

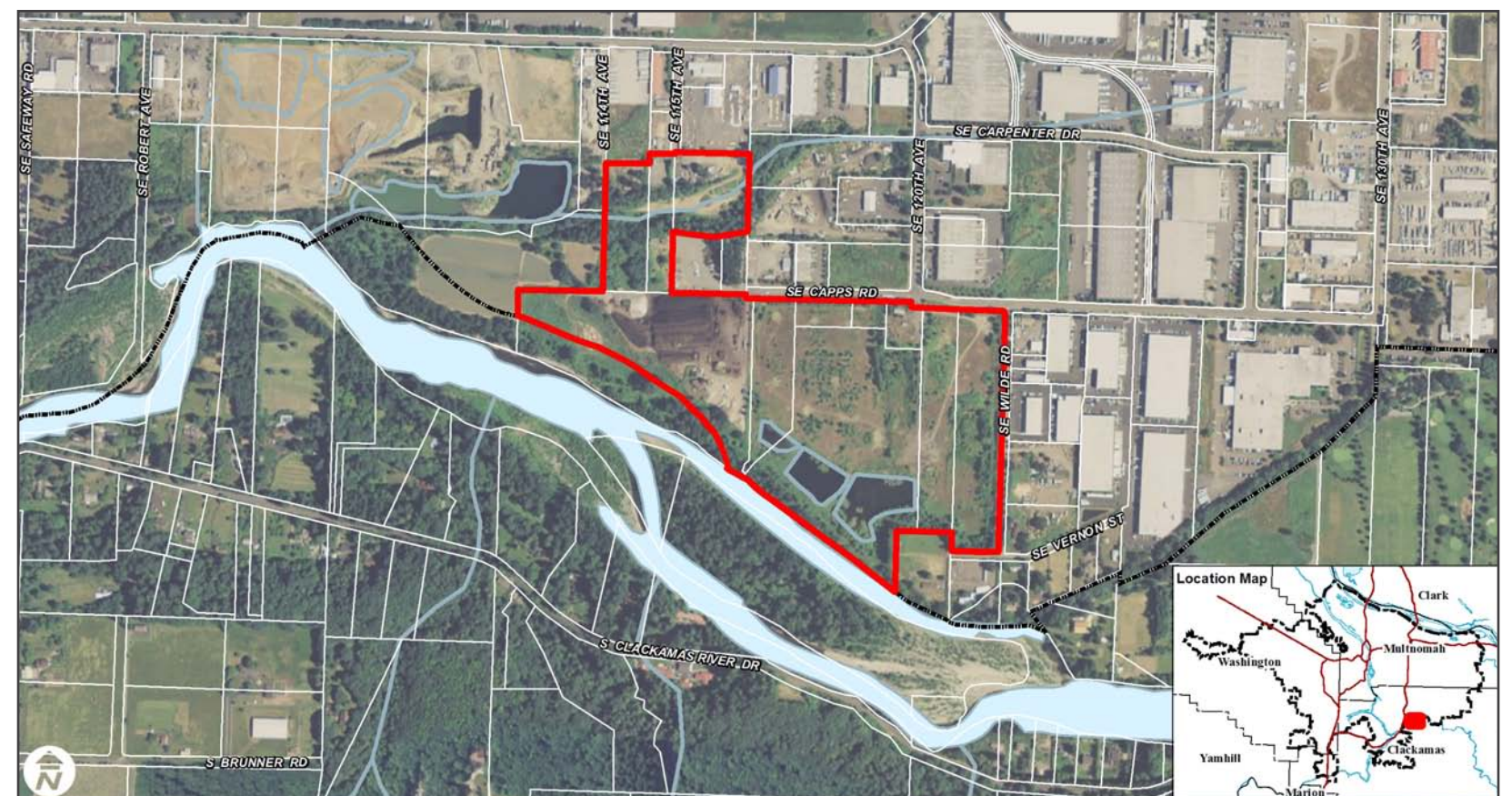
Development Concept Summary	
Site Use: General manufacturing	
Site Characteristics	
Site Size (Acres)	61.93
Net Developable Acreage	40
In UGB	Yes
Other Incentives	SIP/URA
Enterprise Zone	Yes
Development Characteristics	
Site Development Period (In Months)	21 Months
Total All In Cost	\$10,085,171
Development Ready Value	\$9,640,047
Development Gap	
Market Viability Gap/Surplus	-\$445,124
Time To Market Feasibility	3.3 Years

Development Issues <input checked="" type="checkbox"/> See Page 3 for more detail		
Environmental and Natural Resource Issues (On-site)	Infrastructure Issues (Off-site)	Land Use Issues
Brownfield Cleanup	Water	Aggregation
Wetland Fill <input checked="" type="checkbox"/>	Sewer	Annexation
Floodplain Fill	Storm	Outside UGB
Slope Mitigation <input checked="" type="checkbox"/>	Transportation <input checked="" type="checkbox"/>	Marine Dock

Clackamas County Site Ownership (1) Site ID	Tier 2 Clackamas Clackamas County Development 29
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Development Economic Impacts See Page 4 for more detail						
Total Annual Construction Impacts				Total Annual Operations At Full Capacity		
	Jobs	Economic Activity	Payroll	Jobs	Economic Activity	Payroll
Direct	38	\$4,080,000	\$2,040,000	588	\$194,400,000	\$26,600,000
Indirect/Induced	24	\$3,120,000	\$ 960,000	817	\$126,600,000	\$42,700,000
<b>Total</b>	<b>62</b>	<b>\$7,200,000</b>	<b>\$3,000,000</b>	<b>1,405</b>	<b>\$321,000,000</b>	<b>\$69,300,000</b>

Development Annual Fiscal Impacts at Full Capacity See Page 4 for more detail		
	Payroll Tax Revenue	Property Tax Revenue
Direct	\$1,800,000	\$1,000,000
Indirect/Induced	\$2,900,000	Not Available
<b>Total</b>	<b>\$4,700,000</b>	<b>\$1,000,000</b>



## Development Concept Plan



Total Building Size	Projected Electrical Demand	Project Electrical Grade	Total Building Cost	Facility Construction Cost	Facility Construction Cost	Total
472,500 Sq. Ft	3 Mega Watts	2	\$33,075,000	Avg. sf = \$70	Hard Costs = \$33,075,000 Soft Costs = \$ 6,615,000	\$39,690,000

Site Use	Description of Development Concept Site Use
General manufacturing	Multi-building single user manufacturing campus; similar uses such as Oregon Iron Works or Boeing Gresham

## Development Concept Costs

### Off-Site Costs and Construction Terms

Water:	\$20,000
Start Period (months back):	9
Term:	3
Sewer:	\$0
Start Period (months back):	
Term:	
Stormwater:	\$0
Start Period (months Back):	
Term:	
Transportation:	\$665,000
Start Period (months back):	9
Term:	9
<b>Off-Site Total Costs</b>	<b>\$685,000</b>

### On-Site Costs and Mitigation Terms

Wetland Mitigation:	\$308,000
Start Period (months back):	12
Term:	3
Slope Mitigation:	\$585,000
Start Period (months back):	12
Term:	12
Building Pad Surcharge:	\$0
Start Period (months Back):	
Term:	
Floodplain Cut/Fill Mitigation:	\$0
Start Period (months back):	
Term:	
Environmental Cleanup:	\$25,000
Start Period (months back):	21
Term:	3
<b>On-Site Total Costs</b>	<b>\$918,000</b>

**Total Costs** **\$1,603,000**



## Development Issues

### Environmental (On-site Development) : Total Cost \$25,000

- The property was used for residential, agricultural, aggregate mining, equipment maintenance, composting, and other purposes between at least 1938 and present.
- Oil-range hydrocarbons and other hazardous substances are present in small areas of the soil. The impacted soil, which appears to occupy less than 1 percent of the total site area, should be remediated prior to or during site development, at the cost of \$25,000.

### Land Use

- The site is currently located within the UGB and City of Clackamas City limits.
- No assembly is necessary as the lots are all owned by the Clackamas County Development Agency.
- The net developable acreage of 40 acres does not include the portion of the site designated as existing ponds and water quality ponds.

### Natural Resources (On-Site Development) : Total Cost \$893,000

- Slope Mitigation: The site is located in a former quarry, and the north and east edges of the site require slope mitigation to stabilize the former quarry walls to establish building pad areas for the concept site layout. Approximately 135,000 cy of earthwork is needed to accomplish this mitigation, which will cost \$585,000 and take approximately 9 months.
- Approximately 1.76 acres of wetlands are impacted with the site development concept. The timeline below assumes an Army Corps of Engineers wetland permitting timeline of 270 days. The exact extent of federal jurisdiction will need to be determined at the time of permit application. The timeline assumes a permit from DSL is not required.
- This site is currently served by Foster Creek Mitigation Bank. For wetland mitigation, the property owner will pay \$308,000 to this bank for impacted wetlands on site.

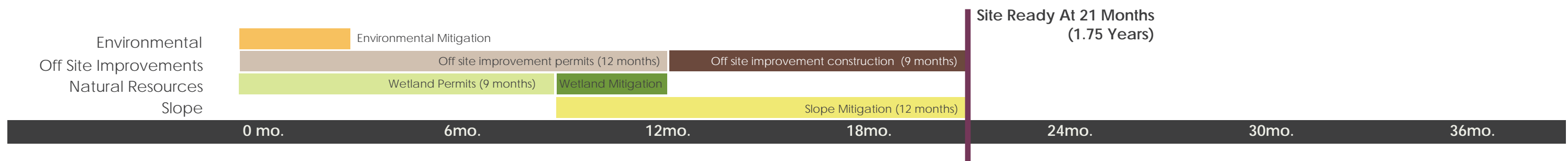
### Transportation (Off-Site Development) : Total Cost \$665,000

- This site has direct access to SE Capps Road to the north and SE Wilde Road to the east; however, access to Wilde Road is limited by topography. Direct property access can be oriented to SE Capps Road which connects to OR212 via SE 120th Avenue, SE Jennifer Street and SE 122nd Avenue.
- Based on the conceptual site plan, anticipated transportation infrastructure improvements necessary to serve immediate subject property development are limited to direct property access improvements and the following:
  1. Construct ½ SE Capps Road improvements from eastern property edge to SE122nd Avenue: \$665,000

### Utility Infrastructure (Off-Site Development) : Total Cost \$20,000

- Public water: The site is currently served by a public line in SE Capps Rd. A lateral extension is needed to directly serve the site. This will take less than 6 months and cost \$20,000. It is anticipated that an on-site looped water system will be required, but this cost is assumed to be part of on-site development.
- Public Sewer: The site is currently served by public sewer in SE Capps Rd, and a public pump station is located on site. It is assumed that on-site gravity sewers will drain directly to the pump station, or that sewerage will be pumped privately to the adjacent gravity or force mains. No sewer improvements are needed at this site.
- Public Storm: The site currently has two regional detention ponds that outfall to the Clackamas River that can be utilized for the proposed development. No public storm improvements are needed for this site.

## Site Development Process Timeline



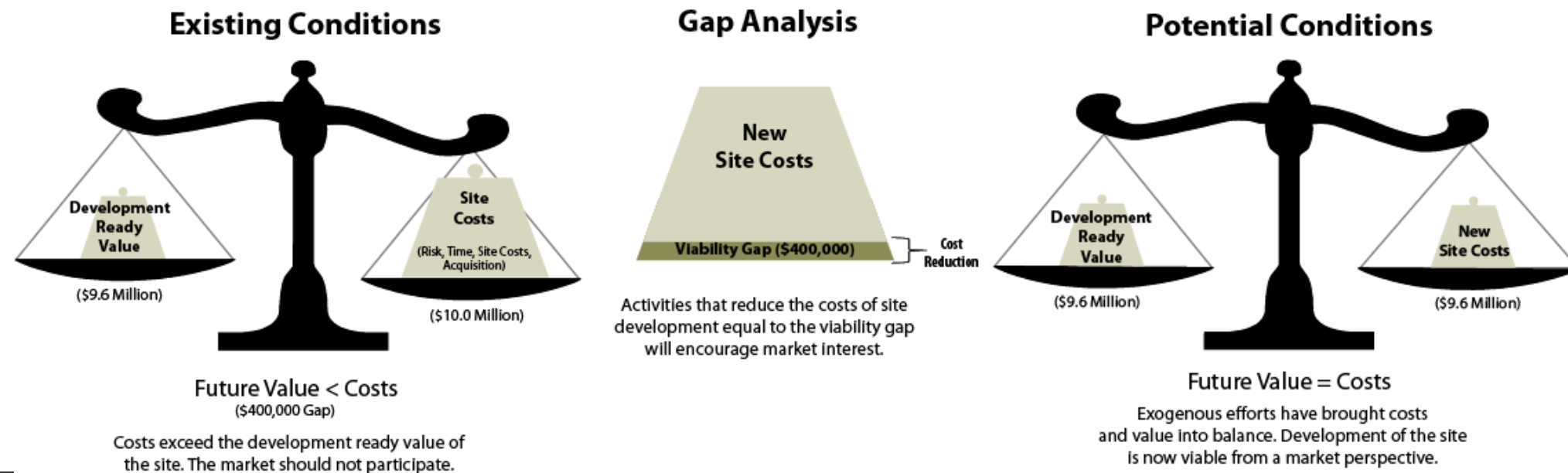
#### Timeline Notes :

Natural Resources: Wetland permit timeline is 9 months plus 3 months for on site wetland fill. Wetland permit timeframe includes local land use approval.  
 Slope Mitigation: Slope mitigation is concurrent with wetland fill. This timeframe includes land use review.

## Figure 1 Market Viability Gap Analysis

- The costs of acquiring and making this site development ready exceed the expected development ready value by only \$400,000. In other words, the site has a market viability gap of only \$400,000.
- This would indicate that the site is very close to being viable from the perspective of the market, and activities which improve the marketability and reduce risk are going to have the greatest impact on moving the site forward<sup>1</sup>.

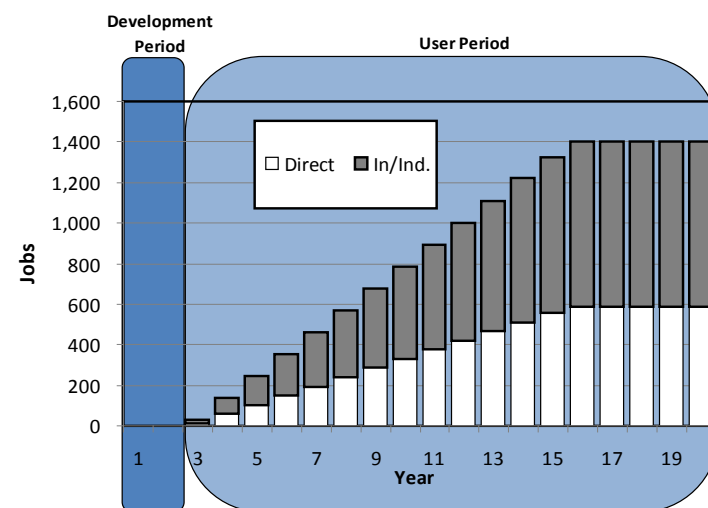
1. This exercise assumes conditions where aggregation costs are minimal and there is a reasonable expectation that a motivated user will emerge.



## Figure 2 : Development Economic Impacts

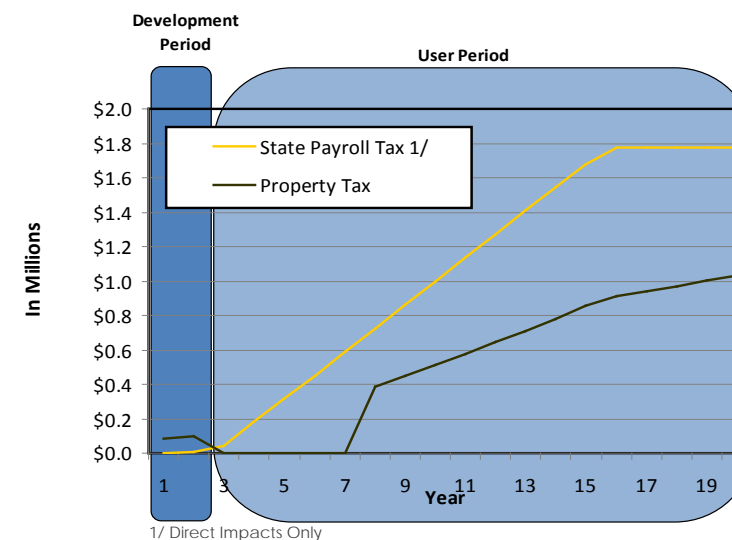
- When fully developed, a general manufacturing user on this site would employ roughly 588 workers on-site. Indirect and Induced impacts would support and additional 817 jobs elsewhere in the economy.
- New direct job creation on-site would eventually generate an additional \$26.6 million in annual payroll. Indirect and induced payroll impacts would create an additional \$42.7 million in annual payroll.
- Build-out of this site would support a total of 1,400 at a wage consistent with the regional average wage<sup>2</sup>.

2. Regional Average is \$50,332 (Clackamas, Multnomah, and Washington County) (in 2011 dollars) SOURCE: Oregon Employment Department 2011 QCEW.



## Figure 3 : Development Fiscal Impacts

- This site is in an enterprise zone, therefore property tax impacts would not take effect until the sixth year of operation. Property tax revenues, excluding capital equipment, would reach 1 million annually at full build-out.
- State payroll tax revenues from on-site (direct) employment would reach \$1.8 million annually at full-capacity. Indirect and induced impacts would further generate \$2.9 million annually to the state.



## Figure 4 : Financing Return

- Figure 4 considers the return on investment of the dollar amount necessary to eliminate the Market Viability Gap, financed at 5% over a 20-year period.
- Because the investment in dollars necessary to encourage the site to develop is very small, fiscal surpluses would be near immediate, and quite large. Over a 20-year period the site would generate \$10 million in property tax revenue (not including tax revenue on capital equipment) and \$20 million in state payroll tax revenue.

