



Clackamas County Economic Landscape ***Emerging Trends Update***

2019 update

What Defines Key Cluster*?

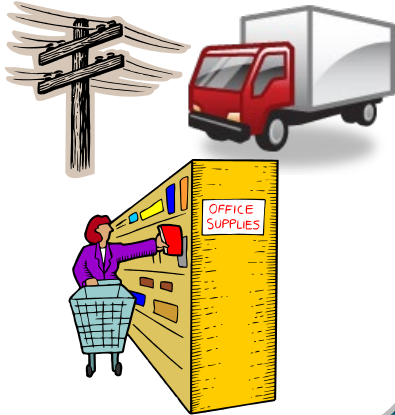
- Location Quotient (LQ) > 1 or approaching 1
 - Greater presence within Clackamas County relative to the region
 - Concentration of similar businesses & supply chains
 - Increasing propensity to locate in Clackamas County
- Strong Economic Contribution
 - Key clusters account for about 50% of county GDP

Understanding Impacts using IMPLAN

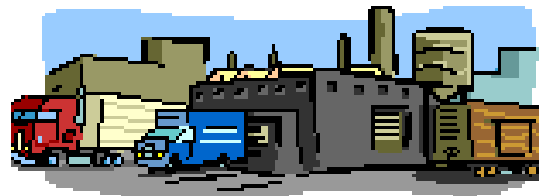
Indirect Impacts

(backward linkages)

(supply-chain inputs, such as utilities, supplies, parts, materials, transport. and vender services)



Direct Impacts



Direct spending by employers

(production cost, direct employee compensation, tax & fee payments)



Induced Impacts

(forward linkages)

(household consumption spending)



Clackamas County Key Clusters*

- Professional Business Services
 - *Corp. HQ, legal, insurance, engineering, finance (excl. banking, advertising)*
- **High Tech Manufacturing/Software & Media**
- **Wholesale Trade, Transportation & Utilities**
- Health Care
- Advanced Manufacturing – Metals & Machinery
 - *includes primary & fabricated metals and machinery mfg.*
- Food & Beverage Processing
- **Agriculture, Nurseries & Greenhouses**
- Wood Manufacturing

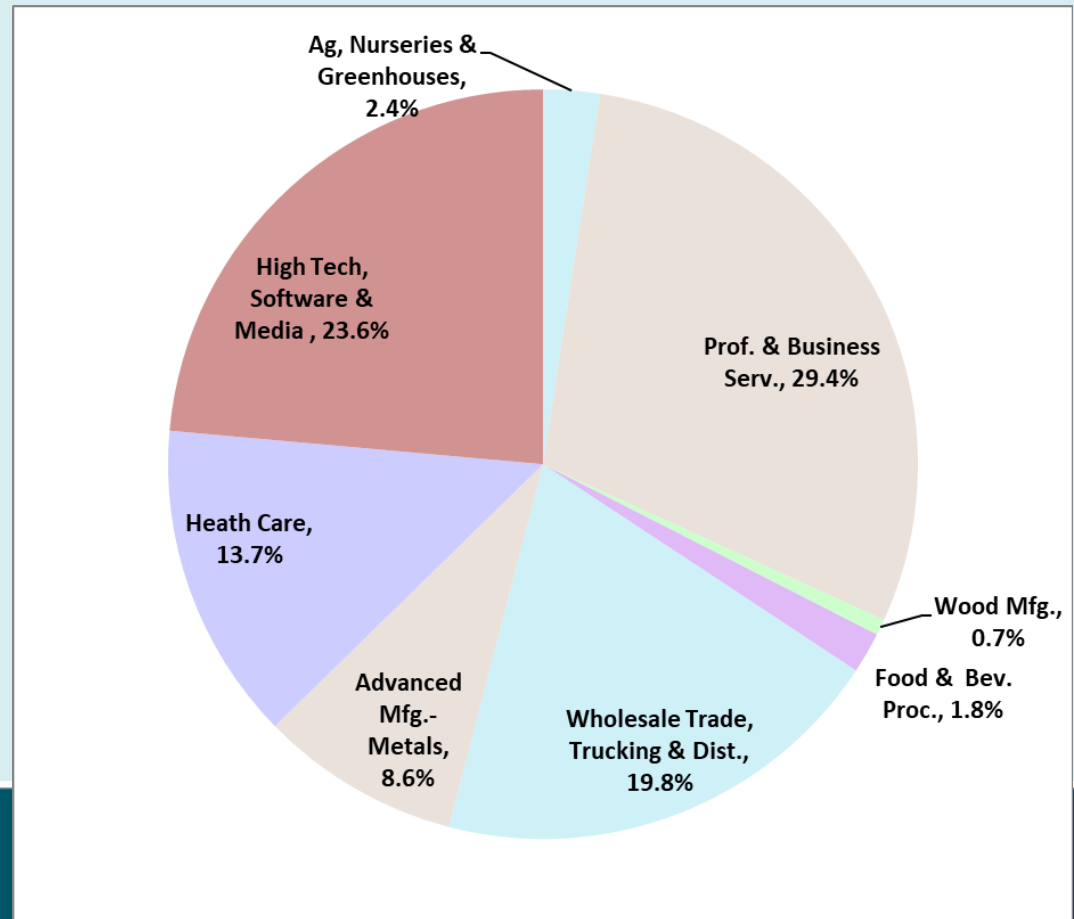
* *Shown in order of annual GDP contribution to Clackamas County*

Clackamas County's Clusters

Distribution of Annual GDP (\$11.4 Billion)

- Key Clusters in Clackamas County:

- ✓ Create \$11.4 billion in direct annual GDP
- ✓ Generates 54% of total direct GDP in county
- ✓ Employ 43% of the Job base
- ✓ Avg. covered payroll of \$60,043 in key clusters is 21% above county average

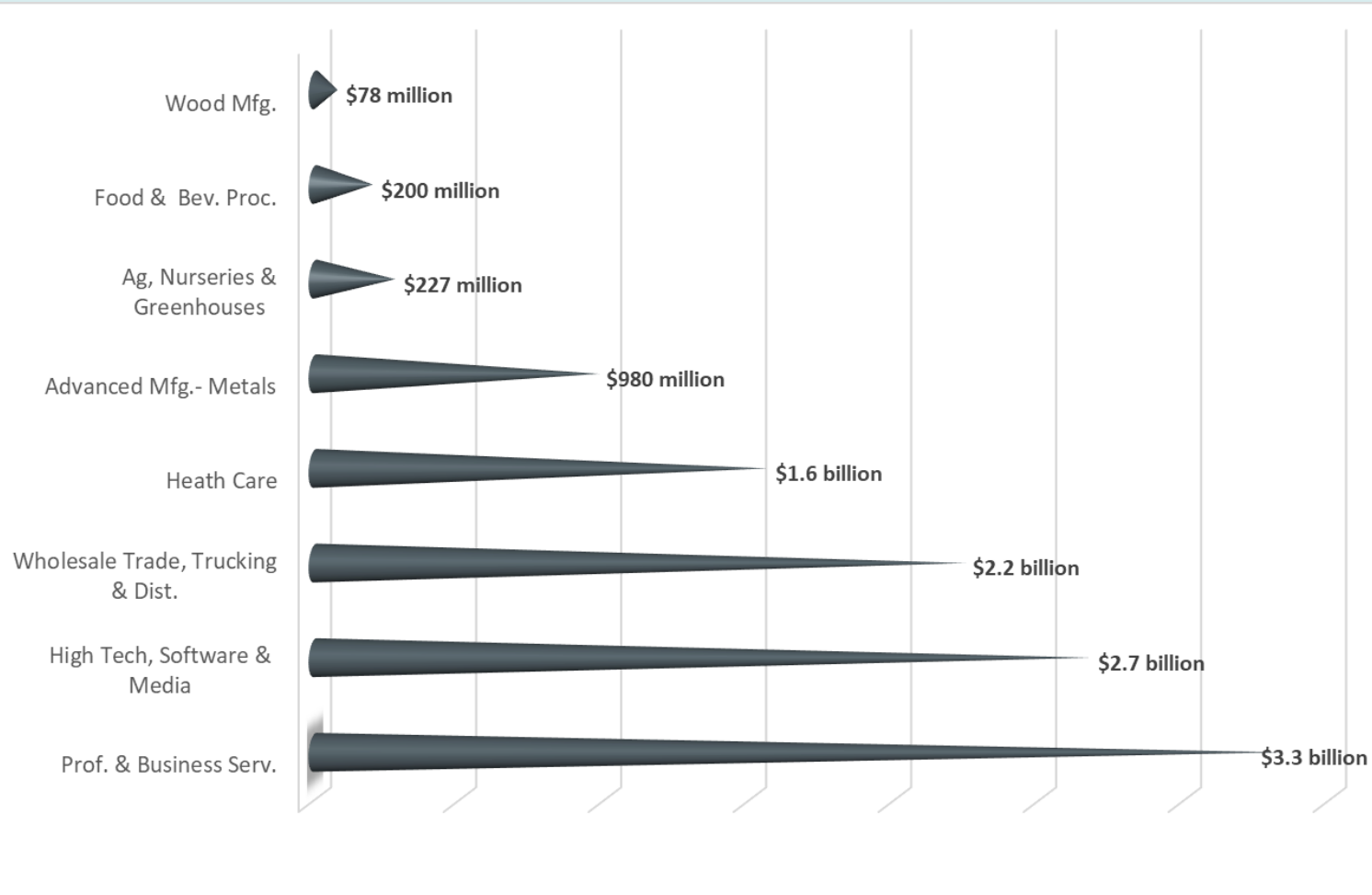


Source: FCS GROUP based on 2017 IMPLAN data, adjusted to 2019 dollar values.

Clackamas County Clusters: Annual Direct GDP

Fastest GDP growth occurring in:

- Advanced Manufacturing: Metals & Machinery
- Health Care
- High Tech, Software & Media
- Wholesale Trade, Trucking & Distribution

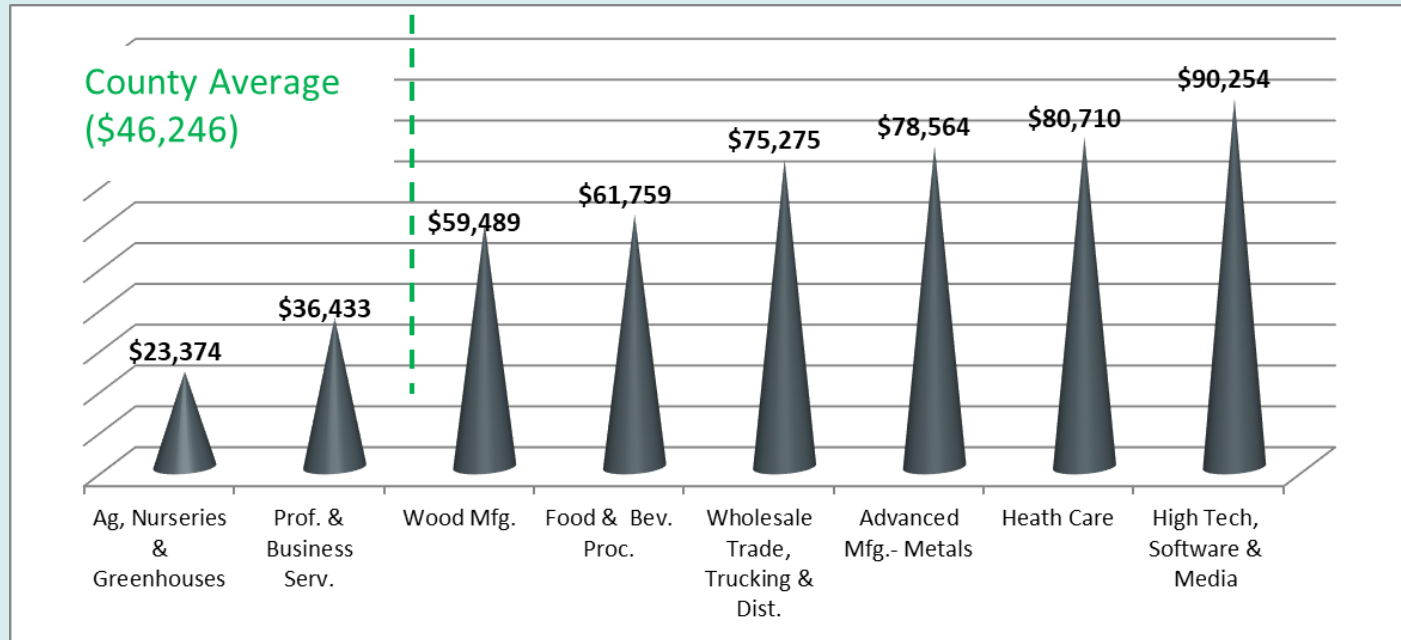


Clackamas County Clusters: Average Compensation Levels

Avg. Emp.
Compensation rose
2% between 2016
and 2017.

Many key clusters
pay above average
compensation

Wage figures are
averages, wages
for specific
occupations may
vary



Wholesale Trade

2017 Impacts

Indirect Impacts Regional

6,776 jobs
\$562 M in GDP

Direct Impacts Clackamas County



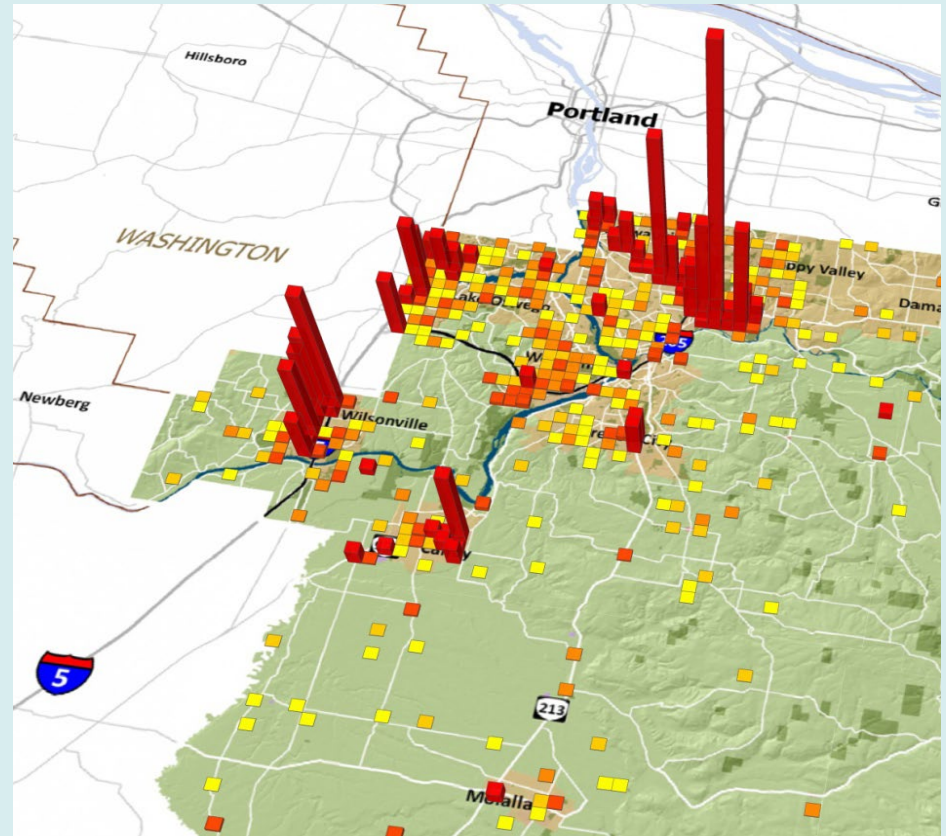
15,998 jobs
\$2.2 B in GDP

Induced Impacts Regional

7,938 jobs
\$635 M in GDP

Wholesale Trade, Trucking & Distribution

- Jump in employment
- Avg. compensation: \$75,275
- Employment: 15,380
- GDP contribution up



Annual Economic Output by Location

High Tech, Software & Media

2017 Impacts

**Indirect
Impacts
Regional**

**6,387 jobs
\$485 M in GDP**

Direct Impacts
Clackamas County



(production cost, direct
employee compensation,
tax & fee payments)

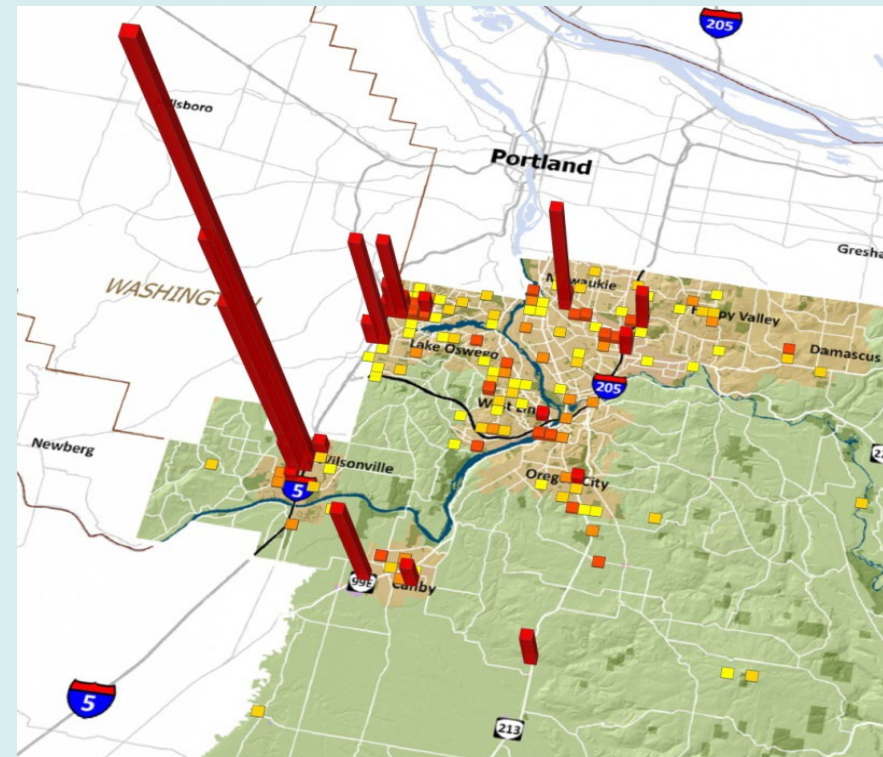
**13,543 jobs
\$2.6 B in GDP**

**Induced
Impacts
Regional**

**7,409 jobs
\$593 M in GDP**

High Tech, Software & Media

- Steady job growth continues for the 3rd year
- GDP holding steady from 2016 levels
- Avg. compensation: \$90,254
- Employment: 13,543
- Significant opportunities for entry-level employment in this sector.



Annual Economic Output by Location

Advanced Mfg. – Metals & Machinery

2017 Impacts

Indirect Impacts Regional

3,508 jobs
\$299 M in GDP

Direct Impacts Clackamas County



(production cost, direct
employee compensation, tax
& fee payments)

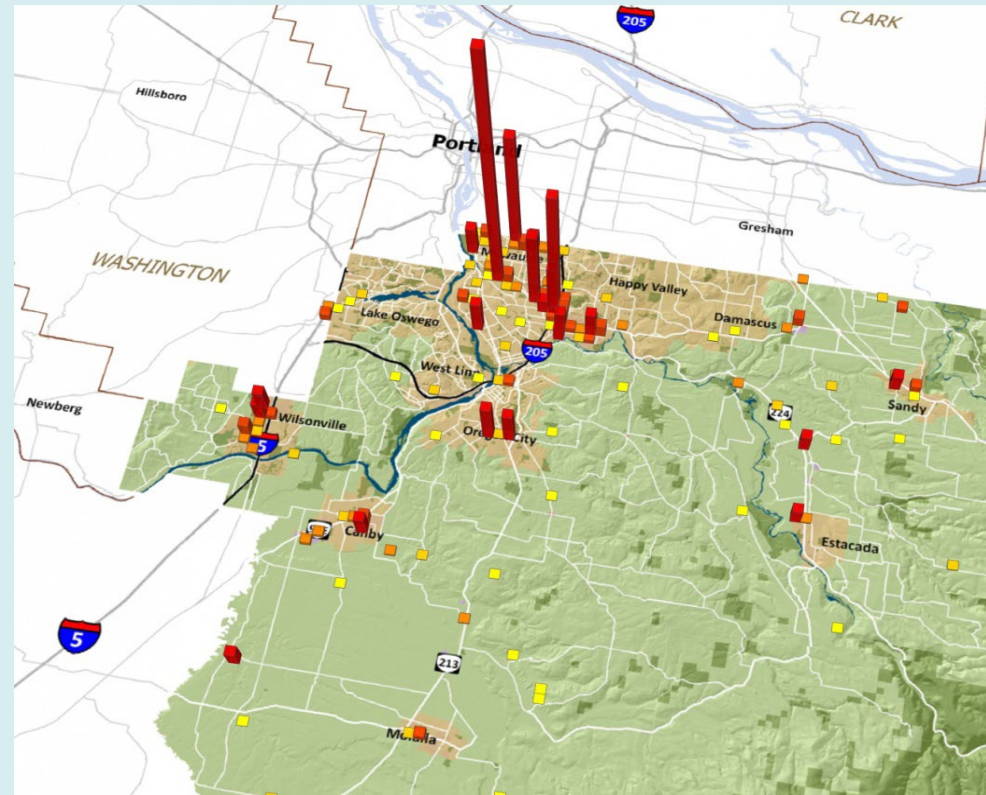
7,602 jobs
\$963 M in GDP

Induced Impacts Regional

3,816 jobs
\$305 M in GDP

Advanced Mfg. – Metals & Machinery*

- GDP Holding steady from 2016
- Jobs increased from 2016 to 2017
- Avg. compensation: \$78,564
- Employment: 7,602
- Growth areas: cutlery, handtools, metal tanks and specialty coatings



Annual Economic Output by Location

** Includes primary metals, fabricated metals, machinery manufacturing.*

Professional Business Services

2017 Impacts

Indirect Impacts Regional

18,140 jobs
\$1.4 B in GDP

Direct Impacts Clackamas County



(production cost, direct
employee compensation, tax
& fee payments)

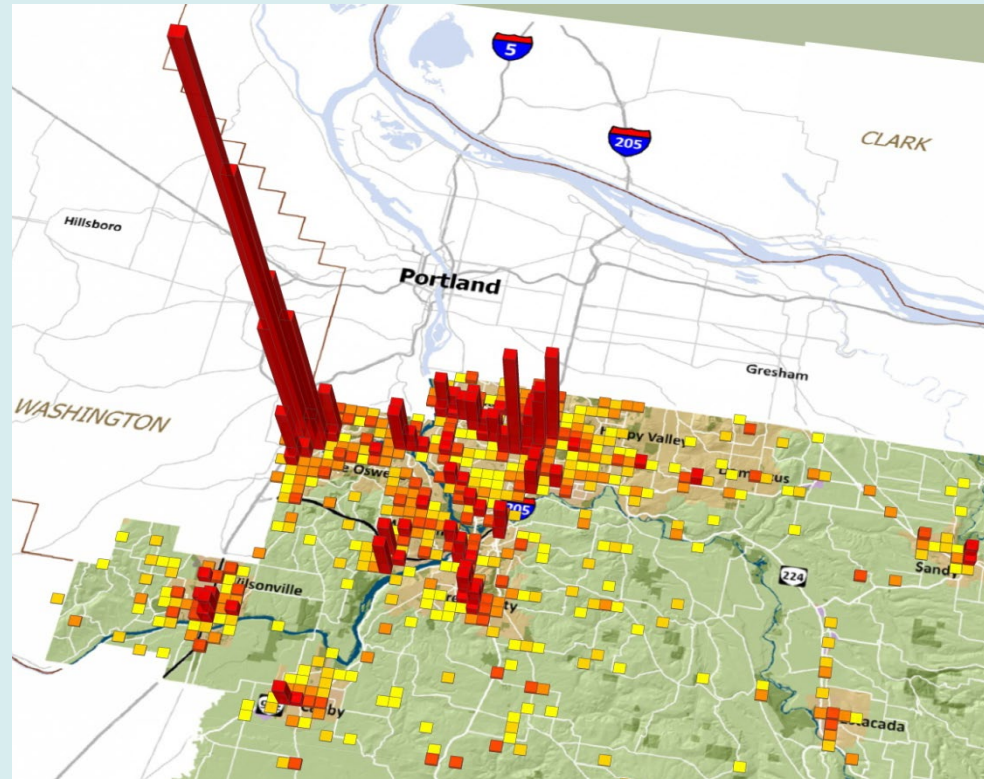
36,001 jobs
\$3.3 B in GDP

Induced Impacts Regional

10,606 jobs
\$149 M in GDP

Professional Business Services*

- Avg. compensation up significantly: \$36,433 (wide range of average compensation rates by sub-cluster and between entry-level workers and management)
- Largest GDP contributor among Key Clusters.
- Employment: 36,000+



Annual Economic Output by Location

** Includes legal, eng., accounting, marketing, insurance, sales, real estate, computer systems; excludes commercial banking*

Food & Beverage Processing

2017 Impacts

**Indirect
Impacts
Regional**

**1,937 jobs
\$161 M in GDP**

**Direct Impacts
Clackamas County**



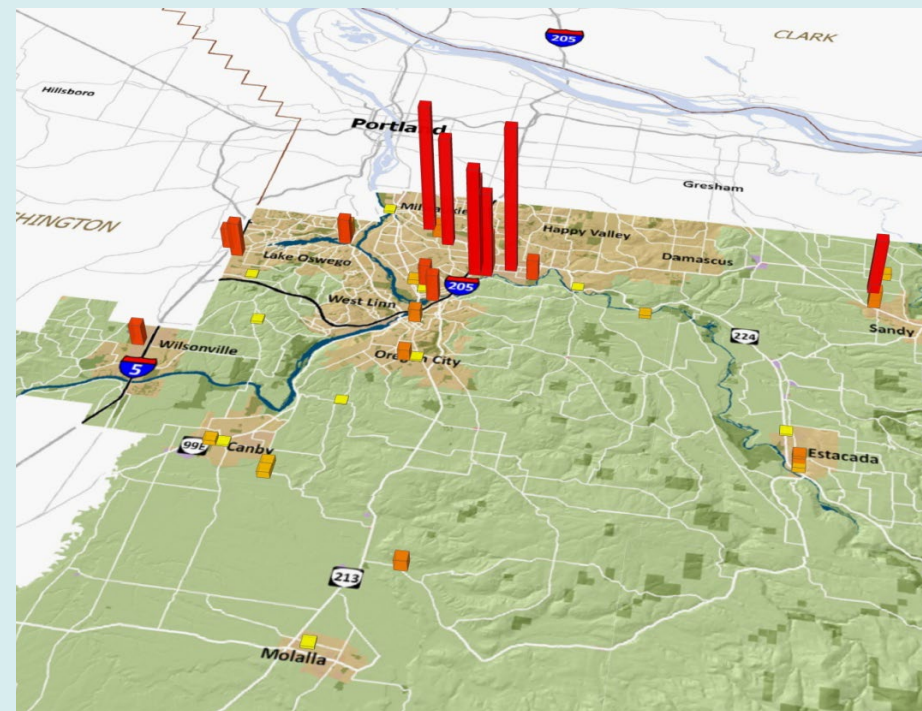
**2,240 jobs
\$197 M in GDP**

**Induced
Impacts
Regional**

**1,138 jobs
\$91 M in GDP**

Food & Beverage Processing*

- Only 783 jobs in year 2000, now up to 2,240 jobs by 2017
- Avg. compensation up to \$61,759
- Employment down slightly year-over-year
- Opportunities: cannabis-related edible products, craft beverage and healthy snack food manufacturing



Annual Economic Output by Location

** Includes food processing and beverage manufacturing businesses.*

Agriculture, Nurseries & Greenhouses

2017 Impacts

**Indirect
Impacts**
Regional

1,001 jobs
\$56 M in GDP

Direct Impacts
Clackamas County



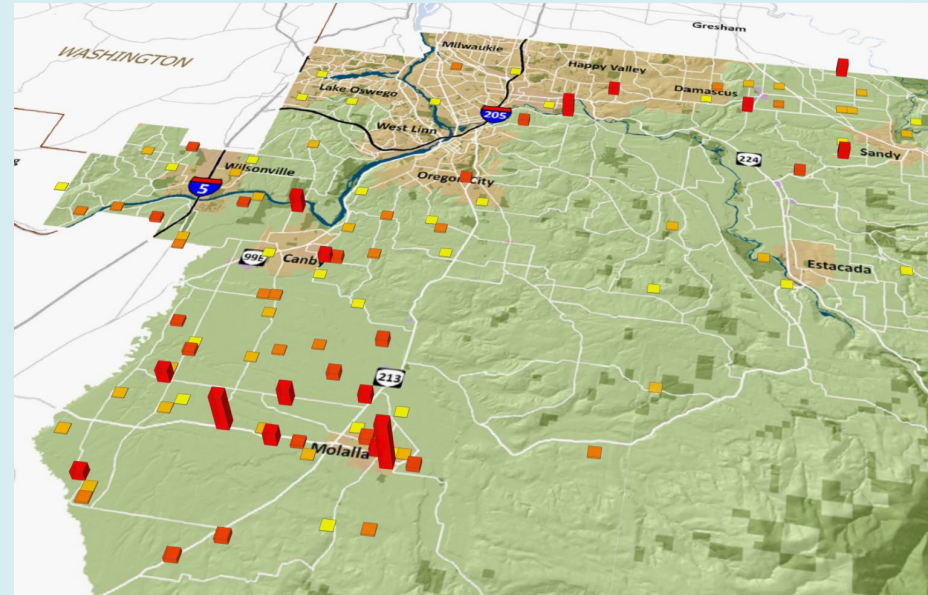
7,106 jobs
\$273 M in GDP

**Induced
Impacts**
Regional

1,270 jobs
\$102 M in GDP

Agriculture, Nurseries & Greenhouses

- Employment up to 7,106 in 2017
- Average Compensation up to \$23,374 in 2017
- Concentrations in rural areas. Important rural and urban interface
- Opportunities include hemp and marijuana plant production and agri-tourism



Annual Economic Output by Location

Wood Product Manufacturing

2017 Impacts

Indirect Impacts Regional

569 jobs
\$52 M in GDP

Direct Impacts

Clackamas County



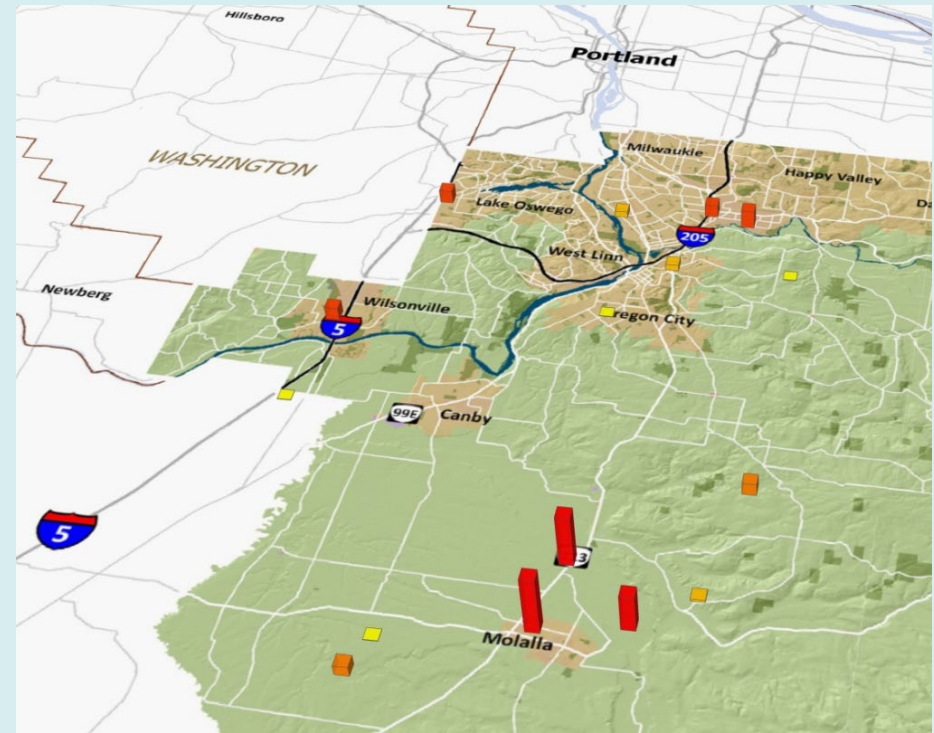
938 jobs
\$77 M in GDP

Induced Impacts Regional

414 jobs
\$33 M in GDP

Wood Product Manufacturing*

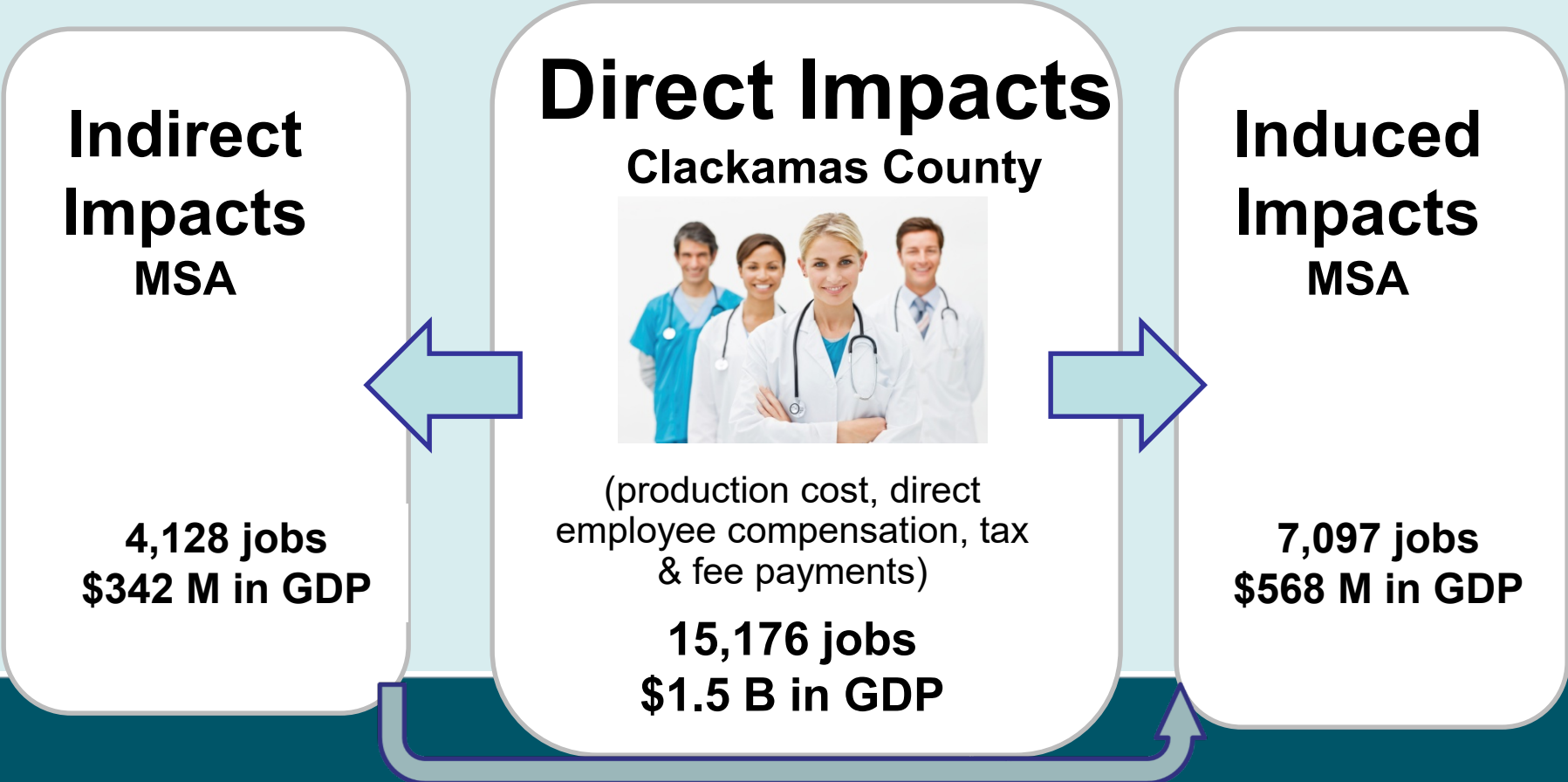
- Cluster still well below peak employment but added nearly 100 jobs between 2016 and 2017
- Avg. compensation up \$3,000 to \$55,859 in 2017
- Employment: 937
- Measurable benefits in rural areas
- Clackamas County is well positioned to take advantage of opportunities in CLT, modular manufacturing.



Annual Economic Output by Location

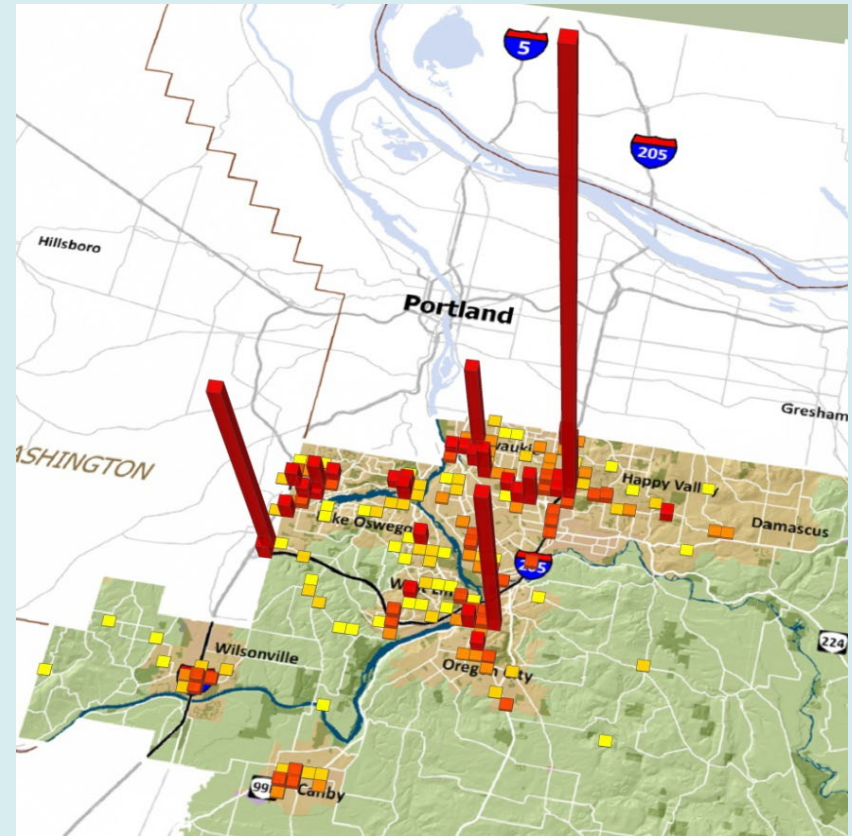
** Includes firms making products, such as trusses, cabinets, wood furniture, etc.*

Health Care, 2017 Impacts



Health Care*

- 2017 was a record setting year for health care jobs in Clackamas County, up 700 jobs from 2016
- Avg. compensation: \$80,710
- Employment: 15,176
- Annual GDP: \$1.5 billion
- Opportunity to intercept trade outflow with specialized medical care (i.e. cancer treatment, Alzheimer's care, etc.)



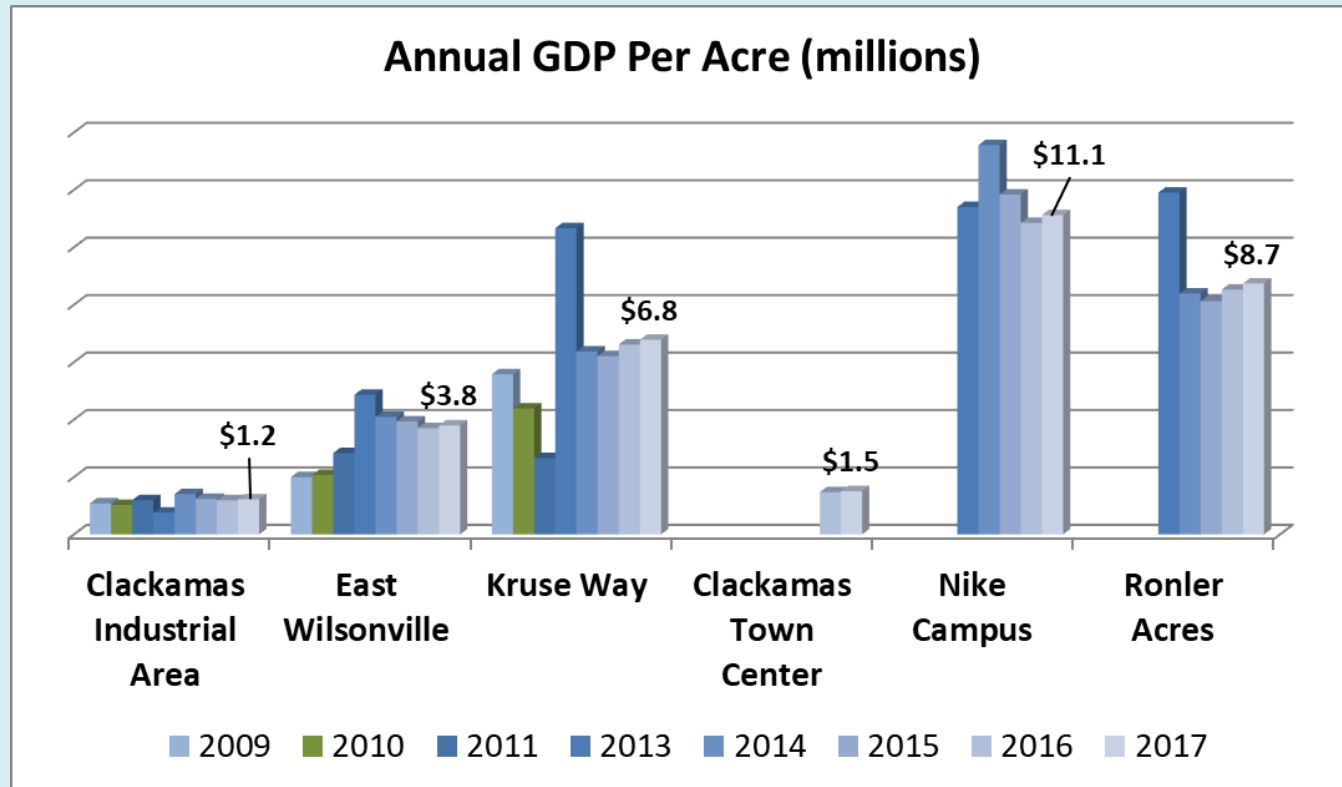
Annual Economic Output by Location

*includes hospitals, offices of physicians, dentists, and home health care professionals

Employment Areas: GDP metrics

(GDP in Millions per Acre)

- GDP per developed acre increased in Kruse Way and Ronler Acres between 2015 and 2017



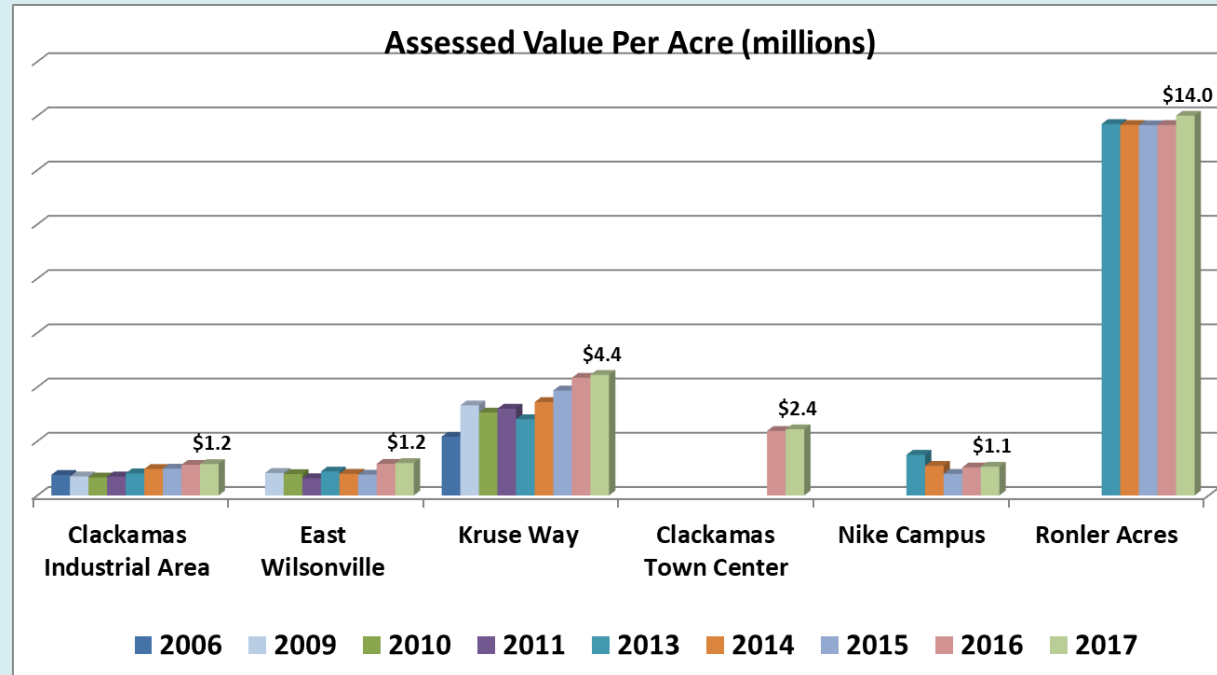
Source: FCS GROUP based on data from the Oregon Employment Department, IMPLAN and Metro's RLIS data.

Note: Line delineates Clackamas County employment areas (left) from regional employment areas (right) which are included for comparison.

Employment Areas: AV metrics

(Assessed Valuation in Millions per Developed Acre)

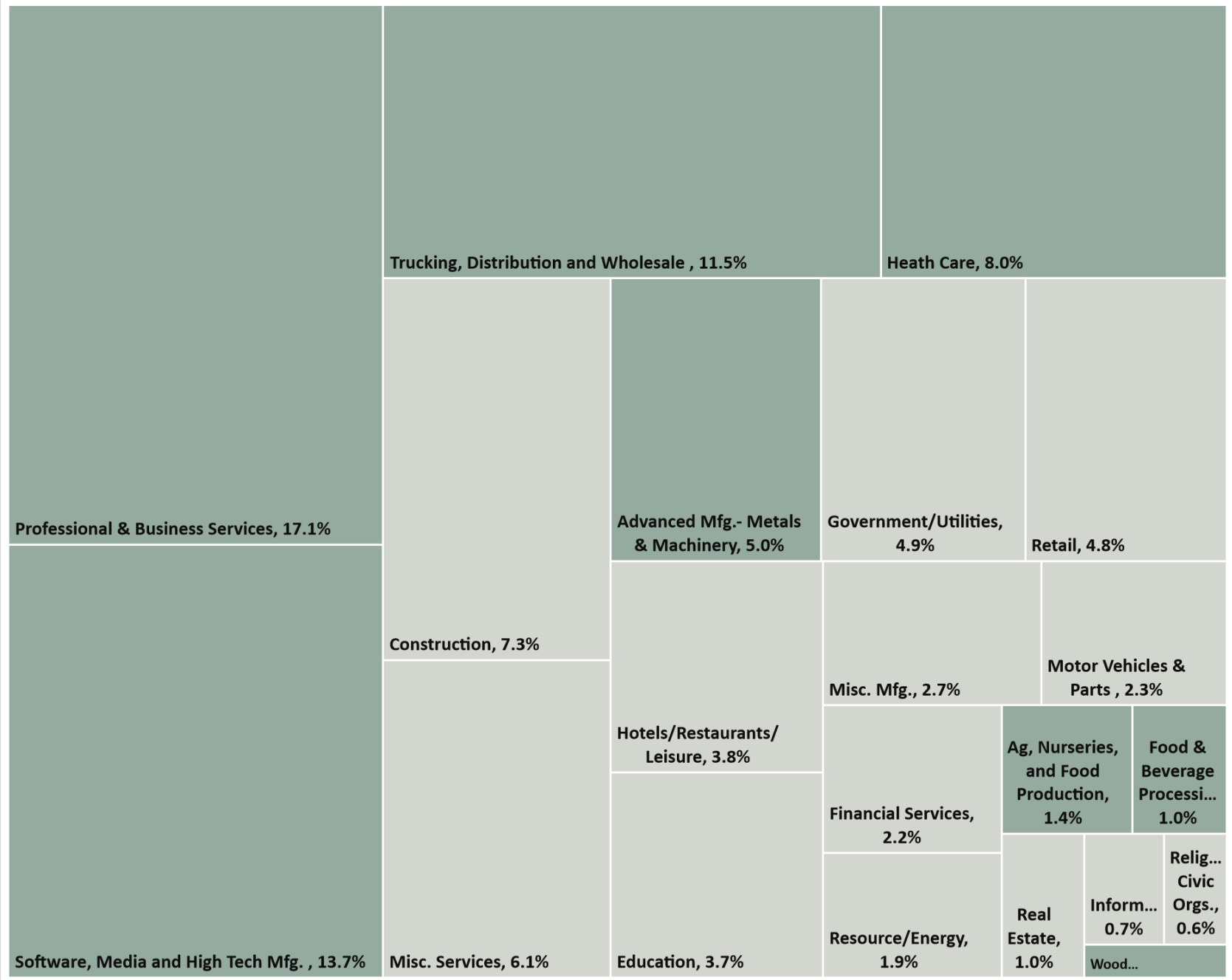
- AV per acre in Clackamas County still highest in Kruse Way
- Ronler Acres recorded highest AV per acre of the study areas
- East Wilsonville area increasing
- Clackamas Town Center continues to grow



Source: FCS GROUP based on data from Clackamas and Washington County Assessors

Note: Line delineates Clackamas County employment areas (left) from regional employment areas (right) which are included for comparison.

Share of GDP by Industry, Clackamas County, 2017



For additional information please contact:

Clackamas County Economic Development
A division of Business & Community Services
503-742-4329