

MEMORANDUM

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DATE: September 9, 2022

TO: SHRV, LLC, c/o  
JORDAN RAMIS

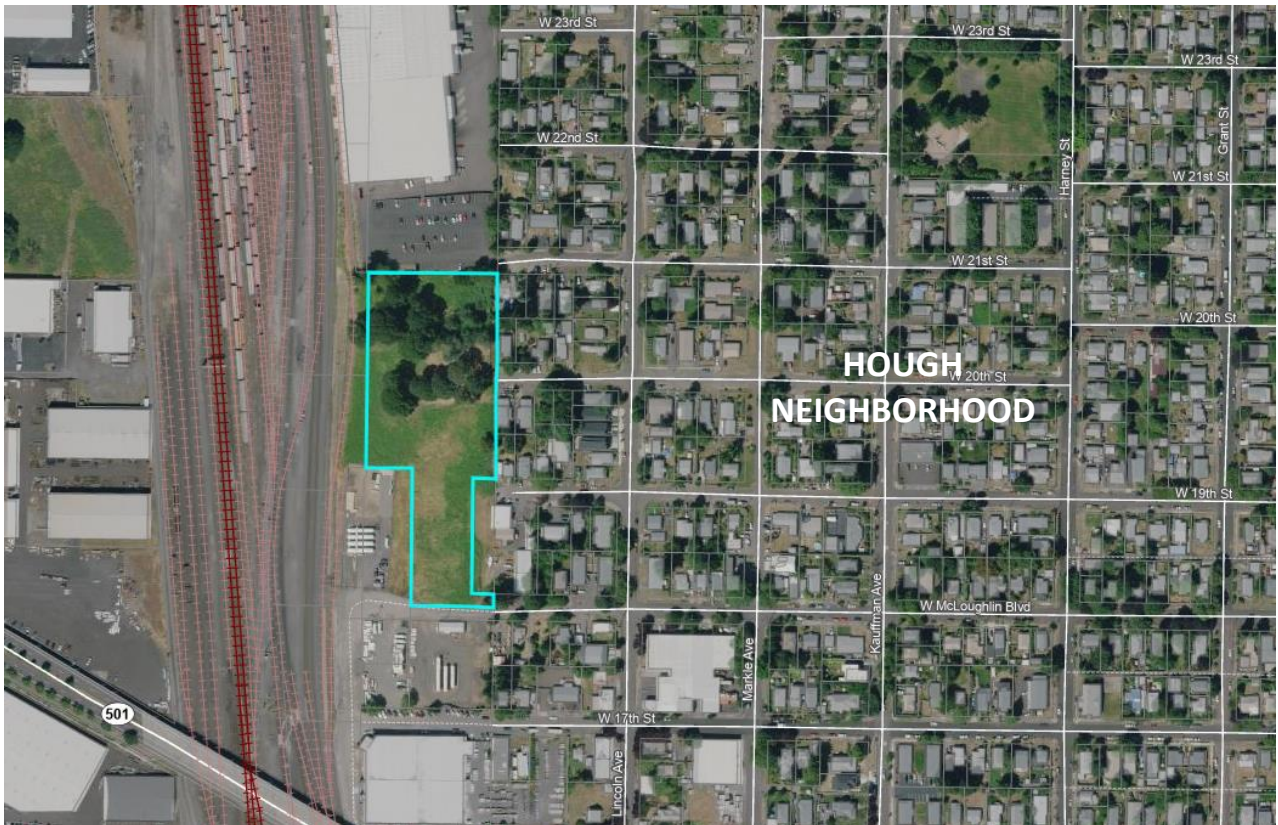
FROM: Jerry Johnson  
JOHNSON ECONOMICS, LLC

SUBJECT: Evaluation of the Suitability of a Property in the City of Vancouver for Prospective Land Uses

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Johnson Economics was asked to assess the development potential on a 3.95-acre site in the City of Vancouver, Washington. The site is currently zoned Heavy Industrial (IH), and the property owner is seeking a change to a mixed-use designation for northern portion of the site (north of 19<sup>th</sup>). The site has a significant slope, with a 21-foot elevation gain from the west to the east at 20<sup>th</sup> street. The site has a significant stand of mature oak trees in the northern portion.

SUBJECT SITE LOCATION



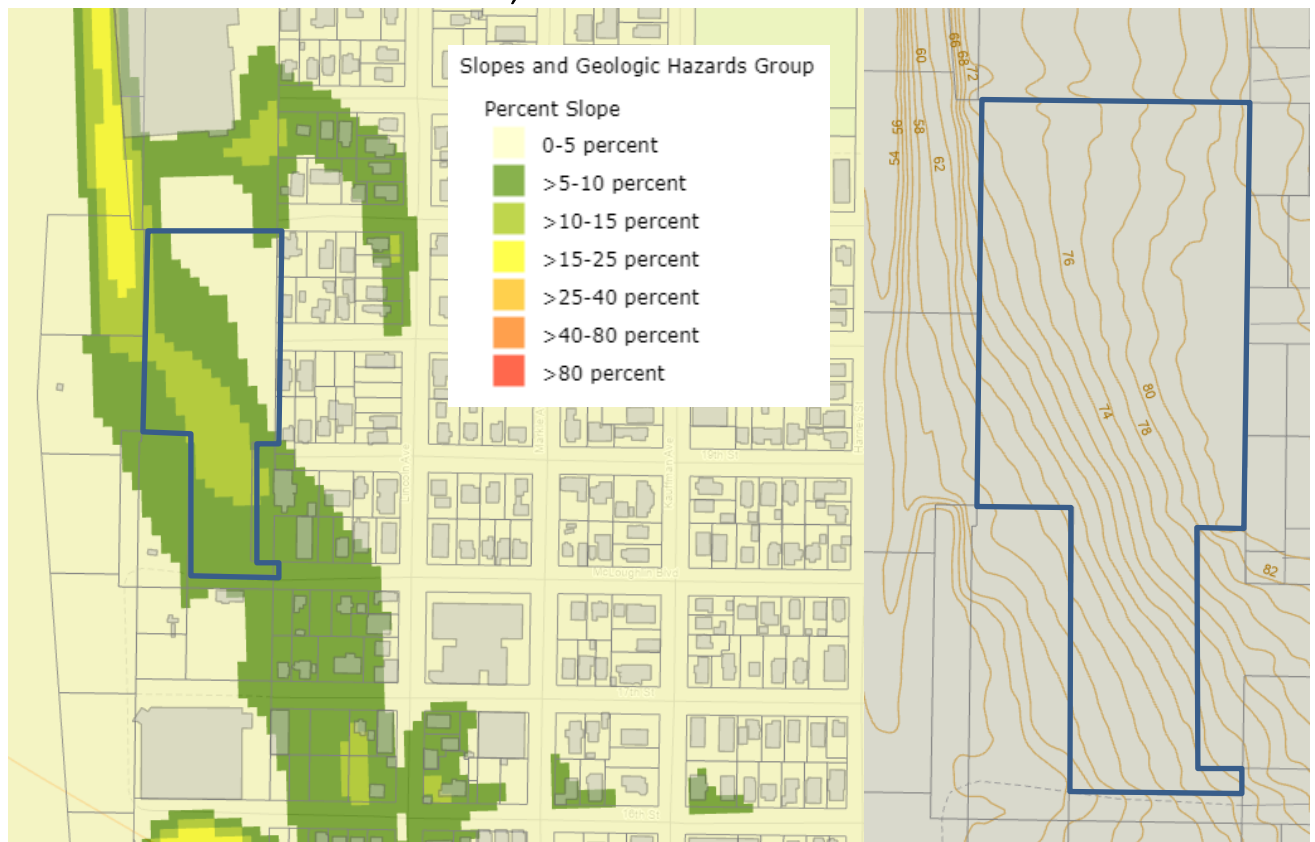
SOURCE: Clark County GIS



The site is bound by the Burlington Northern railyard to the west, industrial uses to the north and south, and an established residential neighborhood to the east. Access to the site would need to be through the residential neighborhood and then either north to Fourth Plain or south to Mill Plain for regional access.

While the site has industrial uses to the north and south, it is poorly suited for industrial development due to significant slope issues and accessibility for trucks. Industrial development has limited options to deal with slope, with most industrial development consisting of large footprint single story structures which require flat development parcels. Mitigating slope issues through extensive grading and sitework is costly and difficult to recover in a land use with limited development yield in terms of space. Other development forms such as office and residential have more flexibility to deal with slope, with smaller footprints and multi-story structures providing options to mitigate the impact. The typical rule of thumb is that slopes over 5% preclude industrial development. As shown in the following maps, the site is significantly impacted by high slopes, with the only flat portion of this site also the location of the stand of heritage trees in the northeast corner. The map also demonstrates that the industrial properties to the north lack steep slopes.

### PERCENT SLOPE, SUBJECT SITE AND SURROUNDING AREA



SOURCE: Clark County GIS

Access to the site will require traffic to flow through the Hough neighborhood until it can access Fourth Plain or Mill Plain. This will effectively prohibit larger trucks because the residential streets are too narrow for these trucks to turn at the intersections. This will discourage prospective industrial owners and tenants. Truck traffic would also conflict with residential neighbors, who are not accustomed to truck traffic. The property owner is proposing to use the northernmost portion of the site for tree preservation. The central portion of the site could be developed as a mixed-use building with a below-grade parking garage. The southern portion of the site would remain in the current zoning and be developed as industrial.



Rezoning the northern portion of the property (133,250 square feet) and developing it as proposed could yield a significant level of development in a format that can deal with the site's slope constraints. The lower elevations at the western edge of the site would be used for structured parking, which would allow for increased intensity of development while also providing views for upper story uses. The economics of structured parking would not be viable for industrial development.

The southern portion of the site south of W. 19<sup>th</sup> would remain zoned industrial. This will remain very difficult to develop due to slope, with a 25 foot grade differential on this parcel. The site may be able to be regraded as part of the broader development, but the likely yield will be limited.

Rezoning the northern portion of the site for mixed-use will allow for effective utilization of the site. Without the rezone the site would be unlikely to develop in the foreseeable future due to its significant slope. It is unsurprising that the site remains undeveloped, and we can envision no viable industrial use solution for the site. While the site could be developed with extensive and costly regrading and retaining walls, it would not be economically viable for industrial uses. The site's constrained access already limits marketability.

