a number of TAZ's that include both land inside a city's UGB and some rural land outside the city's UGB. Maps showing TAZ boundaries with respect to the county's five rural cities are found in Appendix D.

Metro's projections were first grouped into these "TAZ groups" for each city then an assumption was made about how much of the projected growth will occur within the city's UGB. Because of the land use restrictions that limit new residential development, described in the Background Report, it is reasonable to expect that the vast majority of the new growth within the "TAZ groups" will actually happen within the cities. This analysis assumed that 90% of the projected household growth in each "TAZ group" will occur within that group's rural city UGB. All of the cities that participated in this project felt this assumption was reasonable.

Once the “TAZ group” forecast was allocated down to the UGB level, it was compared with historic growth in cities, projections previously done for the cities, and other information provided by the cities to assess the reasonableness of the forecast. The next step in the analysis was to look at projected growth in TAZs in the immediate vicinity of each city’s TAZ group along with zoning in that area to assess whether the growth projected for these areas was more likely to occur in the nearby city because of restrictive rural zoning in the TAZ. These pieces of information were the basis for determining if adjustments needed to be made to the forecast for each city. All the proposed forecasts and adjustments were reviewed by the individual cities’ representatives.

ORS 195.036 requires the coordinated population forecast be a 20-year forecast so the last step in the process is to extrapolate the 2012 to 2032 population forecast from the agreed-upon 2035 forecast. This was done simply by assuming an even distribution of growth from 2010 to 2035 (the timeframe of the Metro forecast).

Small Area Forecasts

When assessing forecasts, and particularly forecasts for small areas, it is important to keep in mind that there is uncertainty involved, the degree of which increases the smaller the area. In general, forecasts have a degree of uncertainty simply because all forecasting requires making *assumptions* about the future. Small area forecasts are even less certain because:

- Small areas start from a small base. A small change in the absolute number of population or housing in a small city produces a large percentage change. For example, a new subdivision of 200 homes inside the Portland Urban Growth Boundary has an effect on total population of 0.02%. That same subdivision in Molalla would increase the community’s housing stock by nearly 7%—and population by a similar percentage.
- Especially for small cities in areas that can have high growth potential (e.g., because they are near to concentrations of demand in neighboring metropolitan areas, or because they have high amenity value for recreation or retirement), there is ample evidence of very high growth rates in the short-term; there are also a few cases of high growth rates sustained over 10 to 30 years. However, growth rates for small cities tend to decrease over time because the population base increases.
- Public policy makes a difference. Cities can affect the rate of growth through infrastructure, land supply, incentives and other policies. Such policies generally do not have an impact on growth rates in a region, but may cause shifts of population and employment among cities. In fact, population forecasts are often viewed as “self-fulfilling prophecies.” In many respects they are intended to be; local governments create land use, transportation, and infrastructure plans to accommodate the growth forecast. Those planning documents represent a series of policy decisions—and influence public investments for infrastructure and services. Thus, how much population a local government (particularly cities) chooses to accommodate is also a policy decision.

Because of these and other limitations and uncertainties, this report attempts to assess not only historic and projected growth rates for Clackamas County’s rural cities, but also factors in actual growth (number of people or households annually) and local knowledge of factors that would positively or negatively affect population growth in the cities.

SECTION IV: FORECASTS

Regional and Countywide forecasts

Table 5 shows Metro's household and job allocations for 2010 and forecasts for 2025 and 2035 for Clackamas County. The data are grouped as totals "within the Metro UGB" and those "outside the Metro UGB" the rural cities and rural unincorporated area.

2010 Allocations

Household estimates developed for the regional travel demand model showed that the rural area of Clackamas County had 39,837 households, 27.4% of the total 145,421 households in Clackamas County. In the rural area outside the Metro boundary, the 2010 allocation has 14,812 households within the TAZ groups of the five rural cities; and the majority of rural area housing, 25,025 households, in unincorporated areas. The household estimate in the rural cities' area compares well with the 2010 Census data which counted 13,177 occupied housing units in the five cities.

The 2010 job estimates developed for the regional travel demand model showed that just over 9% of the jobs (12,883) in Clackamas County are in the TAZ groups of the rural cities, and that an additional 7.1% of jobs (9,759) are in the rural unincorporated area.

2025 and 2035 Forecasts

The first forecast produced by Metro for the jurisdictions to review was for the period from 2010 to 2025. For the County as a whole, this forecast projected a 1.7% average annual growth rate (AAGR), equating to 41,294 new households by 2025. Metro further estimated that 68.0% of the new households (27,506 dwellings) would go inside the Metro urban growth boundary (UGB). The highest average annual rate of growth, 2.2%, was attributed to the rural cities, which are the subject of this report. A total of 6,408 new households were projected for the TAZ groups of the rural cities (see Table 5).

Interestingly, the rural, unincorporated area, with a forecasted AAGR in households of 1.5% (7,380 households), is expected to support more new development than the rural cities. While a small portion of this can be attributed to urban reserve areas (estimated at approximately 1,000 households), this amount of projected new household growth may not be supported in the remainder of the rural areas because of the zoning regulations that protect farm and forest lands from general residential development.

The 2035 Gamma Forecast was next released for review. For the County as a whole, this forecast projected growth to slow to a 0.9% average annual growth rate (AAGR), equating to only 16,696 new households between 2025 and 2035. Metro further estimates that only 44% of this growth would occur inside the Metro urban growth boundary (UGB).

The 2035 Gamma Forecast exposed some changes in expected growth patterns in the region and especially in Clackamas County. Metro has indicated that a primary reason for higher-than expected growth in some of Clackamas County's rural areas in both the 2025 and the 2035 Gamma Forecast is that the supply of residential land for single-family homes is dwindling in the metro area UGB, which, when combined with the assumption that the metro area UGB will not expand substantially in Clackamas County during the forecast period, drives the price of homes in the metro area higher, thus diverting household growth to the rural areas, which have historically provided less expensive housing stock.

**Table 5. Number of Households and Jobs in Clackamas County
2010 Existing and 2025 and 2035 Metro-Generated Forecasts**

HOUSEHOLDS	YEAR 2010		Forecasted Change 2010-2025		YEAR 2025		Forecasted Change 2025-2035		YEAR 2035	
	<i>Households</i>	<i>% of County Total</i>	<i>Amount</i>	<i>AAGR</i>	<i>Households</i>	<i>% of County Total</i>	<i>Amount</i>	<i>AAGR</i>	<i>Households</i>	<i>% of County Total</i>
Households Inside Metro UGB										
Urban cities	70,236	50.0%	23,636	2.0%	93,872	51.6%	5,188	0.5%	99,060	49.9%
Unincorporated urban area	25,270	18.0%	3,870	1.0%	29,140	16.0%	2,113	0.7%	31,253	15.7%
Total Households Inside Metro UGB	95,506	68.0%	27,506	1.7%	123,012	67.7%	7,301	0.6%	130,313	65.7%
Households Outside Metro UGB										
Rural cities*	16,322	11.6%	6,408	2.2%	22,730	12.5%	3,087	1.3%	25,817	13.0%
Rural unincorporated areas	28,641	20.4%	7,380	1.5%	36,021	19.8%	6,308	1.6%	42,329	21.3%
Total Households Outside Metro UGB	44,963	32.0%	13,788	1.8%	58,751	32.3%	9,395	1.5%	68,146	34.3%
Total Households in Clackamas County	140,469	100.0%	41,294	1.7%	181,763	100.0%	16,696	0.9%	198,459	100.0%

* Based on TAZ group boundaries (not city boundaries). Does not include any adjustments made to city projections during the county-city coordinated process.

Source: Metro, Clackamas County

Because of the projected changing growth patterns, uncertainty about timing of changes, and the fact that it appears that the projections in the 2035 Gamma Forecast were in some cases intended to fix issues with the initial 2025 forecast, the remainder of this report will look at the 2035 forecast as an endpoint and assess the reasonableness of that forecast given each city’s historic growth as well as other factors, described previously and in Appendix A. The rural cities’ forecasts for 2012 to 2032 will then be extrapolated from the 2035 Gamma Forecast.

OEA versus Metro Forecast

On a countywide level, Metro’s 2035 forecast compares reasonably to those completed or being completed by the State’s Office of Economic Analysis (OEA). Metro’s 2035 forecast is lower than the forecast completed by OEA in 2004, prior to the recession but is nearly identical (<1% difference) to the 2012 draft long-range forecast that was recently distributed to the counties for review.⁷

Table 6. Metro 2035 Gamma Forecast versus OEA Long-Range Forecast. Clackamas County

	2010 est.	2035 forecast	2010-2035 Growth	2010-2035 AAGR
OEA forecast (adopted 2004)	391,536	576,231	184,695	1.56%
Metro forecast*	362,129	511,627	149,498	1.39%

*Households are converted to population for comparison purposes assuming 2.58 persons per household (Clackamas County average per US Census).

Rural County and Cities Draft Forecasts

The County has agreed to accept the forecast of 23,182 new households (2010 to 2035) as the “control total” for rural Clackamas County (outside the Metro UGB) for the purposes of this coordinated population forecast process. This control total includes households in the rural cities as well unincorporated rural communities and other unincorporated rural areas in the county. In accepting this control total for the rural areas, any adjustments that are found to be necessary to individual city forecasts, or elsewhere, need to be made within this total.

In general, growth allocations in Metro’s 2035 Gamma Forecast appear a bit generous in the rural unincorporated areas (projecting 13,688 new households) and slightly low in some of the rural cities. One reason Metro’s forecast may be low in some of the rural cities is that it does not assume that the cities will expand their urban growth boundaries (UGBs) and, therefore, if land supply is limited, so too is the forecast. Fortunately, the rural cities have the ability to expand their UGB’s if there is a need identified based on projected growth and existing supply.

Individual city forecasts, analysis of those forecasts and a description of any changes made to the Metro forecast follow in the next section. Several of the rural cities have completed transportation system plans or land-use related plans. These plans, combined with historic population growth data and individual knowledge of localized factors affecting population growth (see Appendix A), provide the basis for evaluating Metro household and forecasts. Projected growth for each city is also analyzed in the context of historic growth.

⁷ The final 2012 OEA forecast is expected in February 2013 and will be incorporated into this report if time allows.

Individual plans completed for the cities used varying timeframes for forecasts. To compare these values with Metro’s 2010 allocation and 2025 and 2035 forecasts, the city forecasts were adjusted using each study’s average annual growth rate to determine the 2010 and 2035 values, as applicable.

BARLOW

The Metro 2035 Gamma Forecast projects growth of only 5 new households between 2010 and 2035 in the TAZ group⁸ that includes the city of Barlow. Assuming the City of Barlow captures 90% of this new growth this projection results in a total population of 148 people in the city in 2035.⁹

Table 7. Historic and Projected Population Growth. City of Barlow

Year	Population	AAGR	Avg. annual increase
1960	85		
1970	105	2.1%	2
1980	105	0.0%	0
1990	115	0.9%	1
2000	140	2.0%	3
2010	135	-0.4%	-1
2035	148	0.4%	0.5

Source: US Census & Metro & Clackamas County

Analysis of City of Barlow Forecast: The 2035 Metro Gamma Forecast indicates the population of the city will remain relatively steady, as it has over the last several decades. Given the fact that growth opportunities in Barlow are very limited, mainly due to the lack of a sewer system, this forecast seems reasonable.

No adjustments were made to this forecasted growth were made, nor were any requested by city representatives. Extrapolating from this forecast for the 20-year planning horizon of 2012-2032 specified for this project yields the following for the City of Barlow:

2012 population: 136

2032 population: 146

⁸ Includes TAZ#: 848

⁹ Note: As mentioned in the “Methodology” section, Metro forecasts are by TAZ area, which are larger than the city itself; however because of development limitations on rural lands in Clackamas County, it is assumed that 90% of the new growth projected in the city’s TAZ group will actually occur within the city. Households are converted to population using each city’s average household size as reported in the 2010 US Census.

CANBY

The Metro 2035 Gamma Forecast projected 4,951 new households between 2010 and 2035 in the TAZ group that includes the city of Canby.

Table 8. Metro Gamma Forecast Households 2010 to 2035. Canby TAZ Group¹⁰

2010 Existing	2035 Projection	Household Change
6,628	11,579	4,951

Assuming the City of Canby captures 90% of this new growth, this projection results in a total of 4,456 new households in the city between 2010 and 2035 resulting in a total of approximately 10,150 households, or 28,220 people in the city in 2035.⁷

The growth forecast suggested by Metro is compared to historic growth below. As suggested by this comparison, the forecast for approximately 28,220 people in Canby by 2035 is within the range of growth rates seen in the city over the last several decades but does represent an increase in the average number of new people annually in the city over the last two decades.

Table 9. Historic and Projected Growth. City of Canby

Year	Population	AAGR	Avg. annual increase
1960	2,178	---	---
1970	3,813	5.8%	164
1980	7,659	7.2%	385
1990	9,115	1.8%	146
2000	12,790	3.4%	368
2010	15,829	2.2%	304
2035	28,220	2.3%	495

Source: US Census & Metro & Clackamas County

Table 10 provides a comparison of the City’s forecasts for households and jobs found in the City’s Transportation System Plan (December 2010), with Metro’s forecasts for household and jobs. Projected jobs growth is shown in the table for context;¹¹ to the extent that strong (or weak) jobs growth occurs, so could population growth. It should be noted that both the forecasts found in Canby’s TSP are “buildout” forecasts, in which the city assumes it will be fully built out by 2030, and are therefore not necessarily market driven and are limited by supply of buildable lands within the current UGB.

¹⁰ Includes TAZ#: 843,844,847,846,845

¹¹ This report makes no attempt to assess or reconcile economic forecasts from the 2035 Metro Gamma Forecast with the city’s forecasts. Employment forecasts are presented for context only.

Table 10.

City of Canby	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Households (UGB) <i>2010 City TSP (1)</i>	6,337	5,245	2.4%	11,582
Households in City of Canby <i>Metro Regional Forecast/ Coordinated Forecast</i>	5,694*	4,456	2.4%	10,150
Jobs				
Jobs (UGB) <i>2010 City TSP (1)</i>	4,185	2,201	3.4%	9,688
Jobs in TAZ group <i>Metro's Regional Forecast</i>	5,592	3,490	2.0%	9,082

*Per 2010 US Census

(1) **City of Canby Transportation System Plan. December 2010.** (DKS & Associates)

Canby's TSP forecasted 4,403 new households between 2009 and 2030. Based on this forecast, an average annual increase of 210 households was calculated and used to estimate 2010 and 2035 households.

Canby's TSP forecasted 4,623 new jobs between 2009 and 2030. Based on this forecast, an average annual increase of 220 jobs was calculated and used to estimate 2010 and 2035 jobs.

Analysis of City of Canby Forecast: The 2035 Metro Gamma Forecast indicates stronger population growth than the city has historically seen in terms of actual numbers of people per year. However, both Metro and the city's consultant for their Transportation System Plan (TSP) are projecting very strong employment growth in the city over the forecast period. This strong economic growth would, in turn, support strong and even increased population growth.

Supporting this expectation of strong economic and population growth are several factors:

The city is being very pro-active about positioning themselves to attract new business investments and jobs:

- A downtown retail study and marketing materials were recently completed
- The Urban Renewal District plans to invest in infrastructure and offers an SDC reimbursement incentive program for job creation and new construction
- Created a Strategic Investment Zone 15 year property tax abatement for investments over \$25 million
- There is currently low reported vacancy in commercial and industrial
- There is a team studying business recruitment & retention and marketing of industrial employment opportunities
- The city has 200+ acres of shovel-ready industrial land

The city has also expressed the willingness and ability to accommodate this level of growth.

Given all these factors and the fact that Canby offers an attractive and accessible location for both employers and residents at a price advantage over nearby urban areas, county staff feels that Canby is positioned well to achieve the level of growth projected in the 2035 Gamma Forecast.

No adjustments were made to the growth forecasted in the 2035 Gamma Forecast, nor were any requested by city representatives. Extrapolating from this forecast for the 20-year planning horizon of 2012-2032 specified for this project yields the following for the City of Canby:

2012 population: 16,820

2032 population: 26,730

ESTACADA

The Metro 2035 Gamma Forecast projected 924 new households between 2010 and 2035 in the TAZ group that includes the city of Estacada.

Table 11. Metro Gamma Forecast Households 2010 to 2035. Estacada TAZ Group¹²

2010 Existing	2035 Projection	Household Change
1,658	2,582	924

Assuming the City of Estacada captures 90% of this new growth, this projection results in a total of 832 new households in the city between 2010 and 2035 representing a total of approximately 1,886 households, or 4,820 people in the city in 2035.⁷

The growth forecast suggested by Metro is compared to historic growth below. As suggested by this comparison, the forecast for approximately 4,820 people in Estacada by 2035 is within the range of growth rates seen in the city over the last several decades, but represents a sizeable increase over the highest average number of new people annually in the city.

Table 12. Historic and Projected Growth. City of Estacada

Year	Population	AAGR	Avg. annual increase
1960	957		
1970	1,164	2.0%	21
1980	1,419	2.0%	26
1990	1,983	3.4%	56
2000	2,475	2.2%	49
2010	2,695	0.9%	22
2035	4,820	2.4%	85

Source: US Census & Metro & Clackamas County

The only population forecast recently completed for the City of Estacada is found in the “Final Economic Opportunity Analysis (EOA) Report” (2009). The forecast in the EOA, however, was completed using the “safe harbor” methodology described in OAR 660-024-0030(4) and ORS 195.034(B), which simply extrapolates a city’s future population based on its proportion of the county’s total population and is not trend or market based. As such this forecast is not necessarily a good

¹² Includes TAZ#: 840,841,842

comparison. Projected jobs growth for the Estacada/Eagle Creek area (as defined in the EOA) is shown in the table for context.

Table 13.

City of Estacada	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Households (2,538 persons/DU) <i>2010 City EOA (1)</i>	1,082	507	1.5%	1,589
Households in City of Estacada <i>Coordinated Forecast</i>	1,055*	832	2.4%	1,886
Jobs				
Jobs (Estacada/Eagle Creek area) <i>2010 City EOA (1)</i>	1,619	2,593	3.9%	4,212
Jobs in TAZ group <i>Metro's Regional Forecast</i>	1,427	1,682	3.2%	3,109

*Per 2010 US Census

(1) **City of Estacada Final Economic Opportunity Analysis (EOA) Report.** June 14, 2009. (Cogen Owens Cogan, LLC; Marketek Inc.) Estacada's EOA forecasted population using "safe harbor" through 2029. Based on this forecast, an average annual increase of 51.5 persons was calculated and used to estimate 2010 and 2035 population and households. Based on the employment forecast found in this report, an average annual increase of 103 jobs in the "Estacada/Eagle Creek Area" was calculated and used to estimate 2010 and 2035 employment. Note different geographies.

Analysis of City of Estacada Forecast: The 2035 Metro Gamma Forecast indicates stronger population growth than the city has historically seen in terms of actual numbers of people per year and average annual growth rates. Like Canby (previously discussed), Estacada is proactively trying to position itself for both economic and residential growth.

- The city recently added 130 acres of industrial land to its UGB, which is expected to be available for development as early as next year. The recent success of the existing industrial park leads the city to be optimistic about this new industrial area will successfully attracting new employers and jobs.
- The city also created an Urban Renewal District in its downtown area and has identified improvements that will be completed as is possible.
- Both the city's EOA and Metro are forecasting very strong economic growth in Estacada between 2010 and 2035. This growth would support stronger population growth than Estacada has seen in recent years.

In addition, city staff stated that they had approved several large residential subdivisions in the last 7-8 years, some of which were put on hold when the housing market took a negative turn. However, a bank has purchased several of these subdivisions and has started constructing new homes – at a rate of around 40 per year. Furthermore, Estacada is the only of the rural cities that did not see a decline in residential building permits in the post-2008 housing crash (see Table 4). The city appears poised to quickly accommodate residential growth as demand warrants.

No adjustments were made to the growth forecasted in the 2035 Gamma Forecast, nor were any requested by city representatives. Extrapolating from this forecast for the 20-year planning horizon of 2012-2032 specified for this project yields the following for the City of Estacada:

2012 population: 2,845

2032 population: 4,345

MOLALLA

The Metro Gamma Forecast projected 1,516 new households between 2010 and 2035 in the TAZ group that includes the city of Molalla.

Table 14. Metro Gamma Forecast Households 2010 to 2035. Molalla TAZ Group¹³

2010 Existing	2035 Projection	Household Change
3,743	5,259	1,516

Assuming the City of Molalla captures 90% of this new growth, this projection results in a total of 1,366 new households in the city between 2010 and 2035 resulting in a total of approximately 4,240 households, or 11,960 people, in the city in 2035.⁷

The growth forecast suggested by Metro is compared to historic growth below. As suggested by this comparison, the forecast for approximately 11,960 people in Molalla by 2035 is lower than growth rates seen in the city over the last several decades and represents a sizeable decrease over the average number of new people annually in the city over the last two decades.

Table 15. Historic and Projected Growth, City of Molalla

Year	Population	AAGR	Avg. annual increase
1960	1,501		
1970	2,005	2.9%	50
1980	2,992	4.1%	99
1990	3,683	2.1%	69
2000	5,738	4.5%	206
2010	8,108	3.5%	237
2035	11,960	1.6%	154

Source: US Census & Metro & Clackamas County

An economic profile for the City of Molalla was completed in 2005. That study’s forecasted population and jobs growth is listed in the table below for comparison with the 2035 Metro Gamma Forecast for Molalla. As shown, the 2035 Metro Gammas Forecast is lower than that study’s forecast both in terms of average annual growth rate and actual household growth. The employment forecast found in the city’s economic report is high because it is a “policy” forecast, based on the city’s objective to improve

¹³ Includes TAZ#: 849,850,851,852,853. Note: Upon further review, TAZ 849 (located along on the west side of Hwy 213) was included in Molalla’s TAZ group and therefore, numbers reported in this draft will differ from the first review draft (released for city review in September 2012).

its housing/jobs balance to “regain its status as a somewhat independent economic region rather than a bedroom community.”

Table 16.

City of Molalla	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Dwelling Units (UGB) <i>2005 City Economic Profile (1)</i>	2,579	1,817	2.5%	4,396
Households in City of Molalla <i>Metro Regional Forecast</i>	2,874*	1,366	1.6%	4,240
Jobs				
Jobs (UGB) <i>2005 City Economic Profile (1)</i>	3,215	4,670	3.7%	7,885
Jobs in TAZ group <i>Metro's Regional Forecast</i>	2,683	2,166	2.4%	4,849

*Per 2010 US Census

(1) **City of Molalla, Economic Profile Memorandum** (Feb. 16, 2005)

Data from Metro Regional Data Book, 2002, Oregon Population Research Center, E. D. Hovee & Company.

Molalla’s Economic Profile report forecasted 1,598 new households between 2003 and 2025. Based on this forecast, an average annual increase of 72.6 households was used to estimate 2010 and 2035 households.

Molalla’s Economic Profile report forecasted 4,110 new jobs between 2003 and 2025. Based on this forecast, an average annual increase of 186.8 households was used to estimate 2010 and 2035 households.

Analysis of City of Molalla Forecast: The 2035 Metro Gamma Forecast indicates weaker population growth than the city has seen over the last two decades in terms of actual number of people per year, as well as the average annual rate of growth. There is nothing to indicate to county staff that growth in Molalla would slow substantially in the future compared with historic growth (on average) with the exception of the fact that a buildable lands inventory completed in 2008 found a very limited supply of buildable residential land in the city’s UGB. However, as mentioned previously, this forecast analysis assumes that a rural city could possible expand its UGB if it is deemed necessary to accommodate 20 years of growth. Thus, it appears that Molalla’s forecast was held artificially low because of the lack of developable residential land in the city.

Like the other rural cities, Molalla has been proactively seeking to attract more business investment to increase its economic base, including working with county economic development staff to identify and market industrial sites in the city, planning for changes in the downtown area, creating both an Urban Renewal District and an Enterprise Zone and working on improvements to make exiting industrial areas more buildable.

City representatives also report not only are there several developers expressing interest in subdividing and developing their properties with single family homes but there has been a recent uptick in single family home development (as evidenced by permits). Molalla remains an attractive place to live at a lower cost than the urban areas to the north.

An assessment of the TAZs immediately adjacent to the TAZ group that includes Molalla was completed, looking at projected growth and zoning in those areas. This assessment indicated that the amount of household growth allocated to three of these TAZs would not likely occur in that location, because of zoning restrictions on residential development. Therefore, it would be reasonable to expect that a portion of this growth allocated to these areas would actually occur in the city because of the limited availability of developable land in the rural, and particularly natural resource zones.

Adjustments to Molalla Forecast:

Based on the conclusion that the 2035 Gamma Forecast for the city was too low and the forecast to several rural areas near the city was too high given existing zoning, the following revisions were made to the 2035 Gamma Forecast (See Appendix D for map of TAZ locations).

Table 17. Forecast Revisions - Molalla

TAZ #	2035 Gamma Forecast Household Growth 2010-2035	Net Household Change	Adjusted Household Growth 2012-2035
Molalla TAZ Group (849,850,851,852,853)	1,516	507	2,023
918	83	(66)	17
920	334	(267)	67
921	248	(174)	74
Total	2,181	0	2,181

Source: Metro, Clackamas County

The resulting increase in growth in the City of Molalla is shown in the Tables 18 and 19, below. As shown, this forecast is more on-par with historic growth over the last two decades. These adjustments have been reviewed by city representatives.

Table 18. Revised Forecast – 2010 to 2035

City of Molalla	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Dwelling Units (UGB) <i>2005 City Economic Profile (1)</i>	2,579	1,817	2.5%	4,396
Households in City of Molalla <i>Coordinated Forecast</i>	2,874*	1,876	2.0%	4,750

Source: Metro, Clackamas County

Table 19. Historic and Projected Growth, City of Molalla

Year	Population	AAGR	Avg. annual increase
1960	1,501		
1970	2,005	2.9%	50
1980	2,992	4.1%	99
1990	3,683	2.1%	69
2000	5,738	4.5%	206
2010	8,108	3.5%	237
2035(revised)	13,400	2.0%	212

Source: US Census & Metro & Clackamas County

Extrapolating from this forecast for the 20-year planning horizon of 2012-2032 specified for this project yields the following for the City of Molalla:

2012 population: 8,532

2032 population: 12,760

SANDY

The Metro 2035 Gamma Forecast projected 2,310 new households between 2010 and 2035 in the TAZ group that includes the City of Sandy.

Table 20. Metro Gamma Forecast Households 2010 to 2035. Sandy TAZ Group¹⁴

2010 Existing	2035 Projection	Household Change
4,325	6,635	2,310

Assuming the City of Sandy captures 90% of this new growth, this projection results in a total of 2,079 new households in the city between 2010 and 2035 resulting in a total of approximately 5,682 households, or 15,230 people, in the city in 2035.⁵

The growth forecast suggested by Metro is compared to historic growth below. As suggested by this comparison, the forecast for approximately 15,230 people in Sandy by 2035 represents a lower than growth rates seen in the city over the last several decades and represents a 48% decrease from the average number of new people annually in the city during the last decade but a 74% increase of average growth for the previous three decades.

¹⁴ Includes TAZ#: 834,835,836,837,838,839

Table 21. Historic and Projected Population Growth, City of Sandy.

Year	Population	AAGR	Avg. annual increase
1960	1,147		
1970	1,544	3.0%	40
1980	2,905	6.5%	136
1990	4,152	3.6%	125
2000	5,385	2.6%	123
2010	9,570	6.0%	427
2035	15,230	1.9%	226

Source: US Census & Metro & Clackamas County

The most recent population forecast recently completed for the City of Sandy is found in the “City of Sandy, Urbanization Study” (2009). The forecast in the Urbanization Study, however, was completed using the “safe harbor” methodology described in OAR 660-024-0030(4) and ORS 195.034(B), which simply extrapolates a city’s future population based on its proportion of the county’s total population and is not trend or market based. As such this forecast is not necessarily a good comparison but is shown in the table below. Projected jobs growth is shown in the table for context.

Table 22.

City of Sandy	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Households (UGB) <i>2009 City Urbanization Study (1)</i>	3,741	1,445	1.3%	5,186
Households in City of Sandy <i>Metro’s Regional Forecast</i>	3,603	2,079	1.8%	5,682
Jobs				
Jobs (UGB) <i>2010 City TSP (2)</i>	4,490	2,035	1.5%	6,525
Jobs in TAZ group <i>Metro’s Regional Forecast</i>	3,181	3,449	3.0%	6,630

*Per 2010 US Census

(1) City of Sandy, Urbanization Study, January 2009. (ECONorthwest). This study forecasted 1,214 new households between 2008 and 2029. Based on this forecast, an average annual increase of 57.8 households was calculated and used to estimate 2010 and 2035 households. Note: In this study, the forecast for 2010 was 8,170 persons, 1,400 less than the Census reported for 2010.

(2) Sandy Transportation System Plan, April 2009. (Technical Memo #1, Plans Goals & Policies, page 15; and, Technical Memo #2, Existing Conditions and Future Needs). Sandy’s TSP (Fig. 4-1) forecasted 1,709 new jobs between 2008 and 2029. Based on this forecast, an average annual increase of 81.4 jobs was calculated and used to estimate 2010 and 2035 jobs.

Analysis of Sandy's forecast:

Representatives from the City of Sandy indicated in an email dated 07/31/2012 that they believe they can and will continue to accommodate high population growth. Individual factors cited include:

- Strong historic population growth
- An attractive location with relatively inexpensive land for development
- A diverse economic base
- Infrastructure available or capacity of expand to accommodate more population growth
- Recent investments, including a new \$100 million state-of-the-art high school
- A willingness to consider expanding into the city's existing urban reserve

(See Appendices A and B for more details)

County staff agrees that Sandy probably can and will attract higher population growth than is indicated by the 2035 Gamma Forecast. Furthermore, the Gamma Forecast projects a relatively large number of new households in the Government Camp area and other areas past Sandy on Hwy 26. Due to rural zoning in those areas, it is not likely the nearly 2,000 new households forecast by Metro for the area could actually be accommodated. It follows logically that these households, which would be inclined to move to this area, would actually end up in City of Sandy, where much more substantial residential development can occur.

Adjustments to Sandy Forecast:

The following adjustments were made to the 2035 Gamma Forecast. An initial adjustment of 1,000 households from TAZ #961 (which includes the Village at Mt Hood and Government Camp) was made, per the county's and city's request in September, 2012, and are reflected in forecasts and TAZ distributions adopted by Metro in November, 2012.

At the request of the city, further assessment was completed and an additional 330 households were re-allocated from TAZ #s 961 and 960, as noted below. (See Appendix D for map of TAZ locations)

Table 23. Revisions to Forecast - Sandy

TAZ #	2035 Gamma Forecast Household Growth 2010-2035	Initial Adjustment (Sept. 2012)		Second Adjustment (Jan. 2013)	
		Net Household Change	Adjusted Household Growth 2012-2035	Net Household Change	Adjusted Household Growth 2012-2035
Sandy TAZ Group (834,835,836,837,839)	2,310	1,000	3,310	330	3,640
961	2,249	(1,000)	1,249	(250)	999
960	400	0	400	(80)	320
Total	4,959	0	4,959	0	4,959

Source: Metro, Clackamas County

The resulting increase in growth in the City of Sandy is shown in the two tables below. As shown, this forecast is more on-par with historic growth rates and growth over the last decade. These revisions have been reviewed by city representatives.

Table 24. Revised 2035 Forecast - Sandy

City of Sandy	2010	Projected Growth 2010 - 2035	AAGR 2010-2035	2035
Households				
Households (UGB) <i>2009 City Urbanization Study</i>	3,741	1,445	1.3%	5,186
Households in City of Sandy <i>Coordinated Forecast</i>	3,606	3,521	2.8%	7,127

Table 25. Historic and Projected Growth, City of Sandy

Year	Population	AAGR	Avg. annual increase
1960	1,147	---	---
1970	1,544	3.0%	40
1980	2,905	6.5%	136
1990	4,152	3.6%	125
2000	5,385	2.6%	123
2010	9,570	6.0%	427
2035(revised)	19,100	2.8%	381

Source: US Census & Metro & Clackamas County

Extrapolating from this forecast for the 20-year planning horizon of 2012-2032 specified for this project yields the following for the City of Sandy:

2012 population: 10,322

2032 population: 17,960

Summary

The following is a summary of the 20-year coordinated population projections that result from this analysis and the collaborative efforts of the county, metro and the five rural cities in Clackamas County.

Table 26. Summary of 2012-2032 Projections by City

City	2012 population	2032 population	Net growth 2012-2032	AAGR 2012-2032
Barlow	136	146	10	0.4%
Canby	16,820	26,730	9,910	2.3%
Estacada	2,845	4,345	1,500	2.1%
Molalla	8,532	12,760	4,228	2.0%
Sandy	10,322	17,960	7,628	2.8%

Source: US Census, Metro, Clackamas County

BIBLIOGRAPHY

- Christensen, Daniel and Greene, Kirstin (Cogan Owens Cogan, LLC); Bosch, Mary (Marketek, Inc.). (2009). *City of Estacada Economic Opportunity Analysis, Final Report*. City of Estacada, Oregon.
- E.D. Hovee & Company. (2005, February 16). *Molalla Economic Profile (Final Draft)*. City of Molalla, Oregon.
- Maciejewski, Chris (DKS Associates). (2010, December). *Canby Transportation System Plan*. City of Canby, Oregon.
- Metro. (2012, January 4). *Metro TAC agendas, minutes and packets*. Retrieved April 2012, from Oregon Metro: www.oregonmetro.gov
- Oregon Department of Administrative Services, Office of Economic Activity. (2012, June). *Oregon Economic and Revenue Forecast (Volume XXXII, No. 1)*. Salem, Oregon: Author.
- Oregon Department of Administrative Services, Office of Economic Analysis. (2004, April). *Demographic Forecasts (Long Range 2000 to 2040)*. Retrieved May 2012, from Office of Economic Analysis: <http://www.oregon.gov/DAS/OEA/>
- Oregon Department of Land Conservation and Development. (2010, August 4). *Measure 49 Frequently Asked Questions*. Retrieved June 2012, from Land Conservation and Development: <http://www.oregon.gov/LCD>
- Oregon State Legislature. (2011). *Oregon Revised Statutes - 2011 Edition*. Retrieved April 2012, from Oregon State Legislature Revised Statutes: <http://leg.state.or.us/ors>
- Parker, Robert; Juntunen, Lorelei; Goodman, Beth; Coddington, Kate (ECONorthwest). (2009, January). *City of Sandy Urbanization Study*. City of Sandy.
- Population Research Center. (2012, March). *Annual Population Estimates (2011)*. Retrieved May 2012, from Portland State University, College of Urban & Public Affairs: Population Research Center: <http://www.pdx.edu/prc/>
- Population Research Center. (2000 - 2011, Quarterly). *Population Annexations*. Retrieved May 2012, from Portland State University, College of Urban & Public Affairs: Population Research Center: <http://www.pdx.edu/prc/>
- United States Census Bureau. (2011). *American Factfinder (Summary File 1 data selection)*. Retrieved March 2012, from 2010 Census: <http://factfinder2.census.gov>
- United States Census Bureau. (2012). *Building Permits Data*. Retrieved April 2012, from Censtats Database: <http://censtats.census.gov>
- Vaidya, Kanhaiya. (2011, November). *Oregon's Demographic Trends*. Retrieved May 2012, from Demographic Forecast, Related Information Data and Reports: http://www.oea.das.state.or.us/DAS/OEA/demographic/or_pop_trend2011.pdf

APPENDIX A
INFORMATION CONSIDERED IN ASSESSMENT OF CITY POPULATION FORECASTS

The information in the table below is obtained from information county staff gleaned from planning documents and reports and from feedback submitted by the cities to county staff. The information pertains to population and housing characteristics of Clackamas County's five rural cities, and to changes believed to occur in those areas in the future.

Population Composition	Housing	Employment Information	Infrastructure/ Land Capacity	Factors Affecting Population Growth (Positive or Negative)/ Other Notes
Barlow				
<p>Low, stable population of approx. 135 -140 persons</p> <p>Growth relatively flat for the last four decades (0.6% annually) with slightly negative growth (-0.4%) from 2000 to 2010 (US Census).</p>	<p>Predominantly owner-occupied homes (93.1%)</p> <p>2010 occupancy rate high (97.8%)</p> <p>Median home sales prices averaged nearly 50% lower than those of the county's urban cities over the last 10 years (based on County tax assessor data)</p>	<p>Small rural industrial area along southern boundary of city.</p> <p>City is adjacent to Canby, which offers a wide range of employment opportunities.</p>	<p>No sewer system limits development and potential increases in density and/or redevelopment</p>	<p>Limitations to growth due to:</p> <p>(1) Lack of sewer system – entire city is on septic systems</p> <p>(2) Rural reserves for Clackamas County will nearly surround the city, severely limiting the possibility of expanding UGB to accommodate more growth. Acknowledgement of these reserves is forthcoming from DLCDC.</p>

APPENDIX A
INFORMATION CONSIDERED IN ASSESSMENT OF CITY POPULATION FORECASTS

Population Composition	Housing	Employment Information	Infrastructure/ Land Capacity	Factors Affecting Population Growth (Positive or Negative)/ Other Notes
Canby				
<p>Strong population growth, averaging 3.4% annually over last 50 years and 4.0% over last</p> <p>Younger and larger households than county. Average age of 35.7 years versus 40.6 years old countywide. Avg. household size 2.78 persons, versus 2.56 countywide</p>	<p>Approximately 2/3rds owner occupied and 1/3rd renter-occupied homes</p> <p>2010 occupancy rate high (95.9%)</p> <p>Median home sales prices 20% to 36% lower than those of the county's urban cities over the last 10 years (based on County tax assessor data)</p>	<p>Diverse economic base, ranging from agriculture to heavy industrial.</p> <p>Historic downtown receiving investment to improve and attract more retail and service businesses</p> <p>Projected employment growth from both the Metro and the city's consultant (for TSP) is expected to be very high over the forecast period</p>	<p>City's Urban Renewal District is funding infrastructure to develop employment land and invest in an attractive downtown</p> <p>City's TSP estimates a capacity for approx. 4,400 new households and 4,600 new jobs in the city</p> <p>City has purchased land to expand water plant should it be needed as population grows – already have water rights for new intake off Willamette River</p> <p>Currently have 50% excess sewer capacity</p>	<p>Positive:</p> <ul style="list-style-type: none"> • City is being very pro-active about positioning themselves to attract new business investments and jobs. • The City's Urban Renewal District offers an SDC reimbursement incentive program for job creation and new construction • City has Strategic Investment Zone - 15 year property tax abatement for investments over \$25 million. • Recently completed a downtown retail study and developed marketing materials to attract investment in the downtown area • 200+ acres of shovel-ready industrial land • Economic Development is heading team to discuss business recruitment & retention and marketing of industrial employment opportunities • City offers electrical rates 30% lower than other locations – attractive to industry

**APPENDIX A
INFORMATION CONSIDERED IN ASSESSMENT OF CITY POPULATION FORECASTS**

Population Composition	Housing	Employment Information	Infrastructure/ Land Capacity	Factors Affecting Population Growth (Positive or Negative)/ Other Notes
Estacada				
<p>Moderate population growth over last 40 years (2.1% annually), which has dropped in the last 20 years of an average of 1.5% annually.</p> <p>Younger households than countywide (35.7 years versus 40.6 years old on average)</p>	<p>60.3% of homes owner-occupied and 39.7% of homes renter-occupied homes</p> <p>2010 occupancy rate relatively low (91.9%)</p> <p>Median home sales prices 40% to 49% lower than those of the county's urban cities over the last 10 years (based on County tax assessor data)</p>	<p>Existing industrial park has been successful – recently added 130 acres of industrial land to UGB that are expected to be ready for development within a year. Success of this new development will create jobs and help to further diversify the economic base</p>	<p style="text-align: center;">---</p>	<p>Positive:</p> <ul style="list-style-type: none"> • Attractive location with nearby recreational activities • Relatively inexpensive land and lower housing costs than region • City created an Urban Renewal District to encourage economic vitality and livability with planned projects such as streetscape improvements & pedestrian facilities; public parking; water and sewer system improvements; and riverfront pedestrian, bicycle and public recreational facilities • Emerging arts community • Recently added 130 acres of industrial land to UGB <p>Negative:</p> <ul style="list-style-type: none"> • Limited access for industrial and other employment development that relies on highway transportation.

APPENDIX A
INFORMATION CONSIDERED IN ASSESSMENT OF CITY POPULATION FORECASTS

Population Composition	Housing	Employment Information	Infrastructure/ Land Capacity	Factors Affecting Population Growth (Positive or Negative)/ Other Notes
Molalla				
<p>Strong population growth, averaging 3.4% annually over last 50 years and 4.0% over last</p> <p>Household size averages 2.82 persons, larger than in the County (2.56)</p>	<p>Approximately 2/3rds owner-occupied (66.4%) and 1/3rd renter-occupied (33.6%) homes</p> <p>2010 occupancy rate relatively high (94.7%)</p> <p>Median home sales prices 37% to 48% lower than those of the county's urban cities over the last 10 years (based on County tax assessor data)</p>	<p>The city's employment base has not kept pace with its fast growing residential population but some industrial expansion is beginning to occur (Brentwood MFG. & NW Polymers)</p> <p>Growing visitor market – tourism</p> <p>City working to make more industrial land ready for development</p> <p>City actively seeking to attract more business investment</p>	<p>According to recently-completed buildable lands inventory, the supply of buildable residential land within current urban growth boundary (UGB) is very limited</p> <p>City may need to expand UGB or develop at greater densities to accommodate higher population growth</p> <p>Any growth past approximately 14,000 people will require a substantial investment to provide new residents with water</p>	<p>Positive:</p> <ul style="list-style-type: none"> • Attractive location with nearby recreational activities • Relatively inexpensive land and lower housing costs than region. • City plans to complete/revise several planning projects as soon as this forecast is completed, all of which could help encourage new development: a downtown redevelopment plan; an updated Comprehensive Plan including some possible plan designation changes; and an updated Parks plan • Currently has an Urban Renewal District and an Enterprise Zone • Recent increase in SF home activity and interest from developers to build new subdivisions <p>Negative:</p> <ul style="list-style-type: none"> • Relatively few job and retail opportunities for residents • Limited amount of buildable residential land

APPENDIX A
INFORMATION CONSIDERED IN ASSESSMENT OF CITY POPULATION FORECASTS

Population Composition	Housing	Employment Information	Infrastructure/ Land Capacity	Factors Affecting Population Growth (Positive or Negative)/ Other Notes
Sandy				
<p>Rapidly growing population – growth averaged 4.3% annually over the last 20 years and 4.4% over the last 70 years</p> <p>Household size averages 2.68 persons, slightly larger than in the County (2.56)</p> <p>Median household income the City (\$56,700) slightly higher than that of the State (\$53,500).</p>	<p>63.7% of homes owner-occupied and 36.3% of homes renter-occupied homes</p> <p>2010 occupancy rate relatively high (94.7%)</p> <p>Median home sales prices 32% to 41% lower than those of the county’s urban cities over the last 10 years (based on County tax assessor data)</p>	<p>Diverse but relatively small economic base; population in city affected by regional economic trends</p> <p>Many residents in Sandy work in other parts of the region (east and west of the city)</p> <p>An estimated 406 businesses operate within a two-mile radius of downtown Sandy and employ nearly 3,000 persons. The largest share of employees work in the retail trade sector (35%), followed by services (29%) and manufacturing (8%) (Source: Sandy Retail Market Report)</p> <p>Large visitor market - tourism</p>	<p>City has available infrastructure (sewer, water, etc) capacity or the ability to expand capacity to accommodate growth (per city manager)</p> <p>New \$100 million state-of-the-art high school.</p> <p>Has buildable land – also has a 2,000+ acre urban reserve (created in 1998) from which the city has not yet drawn land for urban development in the UGB</p>	<p>Positive:</p> <ul style="list-style-type: none"> • Attractive location to reside because it offers good access to outdoor recreation as well as to the more urban amenities in the metro area • Relatively inexpensive land • Municipal ISP (SandyNet) that will provide inexpensive fiber Internet service to all homes and businesses • Fareless bus connections to MAX and Tri Met system. • City actively seeking to attract more business investment <p>Negative:</p> <ul style="list-style-type: none"> • Limited highway connections to Interstate freeway system

APPENDIX B

DOCUMENTATION OF COORDINATION WITH RURAL CITIES

Clackamas County staff engaged in a variety of outreach with the five rural cities in the county, including emails, phone calls, meetings, and presentations. Each city was invited to participate in a group meeting as well as individual meetings with county staff. Four of the five cities participated in these meetings and provided valuable information and feedback to this process. A representative of the fifth city, Barlow, participated via phone.

To begin the coordination process, county staff sent out an email to city planning representatives on February 28, 2012, describing the rural cities population forecast project and asking for contact information for additional city staff that would be interested in participating in the project. On March 13, 2012, a kick-off meeting was held at county offices in which the same planning staff and city representatives were invited. Staff from Canby, Estacada, Molalla and Sandy attended this meeting, at which the scope of work and expected timing for the project was explained and county staff requested information from each of the cities, including copies of any recent reports that include population projections, estimates of capacity within their urban growth boundaries, and other materials that might be pertinent.

Initial forecast numbers for the 2010 to 2025 time period were available at the kick-off meeting. City and county staff were given the opportunity to provide feedback to Metro regarding these numbers.

Initial forecast numbers for the 2010 to 2035 period (used in this report) were released by Metro in July 2012. This forecast was summarized and analyzed for the rural areas of the county and incorporated into the first draft Background Report and Forecasts, produced by county staff. The draft Background Report and Forecasts, which extrapolated the 20-year period required for this project to be compliant with ORS 195.025 and ORS 195.036 (2012 to 2032), was sent to the five rural cities for review in September 2012. In this report, county staff requested feedback from each city, particularly with respect to "local knowledge" of factors that might positively or negatively affect future population growth.

Following the release of the draft Background Report and Forecasts, county staff corresponded with each city individually. Staff met with city representatives of Canby, Estacada, Molalla and Sandy separately to discuss each city's forecast and gain a better understand this "local knowledge" and how these local planning efforts, expected near-term development trends, and any expected constraints would affect population growth and possibly justify minor adjustments to the Metro forecasts. These meetings took place in November and December of 2012. Refinements to the forecast for two of the rural cities (Molalla and Sandy) were completed and sent to those cities one last time for feedback in January 2012 and then incorporated into the final Background Report and Forecasts. No revisions were made to other cities' forecasts.

The cities received a copy of the notice sent to DLCD and a copy of the second draft of the report in January 2012 along with an email requesting a written response from each city regarding their forecasts. The report and notices were also posted on the county's website in January 2013.

APPENDIX B

DOCUMENTATION OF COORDINATION WITH RURAL CITIES

The following is a summary of the communications between Clackamas County staff and the five rural cities in Clackamas County regarding the development of the coordinated forecast for 2032. A copy of relevant correspondence sent to and received from the cities is attached to this appendix (correspondence dealing with meeting organization and scheduling is not attached)

Barlow

Because Barlow, a city of about 135 people, does not have a planning department to contact, county planning staff contacted the city's attorney in February 2012 to obtain a contact person for this project. The attorney recommended a former mayor and current city councilman as the best person to be involved in this project. The councilman was contacted via phone and email throughout the course of the project.

An email was sent out in September 2012 with the first draft of the report and forecasts and a request for feedback from the city. Planning staff called this city's representative in December 2012, at which time he indicated verbally that the city had no issues with the forecast. An email was sent to the city in January 2013 with the second draft of the report and forecasts and a request for feedback and a written response to include in the record. A subsequent request was made for a written response in February 2013. To date, no such response has been received.

Canby

County staff contacted the city's planning department in February 2012 to discuss the project and schedule a kick-off meeting, which city staff attended. Both the Planning Director and planning staff participated in this process.

An email was sent out in September 2012 with the first draft of the report and forecasts and a request for feedback from the city. County planning staff met with city planning and economic development staff in December 2012, at which time they provide county staff with information that had been requested regarding "local knowledge" of factors that might positively or negatively affect future population growth. At this meeting city staff indicated that the city was in support of the forecast. An email was sent to the city in January 2013 with the second draft of the report and forecasts and a request for a written response to include in the record. County staff received a letter from the city's Planning Director in February 2013, recommending approval of the forecasts (attached).

Estacada

County staff contacted the city's planner in February 2012 to discuss the project and schedule a kick-off meeting, which the city's planner attended. Because planning services are contracted to the county, (i.e. the city planner is a county staff person), the city manager was also contacted and asked for feedback. Both the city's planner and the city manager participated in this process.

APPENDIX B

DOCUMENTATION OF COORDINATION WITH RURAL CITIES

An email was sent out in September 2012 with the first draft of the report and forecasts and a request for feedback from the city. The city planner responded with some information related to recent development and planning activities in the city. County planning staff met with the city manager in December 2012, at which time he provided county staff with more information regarding "local knowledge" of factors that might positively or negatively affect future population growth. At this meeting the city manager indicated that the city was in support of the forecast. An email was sent to the city in January 2013 with the second draft of the report and forecasts and a request for a written response to include in the record. A subsequent request was made for a written response in February 2013. To date, no such response has been received.

Molalla

County staff contacted the city's planner in February 2012 to discuss the project and schedule a kick-off meeting, which the city's planner. Because planning services for this city are also contracted to the county, the city manager were also contacted and asked for feedback. The city's planner, the city manager and the (current) mayor participated in this process.

An email was sent out in September 2012 with the first draft of the report and forecasts and a request for feedback from the city. The city planner responded with some information related to recent development and planning activities. County planning staff met with the city manager and the mayor (mayor-elect at the time) in December 2012, at which time they provided county staff with more information regarding "local knowledge" of factors that might positively or negatively affect future population growth. Also discussed and agreed upon at this meeting were some revisions to the draft forecast. The revisions, as discussed, were made to the draft forecast and sent to the city in early January 2013 for review. An email was sent to the city in January 2013 with the second draft of the report and forecasts and a request for a written response to include in the record. County staff received a letter from the Interim City Manager in February 2013, recommending approval of the forecast (attached).

Sandy

County staff contacted the city's planning department in February 2012 to discuss the project and schedule a kick-off meeting, which city staff attended. Both the Planning Director and the city manager participated in this process.

An email was sent out in September 2012 with the first draft of the report and forecasts and a request for feedback from the city. The draft forecast in this report already included some revisions requested by the city of Sandy, who had responded in July 2012 to the initial forecast numbers that had been distributed by Metro. In that email response, the city manager answered a number of the "local knowledge" questions that had been asked by county staff in response to his concerns that the forecasts for the city were too low. County planning staff met with city planning staff and the city manager in December 2012, at which some additional revisions to the forecast were and agreed upon.

APPENDIX B
DOCUMENTATION OF COORDINATION WITH RURAL CITIES

The revisions, as discussed, were made to the draft forecast and sent to the city in early January 2013 for review. An email was sent to the city in January 2013 with the second draft of the report and forecasts and a request for feedback and a written response to include in the record. County staff received a letter from the city's Planning Director in January 2013, recommending approval of the forecasts (attached).

general

Fritzie, Martha

From: Fritzie, Martha
Sent: Tuesday, January 22, 2013 1:43 PM
To: 'mbarnett@canby.com'; 'kathywagner@canby.com'; 'brownb@ci.canby.or.us'; 'deasm@ci.canby.or.us'; Hoelscher, Scott; 'belliott@cityofestacada.org'; Glasgow, Clay; 'rogge@molalla.net'; 'citymanager@molalla.net'; 'tbrown@cityofsandy.com'; 'slazenby@ci.sandy.or.us'
Cc: McCallister, Mike; Hughes, Jennifer; 'jennifer.donnelly@state.or.us'; Conrad, Larry; Gifevich, Shari
Subject: Rural Population Coordination - DLCD notice and revised report
Attachments: Notice.sent.01.18.13.pdf

Good afternoon!

I have attached a PDF of the notice that was sent to DLCD last Thursday regarding the rural cities population coordination. Included in this notice is the latest draft of the Background Report and Forecasts (the third bookmark in the document). The numbers in this report should reflect what we each discussed in our meetings over the last month or two. I am considering this report a draft until it is adopted, but I do not expect the numbers/forecasts to change; I do plan to edit it once more and add some information to the appendices. If, for some reason you still have questions about your city's forecast, please get in touch with me as soon as possible so we can resolve it.

The expected hearings schedule to adopt these forecasts is as follows:

Planning Commission: Monday, February 25th @ 6:30PM

Board of County Commissioners: Wednesday, March 20th @9:30AM *note: this is different than the final hearing date on the notice and is not yet confirmed. (I just found out our new commission has changed the day for land use hearings from Thursdays to Wednesdays and I have requested this date.)

To help this run smoothly through the hearings process, it would be a great benefit if each city would provide me with a letter of support that I can add to the record. Any support I could get at the hearings themselves would be a great help as well. Please get all comments/letters to me **no later than February 12th** (any additional questions about the forecasts themselves should to be resolved before this date).

Thank you all for your assistance and your patience throughout this process. Hopefully we have ended up with a good result for everyone. Please do not hesitate to contact me if you have any questions.

Martha

Martha (Nix) Fritzie, Senior Planner
 Clackamas County DTD | Planning & Zoning Division
 150 Beaver Creek Road | Oregon City, OR 97045
 (503) 742-4529
 Office hours 8:00am to 6:00pm | Monday - Thursday

Fritzie, Martha

From: Fritzie, Martha
Sent: Wednesday, September 05, 2012 11:10 AM
To: Mike Barnett; 'Bryan Brown'; Matilda Deas; Hoelscher, Scott; Tracy Brown; Glasgow, Clay
Cc: toddc@fcsgroup.com; Conrad, Larry; Gilevich, Shari; McCallister, Mike
Subject: DRAFT Rural Cities Population Report
Attachments: Rural.city.pop.coordinate.DRAFT.8.30.pdf; Rural.city.pop.coordinate.DRAFT.8.30.12.docx; Appendix A.docx

Good morning all,

I have attached a draft for the Rural Cities Population Report for your review. This report includes:

- Background information for context
- A summary of the 2035 Gamma Forecast from Metro
- Recommendations for adjustments to the Metro forecast or identification of discussion areas for each city
- Several requests for additional information from city staff

I have included the entire document in PDF and just the text and Appendix A in Word for you to make changes and comments and/or add information. **Please pay close attention to Appendix A. I would like city staff to provide additional information in that document to give us a better understanding about the unique circumstances in each city that could affect population projections. This information will also be used to help justify any changes requested to the Metro forecast numbers.**

I will be calling each of you in the next week or two to discuss this draft and the projections for your city. In the meantime, feel free to give me a call if you have any questions.

Thank you,
Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD | Planning & Zoning Division
150 Beavercreek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

Fritzie, Martha

From: Fritzie, Martha
Sent: Wednesday, July 18, 2012 10:34 AM
To: Mike Barnett; 'Bryan Brown'; Matilda Deas; Hoelscher, Scott; Glasgow, Clay; 'Tracy Brown'
Cc: Gilevich, Shari; Conrad, Larry; Donnelly, Jennifer; McCallister, Mike
Subject: Rural Cities Population Project status update
Attachments: Gamma TAZ Forecast Analysis 2035.pdf

Good morning. I wanted to touch base and give everyone an update on the status of the population coordination project we are working on with your cities. As you know, I have been out of the office for several months. In my absence Shari Gilevich in our office has been diligently working on the background report and incorporating the first round of household projections from Metro (through year 2025). She has completed a draft that will be reviewed internally over the next week or two and then released to all of you for your feedback.

At the same time, Metro has released their first run of the 2025-2035 household and employment projections, which are summarized in the attached document. Please keep in mind that these summaries are by TAZ, *not* city limits or UGB (although most of the growth projected here will occur within the cities' UGBs because of limited opportunities for growth in the rural areas). Feedback for these projections is due to Metro by August 17th.

Moving forward I would anticipate the following happening in the next couple of weeks:

- You will be receiving the draft of the background report to review; and
- I will be setting up a meeting to discuss feedback on the report and the new projections from Metro for 2025-2035. At first glance, there does appear to be a few oddities in the data.

Please do not hesitate to contact me with any questions/comments and I will address them as quickly as possible. It is good to be back, but is definitely taking me a little while to get back up to speed.

Martha

Martha (Nix) Fritzie, Senior Planner
Clarkamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

Fritzie, Martha

From: Fritzie, Martha
Sent: Tuesday, February 28, 2012 4:42 PM
To: brownb@ci.canby.or.us; tbrown@cityofsandy.com; Hoelscher, Scott; Glasgow, Clay
Cc: McCallister, Mike; Gilevich, Shari
Subject: Rural Cities Population Coordination Kick-off

Good afternoon. Thank you all for agreeing to participate in the county's rural cities population coordination project. We are looking forward to working with all of you. I would like to get this project started by scheduling a kick-off meeting within the next week or two. At this meeting we will discuss the scope of work, timelines and data and/or studies we will need from each of your jurisdictions.

As most of you know, Metro is currently in the process of generating population forecasts for regional transportation planning and has recently begun releasing forecast data and asking local jurisdictions for feedback. As such, we would like to get our population coordination project going as quickly as possible.

Please let me know which of the following dates/times work for you and I will get the kickoff meeting scheduled here in our offices. Please also let me know if there is other staff you feel it would be beneficial to include in this meeting and/or this project. I am working on getting Barlow on board but wanted to get some possible dates out there sooner rather than later.

Thursday, March 08: afternoon

Tuesday, March 13: morning (after 10AM)
afternoon

Wednesday, March 14: morning
afternoon

Thank you. Feel free to give me a call if you have any questions.
Martha

Martha (Nix) Fritzie, Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

Barlow

Fritzie, Martha

From: Fritzie, Martha
Sent: Wednesday, February 29, 2012 8:50 AM
To: John A. Rankin
Subject: RE: County-City Population Project

Thank you John.

Martha (Nix) Fritzie, Planner
Clackamas County DTD | Planning & Zoning Division
150 Beavercreek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

From: John A. Rankin [<mailto:john@johnrankin.com>]
Sent: Wednesday, February 29, 2012 8:48 AM
To: Fritzie, Martha
Cc: Mike Barnett; Kathy Wagner
Subject: RE: County-City Population Project

Hi Martha:

Thanks for the message and email. City Councilor and former Mayor and jack of all trades Mike Barnett is the best contact person for you. I am forwarding this email to him and Kathy Wagner, City Recorder. Mike's contact numbers are 503-266-3579 home and 503-810-0560 cell.

If you have any questions or comments, please email or call me. Thanks. All the best!

John

John A. Rankin, LLC.
26715 SW Baker Road
Sherwood, Oregon 97140
Voice: 503-625-9710/Fax: 503-625-9709
Email: john@johnrankin.com

NOTICE: This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Fritzie, Martha [<mailto:MFritzie@co.clackamas.or.us>]
Sent: Tuesday, February 28, 2012 1:44 PM
To: john@johnrankin.com
Subject: County-City Population Project

John,

I left you a message earlier today but thought I would try to touch base via email. The Clackamas County Planning & Zoning Division has received a grant from DLCD to complete a coordinated population forecast with our rural cities. I understand that you are involved in planning issues regarding the city of Barlow. I would like to speak with you about who would be most appropriate to ask to participate in this process from Barlow.

As you may know, Metro is currently in the process of generating population forecasts for regional transportation planning and has recently begun releasing forecast data and asking local jurisdictions for feedback. Our intent with the rural cities population project is to utilize that data as a basis for the forecasts for Barlow, Canby, Estacada, Molalla, & Sandy.

Because of Metro's timeframes, we would like to get our population coordination project going as quickly as possible. I am trying to get a kick-off meeting scheduled within the next week or two. Please contact me as soon as possible and let me know if you would be the most appropriate contact person or if I should be working with someone else from the city..

Thank you.
Martha

Martha (Nix) Fritzie, Planner
Clackamas County DTD | Planning & Zoning Division
150 Beavercreek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

[Spam](#)
[Not spam](#)
[Forget previous vote](#)

Canby

Fritzie, Martha

From: Bryan Brown [BrownB@ci.canby.or.us]
Sent: Thursday, February 07, 2013 2:43 PM
To: Fritzie, Martha
Subject: RE: Rural Population Coordination - DLCD notice and revised report
Attachments: Canby Support Letter - Coordinated Population Forecast_2.07.13.pdf

Martha,

The report looks great and attached is a letter which I hope will assist in showing Canby's support for all the great work you did on this project. I think it was well done and it will be great to have an updated official population forecast to utilize. Thanks again. Bryan

Bryan Brown
Planning Director
City of Canby
111 NW 2nd Avenue
Canby, OR 97013
Ph: 503-266-0702
Email: brownb@ci.canby.or.us

PUBLIC RECORDS LAW DISCLOSURE

This email is a public record of the City of Canby and is subject to public disclosure unless exempt from disclosure under Oregon Public Records Law. This email is subject to the State Retention Schedule.

From: Fritzie, Martha [<mailto:MFritzie@co.clackamas.or.us>]
Sent: Tuesday, January 22, 2013 1:43 PM
To: mbarnett@canby.com; kathywagner@canby.com; Bryan Brown; Matilda Deas; Hoelscher, Scott; belliott@cityofestacada.org; Glasgow, Clay; rogge@molalla.net; citymanager@molalla.net; tbrown@cityofsandy.com; slazenby@ci.sandy.or.us
Cc: McCallister, Mike; Hughes, Jennifer; jennifer.donnely@state.or.us; Conrad, Larry; Gilevich, Shari
Subject: Rural Population Coordination - DLCD notice and revised report

Good afternoon!

I have attached a PDF of the notice that was sent to DLCD last Thursday regarding the rural cities population coordination. Included in this notice is the latest draft of the Background Report and Forecasts (the third bookmark in the document). The numbers in this report should reflect what we each discussed in our meetings over the last month or two. I am considering this report a draft until it is adopted, but I do not expect the numbers/forecasts to change; I do plan to edit it once more and add some information to the appendices. If, for some reason you still have questions about your city's forecast, please get in touch with me as soon as possible so we can resolve it.

The expected hearings schedule to adopt these forecasts is as follows:

Planning Commission: Monday, February 25th @ 6:30PM

Board of County Commissioners: Wednesday, March 20th @9:30AM *note: this is different than the final hearing date on the notice and is not yet confirmed. (I just found out our new commission has changed the day for land use hearings from Thursdays to Wednesdays and I have requested this date.)

To help this run smoothly through the hearings process, it would be a great benefit if each city would provide me with a letter of support that I can add to the record. Any support I could get at the hearings themselves would be a great help as well. Please get all comments/letters to me **no later than February 12th** (any additional questions about the forecasts themselves should to be resolved before this date).

Thank you all for your assistance and your patience throughout this process. Hopefully we have ended up with a good result for everyone. Please do not hesitate to contact me if you have any questions.

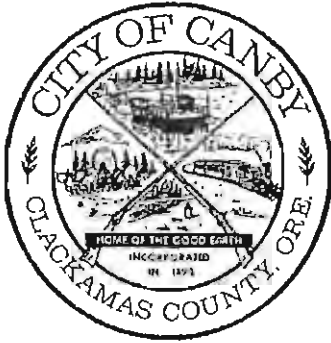
Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 8:00am to 6:00pm | Monday - Thursday

PUBLIC RECORDS LAW DISCLOSURE

This email is a public record of the City of Canby and is subject to public disclosure unless exempt from disclosure under Oregon Public Records Law. This email is subject to the State Retention Schedule.

- [Spam](#)
- [Not spam](#)
- [Forget previous vote](#)



City of Canby

Planning and Development Services

February 7, 2013

Clackamas Board of County Commissioners
2051 Kaen Road
Oregon City, OR 97045

RE: Adoption of 20-year Coordinated Population Forecasts for Rural Cities

Dear County Commissioners:

This letter is intended to express my appreciation on behalf of the City of Canby to Clackamas County and more specifically to senior planner Martha Fritzie and other County planning staff for securing grant funding and their work to complete the Clackamas County Rural Cities Coordinated 20-Year Population Forecast for 2032. The coordinated approach for determining this much needed forecast was appreciated and Canby's participation in the process solicited and our interests well accounted for in the final forecast. The incorporation and extrapolation from Metro's 2035 population forecast provided a well-grounded basis for the coordination work between the rural cities involved.

A continuing strong population growth for Canby is forecasted based on employment opportunities available, primarily expected to be fueled by our Pioneer Industrial Park and the infrastructure investments that have been made and will continue to be made as a result of the Canby Urban Renewal District and Agency actions within the associated urban renewal district.

The City of Canby stands ready to embrace the forecast and plan for needed housing right here in Canby to better accommodate the needs of a growing employment base. Thanks again for the work the County has done to provide this much needed tool for planning Canby's future.

Respectfully,

Bryan Brown
Planning Director

Estacada

Fritzie, Martha

From: Hoelscher, Scott
Sent: Wednesday, October 31, 2012 3:49 PM
To: Fritzie, Martha
Subject: Rural Pop Projection - Estacada

Martha,

I am writing in reference to the *Clackamas County Rural Cities Population Coordination*. I have the following comments regarding the City of Estacada:

- Last year DLCD approved a 130 acre UGB expansion to bring in 130 acres of industrial land. The Estacada City Council recently approved a subdivision for the 130 acres: one 25 acre lot; one 50 acre lot and a bunch of 1 acre lots. All lots are required to be used for industrial purposes.
- The owner/developer of the 130 acre "Industrial Sanctuary" is working with the City on an LID (Local Improvement District) for the development. Construction (road; utilities, etc) may begin in the Spring of 2013! I do not know if Mike Park (owner/developer) has any sale / lease agreements in place for any of the industrial lots.
- The city has approved several large residential subdivisions in the last 7-8 years. The subdivisions are in various stages of approval. As Planner I reviewed several big ones. Let me know if you need more specific information on the residential lots. Also, Denise at the City may have any idea on how many residential lots are available currently.
- Urban Renewal: talk to Bill Elliot (City Manager) about this.

Scott Hoelscher - Planner
Clackamas County Planning & Zoning Division
150 Beaver Creek Road
Oregon City, OR 97045 [Map or Directions](#)
503-742-4524

Office Hours: 7:00 am to 6:00 pm, Monday through Thursday.

Molalla

Fritzie, Martha

From: Fritzie, Martha
Sent: Thursday, February 07, 2013 2:36 PM
To: Fritzie, Martha
Subject: FW: DRAFT Rural Cities Population Report

From: Glasgow, Clay
Sent: Monday, September 10, 2012 2:01 PM
To: Fritzie, Martha
Subject: RE: DRAFT Rural Cities Population Report

Do I get extra credit for reading the entire document?

This methodology, though a little confusing for a planner of little brain such as myself, seems more reasonable than Safe Harbor.

In an effort to make the body count fit the local situation even better, I am happy to supply any pertinent information I have access to. Just not sure what that might be.

The City has a proposed annexation on the ballot in November. This to allow expansion of an existing apartment development by about 65 units. That could potentially add bodies not included in the estimates. Is that pertinent?

Sanitary sewer capacity appears to exceed the Metro numbers.

I have had brief discussions with the Big Meadow subdivision developer about a possible UGB expansion of (far too) many acres adjacent to the NW corner of town. He hopes to be able to build 100 or so new houses.

Info included with the application for "Vest" (denied at LUBA) shows an almost unbelievably low vacancy rate for multi-family. If accurate the information could be used in future proposals for annexation/zone change/UGB expansions.

The TEAM group (economic development for Molalla) is active and seemingly busy. While their focus is on commercial and industrial development obviously any success they have could also affect population numbers in the city and surrounding area. Does that kind of info count?

Though I may need a little direction, I am happy to help as I can.

From: Fritzie, Martha
Sent: Wednesday, September 05, 2012 11:10 AM
To: Mike Barnett; 'Bryan Brown'; Matiida Deas; Hoelscher, Scott; Tracy Brown; Glasgow, Clay
Cc: toddcc@fcsgroup.com; Conrad, Larry; Gilevich, Shari; McCallister, Mike
Subject: DRAFT Rural Cities Population Report

Good morning all,

I have attached a draft for the Rural Cities Population Report for your review. This report includes:

- Background information for context
- A summary of the 2035 Gamma Forecast from Metro
- Recommendations for adjustments to the Metro forecast or identification of discussion areas for each city
- Several requests for additional information from city staff

I have included the entire document in PDF and just the text and Appendix A in Word for you to make changes and comments and/or add information. **Please pay close attention to Appendix A. I would like city staff to provide additional information in that document to give us a better understanding about the unique circumstances in each city that could affect population projections. This information will also be used to help justify any changes requested to the Metro forecast numbers.**

I will be calling each of you in the next week or two to discuss this draft and the projections for your city. In the meantime, feel free to give me a call if you have any questions.

Thank you,
Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD } Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:00am to 6:00pm | Monday - Thursday

Fritzie, Martha

From: Fritzie, Martha
Sent: Thursday, January 10, 2013 5:27 PM
To: 'rogge@molalla.net'; 'citymanager@molalla.net'
Subject: 2035 revised population forecast (Molalla)
Attachments: City Molalla.pdf

Hi Deborah & Mark. I have attached a table with a few minor adjustments to the previously-sent revisions to the 2035 population forecast for the city of Molalla, per our earlier conversations and meeting. I was not able to adjust much more than I had without it potentially causing problems in other nearby areas.

I am close to finalizing the population report and getting notice out next week for the public hearings that will need to happen for these forecasts to be adopted. Please take a look at the new numbers and let me know as soon as possible if you have any comments or questions.

Also, I believe Mark was going to look into the capacity of the water plant (we thought it was around 14,000 population). Could I get a verification of that number?

Thank you. I will send the entire report and hearing notices when they are complete.

Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 8:00am to 6:00pm | Monday - Thursday

Fritzie, Martha

From: Fritzie, Martha
Sent: Wednesday, December 19, 2012 10:47 AM
To: 'rogge@molalla.net'; 'citymanager@molalla.net'
Subject: Draft background report and population forecasts
Attachments: Rural.city.pop.coordinate.DRAFT.8.30.pdf; Appendix A.docx; Molalla revisions.xlsx

Deborah & Mark,

Thank you for taking the time to meet with me yesterday. I hope this project will continue to go smoothly and get you to a point where you can adopt the update of your Comprehensive Plan soon.

I have attached the entire draft report in PDF for you to print and read, as well as Appendix A in a Word document so you can add anything you feel is pertinent. The proposed revisions to the forecast are in the attached table. I will continue to work on amendments based on our conversation yesterday, including possibly a little more adjustment to the forecast numbers. Please send me any additional comments/feedback by January 4th.

Specific information that I am needing includes:

1. The estimated capacity of your water plant (i.e. verify that the plant will max out at approximately 14,000 people).
2. Any information about approved or planned residential development (besides the new apartment complex we discussed) .
3. Any other information that you think would be useful in justifying and increased forecast.

After today, I will be out of the office for vacation until Dec. 31st but will be happy to answer any questions you have upon my return.

Thanks again and enjoy your holiday,
Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 8:00am to 6:00pm | Monday - Thursday

City of Molalla
117 N. Molalla Ave., Molalla, OR 97038

EXHIBIT 5
ZDO 242
02/20/13



February 20, 2013

Martha Fritzie, Senior Planner
Clackamas County Planning and Zoning
150 Beaver Creek Road
Oregon City, OR 97015

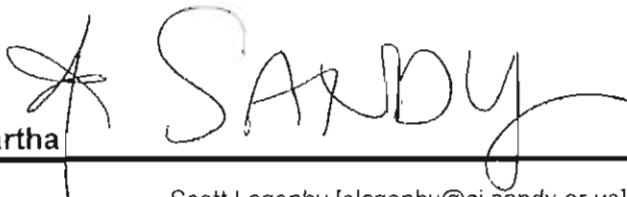
Dear Ms. Fritzie,

The City of Molalla accepts the 2035 revised average annual population forecast you presented to us of two (2%) .

Sincerely,

A handwritten signature in cursive script, which appears to read "Mark Gervasi".

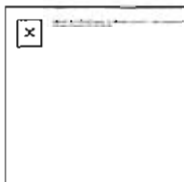
Mark Gervasi
Interim City Manager
(503) 829-6855 X 224

 SANDY

Fritzie, Martha

From: Scott Lazenby [slazenby@ci.sandy.or.us]
Sent: Tuesday, July 31, 2012 11:35 AM
To: Fritzie, Martha
Cc: Conrad, Larry; Tracy Brown
Subject: Re: Feedback on "gamma" forecast
Attachments: Population trends.pdf

Martha,
See answers to your questions, below.
--Scott



Scott Lazenby, City Manager
City of Sandy
39250 Pioneer Blvd., Sandy, OR 97055
(503) 668-6927
slazenby@ci.sandy.or.us

On Mon, Jul 30, 2012 at 3:42 PM, Fritzie, Martha <MFritzie@co.clackamas.or.us> wrote:

Scott – Larry forwarded your email to me. I am currently working with him on the TSP but also working on using Metro's numbers to create a coordinated population forecast, per ORS 195.036.

I am about a week or so from completing a draft of a background report and initial forecast numbers for the rural unincorporated portion of the county and its rural cities. I would agree with you that the growth rate proposed by Metro may be a little low given historic growth and we can probably request a change. A couple things to consider – and perhaps you could address the following for me:

1. I believe the city has sufficient buildable residential land to accommodate the projected growth and more (and could, of course, expand the UGB). Does the city also have the infrastructure (sewer, water, etc.) available, planned, or the capacity to expand to accommodate continued growth at high rates? Yes.
2. Is there any economic activity in the foreseeable future that would possibly affect the population growth (i.e. planned development in a large jobs-producing industry or alternatively the loss of a large employer)? Sandy's economy is very diversified. Residents of Sandy also work in other parts of the region (both west and east of Sandy). Economic activity in the region as a whole will affect Sandy's population growth.
3. Is there anything else that you are aware of happening in the city that would affect population growth either positively or negatively? Positive--municipal ISP (SandyNet) that will provide inexpensive fiber Internet service to all homes and businesses. Fareless bus connections to MAX and Tri Met system. Relatively inexpensive land. New \$100 million state-of-the-art high school. Negative--limited highway connections to Interstate freeway system.

4. What, to your knowledge, has been driving the rapid population growth? Growth in state and regional population in general. Sandy has offered good access to outdoor recreation as well as to the more urban amenities in the metro area.

5. What rate of continued growth do you think is (1) realistic and (2) sustainable for the city, recognizing that as the city gets larger the growth rate would decrease even if the city were growing by the same number of people each year? Continuation of the 4.3% historical rate seems reasonable, until the urban reserve is built out (at around 30k population). That rate is consistent with the assumptions of the Sandy 2040 plan (done in cooperation with Metro in the mid 1990s). The attached chart compares this rate with Gresham's historical growth rate (Gresham's population in 1950 matched Sandy's population in 1980, so the number for Gresham in 2040 is their 2010 census number), as well as Sherwood's actual population numbers. As a personal note, I would question whether any further growth in Oregon (or world, for that matter) human population is really sustainable; if Clackamas County or Metro have found a legal way to freeze or reverse regional population growth, let me know.

Thank you. Any information we can use in addition to the historic growth rates will be helpful in requesting a change and for including in the coordinated population forecast.

Feel free to contact me directly with any comments/questions.

Martha

Martha (Nix) Fritzie, Senior Planner

Clackamas County DTD | Planning & Zoning Division

150 Beaver Creek Road | Oregon City, OR 97045

(503) 742-4529

Office hours 7:00am to 6:00pm | Monday - Thursday

From: Conrad, Larry
Sent: Tuesday, July 24, 2012 4:07 AM
To: Fritzie, Martha
Subject: Fwd: Feedback on "gamma" forecast

Larry -

Sent from my iPhone

Begin forwarded message:

From: Scott Lazenby <slazenby@ci.sandy.or.us>
Date: July 23, 2012 8:26:28 PM EDT
To: "Conrad, Larry" <LarryC@co.clackamas.or.us>
Cc: "dennis.yee@oregonmetro.gov" <dennis.yee@oregonmetro.gov>, Tracy Brown <tbrown@ci.sandy.or.us>
Subject: Feedback on "gamma" forecast

Larry,

You've asked for feedback on the "Gamma TAZ" forecast. The projection for households in Sandy seems to be 1.7% per year, on average, to 2035. But our population has grown by an annual average of 4.3% over the past two decades, and it has grown, on average, by that same rate *since 1940*. It's hard to see why our growth rate would suddenly plummet. Household growth isn't necessarily proportional to population growth, but the average household size would need to double (to five people per household!) for the "gamma" projection to match our historical population growth rate.

Here are the raw (census) data:

Year	Population	Annual Growth Rate
1940	473	
1950	1003	7.8%
1960	1147	1.4%
1970	1544	3.0%
1980	2905	6.5%
1990	4152	3.6%
2000	5385	2.6%
2010	9655	6.0%
Past 20 years		4.3%
Past 70 years		4.4%

--Scott

Scott Lazenby, City Manager

City of Sandy
39250 Pioneer Blvd., Sandy, OR 97055
(503) 668-6927
slazenby@ci.sandy.or.us

Spam

Not spam

Forget previous vote

Fritzie, Martha

From: Tracy Brown [tbrown@ci.sandy.or.us]
Sent: Monday, January 14, 2013 4:58 PM
To: Fritzie, Martha
Subject: Re: 2035 revised population forecast (Sandy)

Martha, this seems fine to use. Thanks, Tracy

On Thu, Jan 10, 2013 at 5:18 PM, Fritzie, Martha <MFritzie@co.clackamas.or.us> wrote:

Hi. I have attached a table with some additional revisions to the 2035 population forecast for the city of Sandy, per our earlier conversations and meeting. I am close to finalizing the population report and getting notice out for the public hearings that will need to happen for these forecasts to be adopted. Please take a look at the new numbers and let me know as soon as possible if you have any comments or questions.

Thank you. I will send the entire report and hearing notices when they are complete and expect the first hearing to be at the end of February.

Martha

Martha (Nix) Fritzie, Senior Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 8:00am to 6:00pm | Monday - Thursday

--
Tracy A. Brown
City of Sandy
Director of Planning & Development
39250 Pioneer Blvd.

Sandy, OR 97055
Ph. 503-668-4886
Fax 503-668-8714
tbrown@cityofsandy.com
www.cityofsandy.com

[Spam](#)

[Not spam](#)

[Forget previous vote](#)

Fritzie, Martha

From: Tracy Brown [tbrown@ci.sandy.or.us]
Sent: Tuesday, January 29, 2013 4:17 PM
To: Fritzie, Martha
Subject: Fwd: Scanned letter Clackamas Co Planning comm
Attachments: Ltr Clackamas Co Planning Comm 1-30-13.pdf

Martha, please find a letter regarding the proposed population projections. Thanks, Tracy

----- Forwarded message -----

From: **Fran Berteau** <fberteau@ci.sandy.or.us>
Date: Tue, Jan 29, 2013 at 4:05 PM
Subject: Scanned letter Clackamas Co Planning comm
To: Tracy Brown <tbrown@ci.sandy.or.us>

--

Fran Berteau
Planning Assistant
City of Sandy
39250 Pioneer Blvd.
Sandy, OR 97055
fberteau@ci.sandy.or.us
Tel [503-489-2160](tel:503-489-2160)
Fax [503-668-8714](tel:503-668-8714)

--

Tracy A. Brown
City of Sandy
Director of Planning & Development
39250 Pioneer Blvd.
Sandy, OR 97055
Ph. 503-668-4886
Fax 503-668-8714
tbrown@cityofsandy.com
www.cityofsandy.com

Spam

Not spam

Forget previous vote



January 30, 2013

Clackamas County Planning Commission
150 Beaver Creek Rd.
Oregon City, OR 97045

RE: File No. ZDO-242 (Coordinated Population Forecasts)

Please enter this letter into the record regarding the proposed Comprehensive Plan Text Amendment: Coordinated Population Forecasts. The current review draft identifies a 2.8 percent annual growth rate for the city of Sandy which is well below our historical growth rate of 4.3 percent over the last several decades. Despite this difference we are supportive of the proposed number and urge adoption of the recommendation as presented.

The city of Sandy is very appreciative of staff's work on this project and the final product will greatly assist in our future long range planning efforts.

Please do not hesitate contacting me at 503-668-4886 or tbrown@cityofsandy.com if you have any questions.

Sincerely,


Tracy Brown
Planning Director
503-668-4886

Phone 503-668-5533 • Fax 503-668-8714

39250 Pioneer Boulevard • Sandy, OR 97055 • www.cityofsandy.com

The City of Sandy is an equal opportunity employer and does not discriminate on the basis of race, religion, sex, or disability.

Ordinance ZDO-242, Exhibit B

APPENDIX C
SUMMARY OF METRO FORECASTING METHODOLOGY

Population Forecasting and the TSP Update

July 2012

FACT: Clackamas County, along with all Oregon cities and counties that create transportation system plans, is required to use a coordinated population forecast for its' planning. Because part of Clackamas County is inside the Metro Boundary, the County has two options for what population and employment forecast data is used:

1. Use the population and employment forecasts that Metro uses in the Regional Transportation Plan (RTP), **or**
2. Develop an alternative forecast, coordinated with Metro, to account for changes to comprehensive plans or land use regulations that were adopted locally after the RTP was adopted by Metro.

BACKGROUND: The State of Oregon has required that land use and transportation plans be based on a coordinated population forecast since the mid 1970's. Coordinated population forecasts are the responsibility of counties (ORS 195.036) with the exception of the area within the Metro urban growth boundary (UGB).

- The area of Clackamas County inside the Metro urban growth boundary is included in Metro's forecast that is used for state land use and transportation planning.
- Clackamas County has not conducted a separate coordinated population forecast for the area outside the Metro boundary for more than two decades. The County is currently working with rural cities to develop a coordinated forecast in conjunction with the update of the Metro forecast.
- Metro, a Metropolitan Planning Organization (MPO), is also responsible for population and employment forecasting for use in regional transportation planning (federal) in the Portland-Beaverton-Vancouver Oregon-Washington Primary Metropolitan Statistical Area (PMSA). This PMSA consists of seven counties – Clackamas, Washington, Multnomah, Yamhill and Columbia in Oregon, and Clark and Skamania in Washington. This forecast, which is updated every five years, covers all of Clackamas County.

The current Clackamas County TSP Update process must be consistent with Metro's current household and employment forecast through 2035. (The population forecast is developed from the household forecast.) This forecast (see below) is expected to be adopted by Metro by the end of 2012 and then forwarded to the State Land Conservation and Development Commission for review.

Most Recent Metro Forecast	2010 Households	2035 Households	2010 – 2035 Change	2010 Employment	2035 Employment	2010 – 2035 Change
Clackamas County	146,324	205,369	59,045	137,946	210,340	72,394
Multnomah County	304,649	442,778	138,129	419,164	597,532	178,368
Washington County	202,647	294,174	93,527	232,019	382,310	150,291
Clark County	158,110	228,392	70,282	127,267	222,029	94,762

APPENDIX C SUMMARY OF METRO FORECASTING METHODOLOGY

TOTAL	811,730	1,170,713	358,983	916,396	1,412,211	495,815
-------	---------	-----------	---------	---------	-----------	---------

Metro Household and Employment Forecast Model Components

(For more information on the components reviewed below, go to:

[http://www.oregonmetro.gov/index.cfm/go/by.web/id=39026.](http://www.oregonmetro.gov/index.cfm/go/by.web/id=39026))

1. The Metro Regional Population Forecast uses a standard population cohort survival methodology. This methodology estimates future populations using basic demographic data broken down into *cohorts* – age and gender specific groups. The forecasts use the size of each age group in the base year population, and the expected deaths rates and expected migration for each age cohort during the forecast period, plus the estimated number of new births, to estimate the future population.

- The mortality rates are age-specific, based on the U.S. Census middle series assumptions and further calibrated to base year vital statistics for the region as a whole.
- New birth cohorts are generated by applying age-specific fertility assumptions to the female population of child-bearing age (assumed to be 10 to 49 years old), based on the U.S. Census middle series assumptions and further calibrated to base year vital statistics for the region as a whole.
- Net migration is projected from an econometric equation and disaggregated into age groups based on census distributions.

2. The Metro Regional Employment Forecast is based on an econometric forecasting model that describes regional economic behavior. It includes equations for employment sectors, wage sectors, income components, population and migration, productivity, inter-industry demand variables and a number of identity equations.

3. The Regional Land Supply Model is a recently-updated GIS-based model that estimates the available land supply for residential and employment land uses at the parcel level for the Portland Region.

4. The Metroscope Model allocates the forecast household and employment growth to the available land supply in the region.

- It uses output from the **Regional Travel Demand Model** (see below) in the allocation process.
- It uses two internal real estate location models, one for residential location and one for nonresidential location, that
 - predict the locations of households and employment respectively,
 - measure the amount of land consumed by development,
 - measure the amount of built space produced, and
 - measure the prices of land and built space by zone in each forecast time period.

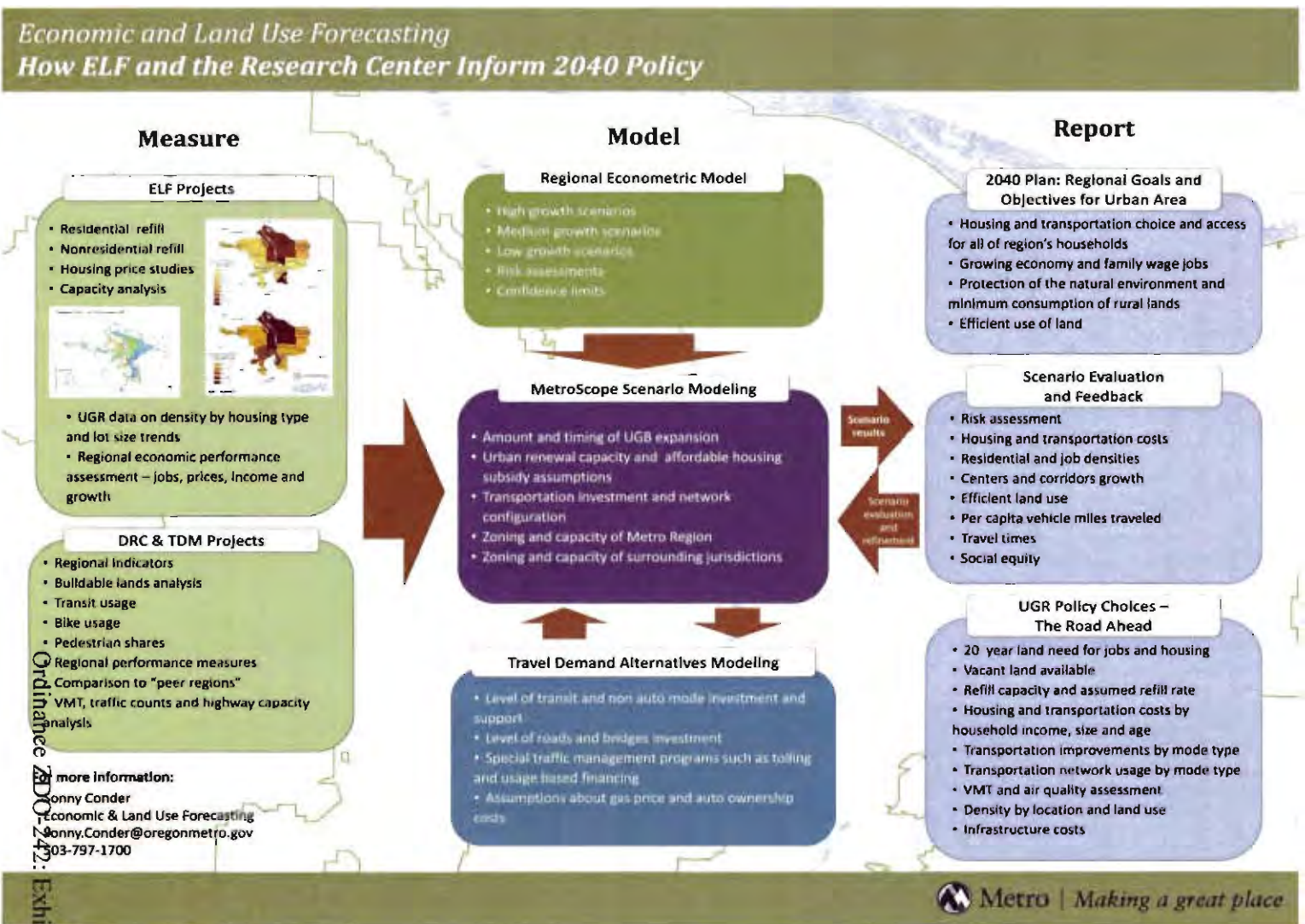
5. The Regional Travel Demand Model:

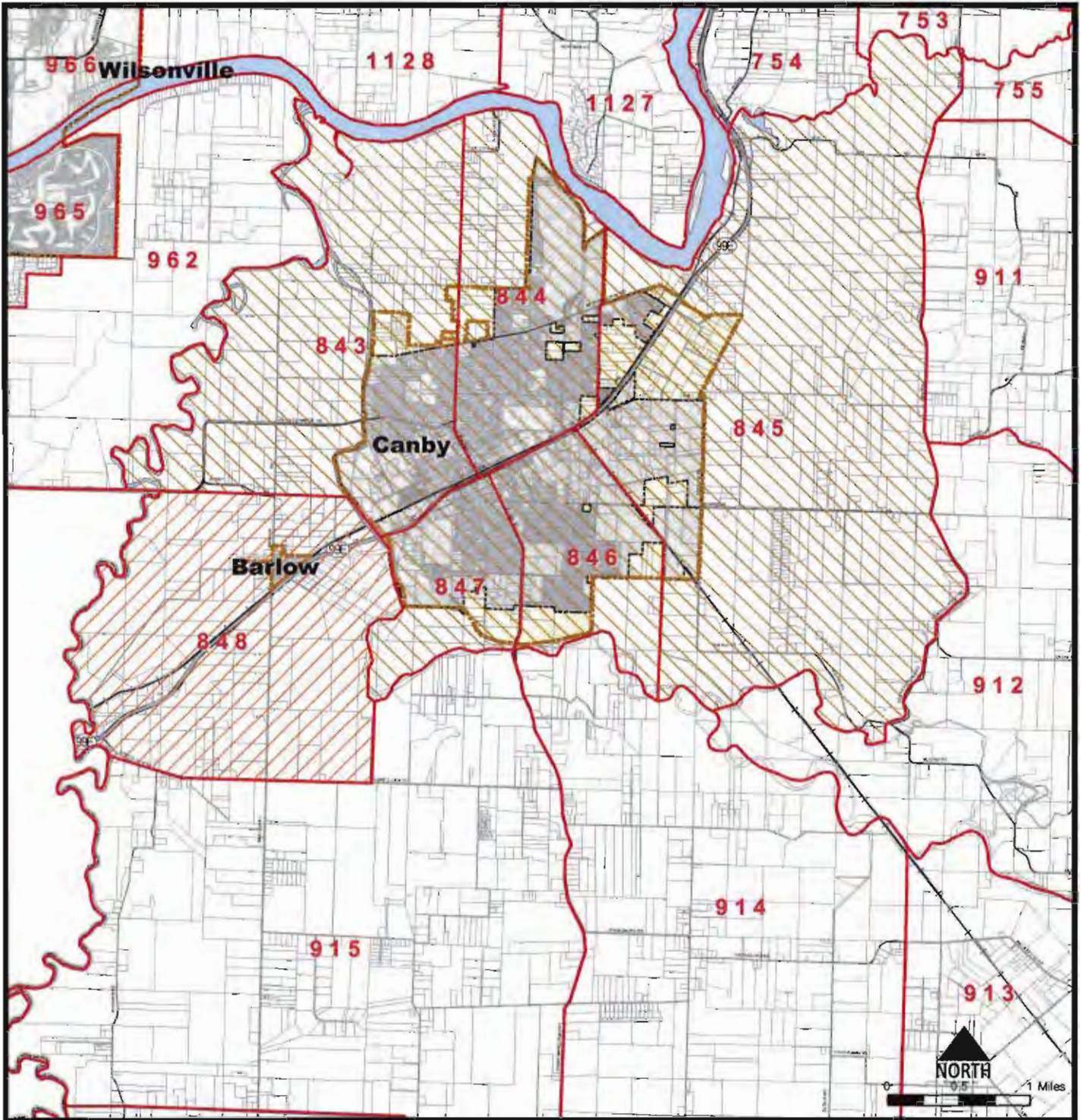
- Predicts travel activity levels by mode (bus, rail, car, walk or bike) and road segment;
- Estimates travel times between transportation analysis zones (TAZs) by time of day, and
- Produces a measure of the cost perceived by travelers in getting from any one TAZ to any other.

APPENDIX C
SUMMARY OF METRO FORECASTING METHODOLOGY

Metro Economic and Land Use Forecasting (see graphic, below)

The following graphic shows the relationship between the various measures, models and reports used by Metro for economic and land use forecasting. The forecasting is done by the Metro Research Center that is made up of three divisions: Data Resource Center, Transportation Research and Modeling Services, and Economic and Land Use Forecasting (ELF).










City, Urban Growth Boundary (UGB) and Transportation Area Zone (TAZ) Boundaries

CITIES OF CANBY & BARLOW

November 2012

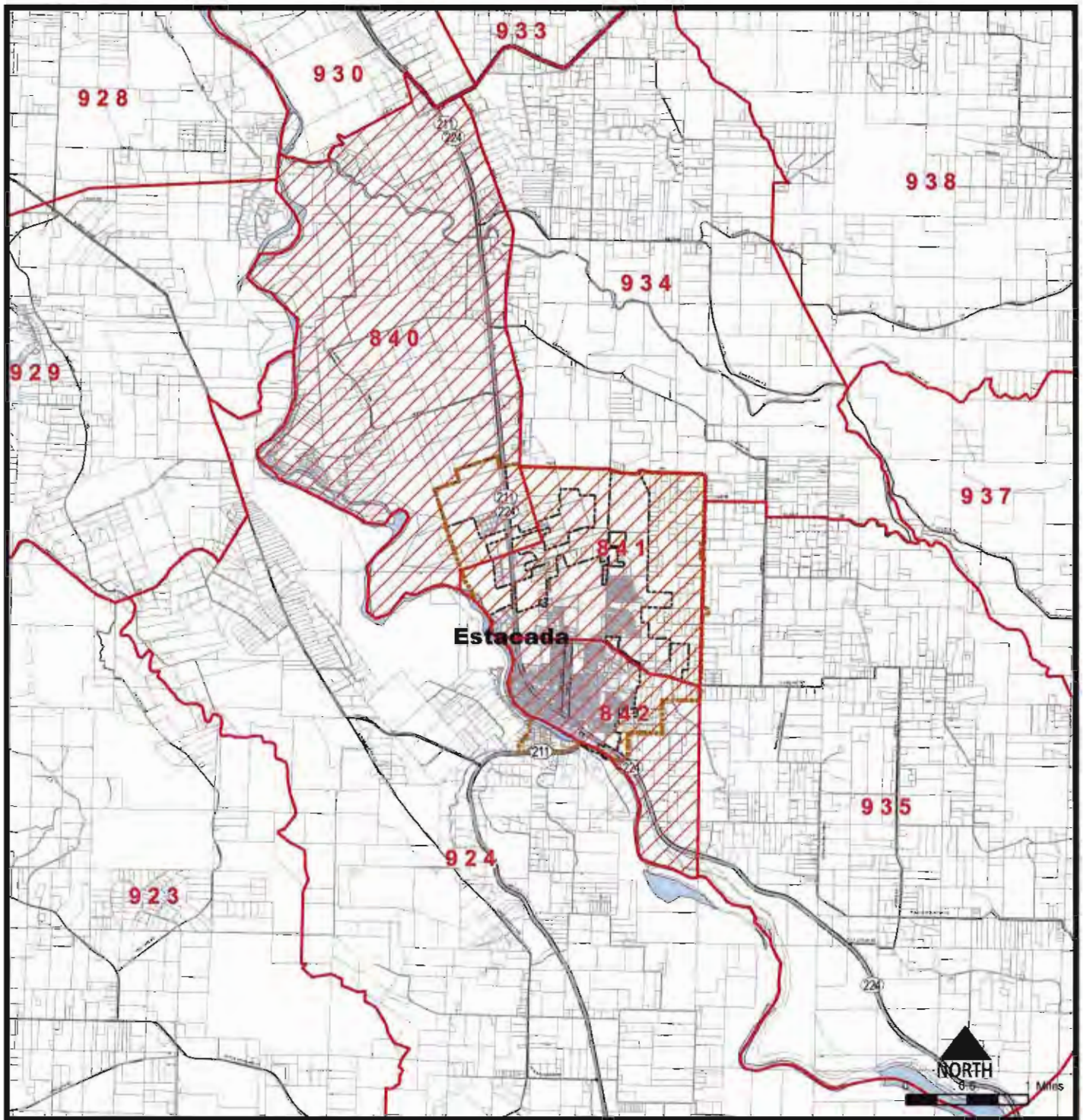
-  Incorporated City Limits
-  Urban Growth Boundary (UGB)
-  Transportation Analysis Zone (TAZ)

-  Canby TAZ group
-  Barlow TAZ group



Department of Transportation & Development
150 Beavercreek Rd. Oregon City, OR 97045




Ordinance ZDO-242: Exhibit B




City, Urban Growth Boundary (UGB) and Transportation Area Zone (TAZ) Boundaries

CITY OF ESTACADA

November 2012

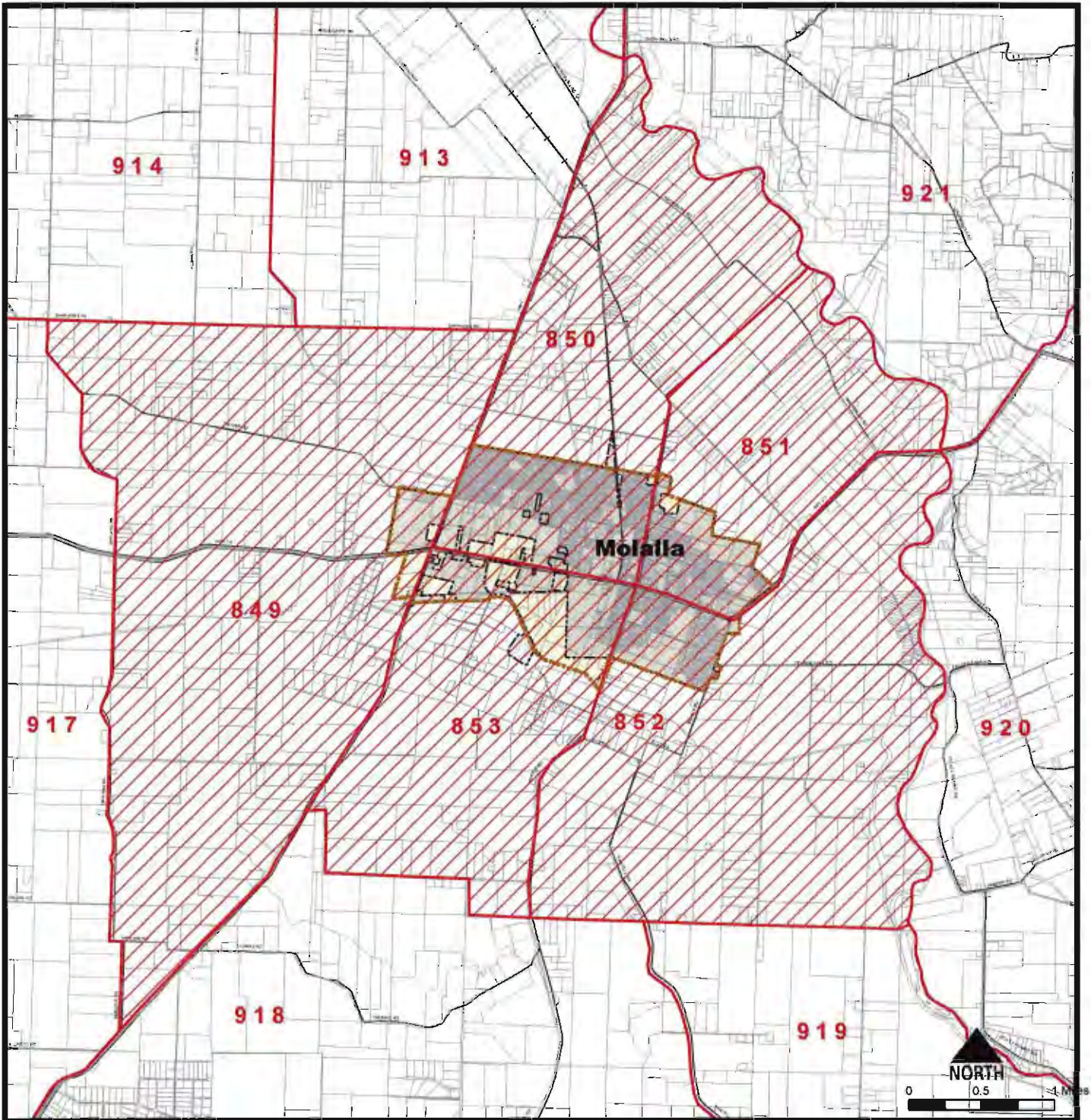
-  Incorporated City Limits
-  Urban Growth Boundary (UGB)
-  Transportation Analysis Zone (TAZ)




-  Estacada TAZ group



Department of Transportation & Development
150 Beaver Creek Rd. Oregon City, OR 97045

Ordinance ZDO-242: Exhibit B

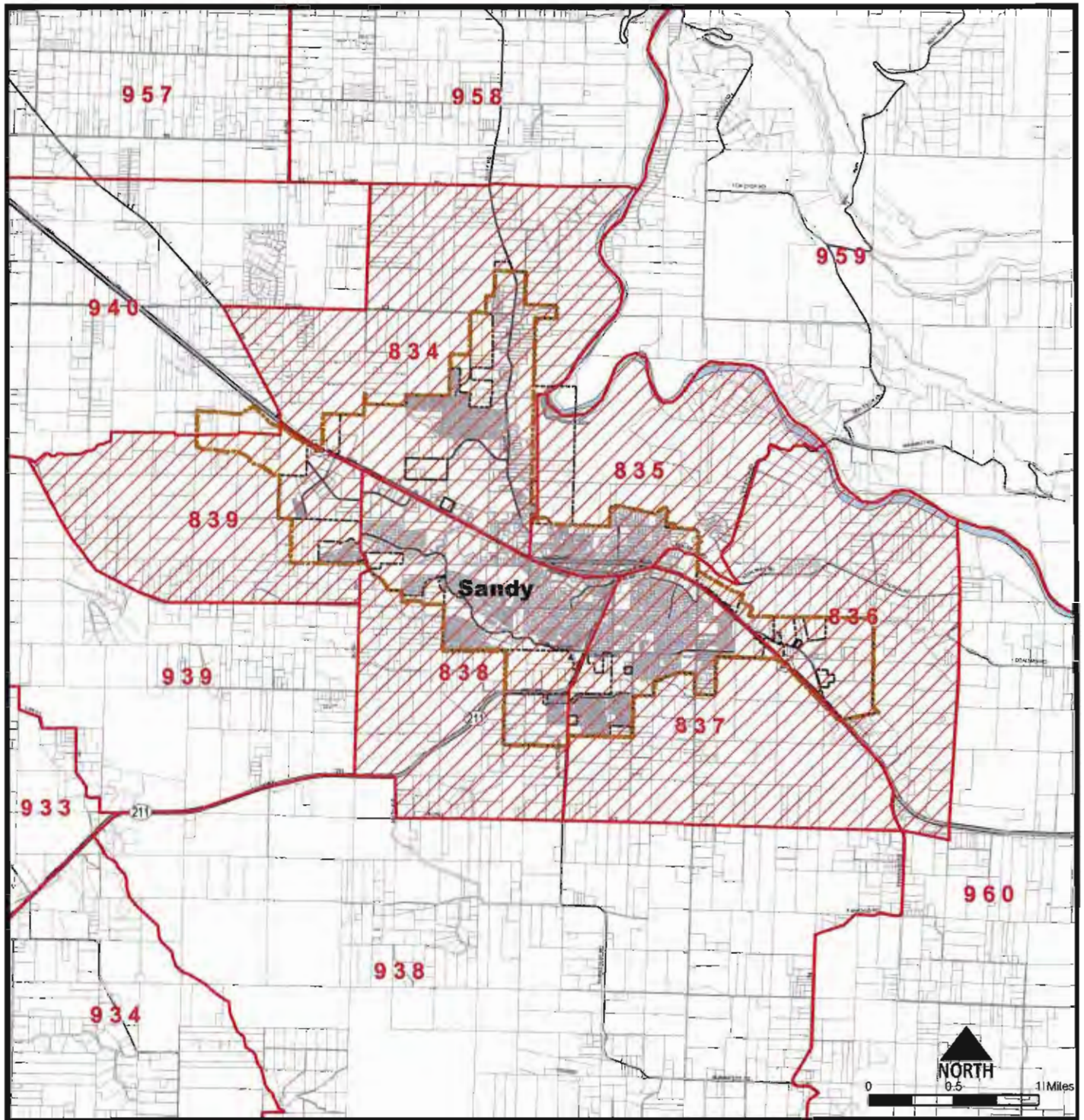


-  Incorporated City Limits
-  Urban Growth Boundary (UGB)
-  Transportation Analysis Zone (TAZ)

 Molalla TAZ group






Department of Transportation & Development
150 Beaver Creek Rd, Oregon City, OR 97045



City, Urban Growth Boundary (UGB) and Transportation Area Zone (TAZ) Boundaries

CITY OF SANDY

November 2012

-  Incorporated City Limits
-  Urban Growth Boundary (UGB)
-  Transportation Analysis Zone (TAZ)

-  Sandy TAZ group



Department of Transportation & Development
150 Beaver Creek Rd. Oregon City, OR 97045

Ordinance ZDO-242: Exhibit B

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

2010 Population and Housing Characteristics for Oregon, Clackamas County and the Rural Area Cities							
	Oregon	Clackamas County	Barlow	Canby	Estacada	Molalla	Sandy
TOTAL POPULATION	3,831,074	375,992	135	15,829	2,695	8,108	9,570
HOUSING							
Total	1,675,562	156,945	45	5,890	1,155	3,017	3,768
Occupied	1,518,938	145,790	44	5,647	1,062	2,857	3,567
Owner-occupied	944,485	100,982	41	3,765	640	1,896	2,271
Population in owner-occupied	2,386,743	268,718	127	10,408	1,746	5,418	6,176
Renter occupied	574,453	44,808	3	1,882	422	961	1,296
Population in renter occupied	1,357,689	104,521	8	5,327	940	2,637	3,380
Persons/Occupied Housing Unit	2.465	2.560	3.088	2.786	2.529	2.819	2.679
Households w/ individual under 18	456,775	47,821	16	2,233	373	1,281	1,448
Vacant	156,624	11,155	1	243	93	160	201
Vacant for rent	40,193	2,800	-	84	48	47	63
Vacant for sale	24,191	2,097	-	66	21	67	71
POPULATION							
Male	1,896,002	184,925	66	7,596	1,343	4,002	4,678
Female	1,935,072	191,067	69	8,233	1,352	4,106	4,892
Under 18	866,453	89,231	40	4,484	722	2,491	2,779
18 & over	2,964,621	286,761	95	11,345	1,973	5,617	6,791
20-24	253,048	19,774	5	794	165	466	566
25-34	524,144	42,801	13	1,924	366	1,361	1,522
35-49	762,404	79,153	32	3,236	553	1,687	1,948
50-64	785,762	84,628	22	2,692	481	1,091	1,505
65 & over	533,533	51,231	17	2,247	347	797	977
ETHNICITY							
Hispanic or Latino	450,062	29,138	20	3,368	203	1,173	884
Non Hispanic or Latino	3,381,012	346,854	115	12,461	2,492	6,935	8,686
POPULATION BY RACE							
White	3,204,614	331,571	109	12,816	2,479	7,045	8,616
African American	69,206	3,082	1	93	21	49	40
Asian	141,263	13,729	-	169	31	66	118
American Indian and Alaska Native	53,203	3,122	1	192	20	85	124
Native Hawaiian & Pacific Islander	13,404	867	-	29	6	21	19
Other	204,625	11,756	19	2,072	74	605	327
Identified by two or more	144,759	11,865	5	458	64	237	326

Source: Portland State's Population Research Center (www.pdx.edu/prc)

APPENDIX E: SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES

2010 Population for Oregon, Clackamas County and the Rural Area Cities
By Sex and Age

	Oregon		Clackamas County		Barlow		Canby		Estacada		Molalla		Sandy	
	Population	Percent of State Population	Population	Percent of County Population	Population	Percent of City Population	Population	Percent of City Population	Population	Percent of City Population	Population	Percent of City Population	Population	Percent of City Population
TOTAL POPULATION	3,831,074		375,992		135		15,829		2,695		8,108		9,570	
POPULATION														
Male	1,896,002	49.5%	184,925	49.2%	66	48.9%	7,596	48.0%	1,343	49.8%	4,002	49.4%	4,678	48.9%
Female	1,935,072	50.5%	191,067	50.8%	69	51.1%	8,233	52.0%	1,352	50.2%	4,106	50.6%	4,892	51.1%
Under 18	866,453	22.6%	89,231	23.7%	40	29.6%	4,484	28.3%	722	26.8%	2,491	30.7%	2,779	29.0%
18 & over	2,964,621	77.4%	286,761	76.3%	95	70.4%	11,345	71.7%	1,973	73.2%	5,617	69.3%	6,791	71.0%
20-24	253,048	6.6%	19,774	5.3%	5	3.7%	794	5.0%	165	6.1%	466	5.7%	566	5.9%
25-34	524,144	13.7%	42,801	11.4%	13	9.6%	1,924	12.2%	366	13.6%	1,361	16.8%	1,522	15.9%
35-49	762,404	19.9%	79,153	21.1%	32	23.7%	3,236	20.4%	553	20.5%	1,687	20.8%	1,948	20.4%
50-64	785,762	20.5%	84,628	22.5%	22	16.3%	2,692	17.0%	481	17.8%	1,091	13.5%	1,505	15.7%
65 & over	533,533	13.9%	61,231	13.6%	17	12.6%	2,247	14.2%	347	12.9%	797	9.8%	977	10.2%

Source: US Census, Portland State's Population Research Center (www.pdx.edu/prc)

Clackamas County is one of seven counties in the Portland-Vancouver-Hillsboro Metropolitan Statistical Area (MSA), which had a 2010 population of 2,225,379 persons.

Table. 2010 Population of Counties in the Portland-Vancouver-Hillsboro OR-WA Metropolitan Statistical Area

County in Metropolitan Statistical Area	Population (2010 Census)	% of population of total MSA	% Population Increase from 2000
Multnomah County, OR	735,334	33.0%	11.3%
Washington County, OR	529,710	23.8%	18.9%
Clark County, WA	424,733	19.1%	23%
Clackamas County, OR	375,992	16.9%	11.1%
Yamhill County, OR	99,193	4.5%	16.7%
Columbia County, OR	49,351	2.2%	13.3%
Skamania County, WA	11,066	0.5%	12.1%
TOTAL POPULATION	2,225,379		

Source: US Census

The following prepared by Population Research Center, PSU, March 2012:

Table. Population Estimate of Oregon by Area Type and MSA: 2000 to 2011

Date	State	Incorporated	Un-incorporated	Metropolitan	Non-metropolitan
April 1, 2000	3,421,399	2,277,618	1,143,781	2,617,755	803,644
April 1, 2010	3,831,074	2,669,922	1,161,152	2,978,551	852,523
July 1, 2010 ^{rev}	3,837,300	2,673,122	1,164,178	2,983,855	853,445
July 1, 2011	3,857,625	2,684,812	1,172,813	3,002,340	855,285

Source: Portland State's Population Research Center (www.pdx.edu/prc)

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

Date	Portland-Vancouver-Beaverton MSA Total Population
April 1, 2000	1,927,881
April 1, 2010	2,226,009
July 1, 2010rev	2,230,578
July 1, 2011	2,246,083

Source: Portland State's Population Research Center (www.pdx.edu/prc)

	Percent of all MSA	Percent of Oregon portion of MSA
Clackamas	16.9%	21.0%
Columbia	2.2%	2.7%
Multnomah	33.0%	41.1%
Washington	23.9%	29.7%
Yamhill	4.4%	5.5%
Oregon State Counties	80.4%	
Washington State Counties	19.6%	

Source: Portland State's Population Research Center (www.pdx.edu/prc)

Table. Components of Population Change for Oregon's Counties: April 1, 2010 to July 1, 2011

	July 1, 2011 Population Estimate	April 1, 2010 Census Population	Population Change 2010-11	Percent Change 2010-11	Average Annual Change since Census	Births 2010-11	Deaths 2010-11	Natural Increase 2010-11	Net Migration 2010-11
OREGON	3,857,625	3,831,074	26,551	0.7%	0.6%	56,846	39,693	17,153	9,398
<u>Counties</u>									
Clackamas	378,480	375,992	2,488	0.7%	0.5%	4,800	3,747	1,053	1,435
Columbia	49,625	49,351	274	0.6%	0.4%	575	437	138	136
Multnomah	741,925	735,334	6,591	0.9%	0.7%	12,088	6,599	5,489	1,102
Washington	536,370	529,710	6,660	1.3%	1.0%	8,916	3,512	5,404	1,256
Yamhill	99,850	99,193	657	0.7%	0.5%	1,433	1,034	399	258
	1,806,250	1,789,580	16,670	0.93%		27,812	15,330	12,482	4,188
WASHINGTON									
<u>Counties</u>									
Clark and Skamania	439,833								
Portland-Vancouver OR-WA MSA	2,246,083								

Source: Portland State's Population Research Center (www.pdx.edu/prc)

APPENDIX E: SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES

Forecasts of Oregon's County Populations and Components of Change, 2000 – 2040 Release: April 2004, OEA

Total Population

Note: populations as of July 1

Base population of July 1, 2000: Totals estimated by PRC, PSU and age-sex details estimated by OEA based on Census Bureau's distributions.

Oregon's age-sex detail may not match with the short-term forecast released in the OEA's Economic and Revenue Forecast

Prepared by Office of Economic Analysis, Department of Administrative Services, State of Oregon

<u>Area Name</u>	<u>FORECAST</u>								
	<u>2000</u>	<u>2005</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2025</u>	<u>2030</u>	<u>2035</u>	<u>2040</u>
Oregon	3,436,750	3,618,200	3,843,900	4,095,708	4,359,258	4,626,015	4,891,225	5,154,793	5,425,408
Clackamas	340,000	363,240	391,536	424,648	460,323	497,926	536,123	576,231	620,703

Population Change

<u>Area Name</u>	<u>Estimate</u>	<u>FORECAST</u>							
	<u>2000-2003</u>	<u>2000-2005</u>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2030</u>	<u>2030-2035</u>	<u>2035-2040</u>
Oregon	104,750	181,450	225,700	251,808	263,550	266,757	265,210	263,568	270,615
Clackamas	13,450	23,240	28,296	33,112	35,675	37,603	38,198	40,108	44,472

Annual Growth Rate

<u>Area Name</u>	<u>Estimate</u>	<u>FORECAST</u>							
	<u>2000-2003</u>	<u>2000-2005</u>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2030</u>	<u>2030-2035</u>	<u>2035-2040</u>
Oregon	1.00%	1.03%	1.21%	1.27%	1.25%	1.19%	1.11%	1.05%	1.02%
Clackamas	1.29%	1.32%	1.50%	1.62%	1.61%	1.57%	1.48%	1.44%	1.49%

Number of Births

Estimates for 2000-2003 are based on PRC, PSU's estimates and data from Oregon Center for Health Statistics, DHS.

<u>Area Name</u>	<u>Estimate</u>	<u>FORECAST</u>							
	<u>2000-2003</u>	<u>2000-2005</u>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2030</u>	<u>2030-2035</u>	<u>2035-2040</u>
Oregon	136,195	228,476	241,150	256,797	268,922	277,316	286,563	299,071	314,992
Clackamas	12,297	20,738	23,153	26,528	29,092	30,438	31,431	33,281	36,380

Number of Deaths

Estimates for 2000-2003 are based on PRC, PSU's estimates and data from Oregon Center for Health Statistics, DHS.

<u>Area Name</u>	<u>Estimate</u>	<u>FORECAST</u>							
	<u>2000-2003</u>	<u>2000-2005</u>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2030</u>	<u>2030-2035</u>	<u>2035-2040</u>
OREGON	90,218	150,793	158,892	166,836	177,049	189,603	207,855	231,560	251,617
Clackamas	7,940	13,298	14,466	15,582	16,924	18,687	20,969	23,520	25,617

Net Migration

Estimates for 2000-2003 are based on PRC, PSU's estimates and data from Oregon Center for Health Statistics, DHS.

<u>Area Name</u>	<u>Estimate</u>	<u>FORECAST</u>							
	<u>2000-2003</u>	<u>2000-2005</u>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2030</u>	<u>2030-2035</u>	<u>2035-2040</u>
OREGON	58,773	103,767	143,442	161,847	171,677	179,044	186,502	196,057	207,240
Clackamas	9,093	15,800	19,609	22,165	23,507	25,851	27,736	30,348	33,709

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

Other Data from Cities

**City Forecast Capacity
Canby – Canby TSP Dec 2010**

Table 4-1: Canby UGB Land Use Summary			
Land Use	Existing 2009 Land Use	Projected Growth from 2009 to 2030	Projected 2030 Land Use
<i>Households</i>			
Total Households	6,127	4,403 (+72%)	10,530
<i>Employees</i>			
Retail Employees	624	715 (+115%)	1,339
Service Employees	1,004	644 (+64%)	1,648
Educational Employees	409	257 (+63%)	666
Other Employees	1,928	3,007 (+156%)	4,935
Total Employees	3,965	4,623 (+117%)	8,588
The Future Forecasting Memorandum (see Appendix G)			

From - Canby TSP Dec 2010

An existing 2009 land use inventory and a future 2030 land use projection were performed for every parcel within the Canby UGB and aggregated into each of the 72 transportation analysis zones (TAZs), which represent the sources of vehicle trip generation within the city. A map of the Canby TAZs is provided in the Future Forecasting Memorandum (see Appendix G).

The existing 2009 land use inventory approximated the number of households and the amount of retail employment, service employment, educational employment, and other employment that currently exist in each TAZ. These land uses correspond to a population of approximately 15,165 residents.

The future 2030 land use projection is an estimate of the amount of development each parcel could accommodate at expected build-out of vacant or underdeveloped lands assuming Comprehensive Plan zoning (shown in Figure 4-1). The one exception is within the Northeast Canby Concept Plan area, which is located in northeast Canby between OR 99E, Territorial Road, Haines Road, and SE 1st Avenue, where land uses consistent with the Northeast Canby Concept Plan²² were assumed.

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

City of Sandy – Urbanization Study, 2009

Sandy has an estimate surplus of capacity of 1,952 Dwelling Units (beyond their safe harbor forecast) or a ***total residential capacity inside their UGB of 3,114 Units***

Year	Population	Employment	Pop/Emp
2009	8,034	4,394	1.83
2014	8,718	4,757	1.83
2019	9,451	5,150	1.84
2024	10,228	5,575	1.83
2029	11,023	6,036	1.83
Change 2007-2027	2,989	1,642	
Percent Change	37%	37%	
AAGR	1.6%	1.6%	

Source: City of Sandy; ECONorthwest

Plan Designation	Title	Capacity		Surplus	Gross Acres
		(Dwelling Units)	Needed Units	(Deficit) DU	Surplus (Deficit)
LDR	Low Density Residential	1,311	416	895	179.7
MDR	Medium Density Residential	316	220	96	16.6
HDR	High Density Residential	388	196	192	19.1
V	Village	1,099	324		
	Village - R-1	889	167	722	144.9
	Village - R-2	143	39	104	18.0
	Village - R-3	61	118	(57)	(5.7)
Total		3,114	1,156	1,952	372.6

Source: ECONorthwest

Plan Designation	Demand	2007 Supply	Surplus or (deficit)
Village Commercial	9.4	10.4	1.0
Commercial	84.6	134.2	49.6
Industrial	14.4	83.6	69.2
Total	108.4	228.2	119.8

Source: ECONorthwest

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

Molalla -- Buildable Lands Inventory -- 2008

Residential	Lots	Total Acres	Developed Acres	Nat Constraints Acres	Vacant Acres	Infill Acres Acres	Gross Buildable Acres
R-1	1387	436	361	22	20	34	53
R-2	264	66	58	2	3	2	5
R-3	648	187	171	4	4	9	13
Total	2299	690	590	28	26	45	71
Commercial	Lots	Total Acres	Developed Acres	Nat Constraints Acres	Vacant Acres	Infill Acres Acres	Gross Buildable Acres
C-1	196	55	52	0	2	1	3
C-2	75	127	74	5	27	21	48
Total	271	182	126	5	29	23	52
Industrial	Lots	Total Acres	Developed Acres	Nat Constraints Acres	Vacant Acres	Infill Acres Acres	Gross Buildable Acres
M-1	45	159	104	5	22	29	51
M-2	87	329	147	73	79	30	109
Total	132	488	251	78	101	59	160

**APPENDIX E:
SUPPORTING DATA AND ADDITIONAL DEMOGRAPHIC TABLES**

Estacada – Economic Opportunities Analysis - 2009

Safe Harbor	POPULATION PROJECTIONS Through 2029			
	City of Estacada and Clackamas County			
	2007 Est. Population	2020 Est. Population	2029 Est. Population	Average Annual Growth Rate
City of Estacada	2,695	3,332	3,826	1.91%
Clackamas County	372,270	460,323	528,484	1.91%
Estacada Share of Clackamas	0.72%	0.72%	0.72%	
Source: PSU Population Research Center; Oregon Office of Economic Analysis				

Estimated at 450 new households – however this is substantially less than the estimated capacity – per city staff

**Table 13
Adjusted Gross Inventory of Buildable Industrial and Commercial Lands in Estacada**

	Industrial		Commercial		Total	
	Parcels	Acres	Parcels	Acres	Parcels	Acres
Vacant	54	211.14	38	59.81	92	270.95
Potential Infill	14	62.67	24	26.43	38	89.10
Potentially Redevelopable	18	55.56	57	29.98	75	85.54
Total	86	329.36	119	116.23	205	445.59



Oregon Economic and Revenue Forecast

June 2012

Volume XXXII, No. 1

Release Date: May 22, 2012

Michael Jordan
Chief Operating Officer
DAS Director

John A. Kitzhaber, MD
Governor

Prepared By:
Office of Economic Analysis
Department of Administrative Services

Ordinance ZDO-242: Exhibit B

SPECIAL ANNOUNCEMENT:

Download from the Web

OEA will post all forecasts online at <http://oregon.gov/DAS/OEA/economic.shtml>. To receive an e-mail notice of new postings sign up at the following Web site.

<http://oregon.gov/DAS/OEA/listserv.shtml>

Department of Administrative Services

Michael Jordan
DAS Director
Chief Operating Officer

Office of Economic Analysis

Mark McMullen, Acting State Economist
Kanhaiya Vaidya, Senior Demographer
Damon Bell, Senior Analyst
Josh Lehner, Economist
Kris Klemm, Administrative Specialist

<http://oregon.gov/DAS/OEA/>
<http://oregoneconomicanalysis.wordpress.com/>
http://twitter.com/OR_EconAnalysis

<http://cms.oregon.gov/DAS/OEA/docs/economic/forecast0612.pdf>

Foreword

This document contains the Oregon economic and revenue forecasts. The Oregon economic forecast is published to provide information to planners and policy makers in state agencies and private organizations for use in their decision making processes. The Oregon revenue forecast is published to open the revenue forecasting process to public review. It is the basis for much of the budgeting in state government.

The report is issued four times a year; in March, June, September, and December.

The economic model assumptions and results are reviewed by the Department of Administrative Services Economic Advisory Committee and by the Governor's Council of Economic Advisors. The Department of Administrative Services Economic Advisory Committee consists of 15 economists employed by state agencies, while the Governor's Council of Economic Advisors is a group of 12 economists from academia, finance, utilities, and industry.

Members of the Economic Advisory Committee and the Governor's Council of Economic Advisors provide a two-way flow of information. The Department of Administrative Services makes preliminary forecasts and receives feedback on the reasonableness of such forecasts and assumptions employed. After the discussion of the preliminary forecast, the Department of Administrative Services makes a final forecast using the suggestions and comments made by the two reviewing committees.

The results from the economic model are in turn used to provide a preliminary forecast for state tax revenues. The preliminary results are reviewed by the Council of Revenue Forecast Advisors. The Council of Revenue Forecast Advisors consists of 15 specialists with backgrounds in accounting, financial planning, and economics. Members bring specific specialties in tax issues and represent private practices, accounting firms, corporations, government (Oregon Department of Revenue and Legislative Revenue Office), and the Governor's Council of Economic Advisors. After discussion of the preliminary revenue forecast, the Department of Administrative Services makes the final revenue forecast using the suggestions and comments made by the reviewing committee.

Readers who have questions or wish to submit suggestions may contact the Office of Economic Analysis by telephone at 503-378-3405.



Michael Jordan
DAS Director
Chief Operating Officer

Table of Contents

EXECUTIVE SUMMARY	6
I. ECONOMIC FORECAST	14
A. National Economic Review and Forecast	14
B. International Review and Outlook	18
C. Western Region	24
D. Oregon Economic Review and Forecast	28
II. REVENUE FORECAST	61
A. 2011-13 General Fund Revenues	61
B. Extended General Fund Revenue Outlook	64
C. Tax Law Assumptions	64
D. Forecast Risks	65
E. Lottery Earnings Forecast	66
F. Overview of Budgetary Reserves	67
APPENDIX A: ECONOMIC FORECAST DETAIL	69
APPENDIX B: REVENUE FORECAST DETAIL	90
APPENDIX C: POPULATION FORECASTS BY AGE AND SEX	103

EXECUTIVE SUMMARY

June 2012

Oregon Economic Forecast

Current Conditions

A chorus of indicators suggests that economic conditions are improving for many of Oregon's families and businesses. Unfortunately, the pace of improvement remains slower than what we have become accustomed to in past economic recoveries, and has not been shared across all communities.

Although recent gains have been broad-based across industries, they have not been broad-based across regions of the state. In general, communities that are located more than an hour's drive from the Columbia River are no better off now than they were when the nationwide recession ended two years ago.

Outlook

Oregon's economy can reasonably expect more of the same in the future. Most forward-looking data suggest that growth will continue. However, there is still ample reason to believe that this growth will remain disappointing from a historical perspective, with the statewide economy likely to struggle to pick up any further momentum.

The typical household still needs to save more, and spend less, of their income over the extended horizon. When less spending is combined with the broader effects of an aging baby-boom population cohort, Oregon and other states will face an uphill climb for many years to come.

What little acceleration that can be hoped for is tied to a long-awaited improvement in regional housing markets. Mortgage rates are very low, as are single-family house prices relative to apartment rents. Single-family housing markets are finally showing a weak pulse in many areas of the state.

House prices will remain depressed until most of the unwanted properties are purged from the balance sheets of lenders and underwater homeowners. Even so, improved housing investment, construction activity and spending on home furnishings represents the best hope for a speedier recovery.

The baseline (most likely) employment forecast remains essentially unchanged. Slow growth will continue to be the norm. Oregon is not expected to recover all of the jobs it has lost until the end of 2014—seven years after the recession began.

Risks

There is little to suggest that a new recession is upon us. The possibility that Oregon will return to recession this summer is looking much less likely than it appeared a few months ago. Nevertheless, a considerable amount of uncertainty remains in the outlook since there is still plenty of time for the expansion to unwind before we reach the end of the biennium.

The primary downside risk currently on the radar is the ongoing production slowdown among some of Oregon's largest trading partners in Asia. With consumers needing to repair their household finances, Oregon's economic expansion has been led by business investment and exports, both of which would suffer greatly if Asian demand were to fade.

Even if the root cause of a future downturn turns out to be a financial crisis within the European Union, a primary channel through which problems would manifest themselves here in Oregon would be via a reduction in trade flows to and from Asia. Many of the Asian manufacturers we do business with cater to European clients. Furthermore, access to a healthy global credit market is a prerequisite for suppliers and transportation firms to operate.

Summary of Recent Trends

Our office examines four main sources for labor market information: the monthly payroll employment survey, the monthly household employment survey, monthly withholding tax receipts and the quarterly census of employment and wages. Right now, three out of the four indicate solid economic improvement that is at least as strong as the national growth figures, while one shows essentially no improvement over the past fourteen months. That one bad indicator is the monthly payroll employment survey, which eventually will be revised to look like the others. Oregon's labor market is improving right along with the nation overall, if not a little bit faster.

After technical adjustments¹, the data reveals a state that continues to expand slowly, adding slightly more than 15,000 jobs in the past year (0.9% through 2012q1), instead of a state that is stagnating, adding only 4,400 jobs in the past year (0.3%). Granted, the differences are small in percentage terms, yet important to understanding the lackluster expansion and interpreting recent events in light of our economic outlook.

In terms of industries, over the past year the job growth has been widespread with only wood products and government seeing declines. The largest gains have been in professional and business services and health services, which increased by approximately 5,400 and 4,300, respectively, from 2011q1 to 2012q1. Leisure and hospitality and retail trade each added 3,300 jobs over the past year. These four main sectors account for approximately 64 percent of all private sector gains, with total manufacturing accounting for another 19 percent, or 4,800 jobs. Within manufacturing, gains were led by durable goods, particularly metals and machinery. The public sector continues to lose jobs with the majority of the losses occurring in local education.

¹ See the Oregon section for detailed information

Even with the majority of the economic data and news being positive, the forecast for economic growth – chiefly income and jobs – remains largely unchanged relative to recent forecasts. Substantial risks, concentrated to the downside, remain outstanding and may derail the fragile recovery. Even avoiding these downside risks, the rate of growth is still expected to remain average to slightly below average. OEA forecasts an employment increase of 1.0 percent in the second quarter of 2012 and 2.3 percent in the third quarter. Job gains will remain subdued in 2012, improving at a 1.4 percent pace overall, following 1.1 percent gains in 2011. The rate of growth will pick up in 2013 at 2.4 percent and 2014 at 2.3 percent however even these rates of growth are only slightly above Oregon's long-run employment average of 2.2 percent.

Demographic Forecast

Oregon's population count on April 1, 2010 was 3,831,074. Oregon gained 409,550 persons between the years 2000 and 2010. The population growth during the decade of 2000 and 2010 was 12.0 percent, down from 20.4 percent growth from the previous decade. Oregon's rankings in terms of decennial growth rate dropped from 11th between 1990-2000 to 18th between 2000-2010. Slow population growth during the most recent decade due to double recessions probably cost Oregon one additional seat in the U.S. House of Representatives. Actually, Oregon's decennial population growth rate during the most recent decade was the second lowest since 1900. The slowest was during the 1980 when Oregon was hit hard by another recession. As a result of recent economic downturn and sluggish recovery, Oregon's population is expected to continue a slow pace of growth in the near future. Based on the current forecast, Oregon's population will reach 4.27 million in the year 2020 with an annual rate of growth of 1.1 percent between 2010 and 2020.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain local work force as well as attract job seekers from national and international labor market. As Oregon's total fertility rate remains below the replacement level and deaths continue to rise due to ageing population, long-term growth comes mainly from net in-migration. Working-age adults come to Oregon as long as we have favorable economic and employment environments. During the 1980s, which included a major recession and a net loss of population, net migration contributed to 22 percent of the population change. On the other extreme, net migration accounted for 73 percent of the population change during the booming economy of 1990s. This share of migration to population change declined to 56 percent in 2002 and it was further down to 32 percent in 2010. As a sign of slow to modest economic gain, the ratio of net migration-to-population change will increase gradually and will reach 70 percent by the end of the forecast horizon. Although economy and employment situation in Oregon look stagnant at this time, migration situation is not expected to replicate the early 1980s pattern of negative net migration. Potential Oregon out-migrants have no better place to go since other states are also in the same boat in terms of economy and employment.

Age structure and its change affect employment, state revenue, and expenditure. Demographics are the major budget drivers, which are modified by policy choices on service delivery. Growth

in many age groups will show the effects of the baby-boom and their echo generations during the period of 2010-2020. It will also reflect demographics impacted by the depression era birth cohort combined with diminished migration of the working age population and elderly retirees. After a period of slow growth during the 1990s and early 2000s, the elderly population (65+) has picked up a faster pace of growth and will surge as the baby-boom generation continue to enter this age group. The average annual growth of the elderly population will be 3.9 percent during the forecast period as the boomers continue to enter retirement age. However, the youngest elderly (aged 65-74) will grow at an extremely fast pace during the forecast period, averaging 4.9 percent annual rate of growth due to the direct impact of the baby-boom generation entering retirement age. Reversing several years of shrinking population, the elderly aged 75-84 will start a positive growth as the effect of depression era birth-cohort will dissipate. A faster pace of growth of population in this age group will begin once the baby-boom generation starts to mature. The oldest elderly (aged 85+) will continue to grow at a moderately but steady rate due to the combination of cohort change, continued positive net migration, and improving longevity. The average annual rate of growth for this oldest elderly over the forecast horizon will be 1.6 percent.

As the baby-boom generation matures out of oldest working-age cohort combined with slowing net migration, the once fast-paced growth of population aged 45-64 will gradually taper off to below zero percent rate by 2012 and will remain at slow or below zero growth phase for several years. The size of this older working-age population will decline during the forecast horizon of 2010-2020. The 25-44 age group population is recovering from several years of declining and slow growing trend. The decline was mainly due to the exiting baby-boom cohort. This age group has seen positive growth starting in the year 2004 and will increase by 1.1 percent annual average rate during the forecast horizon. The young adult population (aged 18-24) will change only a little over the forecast period and remain virtually unchanged for most of the years into the future. Although the slow or stagnant growth of college-age population (age 18-24), in general, tend to ease the pressure on public spending on higher education, college enrollment typically goes up during the time of high unemployment and scarcity of well-paying jobs when even the older people flock back to college to better position themselves in a tough job market. The growth in K-12 population (aged 5-17) will remain low which will translate into slow growth in school enrollments. This school-age population has actually declined in size in recent years and will grow in the future at well below the state average. The growth rate for children under the age of five will remain below zero percent in the near future and will see positive growth only after 2013. Although the number of children under the age of five will decline slightly in the near future, the demand for child care services and pre-Kindergarten program will be additionally determined by the labor force participation and poverty rates of the parents. Overall, elderly population over age 65 will increase rapidly whereas population groups under age 65 will experience slow growth in the coming decade. Hence, based solely on demographics of Oregon, demand for public services geared towards children and young adults will likely to increase at a slower pace, whereas demand for elderly care and services will increase rapidly.

Revenue Forecast

The peak filing season for personal income taxes came and went this year without any major April revenue surprises on either the upside or downside. The slow-growth year that was expected following the revenue boom seen in April 2011 largely came to pass, with personal income taxes coming in slightly below projections (-0.4%) over the peak tax season.

Although the overall magnitude of personal income tax collections closely met expectations, the pattern of growth did not. In general, personal income taxes levied on wages and salaries in the workplace came in somewhat stronger than expected, while collections flowing from taxable investment income were weaker than expected.

Always volatile corporate income tax collections closely matched the March forecast as well (+4.6%). Corporate income tax collections have stabilized in recent weeks, but remain down sharply relative to last year. The forecast calls for corporate tax collections to remain weak until fiscal year 2014.

Overall, revenue growth in fiscal year 2013 is expected to roughly match the modest gains seen in fiscal year 2012. Revenue growth is expected to accelerate somewhat during the 2013-15 biennium as the housing market begins to wake up, but gains will remain below historical norms.

Since the March forecast, combined general fund and lottery resources have been increased by \$107 million for the 2011-13 biennium. This increase reflects \$128 million in additional one-time transfers and other legislative changes associated with the 2012 Rebalance Plan. Excluding the impact of these legislative changes, combined general fund and lottery resources have been lowered by \$22 million (-0.1%) for the 2011-13 biennium.

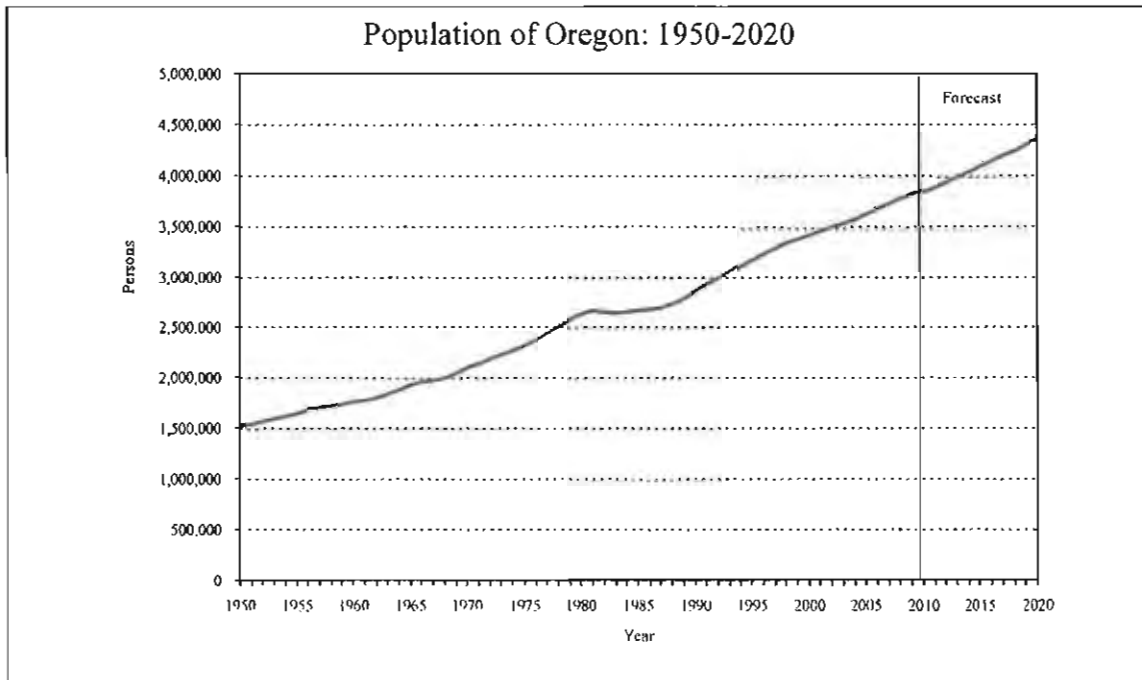
Total resources have been lowered by \$20 million in the 2013-15 biennium, and by \$82 million in 2015-17. Longer term revenue losses are not the result of a weaker economy, but rather are due to more pessimistic expectations for taxable capital gains realizations and video lottery sales.

Revenue growth in Oregon and other states will face considerable downward pressure over the 10-year extended forecast horizon. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen during recent periods of economic expansion.

OREGON'S DEMOGRAPHIC TRENDS

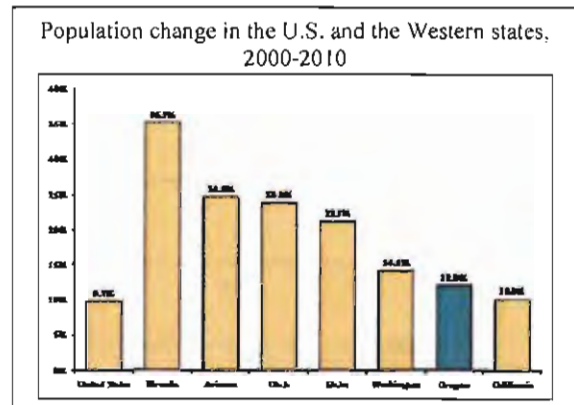
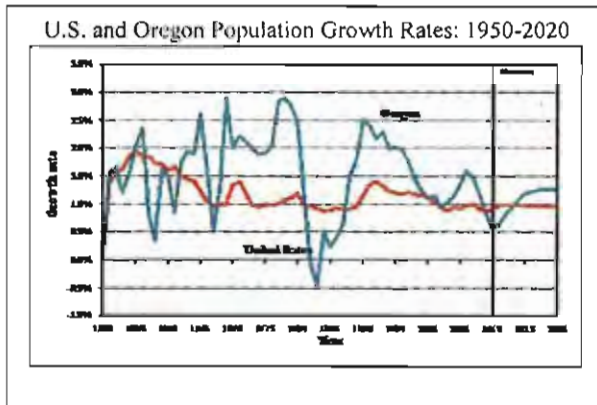
Office of Economic Analysis
Department of Administrative Services
State of Oregon
November 2011

Contact: kanhaiya.L.VAIDYA@state.or.us



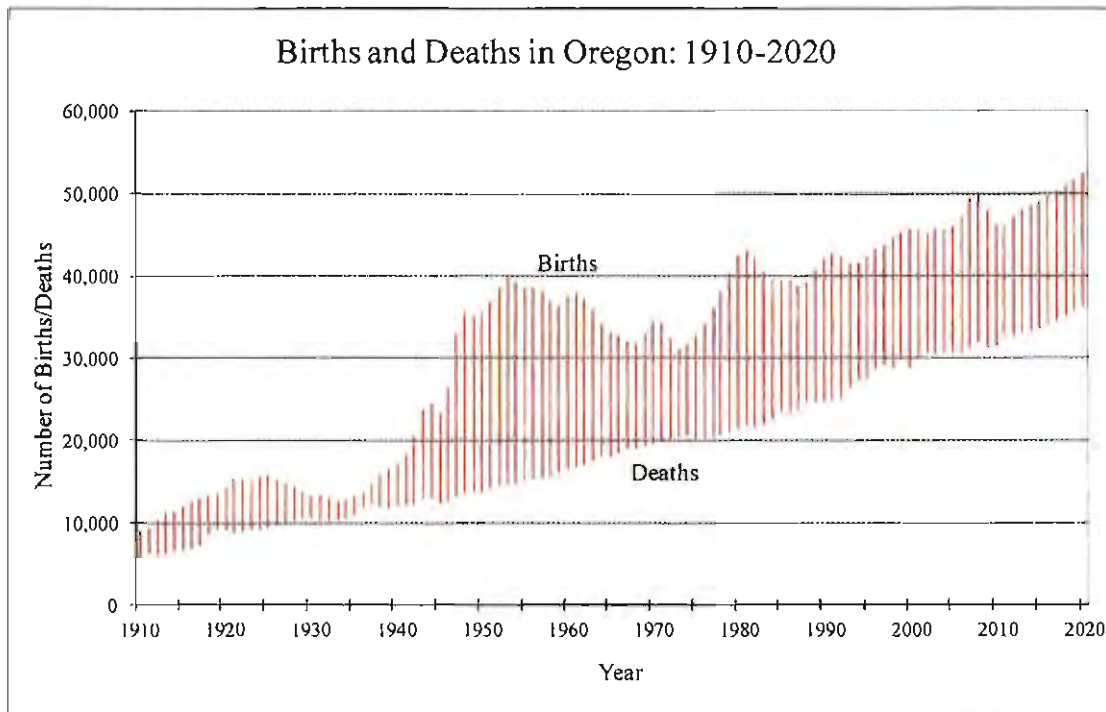
Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Oregon's population count on April 1, 2010 was 3,831,074. Oregon's population increased by 2.5 times since 1950, and is expected to reach 4.3 million by the year 2020.
- The population growth during the decade of 2000 and 2010 was 12.0 percent, down from 20.4 percent growth from the previous decade.
- High population growth rates during the decades of 50s through 70s and 90s were accompanied by economic expansion in the state. In general higher population growth is associated with healthy economy characterized by higher employment, lower unemployment rate, and higher revenue collection. On the flip side, faster population growth means greater traffic congestion, higher school enrollment, and increased demand for government services, among others.



Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Since 1950, Oregon’s population has increased at a faster pace than the U.S. population as a whole. Oregon’s annual growth rate exceeded U.S. rate for most of the years. Between 1950 and 2010, Oregon’s population increased by 152 percent, whereas U.S. population increased by 104 percent.
- Oregon is hit harder by the recent recession than many other states. Since economy and migration are closely related, Oregon’s population slowed down considerably. Currently Oregon’s growth rate is below the national growth rate.
- Oregon’s rankings in terms of decennial growth rate dropped from 11th between 1990-2000 to 18th between 2000 and 2010. Although Oregon’s population growth was higher than the U.S. growth over the last decade, Oregon’s neighboring states, except California, exceeded our population growth.
- In the long run, Oregon’s growth rate is expected to remain higher than the U.S. rate.



Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Annual number of births in the past has fluctuated based on the fertility behavior of women and the number of women in child-bearing ages.
- Currently, about 46,000 children are born each year in Oregon. Since 1950, the life-time average number of children per woman fluctuated from a high of 3.6 in 1960 to 1.7 in 1975. It is expected to remain slightly below 2.0 in the future. The annual number of births will approach 53,000 by 2020 as the number of women in child-bearing ages increase.
- Historical knowledge of birth patterns is important and interesting because they shape the current and future age structure of the population. The small number of depression era births and the huge number of births during the baby-boom period, for example, affected different social and economic institutions in two extreme ways. These two extreme birth cohorts are responsible for shaping the retirement age population of Oregon.
- The number of deaths in Oregon has been increasing as the result of increased number of total as well as elderly populations. Currently, the number of deaths totals about 31,500 per year. As the baby boom generation ages, the annual number of deaths will increase very rapidly and will exceed 36,000 by the year 2020.

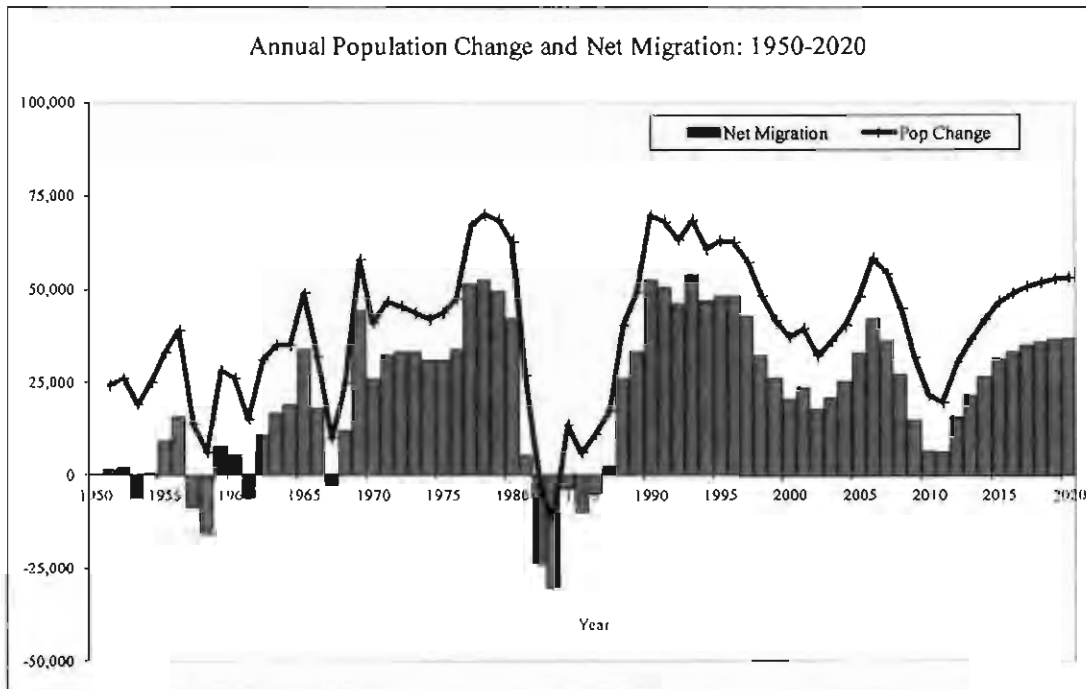
OREGON: Projected Life Expectancy at Birth

Year	Male	Female	Difference (Female-Male)
1970	68.4	76.2	7.8
1980	71.4	78.8	7.4
1990	73.4	79.8	6.4
2000	75.7	80.2	4.5
2010	77.1	81.7	4.6
2020	78.5	82.9	4.4

Sources: 1970 & 1980: U.S. Department of Health and Human Services,
National Center for Health Statistics.

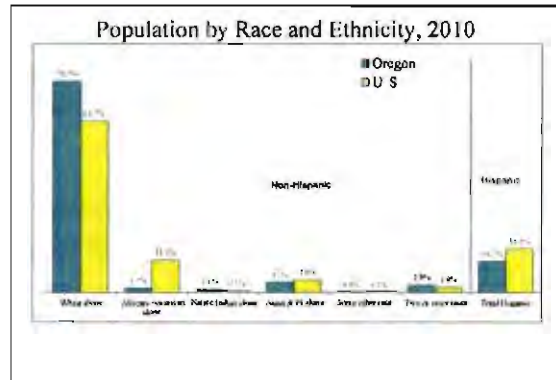
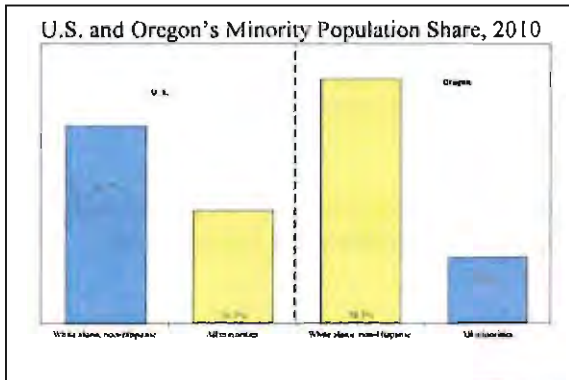
1990 to 2020: Oregon Office of Economic Analysis

- In the past 40 years, between 1970 and 2010, life expectancy for Oregon men improved by 8.7 years and for women by 5.5 years. Oregon's life expectancy has remained slightly higher than the U.S. average. The life expectancy will continue to improve for both men and women. However, the gain for men will outpace the gain for women. Consequently, the difference between men's and women's life expectancies will continue to shrink.



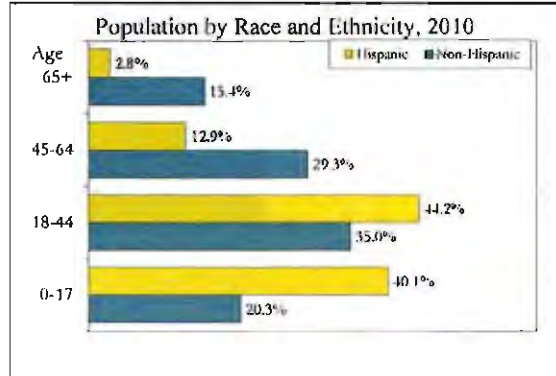
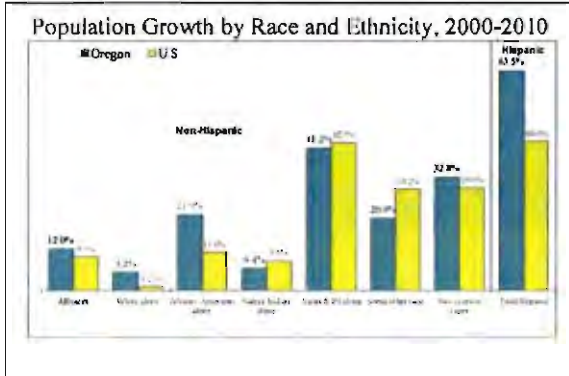
Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Oregon's population change is greatly influenced by net migration, and migration is in turn affected by overall economy of the state. Because of the gloomy economic and employment situation in the state, migration flow has considerably slowed down. Based on the recent population estimates, the net migration has not turned negative during this recession as it did during the recession of early 1980s.
- Currently, nearly 32 percent of the population growth in Oregon is due to net in-migration in Oregon. This share is the lowest since 1987. When Oregon economy was rapidly expanding during the 1990s and mid 2000s, net migration accounted for nearly three-fourths of the population growth. Migration is expected to contribute nearly two-thirds of the population growth of Oregon in the next decade. During 1990s, net migration averaged about 42,000 persons per year. The average annual net migration for 2000 to 2010 was 25,000. The next decade will see a slight increase in net migration as the economy recovers. The average for 2010 to 2020 is expected to be 28,000. As a sign of slow to modest economic gain, the ratio of net migration-to-population change will increase gradually and will reach 70 percent by 2020, from the current low of 32 percent.

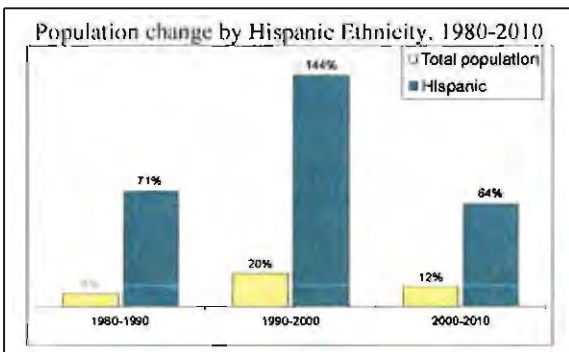


Source: U.S. Bureau of Census.

- In 2010, 21.5 percent of Oregonians belonged to a minority race or ethnic group, compared to 36.3 percent in the United States.
- Hispanics or Latinos account for 11.7 percent of Oregon's population, compared to 16.3 percent in the nation.
- The largest minority racial group in Oregon is Asian or Pacific Islander accounting for 4.0 percent of the population.



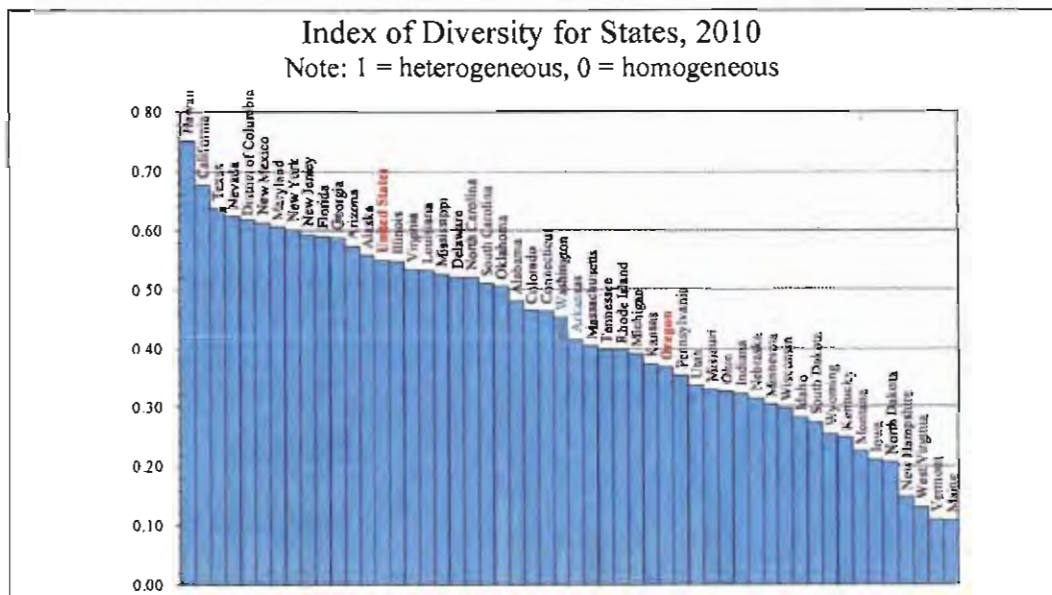
Source: U.S. Bureau of Census.

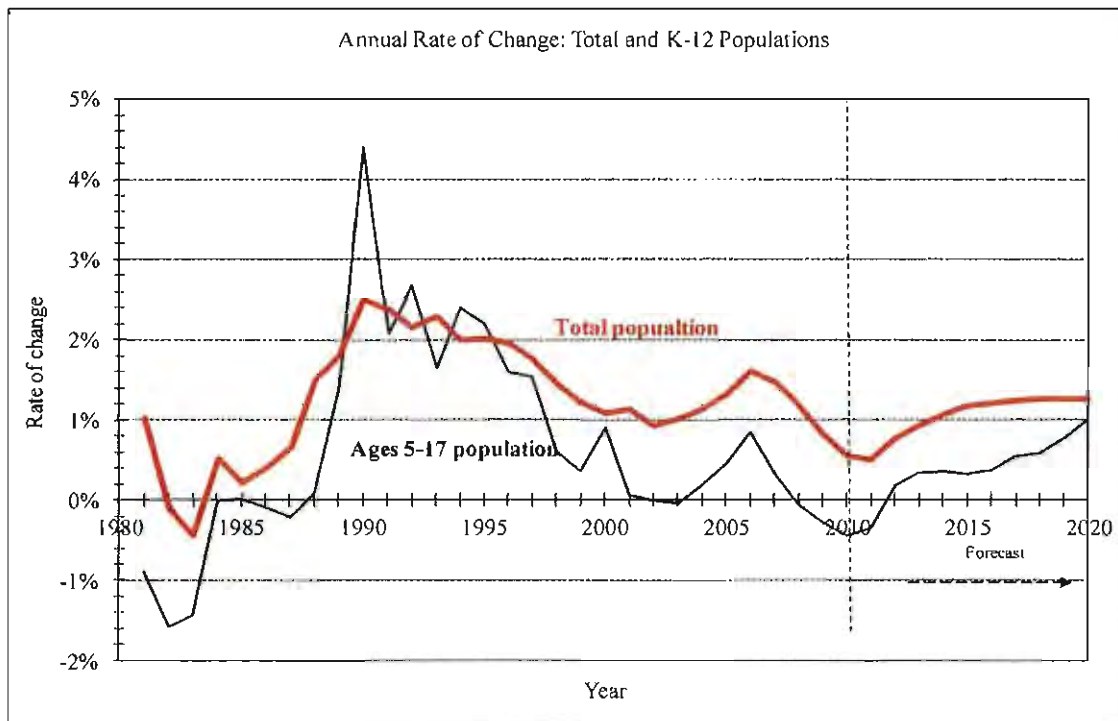


- It is notable that minority group as a whole in Oregon is growing at faster pace than the corresponding rates at national level thereby accelerating the diversity of Oregon's population.
 - Hispanics are growing very rapidly in the state. The growth was much more

rapid than during the previous decade. Between 1980 and 1990, Hispanic population increased by 71 percent. Between 1990 and 2000, however, the population increased by astounding 144 percent. In the last decade, the Hispanic population increased by 64 percent, slowest in a three-decade period, but more than five times the non-Hispanic population increase.

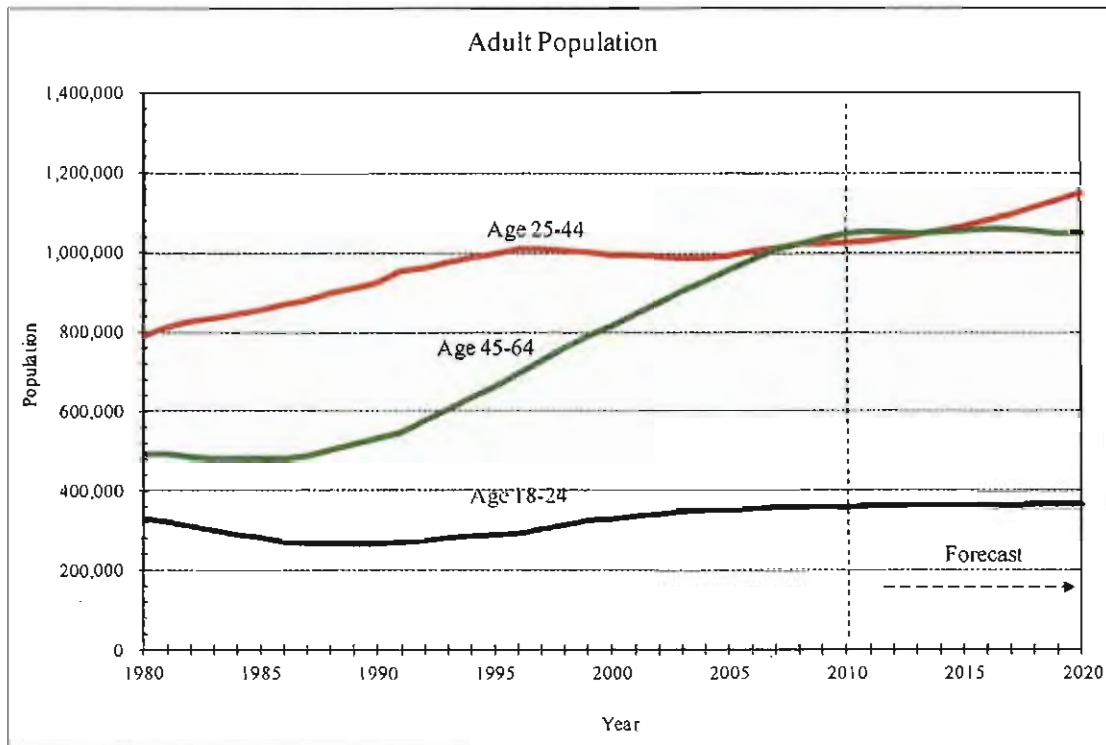
- Hispanic population tends to be recent immigrants and is associated with large family. Consequently, overwhelming proportion of them are children and young adults.
- Although minority population is increasing rapidly in Oregon adding to its diversity, the State still remains one of the least diverse in the country in terms of race in ethnicity.





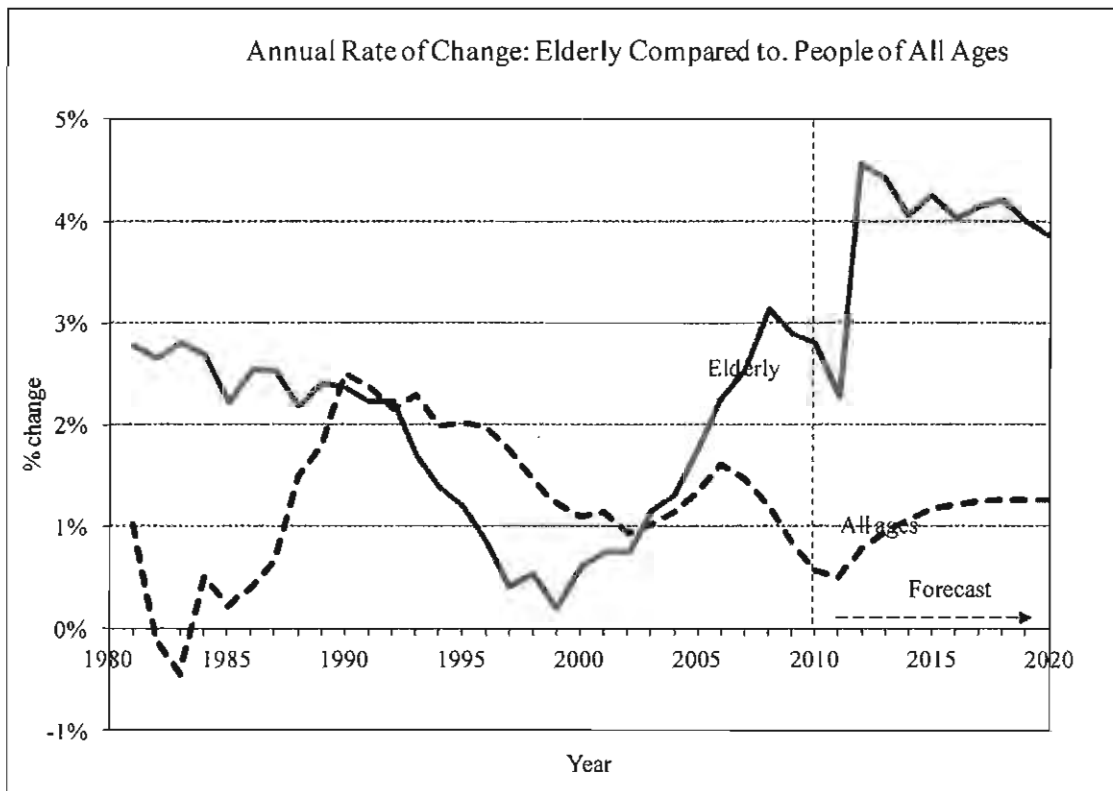
Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Growth rate in school-age population is tracking below the overall population growth rate in Oregon. Main reasons for the slower growth are declining fertility rate and slower growth in the women in prime childbearing ages characterized by baby-bust generation. Growth in this K-12 population group will continue to lag well behind the overall population growth.
- Currently, number of children in 5-17 age group accounts for 16.4 percent of the population, down consistently from 19.9 percent in 1980 and 18.0 percent in the year 2000. This share will gradually decline over time to 15.4 percent in 2020.
- Total K-12 enrollments account for about 89 percent of the school-age population. During 2001-03, nearly 91 percent of all K-12 students were enrolled in Oregon’s public schools. The remainders were enrolled in private schools (6 percent), and home schooling (3 percent). The distribution of students in public, private, and home schools depends upon Oregon’s economy and perception of quality, value, and service of each school type. In times of negative perception of public schools, enrollments shift to private and home schools. In times of economic hardship, ironically, publicly funded schools tend to carry greater weight when the public schools suffer from budget shortfall.



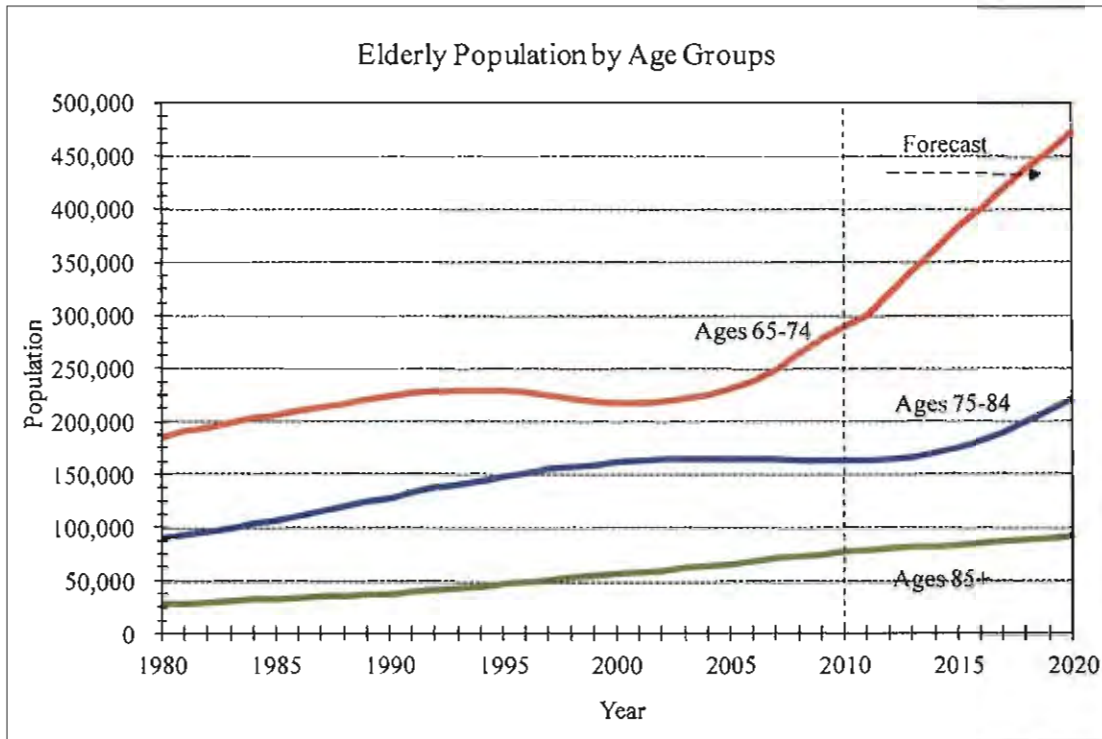
Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Adult population in age group 18-64 account for nearly 63 percent of the total population, up from 60 percent in 1990. Since the older baby-boomers are leaving this age cohort and entering the retirement age, this share will continue to decline.
- Adults 18-64 year olds will grow at much slower pace than the overall population, thereby signaling labor shortage in the future.
- Population in age group 18-24, generally known as college-age population, had fast paced growth during the 1990s and early 2000s mainly because of the children of baby-boomers entering this age group. However, growth has since tapered off and will even see negative growth in the near future.
- Population in age group 25-44 is in a growing mode after a decade of slow and negative growth because of the exit of baby-boomers from this cohort. However, the rate of growth will remain much slower than overall population growth of the state.
- Population in age group 45-64 was increasing very rapidly as the impact of baby-boomers entering this age group. However, the slow and negative growth of 25-44 age group will transfer to this 45-64 age group as the baby-boomers mature into retirement age. This cohort will see very slow and negative growth in the coming future.



Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Slow and generally declining growth of elderly population, compared to the overall population, that began in 1990 lasted until 2003. Since then the elderly population growth has outpacing the overall population growth rate due to cohort change and cumulative effect of net migration.
- The population in this age group will start a dramatic increase once the baby-boomers start and continue to enter the retirement age. Beginning in 2001, the elderly population growth rate will exceed 4 percent annually for nearly a decade. There will be 48 percent more elderly in 2020 than in 2010.



Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- During the late 1990s, the youngest elderly population was actually declining despite a continued high migration of people of all ages during that time. The main reason was the entry of depression era small birth cohort entering the retirement age. In the recent years, however, the youngest elderly population has been increasing rapidly as they mature into older age cohort of 75-84 years old. At its peak in 2012, the youngest elderly will increase by over 7 percent. Between 2010 and 2020, this population will increase by 63 percent, whereas overall population will grow by 11.2 percent.
- The elderly in age group 75-84 was declining in the recent years due to the effect of entering depression era birth cohort. However, this age group will also see a rapid growth in the future as fast growing younger elderly matures into this age group. Between 2010 and 2020, this population will increase by 35 percent.
- The oldest elderly population was growing at a record pace during the 1990s, when the number swelled by nearly 50 percent. The rate of growth has slowed down and will continue to taper off in the next decade. Still, the rate of change will remain well above the overall population change. Between 1990 and 2000, the oldest elderly population increased by 50 percent, which slowed down to 36 percent between 2000 and 2010, and during the next decade this population will increase by 17 percent.

- As women live longer than men on average, 55 percent of the elderly are women. Among the oldest elderly, however, 66 percent are females. In other words, there are 80 men for every 100 women aged 65 and older. For those 85 and older, the sex ratio drops to 52 men for 100 women.

<u>Year</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
1980	29.5	31.0	30.3
1990	33.4	35.4	34.4
2000	35.2	37.6	36.4
2010	37.2	39.4	38.3
2020	38.5	40.5	39.5

Source: U.S. Bureau of Census; and Oregon Office of Economic Analysis.

- Oregon's population is graying. Median age of the population has increased from 30.3 years in 1980 to 38.3 years in 2010. This will increase further to 39.5 years by the year 2020.

Ordinance ZDO-242
Comprehensive Plan Amendments

Text to be added is underlined. Text to be deleted is ~~struck through~~.

LAND USE

When the pioneers settled Clackamas County, the land resource appeared infinite. They cleared forest, carved towns from the wilderness, and used waterways as the arterials of commerce. Some lands were valued for certain uses. The alluvial valley of the Willamette River was among the first areas to be cleared for agriculture. The falls at Oregon City was one of the first industrial sites. From the earliest days, the value of strategic location for various uses of the land was recognized and exploited for man's benefit. The best sites were usually used first.

Now we realize that not only is land finite, but also that sites with desirable characteristics for certain types of development are scarce. A growing population is increasing demand for land of all types. It is increasingly important to evaluate characteristics of remaining sites to determine their optimum use.

The Oregon Legislature has provided for land use to be determined at the local level through a rational process of balancing state and local goals, human needs, and the site characteristics of land. Generally, the factors for designating land use categories in this plan include the following:

- Physical site conditions such as soils, slope, and drainage
- Present and projected needs of the people
- Character of existing development
- Financial impacts on the County and its residents
- Community livability
- Capacities of streets, sewers, water systems, and other facilities
- Estimated market demand
- Parcel sizes
- Availability of transit
- Proximity to jobs, shopping and cultural activities
- Providing an adequate balance between various uses

The above factors alone are insufficient for planning a community. A planning process reflecting community values is needed to weigh various factors. This systematic approach involves identifying issues, developing alternative ways of dealing with the issues and choosing the most desirable alternative.

ISSUES

The major issues affecting future development in the County are:

1. Supply and location of land for urban uses
2. Density of residential uses
3. Intensity of commercial and industrial uses
4. Proximity of mutually supporting land uses
5. The cost impacts of various land uses
6. Compatibility or conflict between land uses
7. Competing demands for land having certain characteristics
8. Compatibility of city and County plans
9. Supply and location of land for rural uses
10. Preservation of land for agricultural and forestry uses
11. The character and appearance of neighborhoods
12. Compatibility of land use with supportive systems such as transportation and sewerage
13. Protection of natural features and waterways from the impact of development
14. Provision of open spaces within the urban environment.

LAND USE DEFINITIONS

This Plan divides the County into six principal land use categories: Urban, Urban Reserve, Unincorporated Communities, Rural, Agriculture, and Forest. This plan also establishes one or more land use plan designations within each of these categories.

Urban

Urban areas include all land inside urban growth boundaries. Urban areas are either developed or planned to be developed with adequate supportive public services provided by cities or by special districts. Urban areas have concentrations of people, jobs, housing, and commercial activity.

Urban Growth Boundaries: Urban growth boundaries are designated on the land use plan maps. They separate Urban areas from Urban Reserve areas, Unincorporated Communities, and Rural, Agriculture, and Forest areas. An urban growth boundary encompasses existing urban development and lands to accommodate urban growth forecasted for a 20-year horizon.

Immediate Urban Areas: Immediate urban areas are lands that are within urban growth boundaries, are planned and zoned for urban uses, and meet at least one of the following conditions:

1. Served by public facilities, including sanitary sewage treatment, water, storm drainage, and transportation facilities;
2. Included within boundaries of cities or within special districts capable of providing public facilities and planned to be served in the near future; or

3. Substantially developed or surrounded by development at urban densities.

Future Urban Areas: Future urban areas are lands within urban growth boundaries but outside immediate urban areas. Future urban areas are planned to be provided with public facilities, but currently lack providers of those facilities. Future urban areas are substantially underdeveloped and will be retained in their current use to ensure future availability for urban needs. Future urban areas are planned for urban uses but zoned for large-lot, limited development.

Future Urban Study Areas: Future urban study areas are lands that have been brought into an urban growth boundary but for which urban plan designations have not been applied. Planning will be conducted to determine urban plan designations and apply future urban zoning.

Urban Reserve

Urban Reserve areas lie outside an urban growth boundary and have been designated as highest priority for inclusion in an urban growth boundary when additional urban land is needed. Urban Reserve areas may be established pursuant to OAR Chapter 660, Division 21, or pursuant to OAR 660, Division 27. Metro designates Urban Reserve areas in the Portland metropolitan area. The cities of Sandy, Molalla, Estacada, and Canby, in coordination with the County, may designate other Urban Reserve areas.

Rural Reserve

Rural Reserve areas are intended to provide long-term protection for large blocks of agricultural land and forest land, and for important natural landscape features that limit urban development or define natural boundaries of urbanization. Rural Reserve areas shall not be included in an urban growth boundary or Urban Reserve area. Rural Reserves may be established pursuant to OAR Chapter 660, Division 27.

Unincorporated Communities

Unincorporated Communities, as defined in Chapter 660, Division 22 of the Oregon Administrative Rules, are settlements located outside urban growth boundaries in which concentrated residential development is combined with limited commercial, industrial, or public uses. Unincorporated Communities may have limited public facilities and services.

Rural

Rural lands are exception lands, as defined in Oregon Administrative Rules 660-004-0005(1), that are outside urban growth boundaries and Unincorporated Communities and are suitable for sparse settlement such as small farms, wood lots or acreage home sites. They lack public facilities or have limited facilities and are not suitable, necessary,

or intended for urban, agricultural, or forest use.

Agriculture

Agriculture areas are those of predominantly Class I through IV soils as identified by the United States Natural Resources Conservation Service or as identified in more detailed data; and other lands that are suitable for farm use due to soil fertility, suitability for grazing, climatic conditions, existing or future potential for irrigation, land use patterns, or accepted farming practices or are necessary to permit farming practices to be undertaken on adjacent or nearby lands.

Forest

Forest areas are composed of existing and potential forestlands that are suitable for commercial forest uses. Also included are other forested lands needed for watershed protection, wildlife and fish habitat, and recreation, lands where extreme conditions of climate, soil, and topography require maintenance of vegetative cover, and forested lands in urban and agricultural areas which provide urban buffers, wind breaks, wildlife habitat, scenic corridors, and recreational use.

Land Use Maps Section

Map IV-1 displays the unincorporated land within the Portland Metropolitan Urban Growth Boundary. Map IV-2 provides an index for the land use plan maps. Maps IV-3, IV-4, and IV-5 are land use plan maps for areas where the county has adopted land use plan designations by agreement with adjoining cities. As these cities adopt amendments to their maps, the county will consider adoption. County land use plan designations are shown on Maps IV-6 and IV-7. Land use plan maps adopted as part of a Community Plan or Design Plan in Chapter 10 automatically amend Maps IV-6 and IV-7. Map IV-9 displays urban and rural reserves designated pursuant to OAR 660, Division 27, and urban and rural reserves are also illustrated in greater detail on Map IV-7.

URBANIZATION

The goals and policies in the following section address the designation of lands for urban uses, conversion of lands from Urban Reserve to Future Urban plan designations, and County actions regarding Future Urban Study areas and Urban Reserve areas.

GOALS

- Clearly distinguish Urban and Urban Reserve areas from non-urban areas.
- Encourage development in areas where adequate public services and facilities can be provided in an orderly and economic way.
- Insure an adequate supply of land to meet immediate and future urban needs.
- Provide for an orderly and efficient transition to urban land use.
- Distinguish lands immediately available for urban uses from Future Urban areas within Urban Growth Boundaries.

POLICIES

- 1.0 Coordinate with Metro in designating urban areas within Metro's jurisdiction. Recognize the statutory role of Metro in maintenance of and amendments to the Portland Metropolitan Urban Growth Boundary.
- 2.0 Coordinate with affected cities in designating urban areas outside of Metro. Land designated as a Rural Reserve, as shown on Map IV-9, shall not be designated as an Urban Reserve or added to an urban growth boundary. The following areas may be designated as Urban:
 - a. Land needed to accommodate 20 years of future urban population growth.
 - b. Land needed for increased housing, employment opportunities and livability from both a regional and subregional view.
 - c. Land to which public facilities and services can be provided in an orderly and economic way.
 - d. Land which insures efficient utilization of land within existing urban areas.
 - e. Land which is best suited for urban uses based on consideration of the environmental, energy, economic and social consequences.

- f. Agricultural land only after considering retention of agricultural land as defined, with Class I having the highest priority for retention and Class VI the lowest priority.
- g. Land needed after considering compatibility of proposed urban uses with nearby agriculture activities.
- h. Land where the strategic location of employment and living opportunities can minimize commuting distance, traffic congestion, pollution and energy needs.

3.0 Land use planning for urban areas shall integrate all applicable policies found throughout the Plan including the following:

- a. Locate land uses of higher density or intensity to increase the effectiveness of transportation and other public facility investments.
- b. Encourage infilling of Immediate Urban Areas with a minimum of disruption of existing neighborhoods (see infill policies in the Housing Chapter).
- c. Enhance energy conservation and transportation system efficiency by locating opportunities for housing near work and shopping areas.
- d. Integrate developments combining retailing, office, and medium and high density housing at places with frequent transit service and pedestrian facilities.

4.0 Establish Urban Growth Management Areas and Urban Growth Management Agreements to clarify planning responsibilities between the County and cities for areas of mutual interest.

5.0 Establish agreements with cities and service districts to clarify service and infrastructure responsibilities for areas of mutual interest.

Immediate Urban Policies

6.0 An area may be designated Immediate Urban consistent with the definition. The following policies apply to Immediate Urban areas:

- 6.1 Use the following guidelines when evaluating proposed changes in zoning designations that convert an area from Future Urban to Immediate Urban status:
 - a. Capital improvement programs, sewer and water master plans, and regional public facility plans shall be reviewed to ensure that orderly, economic provision of public facilities and services can be provided.

- b. Sufficient vacant Immediate Urban land should be permitted to ensure choices in the market place.
- 6.2 Apply urban zoning districts that implement the Plan through a legislative or quasi-judicial zone change process consistent with applicable state, Metro and local requirements.
- 6.3 Control land uses in Immediate Urban areas through the Zoning and Development Ordinance.
- 6.4 Place conditions on development to ensure adequate services and facilities prior to or concurrent with development.

Future Urban Policies

- 7.0 The following policies apply to Future Urban lands:
 - 7.1 Control premature development (before services are available) by:
 - a. Applying a future urban zone with a 10 acre minimum lot size within the Portland Metropolitan UGB except those lands identified in Subsection 7.1.b.
 - b. Applying a future urban zone with a 20 acre minimum lot size or greater for areas planned for employment, industrial and commercial uses within the Portland Metropolitan UGB.
 - c. Applying within the urban growth boundaries of Canby, Estacada, Sandy or Molalla, a 5 acre lot size or larger in rural, agricultural or forest zones.
 - 7.2 Prohibit subdivisions, as defined in the Zoning and Development Ordinance, until the land qualifies as Immediate Urban.
 - 7.3 Review partition requests to ensure that the location of proposed easements and road dedications, structures, wells, and septic drainfields are consistent with the orderly future development of the property at urban densities.
 - 7.4 For land within the urban growth boundaries of Canby, Estacada, Sandy or Molalla, require annexation to a city as a requirement for conversion to Immediate Urban unless otherwise agreed to by the City and County.

Future Urban Study Area Policies

- 8.0 The following policies apply to Future Urban Study Areas:

- 8.1 Conduct a planning process consistent with the policies of Chapter 11 of this Plan, that coordinates with affected service providers, agencies, and jurisdictions, and meets pertinent state, regional and local requirements.
- 8.2 In the Portland Metropolitan Urban Area, develop Comprehensive Plan designations that are consistent with Regional Urban Growth Goals and Objectives and the Regional Urban Growth Management Functional Plan, including Title 11, and the following.

When areas are brought into the Urban Growth Boundary, the following actions shall be undertaken:

- a. Control premature development (before services are available) within the Portland Metropolitan Urban Growth Boundary by applying a 20-acre minimum lot size to lands within the boundary that have the following plan designations: Unincorporated Community Residential, Rural Commercial, Rural Industrial, and Rural.
- b. The County shall enter into discussion with nearby cities, agencies that provide public facilities and services, and area citizens, to determine how services and governance will be provided for the area.
- c. Agreements shall be developed with affected cities and service providers to cooperate in development of a Concept Plan for the area, and to consider the Concept Plan in development of future Plans.
- d. A Concept Plan shall be developed meeting state and regional requirements. Opportunity shall be provided to citizens and affected public agencies to participate in the development of the Concept Plan. In the Damascus area, the Damascus Concept Planning Study Report shall be used to provide background information and guidance for the Concept Planning process.
- e. A request shall be made to revise state and regional transportation plans to reflect the Concept Plan.
- f. Public facilities plans shall be developed or revised to accommodate the Concept Plan.
- g. The Comprehensive Plan, Comprehensive Plan Maps, Zoning and Development Ordinance and zoning maps shall be revised according to the Concept Plan.

- 8.3 Develop and adopt urban comprehensive plan designations that meet applicable state planning requirements and balance County planning goals adopted in the Comprehensive Plan. This will convert Future Urban Study Areas to Future Urban or Immediate Urban areas.
- 8.4 During development of Comprehensive Plan provisions pursuant to Title 11 of the Urban Growth Management Functional Plan, consider the feasibility of providing and funding adequate infrastructure.

Urban Reserve Area Policies

- 9.0 The following policies apply to Urban Reserve areas established pursuant to OAR 660, Division 21:
 - 9.1 Clackamas County shall recommend to Metro land in Clackamas County which should be designated Urban Reserve, when Urban Reserve amendments to the Region 2040 Urban Growth Management Functional Plan are considered by Metro. The cities of Sandy, Molalla, Estacada and Canby, in coordination with Clackamas County, may designate and adopt other urban reserve areas in a manner consistent with OAR 660-021-0000.
 - 9.2 Clackamas County will consider the following characteristics of each area when recommending Urban Reserve areas to Metro: potential for providing jobs within near proximity to housing; the feasibility and cost effectiveness of extending urban infrastructure; the suitability of an area to accommodate urban level densities; and, the relationship and implications to existing areas designated urban.
 - 9.3 When considering the designation of Urban Reserve areas near Sandy, Molalla, Estacada and Canby, the County, in cooperation with the City, shall make findings and conclusions based on the requirements of OAR 660-021-0030.
 - 9.4 Urban Reserve areas designated by Metro will be depicted on Metro's Region 2040 Growth Concept map. Designated Urban Reserve areas near Sandy, Molalla, Estacada and Canby shall be defined within the Urban Growth Management agreements with each city.
 - 9.5 Lands within a designated Urban Reserve area shall continue to be planned and zoned for rural uses in a manner that ensures a range of opportunities for the orderly, economic and efficient provision of urban services when these lands are included in the Urban Growth Boundary. Planning and zoning shall be done in a manner consistent with OAR 660-021-0000 and the Metro Code, in areas where Metro has jurisdiction.

10.0 The following policies apply to Urban Reserve areas established pursuant to OAR 660, Division 27, as shown on Map IV-9:

10.1 The County will review the designation of Urban Reserve areas, in coordination with Metro, Multnomah and Washington Counties, within 20 years after the initial designation of these Urban Reserve Areas.

10.2 The County will participate in the development of concept plans for areas within Urban Reserve areas that are being considered for addition to the Portland Metropolitan Urban Growth Boundary.

10.3 The County shall not amend the Comprehensive Plan or Zoning and Development Ordinance or the Comprehensive Plan Map or zoning designations:

a. To allow within Urban Reserve areas, new uses that were not allowed on the date the Urban Reserve areas were designated, except those uses authorized by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserve areas.

b. To allow within Urban Reserve areas, the creation of new lots or parcels smaller than allowed on the date Urban Reserve areas were designated, except as authorized by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserve areas.

Rural Reserve Area Policies

11.0 The following policies apply to Rural Reserve areas established pursuant to OAR 660, Division 27, as shown on Map IV-9:

11.1 Land established as a Rural Reserve area shall not be included in an urban growth boundary.

11.2 Land established as a Rural Reserve area shall not be included in an Urban Reserve area established pursuant to either OAR 660, Division 21, or OAR 660, Division 27.

11.3 The County shall not amend the Comprehensive Plan or Zoning and Development Ordinance, or the Comprehensive Plan Map or zoning designations:

a. To allow within the Rural Reserve areas, new uses that were not allowed on the date Rural Reserve areas were designated, except as authorized by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after the designation of Rural Reserve

areas.

- b. To allow within Rural Reserve areas, the creation of new lots or parcels smaller than allowed on the date Rural Reserve areas were designated, except as authorized by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Rural Reserve areas.

Population Coordination

12.0 The following policies apply to population planning and coordination.

12.1 Pursuant to OAR 660-024-0030, counties are required to adopt and maintain a coordinated 20-year population forecast for each urban area within the county and consistent with the applicable statutory requirements of ORS 195.025 to 195.036. The cities within the county are required to adopt a 20-year population forecast for the urban area consistent ~~and with the coordinated with the county's 20-year population~~ forecast, except for those urban areas located within the ~~Metropolitan Service District (Metro) jurisdiction~~ that must also coordinate with ~~Metro's the metropolitan service district's~~ 20-year population forecast.

12.2 The County and its cities located inside the Metro boundary shall coordinate with Metro in establishing 20-year population projections in order to evaluate and provide sufficient lands necessary for housing and employment needs within each jurisdiction's planning boundary.

12.32 The County and its cities located outside the Metro boundary shall coordinate in establishing 20-year population projections in order to evaluate and provide sufficient lands necessary for housing and employment needs within each the individual city's urban growth boundary.

12.4 Clackamas County adopts the following population forecasts, as identified in the "Clackamas County Rural Cities Population Coordination Background Report and Forecasts, Final: March 12, 2013," adopted by Ordinance ZDO-242 and found in Appendix B. These projections have been coordinated with the identified cities.

<u>City</u>	<u>2012 population</u>	<u>2032 population</u>	<u>Net growth 2012-2032</u>	<u>Avg. Annual Growth Rate (AAGR) 2012-2032</u>
<u>Barlow</u>	<u>136</u>	<u>146</u>	<u>10</u>	<u>0.4%</u>
<u>Canby</u>	<u>16,820</u>	<u>26,730</u>	<u>9,910</u>	<u>2.3%</u>
<u>Estacada</u>	<u>2,845</u>	<u>4,345</u>	<u>1,500</u>	<u>2.1%</u>
<u>Molalla</u>	<u>8,532</u>	<u>12,760</u>	<u>4,228</u>	<u>2.0%</u>

<u>Sandy</u>	<u>10,322</u>	<u>17,960</u>	<u>7,628</u>	<u>2.8%</u>
--------------	---------------	---------------	--------------	-------------

~~12.3—The County adopts the City of Sandy 20-year population projection identified in the ECONorthwest Report dated July 22, 2008 into the Land Use Section of Appendix B of the Clackamas County Comprehensive Plan. This population projection is adopted in File No. Z0471-08-CP under the Safe Harbor provisions under ORS 195.034 and OAR 660-024-0030.~~

~~12.4—The County adopts the City of Estacada 20-year population projection, identified in the City of Estacada's Economic Opportunity Analysis (EOA) dated June 15, 2009 into the Land Use Section of Appendix B of the Clackamas County Comprehensive Plan. This population projection is adopted in File No. ZDO-227 under the Safe Harbor provisions under ORS 195.034 and OAR 660-024-0030.~~

*No additional changes are proposed to Chapter IV.

Ordinance ZDO-242
Comprehensive Plan Amendments

Text to be added is underlined. Text to be deleted is ~~struck through~~.

Appendix B

SUMMARY OF SUPPORTING DOCUMENTS

LAND USE

Comprehensive Plan, Clackamas County, Oregon, Planning Dept., Clackamas County, August, 1974.

Comprehensive Plan, Clackamas County, Oregon, Planning Dept., Clackamas County, June, 1980.

Comprehensive Plan Update, The Sunnyside United Neighbors, June 30, 1988, Revised August 22, 1988.

Comprehensive Plan, Clackamas County, Oregon, Planning Dept., Clackamas County, June 1992.

Let's Build A Revised Comprehensive Plan for Clackamas County, Dept. of Environmental Services, Clackamas County, January, 1979.

Sunrise Center Task Force, Clackamas County, December, 1987.

~~City of Sandy Safe Harbor Population Forecast, EGONorthwest, City of Sandy, July 22, 2008.~~

~~City of Estacada Economic Opportunity Analysis, Cogan Owens Cogan, LLC and Marketek, Inc., June 15, 2009~~

Clackamas County Rural Cities Population Coordination Background Report and Forecasts, Clackamas County, Final: March 12, 2013.

***Changes are proposed only for the LAND USE section of Appendix B.**



DEPT OF
MAY 01 2013
LAND CONSERVATION
AND DEVELOPMENT

OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

Stephen L. Madkour
County Counsel

David W. Anderson
Kimberley Ybarra
Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Rhett C. Tatum
Assistants

CERTIFICATE OF MAILING

I hereby certify that the enclosed Ordinance No. ZDO-242 was deposited in the mail on April 30, 2013

Signed: _____

A handwritten signature in blue ink that reads "Cheryl J. Cornelison".

Cheryl J. Cornelison, Administrative Assistant
Clackamas County Counsel's Office
(503) 655-8619



First Class Mail



CLACKAMAS
COUNTY

PUBLIC SERVICES BUILDING
OFFICE OF COUNTY COUNSEL
2051 KAEN ROAD | OREGON CITY, OR 97045



Attn: Plan Amendment Specialist
Dept. of Land Conservation &
Development
635 Capitol Street NE, Ste. 150
Salem, OR 97301-2540

Label 107R, January 2008