

APPENDIX C

Phase 2 Analyses

Land Use Capacity Memorandum

Trip Generation and Roadway
Connectivity Assessment -- *Pending*

Market Assessment

Memorandum

Date: October 12, 2022

Subject: Estimated Land Use Capacity of the Draft Preferred Concept
North Shore Subarea Plan, Phase 2

From: Nicole McDermott, WSP USA
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To: Robert Maul, City of Camas

This memorandum summarizes the estimated development capacity of the Draft Preferred Concept prepared for the North Shore subarea plan. The memorandum provides estimates for the residential capacity (dwelling units and residents) and employment capacity (jobs) of the Draft Preferred Concept and existing zoning.

1. BACKGROUND

The Draft Preferred Concept was developed from March 2022 to July 2022 based on feedback on the draft options (Option A and Option B) presented at a virtual open house in February 2022. Feedback came from the community, Steering Committee, and the Community Advisory Committee. Like the draft options, the Draft Preferred Concept was guided by the adopted vision statement for the North Shore subarea:

1. **Preserve the North Shore's natural beauty and environmental health.** Policies, regulations and design rules must protect significant trees, tree groves, and surrounding lakes. Identify and preserve views to the treed hillside and the lake.
2. **Plan a network of green spaces and recreational opportunities.** Integrate a variety of parks, playgrounds, trails and open spaces into residential and employment areas throughout the North Shore area. Create a "green corridor" along the lake that completes the Heritage Trail, provides lake access and buffers the lake from adjacent development.
3. **Cluster uses for a walkable community.** Concentrate homes close to schools and around commercial nodes so residents can meet daily needs without driving. Use sidewalks, pedestrian trails and bike paths to connect residents to neighborhood destinations.
4. **Provide a variety of housing options.** Plan for diverse housing types appropriate for varying incomes, sizes and life stages.
5. **Locate Industrial Parks and Commercial Centers to the north.** Protect the environmental integrity of the lake and aesthetic quality of the area by siting light industrial and office uses away from the lake and adjacent to the airport. Encourage commercial activities along high traffic corridors, such as NE Everett St.

6. **Favor local-serving businesses.** Encourage small, local businesses such as restaurants, cafes and grocers that serve North Shore residents and businesses, while complementing downtown Camas.
7. **Plan for needed schools and infrastructure.** Ensure adequate roads, schools and utilities are in place before development occurs. Invest in transportation improvements such as a new roadway through the North Shore and NE Everett improvements to minimize traffic impacts and maximize safety.
8. **Strive to maintain Camas' small town feel.** Sustain the city's quality of life through phased and sustainable growth that contributes to community character.

2. KEY CONSIDERATIONS

Below are some of the key findings from the Camas Housing Action Plan that provide context for employment and housing needs in the city.

- **Employment Needs.** Existing jobs in the city consist primarily of manufacturing, finance and insurance, educational services, professional, scientific, and technical services (about 73% of all jobs).
 - Manufacturing jobs have been declining (from 46% in 2002 to 26% in 2018) and are predicted to continue declining as a percentage of total jobs. Job growth is predicted to occur primarily in education and health services, leisure and hospitality, government, and professional and business services.
 - There is a high level of commuting into and out of the city by workers and residents to access employment. Data indicates that many residents with higher-paying jobs work outside of the city, while residents with lower-paying jobs work in the city.
 - Camas would benefit from increasing the number of higher-paying jobs in the city, which would allow for reduced commutes (and commuting costs) and provide additional tax revenue.
- **Population Growth.** Camas is projected to increase by approximately 11,800 residents by 2040 (a 47% increase). An estimated 4,589 dwelling units are needed to accommodate new residents.
 - A variety of housing types are needed to provide residents the ability to select housing that best meets the needs of their household (family or non-family) and their budget.
- **Ageing Population.** About 85% of the population growth from 2010 to 2018 was in residents aged 40 and over. The percentage of the population ages 40 and under declined.
 - Older residents (ages 60+) need a variety of housing options in order to select appropriate housing that meets their physical abilities and budget. In addition, older residents often benefit from being located near services and transit, as driving may not be an option.
- **Affordability.** Housing is considered “affordable” when monthly housing costs do not exceed 30% of monthly income. In Camas, over 40% of renters are currently spending more than 30% of their income on housing, compared to 20% of homeowners.

- About 40% of projected future housing needs will be for units affordable to households with low or moderate incomes, with a mix of rental and for-sale housing.
- **Housing Options.** There is a lack of diverse housing types in the city, particularly units under 2,000 square feet.
 - To accommodate the variety of new households anticipated, and to better serve existing households with difficulty affording their housing costs, Camas will need housing options diverse in type, tenure, and cost.

3. DEVELOPMENT ASSUMPTIONS

The estimated land use capacity is based on a set of assumptions on how different land uses would develop. The assumptions have been refined over the course of the project and were informed by the Clark County Buildable Lands Model and Camas Housing Action Plan, as well as feedback from the Steering Committee and City based on their recent experiences with development in the region. Table 1 identifies the prior and current development assumptions.

Table 1. Development Assumptions

Prior Assumption	Current Assumption	Rationale
30% of gross acres would not develop due to the presence of critical areas or would develop as roads and/or utilities	No development would occur on wetlands.	Wetlands are regulated and protected at the local, state, and sometimes federal level to a greater extent than other types of critical areas. Protections include outright prohibition of development on certain high functioning wetlands, and increased costs for developers for development that affects any type of wetland.
	Development would occur on 25% of wetland buffers and other types of critical areas and their buffers.	This assumption is consistent with recent applications for development in the city, as well as recent projects by members of the Steering Committee.
	30% of the remaining acres would be used for infrastructure (roads and utilities).	This is a common assumption used in planning and is consistent with City and Steering Committee expectations.
2.7 residents per dwelling unit		<i>No revision.</i> This estimate is consistent with the Camas Housing Action Plan.
20 jobs per acre on lands designated as Commercial or Mixed-Use and 9 jobs per acre on lands zoned for Business Park	20 jobs per acre on lands designated for commercial uses, including Commercial, Mixed Use, and Mixed Employment	Based on conversations with the Steering Committee (including the Port of Camas-Washougal and CREDC) as well a market assessment prepared for the North Shore, the “Business Park” designation is now “Mixed Employment.” It is anticipated that development in this designation would be more consistent with commercial/office business

		parks than light industrial uses. The revised jobs estimate is consistent with Clark County's Final 2022 Buildable Lands Report.
70% of developable Mixed Use land would include residential development. The remaining 30% would accommodate commercial uses, public facilities (e.g., schools), open space/parks, etc.		<i>No revision.</i> This estimate is based on input from the Steering Committee.

4. EXISTING ZONING

The existing zoning in the subarea provides a baseline for comparing the Draft Preferred Concept and considerations around the needs for housing and employment lands/jobs. It is also important to consider existing and planned uses that are not reflected in the zoning when estimating land use capacity, as there are two large properties that will not develop per their existing zoning: Lacamas Lake Elementary School and Legacy Lands (the City-owned parcels acquired for parks and open space). The capacity of the subarea based on the existing zoning is summarized below, followed by the capacity of the subarea when the school and recreational properties are taken into account.

Note: Due to rounding, some numbers may not equal the predicted value.

Table 2 shows the estimated developable acres under the existing zoning and the capacity for dwelling units and jobs.

Table 2. Existing Zoning – Residential and Employment Capacity¹

Zone	Gross Acres	%	Developable Acres ¹	Max. Density (DU/Acre)	Max. Allowed DU	Jobs/Acre	Jobs
Business Park (BP)	312	32%	101	0	0	20	2,020
Community Commercial (CC)	96	10%	40	0	0	20	808
Mixed use (MX) ²	15	2%	6	10	65	0	0
Multifamily Residential-18 (R-18)	60	6%	26	18	471	0	0
Multifamily Residential-10 (MF-10)	36	4%	18	10	184	0	0
Residential-6,000 (R-6)	3	0%	1	7.2	5	0	0
Residential-7,500 (R-7.5)	180	18%	80	5.8	462	0	0
Residential-10,000 (R-10)	34	3%	24	4.3	101	0	0
Residential-12 (R-12)	101	10%	44	3.6	158	0	0
Single Family Residential (R1-6) ³	53	5%	36	7.3	263	0	0

Single Family Residential (R1-10) ³	39	4%	25	4.4	112	0	0
Parks/Open Space	59	6%	n/a	0	0	0	0
Total	990	100%	402	--	1,820	--	2,829

¹ The estimated capacity reflects the current (revised) development assumptions (detailed in Section 3).

² The MX zone does not have a maximum density or a minimum requirement for commercial development. An assumption of residential-only development of 10 dwelling units per acre was made based on prior applications.

³ Clark County zoning

Table 3 summarizes the acreages by zone for Lacamas Lake Elementary and the City-owned Legacy Lands properties. Table 3 also shows the potential dwelling units and jobs that could have been accommodated on those parcels.

Table 3. Lacamas Lake Elementary and Legacy Lands – Residential and Employment Capacity¹

Zone	Developable Acres	Max. Density (DU/Acre)	Max. Allowed DU	Jobs/Acre	Estimated Jobs
Business Park (BP)	1	0	0	20	21
Community Commercial (CC)	11	0	0	20	222
Multifamily Residential-18 (R-18)	8	18	152	0	0
Multifamily Residential-10 (MF-10)	9	10	95	0	0
Residential-7,500 (R-7.5)	33	5.8	194	0	0
Residential-12 (R-12)	19	3.6	68	0	0
Total	83	--	509	--	243

¹ The estimated capacity reflects development assumptions (detailed in Section 3).

The elementary school and Legacy Lands account for about 200 acres of the subarea, of which approximately 83 acres are estimated to be developable. Approximately 34 acres of employment lands (Community Commercial and Business Park), with the potential for approximately 243 jobs, will not be developed for employment uses. Additionally, approximately 509 dwelling units will no longer be accommodated, as residential development is not anticipated on these parcels.

Table 4 summarizes the estimated capacity for dwelling units and jobs under existing zoning (Table 2), less the capacity from the school and Legacy Lands parcels (Table 3).

Table 4. Revised Existing Zoning – Residential and Employment Capacity

Zone	Developable Acres¹	Max. Density (DU/Acre)	Max. Allowed DU	Jobs/Acre	Jobs
Business Park (BP)	100	0	0	20	2,000
Community Commercial (CC)	29	0	0	20	586
Mixed Use (MX) ²	6	10	65	0	0
Multifamily Residential-18 (R-18)	18	18	319	0	0
Multifamily Residential-10 (MF-10)	9	10	89	0	0
Residential-6,000 (R-6)	1	7.2	5	0	0
Residential-7,500 (R-7.5)	46	5.8	268	0	0
Residential-10,000 (R-10)	24	4.3	101	0	0
Residential-12 (R-12)	25	3.6	91	0	0
Single Family Residential (R1-6) ³	36	7.3	263	0	0
Single Family Residential (R1-10) ³	25	4.4	112	0	0
Total	319	--	1,312	--	2,586

¹ Developable acres from Table 2 with the reductions from Table 3.

² The MX zone does not have a maximum or minimum density requirement for commercial development. An assumption of residential-only development with 10 dwelling units per acre was made based on prior applications in the MX zone.

³ Clark County zoning

5. DRAFT PREFERRED CONCEPT

Feedback on the draft options from the City, Community Advisory Committee, Steering Committee, and the public open house was used to develop the Draft Preferred Concept. Like the options presented at the open house, the Draft Preferred Concept contains a mix of land uses consisting of:

- Higher Density Residential
- Lower Density Residential
- Commercial
- Mixed Use
- Mixed Employment (formerly Business Park)

The residential and job capacity of the Draft Preferred Concept is summarized below.

Land Use Overview

Table 5 provides a breakdown of the land uses shown on the Draft Preferred Concept. Additional parks/open space would be accommodated within the other land use categories (for example, a subdivision would be required to provide open space or recreational areas). Likewise, additional school capacity would be added as the population grows and development occurs. The need and location of new school facilities would be identified by the Camas School District as part of their annual planning process.

Table 5. Draft Preferred Concept – Land Use Overview

Zone	Gross Acres	Percent of Total Area	Developable Acres¹
North Shore Mixed Employment	113	11%	41
North Shore Commercial	17	2%	9
North Shore Mixed Use	121	12%	67
North Shore Higher Density Residential	192	19%	81
North Shore Lower Density Residential	287	29%	121
Parks/Open Space	231	23%	77
School	39	4%	13
Total	1,000	100%	409

Residential Capacity

Table 6 provides an estimate of the maximum number of dwelling units and estimated population that could be accommodated by the Draft Preferred Concept. The residential density of the Lower Density Residential zone was estimated as 5.8 dwelling units per acre, which is the same density as the city's existing R-7.5 zone. An example of this density is the existing single-family homes to the east of NE Everett and south of 43rd Avenue, in the North Shore subarea.

Based on feedback from the Steering Committee and housing market specialists, the residential densities in both the Higher Density and Lower Density Residential zones were revised to allow

a range of densities Options A and B has assumed a density requirement of 18 dwelling units per acre in the Higher Density zone and 5.8 dwelling units per acre in the Lower Density zone. The proposed zoning would now allow the ranges identified in the table below.

Table 6. Draft Preferred Concept – Residential Capacity

Zone	Developable Acres	Permitted Density (DU/Acre)	Estimated DU	Estimated Population
North Shore Mixed Use	67	24	1,133	3,060
North Shore Higher Density Residential ¹	81	10 to 18	1,136	3,067
North Shore Lower Density Residential ²	121	4 to 5.8	700	1,890
Total	269	--	2,969	8,017

¹ An average of 14 dwelling units per acre was used to calculate the estimate dwelling units.

¹ Given the relatively small range, 5.8 dwelling units per acre was used to calculate the estimate dwelling units.

Employment Capacity

Table 7 provides an estimate of the number of jobs that could be accommodated by the Draft Preferred Concept.

Table 7. Draft Preferred Concept – Employment Capacity

Zone	Developable Acres	Estimated Jobs/Acre	Estimated Jobs
North Shore Mixed Employment	41	20	817
North Shore Commercial	9	20	177
North Shore Mixed Use	67	20	405
Total	117	--	1,399

6. COMPARING THE DRAFT PREFERRED CONCEPT TO EXISTING ZONING

Table 8 summarizes the estimated land use capacity of the existing zoning (current and revised) and the Draft Preferred Concept. The revised development assumptions were used to estimate the capacity. The purpose of this comparison is to show how the estimated capacity could change compared to existing conditions.

Table 8. Comparison of Estimated Capacity

	Developable Acres	Capacity		
		Dwelling Units	People	Jobs
Existing Zoning	402	1,820	4,915	2,829
Revised Existing Zoning (less school and Legacy Lands)	319	1,312	3,542	2,586
Draft Preferred Concept	409	2,969	8,017	1,399

Table 9 shows the estimated changes in capacity between the Draft Preferred Concept and the existing zoning (current and revised).

Table 9. Estimated Changes in Capacity

	Compared to Existing Zoning			Compared to Revised Existing Zoning		
	Dwelling Units	People	Jobs	Dwelling Units	People	Jobs
Draft Preferred Concept	+ 1,149	+ 3,102	- 1,430	+ 1,657	+ 4,475	- 1,187

7. COMPARING THE DRAFT PREFERRED CONCEPT TO OPTIONS A AND B

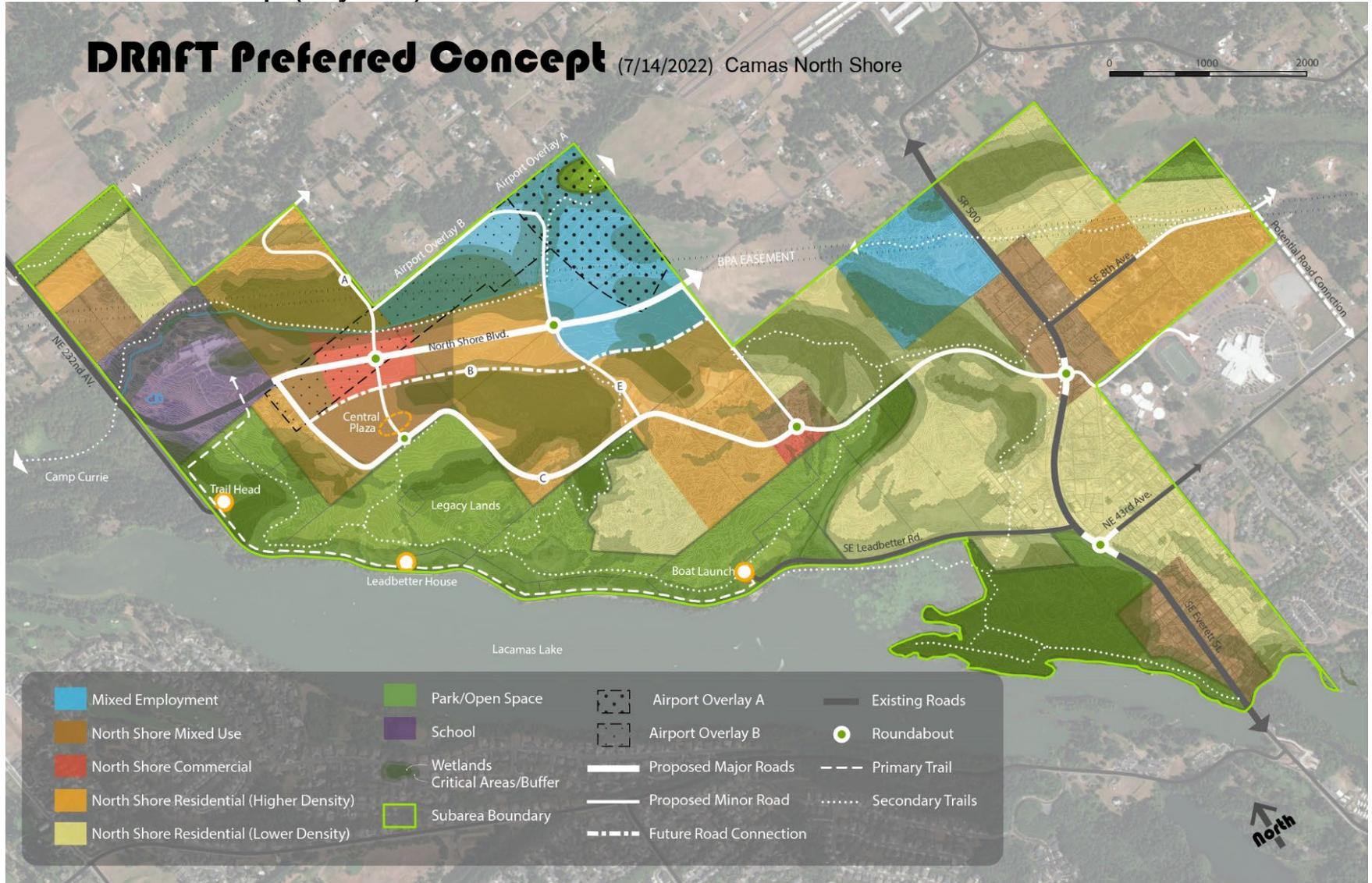
Table 10 summarizes the estimated capacity of the draft options as presented at the open house in February and March 2022. The capacity estimates for Options A and B are based on the prior development assumptions, and the estimates for the Draft Preferred Concept are based on the revised assumptions. The purpose of this comparison is to show how the capacity estimates have changed since the prior open house, due to changes to the concept map as well to the development assumptions and the proposed density requirements.

Table 10. Estimated Capacity – Draft Options and Draft Preferred Concept

	Developable Acres	Capacity		
		Dwelling Units	People	Jobs
Draft Option A	492	3,679	9,933	2,560
Draft Option B	490	4,735	12,785	2,166
Draft Preferred Concept	409	2,969	8,017	1,399

Draft Preferred Concept (July 2022)

DRAFT Preferred Concept (7/14/2022) Camas North Shore



Option A (February 2022)

Option A Camas North Shore



Option B (February 2022)

Option B Camas North Shore



Camas North Shore Subarea Plan

Concept Plan Review and Market Assessment

Date August 12, 2022
To Nicole McDermott, WSP
From Brian Vanneman, Wally Hobson, Jennifer Shuch, Leland Consulting Group

Current Concept Plan

On behalf of the City of Camas, WSP is leading the preparation of a Concept Plan for the Camas North Shore area. Leland Consulting Group (LCG) is a subconsultant to WSP, and WSP has directed LCG to provide a review of and comments on the Draft Preferred Concept Plan for the North Shore area which totals approximately 1,100 gross acres.

Figure 1. Land Distribution, Per WSP Preference Concept

North Shore Subarea	Acres	Distribution
Wetlands	206	21%
Constrained Land	280	28%
Subtotal	486	49%
Developable Land		
Parks/School & Open Space	90	9%
Residential & Employment Land	319	32%
Gross Land Area	1,000	100%

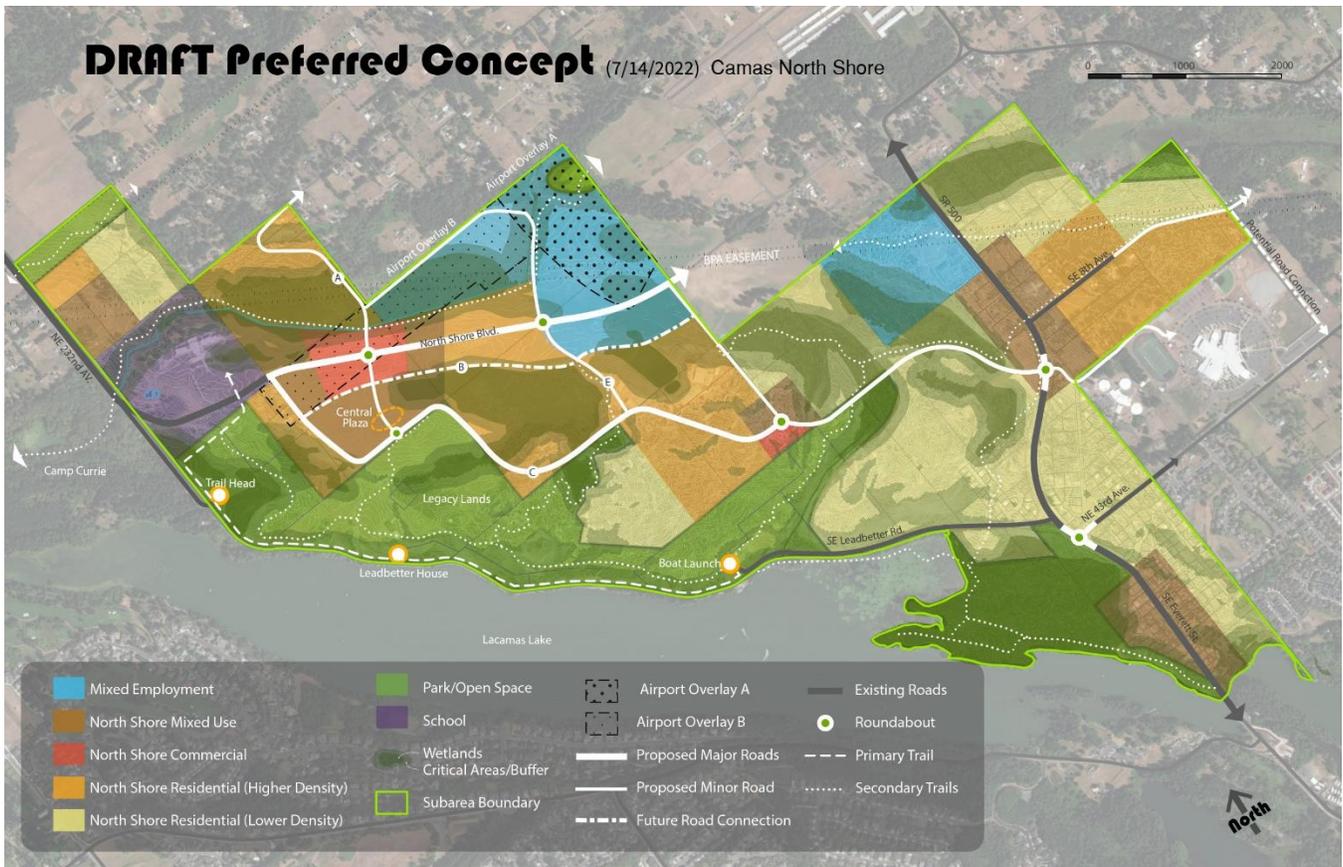
Developable = Gross acres, less wetlands, with development on 25% of constrained lands, and less 30% for roads/utilities

Source: WSP.

Nearly half of the land is undevelopable with only 32 percent planned for residential, commercial, and other types of buildings designed to accommodate employment. While the total site is 1,000 acres, there are only 409 acres of developable land. 206 acres of the site is wetlands, and another 210 acres are constrained land without development.

WSP's latest concept plan shows the location of different land uses within the subarea.

Figure 2. Draft Preferred Concept Plan, July 14, 2022



Source: WSP.

The distribution of net developable acres by land uses, excluding City owned land designated for parks, a school, and open space, together with the estimated square footage of employment land and the number of dwelling units on residential land, is shown in Figure 3 below.

Figure 3. Distribution of Developable Land, WSP Preferred Concept Plan

Zone	Acres	Distribution	Density	Units	Distribution
Employment Land			SF per Acre	Square Feet	
Mixed Employment	41	13%	12,000	492,000	82%
Commercial	9	3%	12,000	108,000	18%
Subtotal	50	16%		600,000	100%
Residential Land			DU's per Acre	Residences	
Mixed Use ¹	67	21%	24	1,133	38%
Residential (Higher Density)	81	25%	14	1,136	38%
Residential (Lower Density)	121	38%	5.8	700	24%
Subtotal	269	84%		2,969	100%
Total	319	100%			

¹ Reflects an assumption that 70% of developable mixed use land would include residential and 30% would include commercial uses.

Source: WSP.

The balance of this memorandum addresses each land use followed by a recommended program for the North Shore subarea. This program is intended to provide a balance between residential and employment land that results in a build out within a reasonable period (10 to 20 years) with significant development activity within five years.

Policy and zoning decisions by the City that emphasize job creation could affect land absorption in the subarea and extend this timeline beyond 20 years. Job creation can only occur to the degree that Camas maintains an inventory of vacant employment land. LCG hypothesizes, however, there may be better locations, closer to the freeway system in more urbanized areas, to establish this inventory with a lower infrastructure cost.

Mixed Employment

Mixed employment has many different meanings, encompassing a variety employment densities. WSP and LCG agree that Mixed Employment zoning is preferable to Business Park/Light Industrial because the former is more descriptive with respect to capturing a wide variety of employment uses that should be allowed in the subarea, including vertical mixed use with housing over retail. The emphasis should not be on land uses that would traditionally connote business parks and light industrial space, a narrower view of employment opportunities.

There are several categories of office space that can occupy land zoned for employment, including but not limited to:

- Professional office space
- Corporate office space
- Medical and healthcare office space
- Institutional and government office space
- Creative office space
- Single user space like a high-tech campus
- Flex industrial, warehouse, and business space with varying degrees of office build out.
- Commercial/retail and housing over retail
- Manufacturing
- Warehousing
- Hospitals

While it is understandable that Camas is seeking to expand its economic base in order to avert over-reliance on a small number of employers, it is important to note that how and where people work is undergoing a major shift. Suburban office parks in particular are seeing high vacancy rates nationwide. At the same time, remote work has increased significantly since the start of the COVID-19 pandemic. The employment and recruitment website Ladders estimates that a quarter of white-collar jobs in North America will be remote by the end of 2022, and this growth in remote work is expected to continue over the next year. Homes are increasingly functioning as office spaces, especially for suburban professionals.

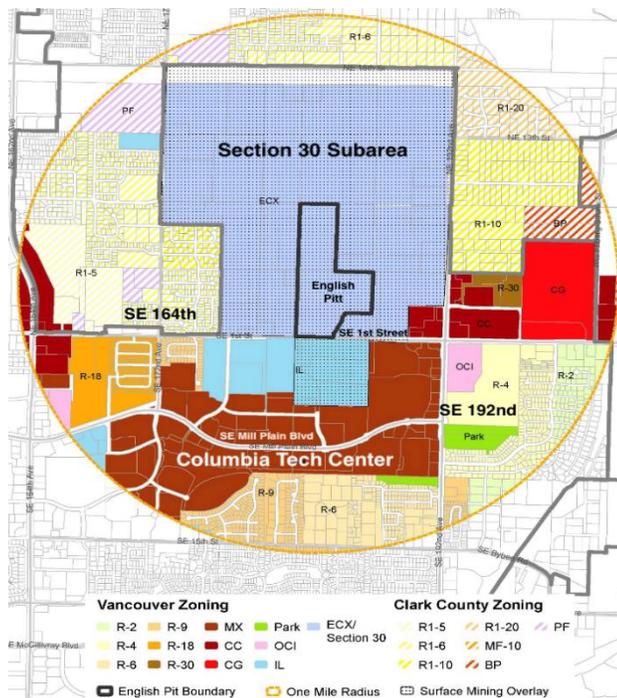
Camas is also directly adjacent to active and proposed employment centers in Vancouver, outlined below. These employment centers are current and future competition job producing tenants at North Shore.

The North Shore and Competitive Employment Areas

For several reasons, the North Shore subarea will struggle to compete with other nearby employment centers, at least in the short and medium terms (next 5 to 10 years). The center of the study area is located about 3 miles from SR-14. A major thoroughfare with multiple lanes would need to be constructed to connect the property to SR-14 for the subarea to support an employment center that could potentially build out with 500,000 square feet.

- There is a significant amount of nearby vacant employment land to the west and south of the subarea that has completed infrastructure, good access to the freeway system, and is under development or ready to be developed in the short or medium term.
 - **Columbia Tech Center** on SE Mill Plain between SE 164th and S.E. 192nd - 410 acres with 3.6 million square feet of space (largely built out although expansion to adjacent land to the north is taking place, including the purchase by PacTrust (developers of the Columbia Tech Center), of the 60-acre English Pit, just east of S.E. 192nd fronting on S.E. 1st. The English Pitt is a former aggregate mining and processing facility.
 - **Section 30 Subarea, City of Vancouver**
As shown below, this is a 550-acre planned urban employment center adjacent to and north of the Columbia Tech Center. The subarea includes the English Pit. Plans are to create an urban center with an emphasis on employment as the primary land use with commercial and residential uses secondary.

Figure 4. Map of the Section 30 Subarea, City of Vancouver



Source: City of Vancouver

- **Columbia Palisades and Fisher West Quarry** – Located at the intersection of SR-14 and SE 192nd Columbia Palisades, on the east side of 192nd and Fishers West Quarry on the west side of SE 192nd together total 157 acres of buildable land. The two properties were formerly an aggregate mining site and are being developed as mixed use residential, office, and retail communities. Vancouver clinic has purchased 5-acres at Columbia Palisades and has broken ground on a new medical clinic.
- **Port of Camas/Washougal** includes a 300-acre business/industrial park with 40 businesses in place.
- **Georgia Pacific Camas Mill** is large (listed at 600+ acres) and well located on SR-14 adjacent to and south of downtown Camas. The mill has largely been shuttered and—while planning for the future of the site is underway and future uses are unknown—LCG believes that the site could eventually be redeveloped into a mixed-use employment area, although the potential timing of future redevelopment is unknown. Significant demolition costs and remedial mitigation may be required.

The North Shore Subarea is at a competitive disadvantage to the above properties due to its location in a rural area without adequate infrastructure and freeway access. Thus, unless a single user can be found, which is a highly speculative proposition, the North Shore subarea is likely to begin developing after these other properties are nearly built out, which could be many years into the future.

A single user is also vulnerable to economic downturns and recessions. There are several examples in Clark County and Multnomah counties where a larger campus style single user has left the region or gone out of business leaving a large land area and buildings vacant. Changing the zoning from Business Park/Light Industrial to Mixed Employment will signal to developers that the city is open to a variety of office types, catering to a wider array of businesses.

Office Development Trends

The Covid 19 epidemic together with established long-term trends has resulted in declining office demand nationally and an uncertain future. Traditional office development is increasingly considered obsolete in today's shifting market. LCG's 2020 market analysis also describes trends that are having a negative effect on office demand, but Covid 19 has further exacerbated this trend. Covid 19 has had a positive effect on the demand for warehouse/distribution space, but warehousing has low employment ratios per square foot and require immediate adjacency to a freeway system.

- The amount of office square feet per employee is declining. Currently North American offices average 152 square feet per worker, which is down from 176 square feet in 2012 and 225 square feet in 2010.
- Companies are reducing private offices and adopting open floor plans where employees use private cubicles or unassigned desks instead of their own permanent space.
- Collaborative workspaces and a greater emphasis on higher space utilization, innovation, and productivity is reducing square footage needs.
- Virtual offices/telecommuting where employees are allowed to work from home, or some other remote location is becoming common. Workers have more freedom to choose where and how to live.
- COVID-19 has dramatically altered the office market as remote working becomes a permanent option for millions of office workers. Still, there is great uncertainty as to the permanence of remote working on a large scale. There is general agreement that the ultimate result of this experience will be a hybrid work environment, depending on the company and the functions people perform within their companies.
- Suburban office parks have suffered more than downtown office space as a result of employees working remotely and the decline of suburban office parks is likely to be more sweeping and permanent.

Firms are expected to lease less office space in the future. Office has lost its luster and the muted outlook for tenant office demand and general uncertainty about the future of remote work has cast a pall on investor interest in office product. The current plan to limit office development to 13% of developable land better reflects current trends than previous proposals.

Medical Office Space

The bright spot in the market is medical office space and other health care related uses driven, in part, by the aging of the baby boom population, a long-term demand driver. The current and future demand for healthcare facilities far outstrips demand for other types of office space and medical office users are typically able to pay higher rents.

Regional hospitals, however, are the most significant location determinant for medical office space. Many other healthcare services are locating in commercial shopping centers.

As discussed in WSP's February 15, 2021, memorandum, manufacturing jobs have been declining and are predicted to continue declining as a percentage of total jobs. However, Covid 19 has created a resurgence in demand due to a desire by the government, industry, and the public to become less dependent on foreign manufactured goods.

While this potential increase in manufacturing could support some of the new industrial development in Clark County, the Camas North Shore Subarea is unlikely to see significant industrial development in the near term. There is a risk that too much mixed employment zoned land will remain vacant many years into the future. However, we recognize that the City of Camas may have policy reasons for encouraging or requiring employment related development, even if the market demand for such uses is weak in the short and medium terms (5 to 10 years).

Commercial

The latest concept plan (Figure 2) shows commercial development in two locations with a total of 9 acres of developable land. At a relatively conservative density of 12,000 square feet per acre, this acreage could still accommodate 108,000 square feet of retail. The strongest demand will be for a grocery store/drugstore anchored shopping center. A sufficient number of roof tops within a one-to-two-mile radius would most likely need to be in place before additional retail would be able to survive.

Residential

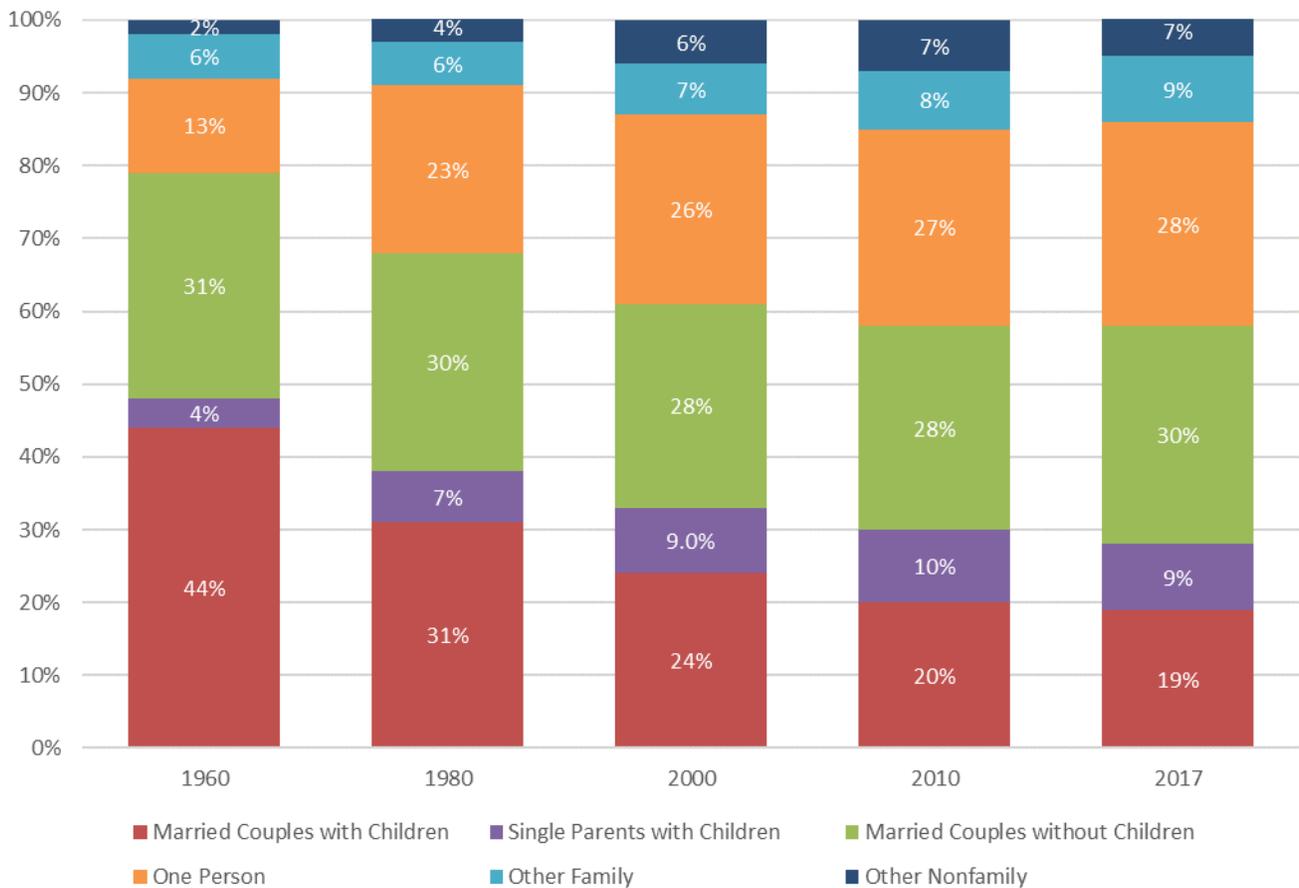
The North Shore Subarea is ideally suited for residential development in the short, medium, and long term with a location within reasonable commuting distances to other employment centers like the Columbia Tech Center.

The preferred draft plan includes 1,133 residential units at the higher density of 24 units per acre, 1,136 units at between 10 and 18 units per acre, and 700 units at the lowest density, 5.8 units per acre. The 10 to 18 unit per acre density indicates a range from very small-lot single family homes to small multi-unit buildings and townhomes. 38 percent of developable land dedicated to housing is higher density mixed-use housing, while 62 percent is single family or middle density housing. At 10 units per acre lot sizes are likely to be under 4,000 square feet, which becomes difficult for detached single family homes, although not impossible.

LCG supports the plan to dedicate the majority of developable residential land to single family and lower- to middle-density housing types over denser mixed-use development, but the City should be aware that the market may not support building as much middle-density housing as the current plan allows. The location of the subarea and its vast amount of open space makes it ideal for families with young children. These families generally prefer single family housing over attached multifamily housing if they can afford the down payment, the debt service on a mortgage, property taxes, and insurance. There is a large migration of out of state households into Clark County, many of whom are coming with substantial home equities. The market demand for all types of housing has been exceptional over the last few years, but demand for single family and other types of lower density housing may have reached a historical high with a severely constrained supply.

However, the percentage of families with children in the US has been declining since 1960. Just 28% of households in the US included children as of 2017.

Figure 5. Households by Type in the United States, 1960-2017



Source: PRB *Population Bulletin*

Traditionally, apartment dwellers prefer locations closer to urbanized areas while suburbs with high quality schools attract families with young children. Camas has a reputation of having the best school district in Clark County but lacks urban infrastructure and amenities. It is therefore more likely to attract families and couples looking to purchase a home than single young professionals. While many families prefer single family detached housing, high housing costs could lead some younger homebuyers to consider duplexes or townhomes. In order to meet the community’s goals of creating a mixed-income neighborhood, the city could incentivize middle housing through tools like FAR bonuses, SDC waivers, and the Multifamily Tax Exemption.

If the current draft plan were to be fully built out, 75 percent of units would be in the higher density zones with 25 percent in the lower density zones. However, a distribution of 60 percent multifamily to 40 percent detached single family housing is more in line with other smaller cities in the greater Portland Metropolitan area. Although it may be possible to deliver a limited number of detached single-family homes at 10 units per acre this is not a product that has historically been built on a large scale in suburban areas.

Figure 6 below shows the mix between detached single family and multifamily housing in selected jurisdictions in Clark County and the Portland Metro area, based on building permits issued over the last five years.

Figure 6. Single Family and Multifamily Housing, 2016-2021

Clark County	Single Family	Multifamily		Total
		(2-4 Units)	(5 or more Units)	
Camas	85.2%	0.9%	13.9%	100.0%
Battle Ground	92.9%	4.1%	3.0%	100.0%
Ridgefield	81.1%	0.3%	18.5%	100.0%
Washougal	75.4%	1.4%	23.2%	100.0%
Wtd. Average	84.1%	1.2%	14.7%	100.0%

Portland Metro Area	Single Family	Multifamily		Total
		(2-4 Units)	(5 or more Units)	
Beaverton	27.3%	0.0%	72.7%	100.0%
Gresham	37.2%	1.1%	61.8%	100.0%
Hillsboro	57.6%	0.4%	42.0%	100.0%
Troutdale	36.8%	3.2%	60.1%	100.0%
Wilsonville	92.5%	0.0%	7.5%	100.0%
Wtd. Average	47.6%	0.5%	51.9%	100.0%

Suburban Region	Single Family	Multifamily		Total
		(2-4 Units)	(5 or more Units)	
Grand Total (Units)	9,132	119	5,385	14,636
Average	62.4%	0.8%	36.8%	100.0%

Source: US Department of Housing and Urban Development

Housing developers have largely focused on building single-family homes in the four smaller jurisdictions in Clark County. There are differences in the Portland Metro area where there is a severe shortage of buildable land for all uses. Much of the housing in this area is developed on smaller infill sites of 5 to 10 acres or less.

Flexible Low-Density Zoning

The community has expressed concerns that the Camas North Shore Subarea could become a neighborhood of mansions unaffordable to many in the surrounding areas. While zoning the Subarea for both single family and multifamily homes allows developers more flexibility regarding housing types, it is not clear that this area, which lacks transit, is an ideal location for dense multifamily housing. While it could support some middle housing like townhomes and duplexes, if developers believe there is less risk and more financial benefit to building large homes, that is what is likely to be built.

However, there are other tools the city can utilize to ensure that the North Shore Subarea does not become an exclusive, high-priced lakeside community. Portland’s Residential Infill Project, which went into effect August 2021 and was recently updated, caps the size of single-family homes to discourage the development of so-called “McMansions.” It also allows for up to four units on nearly all residential lots, or up to 6 with an affordable housing density bonus. For each additional unit, there is a slight increase in FAR (as shown below in Figure 7). RIP also reduced the minimum lot sizes, allowing for more density. This kind of incentive could help encourage developers to build more small, multi-unit structures and disincentivize the development of large single-family houses. If this is what the city would prefer to build in this area, this could help fulfill that vision. It would also allow the development of single-family homes in these higher density areas if there is more demand for that product type.

Figure 7. Residential Infill Project Floor Area Ratios

Units	RF	R20*	R10*	R7	R5	R2.5
1	No limit	0.4 to 1	0.4 to 1	0.4 to 1	0.5 to 1	0.7 to 1
2	No limit	0.5 to 1	0.5 to 1	0.5 to 1	0.6 to 1	0.8 to 1
3	No limit	0.6 to 1	0.6 to 1	0.6 to 1	0.7 to 1	0.9 to 1
4 or more	No limit	0.7 to 1	0.7 to 1	0.7 to 1	0.8 to 1	1 to 1

***In the R10 and R20 zones the maximum floor area ratio only applies to sites that are less than 10,000 square feet in area.**

Source: City of Portland

The Washington Legislature proposed a middle housing bill earlier this year, but it failed to pass in February. A [Sightline poll](#) from the same month found that 61% of Washington residents favored expanding the types of housing allowed in low density zones that typically only allowed single family housing. The city could incorporate some of the provisions within [Portland's RIP](#) or Oregon's HB2001 into the guidelines for the 10 to 18 unit per acre residential zone.

While the majority of families with younger children prefer single family detached housing if they can afford it, middle housing tends to be less expensive than single family homes, and it presents an opportunity for first-time home buyers to enter the market. Duplexes, triplexes, cottage clusters, and townhomes can be built to ensure that residents have the amenities of a single-family home, including front doors, porches, and backyard space, with a slightly lower price tag than newly built single-family homes. This is likely to be attractive to first time or lower-income home buyers who have found it increasingly difficult to find an affordable home in the metro area. However, as Figure 6 above shows, developers have built very few middle housing units in suburban cities within the four-county Portland Metro Area over the last five years.

Camas could also incentivize accessory dwelling units (ADU's) through loan programs and SDC waivers. Lender Craft3 offers two ADU loan programs for Multnomah, Washington, and Clackamas Counties. Their [ADU Loan](#) program offers borrowers up to \$250,000 for design, permitting, and construction of ADU's. Craft3 has also partnered with [BackHome ADU](#) to offer loans with a subsidized interest rate for ADU's that will be used as affordable housing for at least 8 years. While these programs are not available in Washington, the city may be able to find one or more local lending partners to establish a similar program. SDC waivers can also help make ADU's more feasible. While ADU's are unlikely to be a solution to the city's need for more housing, they can add rental housing and support multigenerational households.

Multifamily Tax Exemption (MFTE)

If city leaders believe that higher density mixed-use housing is desirable in the North Shore Subarea's commercial districts, it can use the MFTE program to incentivize this type of housing. Currently, the target areas for Camas's MFTE program are Downtown, Northwest 6th Avenue, and Northeast 3rd Avenue. While the 12-year exemption requires that any developments utilizing MFTE must be affordable, the 8-year exemption [requires](#):

- The development must be in a residential target area.
- Tenants are not displaced due to rehabilitation.
- The development must be at least 4 units in either a residential or mixed-use structure.
- The project must be at least 50% multifamily housing.
- The project must comply with local guidelines, standards, and codes.

Establishing the North Shore Subarea as a target area for MFTE could encourage mixed-use development by offsetting some of the risks developers face when building in an unproven area.

Zoning

Jurisdictions across the country are adopting a more flexible approach to zoning that allows multiple mixed uses within a particular zone. In his book, *A Better Way to Zone*, the author, Donald L. Elliott argues that simplification with fewer zones that are less prescriptive and more flexible is the future.

"I believe that, in the future, zoning will move toward only three types of districts: pure residential districts, mixed-use districts, and special purpose districts.: Source: A Better Way to Zone; Ten Principles to Create More Livable Cities, Donald L. Elliott; Page 147.

"With due respect to those who believe we should all live in mixed-use neighborhoods; a large proportion of America's population doesn't want to do so and is not likely to be persuaded otherwise. The desire for a single-family home on a single plot of land surrounded by other single houses on single lots runs deep in our history (and, incidentally, it runs deep in other countries too). Residential suburbs were not a mistake; they responded to a very real and financially powerful market demand. I think this trend will continue for at least two reasons: perceptions of investment security and the desire for elbow room." Source: Ibid.

Mixed use zones are important – Camas's plan to include employment, commercial, and housing within its North Shore Subarea is aligned with placemaking best practices. However, zoning designations that are too rigid could be a barrier to development. Witch Hazel Village in South Hillsboro and Villebois in Wilsonville have both struggled to attract commercial development despite zoning for it.

The challenges outlined in earlier sections of this memo could impact the ability of the North Shore Subarea to attract large-scale commercial development. It may also be a challenge to build vertical mixed use with apartments over ground floor retail. However, horizontal mixed use that allows for housing (including live-work space), commercial, and employment could be more achievable. Neighborhood coffee shops, retail, health clinics, services (including legal and professional services as well as personal services such as barbers, hair salons, and dog groomers), and food co-ops have the potential to thrive in mixed use neighborhoods alongside housing. The city could incentivize these types of smaller, neighborhood commercial businesses through variable SDCs. The city could use internal trip capture metrics on the assumption that more people will walk than drive to these establishments.

Recommendations

LCG recognizes the city is not inclined to reduce the proposed Mixed Employment acreage below 13 percent of the developable land (41 acres which can accommodate an estimated 400,000 to 500,000 square feet of space). The timing of development is likely to be concurrent with infrastructure improvements to the connection with downtown Camas and SR 14.

LCG is not recommending any changes in the distribution of developable acres to Mixed Employment and Commercial zones. Two of these commercial areas are recommended. Zoning in mixed-use zones should allow vertical integration with housing above retail or horizontal mixed use with small retail space adjacent to townhouses.

Figure 8. Recommended Employment Mix – North Shore Subarea

Land Use	Draft Plan	Proposed	Square Feet		DU's	Residential	
	Acres	Acres	Distribution	per Acre	Square Feet	Per Acre	Units
Mixed Employment	41	41	12.9%	12,000	492,000		
Commercial							
Grocery Store Anchored Neighborhood Center		15	4.7%	12,000	180,000		
Specialty Town Center		8	2.5%	12,000	96,000		
Mixed Use (Housing & Retail)*		9	2.8%	12,000	32,400	28	176
Subtotal	32	32	10.0%		308,400		
Total Employment Land/Space	73	73	22.9%		800,400		
Residential Land	246	246	77.1%				
Total Developed Land	319	319	100.0%				

*Assumes a 30%/70% ratio between retail and residential acres

LCG's analysis still supports a higher percentage of lower density land for detached single family housing. The zone could be expanded to include a range of densities from 5 to 8 units per acre. The higher density zone averaging 14 units per acre with a range of 10 to 18 units per acre is appropriate for attached for sale single family housing (duplexes, triplexes, townhomes), but even at the lowest range of 10 units per acre lot sizes may be well below 4,000 square feet.

Figure 9. Recommended Residential Mix (Acres) - North Shore Subarea

Residential Acres	Draft Plan		LCG Recommendation		
	Acres	Distribution	Acres	Distribution	Change
Mixed Use	44	13.8%	44	13.8%	0
Higher Density	81	25.4%	31	9.7%	-50
Lower Density	121	37.9%	171	53.6%	50
Total Residential	246	77.1%	246	77.1%	
Employment Land	73	22.9%	73	22.9%	0
Total Developed Land	319	100.0%	319	100.0%	

Figure 10. Recommended Residential Mix (Units) – North Shore Subarea

Residential Units	DU's	Draft Plan		LCG Recommendation		
	Per Acre	Units	Distribution	Units	Distribution	Change
Mixed Use	24.0	1,056	36.5%	1,056	42.5%	0
Higher Density	14.0	1,134	39.2%	434	17.5%	-700
Lower Density	5.8	702	24.3%	992	40.0%	290
Total Housing Units		2,892	100.0%	2,482	100.0%	

Portland and to a lesser degree Vancouver are different than most areas with ratios of 15/85 percent and 24/76 percent single family product to multifamily homes. However, this ratio is the result of land shortages, which can drive up the value of the land to the point where single-family housing is no longer feasible.

Camas, and particularly, the North Shore is many years away from facing this kind of a problem, if ever. There is abundant land to the north that can be added to the urban growth area if shortages begin to emerge. It is questionable if the Camas community would ever want their city to evolve like Portland or even like Vancouver.

However, if the City wants to designate middle housing zones in this area, it should ensure that the areas zoned for a density of 10 to 18 units per acre could also accommodate single family housing if that is what the market will bear. As shown in Figure 6 above, this type of housing makes up a very small percentage of housing that has been built in the region over the last five years. If there is more demand for single family structures, those should not be prohibited on this land. In addition, if the City wants to incentivize more middle housing, it could utilize programs like SDC waivers and FAR increases to encourage that development. It is unlikely that much of this type of housing will be built without such incentives.