



## TUALATIN CITY PLANNING COMMISSION MEETING

THURSDAY, JUNE 15, 2023

TUALATIN CITY SERVICE CENTER  
10699 SW HERMAN ROAD  
TUALATIN, OR 97062

### **Join Zoom Meeting**

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Meeting ID: 834 0523 2095

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Bill Beers, Chair  
Janelle Thompson, Vice Chair  
Daniel Bachhuber    Zach Wimer  
Randall Hledik    Brittany Valli  
Ursula Kuhn

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### **CALL TO ORDER & ROLL CALL**

### **ANNOUNCEMENTS & PLANNING COMMISSION COMMUNICATION**

### **APPROVAL OF MINUTES**

- [1.](#) Minutes of May 18, 2023
- [2.](#) Minutes of April 20, 2023

### **COMMUNICATION FROM THE PUBLIC (NOT ON THE AGENDA)**

Limited to 3 minutes

### **ACTION ITEMS**

- [1.](#) The Planning Commission is asked to provide a recommendation to the City Council on the city-initiated Basalt Creek Employment (BCE) Zoning Code Project, and corresponding updates to the Tualatin Comprehensive Plan, Municipal Code, and Development Code by Plan Text and Map Amendment (PTA 22-0001/ PMA 22-0001).

### **COMMUNICATION FROM CITY STAFF**

### **FUTURE ACTION ITEMS**

### **ADJOURNMENT**

## Tualatin Planning Commission

### MINUTES OF April 20, 2023 (UNADOPTED)

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**TPC MEMBERS PRESENT:**

William Beers, Chair  
Janelle Thompson, Vice Chair  
Ursula Kuhn, Commissioner

Randall Hledik, Commissioner  
Brittany Valli, Commissioner

**TPC MEMBERS ABSENT:**

Daniel Bachhuber, Commissioner  
Zach Wimer, Commissioner

**STAFF PRESENT:**

Steve Koper  
Erin Engman  
Madeleine Nelson  
Lindsey Hagerman

**GUESTS:**

Beth Goodman- ECONorthwest  
Mimi Doukas-AKS Engineering

Melissa Slotemaker- AKS Engineering  
Austin Cole- AKS Engineering  
Dana Krawczuk- Stoel Rives LLP  
Brendan Buckley- Johnson Economics  
Todd Mobley- Lancaster Mobley  
Spencer Anderson- LSW Architects

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**CALL TO ORDER AND ROLL CALL:**

The meeting was called to order at 6:30 p.m. and roll call was taken.

**APPROVAL OF MINUTES**

The Commission considered approval of October 20, 2022 and November 17, 2022 minutes.

5 AYE

0 NAY

MINUTES WERE APPROVED UNANIMOUSLY.

**COMMUNICATION FROM CITY STAFF****1. Presentation on Tualatin's Equitable Funding Action Plan**

Erin Engman, Senior Planner, introduced Beth Goodman consultant with ECONorthwest. Ms. Goodman started her presentation. She explained the past history of Tualatin's recent housing planning. She explained in 2019 Tualatin adopted the Tualatin Housing Needs Analysis. She also noted the Housing Production Strategy adopted in 2021 and this project coordinate together.

Ms. Goodman explained the Equitable Funding Action Plan provides the next step toward affordable, fair, and equitable housing outcomes. She noted following presentation would

include actions that could be used to support the development of housing affordable to moderate-income households. She then spoke about the project's schedule and timeline with primary tasks.

Ms. Goodman went over existing housing conditions when comes to affordability. She explained that 52% of Tualatin's renters are cost-burdened overall. She further noted that 30% of renters who are cost-burdened are considered severely cost-burdened, meaning they spend more than 50% of their income on housing. Ms. Goodman shared several examples of how much house price and rent could be afforded by different income levels. She noted that the examples do not take into account the recent increases in interest rates and the impact that would have on buying a house. She also noted that affordable housing almost always has state or federal subsidies.

Ms. Goodman shared a graph of Tualatin's current and future households by income from extremely low to high income. She noted there are 5,000 households that are forecasted to need housing that is more affordable in order to not be cost-burdened.

Ms. Goodman explained how the City of Tualatin can directly influence factors that housing development through public policy, land and infrastructure. She noted that although cities do not typically, they can provide a small amount of capital access, through loan programs. Ms. Goodman then presented the financial tools that Tualatin could consider to increase access to affordable housing, including: A local construction excise tax (CET), urban renewal area revenue, nonprofit low income exemption, multiple unit property tax exemption, system development charge exemption, homeownership assistance, and other tools, including establishing an affordable housing trust fund.

Ms. Goodman noted that there were many other strategies from the 2021 Housing Production Strategy that were not considered in this plan. Ms. Goodman presented information about how a local construction excise tax would work, noting that it would adds revenue.

Ms. Goodman then presented information about how Tualatin could potentially use Urban Renewal Area revenue to fund its housing goals. She explained that Urban Renewal funding is generally used to pay for capital projects that support goals identified in the Urban Renewal Plan. She shared examples such as a new water line, new intersection improvements, land purchases all of which could be used to support development of new affordable housing. Ms. Goodman noted that based on the projections for the downtown Urban Renewal area there could be approximately \$2.5 million available to support housing goals.

Chair Beers asked if the \$2.5 million would be over the next five years. Steve Koper, Assistant Director Community Development, answered yes, however it would depend on how quickly tax increment is collected in the urban renewal area which is dependent in part on how quickly new development happens in the area.

Ms. Goodman moved onto a discussion of potential equity benefits and challenges of the

various available tools. She explained that a Construction Excise Tax has equity benefits in that it has the potential to provide flexible revenue that can serve low and moderate-income households. She noted the City can choose to focus on programs that have specific equitable outcomes to meet the City's goals. Ms. Goodman then highlighted some key challenges with a CET being state statute limited as to how the funds can be spent. She also noted that a CET would increase the cost of new market-rate housing units even though it could be used to lower costs for affordable housing. She also noted that Urban Renewal can provide funding for housing for low and moderate-income households, however, the equity challenge would be avoiding concentrating lower-income residents in one area of the city and to a lesser extent the risk of displacing existing residents.

Ms. Goodman moved on to provide information about the nonprofit low income tax exemption. She explained the estimated cost to the city to exempt 100 units over five years would be \$90,000. She noted it's not a huge loss due to it being over a longer period of time.

Chair Beers asked for clarification that tax would be exempted and which taxing entity would stand to forgo the most. Ms. Goodman answered that the estimate was based on a previous example from Tigard, and that the top four taxing districts are Tigard-Tualatin School District, Washington County, City of Tualatin, and Tualatin Valley Fire and Rescue.

Commissioner Kuhn asked if the tax exemption would be only on new units. Ms. Goodman answered that that is true for this tax exemption. She noted the next tax exemption (multiple unit property tax exemption) could also be applied to existing development.

Ms. Goodman then moved on to an overview of the property tax exemption multiple unit property exemption. She explained this is a 10-year exemption and the City can decide on where, geographically, it wants to place the exemption and can also place some other conditions on receipt of the exemption. She explained a private developer or property owner would apply and City Council would decide if they would exempt them or not.

Ms. Goodman moved on to an overview of the system development tax exemption. She explained that Parks and Water system development charges were the only ones examined because they are controlled by the City, in contrast to other system development charges like those for transportation or sewer. Ms. Goodman noted that exempting SDCs means that upfront development fees would be reduced. She noted that while the City could exempt SDCs it would need to provide a source to backfill the forgone revenue. She shared that the estimated cost for exempting 100 units of housing would be \$750,000 over 5 years. Ms. Goodman also shared some insights into the equity benefits and challenges of SDC exemptions.

Ms. Goodman then presented information about how a down payment assistance program might work. She shared that this could cost as much as \$500,000 due to the fact that homeownership and thus assisting with a down payment is expensive. This action could be layered with other actions for maximum benefit such as a land trust or a land bank. The equity benefits of a down payment assistance program are that it could benefit households who have



been historically excluded from homeownership, allowing those households to build intergenerational wealth through home equity. It also could benefit existing low-income homeowners in Tualatin by ensuring longer-term stability. Lastly, it could help provide resources for disabled residents and seniors to make accessibility improvements.

Some of the challenges of this program include a higher cost per household meaning that it serves relatively fewer people. Households must still meet other requirements such as qualifying for a home loan. The cost per household varies by type of assistance, and limited funding creates questions about who receives assistance.

Ms. Goodman moved on to their recommendations for building equity into the process. She noted if the City establishes revenue sources for affordable housing then it could establish an oversight committee. She explained this committee would oversight and ensure the representation of underrepresented groups. She noted another way to build equity into the process could be through a partnership with nonprofits that provide culturally specific types of support.

Commissioner Hledik asked if 30% of households are cost-burdened in Tualatin. He wanted to know if that meant new construction would need to accommodate these needs. Ms. Goodman answered that 38% of households in Tualatin are cost burdened, but that it needs to be addressed not just through new construction. She noted 30% would need housing affordable to their income level and 15% would need subsidized housing, especially new households.

Commissioner Hledik asked what and who was the developer of the Plambeck Gardens development. Mr. Koper answered that it was a non-profit called Community Partners Affordable Housing (CPAH).

#### **ACTION ITEMS**

- 1. The Planning Commission is asked to make a recommendation to the City Council on a request for a Plan Map Amendment (PMA) from Medium-Low Density Residential (RML) and Institutional (IN) to High-Density High Rise (RH-HR) located on a 9.2-acre site at 23370 SW Boones Ferry Road.**

**The Planning Commission is asked to make a recommendation to the City Council on a request for a Plan Text Amendment (PTA) that would remove the locational factors from the High-Density High Rise (RH-HR) purpose statement in Tualatin Development Code Section 44.100 and revise Table 44-3 to limit the structure height to 4 stories or 50 feet in the RH-HR zoning district south of Norwood Road, which would be applicable to the subject site.**

#### **STAFF PRESENTATION**

Madeleine Nelson, Assistant Planner, presented an overview of the project. She explained AKS Engineering & Forestry LLC applied on behalf of Vista Residential Partners and Property Owner, Horizon Community Church propose two land use applications located on a 9.2-acre site at 23370 SW Boones Ferry Road. A Plan Map Amendment (PMA) would change the existing zoning

from Medium Low Density Residential (RML) and Institutional (IN) to High Density High Rise (RH-HR). She explained any future development would require submittal and approval of an Architectural Review application subject to compliance with design and siting standards applicable to the RH-HR District. A Plan Text Amendment (PTA) would remove the locational factors from the High Density High Rise (RH-HR) purpose statement in Tualatin Development Code Section 44.100. She noted this would revise Table 44-3 to limit structure height to 4 stories or 50 feet in the RH-HR zoning district south of Norwood Road, which would be applicable to the subject site. She shared the proposed zoning map for reference.

Ms. Nelson highlighted the fact that the applicant has agreed to conditions of approval to construct offsite improvements including a new signal at the SW Norwood Rd & SW Boones Ferry Rd prior to occupancy of future site development. Other conditions offered by the applicant include a 60-foot buffer along SW Norwood Rd to preserve trees that do not need to be removed for the future access or public roadway improvements. Lastly, Ms. Nelson noted that the applicant has agreed to limit the height allowed at the subject site to the lesser 4 stories or 50 feet as described in the PTA.

Ms. Nelson then presented the applicable criteria found in TDC 33.070. She noted the highlights of this criteria include a requirement that the proposed amendments be in the public interest. She further noted that the amendments must conform to the goals and policies of Tualatin Community Plan. Ms. Nelson further explained that the Council will be required to consciously consider factors such as development trends, health and safety, natural resources. She also noted requirements that the proposed amendments be consistent with Oregon Statewide Planning Goals and Administrative Rules including compliance with the Transportation Planning Rule TPR (OAR 660-012-0060).

Ms. Nelson presented a summary of the applicant's arguments, which include an explanation that public interest is best protected by granting the amendments at this time due to Tualatin having few vacant lands with the ability to provide housing at the needed density established by the 2019 Housing Needs Analysis (HNA). She further noted that the applicant argued that the amendments would facilitate the opportunity for multifamily housing near an employment area (Basalt Creek Planning Area). Ms. Nelson noted that the applicant argued that there is a 27-acre surplus of RML lands and a 4-acre deficit of RH-HR land, and that the proposed amendments would address this deficit. Lastly, she presented that the applicant has argued that the public interest would be served with the installation of a traffic signal at SW Norwood Road and SW Boones Ferry Road.

Turning specifically to the Plan Text Amendment, Ms. Nelson presented that the applicant argued that the public interest is protected by granting the amendment due to the fact that areas of the city currently zoned RH-HR are constrained by public ownership, lack of direct public access and environmental factors such as the existing wetlands and floodplains. The applicant further argued that the current locational language does not allow the RH-HR zoning to be permitted in a location that is considered buildable, and in effect precludes practical application of the RH-HR zone. Ms. Nelson presented that the applicant argued that the

proposed amendment would allow RH-HR to be permitted on other properties with access to facilities, services, and without the constraints of the wetlands, floodplains and lack of public access

Ms. Nelson then presented the applicant arguments that amendment conforms to a number of goals and policies within the Tualatin Community Plan. The applicant argued that Comprehensive Plan goals and policies serve as the adopted expression of the public interest. Ms. Nelson noted that the applicant has provided arguments that the proposed Map Amendment would satisfy several existing Plan policies and goals. Specifically, Ms. Nelson went over the applicant's argument that the proposed amendments meet Goal 3.1 (Housing Supply) by ensuring that a 20-year land supply is designated and has urban services planned to support the housing types and densities identified in the Housing Needs Analysis. The applicant argued that the amendments provide the 4 acres of RH-HR housing identified in the Housing Needs Analysis. Ms. Nelson spoke about how the applicant argued that the same goals and policies would be applicable to the proposed Text Amendment. She shared the applicant argued that the existence of the locational language does not allow the RH-HR zoning to be permitted in a location that is considered buildable.

Mr. Koper shared some framing around code criteria. He noted the code requires conscious consideration of the characteristics of city, land development trends, health and safety, natural resources. He noted that the applicant's analysis concludes that the proposed amendments would have a significant impact on traffic operations at the SW Boones Ferry Road/SW Norwood Road intersection and that the installation of a traffic signal and westbound left turn lane would mitigate for that significant impact.

Ms. Nelson then shared the applicant's arguments in support of the Plan Map Amendment. The applicant argued that the site is located near public transportation bus lines, future goods and services, and employment areas. The applicant noted that the location is not in an area with known environmental constraints, and would not be in need of environmental protection. The applicant further noted it is located near areas that are experiencing housing development. (Autumn Sunrise Subdivision, Plambeck Gardens Apartment) The applicant noted that the area of the site was near adequate public services and planned improvements to include water, sanitary sewer, storm water and transportation. Ms. Nelson highlighted the applicant's argument that even if the amendments were approved, that any future development would need to go through an Architectural Review and would be required to comply with Tualatin Development Code requirements to address safety, health, and aesthetic factors.

Ms. Nelson shared the applicant's arguments in favor of the Plan Text Amendment, which highlight the locational code criteria by itself is not anticipated to have an impact on the elements listed in the code, and that considerations of those factors would be applicable to future decisions on where to apply the RH-HR zone. Ms. Nelson further explained that the applicant's Plan Text Amendment proposal requests revision of the building height for the development to limit it to the lesser of four stories or 50 feet for future projects on the subject site.

Mr. Koper explained that the applicant has argued that the proposed amendments are consistent with Oregon Statewide Planning Goals and Administrative Rules including compliance with the Transportation Planning Rule TPR (OAR 660-012-0060). He presented information on the applicant's analysis which includes a "reasonable worst-case analysis" which must be performed to show "no significant impact" of the change through the year 2040. He noted the applicant has presented information that under both existing and proposed zoning scenarios the intersection of Boones Ferry Road/Norwood Road does not meet this standard without signalization, however, the applicant's analysis concludes the significant effect is mitigated by the construction of a signal at SW Boones Ferry Road/SW Norwood Road and a separate striped westbound left turn lane.

Commissioner Thompson asked for clarification on whether the applicant's analysis takes into account for traffic trips for future development. Mr. Koper answered the applicant's analysis does take current and future development into account

Commissioner Hledik asked about the peak hours and how does the average daily traffic fit in this criteria. Mr. Koper answered the total average daily trip is generally the hardest to meet, and that with the proposed mitigations the requirements are met.

Ms. Nelson shared that staff has received a large volume of comments both in favor and opposed. She noted the comments are in the packet noted as Exhibit R. She explained the action being asked of the Planning Commission is to make a recommendation to the City Council.

#### APPLICANT PRESENTATION

Mimi Doukas, with AKS Engineering, presented on behalf of the applicant Vista Residential Partners and started her presentation with an introduction of her team. She explained they applied for the proposed amendments to allow multifamily development (RH-HR Zone) in other locations in the city. She noted they are both necessary to allow for a multifamily project at this site.

Ms. Doukas explained why the applicant choose the particular area of land. She noted the following: little residential land available, easy access to major collector roadways, bus service, proximity to the future park planned, expansion of the southern part of the City, and accessibility to jobs and close to residential projects.

Melissa Slotemaker, with AKS Engineering, explained why the applicant is proposing the RH-HR zone specifically. She shared that there are numerous State, Metro, and City policies that point to the desire to increase multifamily opportunities. She stated the 2019 Tualatin Housing Needs Analysis (HNA) identified a specific deficit of RH-HR zoning for multifamily housing. She spoke about how Tualatin has identified through its Housing Needs Analysis a need for a minimum of 1,014 units and 45% of the city's housing stock. She spoke about how currently there is no buildable RH-HR zoned land. She noted this application is an opportunity to add to the City's

inventory of buildable residential land.

Ms. Slotemaker explained that many of the City's housing goals that align with their application. She shared the Comprehensive Plan goals and policies along with some of the strategic actions. She noted how this application meets Tualatin's needs identified in its Housing Needs Analysis and Housing Production Strategy. She noted that Tualatin has a need for greater housing affordability and availability to renters, and additionally for more units of housing for people to be able live and work in Tualatin.

Ms. Slotemaker moved on to address what the applicant team had heard from the community as primary areas of concern, including traffic impacts, building height, tree removal, and lack of public parks. On the topic of traffic impacts, she explained that the applicant's traffic engineer did a full transportation impact analysis that included concurrence of the scope with the Tualatin City Engineer and Transportation Engineering staff from Washington County.

Ms. Slotemaker then addressed the topic of building height by explaining the current RH-HR Zone allows up to 6 stories and a maximum building height of 64 feet. She noted down the current Institutional zone has a 50-foot height maximum, and that the proposed amendments would not increase the allowable height for the majority of the site.

Ms. Slotemaker next addressed tree preservation concerns. She noted the applicant's agreement to provide a condition of approval to require a 60-foot buffer from the original SW Norwood Road right-of-way line. She noted if trees have to be removed applicant commits to replanting. She noted the applicant's arborist Todd Prager and Associates includes a report with additional recommendations.

Commissioner Hledik asked if the map shown of trees were accurate. Ms. Slotemaker answered it is fairly accurate as depicted.

Ms. Slotemaker then addressed concerns of lack of public parks. She noted the City recognizes the need for open space and parks in the Basalt Creek Area. She shared that there are pedestrian connections to a planned City park on the west side of SW Boones Ferry Road and that the proposed signal as part of this application would include a safe pedestrian crossing to facilitate neighborhood access to the planned parks.

Ms. Doukas shared the applicant's commitment to meeting the approval criteria as well as the applicant's commitment to meeting state and local policies as well as demonstrating compliance with transportation system requirements. She noted that this would require making a judgement call as to where the needed housing that Tualatin has identified would be located.

Commissioner Hledik asked how many units would be multifamily that are currently passed land use applications. Ms. Slotemaker answered and said roughly 300 units. Mr. Koper noted it's also in the ballpark of roughly 300. Ms. Doukas noted the Housing Needs Analysis is a

helpful reference point, which stated that the City's goal was to have 45% of housing be multifamily.

Commissioner Kuhn shared her view that there is both an ongoing lack of development land in Tualatin and also constraints specific to this land.

Commissioner Thompson asked how the applicant came to the decision to propose a Text Amendment that would remove the locational limitation for the RH-HR zone and not limit it to a specific property. Ms. Doukas spoke about the challenges of zoning in this area for multifamily. She noted that the density allowed under the RH-HR zone is not as intense as it sounds.

Commissioner Thompson asked why the intersection of SW Iowa and SW Boones Ferry is not on the list of intersections studied in the traffic study. Todd Mobley, of Lancaster-Mobley, answered on behalf of the applicant that the analysis was scoped with the City and County to determine the study intersections. Mr. Mobley noted that trips on SW Boones Ferry were accounted for, but minor street approaches such as SW Iowa are not studied as a specific intersection.

Commissioner Thompson asked if that was the same reason why the I-5 interchange in Wilsonville was not included as a study intersection. Mr. Mobley answered that it was similar and that it was far enough away from the site that the traffic from the site would contribute a relatively small percentage of total trips to that interchange and thus it fell below the minimum required by Washington County to study it further.

Commissioner Thompson asked if Tualatin Heights was a part of the traffic study. Ms. Doukas answered it was a part of the traffic study for 20-year analysis for build-out of Tualatin generally but not specifically due to the fact that the project is too far from this site. Mr. Mobley noted that a daily trip analysis was provided but that intersections have less congestion in the morning versus the evening and therefore the PM peak hour is the main focus of the traffic study.

Chair Beers asked where currently Tualatin has RH-HR zoned and if it can be built on currently. Mr. Koper answered and explained currently where it's zoned and properties currently are and that they were determined to be unbuildable as part of the City's Housing Needs Analysis.

Commissioner Thompson asked if it was taken into account that people living in the development might include students that would walk to the Horizon Christian School. Mr. Mobley stated that the traffic study did not make a specific trip reduction to account for nearby walking trips.

Commissioner Valli noted how the roadways are small to handle additional traffic every day. Ms. Doukas noted that many of the surrounding roadway facilities were in Washington County's jurisdiction and they would be involved in determining the specific intersection

improvements and standards for turn lanes. She noted that three lanes will be required from SW Norwood Road to SW Boones Ferry Road and that the applicant will work with Washington County to ensure that the roadway transition along the subject site would be smooth and maximum tree preservation. She noted that the applicant is aware of the community's sensitivity to tree removal, but the ultimate scope of that removal would be up to Washington County's final determination on frontage improvements for the property.

Commissioner Valli asked about access to the site and noted that there is nearby traffic congestion. Mr. Mobley noted traffic studies did take in account for existing and future traffic volumes. He noted Autumn Sunrise has direct access to SW Boones Ferry to the south and that the traffic study takes the additional traffic from that development on Norwood into account. Ms. Doukas that the development would provide a secondary gated emergency access to the south. She noted having two access points onto SW Norwood Road would actually add the potential for vehicle turning conflicts as opposed to a singular access point. Mr. Mobley noted one access helps with tree preservation and emergency access. He concurred with Ms. Doukas and noted that their analysis concluded that a single access is sufficient to serve the site.

Chair Beers asked whether or not the current parking standard for multifamily development is a maximum of one vehicle parking space per unit. Mr. Koper stated it is.

Commissioner Kuhn asked if parking location mattered in code. Mr. Koper answered per parking spaces location is not a requirement.

Commissioner Kuhn asked about the impact of the Plan Text Amendment's removal of locational standards for the RH-HR zone. Mr. Koper noted that Tualatin is a one-map combined comprehensive plan map and zoning map system, and therefore because each zone change would require a comprehensive plan amendment which includes a demonstration that the new zone meets applicable standards for the location, it would not make sense to have locational standards for a zone additionally, and that is likely why no other zone other than RH-HR has these standards.

Chair Beers asked if a property owner would have to go through a plan/text map amendment to add more floors or increase the building height for the RH-HR zone. Mr. Koper answered yes a Plan Text amendment.

#### COMMUNICATION FROM THE PUBLIC

Jackie Mathys shared comments in opposition to the proposed amendments. She noted this proposal would drastically alter the neighborhood, and limit resources and infrastructure. She also shared why she choose to live in Tualatin for twenty years.

Tim Neary shared comments in opposition to the proposed amendments. He noted the proposed height is higher than single-family homes on the other side of SW Norwood Road, and that future residents of an apartment would be able to see into homes. Mr. Neary further commented that he feels that there is a bias in favor of development occurring.

Chad Fribley shared comments in opposition to the proposed amendments. He spoke about current and future level of Tualatin's traffic, infrastructure, tolls, and emergency services. He noted that there is a need to think about if this is good for here right now.

Scott Olson shared comments in favor of the proposed amendments. He shared comments on the growth of the city and families and the importance of development of the land to Horizon Christian Church. He shared how Horizon would like to continue to provide to the growing community. He shared how hard it is to find housing in the area with rising costs.

Stan Russell shared comments in favor of the proposed amendments. He noted that a number of people that attend the Horizon Church and School give back to the community in a variety of ways. He noted the traffic signal being proposed would improve safety currently, and how hard it is to find housing in the area with rising costs.

John Pries shared comments in favor of the proposed amendments. He noted that Tualatin has grown over the years previously. He shared how he has confidence in the City planning process and was a project manager for Horizon Christian Church.

Deborah Mayes shared comments in favor of the proposed amendments. She noted her family history dating back to WWII, including previous ownership of land that was later developed into housing on the north side of SW Norwood Road. She stated that there has been considerable growth and change to Tualatin over the years and yet there was not careful planning and development like there is today. She noted sometimes difficult choices need to be made.

Armando Juanez shared comments in favor of the proposed amendments. He shared he is one of the lead pastors at Spanish speaking church and Horizon Christian Church has shared a love of serving the community. He shared how he feels about the community with hard workers and the hardships of affordable housing that would be helped by this proposal.

Joel Augee shared comments in opposition to the proposed amendments. He expressed his view that the development is not needed and that the traffic light will not solve traffic issues. He noted 940 units have been approved and the City has already met its housing goals.

Jill Hernandez shared comments in opposition to the proposed amendments. She shared her perspective living on SW Iowa that due to the nearby high school and other traffic, she does not believe that a traffic light will solve the issues.

Lorraine Hager shared comments in opposition to the proposed amendments and noted that she was previously a Tualatin City Councilor. She shared that as a City Councilor, she was part of the Basalt Creek planning and development of the concept plan and that this proposal was not part of the concept plan. She further noted that recent surveys of City residents showed that the biggest complaint is traffic.



Chris McReynolds shared comments in opposition to the proposed amendments. He noted that the proposed development is not low-income housing and shared what would actually be affordable. He opined that the City is pro-growth and against tree preservation. He shared his opinion that this proposal would not contribute to building sustainable housing in Tualatin for the long run.

Carly Cais shared comments in opposition to the proposed amendments. She shared that there is no requirement to have development now and that it should keep pace with infrastructure and traffic needs and not the pace set by developers. She expressed a desire to hit the brakes on current development and instead look to the unmet needs of the existing community.

#### PLANNING COMMISSIONER DISCUSSION

Commissioner Thompson shared an example of how much market-rate housing costs and that it is not affordable. She noted that she has friends that are renting in Tualatin for over \$3,000 a month. She pointed out that employees in the Basalt Creek area may not be able to afford living in this area. She also shared her concerns that traffic planning for the Basalt Creek area was done very carefully and closely and could be impacted by this added development.

Chair Beers shared his view that traffic models do not necessarily reflect reality, and from his perspective he won't drive near Tualatin High School around the time of school dismissal. He stated a model cannot capture the experience accurately. He shared a desire for more neighborhood commercial in the area and that it would be difficult to recommend approval of additional housing without services and grocery stores nearby.

Commissioner Thompson noted the need for housing but that the location of the zoning should be done mindfully. She noted about there is commuter rail only in a small portion of Tualatin. She also shared her belief that the core area should be the area with a higher density of housing.

Chair Beers reiterated his comments on the need for amenities and that it was hard to think about added units without services.

Commissioner Kuhn shared her family who goes to and works at the high school has had to deal with the challenging traffic. She noted that Tualatin alone can't do anything about it, but needed to be at the table and work with Washington County, ODOT, and Wilsonville. She also shared comments about the challenges of being able to afford to live and work in Tualatin. She concluded that there is a need for community change to happen.

Chair Beers shared his view that the locational restrictions of the RH-HR zone were written for the specific reason of having a hub-area vision for downtown Tualatin.

Commissioner Kuhn agreed with Chair Beers as to how it was written but noted that development has not proven to be feasible downtown due to the challenges for developers. She expressed her view that larger vacant parcels downtown are limited and that it is difficult

to develop there as well.

Commissioner Thompson expressed her view that it hasn't been that long since the adoption of the Housing Needs Analysis, and that change and progress will take time.

Commissioner Valli reiterated her view about the traffic challenges on SW Boones Ferry Road and whether it could truly accommodate this additional growth. She also shared her view that this is not affordable housing, there is limited public transportation and traffic issues. She noted that despite the developer's intent there would be a traffic increase on Boones Ferry and I-5.

Commissioner Hledik shared his thoughts on the request. He shared a pre-prepared written statement. He noted the proposed multifamily is not regulated affordable housing or designated to be affordable to cost-burdened renters. He shared his view that that the proposal does not meet Goal 3.1 of the Comprehensive Plan because the Housing Analysis only identifies a deficit of four acres and the applicant proposes to provide 9.2 acres. He shared his belief that until we update the Housing Needs Analysis we don't have enough data to support this proposal. He concluded that Chapter 10 of the Comprehensive Plan was not met in that its purpose for the RH-HR zone suggested that it was intended to support housing types with the greatest access amenities and how this proposed location doesn't have in his view the greatest access to amenities.

Commissioner Valli shared her view that 2040 is a ways away and provides time to build out the area in the future. She feels the current infrastructure of the area does not support the growth rate.

Chair Beers made MOTION for a recommendation to City Council to deny PMA23-0001/PTA23-0001 and add in Commissioner Hledik's comments to the City Council packet. Commissioner Thompson SECONDED the motion.

4 AYE (Beers, Thompson, Hledik, and Valli)

1 NAY (Kuhn)

THE MOTION PASSED 4-1.

### **ADJOURNMENT**

A motion to adjourn was made by Chair Beers and seconded by Commissioner Kuhn.

5 AYE

0 NAY

THE MOTION PASSED UNANIMOUSLY. The Planning Commission meeting was adjourned at 10:30 p.m.

## Tualatin Planning Commission

### MINUTES OF May 18, 2023 (UNADOPTED)

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#### TPC MEMBERS PRESENT:

William Beers, Chair  
 Janelle Thompson, Vice Chair  
 Zach Wimer, Commissioner  
 Randall Hledik, Commissioner

#### STAFF PRESENT:

Steve Koper  
 Erin Engman  
 Lindsey Hagerman  
 Nic Westendorf

#### TPC MEMBERS ABSENT:

Brittany Valli, Commissioner  
 Ursula Kuhn, Commissioner

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#### CALL TO ORDER AND ROLL CALL:

The meeting was called to order at 6:30 p.m. and roll call was taken.

#### COMMUNICATION FROM THE PUBLIC

#### ACTION ITEMS

- 1. The Planning Commission is asked to provide a recommendation to the City Council on a city-initiated proposal to adopt the 2023 Water Master Plan and make corresponding updates to the Tualatin Comprehensive Plan by Plan Text and Map Amendment (PTA 23-0002/PMA 23-0002).**

Erin Engman, Senior Planner, presented an overview of the project. Nic Westendorf, Deputy Public Works Director explained the purpose and background of the water master plan. He noted it is a requirement to update the master plan every twenty years and one of the most important services the city provides. He noted since the last update, Tualatin has seen a lot of change including water needs evolved along with development and Basalt Creek. He noted this change involves updating the Water Master Plan, updating capital needs, and funding requirements. He shared a map of Tualatin's water system and noted the growth and infill of development in the last ten years.

Mr. Westendorf highlighted an overview of Tualatin's water system map. He explained Tualatin receives its water from the Portland water system as its sole source. He noted majority comes from near Mt. Hood, Bull Mountain reservoir through Columbia River about 50 miles of pipe. The City has six storage tanks, one aquifer well, and one pump station. He explained the only pumping that occurs is B to C level, which is at the south end of town. The rest is all gravity fed.

Ms. Engman went over the objective of the meeting which was to ask the Planning Commission to provide a recommendation on the Water Master Plan and the associated amendments to

the City Council. She noted the amendments to Chapter 9 of the Comprehensive Plan to recognize three key values identified in the 2023 Water Master Plan, which are to provide safe water, meet future needs, and provide a resilient water system. She noted that the three values are proposed as Comprehensive Plan Goals. She noted Comp Plan policies are also proposed to be updated to support these identified goals. The Comp Plan would also be amended to reflect population projection demand and water supply strategy.

Ms. Engman highlighted the Plan Map Amendment proposed by sharing the visual differences between the existing and proposed maps. Mr. Westendorf noted the City will be adding an additional future reservoir and pump station at the ASR location south end of town. Ms. Engman shared staff has provided analysis and findings as Exhibit B, which concludes that the proposed amendments comply with applicable statewide planning goals, Oregon Administrative Rules, as well as Chapter 33.070 of the Tualatin Development Code.

Ms. Engman shared the staff recommendation that the Tualatin Planning Commission forward approval of the 2023 Water Master Plan and the proposed amendments. (PTA23-0002/PMA23-0002) to the City Council. She noted this would support infrastructure needs to accommodate the Basalt Creek and SW Industrial Areas as well as existing customers.

Commissioner Bachhuber asked about the new contract with the City of Portland. Mr. Westendorf answered current contract ends in 2026. He explained why they went into a thirty-year contract agreement. Commissioner Bachhuber asked if the new contract would give a committed rate or duration or rates variable. Mr. Westendorf answered it is variable and depends on Portland's costs. Commissioner Bachhuber asked what the current rate is. Mr. Westendorf answered it is going to go up due to Portland's capital project to reduce lead levels in the water. Currently, the rate is a little under \$2 per unit. He noted the added filtration costs over million dollars and will dramatically change the cost. He explained the other potential source would be the Willamette River, which was a challenge due to the current City Charter prohibiting it as a source. Even including the cost of Portland's project, using another source would be roughly the same. He noted Tualatin has one of the lowest rates in the region right now even with anticipated increase and the most affordable water.

Commissioner Bachhuber asked about residential and industrial consumption along with affordable housing requirement by the state capacity and whether the City could supply adequate water. Mr. Westendorf answered that the existing demand is a little less than 50% of the system's capacity. Water use growth is estimated to be 1% rate per year, including new development. He noted that the only constraint on water supply would be the limits of the transmission pipe between Portland and Tualatin but even then the supply far exceeds the demand. Commissioner Bachhuber asked how long the City's emergency storage capacity is. Mr. Westendorf answered two days for normal demand.

Commissioner Hledik asked for clarification on Basalt Creek fire flow Figure 7-2 from the packet. He asked if there was a capacity issue for the homes being built in Autumn Sunrise. Mr. Koper answered and explained under Oregon fire code homes larger than 3,500 square feet, exclusive

of garage, adequate water storage or a sprinkler system. Commissioner Hledik asked if that's been built in Tualatin. Mr. Koper answered there have not been any homes built over that size recently. Commissioner Hledik asked about funding for these projects from Figure 8-1 CIP Improvements. Mr. Westendorf noted that SDCs would increase 12% per year for the next eight years in order to fund future capital projects.

Chair Beers asked if this proposed plan is the same water currently and if water from the Columbia well fields was a part of the supply. Mr. Westendorf answered yes same water different purchasing structure and Columbia well fields water is a part of the summer mix of water.

Commissioner Hledik asked for clarification about the mechanism of accounting for water stored in the City aquifer. Mr. Westendorf answered Portland requires the purchase of 4.4 million gallons of water a day and about 5% lost annually in the aquifer. Commissioner Hledik asked about emergency conditions identified in Table 9-2. Mr. Westendorf answered the trucks are regionally available. Commissioner Hledik asked if thought about drilling their own wells like at school. Mr. Westendorf answered wells are very expensive and treatment of the water coming out of the wells would be expensive and a large capital investment. Commissioner Hledik asked if people are worried about Bull Run Watershed, specifically due to the proximity of the Eagle Creek fires. Mr. Westendorf noted that the fires were not close enough for concern.

Chair Beers asked for clarification on the price increase of 12%. Mr. Westendorf answered that would be the total increase each year.

Commissioner Wimer asked what the average water bill. Mr. Westendorf answered that a typical single-family unit uses 8 units, or about 750 gallons, or \$37 per month, which would go up to \$42 a month. This does not include parts of the water bill that go to Clean Water Services, Sewer, Parks, and Roads.

Vice Chair Thompson asked if the City had considered creating a separate system of pipes that could supply water for irrigation separate from drinking water. Mr. Westendorf noted Clean Water Services is looking into the feasibility of using waste water for irrigation, but that it would be costly to expand the system citywide.

Commissioner Hledik asked Mr. Koper what timing of this has on future developments currently for Basalt Creek depend on CIP improvements. Mr. Koper noted it depends on the project and if there's a large water need. He shared there are tradeoffs for system development needs. For example, a developer might construct significant portions of the public system above and beyond their own needs in exchange for SDC credits.

Chair Beers asked if the cost of the current water supply would be similar to a system using the Willamette River as a water source. Mr. Westendorf answered that is correct they are nearly the same cost. He noted how getting water from Portland is also favorable due to the fact that

the infrastructure already exists. He shared the benefits include the fact that the transmission pipes largely go from north to south, making the water system mostly gravity fed and thus power outages largely don't impact the system.

Commissioner Wimer asked about the timeline for the installation of water valves and in an event of earthquake for new developments. Mr. Westendorf answered the installation of these valve was a large project and the timeline was not yet known. In the event of a large earthquake all water valves will be shut down. There would be a large water storage tank installed at the Norwood site along with a permanent backup generator. In the event of an earthquake, the transmission pipes would be damaged and thus water would have to be distributed by trucks with jugs. Commissioner Wimer asked how long the 12% increase would be. Mr. Westendorf answered eight years.

Vice Chair Thompson asked if the City pays for the fire fighters water or do they. Mr. Westendorf answered the fire department pays fees associated with water.

Chair Beers made MOTION for a recommendation to City Council to adopt the Water Master Plan and approve PTA 23-0002/PMA 23-0002. Vice Chair Thompson SECONDED the motion.

5 AYE

0 NAY

THE MOTION PASSED UNANIMOUSLY

#### **CITY STAFF COMMUNICATION**

Mr. Koper spoke about Autumn Sunrise development tree buffer was affected by windstorm. He noted the applicant worked with PGE on removal due to safety and provided City staff with a tree and vegetation replacement plan. Chair Beers asked if the street trees are from the approved list. Mr. Koper answered Parks Department worked with the applicant to verify. Vice Chair Thompson asked if the evergreens chosen were large. Mr. Koper shared that the intention was to plant large evergreens pending availability at the time of installation. Mr. Koper shared an image of fence along the east property line that was installed in advance of home construction in Phase 1.

Vice Chair Thompson asked about Browns Ferry trail fence. Ms. Engman noted she will follow back up with the Commissioners.

#### **ADJOURNMENT**

A motion to adjourn was made by Chair Beers and seconded by Commissioner Thompson.

5 AYE

0 NAY

THE MOTION PASSED UNANIMOUSLY. The Planning Commission meeting was adjourned at 8:00 p.m.



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Tualatin Planning Commissioners

**THROUGH:** Steve Koper, AICP, Assistant Community Development Director

**FROM:** Erin Engman, Senior Planner

**DATE:** June 15, 2023

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### **SUBJECT:**

The Planning Commission is asked to provide a recommendation to the City Council on the city-initiated Basalt Creek Employment (BCE) Zoning Code Project, and corresponding updates to the Tualatin Comprehensive Plan, Municipal Code, and Development Code by Plan Text and Map Amendment (PTA 22-0001/ PMA 22-0001).

### **BACKGROUND:**

In spring 2022, City Council directed staff to work on a legislative amendment that would update and modernize land uses and development standards limited to the Manufacturing Park (MP) zone in the Basalt Creek Planning Area. The council additionally directed staff to support employment and infrastructure goals identified in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021) and in particular:

- Limit warehousing uses and corresponding truck traffic;
- Encourage flexible multi-tenant, multi-use development;
- Permit neighborhood commercial uses; and
- Maintain greenspace or trail connectivity for employees and near-by residents to enjoy.

### **RECAP OF MARCH 16, 2023 PLANNING COMMISSION MEETING:**

At its regular meeting, the Planning Commission was asked to confirm the direction of the text and map amendment based a Council work session discussion held on February 27, 2023. During the work session, Council was cautious to accept the Commission's previous recommendation to adopt the stakeholder supported code scenario.

During this meeting, the Commission provided the following guidance to staff for code improvements:

- Clearly define primary and accessory uses and limitations between manufacturing, warehousing, and wholesale sales
- Include four-season landscaping requirement to fencing screening standards
- Include building design standards for elevations that face public realm / residential areas
- Limit building heights located within 100 feet of a residential zone (measured from ROW centerline) to maximum building height of that residential zone
- Provide building design standards for development over three stories that includes setbacks
- Reclassify Tonquin Loop and 112<sup>th</sup> Avenue as Major Collector/Minor Collector
- Incorporate code standards around odor control

### **PROJECT OVERVIEW:**

Staff is returning to the Planning Commission to seek a recommendation on the draft code project as described below:

Plan Text Amendment (PTA 22-0001) summary:

- Comprehensive Plan
  - Chapter 4: memorialize goals, policies, and strategic actions identified in the 2019 Economic Opportunities Analysis
  - Chapter 10: define Basalt Creek Employment (BCE) district objectives
- Municipal Code
  - Chapter 9-10: add Basalt Creek Employment (BCE) to locational standards for mobile food units
- Development Code
  - Chapter 31: add definition of Mobile Food Unit
  - Chapter 38: establish that industrial sign standards apply in the Basalt Creek Employment (BCE) zone
  - Chapter 39: define advanced manufacturing use; add mobile food unit development as a commercial use category
  - Chapter 65: establish Basalt Creek Employment (BCE) Zoning District uses and development standards
  - Chapter 73A: establish Basalt Creek Employment (BCE) zone design standards
  - Chapter 73B: establish Basalt Creek Employment (BCE) zone landscape standards

Plan Map Amendment (PMA 22-0001) summary:

- Map 8-1: reclassify 112th Avenue and Tonquin Loop a Minor Collector / Major Collector respectively
- Map 8-3: separate local (residential) road network from industrial road network in Basalt Creek
- Map 8-4: amended consistent with Map 8-1
- Map 10-1: rezone Manufacturing Park (MP) land to Basalt Creek Employment (BCE) in Basalt Creek Planning Area

**OUTCOMES OF DECISION:**

A recommendation of adoption of the proposed Plan Amendments (PTA 22-0001/PMA 22-001) would create the Basalt Creek Employment (BCE) District, establish the district's corresponding uses and development standards, and would apply the district to land designated Manufacturing Park within the Basalt Creek area.

The upcoming City Council hearing is tentatively scheduled for late summer.

**ALTERNATIVES TO THE RECOMMENDATION:**

The Planning Commission may alternatively:

- Recommend approval of the proposed amendments (PTA 22-0001/PMA 22-0001) to the City Council with further amendments.
- Recommend denial of the proposed amendments (PTA 22-0001/PMA 22-0001) to the City Council.
- Make a neutral recommendation (neither approval nor denial) on the proposed amendments.

**ATTACHMENTS:**

Attachment A: Presentation

Attachment B: Analysis and Findings

Exhibit 1. Proposed Text Amendment



- Exhibit 2. Proposed Map Amendment
- Exhibit 3. Public Engagement Summary
- Exhibit 4. Public Comments
- Exhibit 5. Transportation Planning Rule (TPR) Analysis
- Exhibit 6. Economic Analysis

# PTA/PMA 22-0001 BASALT CREEK EMPLOYMENT (BCE) ZONE CODE PROJECT

Tualatin Planning Commission • June 15, 2023

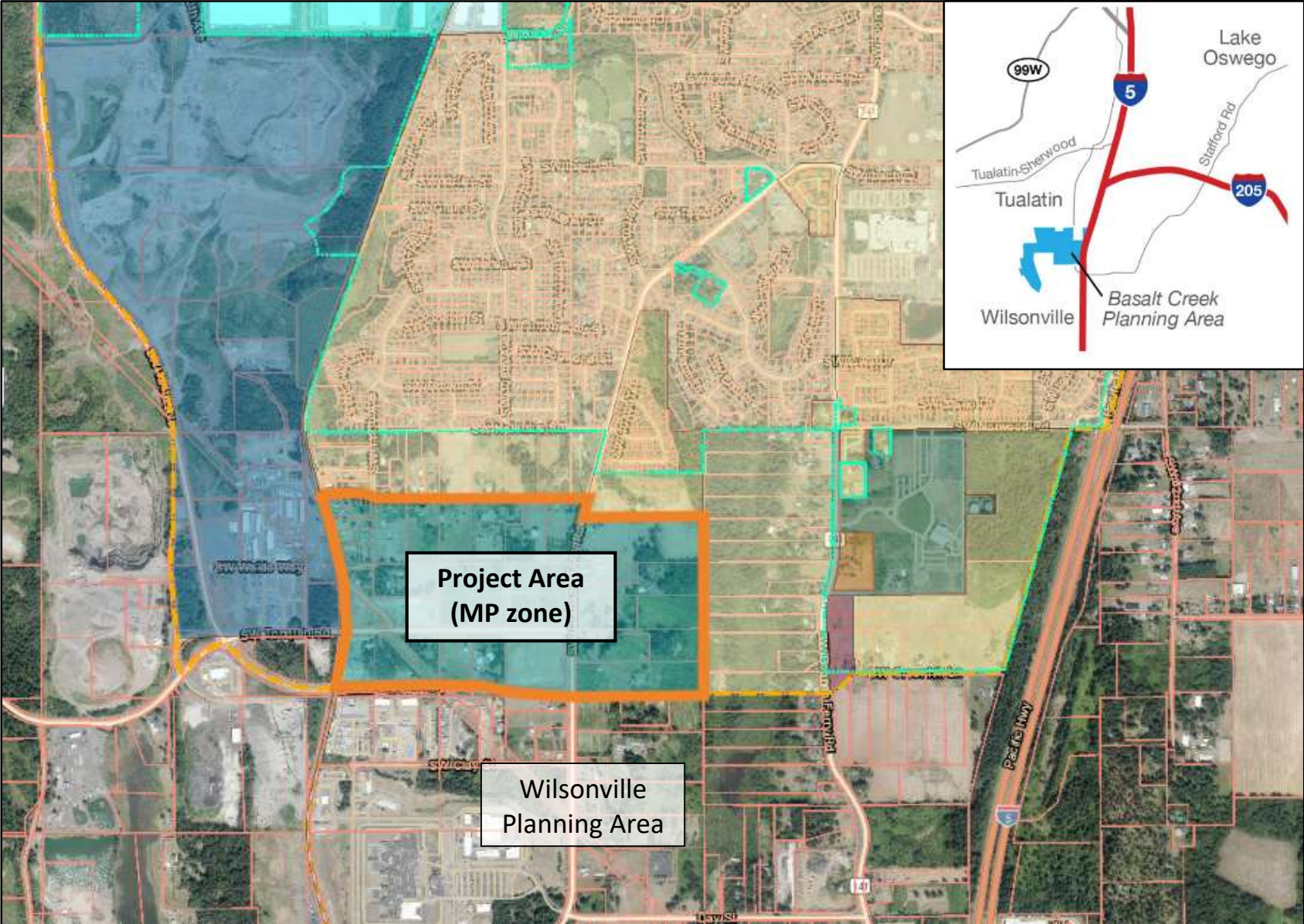


# Discussion Topics

- **Project Objectives**
- **Recap of March 16 Discussion**
- **Code Amendments**
- **Recommendation**



# Project Area



# Project Goals Identified by Council (May 23, 2022)



Limit warehouse uses



Encourage flex space



Incorporate commercial uses



Maintain greenspace

Project  
Update to  
City Council  
(February 27, 2023)

Support Planning Commission Recommendation:

- Maintain goal of high wage job development
- Allow warehousing and wholesale sale uses when:
  - Development includes a minimum of 30% of manufacturing use;
  - Individual building development is limited to 150,000 square feet; and
  - Remaining development can be a mix of other permitted uses.

# Commission Workshop (March 16, 2023)



Define primary and accessory uses and limitations between manufacturing, warehousing, and wholesale sales



Include four-season landscaping requirement to fencing screening standards



Building design standards for elevations that face public realm / residential areas



Research standards around odor control



# Use Classifications

## Define primary/accessory uses and limitations between manufacturing, warehousing, and wholesale sales

### TDC Chapter 39

- Existing code provides use definitions:
  - Limited Uses are uses that are allowed subject to additional regulations beyond those required of the primary use.
  - Accessory Uses are uses that are subordinate and incidental to a primary use on a site, subject to the same regulations as the primary use, unless stated otherwise.





# Use Classifications

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	Permitted uses limited to: <ul style="list-style-type: none"><li>• Casting or fabrication of metals, including electroplating;</li><li>• Manufacture, assembly, processing, or packaging of the following types of products: [...]</li></ul> Other similar advanced manufacturing uses as determined by application of TDC 31.070.
Light Manufacturing	P /C (L)	Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited.  All other uses Permitted outright except: Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials are prohibited.
Warehouse and Freight Movement	P (L)	Permitted uses limited subject to TDC 65.210(5).
Wholesale Sales	P (L)	Permitted uses limited to: <ul style="list-style-type: none"><li>• Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers, subject to TDC 65.210(6).</li></ul>



# Use Classifications

## TDC 65.210. Additional Limitations on Uses.

- (5) **Warehouse and Freight Movement.** Warehouse and freight movement is a permitted use as specified below.
  - (a) **Accessory Uses to a Manufacturing Use.** The use must be conducted wholly in conjunction with a permitted light and/or heavy manufacturing use on the same lot, parcel or site, and facilitate the storage and distribution of goods produced on-site.
    - (i) **Maximum Size.** The use must not exceed more than 50% of the gross floor area of the permitted light and/or heavy manufacturing use. A conditional use permit is required for uses greater than 50% and up to 200% of the gross floor area of the permitted light and/or heavy manufacturing use.
  - (b) **Limited Uses.** A primary warehouse and freight movement use may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.
  
- (6) **Wholesale Sales.** Wholesale sales is a permitted use as specified below.
  - (a) **Limited Uses.** A primary wholesale sales use is limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.



# Screening Standards

## Add four-season landscaping requirements to fencing screening standards

### TDC 65.310. Additional Development Standards.

- (4) *Fences Adjacent to Public Right-of-Way.* Decorative fencing is encouraged. Open fencing (such as wrought iron or chain-link fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscape area that is planted with a hedge of narrow or broad leaf evergreen shrubs and which will form a four-foot high continuous screen within two years of planting.





# Setback Standards

## Review setback standards

- Meridian Park hospital (selected by Commission, as an example) was determined through AR review

<b>MINIMUM SETBACKS</b>	<b>BCE</b>	<b>Tigard</b>	<b>Happy Valley</b>
Minimum Building Setback for Yards Adjacent to Streets or Alleys	30 feet	5 feet	10 feet
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	10 feet	5 feet	10 feet
Minimum Building Setback for Yards Adjacent to Residential District	30 feet	20 feet	20 feet
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	10 feet	None	0 - 10 feet



# Review minimum landscape percentage



Minimum Landscape Standard





# Building Design Standards

## Building design standards for elevations that face public realm/residential areas

### TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.

(3) Building Design Standards. BCE zone development must provide building design as follows:

(a) *Primary Facades*. All facades that abut the public right of way and/ or a residential zone shall be architecturally significant and give the appearance of high quality design. Exterior buildings materials shall have a durability equivalent to that expected of contemporary office, flex and industrial buildings. Appropriate materials include, but are not limited to: masonry (e.g., brick or architectural block); glass; synthetic plaster; pre-cast concrete; or, stone.

(b) *Secondary Facades*. All facades that do not abut the public right of way and/ or a residential zone may include exterior building materials of lesser durability or appearance. Materials considered of lesser durability or appearance include, but are not limited to: metal panels/sheet metal, fiberglass panels, vinyl or aluminum siding, or wood shingles.



# Building Design Standards

## Refine building design standards for multi-story development

### **TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.**

(d) *Upper Floor Appearance.* When buildings have two or more stories, the material used at the ground level shall differ from that used at upper levels in order to create a clear distinction between the ground and upper levels.

(e) *Stepback.* Buildings greater than three (3) stories shall be stepped back, resulting in no more than three (3) stories of façade being on the same vertical plan. Generally, the fourth (4th) and higher stories shall be stepped back; however, the required stepback may occur at the third (3rd) floor if the developer prefers. Required stepbacks shall be a minimum of twelve (12) feet.



# Odor Regulations

## Research building permit standards around odor control

- Not concerned with exterior nuisance odor, rather it regulates potential health, safety and environmental impacts
- Does regulate hazardous material emissions by requiring installation of systems to treat the proposed emission release (i.e. filters, chemical scrubbers, PH adjustment, incinerators, etc.)





# Odor Regulations

- Nuisance odors are enforced by City Code:  
**TMC 6-4-50:** No person /property shall cause a nuisance affecting public health, such as premises which [...] cause an offensive odor [...].  
**TDC 63.054:** All [industrial] uses and development must not emit odors in such quantities as to create a nuisance condition at any point beyond the subject property line of the emitting use.

## **CHAPTER 65 BASALT CREEK EMPLOYMENT ZONE (BCE) PURPOSE**

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses **must not cause objectionable** noise, smoke, **odor**, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property. The emphasis of the zone is ...

## Recommendation

### **Amendments meet approval criteria**

- Statewide Planning Goals
- Oregon Administrative Rules
- Metro Code
- Development Code Chapter 33.070  
Plan Amendments

## Recommendation

Staff recommends the Commission forward a recommendation of approval to the City Council for the proposed amendments establishing the Basalt Creek Employment zone (PTA 22-0001/PMA 22-0001).

Questions?





## ANALYSIS AND FINDINGS BASALT CREEK EMPLOYMENT (BCE) ZONE

June 15, 2023

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Case #:	PTA/PMA 22-0001
Project:	Basalt Creek Industrial Planning Project
Procedure:	Type IV-B, Legislative

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### TABLE OF CONTENTS

<b>I.</b>	<b>INTRODUCTION</b> .....	<b>2</b>
	A. Applicable Criteria.....	2
	B. Project Description .....	2
<b>II.</b>	<b>PLANNING FINDINGS</b> .....	<b>6</b>
	A. Statewide Planning Goals .....	6
	B. Oregon Administrative Rules .....	9
	C. Metro Code .....	11
	D. Tualatin Development Code .....	11



## I. INTRODUCTION

### A. Applicable Criteria

Applicable Statewide Planning Goals; Oregon Administrative Rules Chapter 660, Divisions 9, 12, and 18; Tualatin Comprehensive Plan Chapters 4 and 10 and Tualatin Development Code Chapters 31 and 33.

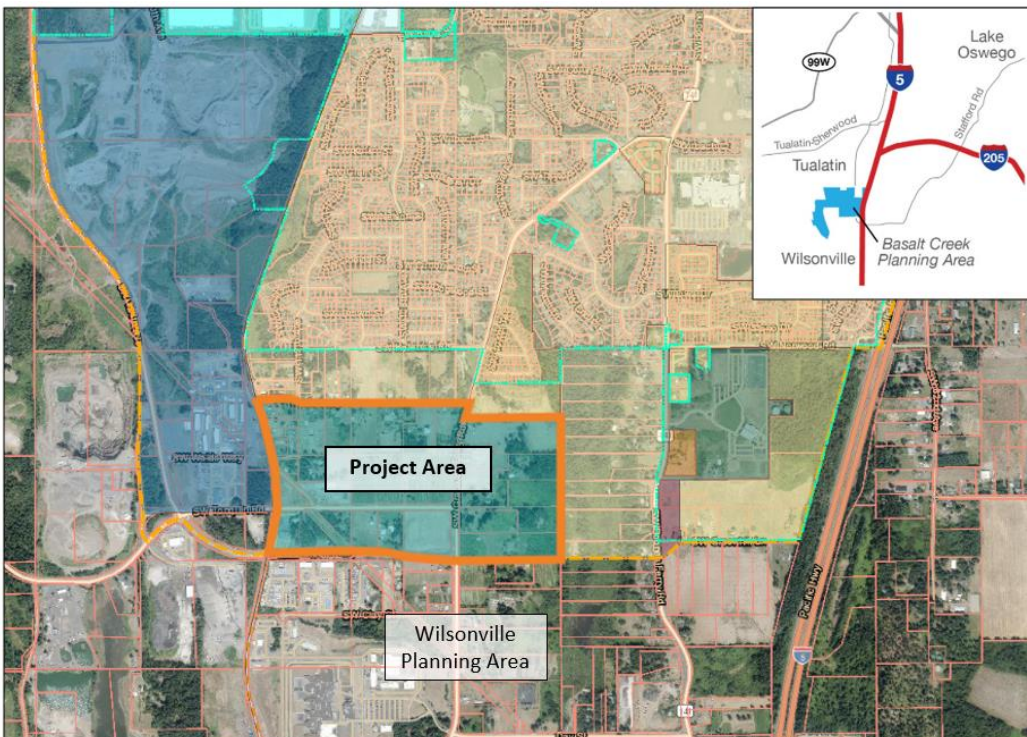
### B. Project Description

In 2022, City Council directed staff to work on a legislative amendment that would update and modernize land uses and development standards limited to the Manufacturing Park (MP) zone in the Basalt Creek Planning Area. The council additionally directed staff to support employment and infrastructure goals identified in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021) and in particular:

- Limit warehousing uses and corresponding truck traffic;
- Encourage flexible multi-tenant, multi-use development;
- Permit neighborhood commercial uses; and
- Maintain greenspace or trail connectivity for employees and near-by residents to enjoy.

Plan Map Amendment (PMA) 22-0001 would be applied to land currently designated as Manufacturing Park (MP) within the Basalt Creek Planning Area.

**Figure 1—Project Area**



Plan Text Amendment (PTA) 22-0001 would add Chapter 65 to the Tualatin Development code in establishment of the Basalt Creek Employment (BCE) Zoning District. Additional amendments are proposed to Tualatin Comprehensive Plan Chapters 4 and 10; Tualatin Municipal Code Chapter Title 9-10; and Tualatin Development Code Chapters 31, 38, 39, 73A, and 73B in support of the new zoning district.

**Table 1—Comparison of Use Categories**

Use	MP Zone (Ch. 62)	BCE Zone (Ch. 65)
Commercial parking	Permitted	Not permitted
Commercial Recreation	Permitted uses limited to a health or fitness facility as a limited use	Same; located on a parcel with a minimum of 200 feet of frontage on Graham’s Ferry Road
Eating and Drinking Establishments	Permitted uses limited to a restaurant or deli as a limited use	Permitted as a limited use without drive-through facilities located on a parcel with a minimum of 200 feet of frontage on Graham’s Ferry Road
Marijuana Facilities	Permitted subject to Ch. 80	Not permitted
Mobile Food Unit Development	Not permitted	Permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham’s Ferry Road
Office	Permitted as a limited use	Same
Medical Office	Not permitted	Permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham’s Ferry Road
Other Educational & Vocational Services	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school as a limited use;</li> <li>• Job training or related services subject to as a limited use.</li> </ul>	Same
Retail Sales & Services	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Sale of goods produced on-site as a limited use;</li> <li>• Child day care center, as a limited use;</li> <li>• Food or convenience store, mailing operations, reproduction or photocopying services, bank, and medical services as limited uses.</li> </ul>	<ul style="list-style-type: none"> <li>• Child day care center, as a limited use.</li> <li>• All other Retail Sales and Services uses without drive-through facilities are permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham’s Ferry Road</li> </ul>
Heavy Manufacturing	Not permitted	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Casting or fabrication of metals;</li> <li>• Manufacture, assembly, processing, or packaging of products;</li> <li>• Other similar advanced manufacturing uses.</li> </ul>
Light Manufacturing	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Manufacture or assembly of electronic or optical instruments, equipment, devices; musical instruments; toys; and sporting goods</li> <li>• Production of textiles or apparel</li> <li>• Printing, publishing, and lithography shops</li> </ul>	<ul style="list-style-type: none"> <li>• Conditional uses limited to trade and industrial school or training center.</li> <li>• Truck driving schools are prohibited.</li> <li>• All other light manufacturing uses permitted except: building, heating, plumbing and electrical contractor's offices, with on-site</li> </ul>

	<ul style="list-style-type: none"> <li>• Research and development laboratories</li> </ul>	storage of equipment or materials.
Warehouse and Freight Movement	Not permitted	Permitted as an accessory use or limited use.
Wholesale Sales	Not permitted	Permitted as a limited use and further limited to: sales of industrial products primarily sold wholesale to other industrial firms or industrial workers
Public Safety Facilities	Allowed as conditional uses, limited to fire station	Same

**Table 2—Comparison of Development Standards**

Standard	MP Zone (Ch. 62)	BCE Zone (Ch. 65)
Minimum Lot Size	5 acres	2 acres; or 10,000 square feet for standalone commercial uses
Minimum Lot Width	250 feet	None
Minimum Building Setback for Yards Adjacent to Streets or Alleys	60 feet	30 feet; or 10 feet for standalone commercial uses
Minimum Building Setback for Yards Adjacent to Residential District	60 feet	30 feet
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	0-50 feet, determined through Architectural Review process	10 feet
Minimum Setback for Parking and Circulation Areas Adjacent to Public Right-of-Way	50 feet	20 feet
Minimum Setback for Parking and Circulation Areas Adjacent to Private Property Line	5-25 feet, determined through Architectural Review process	10 feet
Fences from public right-of-way	50 feet	10 feet
Maximum Height	70 feet, with possibility of increase to 85 feet based on the ratio of setback to building height	45 feet
Maximum Height Adjacent to Residential District	28 feet, with possible increase based on a 45-degree plane from the setback line	Any structure within 100 feet of a residential zone (measured from property line or centerline of public right of way, if separated by a street) must be limited to the maximum



		height of that residential zone.
Landscape Percentage Required	25%	20%
Sound Barriers for Certain Equipment	Not required	Required, similar to standards found in TDC Chapters 60, 61, and 64

**C. Exhibits**

1. Proposed Text Amendment
2. Proposed Map Amendment
3. Public Engagement Summary
4. Public Comments
5. Transportation Planning Rule (TPR) Analysis
6. Basalt Creek MP Zone Update Economic Analysis

## II. FINDINGS

### A. Oregon Statewide Planning Goals

#### Goal 1 – Citizen Involvement

**To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.**

**Finding:**

*The proposed amendments are an update to Tualatin Development Code. In 2022, City Council directed staff to work on a legislative amendment of the Manufacturing Park (MP) code for the Basalt Creek area. These amendments were informed by the goals and policies included in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021). A consultant, HHPR, was also employed to assist staff with a code audit, public outreach, an economic analysis, a transportation planning rule analysis, and preparation of the code amendment. The proposed amendments have been reviewed the Tualatin Planning Commission, which is the City's acknowledged Committee for Citizen Involvement (CCI), in compliance with Goal 1. The Tualatin Planning Commission also served as the community advisory committee during the phase of this project which included conceptual development of the code concepts which ultimately became the proposed amendments. The Planning Commission held multiple public meetings at which the public was able to comment on September 15, 2022, January 19, 2023, March 16, 2023, and June 15, 2023. In July of 2022 staff and the project consultant hosted a public webinar to share findings from the economic report and code audit, as well as get feedback for potential code concepts. Two work sessions were also held at the City Council.*

*Specific to the proposed amendments, The Tualatin Planning Commission held a public meeting on June 15, 2023 at which it recommended approval of the proposed amendments to City Council. The City Council hearing to consider the Planning Commission's recommendation and make a decision on the proposed amendment is tentatively scheduled for late summer and will be open to the public. Further, the City has followed its acknowledged public notice procedures for legislative Comprehensive Plan Amendments, found in TDC 32.250, which include publishing notice of the City Council hearing in the Tualatin Times, notice of the hearing to the Department of Land Conservation and Development at least 35 days prior to the first hearing, notice to affected government entities, and publicly posting notice of the hearing. Further, the City Council meeting schedule is made available on the internet, and notice of both the Planning Commission meeting and City Council hearing were provided to interested parties.*

*The proposed amendments conform to Goal 1.*

#### Goal 2 – Land Use Planning

**To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.**

**Finding:**

*The City of Tualatin's Comprehensive Plan and Development Code provide an acknowledged and established land use planning process and policy framework which service as the basis for all decisions and actions related to land use, and include approval criteria to assure than an adequate factual base is provided for those decisions and actions. The proposed map and text amendments to the Tualatin Comprehensive Plan and Development Code have been processed in accordance with these procedures.*

*The proposed amendments conform to Goal 2.*

**Goal 5 – Open Spaces, Scenic and Historic Area, and Natural Resource**  
**To protect natural resources and conserve scenic and historic areas and open spaces.**

**Finding:**

*There are no text changes that modify the City’s existing open space and natural resources requirements. The proposed PTA does not include any map changes or changes to the regulations for those Goal 5 resources regulated by TDC Chapter 71 (Wetlands Protection District) and TDC Chapter 72 (Natural Resource Protection Overlay District).*

*The proposed amendments conform to Goal 5.*

**Goal 6 – Air, Water and Land Resources Quality**  
**To maintain and improve the quality of the air, water and land resources of the state.**

**Finding:**

*The Oregon Department of Environmental Quality (DEQ) regulates air, water, and land with Clean Water Act (CWA) Section 401 Water Quality, Water Quality Certificate, State 303(d) listed waters, Hazardous Wastes, Clean Air Act (CAA), and Section 402 NPDES Construction and Stormwater Permits. The Oregon Department of State Lands and the U.S. Army Corps of Engineers regulate jurisdictional wetlands and CWA Section 404 water of the state and the country respectively. Clean Water Services (CWS) coordinates storm water management, water quality, and stream enhancement projects throughout the city. Future development will still need to comply with these state, regional, and national regulations and protections for air, water, and land resources. Tualatin has an acknowledged Comprehensive Plan that complies with this goal. The PTA does not include proposed changes to TDC Chapter 63 (Industrial Uses and Utilities and Manufacturing Zones - Environmental Regulations).*

*The proposed amendments conform to Goal 6.*

**Goal 7 – Areas Subject to Natural Disasters and Hazards**  
**To protect people and property from natural hazards.**

**Finding:**

*Tualatin has an acknowledged Comprehensive Plan that complies with this goal. This proposed amendments do not modify the City’s natural hazards requirements, nor does it modify the existing goals and policies. The proposed amendments do not affect policies associated with Goal 7 established by the Comprehensive Plan. Approval of the proposed amendments will not eliminate the requirement for future development to meet the requirements of the Chapters 70 and 72 of the Tualatin Development Code.*

*The proposed amendments conform to Goal 7.*

**Goal 8 – Recreation Needs**  
**To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.**

**Finding:**

*Tualatin’s recreation needs, as well as those of the citizens of the state and visitors thereto, are addressed in*

*the 2019 Tualatin Parks and Recreation Master Plan, the Comprehensive Plan, and also in Ordinance 1427-19. The proposed amendments do not affect policies associated with recreational needs.*

*The proposed amendments conform to Goal 8.*

### **Goal 9 – Economy of the State**

**To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.**

#### **Finding:**

*The proposed amendments provide updates to goals, policies, and strategic actions found in Chapter 4 (Economy, Commercial, and Industrial Development) of the Comprehensive Plan associated with Goal 9. These amendments incorporate the conclusions and recommendations found within the 2019 Tualatin Economic Opportunities Analysis into the Comprehensive Plan and further support the establishment of the Basalt Creek Employment (BCE) zone. The EOA studied the amount of land needed to accommodate future employment growth within Tualatin between 2020 and 2040 while evaluating the existing employment land supply. Ultimately the EOA concluded that Tualatin has a 74 acre deficit of industrial land and a 175 acre deficit of commercial land. These amendments identify policies and strategic actions that the City may implement in support of robust economic development.*

*The proposed amendments conform to Goal 9.*

### **Goal 10 – Housing**

**To provide for the housing needs of citizens of the state.**

#### **Finding:**

*The proposed amendments do not affect policies related to housing.*

*The proposed amendments conform to Goal 10.*

### **Goal 11 – Public Facilities and Services**

**To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.**

#### **Finding:**

*The proposed amendments do not affect policies related to public facilities and services including water, sewer, and emergency services.*

*The proposed amendments conform to Goal 11.*

### **Goal 12 – Transportation**

**To provide and encourage a safe, convenient and economic transportation system.**

#### **Finding:**

*The proposed amendments include changes related to transportation and to the Comprehensive Plan Functional Classification Plan (Map 8-1), Local Street Plan (Map 8-3), and Bicycle and Pedestrian Plan (Map 8-4). Map 8-1 would reclassify Tonquin Loop and 112<sup>th</sup> Avenue from Local Streets to a Major Collector and Minor Collector, respectively. This change will limit driveway access of the adjacent residential areas to the nearest local streets identified on Map 8-3. The pedestrian and bicycle system will also be updated*

*accordingly on Map 8-4. Findings for the Transportation Planning Rule under, OAR 660-012-0060 are included in Section B. of this document, but ultimately the establishment of the proposed zone change will not trigger a significant impact as determined by the TPR Analysis included as Exhibit 5.*

*The proposed amendments conform to Goal 12 and satisfy the applicable OAR requirements.*

**Goal 13 – Energy**  
**To conserve energy.**

**Findings:**

*The proposed amendments do not include any changes that are related to or intended to impact Tualatin’s land use regulations pertaining to energy consumption.*

*The proposed amendments conform to Goal 13.*

**B. Oregon Administrative Rules**

**660-012-0060**

**Plan and Land Use Regulation Amendments**

**(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:**

**(a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);**

**(b) Change standards implementing a functional classification system; or**

**(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.**

**(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;**

**(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or**

**(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.**

**[...]**

**(9) Notwithstanding section (1) of this rule, a local government may find that an amendment to a zoning map does not significantly affect an existing or planned transportation facility if all of the following requirements are met.**

**(a) The proposed zoning is consistent with the existing comprehensive plan map designation and the amendment does not change the comprehensive plan map;**

**(b) The local government has an acknowledged TSP and the proposed zoning is consistent with the TSP; and**

**(c) The area subject to the zoning map amendment was not exempted from this rule at the time of an urban growth boundary amendment as permitted in OAR 660-024-0020(1)(d), or the area was exempted from this rule but the local government has a subsequently acknowledged TSP amendment that accounted for urbanization of the area.**

[...]

**Finding:**

The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses. The definition of a significant effect varies by jurisdiction; however the Tualatin development code does not provide a definition for the term. Though the Oregon Highway Plan (OHP), qualifies a significant effect as a net increase of 400 daily trips.

A Transportation Planning Rule (TPR) analysis included in Exhibit 5, calculated the reasonable worst-case trip generation potential for the Basalt Creek Employment (BCE) zone using ITE rates. The area under consideration is 156.43 acres and is zoned Manufacturing Park (MP) which allows development of modern, large-scale specialized manufacturing land uses and research facilities as well as a limited amount of commercial services. Under the proposed Basalt Creek Employment (BCE) zoning, similar types of land uses are allowed as the Manufacturing Park (MP) zoning. However, this zoning expands industrial park uses as well as retail sales and services uses up to Metro's Title 4 limitations.

After evaluating the reasonable worst-case development potential of both the existing (MP) and proposed (BCE) zoning, the proposed zone change will result in a net decrease of 50 trips per day and 64 PM peak hour trips. Because the zone change results in a net decrease of vehicle trips, the proposed zone change is not expected to have a significant effect on the surrounding transportation system and the Transportation Planning Rule requirements are satisfied. The proposed amendments are consistent with these requirements.

**660-018-0020**

**Notice of a Proposed Change to a Comprehensive Plan or Land Use Regulation**

**(1) Before a local government adopts a change to an acknowledged comprehensive plan or a land use regulation, unless circumstances described in OAR 660-018-0022 (Exemptions to Notice Requirements Under OAR 660-018-0020) apply, the local government shall submit the proposed change to the department, including the information described in section (2) of this rule. The local government must submit the proposed change to the director at the department's Salem office at least 35 days before holding the first evidentiary hearing on adoption of the proposed change.**

**Finding:**

The amendments propose a change to Tualatin's Comprehensive Plan and Land Use regulation will be noticed accordingly as shown. The proposed amendments are consistent with OAR 660-18-0020.

**C. Metro Chapter 3.07, Urban Growth Management Functional Plan**

**The following Chapters and Titles of Metro Code are applicable to the proposed amendments:  
Chapter 3.07, Urban Growth Management Functional Plan**

## **Title 4 – Industrial and Other Employment Areas**

### **3.07.430 Protection of Industrial Areas**

**(a) Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for retail commercial uses—such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:**

- (1) Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and**
- (2) Training facilities whose primary purpose is to provide training to meet industrial needs.**

#### **Finding:**

The proposed amendments comply with Metro’s charge to protect industrial lands. As shown in the Plan Text Amendments, included in Exhibit 1, permitted commercial uses within the Basalt Creek Employment zone will comply with the Metro size limitations of 5,000 square feet for an individual outlet or a total of 20,000 square feet for multiple outlets within a development project. Commercial uses are also limited to a locational standard along SW Grahams Ferry Road. No public use airports are located in Tualatin. Trade schools and training centers to support industrial needs will be subject to a conditional use permit. The proposed amendments are consistent with Title 4.

## **E. Tualatin Development Code**

### **Chapter 32: Procedures**

**TDC 32.010. - Purpose and Applicability.**

**(2) Applicability of Review Procedures.** All land use and development permit applications and decisions, will be made by using the procedures contained in this Chapter. The procedure "type" assigned to each application governs the decision-making process for that permit or application. There are five types of permit/application procedures as described in subsections (a) through (e) below. Table 32-1 lists the City's land use and development applications and corresponding review procedure(s).

**(e) Type IV-B Procedure (Legislative Review).** The Type IV-B procedure is used to review proposals to amend the Tualatin Comprehensive Plan, the City's land use regulations, and large-scale changes to the Comprehensive Plan or Plan Maps, and involve the creation, revision, or implementation of broad public policy. Type IV-B reviews are first considered by the Planning Commission, which makes a recommendation to City Council. City Council makes the final decision on a legislative proposal through the enactment of an ordinance. Appeals of Type IV-B decisions are heard by the Land Use Board of Appeals (LUBA).

**(3) Determination of Review Type.** Unless specified in Table 32-1, the City Manager will determine whether a permit or application is processed as Type I, II, III, IV-A or IV-B based on the descriptions above. Questions regarding the appropriate procedure will be resolved in favor of the review type providing the widest notice and opportunity to participate. An applicant may choose to elevate a Type

I or II application to a higher numbered review type, provided the applicant pays the appropriate fee for the selected review type.

Table 32-1—Applications Types and Review Procedures

Application/Action	Procedure Type	Decision Body*	Appeal Body*	Pre-Application Conference Required	Neighborhood/Developer Mtg Required	Applicable Code Chapter
<b>Plan Amendments</b>						
• Legislative Map or Text Amendments	IV-B	CC	LUBA	No	No	TDC <a href="#">33.070</a>

\* City Council (CC); Planning Commission (PC); Architectural Review Board (ARB); City Manager or designee (CM); Land Use Board of Appeals (LUBA).

**Finding:**

The proposed application is a text and map amendment to the Tualatin Comprehensive Plan, Municipal Code, and Development Code. The proposed amendments are legislative in nature as they apply to broad areas of the City, as opposed to specific properties. The proposed application is being processed in accordance with the Type IV-B procedures. These criteria are met.

**TDC 32.250. - Type IV-B (Legislative Decisions).**

Type IV-B decisions are legislative land use decisions made by the City Council. Legislative land use proceedings include proposals to amend the Tualatin Comprehensive Plan and zoning maps, and involve the creation, revision, or implementation of broad public policy generally impacting more than one property owner or a large number of individual properties. The City Council may initiate its own legislative proposals at any time. Legislative requests are not subject to the 120-day review period under ORS 227.178. In most cases a public hearing is required. However, no public hearing is required in a legislative land use proceeding if the purpose of the amendment is to conform to new requirements in state land use statutes, Statewide Land Use Planning Goals, or administrative rules of the Oregon Land Conservation and Development Commission implementing state land use statutes or Statewide Land Use Planning Goals, if the Oregon Department of Land Conservation and Development confirms in writing that the only effect of the proposed change is to conform the City's Comprehensive Plan or land use regulations to the new state requirements. The Council may, in its discretion, hold a public hearing although one is not required.

(1) *Submittal Requirements—Type IV-B.* Legislative land use proceedings may be initiated by the City Council or City staff.

(2) *Notice of Public Hearing—Type IV-B.* Hearings on Legislative Land Use requests must conform to state land use laws (ORS 227.175), as follows:

(a) *DLCD Pre-Adoption Notice.* The City Manager will notify in writing the Oregon Department of Land Conservation and Development (DLCD) of legislative amendments (zone change, rezoning with



annexation, or comprehensive plan amendment) in accordance with the minimum number of days required by ORS Chapter 197.

[...]

**(c) Other Public Notice.** In addition to any other notice required, at least 14 calendar days before the scheduled City Council public hearing date, the City must mail by regular first class mail Notice of a Public Hearing to the following individuals and agencies.

**(i) Any affected governmental agency;**

**(ii) Any person who requests notice in writing;**

**(iii) For a zone change affecting a manufactured home or mobile home park, all mailing addresses within the park, in accordance with ORS 227.175;**

**(iv) Designated representatives of recognized Citizen Involvement Organizations;**

**(v) For an amendment which affects the transportation system, ODOT and Metro; and**

**(vi) For a plan amendment or land use regulation amendment that significantly impacts school capacity, the Tigard-Tualatin School District.**

**(d) At least 14 calendar days before the scheduled City Council public hearing date, public notice must be provided by publication in a newspaper of general circulation in the city.**

**(e) At least 14 calendar days before the scheduled City Council public hearing date, public notice must be posted in two public and conspicuous places within the City.**

[...]

**Finding:**

As discussed in response to the previous criterion, the proposed amendments are legislative in nature and have been processed consistent with the Type IV-B requirements. The City Council has initiated the proposed amendments, and City staff will follow the appropriate notification procedures including DLCD notice, agency notice, newspaper notice, and posted notice. These criterion are met.

**(4) Conduct of the Hearing—Type IV-B.** A Type IV-B land use hearing will follow the City's legislative hearing procedures. There can be pre-hearing contact between citizens and the decision makers on legislative matters. "Ex parte contact" is not a concern.

**(5) Notice of Adoption and Effective Date of a Type IV-B Decision.**

**(a) Notice of Adoption must be mailed to the applicant, all participants of record, and the Department of Land Conservation and Development within 20 business days after the City Council decision is filed with the City Manager. The City must also provide notice to all persons as required by other applicable laws.**

**(b) A Legislative Land Use decision, if approved, takes effect and becomes final as specified in the enacting ordinance or, if not approved, upon mailing of the Notice of Adoption to the applicant.**

**Finding:**

The City Council public hearing to consider the Planning Commission's recommendation on the proposed amendments is tentatively scheduled for late summer, consistent with the above requirements. If adopted, a notice of adoption will be mailed and effective consistent with the above provisions. These criteria can be met.

**Chapter 33: Applications and Approval Criteria**

**Section 33.070 Plan Amendments**

[...]

**(2) Applicability. [...] Legislative amendments may only be initiated by the City Council.**

**(3) Procedure Type.**

**(b) Map or text amendment applications which are legislative in nature are subject to Type IV-B Review in accordance with TDC Chapter 32.**

**Finding:**

The proposed amendments are legislative in nature, in that they apply broadly across the City. The application has been processed consistent with the Type IV-B Review requirements in accordance with Chapter 32, which include publishing a newspaper notice at least 14 days prior to the City Council hearing, sending notice to the state DLCD. These criteria have been satisfied.

**(5) Approval Criteria.**

**(a) Granting the amendment is in the public interest.**

**Finding:**

In 2022, City Council directed staff to work on a legislative amendment of the Manufacturing Park (MP) code for the Basalt Creek area with the knowledge that uses permitted under the Manufacturing Park (MP) zoning are too restrictive, and as a result, industrial land that is eligible for annexation in the Basalt Creek area may not readily develop. These amendments were also guided by the goals and policies included in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021). The draft code resulted from direction received from the City Council at work sessions held on March 23, 2022 and February 27, 2023, as well as feedback received from the community, industrial stakeholders, and the Planning Commission through a number of engagement opportunities which are summarized in Exhibit 3 and comments are included in Exhibit 4. Therefore, granting the proposed amendments is in the public interest as represented by Tualatin's City Council. This criterion is met.

**(b) The public interest is best protected by granting the amendment at this time.**

**Finding:**

The public interest is best protected by granting the amendment at this time. As discussed at the previous criterion, the amendment is in the public interest. The amendments also serve to satisfy existing Comprehensive Plan goals and policies around allowing commercial development in a manner that minimizes traffic impacts, as well as encouraging new industrial development in ways that strengthen the local tax base and employment. Commercial uses are permitted to serve nearby residents and industrial workers within an area of the city that is currently underserved by commercial uses. Other permitted uses have been selected to encourage the development of high wage and living wage jobs on industrially zoned land. Furthermore, design standards have been incorporated to encourage attractive industrial development that is compatible with the nearby residential areas. This criterion is met.

**(c) The proposed amendment is in conformity with the applicable objectives of the Tualatin Community Plan.**

**Finding:**

The proposed amendments are in conformity with the following applicable objectives of the Tualatin Comprehensive Plan:

- *POLICY 4.1.1 LOCATION. Locate and design areas that allow commercial development in a manner that increases access to goods and services while minimizing traffic impacts, including the location of commercial services where accessible through transit and active transportation modes, the encouragement of mixed use development, and small neighborhood commercial nodes.*
- *GOAL 4.2 Encourage new industrial development in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.*
- *POLICY 4.2.1 Preserve and protect, with limited exceptions, the City's existing industrial land.*
- *POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.*

The proposed amendments include an expansion of Comprehensive Plan, Chapter 4 goals and policies, as well as the addition of a zoning chapter (Chapter 65 Basalt Creek Employment) to the Development Code in support of findings identified in the 2019 Economic Opportunities Analysis (EOA) adopted by Resolution No. 5479-19 and in the 2019 Basalt Creek Concept Plan under Ordinance 1418-19. The proposed development code amendments are specifically designed to provide an environment conducive to the development and protection of employment uses within the Basalt Creek area, with an emphasis on advanced manufacturing, office, and incubator space. Commercial retail services are permitted limited uses. Limitations include a maximum size, not to exceed 5,000 square feet for an individual use, and a locational standard along the Grahams Ferry Road corridor to encourage a small neighborhood commercial node while protecting industrial land development. Therefore, the proposed amendments are in conformity with the Tualatin Comprehensive Plan and this criterion is met.

**(d) The following factors were consciously considered:**

**(i) The various characteristics of the areas in the City;**

**(ii) The suitability of the areas for particular land uses and improvements in the areas;**

**Finding:**

The proposed amendments will affect industrial zoned land specific to the Basalt Creek geographic area of the City. This area is also bordered by residential lands to the north and east, and the City of Wilsonville to the south. As highlighted in an economic assessment submitted as Exhibit 6, the subject area of the City is an industrial area of regional importance and has been subject to many planning efforts to include in Tualatin's Planning area. Industrial development in the Planning Area will benefit from several competitive advantages, including the area's immediate access to I-5, an important transportation route on the west coast. Additionally the industrial land in the Basalt Creek area is relatively undeveloped and has minimal slopes over 25% and minimal wetland impacts. Annexation of this land will be predicated on investor interest, and the expectation is that investors will finance the extension of services.

The proposed amendments aim to encourage job dense uses that are compatible with nearby residential land. These amendments ensure that all uses will be conducted within a completely enclosed building, limit uses that generate truck trips, include design standards for a pleasant public interface, and provide opportunities for a neighborhood commercial node. Therefore, the various characteristics of the areas of the City were consciously considered, as well as the suitability of areas for particular land uses was considered. These criterion are met.

**(iii) Trends in land improvement and development;**

**Finding:**

As described in the Economic Report submitted as Exhibit 6, the U.S. Bureau of Labor Statistics projects that total U.S. employment will grow from 153.5 million to 165.4 million over the 2020–30 decade, an increase of 11.9 million jobs. Portland metro area jobs in core industrial sectors account for about 30 percent of all private jobs in the tri-county region, and there are nearly twice the number of manufacturing jobs compared to transportation, warehousing, and utility jobs. Overall, market trends have demonstrated that need for research and development campuses, which is currently encouraged in the existing MP zone, is waning, while the need for flexible industrial development is strong.

Furthermore, the Basalt Creek Concept Plan, adopted under Ordinance 1418-19 identified roughly 92.95 buildable acres in the Manufacturing Park (MP) with an expectation to accommodate 1,897 new jobs. Additionally, the Economic Opportunities Analysis (EOA) adopted as Resolution 5479-19, identified a Citywide deficit of 74 acres of industrial land and recommended changes to zoning that encourage more efficient use of employment land, by specifically prohibiting new development that requires substantial amounts of land but results in little employment. The proposed amendments aim to accommodate recent market trends and the city's identified goal of job dense development by encouraging flexible industrial development that favors advanced manufacturing. Therefore, the proposed amendments have consciously considered trends in land improvement and development and this criterion is met.

**(iv) Property values;**

**Finding:**

The proposed amendments will have a positive impact on property values. The current market has little demand for large-scale specialized manufacturing and research campuses, as allowed under the current Manufacturing Park (MP) zoning designation. Therefore it seems improbable that the industrial land will develop to reach full financial value in the near term. The proposed amendments expand and modernize allowed land uses that encourage employment dense development, while remaining flexible for changing market opportunities. The amendment also implements goals identified in the Southwest and Basalt Creek Development Area adopted under Ordinance No. 1458-21, including:

- Encourage land development that provides high density employment opportunities. Encourage land development in ways that strengthen the local tax base and support Tualatin's employment lands as a major local and regional employment center.
- Facilitate development and redevelopment on sites in the area, stimulating growth, providing new employment opportunities and an increased tax base in the area.

As an active urban renewal district is in place, the expectation is that public urban renewal investments will attract private development and increase property values. Therefore, the proposed amendments support property values, and this criterion is met

**(v) The needs of economic enterprises and the future development of the area; needed right-of-way and access for and to particular sites in the area;**

**Finding:**

The proposed amendments support the economic enterprises identified in both the Basalt Creek Concept

Plan and the Economic Opportunities Analysis (EOA), specifically by changing zoning to encourage more efficient use of employment land. Additionally, needed right-of-way and access for and to particular sites in the area was consciously considered, although the proposed amendments are legislative in nature and not site specific; therefore this part of the criterion is not applicable.

- (vi) Natural resources of the City and the protection and conservation of said resources;**
- (vii) Prospective requirements for the development of natural resources in the City;**

**Finding:**

The proposed amendments do not impact natural resource protection nor application of requirements to future development, which would fully apply to any new development. Therefore, these factors were consciously considered but this criterion is not applicable.

- (viii) The public need for healthful, safe, esthetic surroundings and conditions;**

**Finding:**

The proposed amendments do not impact regulations governing public need for healthful or safe, surroundings and conditions, as required for industrial uses under Chapter 63. The amendments do require that all uses be conducted within a completely enclosed building, as well as building design and landscape standards to encourage esthetic development. These factors were consciously considered and the criterion has been addressed.

- (e) If the amendment involves residential uses, then the appropriate school district or districts must be able to reasonably accommodate additional residential capacity by means determined by any affected school district.**

**Finding:**

The amendments do not involve residential uses outside of a conditional caretaker residence for security purposes; therefore this criterion is not applicable.

- (f) Granting the amendment is consistent with the applicable State of Oregon Planning Goals and applicable Oregon Administrative Rules, including compliance with the Transportation Planning Rule TPR (OAR 660-012-0060).**

**Finding:**

Discussion of State of Oregon Planning Goals and applicable Oregon Administrative Rules is found in Sections II-A and B of these findings and find consistency. This criterion is met.

- (g) Granting the amendment is consistent with the Metropolitan Service District's Urban Growth Management Functional Plan.**

**Finding:**

The proposed amendments will remain consistent with the Metro Urban Growth Management Functional Plan, specifically Title 4 as discussed in Section II-C of these findings. Therefore, these requirements were consciously considered. This criterion is met.

**(h) Granting the amendment is consistent with Level of Service F for the p.m. peak hour and E for the one-half hour before and after the p.m. peak hour for the Town Center 2040 Design Type (TDC Map 10-4), and E/E for the rest of the 2040 Design Types in the City's planning area.**

**Finding:**

The area of the city that will be affected by these amendments is identified as Industrial Area (IA) on Map 10-4. As described in Section II-B, and in Exhibit 5 the reasonable worst-case trip generation of the proposed amendments is anticipated to result in a net decrease of 64 PM peak hour trips. Therefore, the proposal is a slight improvement of level of service for transportation facilities and the criterion is addressed.

**(i) Granting the amendment is consistent with the objectives and policies regarding potable water, sanitary sewer, and surface water management pursuant to TDC 12.020, water management issues are adequately addressed during development or redevelopment anticipated to follow the granting of a plan amendment.**

[...]

**Finding:**

The proposed changes do not impact objectives and policies regarding the above referenced utilities. These factors were consciously considered but this criterion is not applicable.

## **Purpose**

The purpose of this chapter is to guide employment uses, planning, and development in Tualatin. Tualatin's Buildable Lands Inventory and Economic Opportunities Analysis provide a basis for understanding the current trends and projected demand for new commercial and industrial land.

**GOAL 4.1** ~~Encourage commercial development that provides employment opportunities, as well as access to goods and services for residents, employees, and the general community.~~ Ensure an adequate supply of employment land that is available and serviceable.

**POLICY 4.1.1 LOCATION.** Locate and design areas that allow commercial development in a manner that increases access to goods and services while minimizing traffic impacts, including the location of commercial services where accessible through transit and active transportation modes, the encouragement of mixed use development, and small neighborhood commercial nodes.

**POLICY 4.1.2 CRITICAL SERVICES.** Provide for the continued development of major medical services and other critical infrastructure within the City of Tualatin.

**POLICY 4.1.3 DESIGN.** Encourage functional and attractive commercial development through standards for site design and landscaping.

**POLICY 4.1.4 MIXED USE.** Encourage mixed use commercial and residential development.

**POLICY 4.1.5** Plan for infrastructure development to support commercial and industrial development.

**POLICY 4.1.6** Coordinate the City's Transportation System Plan with planning for employment and business growth.

### **Strategic Actions**

- Evaluate potential opportunities to make more efficient use of commercial and industrial land.
- Evaluate the establishment of a program to assist landowners to get their sites certified through the Business Oregon Certified Shovel Ready program.
- Evaluate development of a civic center with a range of supportive and complementary uses.

**GOAL 4.2:** ~~Encourage new industrial development~~ Support business retention, growth, and attraction in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.

**POLICY 4.2.1** Preserve and protect, with limited exceptions, the City's existing industrial land.

**POLICY 4.2.2** Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.

**POLICY 4.2.3** Cooperate with Washington County, Metro, and the State of Oregon to study the methods available for providing transportation, water, and sewer services to growing industrial areas.

**POLICY 4.2.4** Support growth of existing businesses, including growth and retention of entrepreneurial businesses, in Tualatin.

**Strategic Actions**

- Evaluate revision to the Economic Development Strategy to develop a clear vision for economic development, and create an action plan to implement the vision.
- Evaluate opportunities to revise City code and policy to attract or grow businesses with pay at or above Tualatin's average wage.
- Evaluate use of incentives to retain, grow, and attract businesses.
- Evaluate opportunities to support workforce development.

**GOAL 4.3** Manage industrial impacts to the environment and other uses.

**POLICY 4.3.1** Cooperate with the Department of Environmental Quality and Metro to meet applicable air quality standards.

**POLICY 4.3.2** Protect residential, commercial, and sensitive industrial uses from the adverse environmental impacts of industrial use.

**POLICY 4.3.3** Protect adjacent land uses from noise and adverse environmental impacts by adopting industrial noise and environmental impact standards.

**POLICY 4.3.4** Protect environmentally sensitive areas, including the Hedges Creek Wetland and Tonquin Scablands from adverse impacts of adjacent development.

**POLICY 4.3.5** Encourage industrial firms to use co-generation as a means to utilize waste heat from industrial processes and consider solar access when designing industrial facilities.

**POLICY 4.3.6** Protect wooded and other natural areas by requiring their preservation in a natural state or by integrating the major trees into the design of the parking lots, buildings, Goals & Policies or more formal landscaping areas of an industrial development. If it is necessary to remove a portion or all of the trees, require mitigation.

**POLICY 4.3.7** Administer specific and enforceable architectural and landscape design standards for industrial development.

**POLICY 4.3.8** Provide truck routes for industrial traffic that provide for efficient movement of goods while protecting the quality of residential areas.



**GOAL 4.4:** Identify redevelopment opportunities.

**POLICY 4.4.1** Support and encourage redevelopment of mixed-use development.

**Strategic Actions**

- Evaluate zoning districts within Tualatin for redevelopment for housing and employment uses.
- Evaluate revisions to the Tualatin Town Center Plan to focus on opportunities to support redevelopment.
- Evaluate revisions to the Tualatin Development Code to encourage redevelopment and intensification of uses in commercial and industrial areas.

DRAFT

## Planning District Objectives

This section describes the purpose of each planning district.

### **INDUSTRIAL PLANNING DISTRICTS:**

[...]

#### *Basalt Creek Employment District (BCE)*

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property. The emphasis of the zone is on providing a variety of advanced manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

## **CHAPTER 9-10 - MOBILE FOOD UNIT REGULATIONS**

### **TMC 9-10-010 - Purpose and Applicability.**

- (1) The purpose of this Chapter is to permit mobile food units to operate on private property within the City and establish regulations to protect the health, safety, and welfare of the public.
- (2) The requirements of this Chapter do not apply to a mobile food unit that operates:
  - (a) As a vendor under an approved City event permit;
  - (b) Under a street closure permit granted by the City;
  - (c) On private property authorized by a Special Event Permit issued under TMC 5-5;
  - (d) On private property authorized by a Special Assembly permit issued under TMC 6-2;
  - (e) Under the authority of any other permit issued by the City where the City indicates approval of a mobile food unit;
  - (f) At private catering events where the sale or distribution of food is not open to the public; or
  - (g) A mobile food unit development.

[...]

### **TMC 9-10-050 - Location Standards.**

- (1) Mobile food units are allowed to operate in the following planning districts:
  - (a) CO—Commercial Office—except a mobile food unit cannot operate in the CO planning district if the location of the mobile food unit is within 200 feet of the Central Commercial (CC) planning district;
  - (b) CR—Recreational Commercial;
  - (c) CG—General Commercial—that portion of the General Commercial Zone that abuts Highway 99W (Pacific Highway);
  - (d) MC—Medical Center;
  - (e) ML—Light Manufacturing;
  - (f) MG—General Manufacturing;
  - (g) MP—Manufacturing Park;
  - (h) MBP—Manufacturing Business Park;
  - (i) IN—Institutional; and
  - (j) BCE—Basalt Creek Employment.

**TDC 31.060. - Definitions.**

[...]

Mobile Food Unit. A vehicle that is self-propelled or that can be pulled or pushed down a sidewalk, street, highway, or water on which food is prepared, processed, or converted, or which is used in selling and dispensing food to the public. Mobile Food Units include, but are not limited to, food trucks, and food carts.

**TDC 38.240. - Signs Permitted in the Light Manufacturing (ML), General Manufacturing (MG), ~~and~~ Manufacturing Park (MP), and Basalt Creek Employment (BCE) Planning Districts.**

(1) No sign shall be permitted in the ML, MG, ~~or~~ MP, or BCE Planning Districts for permitted and conditional uses except the following:

(a) *Monument signs are permitted.* If used, the following standards apply:

- (i) Location on Site: No greater than 100 feet from the frontage property line along the public street right-of-way.
- (ii) Number: One per frontage on a public street right-of-way with a maximum of two and no more than one on each frontage.
- (iii) Number of Sides: No more than two.
- (iv) Height Above Grade: No higher than ten feet.
- (v) Area: No more than 40 square feet.
- (vi) Illumination: Indirect or internal.
- (vii) For schools for kindergarten through 12 in a ML Planning District, one sign may be an internally illuminated mechanical readerboard provided it is on the frontage of an arterial or collector street designated in the City's Transportation System Plan and Map 8-1 of the Comprehensive Plan and the readerboard portion is no more than 75 percent of the allowed sign face area.

(b) *Wall signs are permitted.* If used, the following standards apply:

- (i) Number: One on each owned or leased wall not to exceed two walls for each owned or leased space and not to exceed four elevations of each building.
- (ii) Number of Sides: No more than one.
- (iii) Height Above Grade: No higher than the height of the sign band.
- (iv) Height of Each Letter, Number, Symbol or Logo: No higher than four feet.
- (v) Area: No more than five percent of the wall's elevation provided that an area of at least 32 square feet is permitted and the maximum is 150 square feet.
- (vi) Illumination: Indirect or internal.
- (vii) In the MP District in place of one wall sign, one monument sign, in addition to the monument signs allowed in (a) above, is allowed, provided it is in the yard setback area abutting the wall where the wall sign would have been located, is within 100 feet of a primary public customer doorway in the wall where the wall sign would have been located and is at least 100 feet from any other monument sign.

(2) See TDC 38.110(5-17) for additional signage and if used, the standards of TDC 38.110(5-17) apply.

## COMMERCIAL USE CATEGORIES

[...]

### TDC 39.115 - Use Definitions.

The following words and phrases mean:

Advanced Manufacturing: The innovation of improved methods for manufacturing existing products, and the production of new products enabled by advanced technologies.

[...]

### TDC 39.326 - Mobile Food Unit Development.

(1) Characteristics. A site under common ownership containing one or more mobile food units which are sited for more than 24 hours at one time.

(2) Examples of Uses.

- Food cart pod with/ or without beverage service.

(3) Exceptions.

- Mobile food units authorized by a Special Event Permit (as issued under TMC 5-5) or Special Assembly Permit (as issued under TMC 6-2).
- Food service that is accessory to another use, (e.g., hotel, major entertainment venue), is regulated as part of the primary use.
- Catering or food preparation without on-site consumption is classified as Retail Sales and Services.

**CHAPTER 65 BASALT CREEK EMPLOYMENT ZONE (BCE)**

**TDC 65.100. Purpose.**

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property. The emphasis of the zone is on providing a variety of advanced manufacturing, office, and incubator space for established and emerging businesses, typically flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

**TDC 65.200. Use Categories.**

(1) Use Categories. Table 65-1 lists use categories Permitted Outright (P) or Conditionally Permitted (C) in the BCE zone. Use categories may also be designated as Limited (L) and subject to the limitations listed in Table 65-1 and restrictions identified in TDC 65.210. Limitations may restrict the specific type of use, location, size, or other characteristics of the use category. Use categories which are not listed are prohibited within the zone, except for uses which are found by the City Manager or appointee to be of a similar character and to meet the purpose of this zone, as provided in TDC 31.070.

Table 65-1  
Use Categories in the BCE Zone

<b><u>USE CATEGORY</u></b>	<b><u>STATUS</u></b>	<b><u>LIMITATIONS AND CODE REFERENCES</u></b>
<b><u>RESIDENTIAL USE CATEGORIES</u></b>		
<u>Household Living</u>	<u>C (L)</u>	<u>Conditional uses limited to a caretaker residence when necessary for security purposes.</u>
<b><u>COMMERCIAL USE CATEGORIES</u></b>		
<u>Commercial Recreation</u>	<u>P (L)</u>	<u>Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).</u>
<u>Eating and Drinking Establishments</u>	<u>P (L)</u>	<u>Permitted uses limited to eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).</u>
<u>Mobile Food Unit Development</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.120(2).</u>
<u>Medical Office</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.120(1).</u>



- THE DEVELOPMENT CODE OF THE CITY OF TUALATIN, OREGON  
CHAPTER 65 BASALT CREEK EMPLOYMENT ZONE (BCE)

<u>Office</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.210(3).</u>
<u>Other Educational and Vocational Services</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> <li>• <u>Correspondence, trade, or vocational schools; and</u></li> <li>• <u>Job training or related services subject to TDC 65.210(1).</u></li> </ul>
<u>Retail Sales and Services</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> <li>• <u>Child day care center permitted subject to TDC 34.200.</u></li> <li>• <u>Retail Sales and Services uses without drive-up or drive-through facilities subject to TDC 65.210(1) and (4).</u></li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
<u>Heavy Manufacturing</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> <li>• <u>Casting or fabrication of metals, including electroplating;</u></li> <li>• <u>Manufacture, assembly, processing, or packaging of the following types of products: batteries; bicycles; boilers; bottles; brick, tile or terra cotta; cans; chainsaws; dryers; electric generators; electric motors; electric transformers; engines, larger gasoline or diesel; freezers; heating and cooling equipment; industrial gases, excluding chlorine; ladders; lawnmowers; manufactured dwellings; marine pleasure craft; motor vehicles; paint; pet food; prefabricated building or structural members for buildings; sashes and doors; signs and display structures; refrigerators; rototillers; vending machines; washing machines; and windows;</u></li> </ul> <u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u>

- THE DEVELOPMENT CODE OF THE CITY OF TUALATIN, OREGON  
CHAPTER 65 BASALT CREEK EMPLOYMENT ZONE (BCE)

<u>Light Manufacturing</u>	<u>P/C (L)</u>	<u>Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited. All other uses Permitted outright except: Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials are prohibited.</u>
<u>Warehouse and Freight Movement</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.210(5).</u>
<u>Wholesale Sales</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> <li>• <u>Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers, subject to TDC 65.210(6).</u></li> </ul>
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
<u>Basic Utilities</u>	<u>P</u>	<u>=</u>
<u>Greenways and Natural Areas</u>	<u>P</u>	<u>=</u>
<u>Public Safety Facilities</u>	<u>C (L)</u>	<u>Conditional uses limited to a fire station.</u>
<u>Transportation Facilities</u>	<u>P</u>	<u>=</u>
<u>Wireless Communication Facility</u>	<u>P (L)</u>	<u>Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.</u>

**TDC 65.210. Additional Limitations on Uses.**

- (1) Commercial Recreation, Eating and Drinking Establishments, Medical Office, Vocational Services, and/or Retail Sales and Services. Except for Child Day Care Centers, permitted uses in these categories, as specified in Table 65-1, are subject to the following additional standards.
  - (a) Maximum Size. The use must not exceed 5,000 square feet for any individual use or a total of 20,000 square feet of uses on the site.
  - (b) Location Standard. The use or uses must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.
- (2) Mobile Food Unit Development. A mobile food unit development is a permitted use as specified below.
  - (a) Maximum Size. A mobile food unit development may contain up to ten mobile food units. Each mobile food unit must not exceed 200 square feet. The combination of mobile food units and additional structures accessory to or in support of the development must not exceed 20,000 square feet.

- (b) Location Standard. One single mobile food unit development within the BCE district is allowed and must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.
- (c) Outdoor Storage. All operations must be conducted within a structure or within an area that is screened from public view.
- (d) Architectural Review Required. A mobile food unit development is subject to Architectural Review and Approval under TDC 33. Compliance with associated development standards is required.
- (3) Offices. Offices are a permitted use as specified below.
- (a) Accessory Uses to an Industrial Use. Office uses accessory to a permitted light and/or heavy manufacturing use are permitted.
- (b) Limited Uses. Office uses not accessory to a permitted light and/or heavy manufacturing use must not exceed 20,000 square feet on the development site.
- (4) Sale of Goods Produced On-Site. The retail sale of goods produced on-site is permitted, provided that the retail sale area does not exceed 5,000 square feet.
- (5) Warehouse and Freight Movement. Warehouse and freight movement is a permitted use as specified below.
- (a) Accessory Uses to a Manufacturing Use. The use must be conducted wholly in conjunction with a permitted light and/or heavy manufacturing use on the same lot, parcel or site, and facilitate the storage and distribution of goods produced on-site.
- (i) Maximum Size. The use must not exceed more than 50% of the gross floor area of the permitted light and/or heavy manufacturing use. A Conditional Use Permit is required for uses greater than 50% and up to 200% of the gross floor area of the permitted light and/or heavy manufacturing use.
- (b) Limited Uses. A primary warehouse and freight movement use may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.
- (6) Wholesale Sales. Wholesale sales is a permitted use as specified below.
- (a) Limited Uses. A primary wholesale sales use is limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.
- (7) Outdoor Uses. All uses must be conducted wholly within a completely enclosed building, except as provided by this section.

**TDC 65.300. Development Standards.**

Development standards in the BCE zone are listed in Table 65-2. Additional standards may apply to some uses and situations, see TDC 65.310.

Table 65-2  
Development Standards in the BCE Zone

<b><u>STANDARD</u></b>	<b><u>REQUIREMENT</u></b>	<b><u>LIMITATIONS AND CODE REFERENCES</u></b>
<b><u>LOT SIZE</u></b>		
<u>Minimum Lot Size</u>	<u>2 acres</u>	
<u>Minimum Lot Size for Standalone Commercial Uses</u>	<u>10,000 square feet</u>	
<b><u>LOT DIMENSIONS</u></b>		
<u>Flag Lots</u>	<u>=</u>	<u>Must be sufficient to comply with minimum access requirements of TDC 73C.</u>
<b><u>MINIMUM SETBACKS</u></b>		
<u>Minimum Building Setback for Yards Adjacent to Streets or Alleys</u>	<u>30 feet</u>	
<u>Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses</u>	<u>10 feet</u>	
<u>Minimum Building Setback for Yards Adjacent to Residential District</u>	<u>30 feet</u>	
<u>Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys</u>	<u>10 feet</u>	<u>No minimum setback if adjacent to railroad right-of-way or spur track.</u>
<u>Parking and Circulation Areas Adjacent to Public Right-of-Way</u>	<u>20 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
<u>Parking and Circulation Areas Adjacent to Private Property Line</u>	<u>10 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
<u>Fences Adjacent to Public Right-of-Way</u>	<u>10 feet</u>	

<b>STRUCTURE HEIGHT</b>		
<u>Maximum Height</u>	<u>45 feet</u>	<u>Any structure within 100 feet of a residential zone (measured from property line or centerline of public right of way, if separated by a street) must be limited to the maximum height of that residential zone.</u>

**TDC 65.310. Additional Development Standards.**

- (1) Spur Rail Tracks. Spur rail tracks are not permitted within 200 feet of an adjacent residential district.
- (2) Wetland Conservation Lots. Minimum lot size, width, or frontage requirement do not apply to wetland conservation lots.
- (3) Landscape Buffer Adjacent to Residential Uses. A landscaped area, meeting the Type D standard described in Table 73B-4, must be located along property lines abutting residential zones.
- (4) Fences Adjacent to Public Right-of-Way. Decorative fencing is encouraged. Open fencing (such as wrought iron or chain-link fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscape area that is planted with a hedge of narrow or broad leaf evergreen shrubs and which will form a four-foot high continuous screen within two years of planting.
- (5) Sound Barrier Construction. Sound barrier construction is required to mitigate the impact of noise associated with overhead doors and building mechanical equipment, including but not limited to heating, cooling, and ventilation equipment, compressors, waste evacuation systems, electrical transformers, and other motorized or powered machinery located on the exterior of a building. Sound barrier construction must conform to the following standards:
  - (a) Applicability. New construction, including additions or changes to existing facilities, must comply with the provisions of this section, as determined by the Architectural Review process. Where buildings or outdoor areas located on more than one parcel are all part of a single use as determined by the Architectural Review process, all of the parcels may be required to comply with the provisions of this section.
  - (b) Distance from Residential Use. Sound barriers must be used to intercept all straight-line lateral (direct line between two points) paths of 450 feet or less between a residential property within a residential planning district and:
    - (i) Any side edge of an overhead door or other doorway larger than 64 square feet, at a minimum height of eight feet above the floor elevation of the doorway; or

(ii) Any building mechanical device at a minimum height equal to the height of the mechanical object to be screened.

(c) Exemption for Existing Structures. Where existing structures (on or off site) are located such that they will reflect sound away from residential areas and will function as a sound barrier, on-site sound barrier construction must not be required, except that at the time such structures are removed, sound barrier construction must be required.

(d) Design. Sound barriers must consist of masonry walls or earth berms located so as to reflect sound away from, rather than toward, noise sensitive properties. This may include masonry wing walls attached to a building, detached masonry walls (such as the perimeter of the site), earth berms, or combinations of the three. Wing walls must be at least as tall as the tallest overhead door they are designed to screen where they meet the building. The height of the wall may be reduced along a maximum incline formed by a horizontal distance twice the vertical change in height, or 26.5 degrees from horizontal.

## **INDUSTRIAL DESIGN STANDARDS**

### **TDC 73A.500. - Industrial Design Standards.**

The following standards are minimum requirements for industrial development in all zones, except for the Basalt Creek Employment (BCE) zone, which has its own standards:

[...]

- (6) *Adjacent to Transit.* Industrial development adjacent to transit must comply with the following:
  - (a) Development on a transit street ~~designated~~ illustrated on TDC Chapter 11 Comprehensive Plan Map 8-5 (Figure 11) must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and
  - (b) Development abutting major transit stops as ~~designated in~~ illustrated on TDC Chapter ~~11~~ Comprehensive Plan Map 8-5 (Figure 11) must:
    - (i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;
    - (ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;
    - (iii) Provide a transit passenger landing pad accessible to disabled persons;
    - (iv) Provide an easement or dedication for a passenger shelter as determined by the City; and
    - (v) Provide lighting at the major transit stop.

### **TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.**

(1) *Applicability.* The Basalt Creek Employment (BCE) design standards apply to:

(a) New buildings in the Basalt Creek Employment (BCE) zone.

(b) Expansion or substantial exterior remodeling of existing non-residential development in the Basalt Creek Employment (BCE) zone which is greater than 50 percent of the building's gross floor area or alters any facade visible from a public or private street frontage by more than 50 percent.

(2) *Exceptions:* The City Manager may allow exceptions to these standards without the need to obtain a formal variance pursuant to Chapter 33.120 provided at least one of the following circumstance is met:

(a) The applicant demonstrates that the physical characteristics of the site or existing structure make compliance impractical (e.g., they include, but are not limited to,

steep slopes, wetlands, other bodies of water, trees or other natural features of the site, buildings or other existing development, utility lines and easements, etc.); or

(b) The applicant demonstrates that the alternative design is exceptional in the quality of detailing, appearance or materials and/or creates a positive unique relationship to other structures, views or open space in a manner that accomplishes the purpose of this section

(3) *Building Design Standards.* BCE zone development must provide building design as follows:

(a) *Primary Facades.* All facades that abut the public right of way and/ or a residential zone shall be architecturally significant and give the appearance of high quality design. Exterior buildings materials shall have a durability equivalent to that expected of contemporary office, flex and industrial buildings. Appropriate materials include, but are not limited to: masonry (e.g., brick or architectural block); glass; synthetic plaster; pre-cast concrete; or, stone.

(b) *Secondary Facades.* All facades that do not abut the public right of way and/ or a residential zone may include exterior building materials of lesser durability or appearance. Materials considered of lesser durability or appearance include, but are not limited to: metal panels/sheet metal, fiberglass panels, vinyl or aluminum siding, or wood shingles.

(c) *Exterior Colors.* The dominant exterior shall have earth-tone shades, such as gray, tan, brown, rust, green, red, etc. The contrast between trim or mortar and the dominant exterior finish should be moderate.

(d) *Upper Floor Appearance.* When buildings have two or more stories, the material used at the ground level shall differ from that used at upper levels in order to create a clear distinction between the ground and upper levels.

(e) *Stepback.* Buildings greater than three (3) stories shall be stepped back, resulting in no more than three (3) stories of façade being on the same vertical plan. Generally, the fourth (4th) and higher stories shall be stepped back; however, the required stepback may occur at the third (3rd) floor if the developer prefers. Required stepbacks shall be a minimum of twelve (12) feet.

(f) *Enclosure or Screening of Mechanical Equipment.* Roof mounted mechanical equipment on flat roofed structures shall be screened by parapet walls to the maximum degree possible. Site located mechanical equipment shall be installed in below grade vaults where possible or screened by a site obscuring fence or landscaping. Other building mounted mechanical equipment shall be screened from view to the maximum degree possible.

(4) *Walkways.* BCE zone development must provide walkways as follows:

(a) Walkways must be a minimum of five feet in width;

(b) Walkways must be constructed of asphalt, concrete, pervious concrete, pavers, or grasscrete. Gravel or bark chips are not acceptable;



- (c) Walkways must meet ADA standards applicable at time of construction or alteration;
- (d) Walkways must be provided between the main building entrances and other on-site buildings, accessways, and sidewalks along the public right-of-way;
- (e) Walkways through parking areas, drive aisles, and loading areas must be of a different appearance than the adjacent paved vehicular areas; and
- (f) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways and greenways where a bike or pedestrian path is designated.

(5) Accessways.

(a) When Required. Accessways are required to be constructed when a BCE development is adjacent to any of the following:

- (i) Residential property;
- (ii) Commercial property;
- (iii) Areas intended for public use, such as schools and parks; and
- (iv) Collector or arterial streets where transit stops or bike lanes are provided or designated.

(b) Design Standard. Accessways must meet the following design standards:

- (i) Accessways must be a minimum of eight feet in width;
- (ii) Public accessways must be constructed in accordance with the Public Works Construction Code;
- (iii) Private accessways must be constructed of asphalt, concrete or a pervious surface such as pervious asphalt or concrete, pavers or grasscrete, but not gravel or woody material;
- (iv) Accessways must meet ADA standards applicable at time of construction or alteration;
- (v) Accessways must be provided as a connection between the development's walkway and bikeway circulation system;
- (vi) Accessways may be gated for security purposes;
- (vii) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways, and greenways where a bike or pedestrian path is designated; and
- (viii) Must be constructed, owned and maintained by the property owner.

(c) Exceptions. The Accessway standard does not apply to the following:

- (i) Where a bridge or culvert would be necessary to span a designated greenway or wetland to provide a connection, the City may limit the number and location of accessways to reduce the impact on the greenway or wetland; and
  - (ii) Accessways to undeveloped parcels or undeveloped transit facilities need not be constructed at the time the subject property is developed. In such cases the applicant for development must enter into a written agreement with the City guaranteeing future performance by the applicant and any successors in interest of the property being developed to construct an accessway when the adjacent undeveloped parcel is developed. The agreement recorded is subject to the City's review and approval.
- (6) Safety and Security. BCE development must provide safety and security features as follows:
  - (a) Locate windows and provide lighting in a manner that enables tenants, employees, and police to watch over pedestrian, parking, and loading areas;
  - (b) Locate windows and interior lighting to enable surveillance of interior activity from the public right-of-way;
  - (c) Locate, orient, and select exterior lighting to facilitate surveillance of on-site activities from the public right-of-way without shining into public rights-of-way or fish and wildlife habitat areas;
  - (d) Provide an identification system which clearly locates buildings and their entries for patrons and emergency services; and
  - (e) Above ground sewer or water pumping stations, pressure reading stations, water reservoirs, electrical substations, and above ground natural gas pumping stations must provide a minimum six foot tall security fence or wall.
- (7) Adjacent to Transit. BCE development adjacent to transit must comply with the following:
  - (a) Development on a transit street illustrated on Comprehensive Plan Map 8-5 must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and
  - (b) Development abutting major transit stops as illustrated on Comprehensive Plan Map 8-5 must:
    - (i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;
    - (ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;
    - (iii) Provide a transit passenger landing pad accessible to disabled persons;
    - (iv) Provide an easement or dedication for a passenger shelter as determined by the City; and
    - (v) Provide lighting at the major transit stop.

**INSTITUTIONAL DESIGN STANDARDS**

**TDC 73A.6700. - Institutional Design Standards.**

The following standards are minimum requirements for institutional development in all zones:

**TDC 73B.020. - Landscape Area Standards Minimum Areas by Use and Zone.**

The following are the minimum areas required to be landscaped for each use and zone:

**Table 73B-1**  
**Required Minimum Landscape Area**

Zone	Minimum Area Requirement*	Minimum Area Requirement with dedication for a fish and wildlife habitat*
(1) RL, RML, RMH, RH and RH/HR zones— Permitted Uses	None	None
(2) RL, RML, RMH, RH and RH/HR zones— Conditional Uses, except Small Lot Subdivisions	25 percent of the total area to be developed	20 percent of the total area to be developed
(3) CO, CR, CC, CG, ML, and MG zones except within the Core Area Parking District—All uses	15 percent of the total area to be developed	12.5 percent of the total area to be developed
(4) CO, CR, CC, CG, MUC, ML, and MG zones within the Core Area Parking District—All uses	10 percent of the total area to be developed	7.5 percent of the total area to be developed
(5) IN, CN, CO/MR, MC, and MP zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) <u>BCE zone</u> ; Industrial Business Park Overlay District and MBP—must be approved through Industrial Master Plans	20 percent of the total area to be developed	Not applicable
<p style="text-align: center;">* For properties within the Hedges Creek Wetland Protection District which have signed the "Wetlands Mitigation Agreement," the improved or unimproved wetland buffer area may reduce the required landscaping to 12.5 percent as long as all other landscape requirements are met.</p>		

[...]

**TDC 73B.050 - Additional Minimum Landscaping Requirements for all uses in the Mixed Use Commercial Zone.**

- (1) *General.* In addition to requirements in TDC 73B.020, all uses within the Mixed-Use Commercial (MUC) zone, must comply with the following:

- (a) All areas not occupied by buildings, parking spaces, driveways, drive aisles, pedestrian areas, or undisturbed natural areas must be landscaped:
    - (i) This standard does not apply to areas subject to the Hedges Creek Wetlands Mitigation Agreement.
  - (b) A landscape area may be occupied by utilities, screening, sidewalks, bikeways; and
  - (c) Landscape screening provisions are superseded by the vision clearance requirements of Figure 73B-24.
- (2) *Standards.* The matrices in Tables 73B-13 and 73B-24 must be used in calculating widths of landscape buffer areas, as well as screening improvements to be installed between proposed uses and abutting uses. Landscape buffers are not required between abutting uses that are of a different type when the uses are separated by a street.
- (a) *Buffer.* The minimum improvements within a buffer area must include landscaping and screening specified in Tables 73B-13 and 73B-24. Landscape improvements must meet the following specifications:
    - (i) At least one row of trees must be planted. Deciduous trees must be a minimum of two-inch caliper at four feet in height and evergreen trees must be a minimum height of five feet high at the time of planting. Spacing for trees must be as follows:
      - (A) Small or narrow-stature trees, under 25 feet tall or less than 16 feet wide at maturity must be spaced not more than 15 feet apart;
      - (B) Medium-sized trees between 25 feet to 40 feet tall and with 16 feet to 35 feet wide branching at maturity must be spaced not more than 30 feet apart;
      - (C) Large trees, over 40 feet tall and with more than 35 feet wide branching at maturity, must be spaced not more than 30 feet apart.
    - (ii) At least ten five-gallon shrubs or 20 one-gallon shrubs must be planted for each 1,000 square feet of required buffer area;
    - (iii) The remaining area must be planted in lawn or other living ground cover.
  - (b) *Screening.* Where screening is specified in Tables 73B-13 and 73B-24, the following standards apply, in addition to those required for buffering:
    - (i) The prescribed heights of required screening must be measured from the actual adjoining level of finished grade, except that where parking, loading, storage or similar areas are located above finished grade, the height of fences, walls or landscaping required to screen such areas or space shall be measured from the level of such improvements. When the use to be screened is located downhill from the adjoining use, the prescribed heights of required fences, walls, or landscape screening must be measured from the actual grade of the adjoining property. In this case, fences and walls may exceed the permitted six foot height at the

discretion of the City Manager, as a condition of approval. When steep grades make the installation of walls, fences, or landscaping to the required height impractical, a detailed landscape/screening plan must be submitted for approval;

- (ii) A hedge of narrow or broad leaf evergreen shrubs must be planted which will form a four-foot high continuous screen within two years of planting; or
- (iii) An earthen berm planted with narrow or broad leaf evergreen shrubs must be provided which will form a continuous screen of the height specified in Table 73B-~~24~~ within two years. The unplanted portion of the berm shall be planted in lawn or other living ground cover: or
- (iv) A fence or wall of the height specified in Table 73B-~~24~~ must be constructed of materials commonly used in the construction of fences and walls such as wood, stone, rock or brick, or as determined in the Architectural Review process and provide a continuous sight obscuring screen.
  - (A) Walls must be a minimum of six inches thick.
  - (B) Fence or wall height may not exceed three feet in height in a required front yard or six feet in height in required front yards adjacent to designated arterial or collector streets.
  - (C) An evergreen hedge or other dense evergreen landscaping may satisfy a requirement for a sight-obscuring fence where required.
  - (D) An earthen berm and fence or wall combination must not exceed six-feet in height.

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CHAPTER 73B – LANDSCAPING STANDARDS

**Table 73B-1  
Required Landscape Buffer Between Uses**

		Proposed Improvement				
		Residential	Commercial	Institutional	Parking Lots 4—50 spaces	Parking Lots 50+ spaces
Abutting	Residential	—	D	D	E	D
	Commercial	E	—	D	—	—
	Industrial	D	A	D	—	—
	Parking Lots	E	—	—	—	—
	Arterial Streets	A	—	A	—	—

**Table 73B-2  
Required Landscaping and Screening**

	Options	Width (feet)	Trees (per linear feet of buffer)	Shrubs or Groundcover	Screening
A	—	10	—	Lawn/living groundcover	—
B	—	10	20 feet min/30 feet max spacing	Lawn/living groundcover	—
C	1	10	15 feet min/30 feet max spacing	Shrubs	4 feet hedges
	2	8		Shrubs	5 feet fence
	3	6		Shrubs	6 feet wall
D	1	20	10 feet min/20 feet max spacing	Shrubs	6 feet hedge
	2	15		Shrubs	6 feet fence
	3	10		Shrubs	6 feet wall

[...]

**TDC 73B.080. - Minimum Landscaping Standards for All Zones.**

The following are minimum standards for landscaping for all zones.

**Table 73B-2**  
**Minimum Landscape Standards**

(1) Required Landscape Areas	<ul style="list-style-type: none"> <li>• Must be designed, constructed, installed, and maintained so that within three years the ground must be covered by living grass or other plant materials.</li> <li>• The foliage crown of trees cannot be used to meet this requirement.</li> <li>• A maximum of ten percent of the landscaped area may be covered with un-vegetated areas of bark chips, rock or stone.</li> <li>• Must be installed in accordance with the provisions of the American National Standards Institute ANSI A300 (Part 1) (Latest Edition).</li> <li>• Must be controlled by pruning, trimming, or otherwise so that:</li> <li>• It will not interfere with designated pedestrian or vehicular access; and</li> <li>• It will not constitute a traffic hazard because of reduced visibility.</li> </ul>
(2) Fences	<ul style="list-style-type: none"> <li>• Landscape plans that include fences must integrate any fencing into the plan to guide wild animals toward animal crossings under, over, or around transportation corridors.</li> </ul>
(3) Tree Preservation	<ul style="list-style-type: none"> <li>• Trees and other plant materials to be retained must be identified on the landscape plan and grading plan.</li> <li>• During construction:</li> <li>• Must provide above and below ground protection for existing trees and plant materials identified to remain;</li> <li>• Trees and plant materials identified for preservation must be protected by chain link or other sturdy fencing placed around the tree at the drip line;</li> <li>• If it is necessary to fence within the drip line, such fencing must be specified by a qualified arborist;</li> <li>• Top soil storage and construction material storage must not be located within the drip line of trees designated to be preserved;</li> <li>• Where site conditions make necessary a grading, building, paving, trenching, boring, digging, or other similar encroachment upon a preserved tree's drip-line area, such grading, paving, trenching, boring, digging, or similar encroachment must only be permitted under the direction of a qualified arborist. Such direction must assure that the health needs of trees within the preserved area can be met; and</li> <li>• Tree root ends must not remain exposed.</li> <li>• Landscaping under preserved trees must be compatible with the retention and health of the preserved tree.</li> <li>• When it is necessary for a preserved tree to be removed in accordance with TDC 33.110 (Tree Removal Permit) the landscaped area surrounding the tree or trees must be maintained and replanted with trees that relate to the present landscape plan, or if there is no landscape plan, then trees that are complementary with existing, landscape materials. Native trees are encouraged</li> </ul>



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CHAPTER 73B – LANDSCAPING STANDARDS

	<ul style="list-style-type: none"> <li>• 100 percent of the area preserved under any tree or group of trees (Except for impervious surface areas) retained in the landscape plan must apply directly to the percentage of landscaping required for a development</li> </ul>
(4) Grading	<ul style="list-style-type: none"> <li>• After completion of site grading, top-soil is to be restored to exposed cut and fill areas to provide a suitable base for seeding and planting.</li> <li>• All planting areas must be graded to provide positive drainage.</li> <li>• Soil, water, plant materials, mulch, or other materials must not be allowed to wash across roadways or walkways.</li> <li>• Impervious surface drainage must be directed away from pedestrian walkways, dwelling units, buildings, outdoor private and shared areas and landscape areas except where the landscape area is a water quality facility.</li> </ul>
(5) Irrigation	<ul style="list-style-type: none"> <li>• Landscaped areas must be irrigated with an automatic underground or drip irrigation system.</li> </ul>
(6) Re-vegetation in Un-landscaped Areas	<ul style="list-style-type: none"> <li>• Vegetation must be replanted in all areas where vegetation has been removed or damaged in areas not affected by the landscaping requirements and that are not to be occupied by structures or other improvements.</li> <li>• Plant materials must be watered at intervals sufficient to ensure survival and growth for a minimum of two growing seasons.</li> <li>• The use of native plant materials is encouraged to reduce irrigation and maintenance demands.</li> <li>• Disturbed soils should be amended to an original or higher level of porosity to regain infiltration and stormwater storage capacity.</li> </ul>

**Table 73B-3**  
**Landscape Buffer Between Uses**

<u>Existing/Abutting Districts</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Parking Lots 4—50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Residential</u>	=	<u>D</u>	<u>D</u>	<u>C</u>	<u>D</u>
<u>Commercial</u>	<u>C</u>	=	<u>D</u>	=	=
<u>Industrial</u>	<u>D</u>	<u>A</u>	=	=	=
<u>Parking Lots</u>	<u>C</u>	=	=	=	=
<u>Arterial Streets</u>	<u>A</u>	=	<u>A</u>	=	=

**Table 73B-4**  
**Landscaping and Screening**

	<u>Options</u>	<u>Width (feet)</u>	<u>Trees (per linear feet of buffer)</u>	<u>Shrubs or Groundcover</u>	<u>Screening</u>
A	=	<u>10</u>	=	<u>Lawn/living groundcover</u>	=
B	=	<u>10</u>	<u>20 feet min/30 feet max spacing</u>	<u>Lawn/living groundcover</u>	=
C	<u>1</u>	<u>10</u>	<u>15 feet min/30 feet max spacing</u>	<u>Shrubs</u>	<u>4 feet hedges</u>
	<u>2</u>	<u>8</u>		<u>Shrubs</u>	<u>5 feet fence</u>
	<u>3</u>	<u>6</u>		<u>Shrubs</u>	<u>6 feet wall</u>
D	<u>1</u>	<u>20</u>	<u>10 feet min/20 feet max spacing</u>	<u>Shrubs</u>	<u>6 feet hedge</u>
	<u>2</u>	<u>15</u>		<u>Shrubs</u>	<u>6 feet fence</u>
	<u>3</u>	<u>10</u>		<u>Shrubs</u>	<u>6 feet wall</u>

**TDC 73B.090. - Minimum Standards Trees and Plants.**

The following minimum standards apply to the types of landscaping required to be installed for all zones.

**Table 73B-5**  
**Minimum Standards for Trees and Plants**

(1) Deciduous Shade Trees	<ul style="list-style-type: none"> <li>• One and on-half inch caliper measured six inches above ground;</li> <li>• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season;</li> <li>• Reach a mature height of 30 feet or more;</li> <li>• Cast moderate to dense shade in summer;</li> <li>• Live over 60 years;</li> <li>• Do well in urban environments, tolerant of pollution and heat, and resistant to drought;</li> <li>• Require little maintenance and mechanically strong;</li> <li>• Insect- and disease-resistant;</li> <li>• Require little pruning; and</li> <li>• Barren of fruit production.</li> </ul>
(2) Deciduous Ornamental Trees	<ul style="list-style-type: none"> <li>• One and on-half inch caliper measured six inches above ground;</li> </ul>

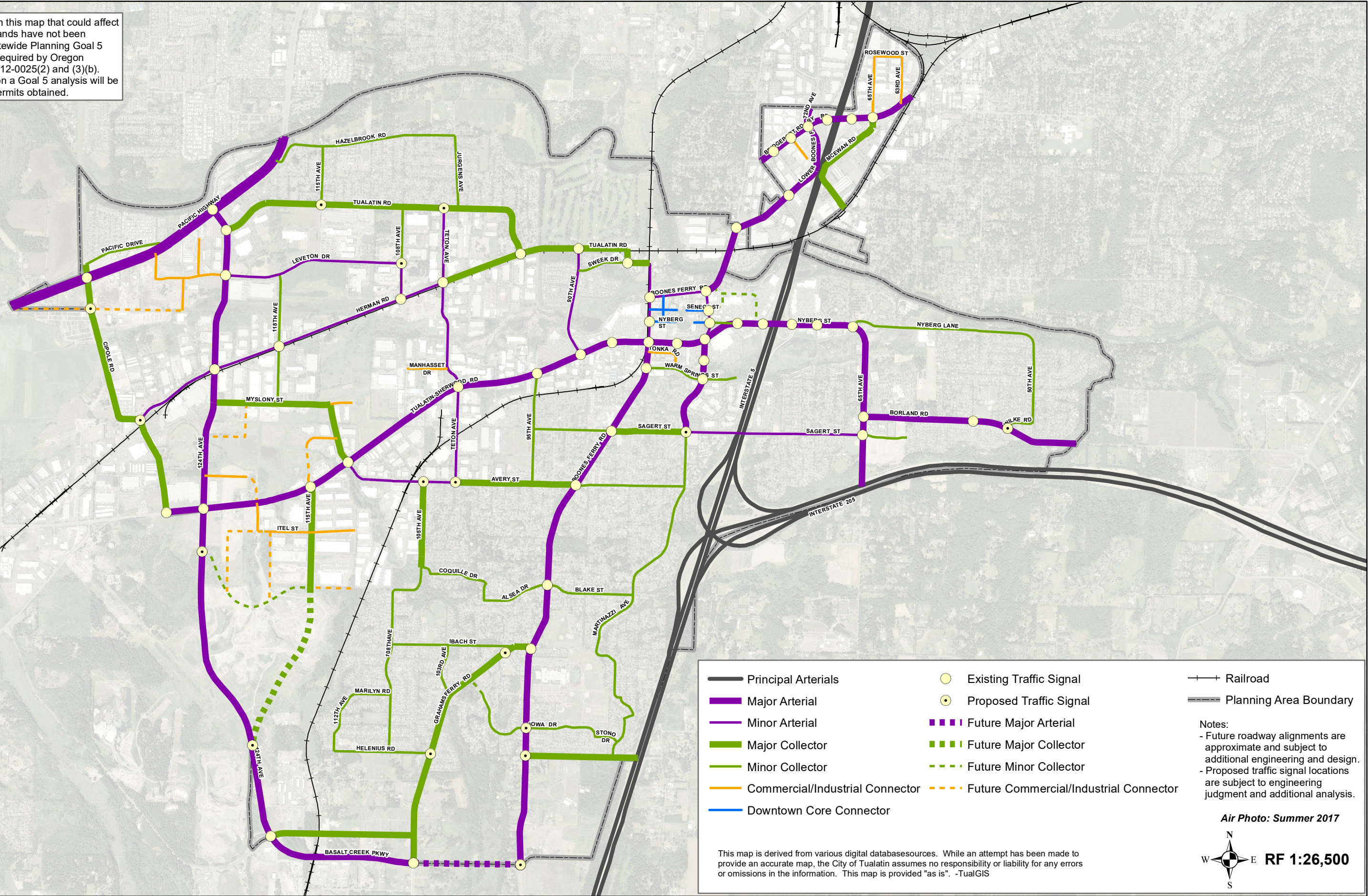
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CHAPTER 73B – LANDSCAPING STANDARDS

	<ul style="list-style-type: none"><li>• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and</li><li>• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species</li></ul>
(3) Coniferous Trees	<ul style="list-style-type: none"><li>• Five feet in height above ground;</li><li>• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and</li><li>• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species.</li></ul>
(4) Evergreen and Deciduous Shrubs	<ul style="list-style-type: none"><li>• One to five gallon size;</li><li>• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and</li><li>• Side of shrub with best foliage must be oriented to public view.</li></ul>
(5) Groundcovers	<ul style="list-style-type: none"><li>• Fully rooted;</li><li>• Well branched or leafed;</li><li>• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and</li><li>• English ivy (<i>Hedera helix</i>) is prohibited.</li></ul>
(6) Lawns	<ul style="list-style-type: none"><li>• Consist of grasses, including sod, or seeds of acceptable mix within the local landscape industry;</li><li>• 100 percent coverage and weed free; and</li><li>• Healthy, disease-free, damage-free, characteristic of the species.</li></ul>



# Map 8-1: EXISTING Functional Classification and Traffic Signal Plan

The projects embodied in this map that could affect rivers, streams and wetlands have not been analyzed in terms of Statewide Planning Goal 5 (Natural Resources) as required by Oregon Administrative Rule 660-12-0025(2) and (3)(b). Thus, prior to construction a Goal 5 analysis will be completed and proper permits obtained.



Principal Arterials	Existing Traffic Signal	Railroad
Major Arterial	Proposed Traffic Signal	Planning Area Boundary
Minor Arterial	Future Major Arterial	Notes: - Future roadway alignments are approximate and subject to additional engineering and design. - Proposed traffic signal locations are subject to engineering judgment and additional analysis.
Major Collector	Future Major Collector	
Minor Collector	Future Minor Collector	
Commercial/Industrial Connector	Future Commercial/Industrial Connector	
Downtown Core Connector		

This map is derived from various digital databasesources. While an attempt has been made to provide an accurate map, the City of Tualatin assumes no responsibility or liability for any errors or omissions in the information. This map is provided "as is". -TualGIS

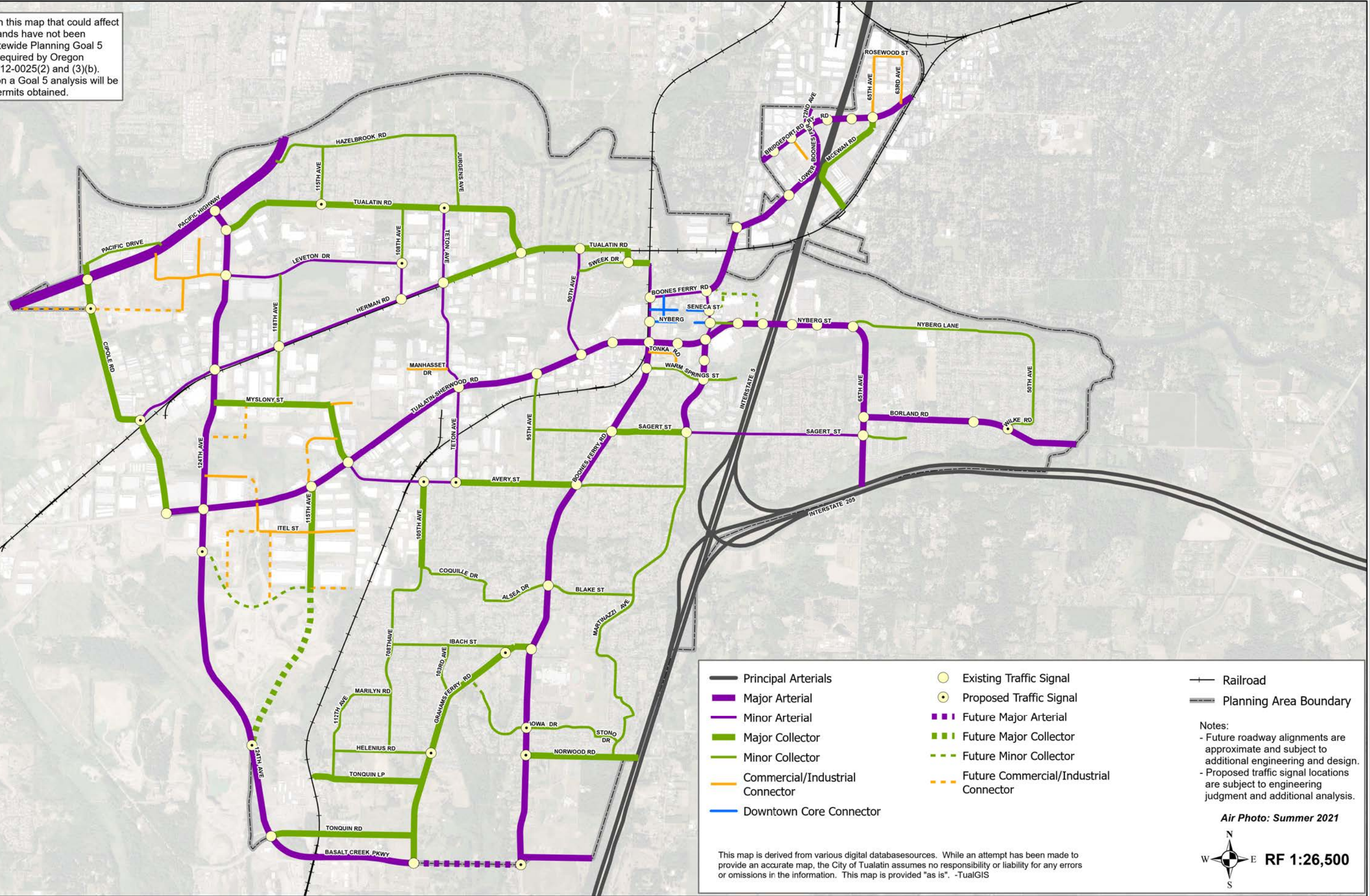
Air Photo: Summer 2017

RF 1:26,500



# Map 8-1: PROPOSED Functional Classification and Traffic Signal Plan

The projects embodied in this map that could affect rivers, streams and wetlands have not been analyzed in terms of Statewide Planning Goal 5 (Natural Resources) as required by Oregon Administrative Rule 660-12-0025(2) and (3)(b). Thus, prior to construction a Goal 5 analysis will be completed and proper permits obtained.



Principal Arterials	Existing Traffic Signal	Railroad
Major Arterial	Proposed Traffic Signal	Planning Area Boundary
Minor Arterial	Future Major Arterial	
Major Collector	Future Major Collector	
Minor Collector	Future Minor Collector	
Commercial/Industrial Connector	Future Commercial/Industrial Connector	
Downtown Core Connector		

Notes:  
 - Future roadway alignments are approximate and subject to additional engineering and design.  
 - Proposed traffic signal locations are subject to engineering judgment and additional analysis.

**Air Photo: Summer 2021**

**RF 1:26,500**

This map is derived from various digital databasesources. While an attempt has been made to provide an accurate map, the City of Tualatin assumes no responsibility or liability for any errors or omissions in the information. This map is provided "as is". -TualGIS



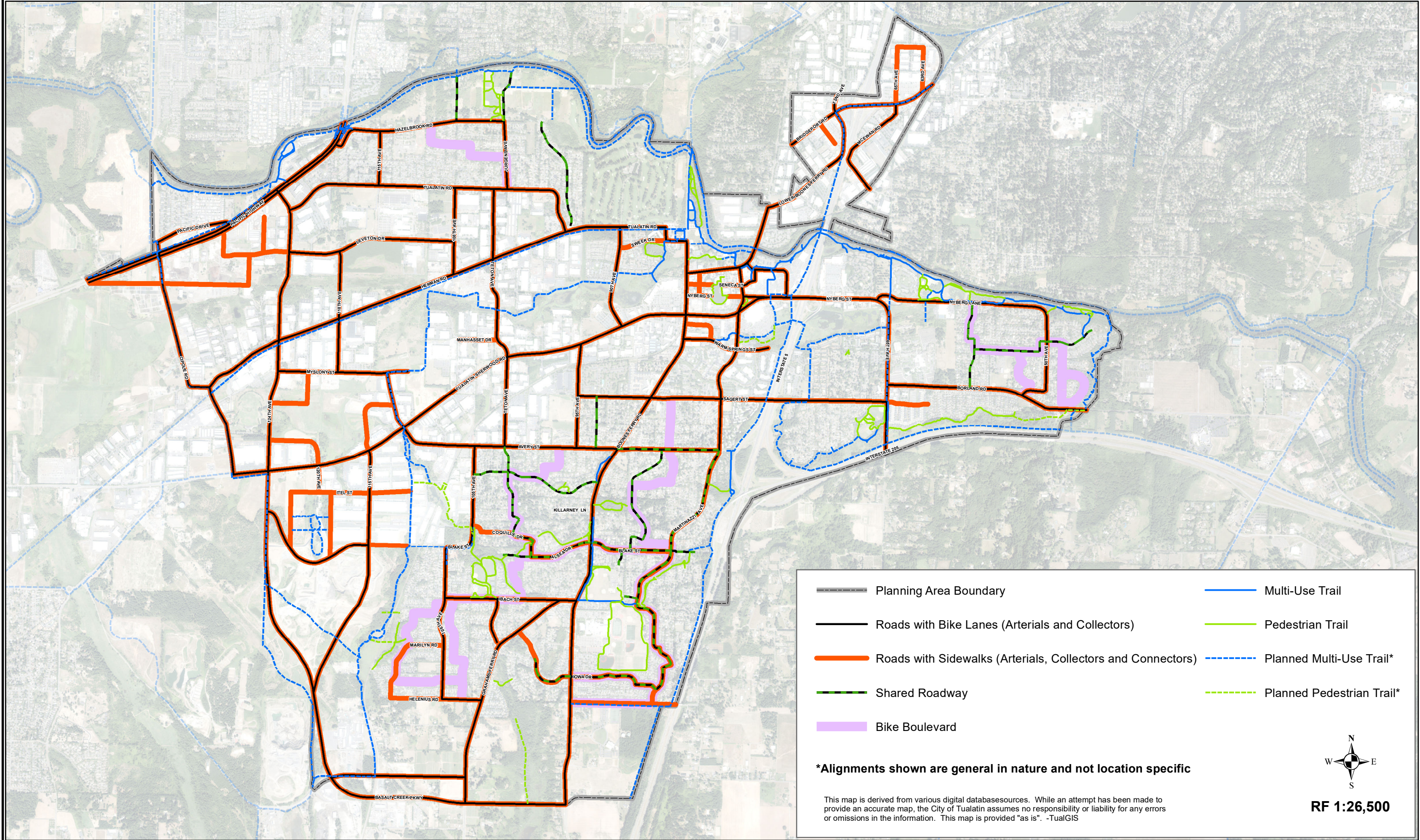








# Map 8-4: EXISTING Bicycle and Pedestrian Plan



- Planning Area Boundary
- Roads with Bike Lanes (Arterials and Collectors)
- Roads with Sidewalks (Arterials, Collectors and Connectors)
- Shared Roadway
- Bike Boulevard
- Multi-Use Trail
- Pedestrian Trail
- Planned Multi-Use Trail\*
- Planned Pedestrian Trail\*

**\*Alignments shown are general in nature and not location specific**

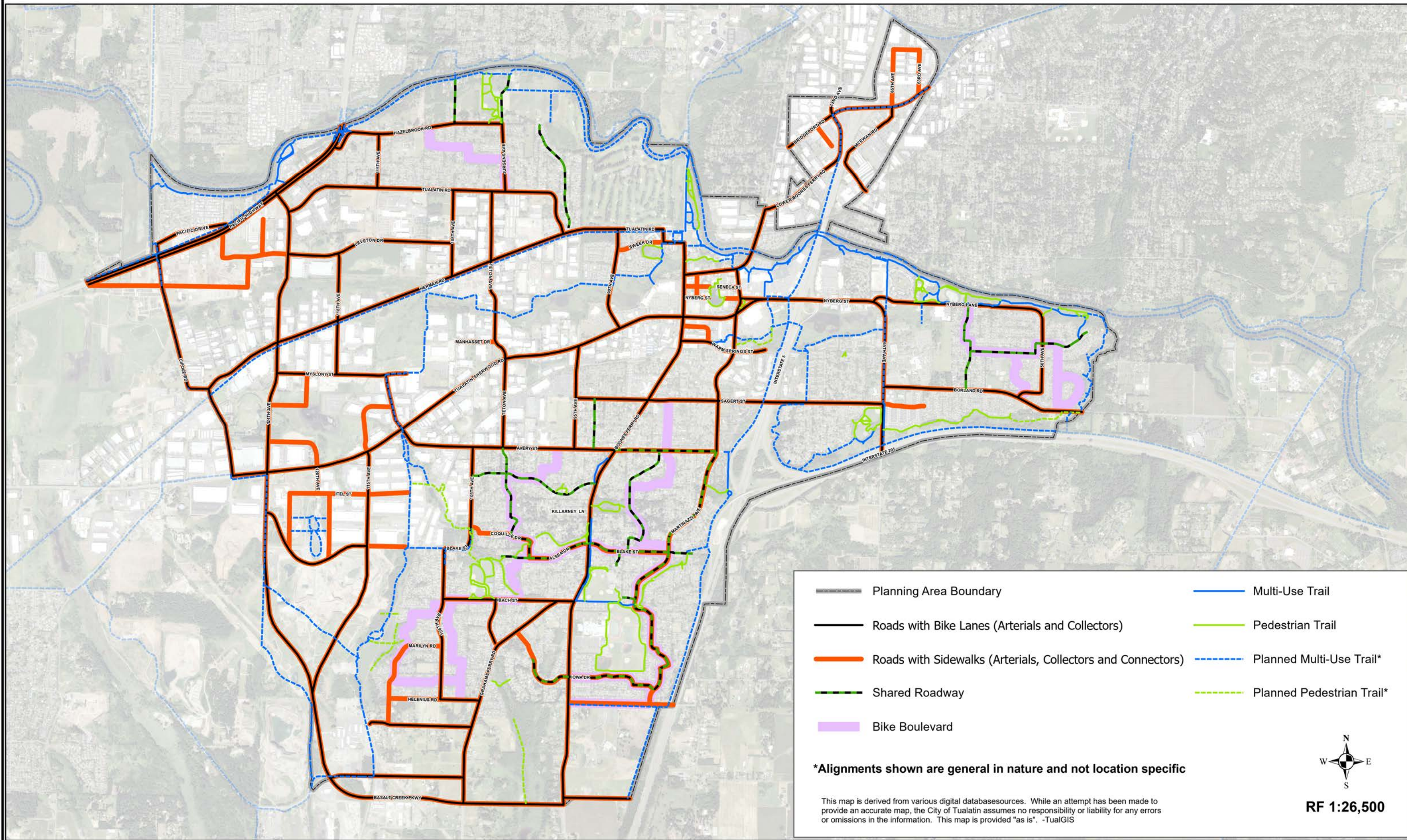
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**RF 1:26,500**



# Map 8-4: PROPOSED Bicycle and Pedestrian Plan



- Planning Area Boundary
- Roads with Bike Lanes (Arterials and Collectors)
- Roads with Sidewalks (Arterials, Collectors and Connectors)
- Shared Roadway
- Bike Boulevard
- Multi-Use Trail
- Pedestrian Trail
- Planned Multi-Use Trail\*
- Planned Pedestrian Trail\*

**\*Alignments shown are general in nature and not location specific**

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

**RF 1:26,500**

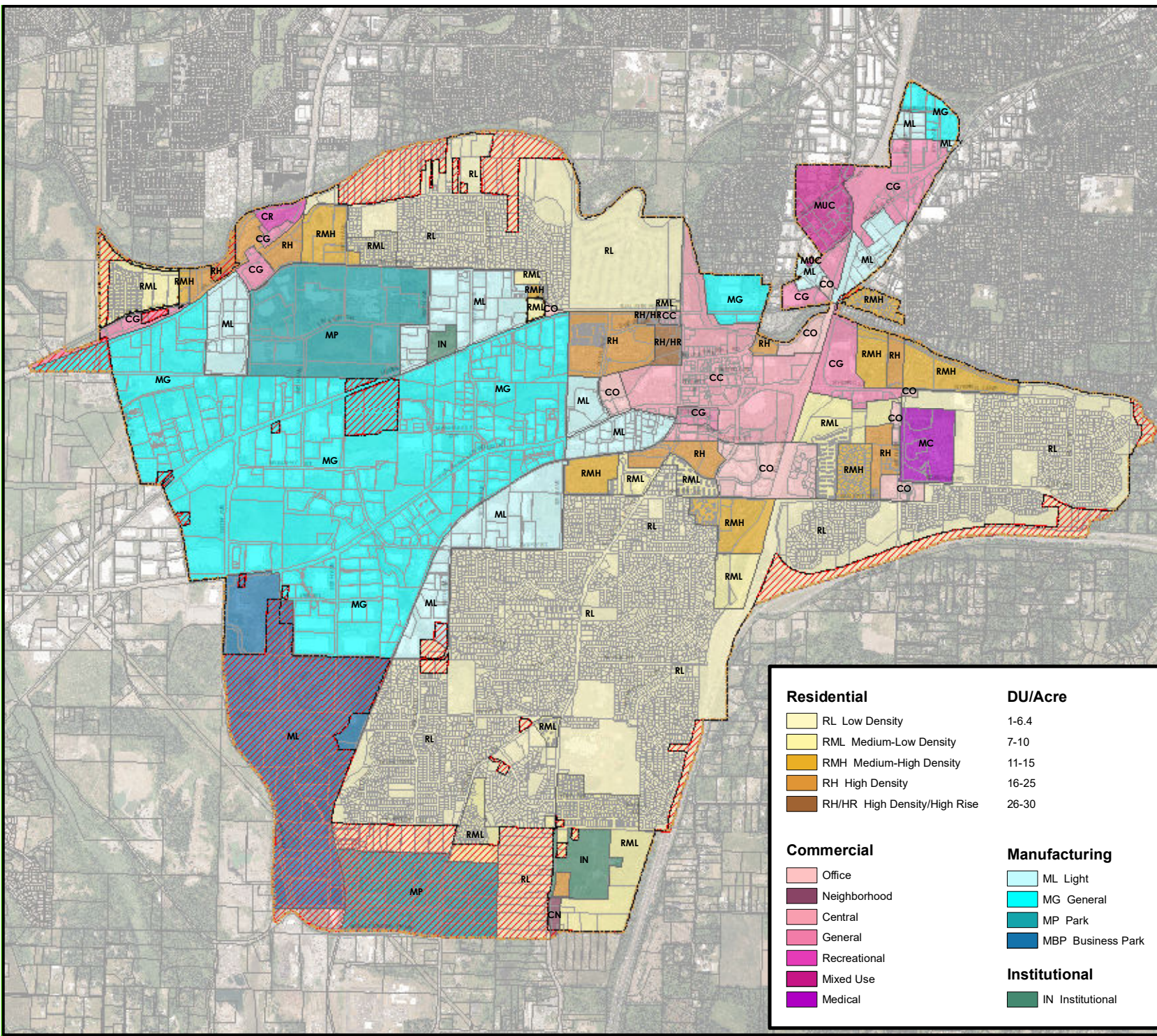




**EXISTING  
Comprehensive Plan Map  
-Planning Districts-  
Map 10-1**

**NOTES:**





1. All plan designation boundaries are intended to follow property lines, center lines of streets, or can be scaled pursuant to the scale of this map. If mapping errors occur, the City Council shall be the sole arbitration body to decide the location of boundaries.
2. Specific requirements for each Planning District are found within the Tualatin Development Code.
3. The Wetland Protection District and the Greenway and Riverbank Protection District locations are described in the Tualatin Development Code. Maps of the districts are available from the Planning Department.
4. Properties within the Tualatin Urban Renewal Area boundary are subject to the Tualatin Urban Renewal Plan which may contain specifications and requirements that are more restrictive than those found within the Planning District standards.

-  Planning Area Boundary
-  City Boundary
-  In Planning Area/  
Outside of City
-  Manufactured Dwelling  
Park Permitted



Residential		DU/Acre
	RL Low Density	1-6.4
	RML Medium-Low Density	7-10
	RMH Medium-High Density	11-15
	RH High Density	16-25
	RH/HR High Density/High Rise	26-30

Commercial		Manufacturing
	Office	 ML Light
	Neighborhood	 MG General
	Central	 MP Park
	General	 MBP Business Park
	Recreational	
	Mixed Use	
	Medical	
		Institutional
		 IN Institutional



**RF 1:38,000**





Effective: March 30, 2022

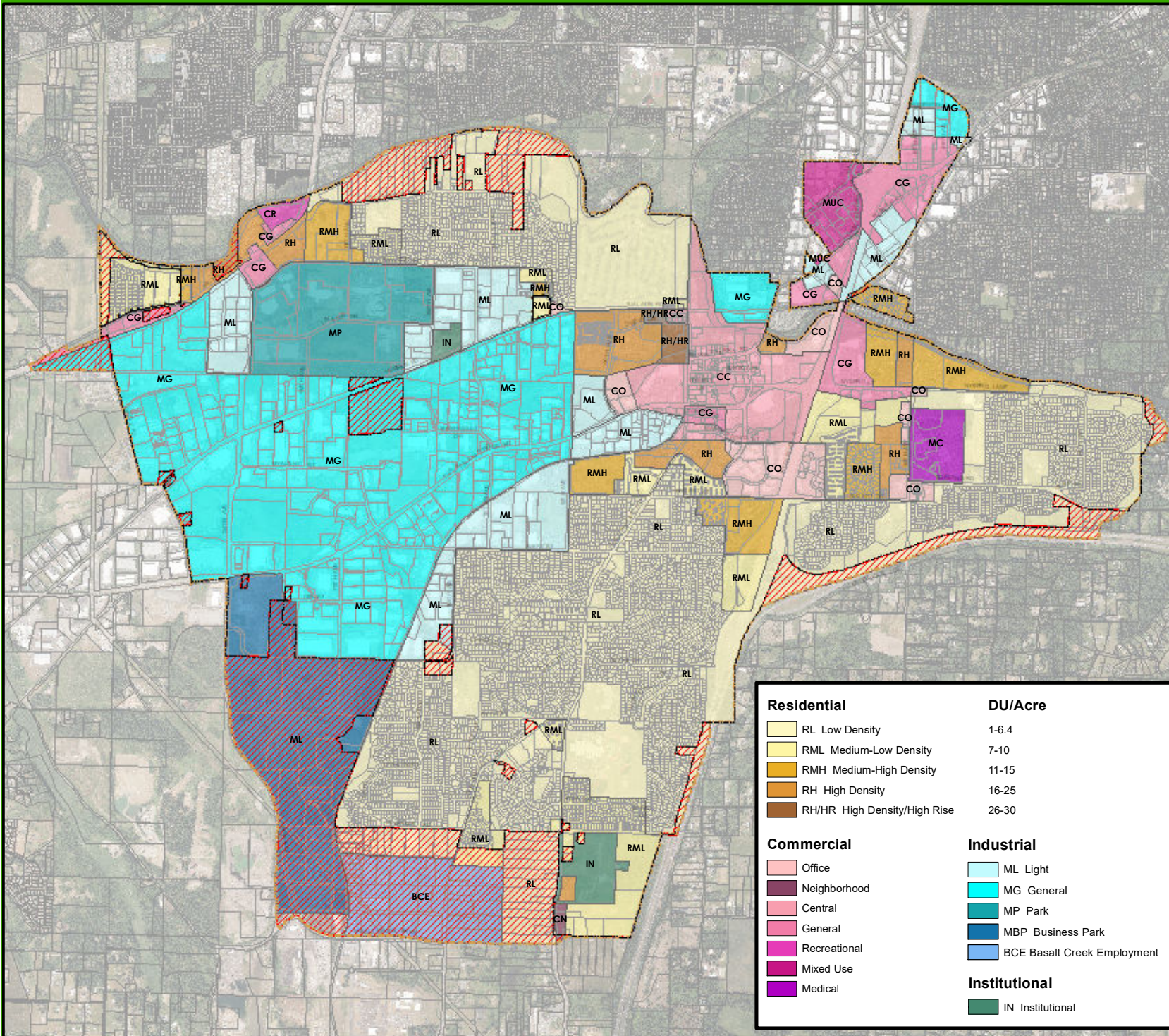




















**PROPOSED  
Comprehensive Plan Map  
-Planning Districts-  
Map 10-1**

**NOTES:**

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-  Planning Area Boundary
-  City Boundary
-  In Planning Area/  
Outside of City
-  Manufactured Dwelling  
Park Permitted



Residential		DU/Acre	
	RL Low Density	1-6.4	
	RML Medium-Low Density	7-10	
	RMH Medium-High Density	11-15	
	RH High Density	16-25	
	RH/HR High Density/High Rise	26-30	
Commercial		Industrial	
	Office		ML Light
	Neighborhood		MG General
	Central		MP Park
	General		MBP Business Park
	Recreational		BCE Basalt Creek Employment
	Mixed Use		IN Institutional
	Medical		



**RF 1:38,000**

Effective: TBD



# BASALT CREEK INDUSTRIAL CODE PROJECT

## EXHIBIT C4: PUBLIC OUTREACH SUMMARY

The project has included the following public outreach opportunities:

- July 27: Virtual Open House Webinar
- September 25: Planning Commission Meeting
  - Staff presented PTA/PMA 22-000, and the Planning Commission made a motion to forward a recommendation of approval of the draft code and map amendments to City Council with minor amendments.
- September 29: Stakeholder Discussion
  - Stakeholders shared that draft code presented to Planning Commission is too aspirational. They feel that limiting uses, like warehousing and freight movement and wholesale sales, will preclude standard flex-space development.
- October 28: Stakeholder Discussion with City Manager & Economic Development Program Manager
  - Stakeholders reiterated their thoughts.
- November 9: Discussion with Citizen Involvement Organizations (CIOs)
  - Staff discussed including a food cart pod as a permitted use. Citizen group shared concerns of traffic impacts, particular that of last mile delivery fleets or large trucks.
- December 12: Continued Stakeholder Discussion
  - Staff took stakeholder feedback into consideration and presented a revised code (Exhibit A3: Scenario B) that expanded permitted uses to include Heavy Manufacturing, Warehouse and Freight Movement, and Wholesale Sales with use limitations. Stakeholders continue to share concerns that amendments would restrict development of their products.
- January 5 : Discussion with the Chamber, Stakeholders, and Business Community
  - Stakeholders share continued dissatisfaction over project and seek Chamber support. Staff shares that the project aims to balance council direction and goals, with feedback received from the stakeholder groups. A driving purpose of the development code is to discourage what the community views as undesirable development, as opposed to relying on the market to provide desirable development without code limitations. Staff feels that the project offers greater flexibility for industrial uses over current code and continue to work with stakeholders on various code scenarios.
- January 19: Planning Commission Meeting
  - Staff returned to the Planning Commission to provide an update based on stakeholder feedback that the draft code that flexibility to accommodate market needs. In response, staff worked collaborative with the stakeholders to craft four code scenarios for the Commission to review and make a recommendation to Council on. These code scenarios ranged from highly

aspirational and potentially restrictive to being more flexible while ensuring some level of desired development.

- The Commission made a motion to approve a two-part recommendation to Council:
  - If Council favors limiting warehouses, then approve Scenario A1 (Exhibit A1).
  - If Council is open to expand uses that encourage flex space, then approve Scenario C (Exhibit A2).
  
- February 2: Continued Discussion with the Chamber, Stakeholders, and Business Community
  - Staff returns with an update on the project discussion with the Planning Commission, and ask the business community for their continued support of the project.
  
- March 16: Planning Commission Meeting
  - Staff returned to the Planning Commission to confirm the direction of the text and map amendment based a Council work session discussion held on February 27, 2023.

**From:** [Steve Koper](#)  
**To:** [Luxhoj, Cindy](#); [Erin Engman](#)  
**Cc:** [Bateschell, Miranda](#)  
**Subject:** RE: RE: Basalt Creek Industrial Code Project  
**Date:** Tuesday, January 17, 2023 12:17:30 PM  
**Attachments:** [image001.png](#)

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Hi Cindy,

Please see below for responses. We appreciate your comments; we'll share them with our Planning Commission and City Council. We plan to meet with our City Council at the end of February. We'd be happy to set up a meeting to provide you with an update on the project before we go through to adoption if there's interest in that.

Best,

-Steve

**Steve Koper, AICP**

Assistant Community Development Director  
City of Tualatin | Planning Division  
503.691.3028 | [www.tualatinoregon.gov](http://www.tualatinoregon.gov)

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**From:** Luxhoj, Cindy <[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)>  
**Sent:** Tuesday, January 17, 2023 10:58 AM  
**To:** Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)>  
**Cc:** Steve Koper <[skoper@tualatin.gov](mailto:skoper@tualatin.gov)>; Bateschell, Miranda <[bateschell@ci.wilsonville.or.us](mailto:bateschell@ci.wilsonville.or.us)>  
**Subject:** RE: RE: Basalt Creek Industrial Code Project

Hi Erin,

I hope you're year is off to a great start!

Thank you for sending the announcement about the Planning Commission meeting this Thursday about the Basalt Creek Employment (BCE) Zoning District. Will the meeting be recorded and available for viewing afterward? I'm on vacation this Thursday and Friday, but would like to watch the recording next week if possible.

After the open house last July, I sent you a few questions, which I've listed below. You were going to think about them and get back to me, but I don't recall hearing from you. I looked through the Planning Commission packet and made some notes/revisions to my questions, but I'd appreciate confirmation from you or any additional information you think would be helpful:

- Have you considered a form-based code for this area, such as Wilsonville has in the Coffee Creek Industrial Area, as a means to making the area more human scale and pedestrian/bicyclist friendly?

○ Notes:

- *The scenarios appear use-based rather than form-based. Is this accurate?*

RESPONSE: Yes.

- *It looks as though commercial and retail uses, as well as a mobile food unit, are being allowed on SW Grahams Ferry Road. Is this correct? Was this anticipated in the Basalt Creek Concept Plan for this area? If not, how are changes in trip generation/transportation impact being addressed?*

RESPONSE: Employment dense uses were envisioned in the Concept Plan. The MP zoning code, as applied, has limits on commercial uses greater than what is allowed under Metro's Title 4 for employment areas. The draft code expands the code to allow commercial uses up to those limits, but allows only some of those uses in the Grahams Ferry Corridor.

- What about a combination of zones, with lower intensity manufacturing/warehousing/distribution next to residential areas and more intense use to the south and west near the Basalt Creek Parkway?

○ Notes:

- *It doesn't appear this is the case; however, it looks like landscaping and variation in setbacks are used to provide buffering and separation. Is this accurate or is there gradation in intensity that I'm not seeing?*

RESPONSE: Yes.

- Where in the analysis is trip generation considered? Manufacturing Park was the assumed use with 725 trips (7.80 trips per acre; Table 5 of the BC Concept Plan). If a different zone is applied to this area, how will that affect trip generation and will Tualatin still be within their assumed portion of trips?

○ Notes:

- *I see that a Transportation Planning Rule Evaluation was completed in November 2022, and there is mention of the Transportation Refinement Plan (on page 3) in the evaluation report. However, I don't see discussion of how a change to the new zoning will affect the trip calculation/analysis in the Transportation Refinement Plan. Could you provide more information about this?*

RESPONSE: The 2012 Transportation Refinement Plan was part of the Concept Plan. The Concept Plan identified zoning designations that would apply in the Basalt Creek Planning Area. The TPR analysis for the Comprehensive Plan Amendments was based on planning horizon for allowed uses for the zoning designations identified in the Concept Plan. The TPR analysis for this project will compare reasonable worst case development scenarios for the planning horizon for the existing MP zone with reasonable worst case development scenarios for the planning horizon for the proposed Basalt Creek Employment (BCE) zone. Our draft analysis concludes that the proposed BCE zone would have a slight reduction in total trips over the planning horizon. I don't know what the numbers in Table 5 refer to but they don't seem to represent the planning period given they are so small. For example, the multifamily zoning (RH) which allows 25 du/ac and was recently approved for 116 units says 42 trips, that is below the built year daily PM peak hour trips for that use...

I'm still interested in your responses.

Please let me know if you have questions or need clarification.

Thangs again,

**Cindy Luxhoj AICP**

*Associate Planner*  
City of Wilsonville

503.570.1572

[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)

[www.ci.wilsonville.or.us](http://www.ci.wilsonville.or.us)

[Facebook.com/CityofWilsonville](https://www.facebook.com/CityofWilsonville)



29799 SW Town Center Loop East, Wilsonville, OR 97070

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*Disclosure Notice: Messages to and from this e-mail address may be subject to the Oregon Public Records Law.*

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**From:** Luxhoj, Cindy <luxhoj@ci.wilsonville.or.us>

**Sent:** Thursday, July 28, 2022 5:00 PM

**To:** eengman@tualatin.gov

**Cc:** skoper@tualatin.gov; Bateschell, Miranda <bateschell@ci.wilsonville.or.us>

**Subject:** RE: Basalt Creek Industrial Code Project

Hi Erin,

Here are some links to Coffee Creek standards:

- Planned Development Industrial – Regionally Significant Industrial Area Zone is [Section 4.135.5 of the Code](#)
- Coffee Creek Industrial Design Overlay District is [Section 4.134 of the Code](#)
- [Coffee Creek Industrial Design Overlay District Pattern Book](#)
- [Web page](#) with other Final Adoption Documents for the Coffee Creek Industrial Area Form-Based Code

There are two approved projects in the Coffee Creek DOD and one more in completeness review.

Here are links to the project pages for the two approved projects:

- [Black Creek Group Industrial Project](#)
- [Coffee Creek Logistics Center](#)

Please let me know if you have questions or I can provide any other information.



Thanks,

**Cindy Luxhoj AICP**

Associate Planner

City of Wilsonville

503.570.1572

[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)

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[Facebook.com/CityofWilsonville](https://www.facebook.com/CityofWilsonville)



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**From:** Erin Engman

**Sent:** Thursday, July 28, 2022 4:21 PM

**To:** Luxhoj, Cindy

**Cc:** Steve Koper

**Subject:** RE: Basalt Creek Industrial Code Project

**[This email originated outside of the City of Wilsonville]**

---

Hi Cindy-

It was good to see you at the open house last night! And thanks for reaching out with your questions, which I have added to our comment record.

I'd like to spend some time on your questions, and will follow up with you soon. I'll also take a look at the Coffee Creek area that you mentioned. Do you have particular form-based standards that have worked well or developed examples to share?

I'm also happy to set up a follow-up conversation. I hope your summer is going well.

**Erin Engman**

Senior Planner

City of Tualatin | Planning Division

503.691.3024 | [www.tualatinoregon.gov](http://www.tualatinoregon.gov)

---

**From:** Luxhoj, Cindy <[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)>

**Sent:** Wednesday, July 27, 2022 6:36 PM

**To:** Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)>

**Subject:** Basalt Creek Industrial Code Project

Hi Erin,

I'm following up on tonight's open house.

I had some questions, but hesitated to ask. I thought they might be too specific or technical for the audience and that it would be best to email you directly.

Here are some that came to mind during the presentation:

- Have you considered a form-based code for this area, such as Wilsonville has in the Coffee Creek Industrial Area, as a means to making the area more human scale and pedestrian/bicyclist friendly?
- What about a combination of zones, with lower intensity manufacturing/warehousing/distribution next to residential areas and more intense use to the south and west near the Basalt Creek Parkway?
- Where in the analysis is trip generation considered? Manufacturing Park was the assumed use with 725 trips (7.80 trips per acre; Table 5 of the BC Concept Plan). If a different zone is applied to this area, how will that affect trip generation and will Tualatin still be within their assumed portion of trips?

Thanks,

**Cindy Luxhoj AICP**

*Associate Planner*

City of Wilsonville

503.570.1572

[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)

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**From:** [Tim N.](#)  
**To:** [Ext - Planning](#)  
**Subject:** Follow up - Planning Commission Meeting 1/19/23  
**Date:** Thursday, January 19, 2023 8:33:53 PM

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Hello,

I just wanted to write and thank the planning commission for the thoughtful considerations for the Basalt Creek Employment zone. I greatly appreciated the discussions regarding the pros and cons of the potential scenarios.

To represent the concerns of the current Byrom CIO residents, the main concerns are traffic, noise, and pollution. Traffic concerns could be partially alleviated by road enhancement projects being completed at a more rapid timeline than proposed in the Basalt Creek Master Plan. When considering industrial traffic, there is also additional concern on the quality of our roads. With more frequent heavy truck traffic, it will be important for the city to also consider the increased cost and frequency of road upkeep and repaving. Regarding noise and pollution, I believe residents will be minimally impacted SO LONG AS the final decision sets high standards for outdoor noise, environmental standards, light pollution, the designation of heavy or light industrial does not matter. I believe it was referenced that LAM Research park was created with above-the-norm environmental and noise standards, and that sounds like a great model to follow. I also believe residents would be in great support of requirements that ensured all manufacturing occurred in an enclosed building, to further effectively manage environmental and noise impacts. In terms of environment, as Tualatin is the City of Trees, I believe residents would strongly support the comments regarding having 60 - 85 foot landscaped greenspace setbacks and quality fencing, especially if these greenspaces included requirements for heavy vegetation and tree plantings, as well as sidewalk space and trails.

In terms of what would seem to be of best benefit to Tualatin, manufacturing space seems more desirable than warehouse space. Ideal manufacturing employers stand a greater chance at higher numbers of employees, compensated at a rate that affords them to also become comfortable as residents of Tualatin. I believe ideally, this plan should encourage individuals who want to work, and live, in Tualatin.

Overall, scenario A or 1A seem ideal for current and future residents, possibly scenario B with modifications, so long as the above thoughts are incorporated.

Lastly, I would like to reiterate my comments on adding more commercial space into the basalt creek master plan. To be of the greatest benefit to current residents, new residents, and new employees in the Basalt Creek Employment Zone, the plan needs to incorporate commercial space. All these individuals would benefit from a grocery and restaurants locally, otherwise they would need to commute. I strongly believe in creating local, walkable communities, and incorporating commercial space, as recommended by city council last fall, would greatly enhance the quality of life of residents and employees, and could help attract employers to the area.

Again, I greatly appreciated the thoughtful discussion. I appreciated the planning commission expressing awareness of the concerns of residents, and I look forward to further discussion with the planning commission!

-Tim Neary  
Byrom CIO Interim President

**From:** [G Lucini](#)  
**To:** [Erin Engman](#); [Council](#); [Frank Bubenik](#); [Maria Reyes](#); [Christen Sacco](#); [Bridget Brooks](#); [Cyndy Hillier](#); [Octavio Gonzalez](#); [Valerie Pratt](#); [Ext - Planning](#)  
**Subject:** PROPOSED CHANGES TO BASALT CREEK EMPLOYMENT ZONING DISTRICT PTA 22-0001 AND PMA 22-0001  
**Date:** Saturday, January 21, 2023 2:42:30 PM

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DATE 1-21-2023

FOR THE PUBLIC RECORD TO:

RE: Tualatin Planning Commission Meeting 1-19-2023 Agenda Item:

**CONSIDERATION OF PROPOSED CHANGES TO BASALT CREEK EMPLOYMENT ZONING DISTRICT PTA 22-0001 AND PMA 22-0001**

The need for thoughtful, well-planned development in the Basalt Creek Area should be the primary concern of the City of Tualatin to obtain long term success for the City, local communities, and for the provision of quality of life to all citizens. The Land Use Process should be transparent, should be based upon facts, and the municipality should seek engagement of all Citizens in all phases as part of Citizen Involvement in proposing a major Land Use Change impacting significantly large numbers of acres and various communities.

**1. A Land Use Planning process concern became apparent during the Tualatin Planning Commission Meeting (TPC) on 1-19-23 regarding Commission's recommendations to be submitted to the City Council.** During the Public Meeting of the TPC, despite the efforts of the Commission Chair, the Commission members were unable to successfully generate a clearly stated recommendation to submit to the Tualatin City Council regarding the various proposed Code changes for the Basalt Creek Area. The Chair commented he would call each member after the meeting to determine the recommendation the Commission would forward to the City Council- "if it is legal".

A clearly stated recommendation from the Commission to be presented to the City Council- was not proposed / voted upon prior to the closing of the agenda item during this Public Meeting of the Planning Commission. Yet it appears the Planning Commission's recommendations on the proposed Land Use changes are intended to be presented to the City Council on 2-27-23.

These actions raise significant concerns regarding this decision-making process, Public Transparency, and determination of the recommendations of the Planning Commission to be forwarded to the City Council for the Council's consideration and guidance-being conducted outside of a Public Meeting.

It should be noted, the City Council will be the Decision-Making Body regarding the adoption of any of the proposals, and the Planning Commissions recommendations are an integral part in the direction and ultimate outcome in this policy making process.

**2. There are substantial questions as to the need for immediate Land Use Actions, or zoning changes to be taken to jumpstart economic stimulus and development in the Basalt Creek Area due to existing conditions.**

The City of Tualatin has known of the difficulties for industrial development within the Basalt Creek Area for many years. It should not be a surprise that development within the Basalt Creek industrial area would be a relatively slow process.

- The zoning designations identified in the Basalt Creek Concept Plan were extensively debated for years prior to adoption. The zoning designations adopted during the Basalt Creek Concept Planning- were not "aspirational" as stated by City staff and also stated on a City slide presentation during the 1-19-23 Planning Commission Meeting. The zoning designations adopted as part of the Basalt Creek

Concept Plan and restated in the City of Tualatin Basalt Creek Comprehensive Plan are legally binding Land Use Planning Documents.

- The City has had knowledge for many years of multiple constraints and limitations for development in the Basalt Creek Area as identified in the Basalt Creek Concept Plan. In addition, during the City of Tualatin Basalt Creek Concept Planning process and adoption, multiple property owners provided testimony to the City of Tualatin as to the constraints and limitations of industrial development within the Basalt Creek Area would delay development in the Basalt Creek Area, and consequently requested the “Tualatin Sub Area” be zoned for residential. The City of Tualatin even brought these issues to a Metro Hearing.

**3. Statements expressed on 1-19-23 about the financial impact to the Basalt Creek Urban Renewal Bond --if the proposed Land Use changes are not enacted--should be questioned.**

- The City of Tualatin’s SW Basalt Creek SW Industrial Urban Renewal Bond is a **30-year bond**. The bond is less than 2 years into the 30-year life of the bond.
- During the drafting of this Urban Renewal Bond, when questioned by the Basalt Creek Urban Renewal Bond Task Force, the City staff responded that the forecasting for economic success of the bond did include assessments of impacts occurring from economic and business changes during 2019 to 2022.
- When drafting the Urban Renewal Bond for the Southwest and Basalt Creek Area, the City was provided information that development may not be early or rapid in the Basalt Creek Area. The City’s Basalt Creek Urban Renewal Bond Task Force identified multiple factors which may hamper development in the Basalt Creek Area including:
  - a. Basalt Creek geology, topography would be difficult and would increase construction costs.
  - b. Basalt Creek Area lacks proximity to existing City infrastructure and would be dependent on development and connectivity from the north.
  - c. Development in the southern portion of the Basalt Creek Area by the City of Wilsonville would generate from the south and may be later to develop along their northern border with Tualatin.
  - d. The Task Force also discussed the City’s lack of an adopted State mandated Stormwater Management Plan (SWMP) for the Basalt Creek Area. A well written SWMP is used as a significant part of Land Use Planning and development to ensure the effective provision of this Public Service in a timely manner (OAR 660-011-0000). Yet, the City has not yet adopted a SWMP for the Basalt Creek Area, which inhibits the ability to effectively evaluate and determine potential negative impacts of development or changes to Land Use Codes in the Basalt Creek Area, nor effectively evaluate and plan coordinated and integrated stormwater infrastructure, effectively budget for major stormwater projects for the Basalt Creek Area, nor integrate the Stormwater Plan into effective planning to prevent Natural Hazards from flooding or landslides within an area with steep Canyon slopes.
  - e. The Urban Renewal Task Force also discussed the City’s requirements to protect and conserve various Natural Resources in the Basalt Creek Area, yet the City’s adopted Natural Resource Maps - Maps 72-1 and 72-3 Significant Natural Resource Map and the City’s Map of Protected Natural Resources contain inadequate clear standardized memorialization of Goal #5 Resources which exists in the Basalt Creek Area. For example, these maps even lack identification of 14+ acres of wetlands within the Basalt Creek Canyon which

is a major constraint for Land Use Planning in the Basalt Creek Area.

Inadequate documentation within the City's adopted Natural Resource Maps has significant ramifications for safe and effective Land Use and development due to potential stormwater flooding, erosion control issues, derogation of tree canopy in wetlands & water quality concerns locally and downstream within the Willamette Basin. As City Codes reference these maps for development and enforcement – the lack of inclusion and memorialization of multiple Natural Resources known to exist in the Basalt Creek Area within City's Natural Resource/Protection Maps 72-1 and 72-3 should be of significant concern.

**4. While the City should be responsive to the needs of local businesses, it should not be the goal of a local municipality to modify existing Land Use Plans to ensure the speculative investments of developers will be able to turn a profit in a short time span.**

Requests to change land use designations to benefit a large developer should not nullify years of prior Land Use Planning at the possible expense of potential negative impacts to quality-of-life elements for local employees and/or residents- including traffic congestion, noise pollution, light pollution, air pollution, impacts upon Natural Resources, or noxious odors from enclosed buildings generated by a manufacturing business.

- A large developer and their equally large Engineering and Consulting Firm should have known of the existing zoning and developmental/construction limitations through appropriate due diligence prior to purchase. Apparently, many of the properties within the Snitzer development proposal were purchased within the last year or two, when the existing Land Use designations were already adopted.
- During the Planning Commission Meeting, the Snitzer development consultant commented their proposal:
  - *Would have minimal negative traffic impact to the local residents-*  
- yet did not address the traffic impacts to SW Boones Ferry Road nor into the at the I-5 and Elligsen Road (exit #286) interchange from their proposed Land Use changes.  
  
- and made comments regarding traffic flow in the Basalt Creek Area which assumed the proposed Washington County Basalt Creek Parkway Extension would be completed and functional. This proposed major Washington County transportation project is not fully designed nor is this project fully funded.
  - *Would have minimal negative impacts to Natural Resources due to the distance from the Basalt Creek Canyon Area*  
- yet the scope of the proposed Land Use changes extend east of Grahams Ferry Road with land in close proximity to the Basalt Creek Canyon where high valued habitat and wetlands may be downstream.  
  
- the consultant did not provide information as to the extent of grading and removal of rock, soil and habitat would need to be removed on land east of SW Grahams Ferry Road to achieve building plats with grades appropriate for proposed Land Use Changes.

**5. As resident property owners adjacent to the Basalt Creek Industrial area, we only recently learned of the proposed Land Use Changes through other citizens.** The City's presentation to the Planning Commission on 1-19-23 included multiple comments about inclusion of Stakeholders within this Land Use process and identified various prior meetings with Stakeholders. It is unknown how or when the City selected the members to represent the Stakeholder Group. The members or composition of the Stakeholder

group was not identified during the 1-19-23 presentation, nor is it clear the proportion of developers vs. Basalt Creek property owners who actually live on the surrounding lands within the Stakeholder Group. The large numbers of acres within the scope of the proposals are significant, and should be considered a major Land Use Action and for which the City's outreach and Citizen Involvement should be representatively large.

If the City's intent was to be inclusive within Public Outreach and to effectively meet the State's required Citizen Involvement goals, as property owners directly adjacent to the proposed Land Use changes, we were not contacted for input, nor notified of Public Meetings regarding the potential land use changes to the adjacent to our property. The list of Public Notice of addresses the City sent Notices of Public Meetings regarding the proposed Land Use Changes (which was included within the Informational Packet for this meeting) did not include property owners off of SW Boones Ferry Road- although many of these properties, like ours borders on the eastern edge of the lands which would undergo Land Use Changes. Our properties being adjacent properties--are obviously within feet of the lands under consideration for these proposed Land Use changes which may result in indirect impacts to our properties.

The City has our contact information. We have been very active in seeking and participating in Citizen Involvement opportunities in the development of any and all Land Use projects within the Basalt Creek Area being conducted by the City.

This is not the first-time local Basalt Creek residential property owners in the unincorporated Washington County, who are not absentee landlords but actually live on their property and may feel the impact of the proposed Land Use Actions. We have been marginalized from participation in all phases of proposed Land Use Actions impacting the Basalt Creek area... The City and the Planning Commission has been notified for years that the City's existing Citizen Involvement Program for Land Use Actions-----, excludes Washington County Basalt Creek property owners from membership within the City's "CIO's" which is the City's stated "Citizen Involvement Program" (Oregon Land Use Planning Goal #1 for Citizen Involvement OAR 660-015-0000(1) .

As the City of Tualatin also states the Tualatin Planning Commission is the City's identified "CCI" and fulfills the Goals #1 Requirements per OAR 660-015-0000(1), there is concern that the Tualatin Planning Commission during the 1-19-23 meeting did not seek information on the types of Public Outreach being conducted, or inquire as to the composition of the Stakeholder Group the City has selected to utilize and engage in the development of proposed Land Use Code Changes--- to ensure all citizens are encouraged and able to participate in all phases of the development of Land Use Actions in the Basalt Creek Area.

Prior to entertaining the desires of various developers to reduce planned Land Use limitations in order they may more easily and quickly develop their financial speculations, the City of Tualatin should focus on their responsibilities to develop and ensure effective Land Use Planning in the Basalt Creek Area.

The City of Tualatin has already become a property owner of over 7 acres identified for future park and Natural Area adjacent to the lands included in the proposed Land Use Changes for future park use directly adjacent to the lands under consideration for Code Changes. The City has indicated the goal to obtain additional lands within the Central Basalt Creek Area for more park uses.

Rather than make large Land Use Changes in the Basalt Creek Area a few years after adopting the Basalt Creek Comprehensive Plan, it would seem it would be in the best interests of the City, Citizens and the environment to ensure the City has fully and



conscientiously completed mandated assessments and analysis of the Basalt Creek Area which assist in the effective evaluation and successful planning of future development in the Basalt Creek Area (i.e. #3d and #3e listed above)... leading to effective comprehensive Land Use Planning for the Basalt Creek to generate successful short- and long-term outcomes to benefit all.

Due to the lack of a direct email address to the Tualatin Planning Commission, we request the Planning Department forward this submission to the members of the Planning Commission.

Respectfully submitted,  
John and Grace Lucini

**From:** [Chris McReynolds](#)  
**To:** [Erin Engman](#)  
**Cc:** [Steve Koper](#)  
**Subject:** Re: No High Rise Zone on Norwood; BCE Project  
**Date:** Monday, January 23, 2023 10:54:03 AM  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)  
[image006.png](#)  
[image007.png](#)  
[image.png](#)  
[image.png](#)  
[image.png](#)

Erin,

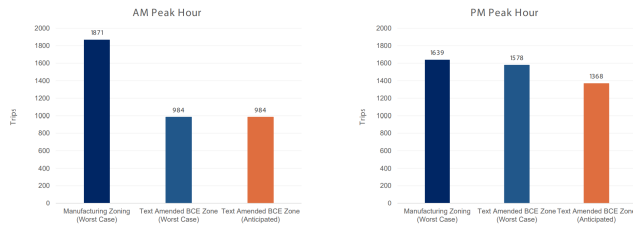
I also echo the City of Wilsonville's planning department sentiments and questions.

The provided traffic impact study by the stakeholder is all speculation. The stakeholder also indicated the percentages of use/zones would vary. In general truck traffic is also much different than conventional vehicles as you already know and will cause a compounding issue to the existing traffic problems.

Stakeholder speculation is based on the use of "Flex" space that is not really clearly defined. They cannot determine that trip generation will be lower than an MP zone based on their assumptions.

### Transportation Review of Flex Industrial

- » Transportation Impacts
  - » Peak Hour Trip Comparison of Scenario C

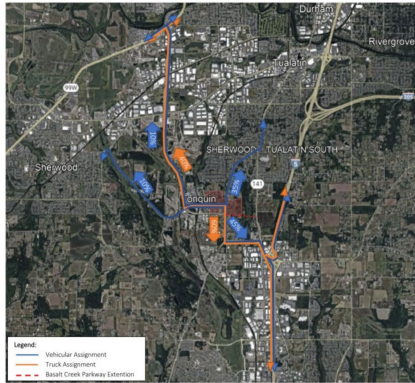


If you take the peak trip traffic shown here this would exceed Tualatin allotment per Cindy's statements.

This trip distribution is speculative.

### Transportation Review of Flex Industrial

- » Transportation Impacts
  - » Trip Distribution



I agree with Cindy's comments.

---

**From:** Luxhoj, Cindy <[luxhoj@ci.wilsonville.or.us](mailto:luxhoj@ci.wilsonville.or.us)>  
**Sent:** Wednesday, July 27, 2022 6:36 PM  
**To:** Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)>  
**Subject:** Basalt Creek Industrial Code Project  
Hi Erin,  
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Thanks,  
**Cindy Luxhoj AICP**  
Associate Planner  
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[Facebook.com/CityofWilsonville](https://www.facebook.com/CityofWilsonville)

Thanks,

-Chris

On Mon, Jan 23, 2023 at 10:26 AM Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)> wrote:

Hi Chris-

Thank you for your testimony and follow up comments.

Hope you had a good weekend,

**Erin Engman**

Senior Planner

City of Tualatin | Planning Division

503.691.3024 | [www.tualatinoregon.gov](http://www.tualatinoregon.gov)

**From:** Chris McReynolds <[chris.mcreeynolds1@gmail.com](mailto:chris.mcreeynolds1@gmail.com)>

**Sent:** Friday, January 20, 2023 7:16 AM

**To:** Steve Koper <[skoper@tualatin.gov](mailto:skoper@tualatin.gov)>

**Cc:** Sherilyn Lombos <[slombos@tualatin.gov](mailto:slombos@tualatin.gov)>; Ext - Planning <[Planning@tualatin.gov](mailto:Planning@tualatin.gov)>; Catherine Holland <[tualatincio@gmail.com](mailto:tualatincio@gmail.com)>; Nicole J. Morris <[NMorris@tualatin.gov](mailto:NMorris@tualatin.gov)>; Megan George <[mgeorge@tualatin.gov](mailto:mgeorge@tualatin.gov)>; Keith Leonard <[kleonard@tualatin.gov](mailto:kleonard@tualatin.gov)>; Betsy Ruef <[bruef@tualatin.gov](mailto:bruef@tualatin.gov)>; Teresa Ridgley <[tridgley@tualatin.gov](mailto:tridgley@tualatin.gov)>; Frank Bubenik <[fbubenik@tualatin.gov](mailto:fbubenik@tualatin.gov)>; Maria Reyes <[mreyes@tualatin.gov](mailto:mreyes@tualatin.gov)>; Christen Sacco <[csacco@tualatin.gov](mailto:csacco@tualatin.gov)>; Bridget Brooks <[bbrooks@tualatin.gov](mailto:bbrooks@tualatin.gov)>; Cyndy Hillier <[chillier@tualatin.gov](mailto:chillier@tualatin.gov)>; Nancy Grimes <[ngrimes@tualatin.gov](mailto:ngrimes@tualatin.gov)>; Valerie Pratt <[vratt@tualatin.gov](mailto:vratt@tualatin.gov)>; Kim McMillan <[kmcmillan@tualatin.gov](mailto:kmcmillan@tualatin.gov)>; Madeleine Nelson <[mnelson@tualatin.gov](mailto:mnelson@tualatin.gov)>; Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)>; Cody Field <[cfield@tualatin.gov](mailto:cfield@tualatin.gov)>; Octavio Gonzalez <[ogonzalez@tualatin.gov](mailto:ogonzalez@tualatin.gov)>; Holly Goodman <[holly@tualatinlife.com](mailto:holly@tualatinlife.com)>; [mike@tualatinlife.com](mailto:mike@tualatinlife.com); [mmiller@pamplinmedia.com](http://mmiller@pamplinmedia.com); [amesh@wweek.com](mailto:amesh@wweek.com)

**Subject:** Re: No High Rise Zone on Norwood

Dear Tualatin Planning Department Members, Planning Commission, City Council Members, and Mayor Frank Bubenik;

After attending the planning commission meeting yesterday regarding the land use changes for the Basalt Creek MP zone, it saddens me to see that when a developer flashes money, individuals in the planning department gush at the first opportunity and are willing to change code language to make it happen. I hope the commission and council really think about my testimony on record. As commissioner Bachhuber mentioned, why accept the first development plan? The land is extremely valuable. During the meeting the commission even indicated the immense challenges with traffic, environment and local residents.

I also want to remind everyone of all the housing projects that have already been approved. Please slow down and address the obvious concerns we all see in this city. Please do not white wash them for bullying developers. There will always be an opportunity. The Basalt Creek Urban renewal plan is a 20-year plan, not a today plan...

Council, please do not let developers do the same on Norwood Rd. Do not let them bully you into a zone change just because they have money. As I said before, do not let developers run our city.

Say no to a plan/text amendment change on Norwood Rd.

Sincerely,

-Chris McReynolds

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\_\_\_\_\_



**TUALATIN**  
CHAMBER of COMMERCE

27 February 2023

City of Tualatin  
Attn: Mayor and City Council  
18880 SW Martinazzi Avenue  
Tualatin, Oregon 97062

Dear Mayor and Councilors:

The Tualatin Chamber of Commerce, its Board of Directors and Business Advocacy Council respectfully submit this letter in support of the City Planning Department's submission of Stakeholder Scenario C, recommended by the City Planning Commission, for the development of the Basalt Creek Employment Zone (BCEZ).

We strongly urge the City to recognize the need for flexibility in considering allowed uses for this new industrial/commercial area. We are very aware of the shortage of available wholesale and warehouse space currently in Tualatin. We hear from our members of the frustrations of not being able to build, find space or expand their businesses and the BCEZ, especially under Stakeholder Scenario C, would alleviate most of those issues.

We also appreciate that a private developer is willing to come into Tualatin and invest in our community as outlined thus saving the City important dollars that can be used elsewhere for other projects and planned urban redevelopment. In this post Covid era, it is important to plan to increase our ability to provide industrial/commercial space and job opportunities to continue to keep Tualatin as a viable and attractive business market.

As a business member organization and partner in continuing to enhance the quality of doing business in Tualatin, we thank you for this opportunity to provide testimony in support of Stakeholder Scenario C.

Sincerely,

Anneleah Jaxen  
CEO  
Tualatin Chamber of Commerce

Skip Stanaway  
Chair  
Board of Directors

Susan Noack  
Chair  
Business Advocacy Council



City of Tualatin  
Attn: City Council  
18880 SW Martinazzi Avenue  
Tualatin OR 97062

RE: Basalt Creek Industrial Code Update – Support for Stakeholder’s Scenario C

Dear Councilors,

We are reaching out to you as both a member of the Tualatin business community and as a stakeholder in the Basalt Creek area. As you know, the City is currently developing new zoning code for the industrial designated area known as the Basalt Creek Employment Zone (BCE) Code Project. Per the City’s website the intent of the effort is *“to create greater flexibility for landowners to develop their industrially designated property in the Basalt Creek area based on employment and market trends.”*

Over the last several months the stakeholders have been studying the employment and market trends, the economic outcomes and the traffic implications to determine what the appropriate mix of uses should be in the BCE zone that would meet the City’s intent of providing greater flexibility while also ensuring manufacturing uses are included, large warehouse uses are minimized and supporting commercial uses are allowed on a limited basis. The result of these efforts is the proposed code scenario known as the Stakeholder’s Scenario C.

The mix and allowances of uses promote a balanced and flexible employment zone that can accommodate the diversity of businesses in Tualatin and adapt as trends in the industrial market change overtime. Conversely, restrictions on uses increases the risk of not being able to lease space too high to obtain financing, rendering private investment and development infeasible.

The Stakeholder’s Scenario C will stimulate additional benefits to the Basalt Creek area and local business community. Those benefits are further summarized below.

**BUSINESS EXPANSION AND RETENTION:**

- Industrial space in Tualatin is currently very low at just 1.5% vacancy. In other words, there is no available space today and Tualatin needs more industrial space for all industrial uses.
- More flex industrial space allows more businesses the opportunity to locate in Tualatin and for existing businesses to stay and grow in Tualatin.
- The mix and allowances of uses above promote a balanced and flexible employment zone that can accommodate the diversity of businesses in Tualatin and adapt as trends in the industrial market change overtime.
- The mix of uses and flexibility are important to the greater industrial ecosystem of the SW corridor and to the broader business community in the City of Tualatin.



ECONOMIC BENEFITS:

- The ability to provide the mix and allowances of uses with flexibility encourages financing for private investment and development.
- Private investment and development stimulates growth in Urban Renewal funding.
- Private sector led infrastructure and new industrial development creates a catalyst for the greater district.
- Over the long term, the Stakeholder Scenario C provides more funding (approximately \$20 million more) to the Urban Renewal Area than restricting scenarios.
- The Stakeholder Scenario C mix and allowances of uses are comparable employment density and wages between manufacturing, wholesale and warehouse uses.

REDUCED TRAFFIC AND FUNDED TRAFFIC IMPROVEMENTS:

- Less vehicle trips and truck trips with expanded use allowances.
- New road and signal improvements to the area will be paid for by private development which allows the City to spend Urban Renewal dollars on other infrastructure projects in the area which would not be built by private development.

Based on the benefits outlined above, the stakeholder's Scenario C provides the stakeholders of the Basalt Creek area and the City of Tualatin a balanced and flexible employment zone that can accommodate a diversity of businesses and that can feasibly be realized.

Thank you for your consideration on this matter. We would appreciate your support for the stakeholder's Scenario C.

Sincerely,



Ryan Schera  
AVP, Development







To: BAC, Tualatin Chamber of Commerce

RE: Basalt Creek Industrial Code Update-Support for Stakeholder's Scenario C

Dear BAC Members,

I am writing this letter in support of the above mentioned cause. Allowing for a flexible zoning allows the property to be developed in an orderly manner by Developers that will create an industrial campus that will not only look homogeneous but will provide for much better traffic mitigation and landscaping. Limiting the uses will likely allow for piecemeal development of incongruent uses that will not only exacerbate traffic issues but also will defeat the desired industrial campus effect that is much more pleasing to the surrounding neighborhoods.

As has been demonstrated the intent of stakeholder's scenario is not to build colossal distribution facilities but to create an industrial campus that appeals to multiple tenants of varying activities. Nondenominational studies have been conducted that note this type of development provides for less vehicle and truck traffic than other contemplated uses and makes for living wage employment among the likely occupants of the contemplated development.

I have been leasing and selling industrial properties in the SW I-5 corridor for years. I have seen many architecturally uninteresting developments constructed that are done by national out of town companies that do not have long term ownership goals. The stakeholder's scenario will allow for a first class campus like complex developed by a local company that cares for their facilities as only one with their goals in mind can. This is a chance for the Basalt Creek employment area to set the standard for development that is pleasing to the eye and meets the goals that have been defined in the district.

In addition, new road and signal improvements will allow the city to focus Urban Renewal dollars on other projects in areas that will not be financeable by private development. Further the development of the area will be done sooner and the realization of tax dollars business licenses, etc. will increase the city's tax base much sooner than waiting for piecemeal development as well as fund the Urban Renewal Bond

Congruent development of an area can only be achieved by developers that develop fist class facilities.. Both city staff and the Tualatin Chamber BAC have seen examples of the quality of the product that is this scenario afford and can attest to the quality of the buildings, landscaping and overall appearance of how these properties are maintained . They are local to our region, develop own and manage their own properties, unlike most developers who build and sell to institutional investment funds domiciled in major financial centers.



Tualatin has lost business's to migration to other areas of the city where there are campuses such as the one contemplated herein. Lam Research, Nuance Systems, DW Fritz Automation are all examples of heavy employers who have expanded/relocated elsewhere due to the lack of Tualatin based product to handle their growing needs.

Thanks for the opportunity to present the case for this fine development/developer and I urge you to support the Stakeholder's Scenario C.

Best Regards

A handwritten signature in black ink, appearing to read 'Stu Peterson', with a large, stylized flourish extending to the right.

Stu Peterson  
Partner Macadam Forbes



City of Tualatin  
Attn: City Councilors  
18880 SW Martinazzi Avenue  
Tualatin OR 97062

Dear Councilors,

Thank you allowing me to submit this testimony as a stakeholder in support of the code update allowing for more flexible industrial space in the Basalt Creek Employment area (Scenario C). I submit this testimony on behalf of the members of Westside Economic Alliance (WEA) and stakeholders. We are a member-based association that advocates for a healthy economy on the Westside of the metro Portland region. We represent nearly 200 organizations who employ thousands of workers.

Our membership brings together large corporations like Intel, Comcast, PGE and NW Natural, major hospitals systems including Kaiser, Legacy, Providence and OHSU as well as banks, property management companies, developers, engineering firms, and more. In addition to our private sector members, we are unique in also representing public sector members including all thirteen cities in Washington County plus West Linn, as well both Washington and Clackamas counties are members. We represent special districts including fire and rescue, parks and recreation, water and school districts. Finally, we have non-profit members who provide direct services from mental health to substance use disorder to housing development throughout the region.

WEA support the city's effort to update the Basalt Creek Industrial District zone for the Basalt Creek industrial area to allow more flexibility in allowed uses, specifically allowing for wholesale uses and warehouse uses in addition to manufacturing uses. Specifically, warehousing and wholesale sales to be in combination up to 70% of the building square footage. This change is important to address the shortage of available space and the buildable industrial land supply within the region, as demonstrated by the very low vacancy rates. Our region has business demand that will create employment and tax revenue to benefit the broader economic engine of the Westside. We understand that there has been concern about increased job density and traffic impacts that might result from this shift to flexible industrial space. With the studies completed by the stakeholders and the City's own consultant, it's clear these concerns are misplaced. The job density and wages are comparable between manufacturing, warehouse and whose sale uses. As identified in both the City's traffic study and the stakeholders' traffic study, with the mix of uses, traffic is actually reduced. Additionally, city code already has provisions for setbacks, screening, landscaping and other similar issues raised.

#### EXECUTIVE COMMITTEE

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City of Tualatin

Westside Economic Alliance believes we need to identify and support smart investments that grow our regional in thoughtful and sustainable ways. We believe this code change will allow for increased employment opportunities in an urban area by encouraging private investment, providing more funding to the Urban Renewal Area over the long term.

Thank you for the opportunity to provide this testimony.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth Mazzara Myers".

Elizabeth Mazzara Myers, Executive Director

## Steve Koper

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**From:** Ryan Schera <ryans@schnitzerproperties.com>  
**Sent:** Friday, November 18, 2022 4:52 PM  
**To:** Steve Koper  
**Cc:** Stu Peterson; Erin Engman  
**Subject:** RE: Basalt Creek Employment potential code changes  
**Attachments:** Draft Code - Stakeholder Comments.docx

**Importance:** High

Steve,

Thank you for the follow up and consideration on the schedule and draft code revisions per our last conversation. We acknowledge the project intent and directive as you stated below and are supportive of this code update effort and of a broader code update project in the future. With that said, our goal is to get to an updated BCE zone that we can develop to and can meet your goals and our preference is to address the BCE update fully now rather than partially.

Per your request, below we have provided our initial feedback to your questions and latest revisions:

- **Machine Shops and Metal Fabrication:** We agree with your changes to remove “machine shop” as a prohibited light manufacturing use and to add metal fabrication under heavy manufacturing. Machine shops and metal fabrication are such an integral function of many manufacturers, and we agree conducting these uses indoors is appropriate. To provide a little more clarification we have provided draft definitions for both machine shops and metal fabrication (see attached).
- **Further refine or limit the uses listed in the “heavy manufacturing”:** The current description is very specific. We would propose going with a general description combined with specific prohibitions of undesirable uses (see below and attached).
- **Environmental impacts due to what they produce and/or noise/glare/vibration impacts even when conducted in a building:** The existing code under Chapter 63 in combination with the proposed requirements for sound barrier construction and landscape buffers adjacent to residential uses in the draft BCE should address most of the concerns regarding impacts. We would propose reiterating compliance with Chapter 63 in the BCE code section (see attached).
- **Wholesale sales uses are not very job dense and do not lend themselves to high AV buildings:** We have commissioned a study to analyze the economic impact to the Basalt Creek URA by introducing wholesale sales and warehousing uses in conjunction with manufacturing versus light manufacturing only as outlined in the previous BCE draft presented to the PC.

The preliminary findings are:

- There are no compromises with regard to wages or employment density. Flex industrial space is forecasted to provide employment equal to or better than the 20 jobs per acre identified in the Basalt Creek Concept Plan. Modern flex industrial parks offer a high density of employment through offering a mix of spaces suitable for a broad range of light industrial, office, wholesale, warehousing, and related sectors.

- Total TIF revenue to the URA of \$57.6M by including wholesale sales and warehousing vs. \$38.0M for light manufacturing only (BCE draft presented to PC).
- Once the study is complete will be provide you a copy.
- **Wholesale Sales uses:** We agree, the example you show below is very limited. The complication seems to be the extreme limitation. Being this is an employment zone slightly broadening the types of wholesale uses (see below) would open up more opportunities to more businesses in that sector and would provide a mix of employers.
- **Warehousing & distribution limitation:** We can't agree to a per building limitation. This would create too much of a hinderance to leasing. Flex space doesn't lease in predetermined amounts of square footage by use (that would make it inflexible). Flex space leases with the demand of uses in the market. We would also lose the flexibility to place similar uses in a single building or area of the site. By utilizing a percentage % of use for the entire development we can be flexible and lease as space becomes available while still not exceeding the limitation. We also will need the ability to request a conditional use for exceeding the limitation if market trends change or if a high-profile tenant were to come along. We also will require the initial limitation to be a minimum of 35%. This is a huge risk to us with the potential of having our buildings 30% vacant if a manufacturing use never came along.
- **Wholesale Sales limitation:** We can't agree to a per building limitation. This would create too much of a hinderance to leasing. Flex space doesn't lease in predetermined amounts of square footage by use (that would make it inflexible). Flex space leases with the demand of uses in the market. We would also lose the flexibility to place similar uses in a single building or area of the site. By utilizing a percentage % of use for the entire development we can be flexible and lease as space becomes available while still not exceeding the limitation. We also will need the ability to request a conditional use for exceeding the limitation. We also will require the initial limitation to be a minimum of 35%. This is a huge risk to us with the potential of having our buildings 30% vacant if a manufacturing use never came along.

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	<p>Advanced manufacturing uses limited to:</p> <ul style="list-style-type: none"> <li>• Casting or fabrication of metals, including electroplating.</li> <li>• <del>Manufacture, assembly, processing, or packaging of the following types of products: batteries; bicycles; boilers; bottles; brick, tile or terra-cotta; cans; chainsaws; dryers; electric generators; electric motors; electric transformers; engines, larger gasoline or diesel; freezers; heating and cooling equipment; industrial gases, excluding chlorine; ladders; lawnmowers; manufactured dwellings; marine pleasure craft; motor vehicles; paint; pet food; prefabricated building or structural members for buildings; sashes and doors; signs and display</del></li> </ul>

		<p>structures; refrigerators; rototillers; vending machines; washing machines; and windows.</p> <ul style="list-style-type: none"> <li>• Manufacturing, processing, fabrication, packaging, or assembly of goods. Natural, man-made, raw, secondary, or partially completed materials may be used. Products may be finished or semi-finished and are generally made for the wholesale market, for transfer to other plants, or to order for firms or consumers. Goods are generally not displayed or sold on site, but if so, they are a subordinate part of sales. Relatively few customers come to the manufacturing site.</li> <li>• Other similar advanced manufacturing uses as determined by application of TDC 31.070.</li> </ul> <p>Prohibited uses include the manufacturing of: Batteries, glass, bricks, gasoline or diesel fuel, slaughterhouses, meat packing, feed lots and animal dipping, lumber mills, pulp and paper mills, concrete batching and asphalt mixing.</p> <p>Permitted uses subject to Chapter 63.</p>
Light Manufacturing	P (L)/C	<p>Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited</p> <p>All other uses Permitted outright except:</p> <ul style="list-style-type: none"> <li>• <del>Machine shop; and</del></li> <li>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul> <p>Permitted uses subject to Chapter 63.</p>
Warehouse and Freight Movement	P (L)/C	<p>Subject to TDC 65.210(4) and (5).</p>
Wholesale Sales	P (L)	<p>Permitted uses subject to TDC 65.210(6) and limited to:</p> <ul style="list-style-type: none"> <li>• Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers.</li> <li>• Sale or rental of machinery, equipment, building materials, special trade tools, welding supplies, machine parts, electrical supplies, janitorial supplies, restaurant equipment, and store fixtures; mail order houses; and wholesalers of food, clothing, parts, building or office hardware and office supplies.</li> <li>• Sale, lease, or rent of products primarily intended for industrial, institutional, or commercial businesses. Sales to the general public are limited as a result of the way in which the firm operates.</li> </ul>

Products may be picked up on site or delivered to the customer.

#### TDC 65.210. Additional Limitations on Uses.

[...]

- (4) Warehouse and Freight Movement. *Except as provided in TDC 65.210.5, all uses must be conducted wholly in conjunction with a Permitted light manufacturing use on the same lot, parcel or site, and facilitate the storage and distribution of goods produced on-site.*
- (a) *Permitted Uses.* Uses may not exceed more than 50% of the gross floor area of the Permitted light manufacturing use.
- (b) *Conditional Uses.* A conditional use permit is required for uses in excess of 200% of the gross floor area of the Permitted light manufacturing use.
- (5) Warehouse and Freight Movement.
- (a) *Permitted Uses.* Warehouse and Freight Movement uses may not exceed **the greater of 35% or 25,000 square feet** of the gross floor area **with an individual building** on a development site. Small sites under 9 acres in size are exempt. **More than one building on a development site may have a Warehouse and Freight Movement use up to this limit.**
- (b) *Conditional Uses.* A conditional use permit is required for uses in excess of 35% of the gross floor area of all buildings on a development site.
- (6) Wholesale Sales.
- (a) *Permitted Uses.* Limited Wholesale Sale uses may not exceed **the greater of 35% or 25,000 square feet** of the gross floor area **with an individual building** on a development site. Small sites under 9 acres in size are exempt. **More than one building on a development site may have a Warehouse and Freight Movement use up to this limit.**
- (b) *Conditional Uses.* A conditional use permit is required for uses in excess of 35% of the gross floor area of all buildings on a development site.

After you have had a chance to digest lets set up a time to talk.

Thank you and have a good weekend.

#### Ryan Schera

AVP, Development

#### Schnitzer Properties

Formerly Harsch Investment Properties

Phone 503.973.0258 Cell 503.327.3240

Email [RyanS@SchnitzerProperties.com](mailto:RyanS@SchnitzerProperties.com)

Web [www.SchnitzerProperties.com](http://www.SchnitzerProperties.com)

1121 SW Salmon Street • Portland, OR 97205

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**From:** Steve Koper <skoper@tualatin.gov>  
**Sent:** Thursday, November 10, 2022 3:38 PM  
**To:** Ryan Schera <ryans@schnitzerproperties.com>

Cc: Stu Peterson <stu@macadamforbes.com>; Erin Engman <eengman@tualatin.gov>

Subject: RE: Basalt Creek Employment potential code changes

[EXTERNAL]

Hi Ryan,

It was nice talking with you this past Monday. We agreed that we can push the discussion out to the Planning Commission’s January meeting (January 19<sup>th</sup>). Erin and I are happy to meet with you after you’ve had a chance to digest the below-proposed changes. It would be most beneficial to all if you could provide us with any proposed changes you’d like us to consider in advance of our meeting. Please also feel free to give me a call if you’d like to chat.

At a high level, I do want to reiterate that the project intent and directive of this code update is to make an incremental improvement to the existing MP zoning code and is not a total update of all of our industrial codes or definitions, many of which are entangled together. As expected, this project has “day-lighted” several ways in which Tualatin’s industrial and commercial development code is sorely in need of a broad update. One of the goals for *this* project has, from day one, been to show our Council that we can accomplish a small-scale update in order to serve as a “test case” in support of a broader code update. We hope that you will support this code update now and that you will also help to be a voice championing a broader code update project in the future.

Below are a couple of potential tweaks to the code based on our conversation. We’ve removed “machine shop” as a prohibited light manufacturing use (making it outright permitted, but still as with all uses subject to the requirement that it be conducted indoors). Under heavy manufacturing, we’ve added metal fabrication as well as the list of heavy manufacturing uses that already exist in Chapter 39 which is a general-use chapter that applies to all zones.

It would be appreciated if you can help us further refine or limit the uses listed in the “heavy manufacturing”. The Planning Commission as well as a group of citizens I recently met with have expressed concern about being too broad with the uses that are allowed, particularly those that could have environmental impacts due to what they produce and/or noise/glare/vibration impacts even when conducted in a building. Council has previously shared those concerns (as you can see from the limited list of uses allowed currently in MP) So, while we are prepared to offer this to the Planning Commission as a supported modification, it is not necessarily one that will be accepted.

We’ve also updated the warehousing & distribution limitation to be a per-building limitation (rather than per site), which would allow multiple buildings with a warehouse tenant/us/component on a site up to the per-building limit.

In regard to our conversation about wholesale sales. We hear you that this is a desired land use. This is a trickier subject as it is prohibited or significantly limited in most zones. Not to mention it is harder to square against the job density and high AV goals of the existing policy documents. Here is an example of one of the more expansive allowances of this use (which is very limited):

Wholesale Sales	P/C (L)	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Sales of industrial hand tools, industrial supplies such as safety equipment and welding equipment, t</li> <li>• Sale, service and rental of construction and industrial equipment to contractors and industrial firms o</li> </ul> Conditional use required for wholesale sales of building materials and supplies
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The use is simply not allowed in MP or Manufacturing Business Park the latter of which is the other zone that is within the Basalt Urban Renewal district. Again, staff is concerned that many wholesale sales uses are not very job dense and do not lend themselves to high AV buildings, which is something we need to make the case for in order to meet our existing adopted policy documents as we justify uses, particularly ones that we add that were not previously allowed. As an example, the most recent stand-alone wholesale sales use we approved was a conditional use and included about



4,000 square feet of building on a 5-acre site. Clearly not job-dense and not high AV compared to how much land it would have used.

All that is to say, while we are not necessarily opposed to adding the use, the best way to justify the addition of the use, similar to warehousing & distribution would be to limit it. One obvious idea would be to simply allow it subject to the same limitation as warehousing & distribution. See below for a draft. This would allow wholesale sales as a tenant in a flex-space building.

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	<p>Advanced manufacturing uses limited to:</p> <ul style="list-style-type: none"> <li>• Casting or fabrication of metals, including electroplating.</li> <li>• Manufacture, assembly, processing, or packaging of the following types of products: batteries; bicycles; boilers; bottles; brick, tile or terra cotta; cans; chainsaws; dryers; electric generators; electric motors; electric transformers; engines, larger gasoline or diesel; freezers; heating and cooling equipment; industrial gases, excluding chlorine; ladders; lawnmowers; manufactured dwellings; marine pleasure craft; motor vehicles; paint; pet food; prefabricated building or structural members for buildings; sashes and doors; signs and display structures; refrigerators; rototillers; vending machines; washing machines; and windows.</li> <li>• Other similar advanced manufacturing uses as determined by application of TDC 31.070.</li> </ul>
Light Manufacturing	P (L)/C	<p>Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited</p> <p>All other uses Permitted outright except:</p> <ul style="list-style-type: none"> <li>• Machine shop; and</li> <li>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul>
Warehouse and Freight Movement	P (L)/C	Subject to TDC 65.210(4) and (5).
Wholesale Sales	P (L)	<p>Permitted uses subject to TDC 65.210(6) and limited to:</p> <ul style="list-style-type: none"> <li>• Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers.</li> </ul>

**TDC 65.210. Additional Limitations on Uses.**

[...]

(4) Warehouse and Freight Movement. *Except as provided in TDC 65.210.5, all uses must be conducted wholly in conjunction with a Permitted light manufacturing use on the same lot, parcel or site, and facilitate the storage and distribution of goods produced on-site.*

(a) *Permitted Uses.* Uses may not exceed more than 50% of the gross floor area of the Permitted light manufacturing use.

(b) *Conditional Uses.* A conditional use permit is required for uses in excess of 200% of the gross floor area of the Permitted light manufacturing use.

**(5) Warehouse and Freight Movement.**

*(a) Permitted Uses.* Warehouse and Freight Movement uses may not exceed the greater of 25% or 25,000 square feet of the gross floor area with an individual building on a development site. More than one building on a development site may have a Warehouse and Freight Movement use up to this limit.

**(6) Wholesale Sales.**

*(a) Permitted Uses.* Limited Wholesale Sale uses may not exceed the greater of 25% or 25,000 square feet of the gross floor area with an individual building on a development site. More than one building on a development site may have a Limited Wholesale sale use up to this limit.

Best,

-Steve

**Steve Koper, AICP**

Assistant Community Development Director  
City of Tualatin | Planning Division  
503.691.3028 | [www.tualatinoregon.gov](http://www.tualatinoregon.gov)

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**From:** Steve Koper

**Sent:** Friday, November 4, 2022 3:25 PM

**To:** 'ryans@schnitzerproperties.com' <[ryans@schnitzerproperties.com](mailto:ryans@schnitzerproperties.com)>

**Cc:** 'Stu Peterson' <[stu@macadamforbes.com](mailto:stu@macadamforbes.com)>; Erin Engman <[eengman@tualatin.gov](mailto:eengman@tualatin.gov)>

**Subject:** Basalt Creek Employment potential code changes

Hi Ryan,

This email is a follow-up to staff's recent meeting with Sherilyn, our City Manager, and Jonathan, our Economic Development Manager.

What Sherilyn and Jonathan communicated to us was that when they met with you and Stu, they reiterated that the Council would be unlikely to support stand-alone Warehousing and Distribution uses. Jonathan also brought to our attention the differences between the way the state economic development agency views advanced manufacturing as one use category versus how our development code differentiates manufacturing uses into "light" versus "heavy."

With that background and what Erin and I think we heard from our last group meeting, we drafted the below changes to the existing draft code, which we'd appreciate your input on. Drawing on our conversation with Sherilyn and Jonathan, we feel that these changes could be expressly supported by staff as being consistent with Planning Commission and Council feedback. At the same time, these changes would help to increase the flexibility we believe we heard a desire for from the group.

The changes are in red. The addition of Heavy Manufacturing as a limited use would allow for metal fabrication as an advanced manufacturing use, which we believe aligns with what we heard at our meeting and from Jonathan. The addition to warehousing and distribution uses is based on the Wilsonville Commerce Center development. We feel that this configuration could still meet the jobs and employment density goals of the underlying plans, while meeting the demand for flex space. We also believe this would alleviate Planning Commission and Council’s concerns about having warehousing and distribution become a dominant use if standalone uses were allowed.

As of now, we are still on track to present an update to the Planning Commission on November 17<sup>th</sup>. To reiterate, staff would be comfortable presenting a recommendation in support of these changes and make the case to the Planning Commission that these changes are consistent with community interest and the adopted plans. Please let us know by **Friday, November 11<sup>th</sup>**, if you have any feedback.

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	Advanced manufacturing uses limited to: <ul style="list-style-type: none"> <li>• Casting or fabrication of metals, including electroplating.</li> <li>• Other similar uses as determined by application of TDC 31.070.</li> </ul>
Light Manufacturing	P (L)/C	Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited All other uses Permitted outright except: <ul style="list-style-type: none"> <li>• Machine shop; and</li> <li>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul>
Warehouse and Freight Movement	P (L)/C	Subject to TDC 65.210(4) and (5).

**TDC 65.210. Additional Limitations on Uses.**

[...]

(4) Warehouse and Freight Movement. *Except as provided in TDC 65.210.5, all uses must be conducted wholly in conjunction with a Permitted light manufacturing use on the same lot, parcel or site, and facilitate the storage and distribution of goods produced on-site.*

(a) *Permitted Uses.* Uses may not exceed more than 50% of the gross floor area of the Permitted light manufacturing use.

(b) *Conditional Uses.* A conditional use permit is required for uses in excess of 200% of the gross floor area of the Permitted light manufacturing use.

(5) Warehouse and Freight Movement.

(a) *Permitted Uses.* Uses may not exceed more than 25% of gross floor area on a single development site, up a maximum of 25,000 square feet.

Best,  
-Steve

**Steve Koper, AICP**  
Assistant Community Development Director





## TRANSPORTATION PLANNING RULE EVALUATION

DATE: November 29, 2022

TO: Chris Green | HHPR Inc.

FROM: Jenna Bogert, P.E. | DKS Associates  
Scott Mansur, P.E., PTOE | DKS Associates

SUBJECT: Tualatin Basalt Creek Area  
Transportation Planning Rule Evaluation

P22057-000

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This memorandum presents the findings of an evaluation of potential traffic impacts associated with the proposed zone change for the 156.43-acre Basalt Creek Planning Area in Tualatin, Oregon. The City desires to update the Manufacturing Park (MP) Zoning District to be consistent with the City's Basalt Creek Concept Plan. The desired zoning is Basalt Creek Employment (BCE).

The proposed zone change must be in accordance with Oregon Administrative Rule (OAR) 660-012-0060, the Transportation Planning Rule (TPR). The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses.

The definition of a significant effect varies by jurisdiction; however, no such definition is provided in the City of Tualatin code currently. According to the Oregon Highway Plan (OHP),<sup>1</sup> a net increase of 400 daily trips qualifies as a significant effect. While the OHP is not applicable to city streets, it provides a reasonable estimate of a significant effect for TPR analysis purposes.

This memorandum documents the expected trip generation of the reasonable worst-case development potential under the existing and proposed zoning, and whether the proposed zone change will create a significant effect on the transportation system.

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<sup>1</sup> Action 1F.5, Oregon Highway Plan, Oregon Department of Transportation, Amended May 2015.



## EXISTING ZONING (MP) TRIP GENERATION

Under the existing Manufacturing Park (MP) zoning there are several permitted land uses,<sup>2</sup> including the ones listed below. The MP zone allows development of modern, large-scale specialized manufacturing land uses and research facilities as well as a limited amount of commercial services.

- Manufacturing and assembly facilities
- Restaurants or delis
- Health or fitness facilities
- Trade or vocational school
- Child daycare
- Fire station
- Office
- Convenience store

For the purposes of identifying the reasonable worst case trip generation for the existing MP zoning, only the highest trip generation land uses were considered. A summary of the trip generation rates for different land uses permitted under the existing MP are presented in Table 1.

**TABLE 1: TRIP GENERATION RATES FOR PERMITTED LAND USES UNDER MP ZONING**

LAND USE (ITE CODE)	UNITS <sup>A</sup>	WEEKDAY TRIP GENERATION RATES <sup>B</sup>	
		DAILY	PM PEAK HOUR
MANUFACTURING (140)	KSF	4.75	0.74
HEALTH OR FITNESS CLUB (492)	KSF	31.10 <sup>C</sup>	3.11
TRADE/VOCATIONAL SCHOOL (540)	KSF	10.84 <sup>D</sup>	1.44
DAYCARE (565)	KSF	47.62	11.12
MEDICAL CLINIC (630)	KSF	37.60	3.69
OFFICE (710)	KSF	10.84	1.44
DRIVE-IN BANK (912)	KSF	100.35	21.01
FAST FOOD RESTAURANT WITH DRIVE-THROUGH WINDOW (934)	KSF	467.48	33.03
CONVENIENCE STORE (851)	KSF	762.28	49.11

<sup>A</sup> KSF = 1,000 square-feet

<sup>B</sup> Trip generation rates are from the Institute of Transportation Engineers Trip Generation Manual, 11<sup>th</sup> Edition.

<sup>C</sup> Daily trip generation rate for Health or Fitness Club (492) is not provided in the ITE Manual. Rate shown in table is 10 times the PM peak hour rate.

<sup>D</sup> Daily trip generation rate for Trade/Vocational School (540) is not provided in the ITE Manual. Rate shown in table is the same as "Office" (710).

<sup>2</sup> A list of permitted land uses for MP zoning can be found in the Tualatin Development Code, Chapter 62.

Based on size of 156.43-acre area, we have assumed that manufacturing space, fitness club, trade/vocational school, daycare, medical clinic, office, drive-in bank, fast food restaurants, and convenience store could be accommodated. Table 2 presents the daily and peak hour trip generation for the reasonable worst-case development scenario under MP zoning. As shown, the area would generate up to 20,466 weekday daily trips and 2,450 p.m. peak hour trips.

**TABLE 2: REASONABLE WORST-CASE TRIP GENERATION FOR MP ZONING**

LAND USE (ITE CODE)	SIZE	AVERAGE WEEKDAY TRIP GENERATION	
		DAILY	PM PEAK HOUR
MANUFACTURING (140)	2,185 KSF	10,379	1,617
HEALTH OR FITNESS CLUB (492)	5 KSF	160	16
TRADE/VOCATIONAL SCHOOL (540)	10 KSF	108	14
DAYCARE (565)	5 KSF	238	56
MEDICAL CLINIC (630)	10 KSF	376	37
OFFICE (710)	20 KSF	217	29
DRIVE-IN BANK (912)	5 KSF	502	105
FAST FOOD RESTAURANT WITH DRIVE-THROUGH WINDOW (934)	2 x 5 KSF	4,675	330
CONVENIENCE STORE (851)	5 KSF	3,811	246
<b>TOTAL TRIPS GENERATED</b>		<b>20,466</b>	<b>2,450</b>

### PROPOSED ZONING (BCE) TRIP GENERATION

Under the proposed Basalt Creek Employment (BCE) zoning, similar types of land uses are allowed as the Manufacturing Park (MP) zoning. However, this zoning also includes all retail sales and services, medical office, and prohibits drive-through establishments. For the purposes of identifying the reasonable worst case trip generation for the proposed BCE zoning, only the reasonable highest trip generation land uses were considered. A summary of the trip generation rates for different land uses permitted under the proposed BCE are presented in Table 3.

**TABLE 3: TRIP GENERATION RATES FOR PERMITTED LAND USES UNDER BCE ZONING**

LAND USE (ITE CODE)	UNITS <sup>A</sup>	WEEKDAY TRIP GENERATION RATES <sup>B</sup>	
		DAILY	PM PEAK HOUR
INDUSTRIAL PARK (130)	KSF	3.37	0.34
MANUFACTURING (140)	KSF	4.75	0.74
WAREHOUSING (150)	KSF	1.71	0.18
HEALTH OR FITNESS CLUB (492)	KSF	31.10 <sup>C</sup>	3.11
TRADE/VOCATIONAL SCHOOL (540)	KSF	10.84 <sup>D</sup>	1.44
DAYCARE (565)	KSF	47.62	11.12
OFFICE (710)	KSF	10.84	1.44
MEDICAL-DENTAL OFFICE (720)	KSF	36.00	3.93
STRIP RETAIL (822)	KSF	54.45	6.59
FOOD CART POD (926)	Food Cart	17.86 <sup>E</sup>	6.16
FAST FOOD RESTAURANT, NO DRIVE-THROUGH WINDOW (933)	KSF	450.49	33.21
COFFEE SHOP, NO DRIVE-THROUGH WINDOW (936)	KSF	438.01	32.29

<sup>A</sup> KSF = 1,000 square-feet

<sup>B</sup> Trip generation rates are from the Institute of Transportation Engineers Trip Generation Manual, 11<sup>th</sup> Edition.

<sup>C</sup> Daily trip generation rate for Health or Fitness Club (492) is not provided in the ITE Manual. Rate shown in table is 10 times the PM peak hour rate.

<sup>D</sup> Daily trip generation rate for Trade/Vocational School (540) is not provided in the ITE Manual. Rate shown in table is the same as "Office" (710).

<sup>E</sup> Daily trip generation rate for Food Cart Pod (926) is not provided in the ITE Manual. Therefore, collected trip data from the Food Truck Pod on State Street in Salem was used to estimate daily trips.

<sup>F</sup> Daily trip generation rate for Coffee Shop (936) is not provided in the ITE Manual. Rate shown in table is the PM peak hour rate multiplied by the ratio of the fast-food daily rate to the PM peak hour rate.

Based on size of 156.43-acre area, the reasonable worst-case development includes an industrial park, manufacturing facility, warehousing, fitness club, trade/vocational school, daycare, office, medical office, strip retail, and food and drink establishments.

Per the City zoning code for Basalt Creek Employment (BCE), the commercial and retail land uses (eating and drinking establishments, medical office, etc.) are limited to 5,000 square feet for an individual use or a total of 20,000 square feet for multiple uses on a site. They must also be located on a parcel that has frontage along Grahams Ferry Road. Because of these restrictions, the

size of existing parcels along Grahams Ferry Road, and the County’s access spacing standards for Grahams Ferry Road, the reasonable amount of expected commercial and retail development in this area is limited.

Table 4 presents the daily and peak hour trip generation for the reasonable worst-case development scenario under BCE zoning. As shown, the area would generate 20,416 weekday daily trips and 2,386 p.m. peak hour trips.

**TABLE 4: REASONABLE WORST-CASE TRIP GENERATION FOR PROPOSED BCE ZONING**

LAND USE (ITE CODE)	SIZE	AVERAGE WEEKDAY TRIP GENERATION	
		DAILY	PM PEAK HOUR
INDUSTRIAL PARK (130)	215.5 KSF	726	73
MANUFACTURING (140)	1,696 KSF	8,056	1,255
WAREHOUSING (150)	244.5 KSF	418	44
HEALTH OR FITNESS CLUB (492)	5 KSF	160	16
TRADE/VOCATIONAL SCHOOL (540)	5 KSF	54	7
DAYCARE (565)	8 KSF	381	89
OFFICE (710)	10 KSF	108	14
MEDICAL-DENTAL OFFICE (720)	10 KSF	360	39
STRIP RETAIL (822)	20 KSF	1,089	132
FOOD CART POD (926)	10 Carts	179	62
FAST FOOD RESTAURANTS, NO DRIVE-THROUGH WINDOW (933)	2 x 5 KSF	4,505	332
COFFEE SHOP, NO DRIVE-THROUGH WINDOW (936)	2 x 5 KSF	4,380	323
<b>TOTAL TRIPS GENERATED</b>		<b>20,416</b>	<b>2,386</b>

**COMPARISON OF TRIP GENERATION**

The previous sections show the reasonable worst-case development potential of the property under the existing zoning and the proposed zoning. As shown in the table below, a net decrease of 50 weekday daily trips and 64 PM peak hour trips would result from the zone change.

**TABLE 5: COMPARISON OF NET NEW TRIP GENERATION**

ZONING SCENARIO	AVERAGE WEEKDAY TRIP GENERATION	
	DAILY	PM PEAK HOUR
<i>Proposed (BCE Zoning) Trips (Table 4)</i>	20,416	2,386
<i>Existing (MP Zoning) Trips (Table 2)</i>	20,466	2,450
<b>NET DIFFERENCE (PROPOSED – EXISTING)</b>	<b>-50</b>	<b>-64</b>

### TRANSPORTATION PLANNING RULE FINDINGS

After evaluating the reasonable worst-case development potential of both the existing (MP) and proposed (BCE) zoning, the proposed zone change will result in a net decrease of 50 trips per day and 64 PM peak hour trips. Because the zone change results in a net decrease of vehicle trips, the proposed zone change is not expected to have a significant effect on the surrounding transportation system and the Transportation Planning Rule requirements are satisfied.

### SUMMARY AND RECOMMENDATION

The proposed zone change for the 156.43-acre property in Tualatin, Oregon, consists of rezoning from Manufacturing Park (MP) to a new zone, Basalt Creek Employment (BCE), and would result in an estimated reasonable worst-case trip **decrease of 50 daily trips and 64 PM peak hour trips.**

The requirements of Oregon Administrative Rule (OAR) 660-012-0060, the Transportation Planning Rule (TPR), must be met for proposed changes in land use zoning. The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses.

Based on the reasonable worst-case trip generation evaluation, it can be concluded that the proposed zone change will not significantly impact and would cause “no further degradation” to the City of Tualatin transportation system. Therefore, this application complies with TPR requirements.

Please let me know if you have any questions or comments.



## Basalt Creek MP Zone Update

# Economic Analysis

**Date** September 2022  
**To** Chris Green, HHPR  
**From** Chris Zahas, AICP, Leland Consulting Group  
Sam Brookham, Leland Consulting Group

## Introduction

This memorandum provides an economic assessment of market-based development and employment opportunities in Tualatin’s Basalt Creek area and the lots zoned Manufacturing Park specifically.

Basalt Creek is an industrial area of regional importance. Employment in industrial real estate, the focus of this memorandum, is primarily limited to the following industries: manufacturing, warehousing and transportation, wholesale trade, and construction. As Basalt Creek is part of the broader market and is impacted by macroeconomic trends, this memorandum includes summaries of the industrial market and employment trends at the national, regional, and submarket levels. The memorandum also includes case studies and a high level assessment of industrial land availability.

This information will be used to inform implementation recommendations to enhance development prospects and create jobs in Basalt Creek.

The memorandum is organized as follows:

Introduction.....	1
National Real Estate Context.....	5
Regional Market Assessment.....	7
Case Studies.....	16
Conclusion and Recommendations.....	20

## Methodology

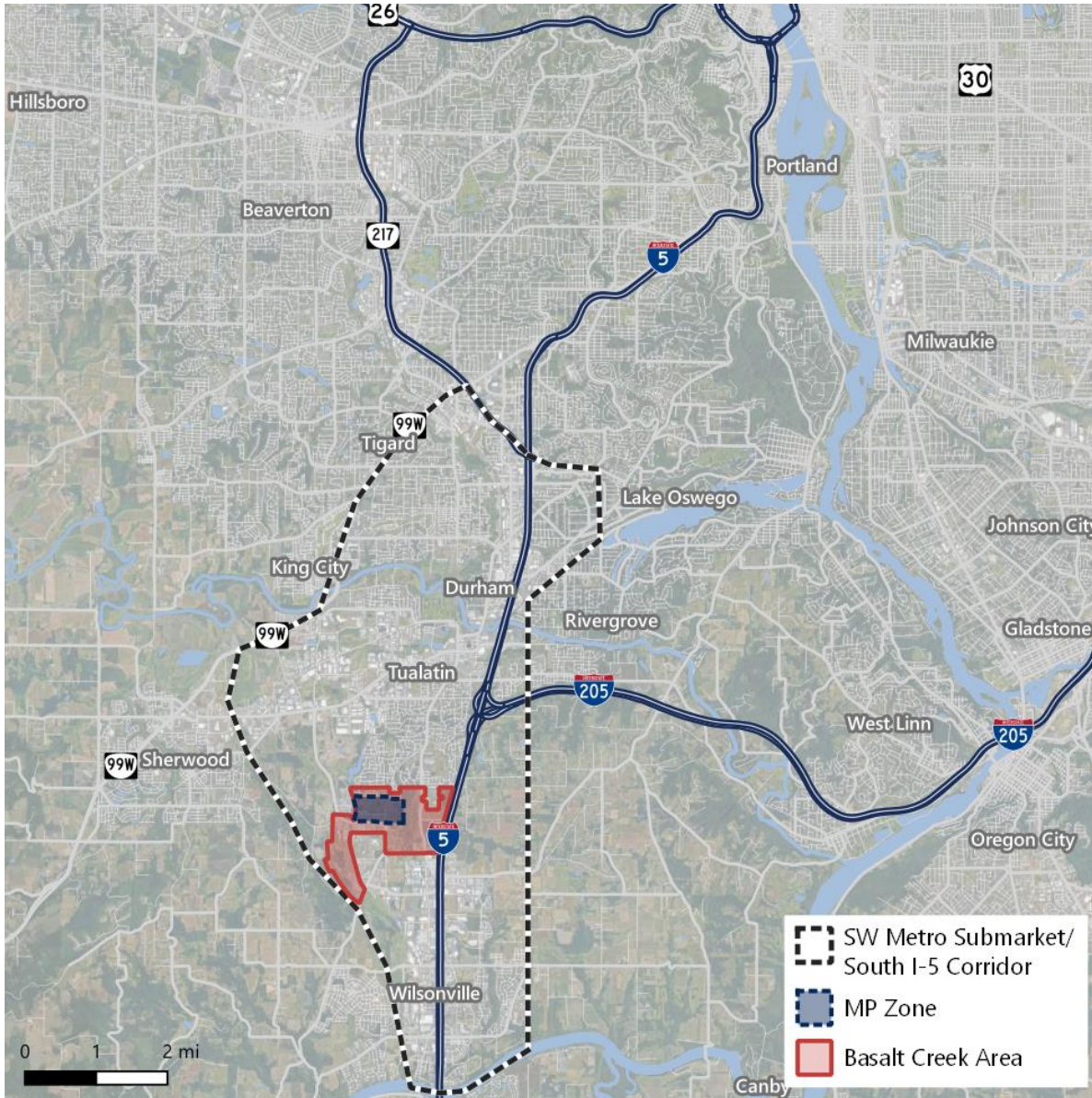
This memo summarizes Leland Consulting Group’s (LCG’s) analysis of economic data and industry trends in the Portland metro region and the southwest I-5 corridor submarket (the submarket). Methods include an assessment of real estate market dynamics (construction and absorption trends, vacancy rates, rental rates, land values, building costs, etc.), a high-level evaluation of buildable industrial land in the submarket, and case study research of comparable zoning codes and employment areas.

Additionally, LCG conducted interviews with local and regional stakeholders, including local agency partners such as neighboring city staff, county staff, and economic development agency staff, and key private sector stakeholders in the industrial development community such as landowners, developers, and brokers. These interviews provided valuable insights regarding barriers to future development and opportunities for industrial and employment growth.

## Basalt Creek Area Overview

This section briefly summarizes the Basalt Creek area, including relevant previous/current planning efforts and the physical characteristics of the area. Tualatin is part of the South I-5 Corridor submarket—sometimes called the Southwest Metro submarket by brokers and others in the development community, collectively called the “submarket” in this memo—is considered one of the most diverse industrial submarkets in the state of Oregon. The map below shows the submarket boundaries and the location of the MP Zone within Basalt Creek.

Figure 1. Basalt Creek Location and I-5 South Submarket Boundary



Source: Leland Consulting Group

## Planning Efforts and Vision

The Basalt Creek area has been subject to many planning efforts relating to transportation, infrastructure, funding, and economic development. Together, these documents lay out a vision for the area. Below is a list of relevant information extracted from these planning efforts.

The 2018 **Basalt Creek Concept Plan** identifies preferred land uses across the area, recommends high-level designs for transportation and infrastructure systems to support future development, and sets specific action items and implementation measures. Action items and implementation measures are intended to ensure that the zoning and/or development code is updated to enable development in the Planning Area. Generally, annexation is predicated on investor interest, and the expectation is that investors will finance the extension of services.

The market analysis completed as part of the Concept Plan found that existing industry clusters for Tualatin and Wilsonville are expected to continue and provide significant business and job growth in the future. These industry clusters include advanced manufacturing, corporate and professional services, health care and related fields, and other specific industrial clusters such as food processing and light manufacturing

Employment development in the Planning Area will benefit from several competitive advantages. A major feature and competitive advantage of this "Southwest Metro" employment cluster in general, and the Basalt Creek Planning Area in particular, is its immediate access to I-5, the west coast's most important transportation route.

The Manufacturing Park totals 93 acres and is expected to generate 1,897 jobs at 20 jobs per acre of land or approximately 640 jobs per square foot of development (at a standard floor area ratio of 0.3).

The **Transportation Refinement Plan** (2013) establishes a major transportation connection from Tualatin-Sherwood Rd to I-5 in North Wilsonville through the Basalt Creek planning area. This connection was identified as a regional transportation priority to connect and provide access to existing and future hubs of industrial land use.

The City's **Economic Development Strategy** identified five target industry clusters, including advanced manufacturing; health care and related businesses; corporate and business services; food processing, distribution, and wholesale; and wood, paper, printing, and related businesses.

## Physical Characteristics of the Area

The area of Basalt Creek that is currently zoned Manufacturing Park is relatively free of development impediments compared to the rest of the Basalt Creek area, where approximately 35 percent (207 acres) of the total land area is constrained. The Land Capacity Analysis in the Basalt Creek Concept Plan Existing Conditions Report outlined some specific considerations, which are listed below.

- **Steep Slopes.** Industrial developments are particularly sensitive to topography due to the prevalence of larger building footprints and the transportation and storage needs. Steep slopes can require significant grading to accommodate these construction and transportation needs which can be prohibitively expensive (largely due to the lower asset value of industrial property). There are several areas of steep slopes (greater than 25%) throughout Basalt Creek. In the MP-zoned area, slopes greater than 25% are relatively limited, but slopes greater than 10% are primarily prevalent in the area east of Grahams Ferry Road. Developers looking to build in this area will likely need greater flexibility to accommodate topographical challenges. The area west of Grahams Ferry Road is relatively flat and, therefore, will not pose similar development challenges.
- **Manmade/Other Constraints.** Utility easements for both PGE and BPA are in the area, creating undevelopable corridors throughout Basalt Creek. While these easements primarily impact the rest of the Basalt Creek area, they also impact the northeast and southwest corners of the MP-zoned area.
- **Existing land uses.** The majority of land within the MP-zoned area is vacant, i.e., free of existing buildings. Some smaller buildings exist in the west and south sections of the area. LCG does not consider these existing



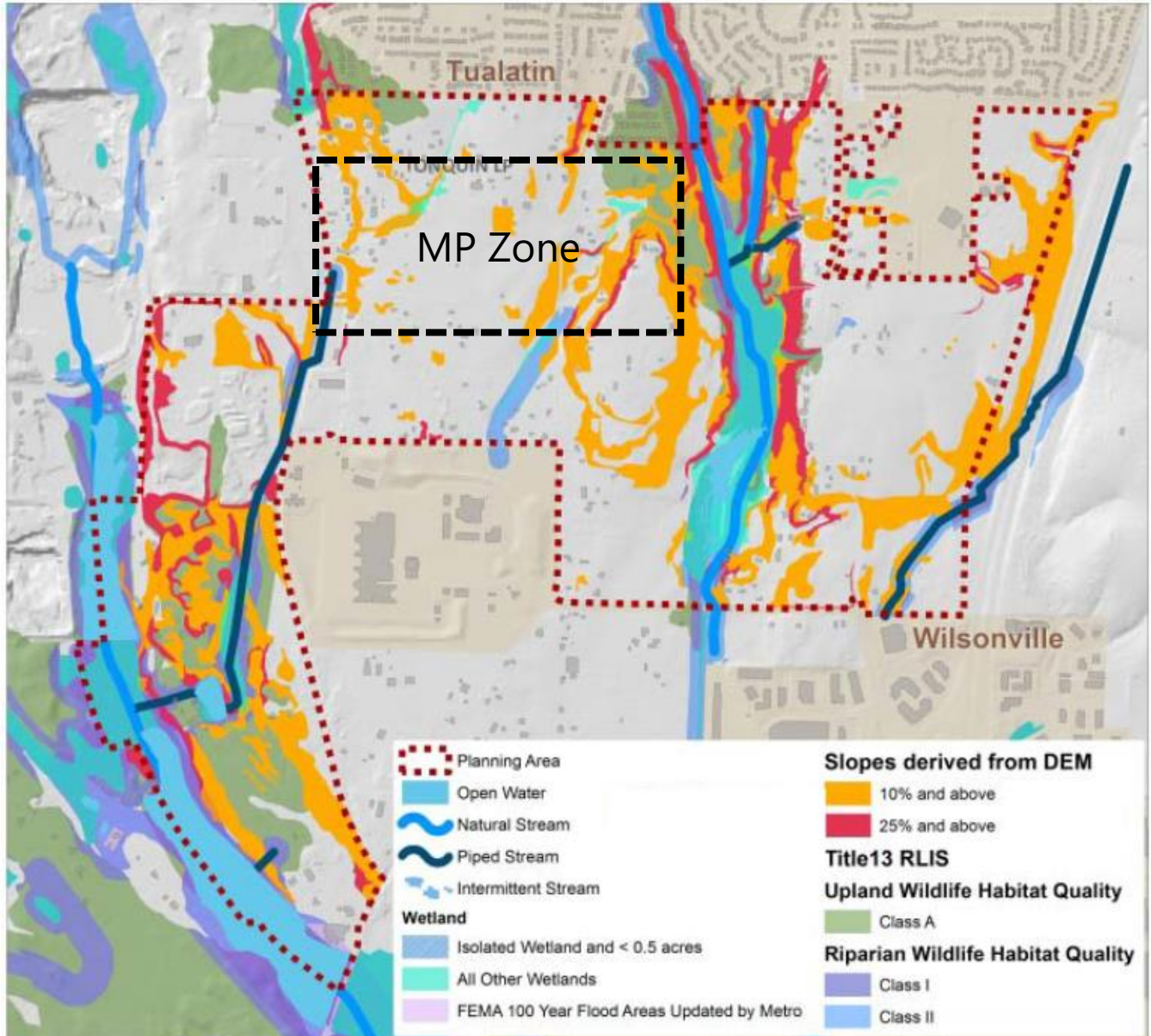
properties impediments to redevelopment due to the recently heightened economics and market pricing of industrial development.

- **Wetlands.** There is a limited number of wetlands, streams, or other bodies of water of significance that impact the MP-zoned area.

Together, these constraints pose little threat to the developability of the MP-zoned area in Basalt Creek. Stakeholders interviewed for this project—including those with land holdings in the area—agree with this statement, citing the need to work with existing constraints given the dearth of industrial land available elsewhere in the Portland region.

The development constraints map below is from the Basalt Creek Concept Plan Existing Conditions Report (2014).

**Figure 2. Map of Development Constraints (excluding roads) in the Basalt Creek Planning Area**



Source: Fregonese Associates, RLIS 2014 (from the Basalt Creek Existing Conditions Report)

## National Real Estate Context

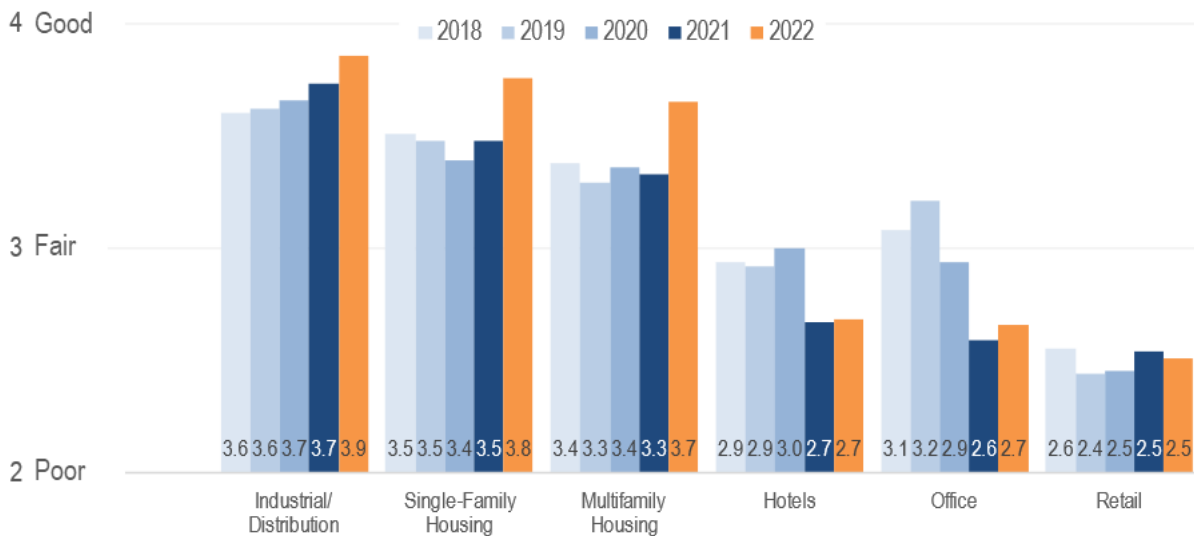
The industrial sector is tied to macroeconomic employment trends more than any other sector. It is therefore important to understand the dynamics impacting nationwide industrial real estate and employment trends.

The Urban Land Institute (ULI) releases an annual report called *Emerging Trends* which highlights real estate trends, prospects, and considerations at the national level and across every major market in the country. The information contained in the report is based on extensive market research and comprehensive surveys of real estate professionals throughout the country.

ULI offers a range of insights into commercial and industrial real estate from the perspective of both developers and investors. For the past five years, ULI has identified the industrial sector as the top-performing sector. This has only intensified since the beginning of the COVID-19 pandemic with the growth of e-commerce, which amplified the need for resilient supply chains, which, in turn, has propelled the demand for logistics real estate. According to ULI, demand for industrial space has been deep and diverse across a range of industries. Robust demand, acute scarcity of supply, and rising replacement costs have accelerated rents across the board, reaching historic double digits in many markets while vacancy rates have fallen to record lows.

The following chart shows development prospects for the six primary real estate classes and how these prospects have changed over the past five years. Industrial and distribution are the only real estate classes whose prospects have increased each year since 2018 while also maintaining the ascendancy relative to other development types, reflecting the strength of the market and the fact that most industrial users remained open throughout the pandemic (as there is no virtual substitute for physical product creation and fulfillment).

Figure 3. Development Prospects by Development Type



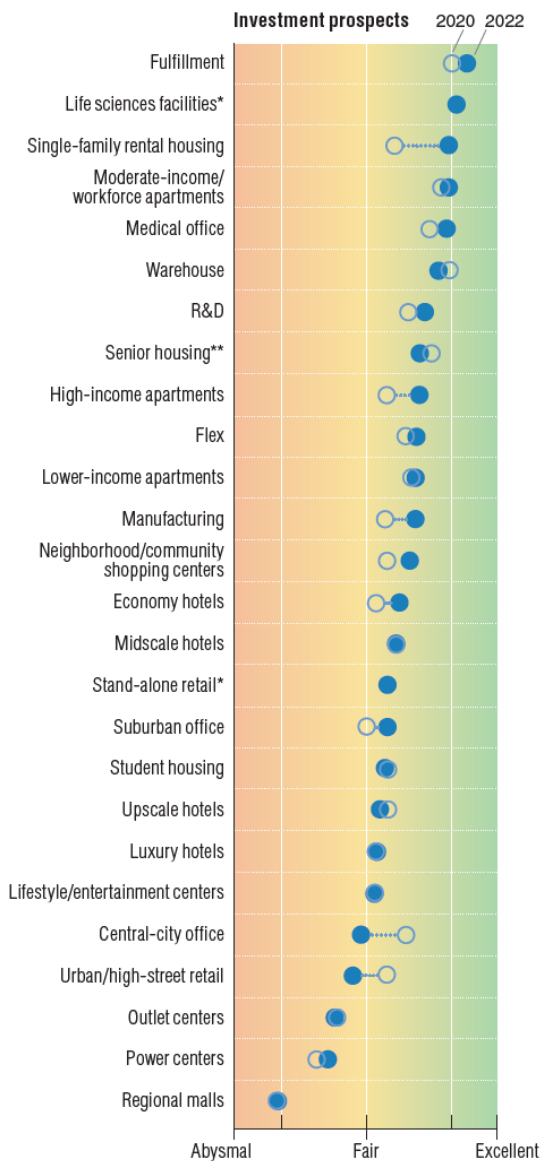
Source: ULI

Figure 4 below shows ULI’s survey respondents’ recommendations to either buy, hold, or sell industrial property. As the real estate market is cyclical—often lasting 10 to 20 or more years—these recommendations help demonstrate the likely investment trends in the industrial sector moving forward.



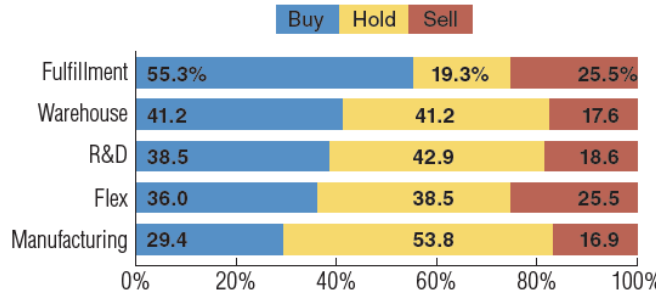
Recommendations to purchase property reflect industry expectations that the market fundamentals (pricing, demand, etc.) for industrial property will continue to improve (i.e., there is strong evidence of a positive return on the initial investment) or that the future is likely to pose greater challenges for buyers (e.g., high interest rates). Conversely, recommendations to sell property reflect industry expectations that certain industrial asset classes are

**Figure 5. Prospects for Commercial Subsectors in 2020 (Pre-Pandemic) and 2022**



Source: Emerging Trends 2022

**Figure 4. ULI Recommendations by Industrial Type**



Source: Emerging Trends 2022 (Note: Based on U.S. respondents)

either at peak market value or in a cycle of continued decline. Recommendations to hold property are more nuanced and depend on things like the timing and cost of the initial acquisition, the terms, operating expenses and revenues, etc.

Buying fulfillment centers and warehouses in the industrial and logistics sector in the United States in 2022 was highly recommended by industry experts. Approximately 55 percent of experts recommended buying fulfillment centers, while only 19 percent recommended holding. On the other hand, manufacturing centers were the most recommended to be held in 2022 according to almost 54 percent of industry expert respondents.

For Basalt Creek, the ULI survey suggests that in the near term developers are more likely to investment in new fulfillment and warehousing projects than manufacturing. As there is no existing manufacturing-based property in Basalt Creek, strong recommendations to “hold” property are irrelevant in this case.

Similarly, ULI offers insights into investment prospects for various subsectors. The chart at left shows prospects for 2020 (pre-pandemic) and 2022. Fulfillment again tops the list as ecommerce continues to grow, with warehousing close behind for similar reasons. It is important to note here that while Emerging Trends survey respondents generally agree that industrial is a top investment prospect, there is a significant proportion of respondents who feel that warehouse and fulfillment are overpriced compared with other industrial property types, suggesting that there may be a correction in favor of other industrial development types such as manufacturing. As more investment is made in these subsectors, it will become increasingly important for developers to be selective on location to both avoid the risk posed by the potential oversupply of new space and achieve a positive return on investment.

Other industrial subsectors (warehouse, R&D, flex, manufacturing) remain in the top half and each has improved since 2020. The manufacturing subsector has arguably seen the largest improvements over the past two years, likely due to efforts to ramp up the production of domestic manufacturing to counter the impacts of global supply chain issues. **As federal and state efforts continue to focus on increasing domestic productivity, investment and development prospects for manufacturing will likely continue to rise.**

## Employment Outlook

According to the U.S. Bureau of Labor Statistics, total U.S. employment is projected to grow from 153.5 million to 165.4 million over the 2020–30 decade, an increase of 11.9 million jobs. This increase reflects an annual growth rate of 0.7 percent, which is higher than recent cycles and accounts for recovery from low base-year employment in 2020 due to the COVID-19 pandemic and its associated recession.

For industrial sectors, including manufacturing, transportation, and warehousing, the existing numbers and projections are mixed. While the manufacturing sector as a whole is projected to have some recovery-driven employment growth, it also contains 11 of the 20 industries projected to have the most rapid employment declines, and annual manufacturing employment growth is just 0.15 percent. Factors contributing to the loss of manufacturing jobs include continued global competition and the adoption of productivity-enhancing technologies such as robotics. Conversely, occupations related to transportation and warehousing are projected to grow by 1.10 percent annually over the next year, largely due to the trends outlined in the previous section.

As ecommerce continues to drive demand for last-mile facilities and fulfillment, there appears to be no decline in the growth of warehousing and transportation jobs. Conversely, the events of 2020 and 2021 have fueled stronger automation and other cost-saving actions from employers, likely resulting in heightened productivity and fewer workers. Finally, the accelerated digital transformation of both business and consumer activities makes it easier to eliminate routine jobs.

While these are macro-level trends and ultimately have little bearing on near-term development prospects in Basalt Creek, long-term local economic opportunities and trends will generally align with what is happening across the nation. For example, the increasing automation of the manufacturing sector will impact job creation and densities, which the City should take into account when establishing its goals for the area. Finally, as mentioned above, some of these weaknesses in job growth in the manufacturing sector may be offset by an increasing push for “onshoring” of manufacturing, particularly computer chip manufacturing, to alleviate severe supply chain issues that have impacted many industries.

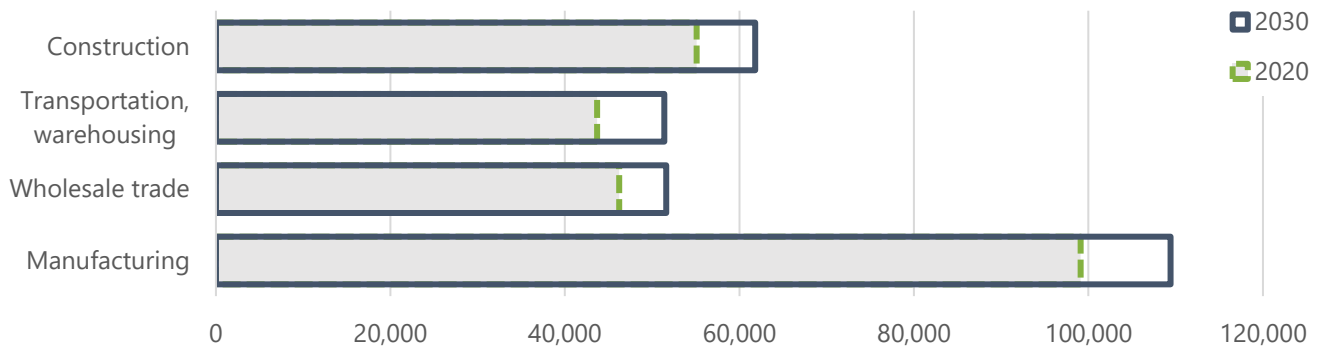
## Regional Market Assessment

Given the aforementioned connection between Basalt Creek opportunities and the regional market, this section provides a more granular assessment of industrial trends in the Portland region.

## Employment Projections

Portland metro area jobs in core industrial sectors account for about 30 percent of all private jobs in the tri-county region. There are about twice the number of manufacturing jobs as transportation, warehousing, and utility jobs (as well as twice the number of wholesale trade jobs). This is roughly in line with national trends. However, in contrast to the nation, where manufacturing jobs are projected to grow by 0.15 percent annually, manufacturing jobs in the Portland metropolitan area are projected to grow by 0.99 percent annually through 2030. Transportation and warehousing jobs are similarly projected to grow rapidly at 1.64 percent annually, and wholesale trade jobs are projected to grow at 1.11 percent annually.

**Figure 6. Industrial Jobs, 2020 (Existing) and 2030 (Projected), Tri-County Region**



Source: Oregon Employment Security Department

## Market Dynamics

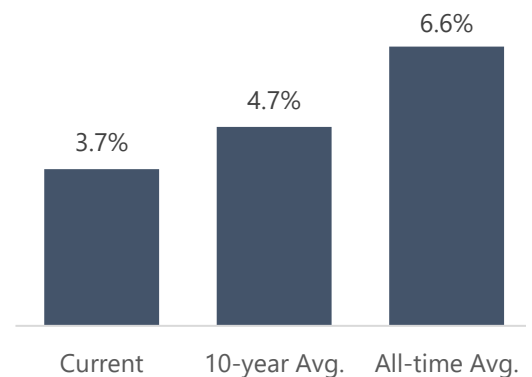
This section provides information about the regional industrial market in order to understand how activity might impact future development in the Tualatin market and the Basalt Creek area specifically.

The Portland metro area has remained an attractive market for new and expanding industrial businesses and has experienced significant demand for industrial warehouse, distribution, and logistics space, largely driven by ecommerce growth. Manufacturing also remains an attractive industry—in keeping with the national trends and development prospects outlined above—especially as the focus increases on the domestic production of goods amid global supply chain issues and technological advances in automation improve productivity (which in turn helps alleviate labor shortages).

Moving forward, the regional economy will continue to support manufacturing and warehousing-oriented real estate as ecommerce growth continues, third-party logistics facilities grow to respond to this heightened demand, and an increasing number of tech employers congregate in the Silicon Forest. This bullish outlook is reflected by strong market fundamentals, which include strong recent leasing activity, high rent and price growth, and historically low vacancy rates that indicate near-term demand for new development. Additional highlights are listed below.

- New leasing over the past year totaled 9.4 million square feet, about 50 percent more than the 6.7 million square feet of new leasing activity recorded in 2020.
- The average industrial vacancy in the metro region now stands at 3.7 percent, significantly lower than the historical average of 6.6 percent and lower than the 10-year annual average of 4.7 percent.
- Pricing has more than doubled over the past decade and continues to rise. Portland’s industrial assets have increased from a historical high of around \$65 per square foot in 2010 to \$169 per square foot today.
- Cap rates have compressed below 6.0 percent, signaling that developers are willing to take more risks to deliver industrial products to market.
- Annual rent growth over the past three years has exceeded 8.0 percent, significantly higher than the 10-year average of 5.2 percent.

**Figure 7. Metro Industrial Vacancy**



Source: CoStar

As noted above, these market trends demonstrate strong regional demand for continuing industrial development. However, land supply remains critically low in the Portland metro area, resulting in a highly competitive market that has led to rapidly increasing land pricing, building pricing, and lease rates.

These land supply constraints and elevated costs now appear to be impacting construction starts. Despite strong demand fundamentals, only 1.4 million square feet of industrial space was developed in the last year in the Portland metro area, compared to an annual 10-year average of 2.5 million square feet. Additionally, developers are now developing parcels that require more time and money due to issues such as zoning constraints, utility service issues, and topography challenges—parcels that were previously considered “undevelopable” because of the cost of development.

Recent trends also suggest that industrial users are willing to look further afield if land is not available or becomes too difficult or expensive to develop. Secondary markets like Salem, Woodburn, and Newberg—which have historically experienced minimal land sale activity, especially for speculative industrial projects—are now experiencing boosts in industrial activity.

The table below shows industrial development trends for the I-5 South submarket and these secondary markets to the south of the Portland metro area.

**Table 1. Projects Built in Various I-5 Submarkets (SW Metro and South), 2010 to Present**

Status and Location	Number of Buildings	Total Building Square Feet	Average Building Size (Sq. Ft.)
<b>Built in the past 10 years</b>	<b>121</b>	<b>7,183,050</b>	<b>59,364</b>
Canby	9	892,476	99,164
Newberg	2	167,069	83,535
Salem	38	2,373,534	62,461
Portland I-5 South	54	2,958,085	54,779
Woodburn	18	791,886	43,994
<b>Under Construction</b>	<b>10</b>	<b>6,232,225</b>	<b>623,223</b>
Salem	1	50,000	50,000
Portland I-5 South	6	1,235,173	205,862
Woodburn	3	4,947,052	1,649,017
<b>Final Planning</b>	<b>1</b>	<b>168,610</b>	<b>168,610</b>
Portland I-5 South	1	168,610	168,610
<b>Proposed</b>	<b>29</b>	<b>8,521,187</b>	<b>293,834</b>
Canby	4	1,789,000	447,250
Newberg	4	2,387,670	596,918
Salem	7	3,166,330	452,333
Portland I-5 South	12	848,805	70,734
Woodburn	2	329,382	164,691
<b>Grand Total</b>	<b>161</b>	<b>22,105,072</b>	<b>137,299</b>

Source: CoStar

Key takeaways from the table above include:

- In the past 10 years, the Portland I-5 South/SW Metro submarket has seen the most industrial development (about three million square feet) compared to other submarkets to the south. In the rest of the Portland metro, industrial development has concentrated in Portland (9.7 million square feet), Hillsboro (8.2 million), Gresham (2.2 million), and Troutdale (1.8 million).
- Recent I-5 South submarket projects have been among the smallest on average (55,000 square feet), with only Woodburn having a lower average building size (44,000 square feet). Projects in the pipeline are significantly larger on average, reflecting some of the shifting market trends described in earlier pages.
- The project pipeline is dominated by markets to the south of the Portland metro, with 4.9 million square feet under construction in Woodburn and more than 7.5 million square feet proposed in Canby, Newberg, Salem, and Woodburn. Proposed projects in the I-5 South submarket account for just 10 percent of proposed projects. In the rest of the Portland metro, comparatively, there is currently 1.7 million square feet under construction (1.2 million in Hillsboro) and 4.2 million square feet proposed (2.1 million in Portland, 400,000 in Hillsboro, 820,000 in Gresham, and 880,000 in Clackamas), showing this phenomenon is not limited to the Southwest Portland metro area.

This information raises an important consideration for the City of Tualatin: if the zoning and site conditions of the land in Basalt Creek remain too narrowly focused or challenging, developers may simply choose to invest elsewhere, and the land may remain vacant for many years.

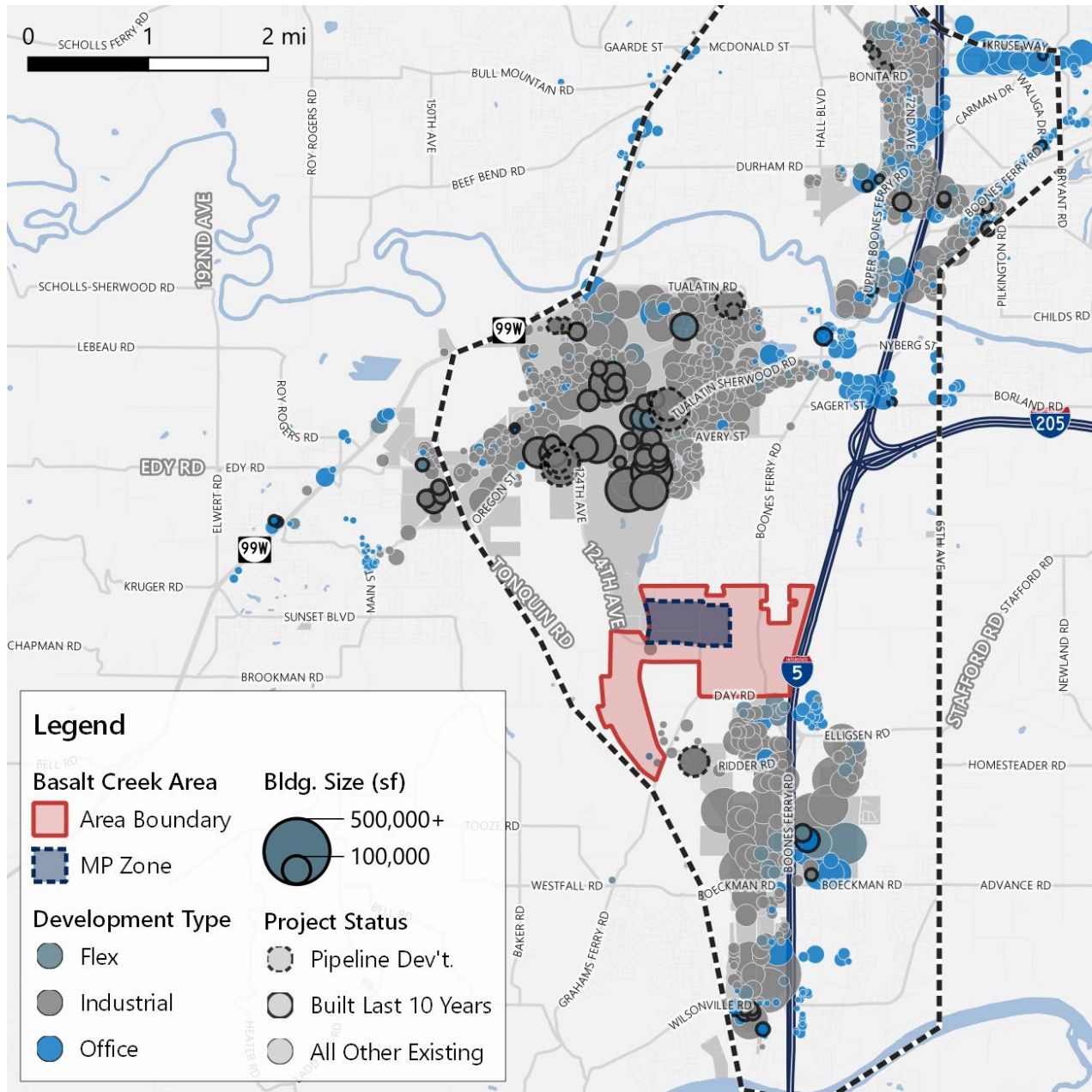
## Submarket Development

The South I-5 Corridor submarket has historically accounted for approximately 10 to 25 percent of the metro's industrial construction and absorption in any given year and is a particularly attractive submarket for speculative industrial development. As a light industrial manufacturing submarket historically, Tualatin has now become one of the major industrial nodes within the metro with a wide range of industrial developments and tenants that are more in keeping with greater regional and national trends.

The following map shows industrial development in and near the South I-5 Corridor submarket. New development in the past 10 years, as well as proposed projects, are concentrated in Tualatin and Sherwood Tualatin Sherwood Road.



Figure 8. Submarket Development



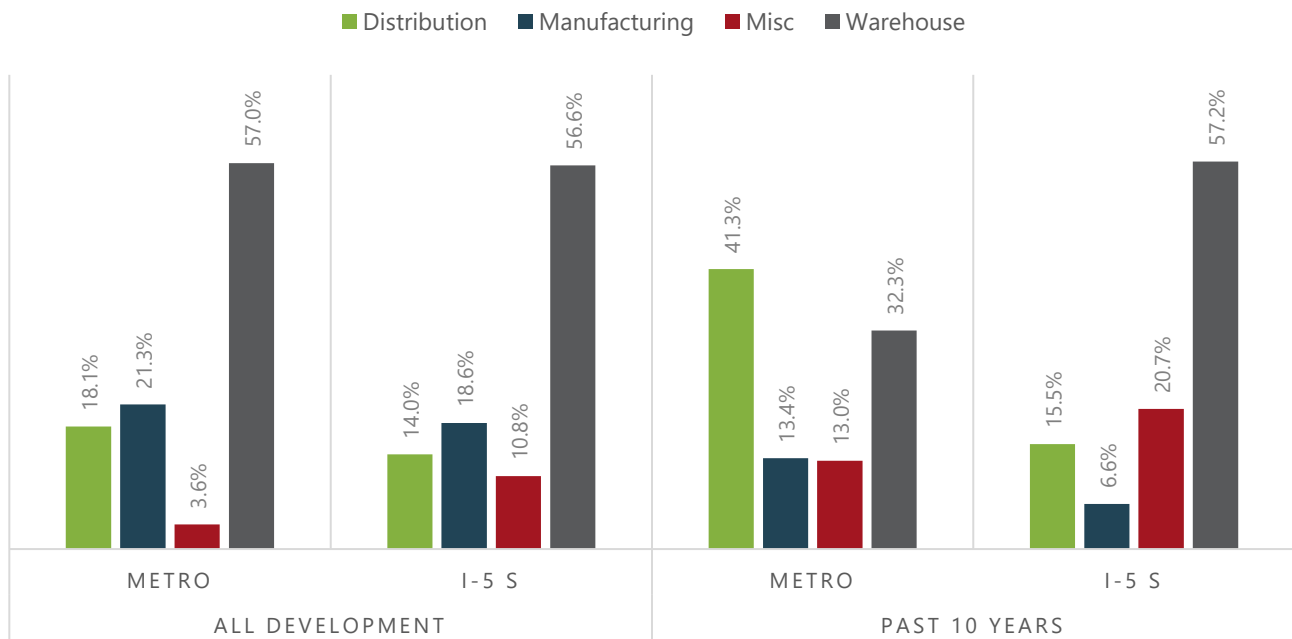
Source: CoStar

The following chart compares the proportion of distribution, manufacturing, warehousing, and “misc.” (all other, including multitenant and flex space) industrial development built throughout the Portland metropolitan area and the I-5 South Submarket. The key takeaways are as follows.

- Historically, the development patterns in the I-5 South Submarket have generally aligned with those throughout the Portland metropolitan area.
- Over the past 10 years, distribution (which includes fulfillment) has accounted for a much higher share of industrial development in the metro area and a slightly higher share in the I-5 South submarket.
- Manufacturing (i.e., buildings exclusively used for manufacturing uses) has accounted for significantly less development in recent years, which appears a broader market trend felt throughout the country.

- Manufacturing has accounted for less than seven percent of all industrial development over the past 10 years in the I-5 South submarket, down from almost 19 percent historically. However, “misc.” industrial development has now accounted for more than a fifth of all development over the past 10 years, almost doubling the historical share. This miscellaneous development is difficult to categorize because it includes multitenant and flex industrial space that caters to a wide variety of tenants. The submarket has been an attractive location for this type of speculative development given its locational advantages, historical land availability, and market diversity.

**Figure 9. Industrial Development Trends by Use and Location (Percent of Development)**



Source: CoStar

The I-5 South Corridor submarket has historically accounted for about 12 percent of all industrial development. While this capture rate has not changed over the past 10 years, the land use types that have concentrated in the submarket have changed significantly—as also shown in the chart above.

**Table 2. Industrial Development (Total Square Feet of Building Space) by Use and Location**

	All Development		Past 10 Years		I-5 S. Capture Rates	
	Metro	I-5 S	Metro	I-5 S	All Dev't.	Past 10 Yrs.
Distribution	46,597,095	4,472,509	13,032,246	553,045	10%	4%
Manufacturing	55,002,968	5,948,605	4,227,418	237,110	11%	6%
Warehouse	146,905,599	18,087,597	10,177,002	2,040,681	37%	18%
Flex/Other/Misc.	9,379,278	3,437,708	4,108,882	737,695	12%	20%
<b>Total</b>	<b>257,884,940</b>	<b>31,946,419</b>	<b>31,545,548</b>	<b>3,568,531</b>	<b>12%</b>	<b>11%</b>

Source: CoStar

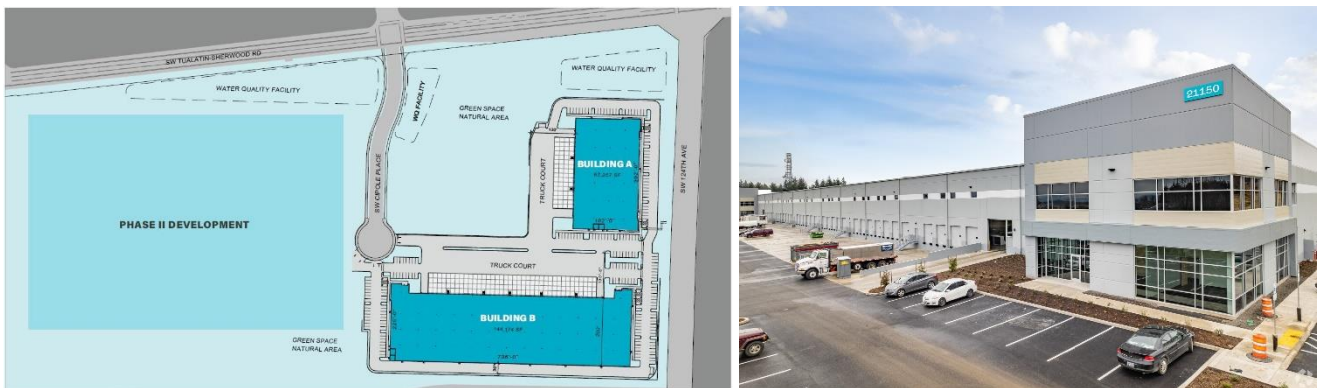
Industrial development characteristics in the submarket over the past 10 years are detailed below. The purpose of documenting the characteristics of these developments is to highlight different features and development patterns that are likely in the Basalt Creek area.

While zoning and development standards vary greatly for each of these, the core characteristics are relatively similar. The ranges described below reflect the 25<sup>th</sup> and 75<sup>th</sup> percentiles for several development features.

- Building sizes typically vary from 25,000 to 90,000 square feet (the 25<sup>th</sup> and 75<sup>th</sup> percentile), with a median of 42,500 square feet. Developments over the past few years have trended larger (35,000 to 140,000, with a median of 70,000) as warehousing and distribution uses emerged as a top industrial use.
- Buildings typically have ceiling heights of 19 to 30 feet, with between four and 18 loading docks. New development tends to have higher ceilings (24- to 32-foot ceilings) and more loading docks (six to 25)
- Site sizes vary from 2.1 to 9.4 acres, with a median of 4.1 acres.
- FARs vary from 0.2 to 0.4, which is typical for general industrial uses.

Below are a series of development images and site plans for a selection of recently built and under construction projects in the submarket. These projects are relatively typical for the submarket.

**T-S Corporate Park, Tonquin Employment Area, Sherwood**





### Myslony Business Park, Phelan Development, Tualatin



### Hedges Creek Business Park, Tualatin



### Majestic Tualatin Business Center, Tualatin



Source: CoStar

## Industrial Land Availability

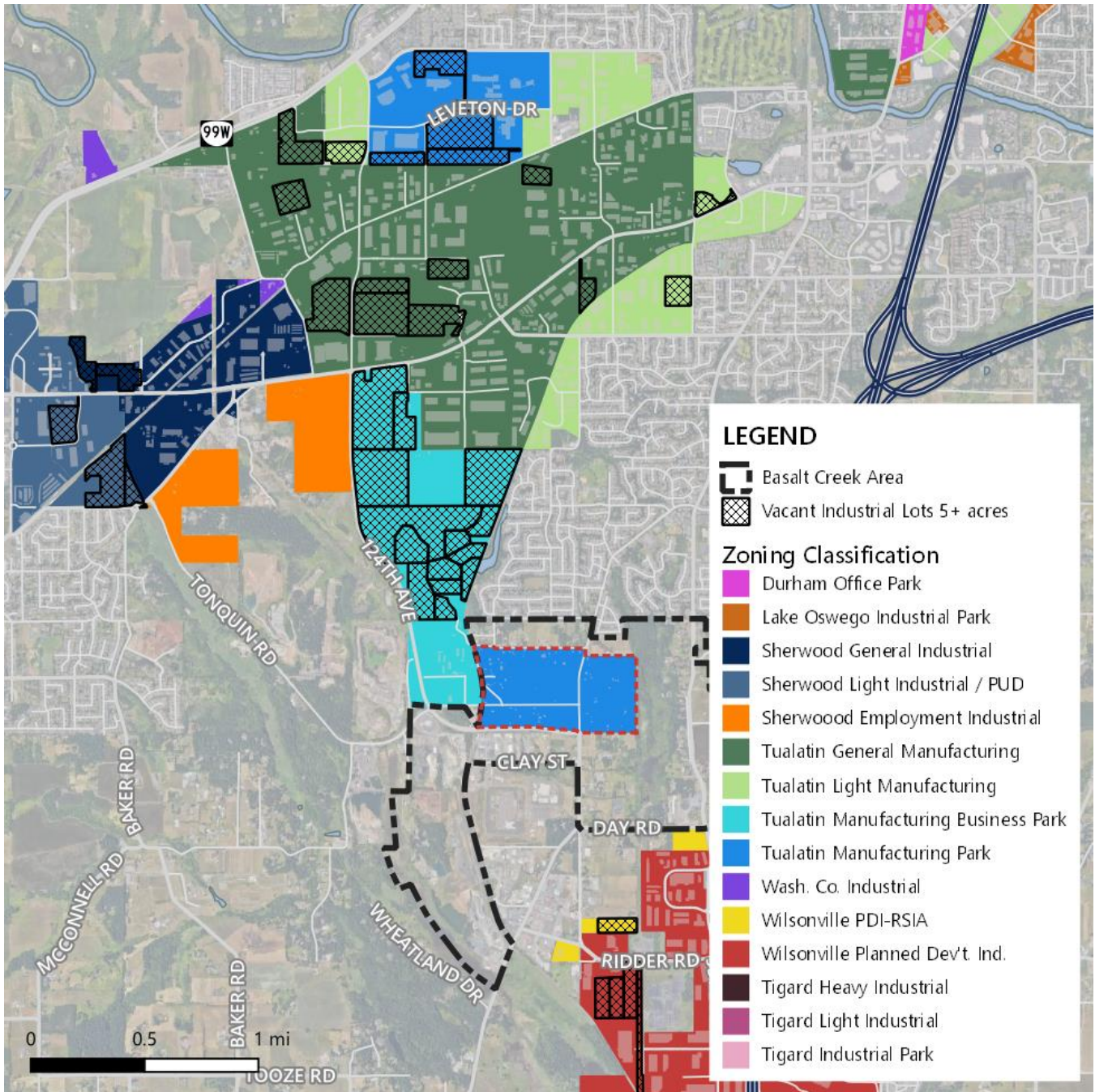
Basalt Creek will compete for industrial investment with other areas not only nearby but regionwide and beyond (including Salem, Woodburn, and other similar areas). Stakeholders interviewed for this project consistently noted the increasing difficulties in finding sites in the Portland area, especially large, contiguous, shovel-ready sites. As high-



quality industrial sites become increasingly scarce in the Portland region, industrially-zoned land costs and rental rates for existing industrial space have surged.

The following map shows industrial zoning in the southwest metro area overlaid with vacant sites larger than five acres. This analysis does not consider whether development impediments exist on these vacant sites (e.g., wetlands, steep slopes, etc.), therefore it does not necessarily mean these sites can be feasibly developed.

**Buildable Industrial Lands, South I-5 Corridor**



Source: Leland Consulting Group



Key takeaways from this assessment are listed below.

- There are 1,400 industrially zoned parcels (within existing city limits) shown on this map, and only 45 sites (three percent of the total) are vacant and larger than five acres.
- Those 45 sites translate to 640 vacant acres (14 percent of more than 3,900 acres).
- Of those 45 sites, 17 are in the City of Tualatin (totaling 279 acres).
- Approximately 191 of the existing vacant industrial land is in Tualatin's Manufacturing Business Park zone and is currently occupied by Tigard Sand and Gravel, an existing business using the land as a quarry. Much of this land will be challenging to redevelop due to steep slopes and infrastructure requirements. Thus, the development of this land will be over the long term and should not be included in any inventory of buildable land.

This information demonstrates the importance of Tualatin's industrial land to both the South I-5 Corridor submarket and the region. Given the dearth of buildable land throughout the region, Basalt Creek is a regionally significant industrial development opportunity. However, as recent development trends have shown, limited land availability throughout the Portland metro area is not enough to attract development to Basalt Creek or any other area with buildable industrial land. The regulations attached to that land must allow market-driven uses and support speculative new investment.

## Case Studies

A key discussion point during interviews with public and private stakeholders was whether there are examples in the Portland metropolitan area of industrial districts that could illustrate successful implementation, including ones with specific zoning codes. This section summarizes research on some of the model zones highlighted by stakeholders as well as a case study of the Tonquin Employment Area (zoned Industrial Employment – EI) in Sherwood.

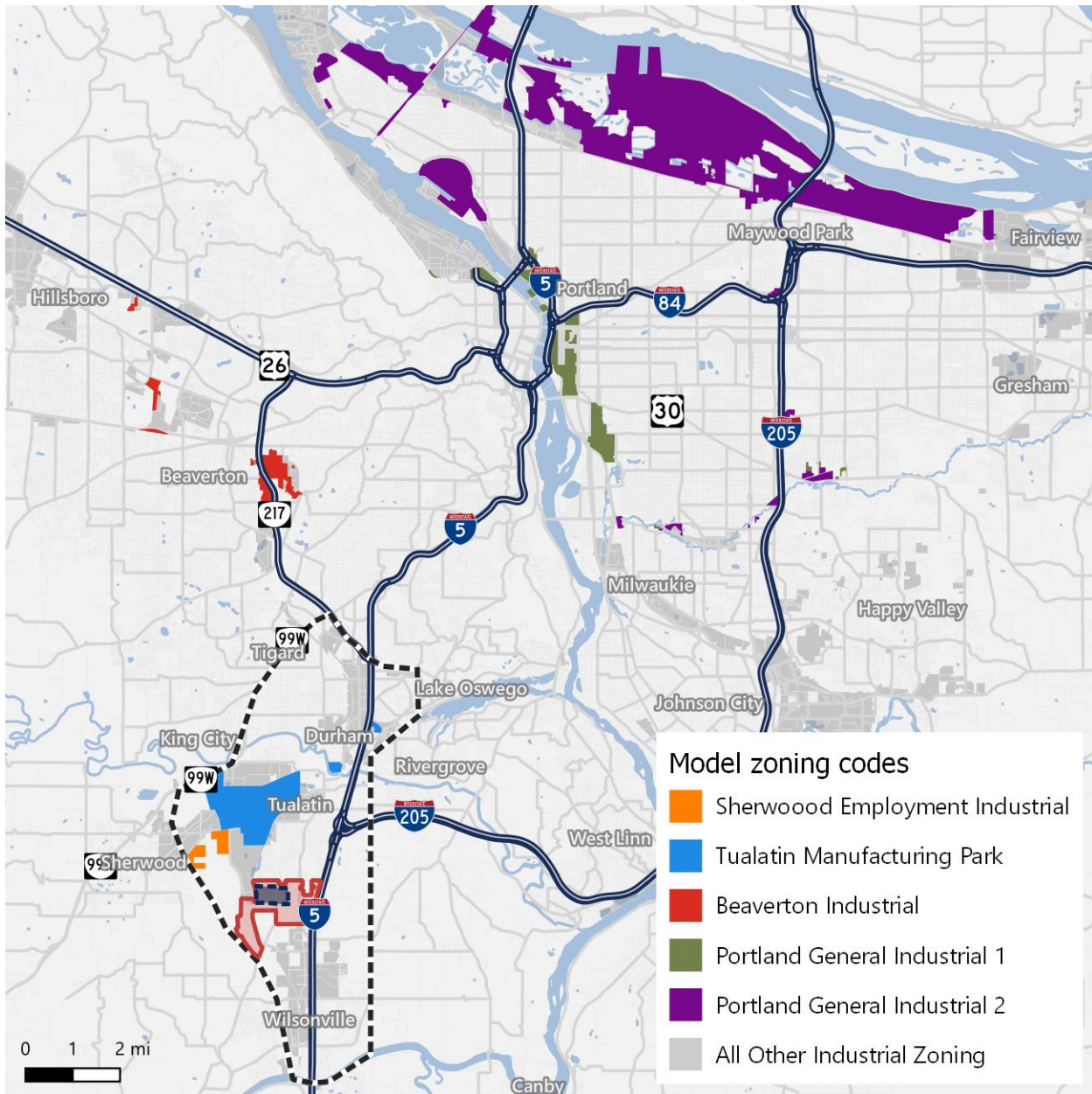
## Model Industrial Zones

Several industrial zones throughout the Portland metropolitan area were identified by stakeholders as potential "model" zones. Model zones are those considered supportive of industrial development in keeping with economic trends and market dynamics. Model zones include:

- Sherwood Employment Industrial (EI) Zone,
- Tualatin General Manufacturing (MG) Zone,
- Portland General Industrial (IG1, IG2) Zones, and
- Beaverton Industrial (IND) Zone.

These zones are shown in the map below and the primary characteristics of each are summarized in the table that follows.

Figure 10. Model Zone Locations



Source: Metro RLIS, Leland Consulting Group

**Table 3. Zone Comparison**

Zone	Allowed Uses	Development Standards	Notable Restrictions
<p>Sherwood Industrial Employment EI</p>	<p>Manufacturing, distribution, warehousing, and storage (preferred: Clean Technology; Technology and Advanced Manufacturing; Outdoor Gear and Active Wear)</p> <p>Distribution and warehousing up to 150,000 square feet, provided product(s) are stored within an enclosed building.</p>	<p>Min 3 acre lots accommodating Large and medium-sized parcels for industrial campuses and other industrial sites that can accommodate a variety of industrial companies and related businesses.</p> <p>Setback: 20 feet (front), none rear or side.</p> <p>Bldg. height max: 50ft</p> <p>Landscaping standards vary greatly</p>	<p>Retail and commercial uses are allowed only when directly supporting area employers and employees.</p> <p>Distribution and warehousing uses greater than 150,000 square feet require a conditional uses permit.</p>
<p>Tualatin General Manufacturing MG</p>	<p>Light and heavy manufacturing, warehouse and freight movement (P/C), wholesale sales (P/C)</p>	<p>Min lot size: 20k sf</p> <p>Setbacks: 30-50 feet (front), 0-50 feet (side)</p> <p>Bldg. height max: 60ft</p> <p>Landscaping: 15% min of the total area</p>	<p>Conditional use required for warehousing of bldg. materials/suppliers; other warehousing uses permitted. Commercial uses are restricted to 20,000-60,000 sq. ft.</p>
<p>Portland General Industrial 1 IG1</p>	<p>Manufacturing, warehouse and freight movement, wholesale sales, industrial services, railroad yards, parks</p>	<p>Smaller lots, high building coverages</p> <p>No max bldg. height, bldg. coverage, or FAR restrictions</p> <p>Setbacks: 0 feet except next to R Zones</p> <p>Landscaping: no requirement</p>	<p>Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.</p>
<p>Portland General Industrial 2 IG2</p>	<p>Manufacturing, warehouse and freight movement, wholesale sales, industrial service, railroad yards, parks</p>	<p>Larger lots, irregular/ large block pattern, less developed</p> <p>No max bldg. height or FAR restrictions</p> <p>Setbacks: 25ft (front); none elsewhere except next to R Zones</p> <p>Landscaping: 15%</p>	<p>Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.</p>
<p>Beaverton Industrial IND</p>	<p>Manufacturing, distribution, industrial uses, and uses requiring processing, fabrication, and storage, including outdoor storage areas, heavy equipment, and other uses not compatible in an Office Industrial area.</p>	<p>No min/max requirements for lot size, FAR, lot dimensions</p> <p>Setbacks: 35 ft (front), 10 ft (side), 0 ft (rear); 75 feet from a residential zone</p> <p>Bldg. height max: 45ft</p> <p>Landscaping: 15% min of the total area</p>	<p>Very few restrictions related to industrial uses</p> <p>Individual retail businesses are restricted to 5,000 sq. ft.</p>

Stakeholders in the development community suggested that codes to avoid include Wilsonville's PDI zone, which is seen as an extreme example of use restrictions and design overlays. One stakeholder highlighted the example of DW Fritz, which approached Wilsonville around 2019 for a potential 80,000 square foot development but instead chose the Tonquin area because of the restrictions. DW Fritz now employs 120 people.

## Tualatin: Tonquin Employment Area

Given its proximity to Basalt Creek, the timing of development (i.e., greenfield development following a UGB expansion), and site conditions (especially limited infrastructure), Sherwood's Tonquin Employment Area (TEA) is an appropriate comparison for Tualatin's Basalt Creek Manufacturing Park Zone. The TEA was brought into the Urban Growth Boundary by Metro in 2004 and the City of Sherwood completed a concept plan for the area in 2010.

The Plan included draft policies and implementation measures that support the growth of employment in the area, including a new Employment Industrial (EI) zoning district that regulates development in the Tonquin Employment Area. The EI zone was originally aimed at supporting high-tech manufacturing and traded sector job growth. However, the TEA remained largely unincorporated and undeveloped for many years following the plan's adoption in 2010.

Stakeholders interviewed for this project highlighted the challenges of developing in the TEA following the concept plan and UGB activity, citing a narrowly defined set of allowed uses in the zoning code, site constraints, and relatively restrictive development standards as reasons for the lack of initial development in the area.

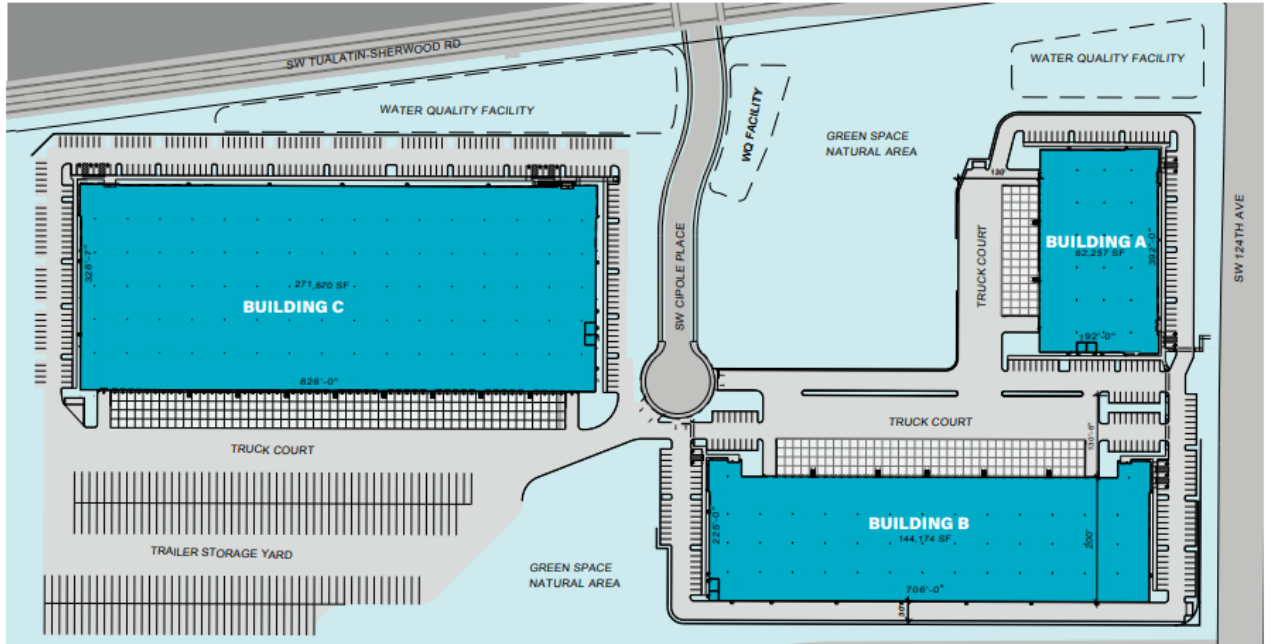
In 2014, the City of Sherwood embarked on an implementation plan that focused on infrastructure and financial tools and refined the focus of the EI Zone on "mid-size manufacturing and flex space." One of the main recommendations that came out of this process included expanding the allowed uses in the EI zone to attract more investment. Stakeholders cited this added flexibility to the EI zone as instrumental in facilitating the recent wave of new investment activity in the TEA.

In addition to broadening the uses, the City of Sherwood implemented additional restrictions (including size limitations) that balanced their goals with the opportunities in the market. The building size limitations were intended to mitigate the risk of getting undesirable uses, such as large distribution and fulfillment-type warehousing uses that may not achieve the target industry job growth envisioned in the 2010 Concept Plan. Warehousing uses below 150,000 square feet are allowed by right, while warehousing uses above 150,000 square feet require a conditional use permit.

Trammell Crowe recently underwent the conditional use permit process for a proposed building that exceeded the 150,000 square foot threshold in the T-S Corporate Park. According to staff, there was little pushback regarding the overall size of the building from the planning commission at the time, as commissioners are generally more focused on design standards, landscaping, and the style of development. If a developer cannot meet the baseline design standards, they can go through a discretionary process that incorporates additional standards relating to wages and jobs. City staff has acknowledged the challenges of enforcing criteria relating to jobs, density, and wages, and that this approach balances market realities with long-term economic goals.

Several industrial buildings totaling 535,000 square feet are now in various phases of planning and development at the T-S Corporate Park—the first project since the creation of the concept plan in 2010 (the site plan is presented below). Other projects are in the early stages of planning in the TEA, per the City, including plans for multiple multi-tenant flex industrial buildings (that also include distribution and manufacturing uses) totaling 900,000 square feet on 60 acres. Between these prospects and additional interest in new development in the TEA, there is reason to believe that most of the 200 acres of usable land in the TEA will be accounted for soon.

Figure 11. T-S Corporate Park Site Plan, Tonquin Employment Area, Sherwood



	BUILDING AREA (SF)	CLEAR HEIGHT	DOCK DOORS	DRIVE-IN DOORS	TRAILER PARKING	PARKING SPACES	DELIVERY DATE
<b>BUILDING A</b>	<b>62,257</b>	<b>30'</b>	<b>14</b>	<b>2</b>	<b>-</b>	<b>87</b>	<b>July 2021</b>
<b>BUILDING B</b>	<b>144,174</b>	<b>34'</b>	<b>33</b>	<b>2</b>	<b>-</b>	<b>127</b>	<b>Nov 2021</b>
<b>BUILDING C</b>	<b>271,870</b>	<b>36'</b>	<b>50</b>	<b>2</b>	<b>191</b>	<b>303</b>	<b>April 2022</b>

Source: Macadam Forbes

## Conclusion and Recommendations

**Overview.** The City of Tualatin is poised to capture a significant share of industrial-focused employment growth over the next 20 years. Land supply is critically constrained. Land value has increased five times over since 2018 as a result and it is becoming increasingly difficult to develop in the Portland metro; many industrial users are now seeking industrial land outside of the Portland metro in places like Ridgefield and Salem. Demand for industrial space is at an all-time high, especially for warehousing, distribution, and logistics; however, these uses are not consistent with the existing Manufacturing Park zone in place in Basalt Creek, nor do they reflect the desires of the City of Tualatin as outlined in the 2018 Concept Plan.

**Target Uses.** Manufacturing buildings—the primary use currently allowed in the MP zone—have accounted for less than seven percent of all industrial development over the past 10 years in the I-5 South submarket (down from almost 19 percent historically). Meanwhile, warehouse and distribution buildings have continued to make up the largest share of new development, and multitenant and flex industrial buildings have accounted for more than one-fifth of recent investment (up two-fold from historical averages).

Demand for multi-tenant flex industrial buildings will continue to grow in the future. These buildings tend to be smaller, speculative developments (no more than 150,000 square feet) that cater to a wide variety of tenants—including tech, manufacturers, suppliers, wholesalers, services, contractors, as well as traditional distribution and warehousing tenants—



house relatively job-dense tenants from a broad market spectrum, and are well suited to the I-5 submarket given its locational advantages, historical land availability, and market diversity. These developments have also been in zones that allow warehousing and distribution. For example, most of the new tenants in the T-S Corporate Park are manufacturing-based companies but the zoning code also allowed warehousing and distribution space that allowed developers to build more speculative developers that could cater to the broadest spectrum of the market as possible.

**Model Zones.** The assessment of select industrial zones throughout the Portland metropolitan area found that the most suitable or “model” zones (per feedback from stakeholders) are generally less restrictive than the Manufacturing Park zone in Basalt Creek relative to the types of allowed uses, development standards (e.g., heights, setbacks, etc.), and landscaping requirements (typically no more than 15 percent of the total land area).

**Development Feasibility.** Given that Basalt Creek is undeveloped, lacks infrastructure, and requires annexation into the City of Tualatin, there are several challenges related to feasibility a developer must address before proceeding with any development. These challenges add a level of complexity and cost to the development that is further exacerbated by the narrowly defined list of allowed uses and some of the development standards in the existing Manufacturing Park zone.

While industrial land is highly constrained in the market, the City should not assume that developers will conform to existing standards simply because there is available land, as demonstrated by the increasing industrial development activity in historically secondary markets like Woodburn, Salem, and Newberg where there is more regulatory flexibility. Without revisions to the code and or other development standards, available land in Basalt Creek may stay vacant indefinitely, as developers may be reluctant to take on the risk of development in a zone that excludes vast segments of the market.

**Recommended Actions.** Specific actions to address the barriers and leverage regional opportunities described in this memorandum include:

- Expand the allowed use table to be more inclusive of other industrial uses and to be better aligned with market demand that includes flex, distribution, manufacturing, and warehouse space. Allowed uses should reflect the economic diversity of the South I-5 Corridor market. The industrial market is dynamic and moves quickly, so flexibility in the zoning code is critical to mitigate risk and attract investment over the long term.
- Revise development standards to reflect some of the model zones outlined in this memorandum. Landscaping requirements should total no more than 15 percent of the total land area, and setbacks should be reduced while continuing to provide additional buffers between industrial and residential areas with larger setbacks.
- In conjunction with expanding allowed uses, consider adding some restrictions—such as maximum building sizes—to maintain some control over future uses and likely tenants.