



## TUALATIN CITY PLANNING COMMISSION MEETING

THURSDAY, JANUARY 19, 2023 AT 6:30 P.M.

JUANITA POHL CENTER  
8513 SW TUALATIN ROAD  
TUALATIN, OR 97062

OR VIA ZOOM

JOIN ZOOM MEETING

[HTTPS://US02WEB.ZOOM.US/J/88006358558?PWD=MLG4QZB2DVFSRGCW  
VEZCNE9BVCTIDZ09](https://us02web.zoom.us/j/88006358558?pwd=MLG4QZB2DVFSRGCWVEZCNE9BVCTIDZ09)

MEETING ID: 880 0635 8558  
PASSCODE: 407436  
ONE TAP MOBILE  
+16699009128

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

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### CALL TO ORDER & ROLL CALL

### ANNOUNCEMENTS & PLANNING COMMISSION COMMUNICATION

### APPROVAL OF MINUTES

1. Review of September 15, 2022 Minutes

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

Limited to 3 minutes

### ACTION ITEMS

1. Continuation of Planning Commission consideration of a recommendation to City Council on the Basalt Creek Employment (BCE) Zoning District Industrial Code Project: PTA 22-0001/PMA 22-0001.

### COMMUNICATION FROM CITY STAFF

### FUTURE ACTION ITEMS

### ADJOURNMENT

## Tualatin Planning Commission

### MINUTES OF September 15, 2022

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#### TPC MEMBERS PRESENT:

William Beers, Chair  
Janelle Thompson, Commissioner

Zach Wimer, Commissioner  
Brittany Valli, Commissioner  
Randall Hledik, Commissioner

#### TPC MEMBERS ABSENT:

Daniel Bachhuber, Commissioner  
Ursula Kuhn, Commissioner

#### STAFF PRESENT:

Steve Koper  
Erin Engman

#### GUESTS:

Chris Green, HHPR Consultant

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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**

None.

#### **COMMUNICATION FROM STAFF:**

##### **1. Presentation On Tualatin Development Code Chapter 65 Basalt Creek Employment Zoning Code Update (BCE)**

Erin Engman, Senior Planner, started the presentation and introduced Chris Green, HHPR consultant with the city. Ms. Engman explained the night's meeting agenda being the following: The Planning Commission will be asked to make a recommendation to the City Council on the proposed adoption of amendments to the Tualatin Development Code establishing the Basalt Creek Employment Zone (BCE).

Ms. Engman explained the background of the proposal with a brief history of the Basalt Creek area which is presently largely unincorporated and lacks City infrastructure. She noted in 2019 the City adopted the Basalt Creek Comprehensive Plan which included roughly 92.95 acres of land zoned Manufacturing Park (MP), and is anticipated to accommodate 1,897 new jobs. The MP zone is located adjacent to future residential lands and transitions to our border with

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Wilsonville, to the south.

Also in 2019, the City Council adopted an Economic Opportunities Analysis (EOA), which found a deficit of 74 acres of industrial land. The EOA further 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, such as warehouse and distribution uses

Ms. Engman shared the background history of the Basalt Creek development. In 2021 the City adopted a new urban renewal area that included the Basalt Creek Planning Area. She explained this area was to address the lack of infrastructure in the Basalt Creek Planning Area and to support future high-wage job growth.

Ms. Engman went over priorities for the proposed zoning which included: high employment density, funding for infrastructure improvements, and minimizing conflict between uses. She explained the current Manufacturing Park (MP) Zone (Tualatin Development Code Chapter 62) is limited and intended for large-scale manufacturing and research facilities. She explained the current zone also has landscaping and setback requirements to create “park or campus-like grounds” which restricts the environmental impacts associated. She also noted currently this zone doesn’t allow distribution and warehousing to be permitted.

Chris Green, HHPR a consultant hired by the City explained the project components which include a Code audit of the existing MP Zone, Economic analysis with Leland Consulting Group, Transportation planning rule analysis with DKS Associates, and Draft code amendments. He spoke about the community engagement process which included the following: stakeholder interviews, City Council work sessions, online open house, and future work sessions and hearings.

Mr. Green spoke about the findings from Leland consulting group. He noted the demand for industrial-commercial is high at this time and the price per square foot has doubled over the past decade. He noted the land supply that is easy to develop is in demand along with flex spaces that can have several uses.

Mr. Green spoke about how the development can be divided into multiple smaller tenant spaces. He spoke about having a flexible configuration for different firm types which includes: manufacturing, office space, and storage and distribution of goods. He noted the flex spaces allow for higher overall employment density, easier market entrance, and a more diversified economic base.

Mr. Green went over recommended direction for the new industrial zone in the draft concepts. He explained this would allow more types of industrial uses. He noted typically these types of

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developments are not built for a specific user. He explained currently the MP zone only allows manufacturing from a shortlist including electronic, optical, musical instruments, textiles, and sporting goods. He explained the new proposal would allow light manufacturing uses except for machine shops, and contractors' offices with on-site storage and casting or fabrication of materials.

Ms. Engman let commissioners know recently the City had considered adding trade and industrial schools as an exception.

Commissioner Hledik asked if fulfillment centers would be allowed in this zone. Mr. Green answered no it would not include large-footprint fulfillment centers.

Commissioner Thompson asked about the transportation plan in the area. Mr. Steve Koper, Assistant Community Development Director, let her know that they are currently working with DKS Associates on a transportation study. He explained the City is going through some refinements on the plan.

Mr. Green spoke about allowing more types of industrial uses. He said that currently shipping and storage operations often support manufacturing and other industrial activities as e-commerce continues to grow. He explained the proposal would have more types that would allow warehouse and freight movement uses in combination with other industrial or office uses, with size limits. He noted the proposal would allow warehouse and freight movement to allow up to 50% of the size of onsite manufacturing and 200% of the size of onsite manufacturing or office uses with a conditional use permit.

Commissioner Hledik asked what the condition of use permit requirement would involve with the City. Ms. Engman answered currently the City's criteria would be to provide findings and go in front of the Planning Commission for a decision. Mr. Koper also let Commissioner Hledik know conditional use permit would be looking at the purpose statement for the zone to determine whether the overall nature of the use is consistent. He noted the percentage cap and advantage of showing the amount of land they consume. He shared the overall opinion of Tualatin doesn't want more warehousing. Encouraging development is hard with industrial land use.

Commissioner Hledik asked about traffic affecting the current area and how this would fit in. Mr. Koper explained currently it would fall under traffic study during a zone change. He explained when a developer comes in they take a look at built year traffic year in looking at intersections level of traffic. He noted warehouse zoning has a fairly low average daily trips.

Commissioner Wimer asked when the zone would be built with developments. Mr. Koper answered the City anticipates 20 years.

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Chair Beers asked where the line would be drawn for the onsite storage for the manufacturing zone including outdoor storage. Mr. Koper answered and explained the current MP zone does not allow for outdoor storage.

Mr. Green spoke about the next proposal allowing commercial and mixed-use to support the district. He explained currently in regionally significant industrial areas like Basalt Creek, the amount of commercial development allowed is limited by Metro.

Commissioner Hledik spoke about his concerns with the industrial land being taken over by retail commercial. Mr. Green shared there could be a possibility of smaller sites but that the draft code was written to limit big box stores.

Commissioner Hledik asked if retail can only occur on Grahams Ferry road and 200 feet of frontage. Erin let him know that is what is currently proposed in the draft code.

Mr. Koper clarified Basalt Creek Parkway is access restricted, and so businesses will not have direct access regardless of is the use.

Mr. Green moved on to highlight the draft code's allowance of office uses of up to 20,000 square feet total per site. He spoke about how current types are limited and have less flexibility. Mr. Koper let commissioners be aware current draft allows most offices not medical offices. He noted there may not be the opportunity to allow medical offices due to their high trip generation.

Commissioner Hledik asked if a standalone office space be limited to a single tenant. Mr. Koper answered no, the space may be divided into different uses but one building owner.

Mr. Green talked about the next proposal to allow child day care centers as permitted use with no limit on size. He let commissioners know that currently there is a limit of 5,000 square feet.

Commissioners and Mr. Green noted it was a great idea and would be another area to take a look at the trip analysis in the traffic study.

Mr. Green spoke about the limited transportation impacts of future development. He explained this proposal would ensure that a mix of commercial and industrial uses do not cause congestion or other traffic impacts in and around the district. He noted that the proposal would prohibit commercial parking and drive-through.

Commissioner Hledik asked if a drive-through coffee stand would be allowed. Mr. Koper answered that although drive-through uses would not be permitted, other commercial uses would be allowed subject to architectural review.

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Mr. Green spoke about encouraging different scales of development. He explained currently the MP zone requires extra land for deep landscaped setbacks, making it difficult to develop at a smaller scale, or on smaller properties. He explained how the new proposal would allow for more flexible, land-efficient development patterns by the following: increasing maximum height from 70' to 85', reducing setbacks, encouraging building orientation to the street, and reducing the minimum site landscape percentage from 25% to 15%.

Commissioner Hledik asked about structure height and if this was common. Mr. Green stated it's not that common, but when looking at offices they do tend to get taller than develop horizontally.

Mr. Koper let commissioners know that some of the feedback received was around removal of discretionary objectives to make them clear and objective. He stated typically industrial development is low rise but with the draft code, it would give businesses the opportunity to go vertical.

Commissioner Hledik asked about setbacks on Grahams Ferry Road if a storefront could be 10 ft. off the right away of the road. He noted this is an issue in his opinion. Mr. Koper answered yes, that's correct. Mr. Green noted when looking at setbacks there was a range and tried to have more clarity on requirements.

Mr. Green spoke about the proposal to reduce the minimum lot sizes to 2 acres, to allow for smaller building footprints and the development of smaller sites. This would reduce the minimum lot size for standalone commercials to 10,000 square feet, to match the limited scale of commercial uses allowed.

Mr. Green moved on to speaking about compatibility between industrial, commercial, and residential uses. He noted this would require landscaped areas along the boundaries of residential zones. He spoke about sound barrier requirements such as overhead doors and exterior equipment adjacent to residential areas.

Mr. Green opened the floor to questions.

Commissioner Wimer wanted to know what Type D landscape buffer standard would look like. Mr. Green answered it would have more trees. Ms. Engman let commissioners know it's a range of want to minimize setback to 10 square feet you would include a wall and can decrease setback.

Commissioner Hledik suggested having more specific setbacks due to the shared boundary between the industrial and residential areas in Basalt Creek. Mr. Koper noted that the same

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setbacks would apply even if the properties were separated by a road.

Chair Beers asked about 100 feet applies to the whole zone. Mr. Green answered yes. Mr. Koper asked Ms. Engman to clarify.

Commissioner Wimer asked if it's possible to have residents live and work in Tualatin with this new business plan on developing in the area. Mr. Koper was candid and said it's hard to do but with balance flexibility to encourage employment opportunity or needs.

Commissioner Wimer asked if there is a plan to have public transit more accessible to the public. Mr. Koper answered and spoke about Tri-Met and development standards in expressing more transit for future development. He let commissioners know at this time Tri-Met doesn't plan on expanding. He noted the City is working with its partner Ride Connection to keep pushing to add public transit options.

Chair Beers and Commissioner Thompson brought up in the conversation of public transit the developments in the past of the area approved. Mr. Koper said it's unfortunate but the City will keep working with partners. He let commissioners know Tri-Met plans on attending City Council with an update and encouraged them to attend to voice an opinion.

Commissioner Thompson asked if Mr. Koper could go over the food cart pod use.

Mr. Koper explained Councilor Pratt asked staff to look at the possibility of adding a food cart pod as an allowed use. He noted the different cities around Tualatin are allowing similar uses. He let Commissioners know they would be required to go through Architectural Review.

Commissioner Wimer asked if there was a particular location the food cart pod would be allowed. Mr. Koper answered the idea would be along the Grahams Ferry Road corridor.

Chair Beers asked if there was room for a marijuana facility in the new development area. Mr. Koper let him know he was unsure. Ms. Engman noted the new park development might trigger some areas that do not allow this use.

Commissioner Hledik spoke about his support of the types of uses and noted how well they were written. He shared his concerns about industrial setbacks being close to residential. He talked about how the landscaping buffer makes the community more aesthetically pleasing.

Commissioner Wimer noted that a 10 foot front building setback for commercial buildings might be too close to the road for pedestrians.

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Ms. Engman noted that the purpose of 10 foot setback was to encourage a more urban feel.

Mr. Koper added context and history of the Basalt Creek being designed to protect current residents adjacent to the parkway from noise and aesthetically pleasing. He noted the setback remaining has a long history.

Commissioner Hledik asked why the City went with 30 feet, not 40 feet. Mr. Koper answered that this was due to the City's other industrial setbacks being 30 feet.

Commissioners spoke about the aesthetic of fencing. Mr. Koper let commissioners know there is currently no limits on fencing written into the code except for prohibiting barbed wire.

Commissioner Valli asked if there are preferred setback lengths for emergency services. Mr. Koper answered there are driveway widths 24 feet and wider the higher the building is. The building designer works with the applicant when proposing the design.

Chair Beers made a motion for the Tualatin Planning Commission to approval Tualatin Development Code Chapter 65 Basalt Creek Employment Zone (BCE) to City Council with the following conditions food pod addition, and look at decorative fencing and standard for landscaping and preserving traffic level with new Basalt Creek Employment Zone. Commissioner Thompson seconded the motion.

AYE 5

NAY 0

MOTION PASSED UNANIMOUSLY

#### **ADJOURNMENT**

A motion to adjourn was made by Commissioner Wimer. The motion was seconded by Commissioner Hledik.

AYE 5

NAY 0

THE MOTION PASSED UNANIMOUSLY. The Planning Commission meeting was adjourned at 8:41 p.m.

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*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:** January 19, 2023

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**SUBJECT:**

Continuation of Planning Commission consideration of a recommendation to City Council on the Basalt Creek Employment (BCE) Zoning District Industrial Code Project: PTA 22-0001/PMA 22-0001.

**RECAP OF SEPTEMBER 15, 2022 PLANNING COMMISSION ACTION:**

At its regular meeting on September 15, 2022, the Planning Commission made a recommendation of approval to the City Council of the Basalt Creek Employment (BCE) Zoning Code, with direction to staff to develop additional landscape buffering standards between the BCE zone and adjacent residential zoning as well as decorative fencing standards.

**REQUEST FOR RECONSIDERATION OF PLANNING COMMISSION ACTION:**

Following the September 15, 2022, Planning Commission meeting, staff met with stakeholders on several occasions, the first of which was on September 29, 2022. Overall, the feedback was the draft code that Planning Commission has recommended approval of to the City Council was too inflexible relative to the current market needs. In response, staff worked collaborative with the stakeholders to craft several potential iterations of amended draft code. These code: scenarios (B and C) represent an attempt to balance this feedback with the community vision, goals, and aspirations for employment in the Basalt Creek area.

**RECOMMENDATION:**

In addition to the code edits prepared by staff in response to previous Planning Commission feedback (Scenario A), staff has presented the Planning Commission with several additional code scenarios. The Planning Commission may choose to reiterate their prior recommendation, or may consider incorporating parts of the code scenarios (Scenario A1, B, and C) and stakeholder feedback in reevaluating their prior recommendation to the City Council.

**NEXT STEPS:**

Staff will then present the outcome of the Planning Commission's recommendation to City Council on February 27, 2023 at a work session. Staff anticipates returning to the Planning Commission in March or April to present the City Council's feedback on these amendments with the intention of receiving a final recommendation from the Planning Commission to the City Council on the amendments.

**PROJECT OVERVIEW:**

Currently the Manufacturing Park (MP) district supports development of large-scale specialized manufacturers and research campuses. However market trends have shown a decline in this type of development. Additionally the Basalt Creek area lacks large parcels that could accommodate this scale of development. This project is exploring amendments that would apply to industrially designated property in

the Basalt Creek area. These amendments aspire to: expand and modernize allowed land uses, include standards that encourage employment dense development, and remain flexible for market opportunities.

This project was scoped with the following tasks (See Exhibit D1):

- Code audit to review the existing Manufacturing Park (MP) zoning against current economic data, land development trends, and recommendations from the City's adopted Basalt Creek Concept Plan, Economic Opportunities Analysis, and Southwest and Basalt Creek Development Area plan;
- Public engagement opportunities that afford members of the Council, Planning Commission, public, and stakeholder groups an opportunity to provide feedback on recommended changes; and
- Map and code amendments for City Council consideration and adoption.

#### **BACKGROUND:**

In 2019, the City:

- Adopted the Basalt Creek Concept Plan which established roughly 92.95 buildable acres zoned Manufacturing Park (MP) that are expected to accommodate 1,897 new jobs. The area is located adjacent to future residential lands, transitions to our border with Wilsonville, and lacks City infrastructure.
- Adopted an Economic Opportunities Analysis (EOA), which identified a deficit of 74 acres of industrial land and recommended changes to zoning that encourage more efficient use of employment land. It further recommends prohibiting new development that requires substantial amounts of land but results in little employment, such as stand-alone warehouse and distribution uses.

In 2021, the City:

- Adopted the Southwest and Basalt Creek Development Area, which serves as an urban renewal area to address the lack of infrastructure in the Basalt Creek Planning Area and to support future high-wage job growth.

In 2022:

- City staff embarked on the Basalt Creek Industrial Code Project (PTA/PMA 22-0001), in partnership with HHRP.
  - At a work session held on May 23, staff presented findings of the preliminary economic analysis report and code audit. Council directed staff to continue work on this legislative amendment to meet the goals identified in the adopted documents listed above and apply it to MP land identified in the Basalt Creek Concept Plan, and included the following feedback:
    - Limit warehousing uses and corresponding truck traffic, particularly on Boones Ferry Road;
    - Encourage flexible multi-tenant, multi-use development;
    - Desire neighborhood commercial uses; and
    - Maintain greenspace or trail connectivity for employees to enjoy.
  - At a Planning Commission meeting held on September 15th, staff presented PTA/PMA 22-000. The Planning Commission reviewed the draft code provided by staff and made a motion to forward a recommendation of approval of PTA and PMA 22-0001 to City Council with the following additions:
    - Reach out to Chamber to discuss food cart pod being an allowed use;
    - Standards requiring vegetative screening along nondecorative fences; and
    - Maintain no significant increase in trip generation through rezone efforts.

#### **PUBLIC OUTREACH:**

There have been seven opportunities for public outreach with a summary included as Exhibit C4.

- July 27: Open House
- September 25: Planning Commission Meeting
- September 29: Stakeholder Discussion
- October 28: Stakeholder Discussion with City Manager & Economic Development Program Manager
- November 9: Discussion with Citizen Involvement Organizations (CIOs)
- December 12: Continued Stakeholder Discussion
- January 5 : Discussion with the Chamber, Stakeholders, and Business Community

**EXECUTIVE SUMMARY:**

- PTA/PMA 22-0001 is a Type IV-B legislative land use case, subject to a hearing before 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 hearing will be noticed in accordance with TDC 32.250. A date for this hearing has not yet been set.
- PTA 22-0001/PMA 22-0001 will affect land that is currently designated Manufacturing Park (MP), limited to the Basalt Creek Planning Area and located south of SW Tonquin Loop Road, west of Basalt canyon, north of Basalt Creek Parkway and east of the P&W rail track.
- Based on stakeholder feedback, staff is returning to the Planning Commission to review additional code scenarios for consideration.

**CODE SCENARIOS FOR PLANNING COMMISSION CONSIDERATION:**

**- Scenario A (Exhibit A1)**

The Planning Commission previously made a motion to forward a recommendation of approval to the City Council of code language similar to Scenario A, with a minor amendment to require vegetative screening along non-decorative fences viewable to the public.

Scenario A Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Not permitted</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Machine shop not permitted</li> <li>• Building contractor's offices with on-site storage not permitted</li> <li>• Trade schools conditional</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Permitted as an accessory use to permitted light manufacturing use                             <ul style="list-style-type: none"> <li>◦ Size limited to 50% GFA of primary light manufacturing use</li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Not permitted</li> </ul>
Pros	Cons
<ul style="list-style-type: none"> <li>• Encourages development in support of adopted planning documents</li> <li>• Expands range of uses under current MP designation</li> <li>• Supports Council's desire to limit warehousing uses which may be in conflict with nearby residential land</li> </ul>	<ul style="list-style-type: none"> <li>• May be too aspirational to encourage near-term industrial development</li> </ul>

**- Scenario A1 (Exhibit A2)**

Based on feedback from our Economic Development Program Manager, Jonathan Taylor, this scenario has been expanded to include limited heavy manufacturing uses in support of advanced manufacturing. It was brought to our attention the manufacturing use categories found in our development code (Chapter 39) are dated and no longer align with the way the state economic development agency categorizes industrial uses. Machine shops are also permitted in support of advanced manufacturing. Note that all uses are required to be conducted wholly within a building and may be subject to additional landscape buffer and/or sound wall requirements if near residential zoning.

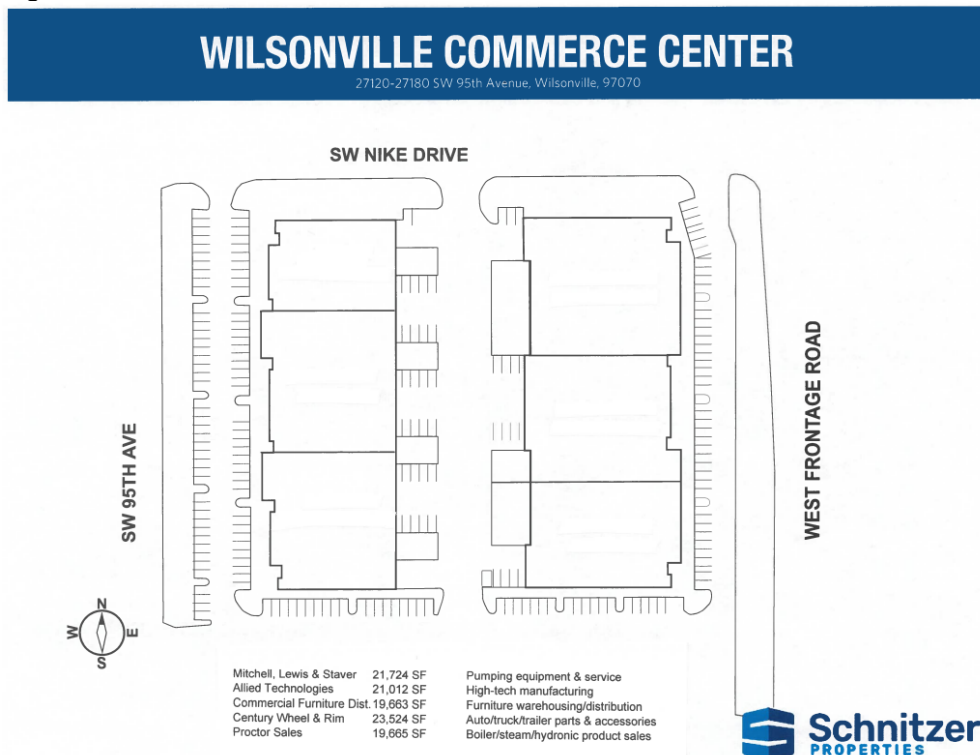
Scenario A1 Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Uses limited to those that support advanced manufacturing</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Machine shop permitted</li> <li>• Other uses same as Scenario A</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Permitted as an accessory use to permitted light and/or heavy manufacturing use                             <ul style="list-style-type: none"> <li>• Size limited to 50% GFA of primary light and/or heavy manufacturing use</li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Not permitted (Same as Scenario A).</li> </ul>
Pros	Cons
<ul style="list-style-type: none"> <li>• Expands range of uses in support of best practices recognized by the state</li> <li>• All uses, including heavy manufacturing must occur in a completely enclosed building</li> </ul>	<ul style="list-style-type: none"> <li>• Although minimized by the proposed standards, there is still some potential for impacts of heavy manufacturing on nearby residential zoning and land uses.</li> </ul>

**- Scenario B (Exhibit A3)**

Scenario B is a response to feedback from the stakeholder groups, subsequent to the September 15, 2022, Planning Commission meeting. Staff was provided with an example of a nearby flex industrial space in Wilsonville, known as Wilsonville Commerce Center (See *Figure 1* below and Exhibit E5). This draft iteration responds to the stakeholder feedback that including warehousing and wholesale sales uses are conducive to a successful flex industrial space development. This scenario includes those uses with size limitations that approximate the example.

Scenario B Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>Same as Scenario A1</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>Same as Scenario A1</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>Same as Scenario A1 (Permitted as an accessory use to permitted light and/or heavy manufacturing use with size limited to 50% GFA of primary light and/or heavy manufacturing use).</li> <li>Adds as a Limited primary use:                             <ul style="list-style-type: none"> <li>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit.</li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>Adds as a Limited Use:                             <ul style="list-style-type: none"> <li>Use limited to sales of industrial products primarily sold wholesale to other industrial firms or industrial workers; and</li> <li>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit.</li> </ul> </li> </ul>
Pros	
<ul style="list-style-type: none"> <li>Balance between council direction and goals, with feedback received from the stakeholder groups.</li> <li>Warehouse and wholesale sale space supplement and support other job dense industrial uses.</li> <li>Supports market demand for warehousing space with size limitations to discourage development of a logistics or last mile delivery center.</li> </ul>	
Cons	
<ul style="list-style-type: none"> <li>May be seen as a compromise on Council desires.</li> <li>May not produce targeted job density.</li> </ul>	

Figure 1.



**- Scenario C (Exhibit A4)**

Scenario C is in response to Scenario B and incorporates greater flexibility for warehousing and wholesale sale uses based on continued feedback from the stakeholder groups. This scenario is Based on a conceptual development plan (See *Figure 2* below and Exhibit 3) shared with staff at an additional stakeholder meeting held on December 12, 2022. It contains the least development restrictions and may not result in development that aligns as closely with the community vision and aspirations as desired.

Scenario B Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Permitted as an accessory use to permitted light and/or heavy manufacturing use               <ul style="list-style-type: none"> <li>• Size limited to 50% GFA of primary light and/or heavy manufacturing use</li> </ul> </li> <li>• Permitted as a primary use for contiguous development sites over 10 acres except:               <ul style="list-style-type: none"> <li>○ May not exceed 35% of the total building square footage on the site.</li> <li>○ No single building may exceed 150,000 square feet in size.</li> <li>○ More than one building on a site may meet this limit.</li> <li>○ Parcels comprising a contiguous site may be separated by a road/right-of-way.</li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Use limited to sales of industrial products primarily sold wholesale to other industrial firms or industrial workers for contiguous development sites over 10 acres, and:               <ul style="list-style-type: none"> <li>○ May not exceed 35% of the total building square footage on the site.</li> <li>○ No single building may exceed 150,000 square feet in size.</li> <li>○ More than one building on a site may meet this limit.</li> <li>○ Parcels comprising a contiguous site may be separated by a road/right-of-way.</li> </ul> </li> </ul>
Pros	
<ul style="list-style-type: none"> <li>• Supports market demand and may encourage immediate development in the area to generate assessed value.</li> <li>• Assures some level of desired development.</li> <li>• Further incorporates stakeholder feedback.</li> </ul>	
Cons	
<ul style="list-style-type: none"> <li>• Building on cons in Scenario B, this code may not discourage what the community views as undesirable development.</li> <li>• Code based on goals of stakeholder group, which serves a limited number of property owners but applies to the broader area.</li> <li>• If area develops prior to the close of the urban renewal project, there may limited opportunities to spend the capital in the area.</li> <li>• There are limited assurances that final development would resemble the conceptual plan or that other sites 10 acres and greater would produce similar development.</li> </ul>	

Figure 2.



**- Stakeholder Requests Not Included in Code Scenarios**

- Broaden wholesale sale uses to include:
  - 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.
  - 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. Products may be picked up on site or delivered to the customer.

Pros	Cons
<ul style="list-style-type: none"> <li>• Supports market demand and may encourage immediate development in the area to generate assessed value.</li> <li>• Further incorporates stakeholder feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Exceeds wholesale sale use limitations in other zoning districts, including General Manufacturing.</li> <li>• May not be consistent with the purpose of the district and/or the community vision and aspiration.</li> </ul>

- Allowing warehouse and freight movement and wholesale sales uses outright on sites less than 9 acres with no size limitations.

Pros	Cons
<ul style="list-style-type: none"> <li>• Supports market demand and may encourage immediate development in the area to generate assessed value.</li> <li>• Further incorporates stakeholder feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Allows for potentially medium/large distribution hub. For example, Amazon's facility is on only 11 acres.</li> <li>• Allows for these uses in a variety of locations as many parcels within the area are under 9 acres.</li> <li>• No limit or control to assure that employment density or wage goals are met.</li> </ul>

- Provision to increase size limitation of warehouse and freight movement and wholesale sale uses by conditional use permit.
  - A conditional use permit provides a set of procedures and standards for conditional uses of land or structures which, because of their unique characteristics relative to locational features, design, size, operation, circulation and public interest or service, require special consideration in relation to the welfare of adjacent properties and the community as a whole. Staff finds that these industrial development tends to be speculative in nature. And that there are no standards applicable solely to warehousing and wholesale sale uses that require special consideration for a conditional use.

Pros	Cons
<ul style="list-style-type: none"> <li>• Supports market demand and may encourage immediate development in the area to generate assessed value.</li> <li>• Further incorporates stakeholder feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Unclear what basis for denial or rejection of a facility exceeding size limitations would be.</li> <li>• Code based on goals of stakeholder group, which serves as a limited number of property owners but applies to the broader area.</li> </ul>

- Permitting fleet vehicle storage
  - Staff finds this use requires a disproportionate amount of land to job density and is not supported in the economic analysis prepared for the project or by the stakeholders.

Pros	Cons
<ul style="list-style-type: none"> <li>• Supports market demand and may encourage immediate development in the area to generate assessed value.</li> <li>• Further incorporates stakeholder feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Code based on goals of stakeholder group, which serves as a limited number of property owners but applies to the broader area.</li> <li>• Does not appear to meet employment density or wage goals.</li> </ul>

## **ATTACHMENTS:**

- Presentation
  
- Attachment A: PTA 22-0001
  - Exhibit A1: Scenario A Code
  - Exhibit A2: Scenario A1 Code
  - Exhibit A3: Scenario B Code
  - Exhibit A4: Scenario C Code
  - Exhibit A5: Project Economic Analysis
  - Exhibit A6: Project Traffic Analysis
  
- Attachment B: PMA 22-0001
  - Exhibit B1: Existing Map 10-1
  - Exhibit B2: Proposed Map 10-1
  - Exhibit B3: Existing Map 8-3
  - Exhibit B4: Proposed Map 8-3
  
- Attachment C: Public Outreach
  - Exhibit C1: Notice of Open House
  - Exhibit C2: Open House Presentation
  - Exhibit C3: Open House Public Comments
  - Exhibit C4: Public Outreach Summary
  - Exhibit C5: Public Comments
  
- Attachment D: Project Scope
  - Exhibit D1: RFP Solicitation for Project
  
- Attachment E: Stakeholder Exhibits
  - Exhibit E1: Stakeholder Code
  - Exhibit E2: Stakeholder Comments
  - Exhibit E3: Stakeholder Development Concept
  - Exhibit E4: Stakeholder Economic Study
  - Exhibit E5: Stakeholder Traffic Analysis
  - Exhibit E6: Stakeholder Additional Development Examples
  - Exhibit E7 - Stakeholder Presentation

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

Continued Conversation

Tualatin Planning Commission • January 19, 2023

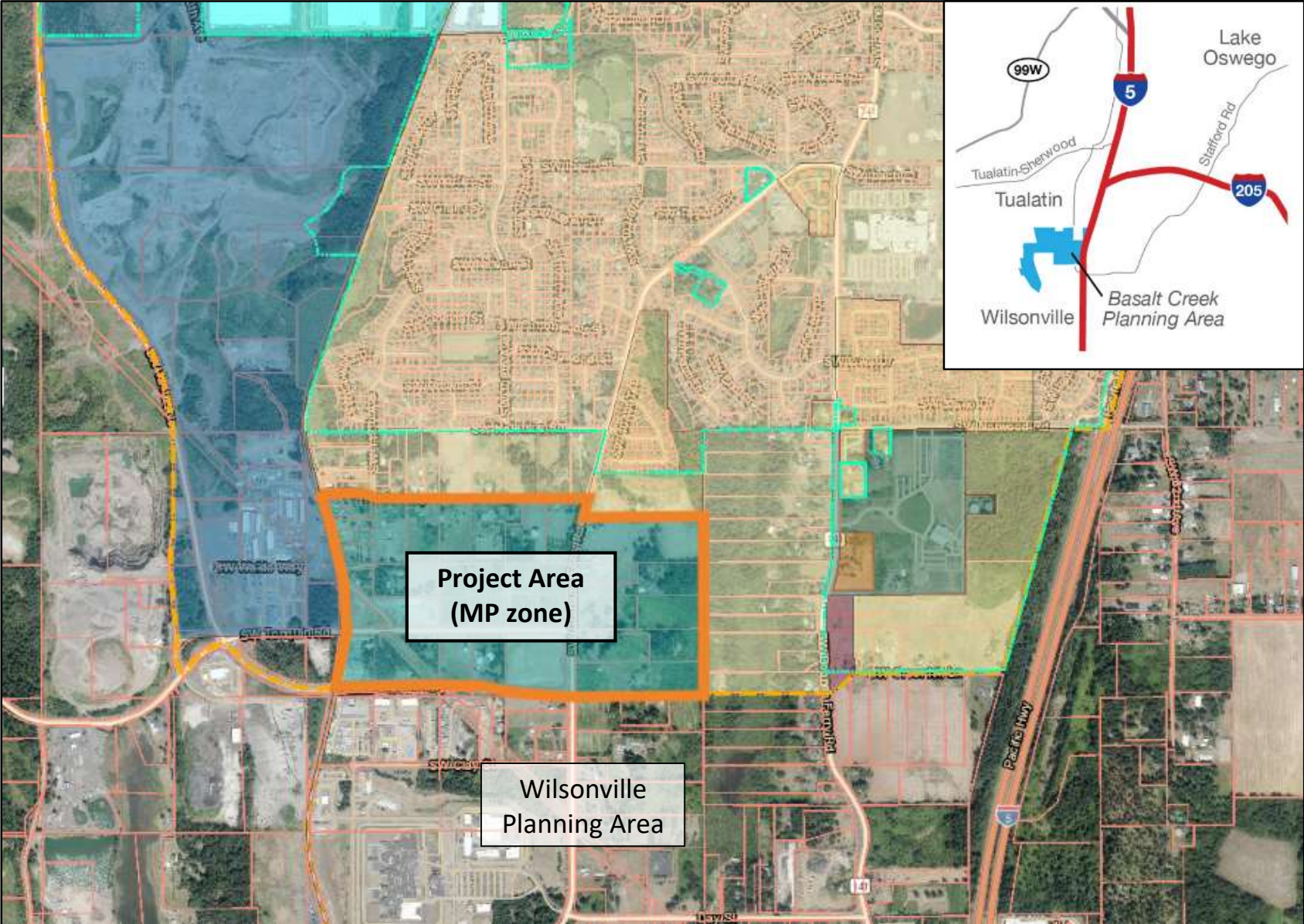




# Discussion Topics

- **Project Background and Purpose**
- **Public Outreach Opportunities**
- **Recap of September 15<sup>th</sup> Meeting**
- **Code Scenarios**
- **Stakeholder Requests**

# Project Area



# Project Overview



## Manufacturing Park (MP) Zone

- Intended for large-scale manufacturing and research facilities
- Limited light-industrial uses
- Landscaping and setback requirements to create “park or campus like grounds”
- Restricts environmental impacts associated with industrial uses
- Distribution and warehousing not permitted

# Project Aspirations

High  
employment  
density

Funding for  
infrastructure  
improvements

Minimizing  
conflict  
between uses

# Previously Expressed Aspirations for the Area

## **Basalt Creek Concept Plan (2018)**

- The Concept Plan allocates substantial land as Manufacturing Park, which is expected to accommodate 1,897 new jobs (20.4 jobs per gross acre), calculated based on the expected square footage of development in this area and the average square footage needed per employee (p. 30).

## **Economic Opportunities Analysis (2019)**

- Tualatin has a deficit of about 74 acres of land in industrial Plan Designations and 175 acres of employment in commercial Plan Designations to accommodate employment. Tualatin will need to consider policies to increase the efficiency of employment land use within the City, such as policies to encourage denser employment development and redevelopment that results in higher-density development (p. x)
- The City should identify opportunities to make more efficient use of employment land, such as limiting development of businesses that have large land requirements and have little employment (such as distribution) (p. xi)

## **Southwest and Basalt Creek Development Area Plan (2021)**

- 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 (p. 7)

# Project Scope and Team

**Code audit of existing MP zone**

HHPR



**Economic analysis**

Leland Consulting Group



**Transportation Planning Rule Analysis**

DKS Associates



**Draft code amendments**

Project Team

# Council Direction (May 23, 2022)

Limit  
warehouse  
uses

Encourage  
flex space

Incorporate  
commercial  
uses

# Outreach Opportunities

- **Public Open House: July 27**
- **Planning Commission Meeting: Sept 25**
- **Stakeholder Discussion: Sept 29**
- **Stakeholder, City Manager, Economic Development Manger Discussion: Oct 28**
- **Citizen Involvement Organization (CIOs) Discussion: Nov 9**
- **Continued Stakeholder Discussion: Dec 12**
- **Chamber, Stakeholder, Business Community Discussion: Jan 5**



## Purpose of the Continued Conversation

- Stakeholder feedback to date has indicated that the draft code, which the Planning Commission recommended approval of in September, does not provide sufficient flexibility for development that the market can currently support.
- Based on this feedback, staff has prepared several additional code scenarios for consideration and further conversation.
- These scenarios balance – to varying degrees - the previously expressed aspirations for the area and the current market trends.

# MP compared to other Industrial Zoning Districts

INDUSTRIAL USE	ALLOWED IN MP	ALLOWED IN MG	ALLOWED IN ML	ALLOWED IN MBP
Light Manufacturing	Limited to manufacture of or instruments, toys, sporting goods, textiles, printing shops, and R&D labs	Yes	Yes	Yes, but CUP required for truck school
Heavy Manufacturing	No	Yes	Limited to electroplating and some manufacturing	Yes, except Prohibits primary processing of organic materials
Vehicle Storage	No	Yes, but requires CUP for “bus barn”	Yes	No
Warehouse and Freight Movement	No	Yes, but requires CUP for building materials/supplies	Yes, but requires CUP for cold storage	No, except as accessory to Permitted industrial use
Wholesale Sales	No	Limited to industrial tool/equipment sales to wholesale/industrial users; requires CUP for building materials	Limited to industrial tool/equipment sales to wholesale/industrial users; requires CUP for building sales	No

CODE  
Scenario A

Builds on Planning Commission motion on Sept 25

**SUMMARY**

<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"><li>• Not permitted</li></ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"><li>• Machine shop not permitted</li><li>• Building contractor's offices with on-site storage not permitted</li><li>• Trade schools conditional</li></ul>
<b>Warehousing</b>	<ul style="list-style-type: none"><li>• Permitted as an accessory use to permitted light manufacturing use<ul style="list-style-type: none"><li>○ Size limited to 50% GFA of primary light manufacturing use</li><li>○ Conditional use up to 200% GFA</li></ul></li></ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"><li>• Not permitted</li></ul>

CODE  
**Scenario A**

TDC 65.310. Additional Development Standards  
(4) Fences Adjacent to Public Right-of-Way.  
Open fencing (such as wrought iron or chain-link fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscaped area. Decorative or cedar fencing is encouraged.

CODE  
**Scenario A**

**Pros**

- Encourages development in support of adopted planning documents
- Expands range of uses under current MP designation
- Supports Council's desire to limit warehousing uses which may be in conflict with nearby residential land

**Cons**

- May be too aspirational to encourage near-term industrial development

CODE  
**Scenario A1**

Based on Economic Development Program Manager Feedback

<b>SUMMARY</b>	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"><li>• Uses limited to those that support advanced manufacturing</li></ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"><li>• Machine shop permitted</li><li>• Other uses same as Scenario A</li></ul>
<b>Warehousing</b>	<ul style="list-style-type: none"><li>• Permitted as an accessory use to permitted light and/or heavy manufacturing use</li><li>• Size limited to 50% GFA of primary light and/or heavy manufacturing use</li></ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"><li>• Not permitted (Same as Scenario A).</li></ul>

CODE  
**Scenario A1**

**Pros**

- Expands range of uses in support of best practices recognized by the state
- All uses, including heavy manufacturing must occur in a completely enclosed building

**Cons**

- Although minimized by the proposed standards, there is still some potential for impacts of heavy manufacturing on nearby residential zoning and land uses
- Difficult to limit uses to “advanced” heavy manufacturing

CODE  
**Scenario B**

Based on Stakeholder Feedback

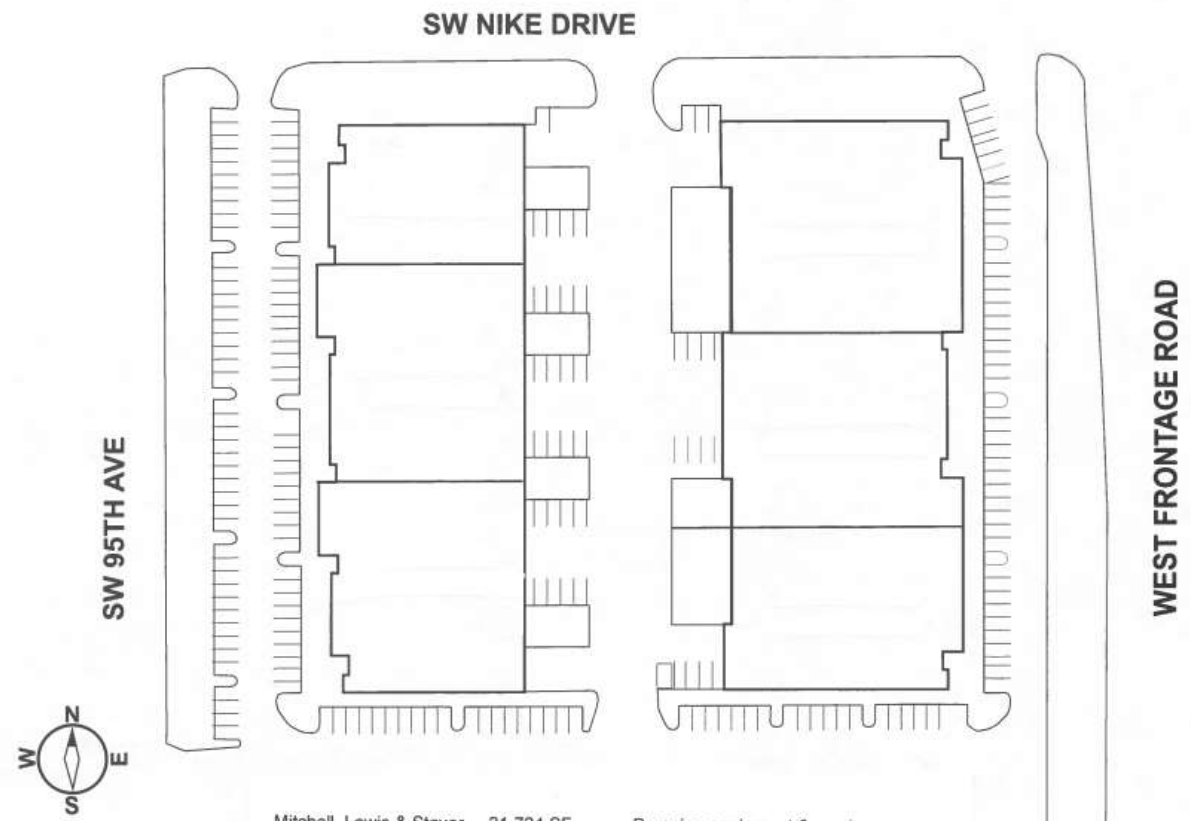
<b>SUMMARY</b>	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"><li>• Same as Scenario A1</li></ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"><li>• Same as Scenario A1</li></ul>
<b>Warehousing</b>	<ul style="list-style-type: none"><li>• Same as Scenario A1</li><li>• Adds as a Limited Use:<ul style="list-style-type: none"><li>○ Up to 25% or 25,000 SF of GFA within an individual building. Multiple buildings on a site may meet this limit.</li></ul></li></ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"><li>• Adds as a Limited Use:<ul style="list-style-type: none"><li>○ Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers; and</li><li>○ Up to 25% or 25,000 SF of GFA within an individual building. Multiple buildings on a site may meet this limit.</li></ul></li></ul>



CODE  
Scenario B

# WILSONVILLE COMMERCE CENTER

27120-27180 SW 95th Avenue, Wilsonville, 97070



Mitchell, Lewis & Staver	21,724 SF	Pumping equipment & service
Allied Technologies	21,012 SF	High-tech manufacturing
Commercial Furniture Dist.	19,663 SF	Furniture warehousing/distribution
Century Wheel & Rim	23,524 SF	Auto/truck/trailer parts & accessories
Proctor Sales	19,665 SF	Boiler/steam/hydraulic product sales



CODE  
Scenario B

Pros

- Balances between aspirational goals and feedback received from the stakeholder groups.
- Warehouse and wholesale sale space supplement and support other job-dense industrial uses.
- Supports market demand for warehousing space with size limitations to discourage development of a logistics or last-mile delivery center.

Cons

- May be seen as a compromise on Council and community desires.
- May not produce targeted job density.

CODE  
**Scenario C**

Based on additional Stakeholder Feedback

**SUMMARY**

**Warehousing**

- Same as Scenario A1
- Primary use for sites over 10 acres:
  - May not exceed 35% of the total building square footage on the site.
  - Building may not exceed 150,000 SF
  - Multiple buildings may meet this limit
  - Site may be separated by a road

**Wholesale Sales**

- Limited Use for sites over 10 acres:
  - May not exceed 35% of the total building square footage on the site.
  - Building may not exceed 150,000 SF
  - Multiple buildings may meet this limit
  - Site may be separated by a road

# CODE Scenario C



CODE  
Scenario C

Pros

- Supports market demand and may encourage immediate development in the area to generate assessed value.
- Assures some level of desired development.
- Further incorporates stakeholder feedback.

Cons

- Serves a limited number of property owners but applies to broad area.
- If market-supported development builds infrastructure projects identified in the urban renewal plan infrastructure, the plan may end up with unspent funds.
- Limited ability to assure that development would resemble concept plan.

## Next Steps

- February 20<sup>th</sup> Tualatin Chamber of Commerce presentation
- February 27  
City Council work session
- March/April  
Return to Planning Commission for a final recommendation

Questions?



## **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.

## 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 light manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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 39.326 - 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 light manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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

USE CATEGORY	STATUS	LIMITATIONS AND CODE REFERENCES
<b>RESIDENTIAL USE CATEGORIES</b>		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
<b>COMMERCIAL USE CATEGORIES</b>		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Subject to TDC 65.120(2).
Medical Office	P (L)	Subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).

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

Other Educational and Vocational Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school subject to TDC 65.210(1);</li> <li>• Job training or related services subject to TDC 65.210(1).</li> </ul>
Retail Sales and Services	P (L)	<ul style="list-style-type: none"> <li>• Child day care center permitted subject to TDC 34.200.</li> <li>• All other Retail Sales and Services uses without drive-up or drive-through facilities are permitted subject to TDC 65.210(1) and (4).</li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
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	Permitted uses limited to storage and distribution of goods produced on-site subject to TDC 65.210(5).
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
Basic Utilities	P	—
Greenways and Natural Areas	P	—
Public Safety Facilities	C (L)	
Transportation Facilities	P	—
Wireless Communication Facility	P (L)	Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.

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

(1) *Commercial Recreation, Eating and Drinking Establishments, Medical Office, Other Educational or 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 ~~200~~ 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 ~~200~~ 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 a Manufacturing Use.* Office uses accessory to a permitted light manufacturing use are permitted.
  - (b) *Limited Uses.* Office uses not accessory to a permitted light 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.* The use 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.* The use must 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 greater than 50% and up to 200% of the gross floor area of the permitted light manufacturing use.
- (6) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except as provided by this section.

- (a) *Permitted Uses.* Off-street parking and loading, utility facilities, wireless communication facilities, outdoor play areas of child day care centers as required by state day care certification standards, and outdoor storage occupying less than ten (10) percent of the total site area, are permitted outright as outdoor uses.
- (b) *Conditional Uses.* A conditional use permit is required for outdoor storage activity or mechanical equipment when proposed to occupy more than ten (10) percent of the total lot area when part of and necessary for the operation of any permitted use.

**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>STANDARD</b>	<b>REQUIREMENT</b>	<b>LIMITATIONS AND CODE REFERENCES</b>
<b>LOT SIZE</b>		
Minimum Lot Size	2 acres	
Minimum Lot Size for Standalone Commercial Uses	10,000 square feet	
<b>LOT DIMENSIONS</b>		
Flag Lots	—	Must be sufficient to comply with minimum access requirements of TDC 73C.
<b>MINIMUM SETBACKS</b>		
Minimum Building Setback for Yards Adjacent to Streets or Alleys	30 feet	
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	10 feet	
Minimum Building Setback for Yards Adjacent to Residential District	30 feet	
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	10 feet	No minimum setback if adjacent to railroad right-of-way or spur track.

Parking and Circulation Areas Adjacent to Public Right-of-Way	20 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Parking and Circulation Areas Adjacent to Private Property Line	10 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Fences	10 feet	From public right-of-way.
<b>STRUCTURE HEIGHT</b>		
Maximum Height	85 feet	Any portion of a structure within 100 feet of a residential zone shall be limited to the maximum height of that residential zone.

**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.* Open fencing (such as wrought iron or chainlink fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscaped area. Decorative or cedar fencing is encouraged.
- (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.

**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, <del>and</del> MP, <u>and BCE</u> zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) 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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**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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	<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>Proposed Improvement</u>				
		<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4—50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Abutting</u>	<u>Residential</u>	=	D	D	C	D
	<u>Commercial</u>	C	=	D	=	=
	<u>Industrial</u>	D	A	D	=	=
	<u>Parking Lots</u>	C	=	=	=	=

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	<u>Proposed Improvement</u>				
	<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Arterial Streets</u>	A	=	A	=	=

**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	=	10	=	<u>Lawn/living groundcover</u>	=
B	=	10	<u>20 feet min/30 feet max spacing</u>	<u>Lawn/living groundcover</u>	=
C	1	10	15 feet min/30 feet max spacing	<u>Shrubs</u>	<u>4 feet hedges</u>
	2	8		<u>Shrubs</u>	<u>5 feet fence</u>
	3	6		<u>Shrubs</u>	<u>6 feet wall</u>
D	1	20	10 feet min/20 feet max spacing	<u>Shrubs</u>	<u>6 feet hedge</u>
	2	15		<u>Shrubs</u>	<u>6 feet fence</u>
	3	10		<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> </ul>
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	<ul style="list-style-type: none"> <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> <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>

## **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.

## **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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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

USE CATEGORY	STATUS	LIMITATIONS AND CODE REFERENCES
<b>RESIDENTIAL USE CATEGORIES</b>		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
<b>COMMERCIAL USE CATEGORIES</b>		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Subject to TDC 65.120(2).
Medical Office	P (L)	Subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).



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Other Educational and Vocational Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school subject to TDC 65.210(1); and</li> <li>• Job training or related services subject to TDC 65.210(1).</li> </ul>
Retail Sales and Services	P (L)	<ul style="list-style-type: none"> <li>• Child day care center permitted subject to TDC 34.200.</li> <li>• All other Retail Sales and Services uses without drive-up or drive-through facilities are permitted subject to TDC 65.210(1) and (4).</li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
<u>Heavy Manufacturing</u>	<u>P (L)</u>	<p><u>Permitted uses limited to:</u></p> <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> <p><u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u></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>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul>
Warehouse and Freight Movement	P (L)	Permitted uses limited to storage and distribution of goods produced on-site subject to TDC 65.210(5).
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
Basic Utilities	P	—
Greenways and Natural Areas	P	—
Public Safety Facilities	C (L)	
Transportation Facilities	P	—
Wireless Communication Facility	P (L)	Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.

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

- (1) *Commercial Recreation, Eating and Drinking Establishments, Medical Office, Other Educational or 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 a Manufacturing 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 industrial 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.
- (b) *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.
- (6) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except as provided by this section.
- (a) *Permitted Uses.* Off-street parking and loading, utility facilities, wireless communication facilities, outdoor play areas of child day care centers as required by state day care certification standards, and outdoor storage occupying less than ten (10) percent of the total site area, are permitted outright as outdoor uses.
- (b) *Conditional Uses.* A conditional use permit is required for outdoor storage activity or mechanical equipment when proposed to occupy more than ten (10) percent of the total lot area when part of and necessary for the operation of any permitted use.

### **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

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STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
<b>LOT SIZE</b>		
Minimum Lot Size	2 acres	
Minimum Lot Size for Standalone Commercial Uses	10,000 square feet	
<b>LOT DIMENSIONS</b>		
Flag Lots	—	Must be sufficient to comply with minimum access requirements of TDC 73C.
<b>MINIMUM SETBACKS</b>		
Minimum Building Setback for Yards Adjacent to Streets or Alleys	30 feet	
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	10 feet	
Minimum Building Setback for Yards Adjacent to Residential District	30 feet	
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	10 feet	No minimum setback if adjacent to railroad right-of-way or spur track.
Parking and Circulation Areas Adjacent to Public Right-of-Way	20 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Parking and Circulation Areas Adjacent to Private Property Line	10 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Fences	10 feet	From public right-of-way.
<b>STRUCTURE HEIGHT</b>		
Maximum Height	85 feet	Any portion of a structure within 100 feet of a residential zone shall be limited to the maximum height of that residential zone.

**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.* Open fencing (such as wrought iron or chainlink fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscaped area. Decorative or cedar fencing is encouraged.
- (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.

**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, <del>and</del> MP, <u>and BCE</u> zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) 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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**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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	<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>Proposed Improvement</u>				
		<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4—50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Abutting</u>	<u>Residential</u>	=	D	D	C	D
	<u>Commercial</u>	C	=	D	=	=
	<u>Industrial</u>	D	A	D	=	=
	<u>Parking Lots</u>	C	=	=	=	=

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	<u>Proposed Improvement</u>				
	<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Arterial Streets</u>	A	=	A	=	=

**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	=	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.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> </ul>
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	<ul style="list-style-type: none"> <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> <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>

## 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.



## 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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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

USE CATEGORY	STATUS	LIMITATIONS AND CODE REFERENCES
<b>RESIDENTIAL USE CATEGORIES</b>		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
<b>COMMERCIAL USE CATEGORIES</b>		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Subject to TDC 65.120(2).
Medical Office	P (L)	Subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).

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CHAPTER 65 BASALT CREEK EMPLOYMENT ZONE (BCE)

Other Educational and Vocational Services	P (L)	<p>Permitted uses limited to:</p> <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school subject to TDC 65.210(1); and</li> <li>• Job training or related services subject to TDC 65.210(1).</li> </ul>
Retail Sales and Services	P (L)	<ul style="list-style-type: none"> <li>• Child day care center permitted subject to TDC 34.200.</li> <li>• All other Retail Sales and Services uses without drive-up or drive-through facilities are permitted subject to TDC 65.210(1) and (4).</li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
<u>Heavy Manufacturing</u>	<u>P (L)</u>	<p><u>Permitted uses limited to:</u></p> <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> <p><u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u></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>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul>
Warehouse and Freight Movement	P (L)	<u>Subject to TDC 65.210(5).</u>
<u>Wholesale Sales</u>	<u>P (L)</u>	<u>Permitted uses subject to TDC 65.210(6) and 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.</u></li> </ul>
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
Basic Utilities	P	—
Greenways and Natural Areas	P	—
Public Safety Facilities	C (L)	
Transportation Facilities	P	—
Wireless Communication Facility	P (L)	Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.

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

- (1) *Commercial Recreation, Eating and Drinking Establishments, Medical Office, Other Educational or 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 industrial 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 warehouse and freight movement use not accessory to a permitted light and/or heavy manufacturing use must not exceed the greater of 25% or 25,000 square feet of the gross floor area within 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.* Wholesale sales is a permitted use as specified below.
- (a) *Limited Uses.* The use must not exceed the greater of 25% or 25,000 square feet of the gross floor area within an individual building on a development site. More than one building on a development site may have a wholesale sale use up to this limit.
- (7) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except as provided by this section.
- (a) *Permitted Uses.* Off-street parking and loading, utility facilities, wireless communication facilities, outdoor play areas of child day care centers as required by state day care certification standards, and outdoor storage occupying less than ten (10) percent of the total site area, are permitted outright as outdoor uses.

(b) *Conditional Uses.* A conditional use permit is required for outdoor storage activity or mechanical equipment when proposed to occupy more than ten (10) percent of the total lot area when part of and necessary for the operation of any permitted use.

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

Parking and Circulation Areas Adjacent to Private Property Line	10 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Fences	10 feet	From public right-of-way.
<b>STRUCTURE HEIGHT</b>		
Maximum Height	85 feet	Any portion of a structure within 100 feet of a residential zone shall be limited to the maximum height of that residential zone.

**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.* Open fencing (such as wrought iron or chainlink fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscaped area. Decorative or cedar fencing is encouraged.
- (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.

**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, <del>and</del> MP, <u>and BCE</u> zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) 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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	<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>Proposed Improvement</u>				
		<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4—50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Abutting</u>	<u>Residential</u>	=	D	D	C	D
	<u>Commercial</u>	C	=	D	=	=
	<u>Industrial</u>	D	A	D	=	=
	<u>Parking Lots</u>	C	=	=	=	=

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	<u>Proposed Improvement</u>				
	<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Arterial Streets</u>	A	=	A	=	=

**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	=	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.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> </ul>
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	<ul style="list-style-type: none"> <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> <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>

## **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.



## 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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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 light and heavy manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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

USE CATEGORY	STATUS	LIMITATIONS AND CODE REFERENCES
<b>RESIDENTIAL USE CATEGORIES</b>		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
<b>COMMERCIAL USE CATEGORIES</b>		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Subject to TDC 65.120(2).
Medical Office	P (L)	Subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).

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Other Educational and Vocational Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school subject to TDC 65.210(1); and</li> <li>• Job training or related services subject to TDC 65.210(1).</li> </ul>
Retail Sales and Services	P (L)	<ul style="list-style-type: none"> <li>• Child day care center permitted subject to TDC 34.200.</li> <li>• All other Retail Sales and Services uses without drive-up or drive-through facilities are permitted subject to TDC 65.210(1) and (4).</li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
<u>Heavy Manufacturing</u>	<u>P (L)</u>	<p><u>Permitted uses limited to:</u></p> <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> <p><u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u></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>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> </ul>
Warehouse and Freight Movement	P (L)	<u>Subject to TDC 65.210(5).</u>
<u>Wholesale Sales</u>	<u>P (L)</u>	<u>Permitted uses subject to TDC 65.210(6) and 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.</u></li> </ul>
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
Basic Utilities	P	—
Greenways and Natural Areas	P	—
Public Safety Facilities	C (L)	
Transportation Facilities	P	—
Wireless Communication Facility	P (L)	Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.

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

- (1) *Commercial Recreation, Eating and Drinking Establishments, Medical Office, Other Educational or 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 manufacturing use are permitted.
- (b) *Limited Uses*. Office uses not accessory to a permitted light industrial 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*. For contiguous development sites over 10 acres, a warehouse and freight movement use that is not accessory to a permitted light and/or heavy manufacturing use may not exceed 35% of the total building square footage on the site. No single building may exceed 150,000 square feet in size. More than one building on a development site may have a warehouse and freight movement use up to this limit. Parcels comprising a contiguous site may be separated by a road/right-of-way.
- (6) *Wholesale Sales*. Wholesale sales is a permitted use as specified below.
- (a) *Limited Uses*. For contiguous development sites over 10 acres, uses limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may not exceed 35% of the total building square footage on the site. No single building may exceed 150,000 square feet in size. More than one building on a development site may have a wholesale sale use up to this limit. Parcels comprising a contiguous site may be separated by a road/right-of-way.

(7) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except as provided by this section.

(a) *Permitted Uses.* Off-street parking and loading, utility facilities, wireless communication facilities, outdoor play areas of child day care centers as required by state day care certification standards, and outdoor storage occupying less than ten (10) percent of the total site area, are permitted outright as outdoor uses.

(b) *Conditional Uses.* A conditional use permit is required for outdoor storage activity or mechanical equipment when proposed to occupy more than ten (10) percent of the total lot area when part of and necessary for the operation of any permitted use.

**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

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
<b>LOT SIZE</b>		
Minimum Lot Size	2 acres	
Minimum Lot Size for Standalone Commercial Uses	10,000 square feet	
<b>LOT DIMENSIONS</b>		
Flag Lots	—	Must be sufficient to comply with minimum access requirements of TDC 73C.
<b>MINIMUM SETBACKS</b>		
Minimum Building Setback for Yards Adjacent to Streets or Alleys	30 feet	
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	10 feet	
Minimum Building Setback for Yards Adjacent to Residential District	30 feet	

Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	10 feet	No minimum setback if adjacent to railroad right-of-way or spur track.
Parking and Circulation Areas Adjacent to Public Right-of-Way	20 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Parking and Circulation Areas Adjacent to Private Property Line	10 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Fences	10 feet	From public right-of-way.
<b>STRUCTURE HEIGHT</b>		
Maximum Height	85 feet	Any portion of a structure within 100 feet of a residential zone shall be limited to the maximum height of that residential zone.

**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.* Open fencing (such as wrought iron or chainlink fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscaped area. Decorative or cedar fencing is encouraged.
- (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.

**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, <del>and</del> MP, <u>and BCE</u> zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) 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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**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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	<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>Proposed Improvement</u>				
		<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Abutting</u>	<u>Residential</u>	=	D	D	C	D
	<u>Commercial</u>	C	=	D	=	=
	<u>Industrial</u>	D	A	D	=	=
	<u>Parking Lots</u>	C	=	=	=	=

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	<u>Proposed Improvement</u>				
	<u>Residential</u>	<u>Commercial</u>	<u>Institutional</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Arterial Streets</u>	A	=	A	=	=

**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	=	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.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> </ul>
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	<ul style="list-style-type: none"> <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> <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>

## 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

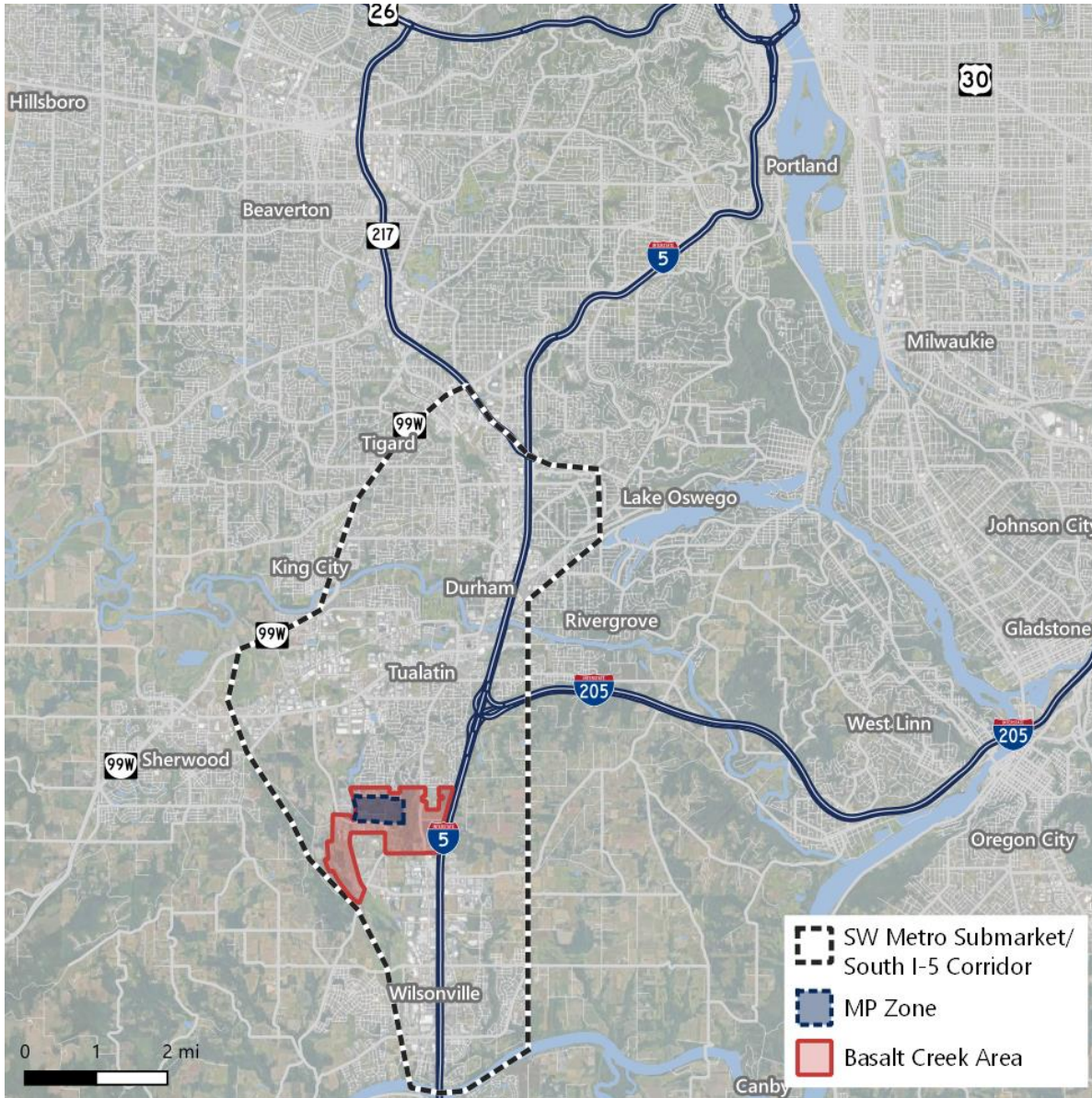
This memo summarizes Leland Consulting Group’s (LCG’s) analysis of economic data and industry trends in the Portland metro region and the southwest I-5 corridor submarket (the submarket). Methods include an assessment of real estate market dynamics (construction and absorption trends, vacancy rates, 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



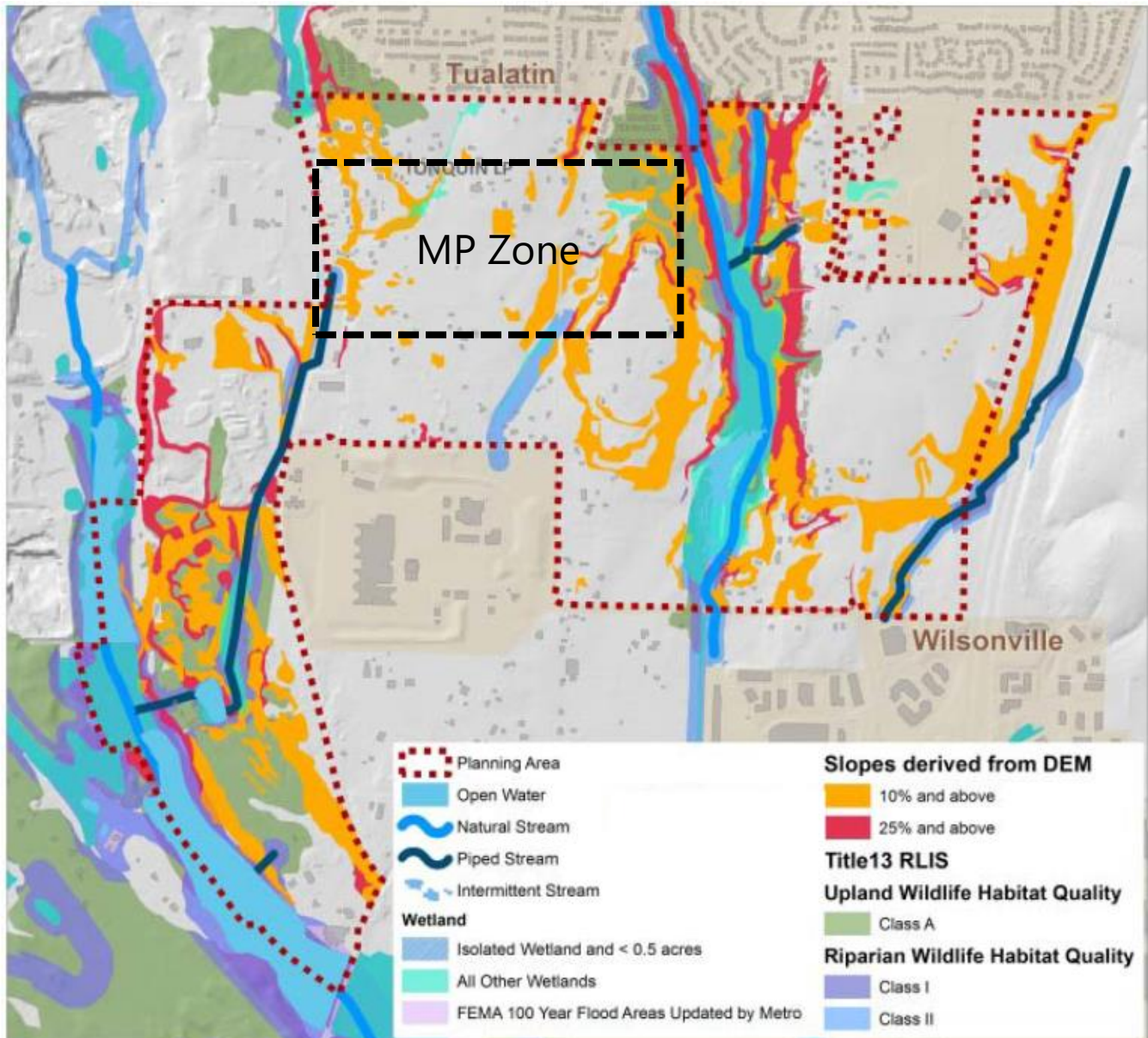
properties impediments to redevelopment due to the recently heightened economics and market pricing of industrial development.

- **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

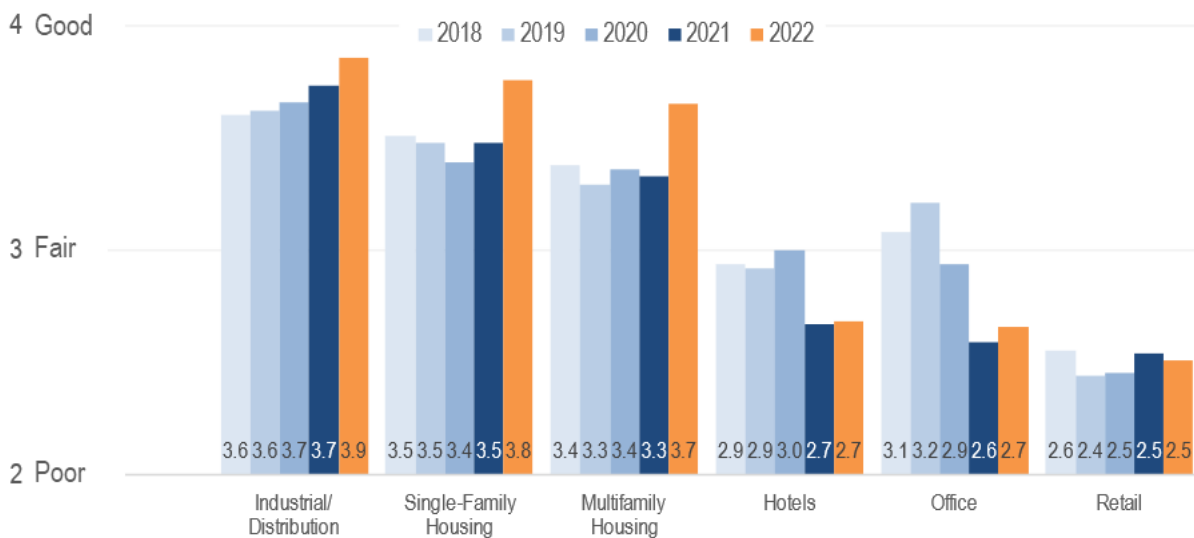
The industrial sector is tied to macroeconomic employment trends more than any other sector. It is therefore important to understand the dynamics impacting nationwide industrial real estate and employment trends.

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**

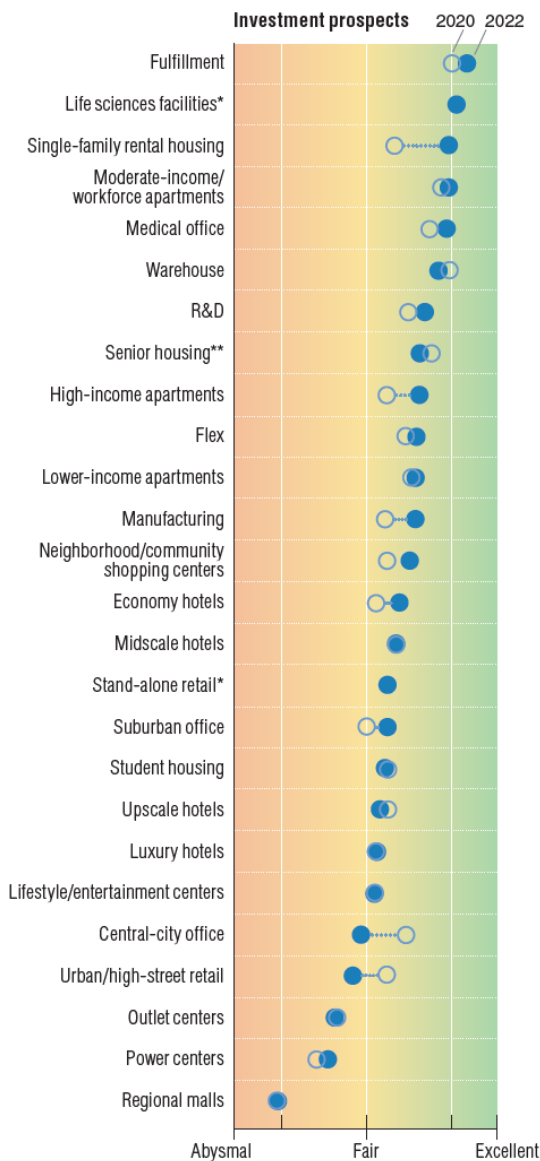


Source: ULI

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.

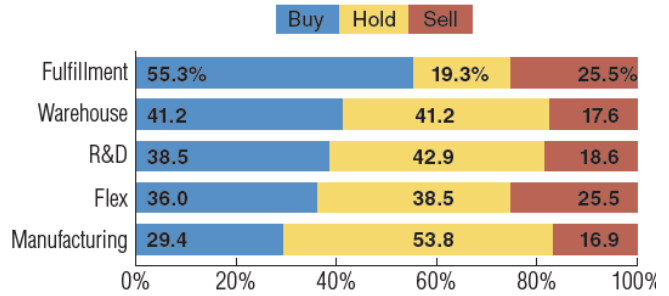
Recommendations to purchase property reflect industry expectations that the market fundamentals (pricing, demand, etc.) for industrial property will continue to improve (i.e., there is strong evidence of a positive return on the initial investment) or that the future is likely to pose greater challenges 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.

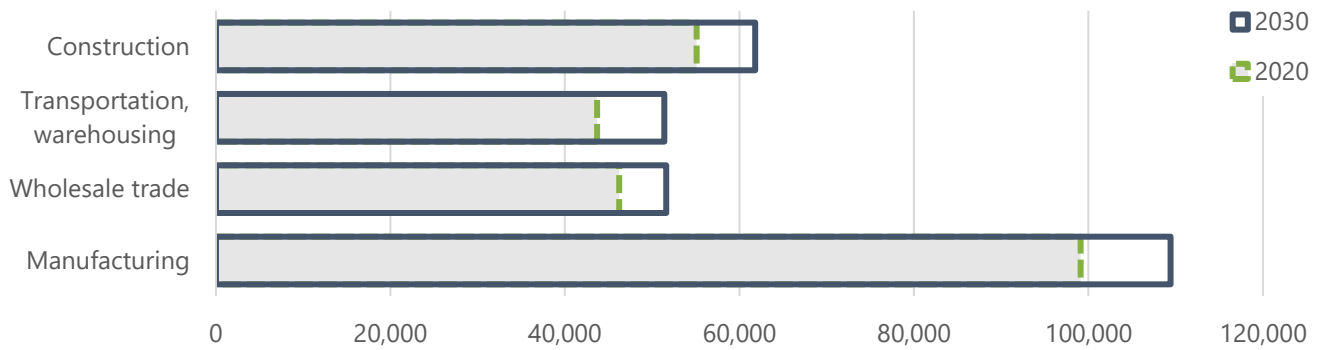
## Regional Market Assessment

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

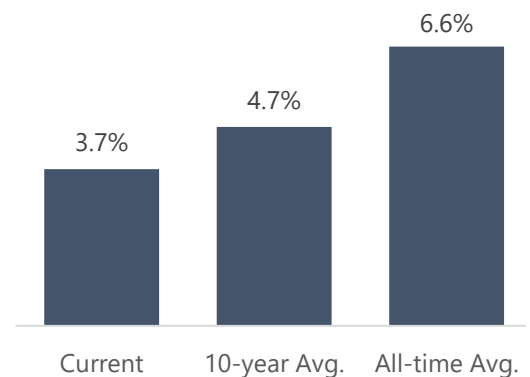
This section provides information about the regional industrial market in order to understand how activity might impact future development in the Tualatin market and the Basalt Creek area specifically.

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.

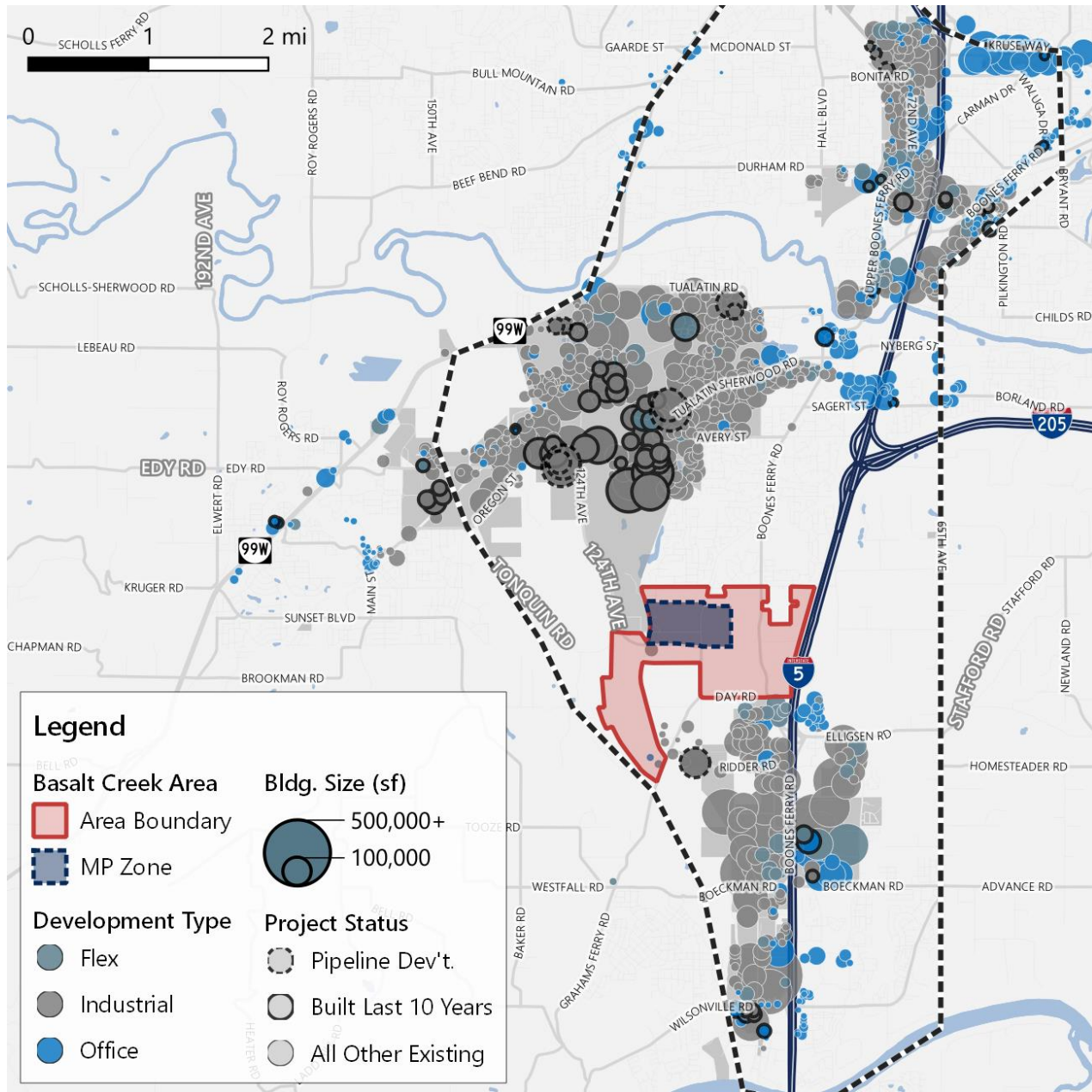
This information raises an important consideration for the City of Tualatin: if the zoning and site conditions of the land in Basalt Creek remain too narrowly focused or challenging, developers may simply choose to invest elsewhere, and the land may remain vacant for many years.

## 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

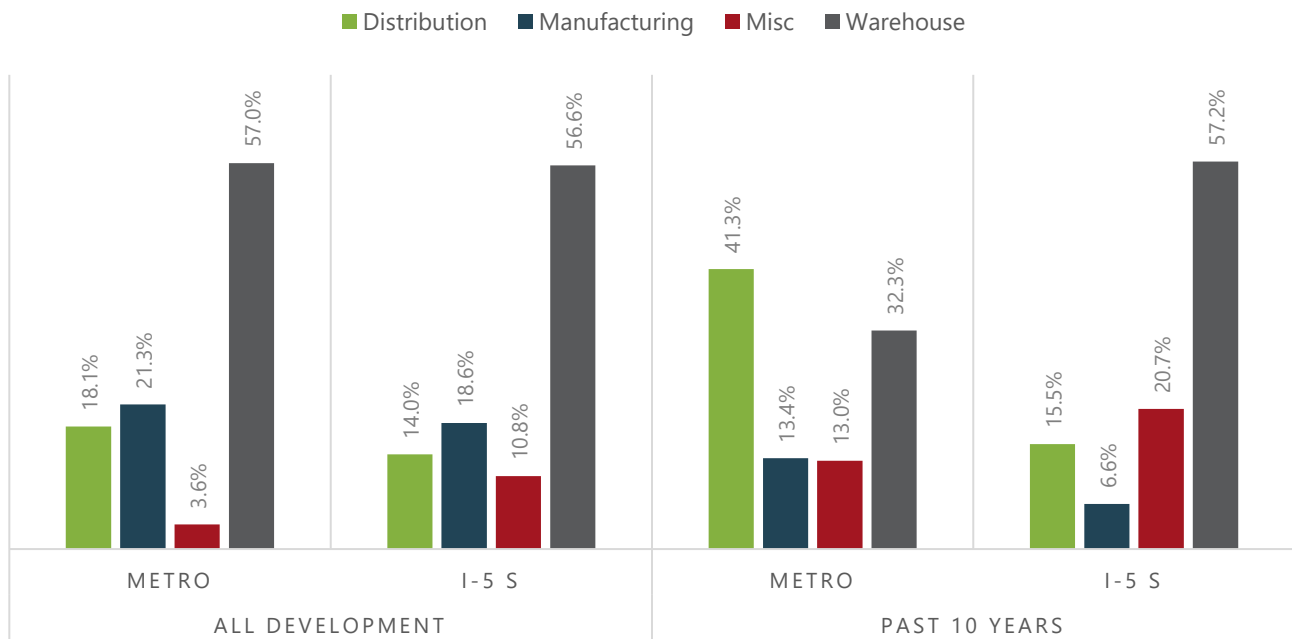
The following chart compares the proportion of distribution, manufacturing, warehousing, and "misc." (all other, including multitenant and flex space) industrial development built throughout the Portland metropolitan area and the I-5 South Submarket. The key takeaways are as follows.

- 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

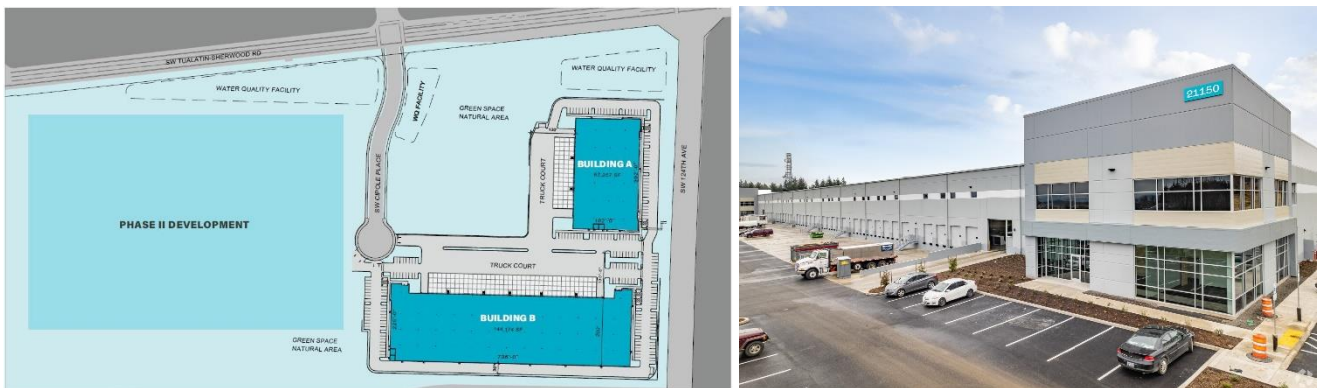
Industrial development characteristics in the submarket over the past 10 years are detailed below. The purpose of documenting the characteristics of these developments is to highlight different features and development patterns that are likely in the Basalt Creek area.

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

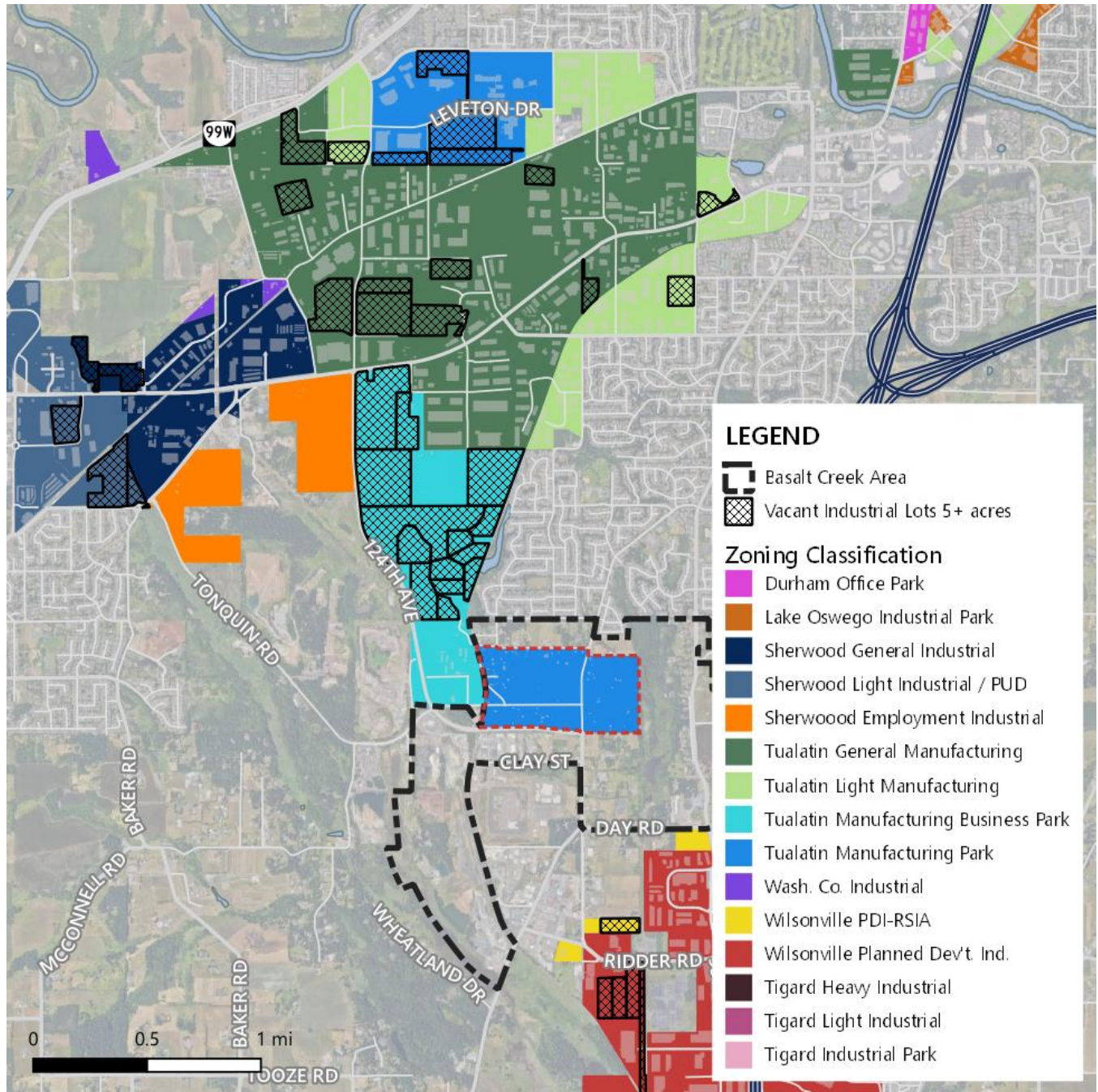
## Industrial Land Availability

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.



**Table 3. Zone Comparison**

Zone	Allowed Uses	Development Standards	Notable Restrictions
Sherwood Industrial Employment EI	Manufacturing, distribution, warehousing, and storage (preferred: Clean Technology; Technology and Advanced Manufacturing; Outdoor Gear and Active Wear)  Distribution and warehousing up to 150,000 square feet, provided product(s) are stored within an enclosed building.	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.  Setback: 20 feet (front), none rear or side.  Bldg. height max: 50ft  Landscaping standards vary greatly	Retail and commercial uses are allowed only when directly supporting area employers and employees.  Distribution and warehousing uses greater than 150,000 square feet require a conditional uses permit.
Tualatin General Manufacturing MG	Light and heavy manufacturing, warehouse and freight movement (P/C), wholesale sales (P/C)	Min lot size: 20k sf Setbacks: 30-50 feet (front), 0-50 feet (side) Bldg. height max: 60ft Landscaping: 15% min of the total area	Conditional use required for warehousing of bldg. materials/suppliers; other warehousing uses permitted. Commercial uses are restricted to 20,000-60,000 sq. ft.
Portland General Industrial 1 IG1	Manufacturing, warehouse and freight movement, wholesale sales, industrial services, railroad yards, parks	Smaller lots, high building coverages No max bldg. height, bldg. coverage, or FAR restrictions Setbacks: 0 feet except next to R Zones Landscaping: no requirement	Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.
Portland General Industrial 2 IG2	Manufacturing, warehouse and freight movement, wholesale sales, industrial service, railroad yards, parks	Larger lots, irregular/ large block pattern, less developed No max bldg. height or FAR restrictions Setbacks: 25ft (front); none elsewhere except next to R Zones Landscaping: 15%	Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.
Beaverton Industrial IND	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.	No min/max requirements for lot size, FAR, lot dimensions Setbacks: 35 ft (front), 10 ft (side), 0 ft (rear); 75 feet from a residential zone Bldg. height max: 45ft Landscaping: 15% min of the total area	Very few restrictions related to industrial uses  Individual retail businesses are restricted to 5,000 sq. ft.

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.

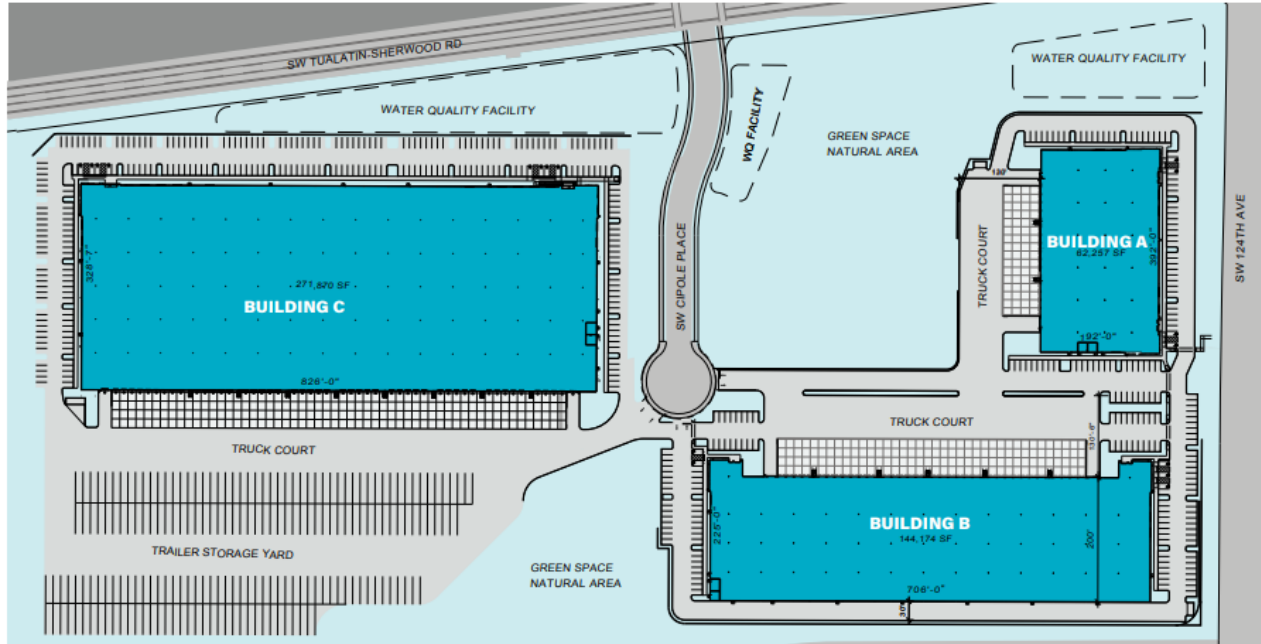
In addition to broadening the uses, the City of Sherwood implemented additional restrictions (including size limitations) that balanced their goals with the opportunities in the market. The building size limitations were intended to mitigate the risk of getting undesirable uses, such as large distribution 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.



## 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.

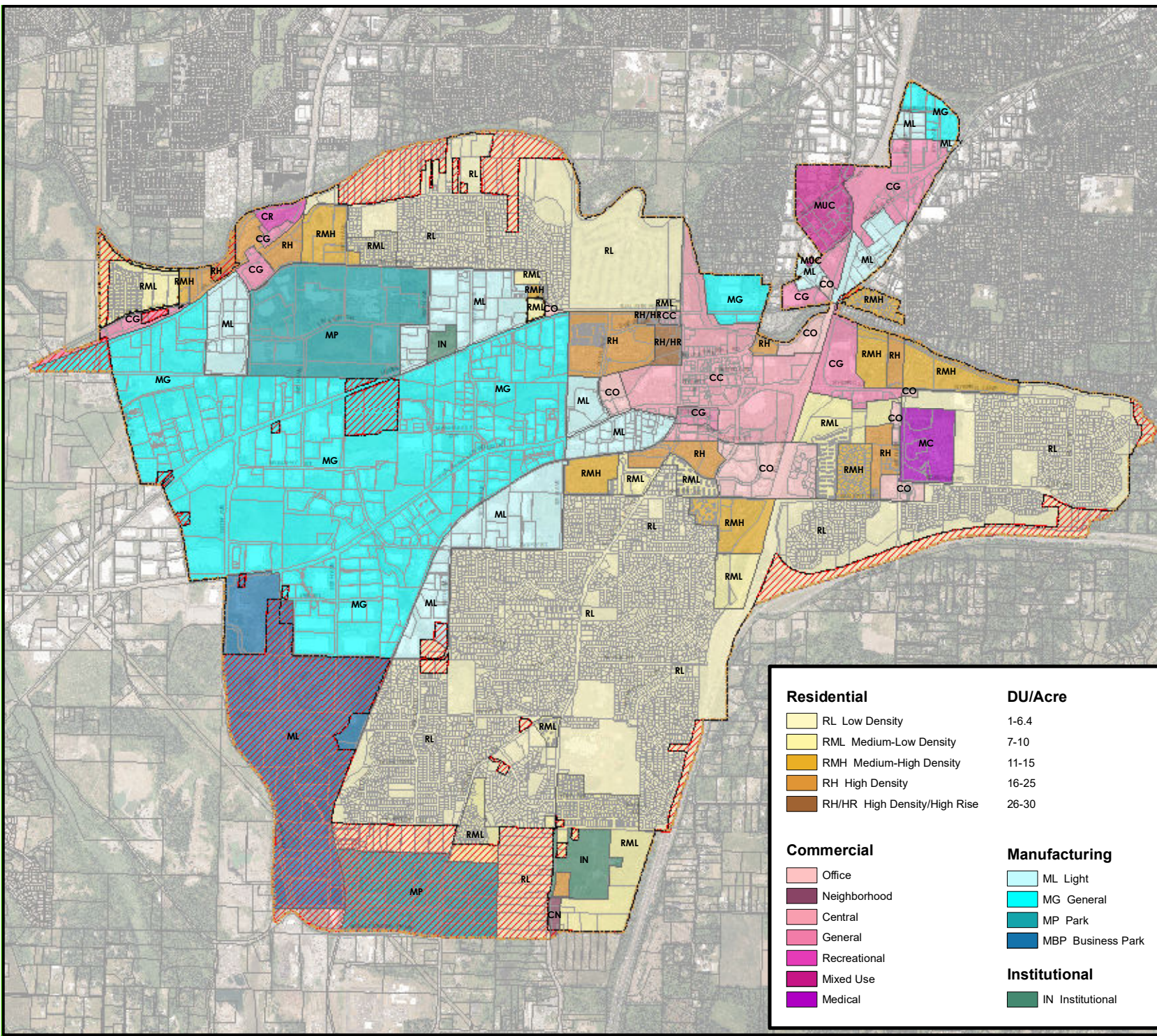





**EXISTING  
Comprehensive Plan Map  
-Planning Districts-  
Map 10-1**

**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	
		<b>Institutional</b>
		 IN Institutional







**RF 1:38,000**

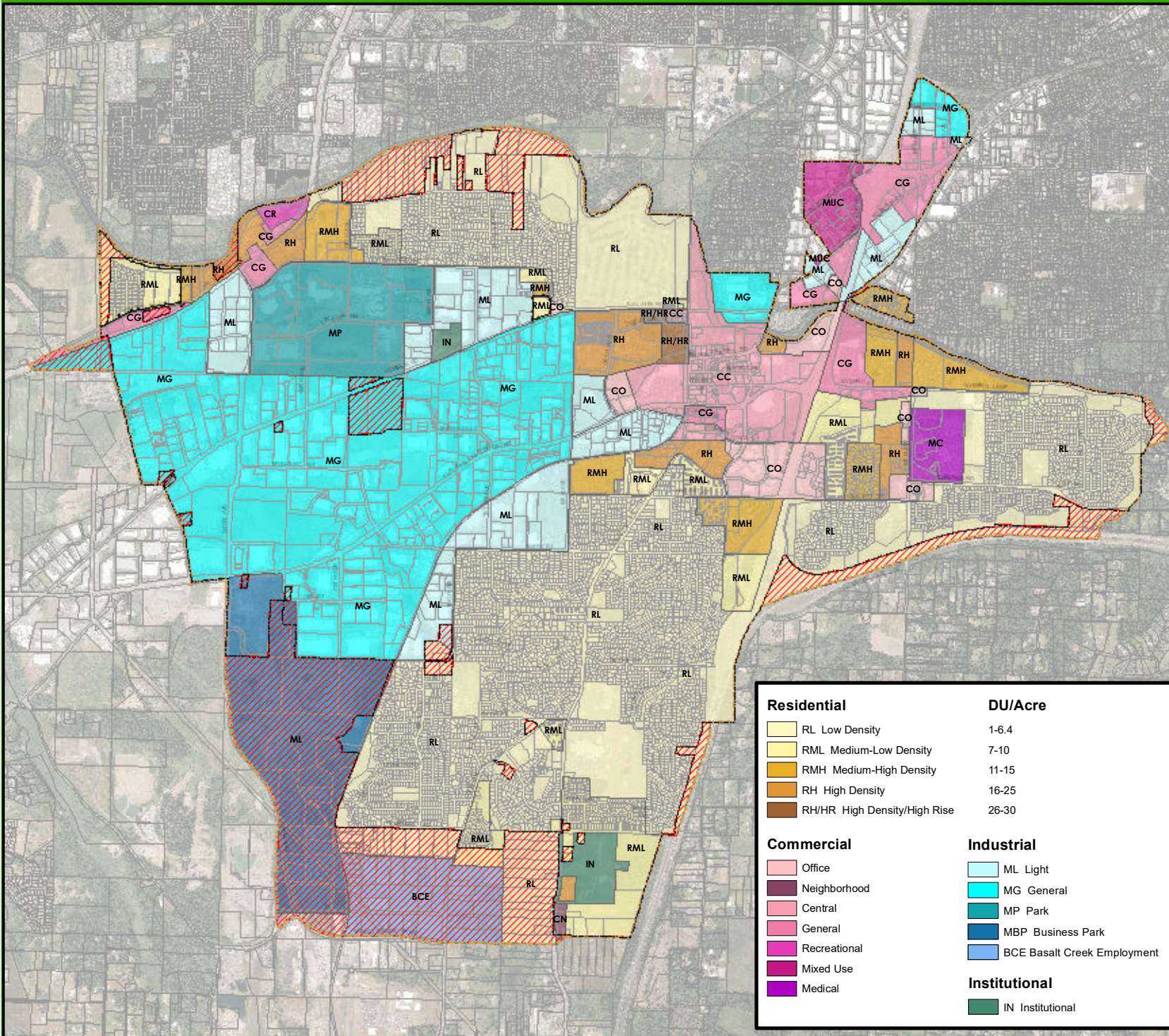
Effective: March 30, 2022






**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		
	Medical		
		Institutional	
			IN Institutional



**RF 1:38,000**

Effective: TBD







## AFFIDAVIT OF MAILING

STATE OF OREGON)

) ss

COUNTY OF WASHINGTON)

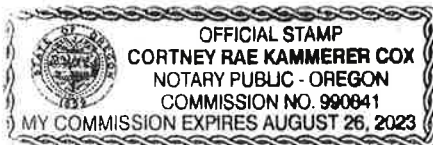
I, Lindsey Hagerman being first duly sworn, depose and say:

That on the 15 day of July, I served upon the persons shown on Exhibit A, attached hereto and by this reference incorporated herein, a copy of a Notice of Hearing/Application/Decision marked Exhibit B, attached hereto and by this reference incorporated herein, by mailing to them a true and correct copy of the original hereof. I further certify that the addresses reflect information received from the relevant party or agency, and that said envelopes were placed in the United States Mail at Tualatin, Oregon, prepared to receive postage administered by city staff.

Dated this 15 of, July 2022

  
Signature

SUBSCRIBED AND SWORN to before me this 15<sup>th</sup> day of July, 2022



  
Notary Public for Oregon

My commission expires: August 26, 2023

RE: BASALT CREEK INDUSTRIAL CODE PROJECT INVITE

**Exhibit A.**

WOODBURN INDUSTRIAL CAPITAL GROUP  
LLC  
PO BOX 1060  
WOODBURN,OR

WASHINGTON COUNTY  
1400 SW WALNUT ST MS 18  
HILLSBORO,OR  
97123

WASHINGTON COUNTY  
1400 SW WALNUT ST MS 18  
HILLSBORO,OR  
97123

VANAUSTEN PATRICIA MARIE &  
VANAUSTEN CARL VICTOR  
16100 SW HIGHPOINT DR  
SHERWOOD,OR

TYLER MARVIN L & TYLER MONIQUE J &  
BUTLER AUDREY B REV TRUST  
PO BOX 242  
TUALATIN,OR

THOMPSON LEE H & MARION B  
FOUNDATION  
24130 SW GRAHAM'S FERRY RD  
SHERWOOD,OR

SUMMERS STEVEN J  
PO BOX 1562  
WILSONVILLE,OR  
97070

OAKES LARRY M  
11220 SW TONQUIN RD  
SHERWOOD,OR  
97140

MCGUIRE BROS LLC  
947 SE MARKET ST  
PORTLAND,OR  
97214

LEITGEB SHERMAN W & LEITGEB LARK L  
23200 SW GRAHAMS FERRY RD  
SHERWOOD,OR  
97140

WOODBURN INDUSTRIAL CAPITAL GROUP  
LLC  
PO BOX 1060  
WOODBURN,OR

WASHINGTON COUNTY  
1400 SW WALNUT ST MS 18  
HILLSBORO,OR  
97123

WASHINGTON COUNTY  
1400 SW WALNUT ST MS 18  
HILLSBORO,OR  
97123

UNITED STATES OF AMERICA  
1002 NE HOLLADAY ST  
PORTLAND,OR  
97232

THOMPSON LEE H & MARION B  
FOUNDATION  
24130 SW GRAHAM'S FERRY RD  
SHERWOOD,OR

TAYLOR JEAN D SURVIVOR'S TRUST  
PO BOX 676  
WILSONVILLE,OR  
97070

SHERWOOD GRAHAMS FERRY INVESTORS  
LLC  
22400 SALAMO RD STE #106  
WEST LINN,OR

MCLEOD ESTELLA L  
13400 NW FIRCREST RD  
CARLTON,OR  
97111

LITERA JIRI  
23740 SW GRAHAM'S FERRY RD  
SHERWOOD,OR  
97140

LEGGETT ALBERT SCOT  
11150 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

WOODBURN INDUSTRIAL CAPITAL GROUP  
LLC  
PO BOX 1060  
WOODBURN,OR

WASHINGTON COUNTY  
1400 SW WALNUT ST MS 18  
HILLSBORO,OR  
97123

WALDO RONALD M TRUST  
10965 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

UNITED STATES OF AMERICA  
1002 NE HOLLADAY ST  
PORTLAND,OR  
97232

THOMPSON LEE H & MARION B  
FOUNDATION  
24130 SW GRAHAM'S FERRY RD  
SHERWOOD,OR

TAYLOR JEAN D SURVIVOR'S TRUST  
PO BOX 676  
WILSONVILLE,OR  
97070

PARR STEVEN M & PARR KATHRYN E  
10650 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

MCLEOD ESTELLA L  
13400 NW FIRCREST RD  
CARLTON,OR  
97111

LITERA JIRI  
9287 SW SWEET DR  
TUALATIN,OR  
97062

KCV PROPERTIES LLC  
4825 SW EVANS ST  
PORTLAND,OR  
97219

ICE JAMES NEAL & ICE CHRISTINE MARIE  
11348 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

HOUSTON HOWARD W JR FAMILY TRUST  
6214 LAKE WASHINGTON BLVD N3  
KIRKLAND,WA  
98033

FELLERS RICHARD R & FELLERS MICHELLE E  
15065 S KIRK RD  
OREGON CITY,OR  
97045

CHILDS THOMAS L & CHILDS HANNAH J &  
POWELL SCOTT D ET AL  
23470 SW GRAHAMS FERRY RD  
SHERWOOD,OR

BEWLEY ROY W JR & BEWLEY KELLEY J  
11290 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

ANDERSON STEPHEN & BORGNY FAM  
TRUST  
8590 SW MIAMI ST  
WILSONVILLE,OR

ANDERSON STEPHEN & ANDERSON  
BORGNY  
8590 SW MIAMI ST  
WILSONVILLE,OR

ICE JAMES NEAL  
11348 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

GERTTULA DEBRA KAY & GERTTULA  
SUZANNE & GREENWAIT JUDY ET AL  
770 AVENUE S  
SEASIDE,OR

DUMONT LLC  
20915 SW 105TH AVE  
TUALATIN,OR  
97062

CATALDO MICHAEL C & FAIRCHILD-  
CATALDO JOANNE M  
11080 SW TONQUIN LOOP  
SHERWOOD,OR

BASALT INDUSTRIAL LLC  
13170 SW WALL ST  
PORTLAND,OR  
97223

ANDERSON STEPHEN FRANK & ANDERSON  
BORGNY ANN  
8590 SW MIAMI ST  
WILSONVILLE,OR

ICE JAMES NEAL  
11348 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

FOX LOIS C REV TRUST  
23550 SW GRAHAMS FERRY RD  
SHERWOOD,OR  
97140

DAANE MARGARET L  
10970 SW TONQUIN LOOP  
SHERWOOD,OR  
97140

BOWEN EDWARD A  
640 SEA SPRAY PL  
BULLHEAD CITY,AZ  
86442

ANDERSON STEPHEN & ANDERSON  
BORGNY  
8590 SW MIAMI ST  
WILSONVILLE,OR

ANDERSON STEPHEN & BORGNY FAM  
TRUST  
8590 SW MIAMI ST  
WILSONVILLE,OR



# PLEASE JOIN US for an open house discussion

**Wednesday, July 27, 2022**  
**5:30 –7 pm**

**ZOOM TELECONFERENCE:**

<https://tinyurl.com/3r3cbrrz>

Meeting ID: 818 9026 2604

Passcode: 750407

Or by phone: (253) 215-8782

*You received this mailing because you own property with a Manufacturing Park (MP) designation that is being considered for a zoning amendment under this project.*

## **BASALT CREEK INDUSTRIAL CODE PROJECT**

Presently, the Manufacturing Park (MP) district encourages the development of large-scale specialized manufacturers and research campuses. However market trends have shown a decline in this type of development.

As a result, this project aims to create greater flexibility for landowners to develop their industrially designated property in the Basalt Creek area based on employment and market trends.



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**For more information:**

This open house will be recorded and will be posted to the project web page for viewing a week after the meeting.

Please visit:

<https://www.tualatinoregon.gov/planning/basalt-creek-industrial-code-project>

**Questions and comments may be submitted to:**

Erin Engman, Senior Planner  
503.691.3024  
[eengman@tualatin.gov](mailto:eengman@tualatin.gov)

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**From:** [Erin Engman](#)  
**To:** [Erin Engman](#); [Steve Koper](#)  
**Cc:** [Chris Green](#); [Brad Kilby](#); [Jonathan Taylor](#); [Don Hudson](#)  
**Bcc:** [mdearmey@phelandevco.com](#); [pskei@spechtprop.com](#); [SamB@PacTrust.com](#); [KOlsen@trammellcrow.com](#); [stu@macadamforbes.com](#); [skipstanaway@gmail.com](#); [Anneleah@tualatinchamber.com](#); [jsouthgate@westsidealliance.org](#); [colin.sears@oregon.gov](#); [nick.triska@greaterportlandinc.com](#); [rybold@ci.wilsonville.or.us](#); [bateschell@ci.wilsonville.or.us](#); [pauly@ci.wilsonville.or.us](#); [palmere@sherwoodoregon.gov](#); [Theresa\\_Cherniak@co.washington.or.us](#); [erin\\_wardell@co.washington.or.us](#); [elissa.gertler@oregonmetro.gov](#); [laura.kelly@dlcd.oregon.gov](#)  
**Subject:** Virtual Open House: Basalt Creek Industrial Code Project, July 27 5:30-7pm  
**Date:** Friday, July 15, 2022 1:41:03 PM  
**Attachments:** [image002.png](#)

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## VIRTUAL OPEN HOUSE INVITATION

**Wednesday, July 27 5:30-7 pm**

*I wanted to extend an invitation to a virtual open house to discuss the City of Tualatin's Basalt Creek Industrial Code Project.*

*As a valued stakeholder your attendance, comments, and questions would be greatly valued. I hope to see you there!*

Join by Zoom Meeting:

[https://us02web.zoom.us/j/81890262604?  
pwd=WDc5aW8zL1Bzd01FRjVhOEEdtZmMzd09](https://us02web.zoom.us/j/81890262604?pwd=WDc5aW8zL1Bzd01FRjVhOEEdtZmMzd09)

Meeting ID: 818 9026 2604

Passcode: 750407

Or by phone: (253) 215-8782

### **PROJECT HIGHLIGHTS:**

Presently, the Manufacturing Park (MP) district encourages the development of large-scale specialized manufacturers and research campuses. However the market has shown a decline in this type of development.

As a result, this project aims to create greater flexibility for landowners to develop their industrially designated property in the Basalt Creek area based on employment and market trends.

This project includes the following tasks:

- Code audit to review the existing MP zoning against current economic data, land development trends, and recommendations from the City's adopted Basalt Creek Concept

Plan, Economic Opportunities Analysis, and Southwest and Basalt Creek Development Area plan;

- Public engagement opportunities that will afford members of the Council, Planning Commission, public, and stakeholder groups an opportunity to provide feedback on recommended changes; and
- Amended zoning code for City Council consideration and adoption.

Additional project information may be found on our website:

<https://www.tualatinoregon.gov/planning/basalt-creek-industrial-code-project>

Please reach out to me if you would like to provide comments or ask questions. Enjoy your weekend!

**Erin Engman**

Senior Planner

City of Tualatin | Planning Division

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

# Basalt Creek MP Zone Update

## Community Open House

July 27, 2022



# Live Discussion Question #1

- **Who do we have in the audience tonight?**
- A. Property Owner
- B. Developer
- C. City or Agency Representative
- D. Interested Member of the Community

# This Evening's Discussion

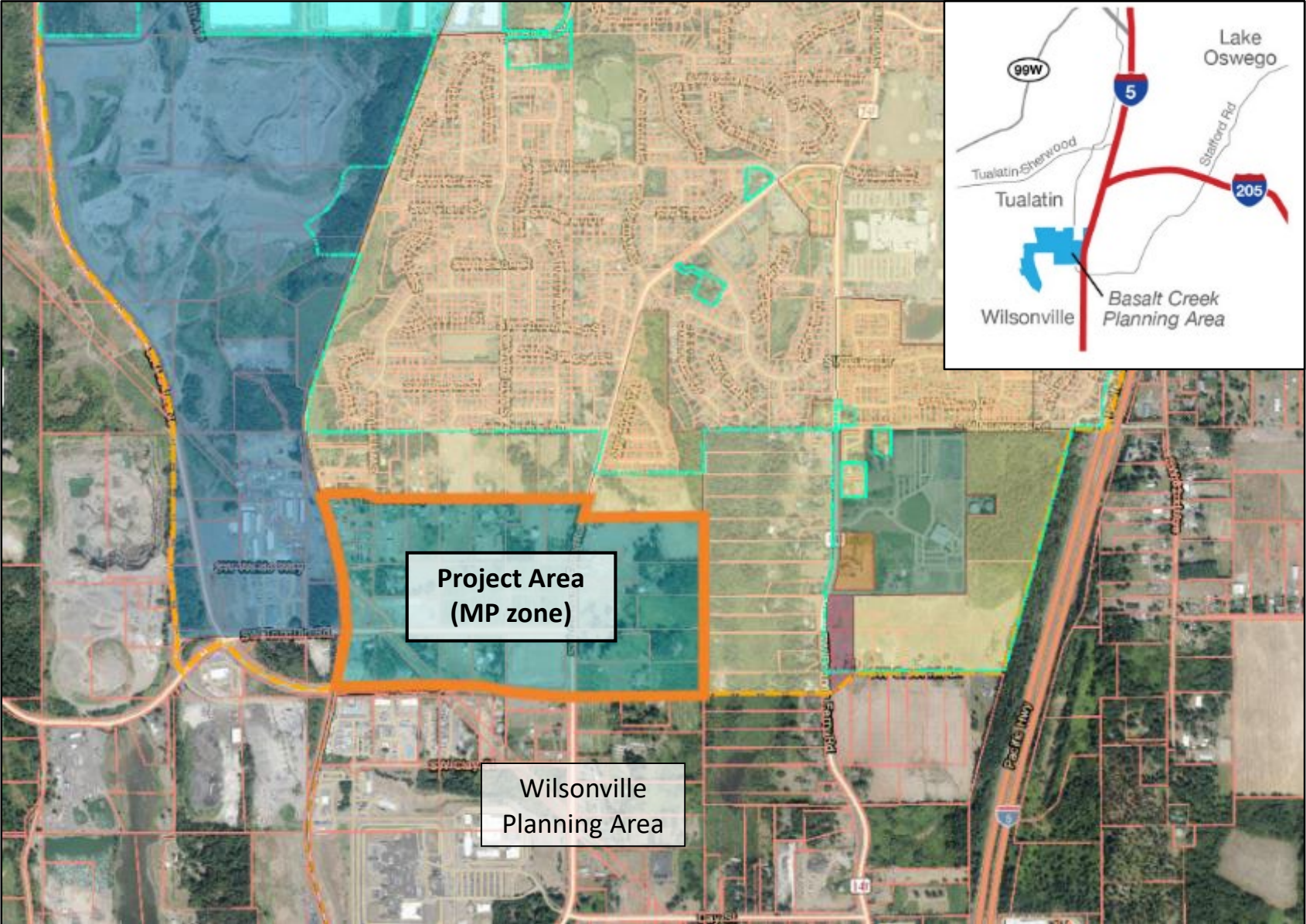
- **Project Background and Purpose**
- **What We've Learned So Far**
- **Possible Directions for a New Industrial Zone**
- **Next Steps**

The background of the slide is a photograph of a desk. In the foreground, there are several stacks of papers and documents, some of which are open. To the right, there is a white mug. In the background, a potted plant is visible, and the overall scene is softly lit, suggesting an indoor office or study environment. A semi-transparent blue rectangle is overlaid on the left side of the image, containing the text.

# Background and Purpose

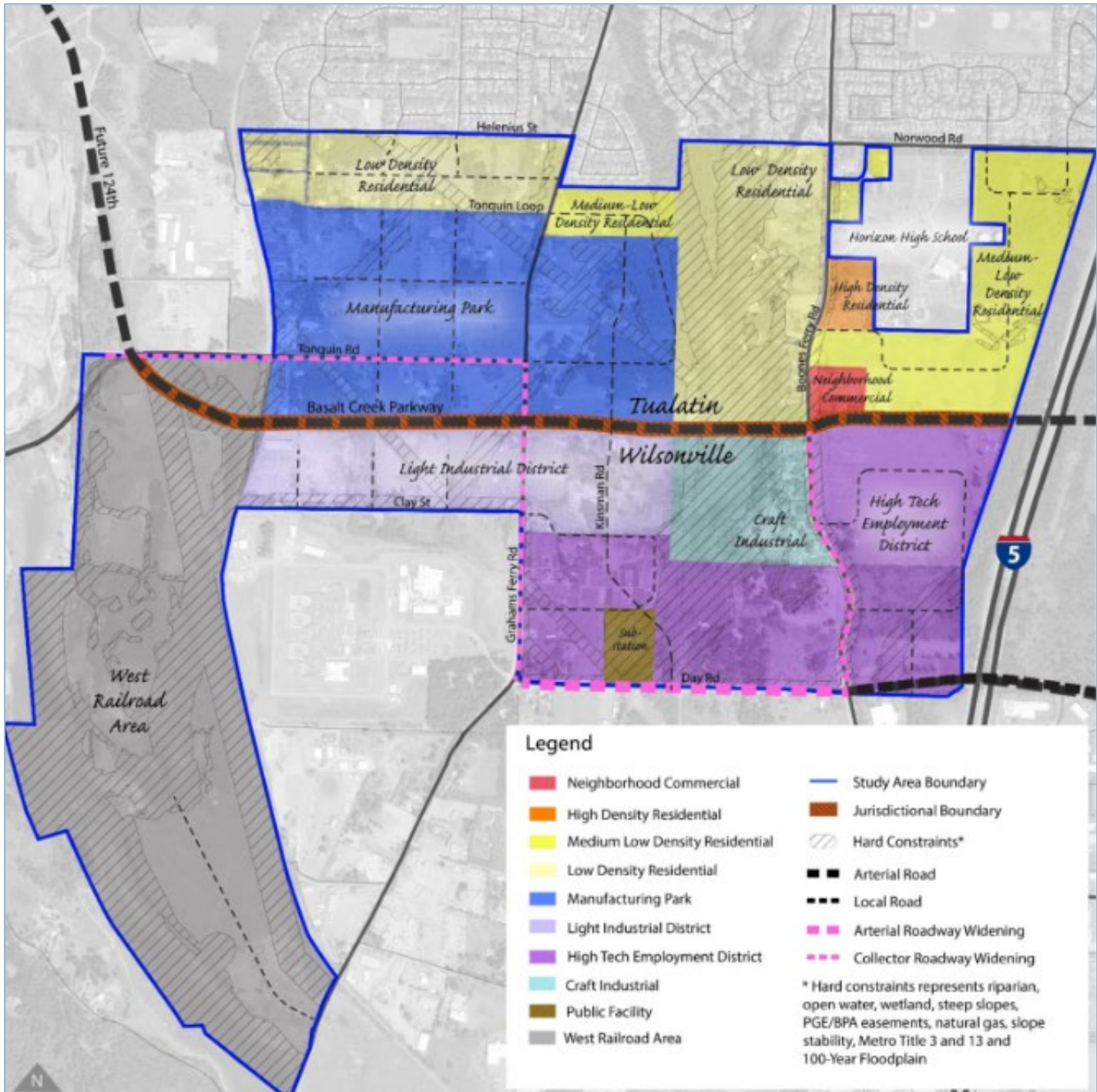
How Planning and Policy  
Priorities Apply to the MP Zone

# Project Focus

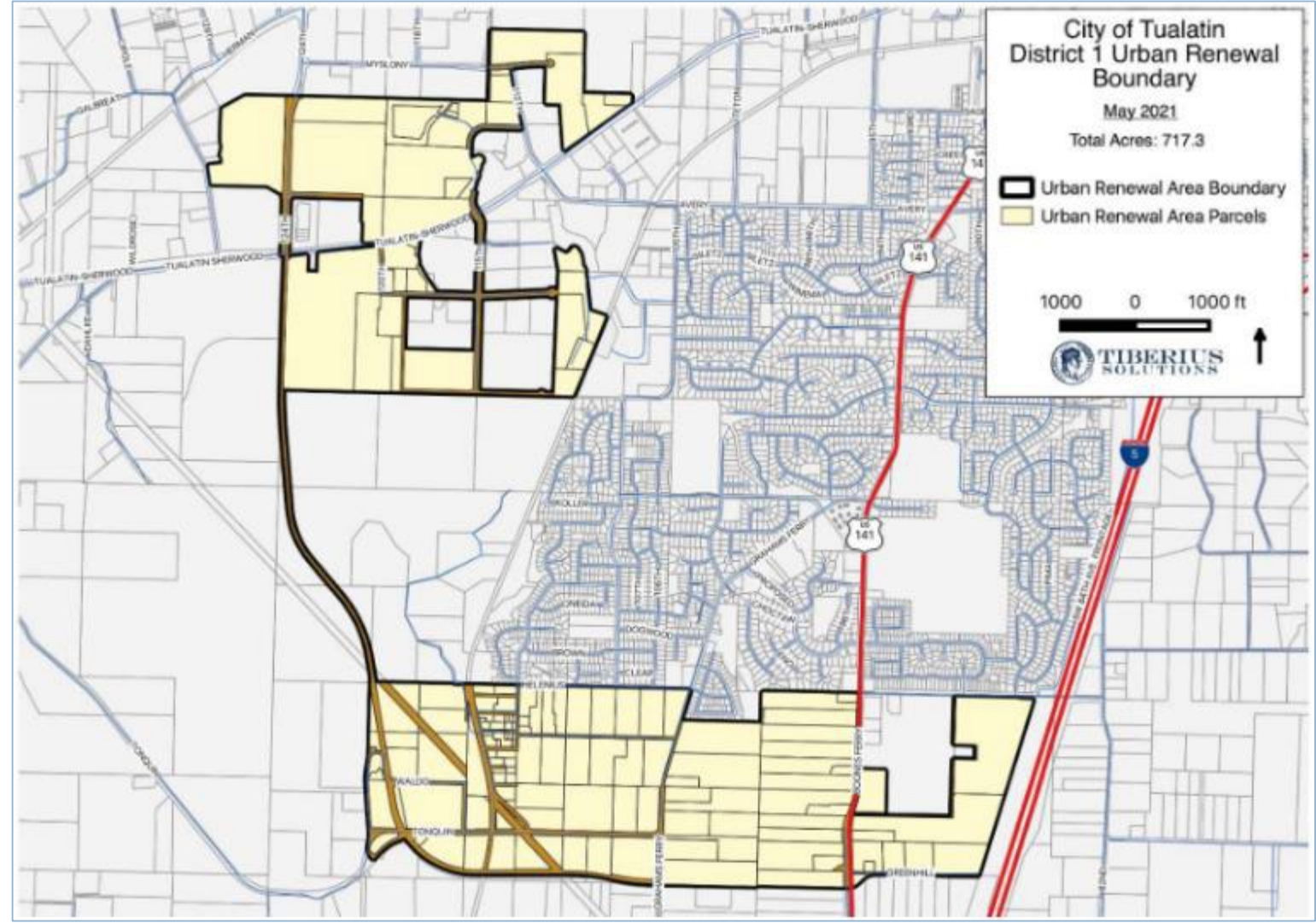




# Basalt Creek Concept Plan (2018)



# Southwest and Basalt Creek Development Area Plan (2021)



# Live Discussion Question #2

- **How familiar are you with Tualatin's previous planning for the Basalt Creek area?**
- A. I hadn't heard about it until tonight
- B. I'm somewhat familiar
- C. I'm very familiar – I followed these planning processes at the time
- D. I participated in the earlier planning processes

# Priorities from Previous Plans

High  
employment  
density

Funding for  
infrastructure  
improvements

Minimizing  
conflict  
between uses

# MP Zone



- Intended for large-scale manufacturing and research facilities
- Limited light-industrial uses
- Landscaping and setback requirements to create “park or campus like grounds”
- Restricts environmental impacts associated with industrial uses
- Distribution and warehousing not permitted

# What We've Learned (So Far)

Research, Analysis, and Initial Engagement

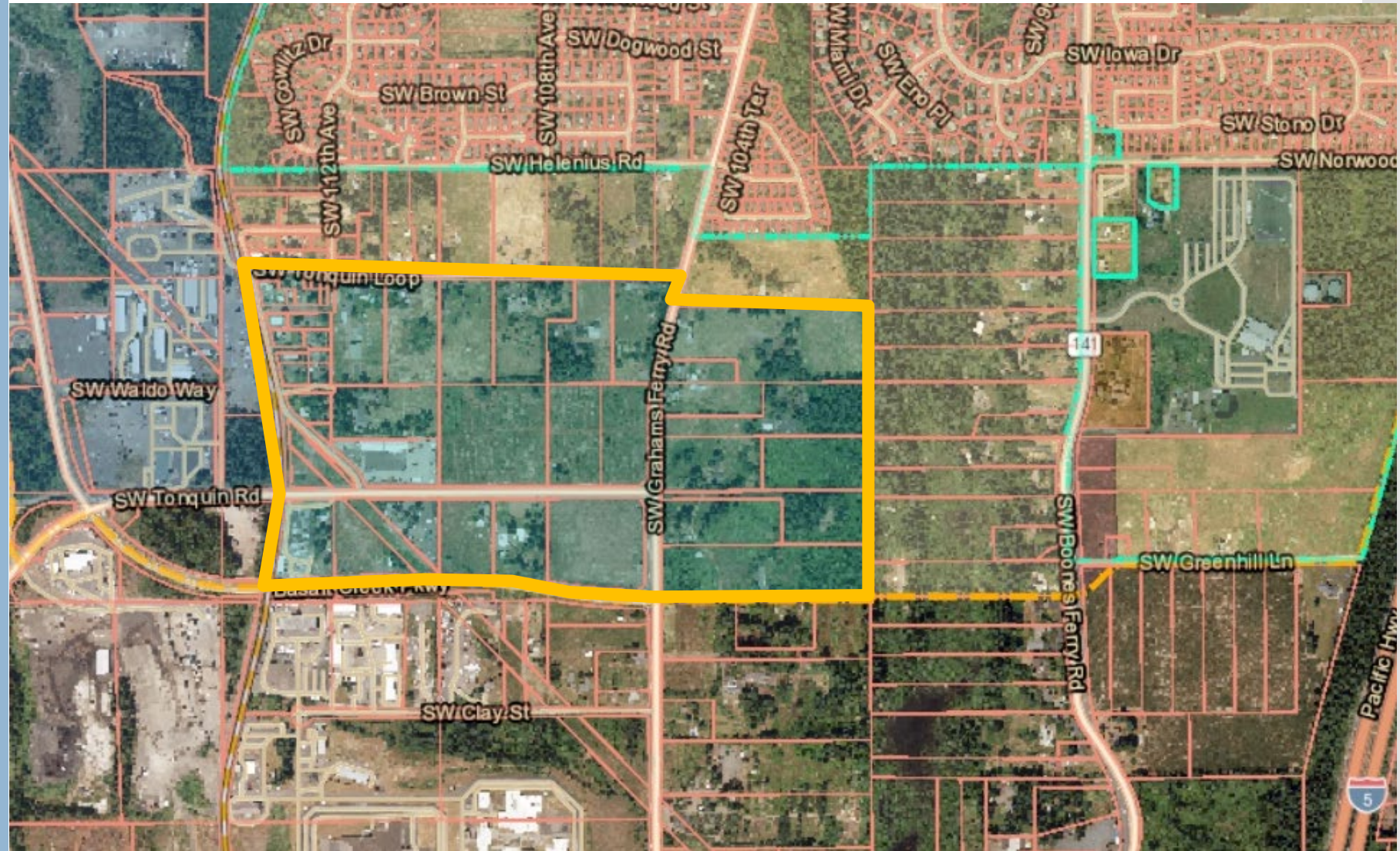
# Local and national demand for industrial land continues to grow ...

Average industrial vacancy of 3.7%, pricing per square foot has more than doubled over the past decade

Constrained land supply has reduced amount of industrial land developed and pushed activity toward more difficult parcels, and secondary markets (Salem, Woodburn, Newberg, etc.)

Demand for industrial-commercial “flex” space that can be used by multiple different tenants

... and the MP zone in Basalt Creek has a lot of buildable land to meet that demand





# Potential Constraints in Basalt Creek and the MP zone

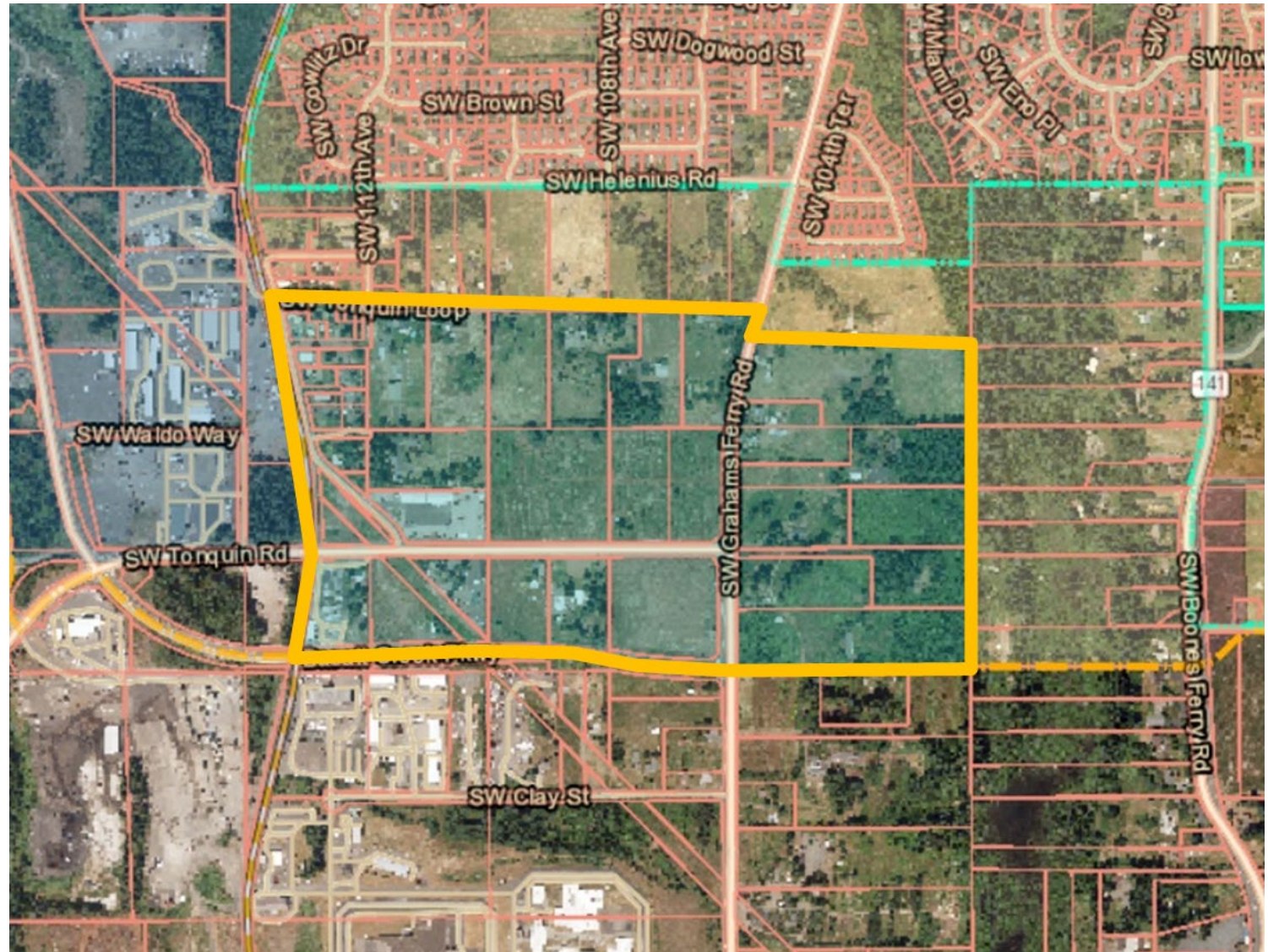
Infrastructure

Smaller lot sizes

Topography

Transmission line corridor

Limited Range of Permitted Uses



# Comparing Industrial Zones

“Model” zones cited by interviewees:

IE – Employment Industrial (Sherwood)

MG – General Manufacturing (Tualatin)

IND – Industrial (Beaverton)

IG1 & IG2 – General Industrial (Portland)

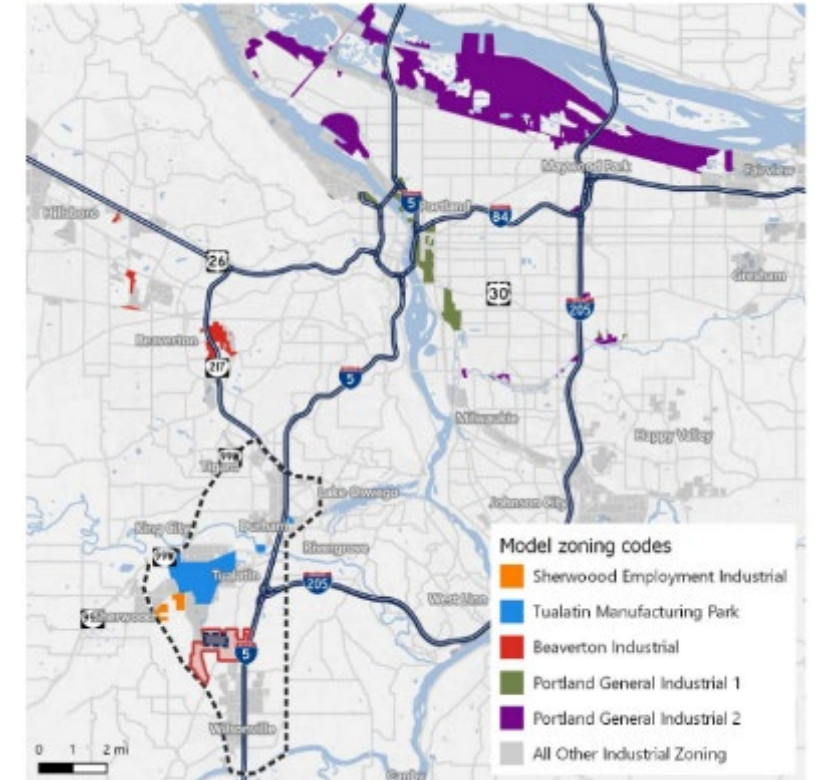
Other industrial zones and recent updates:

MADE Project (Tigard)

Craft Industrial District (Newberg)

Rock Creek Employment Center (Happy Valley)

Figure 10. Model Zone Locations



Source: Metro RLIS, LLC

# Live Discussion Questions #3 and #4

- **What other factors might be barriers to development in the MP zone in Basalt Creek?**
- **Are there other light industrial or similar zones in Tualatin or other that should be considered for comparison purposes?**

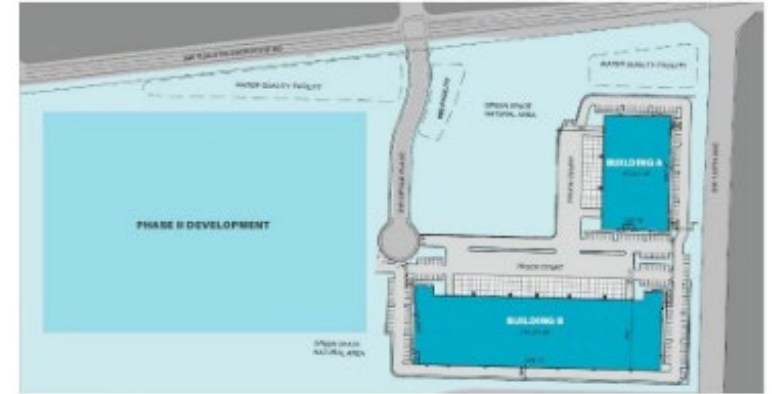


# Possible Directions for a New Industrial Zone

# Where the Plans and the Market May Align

- Developments that can be divided into multiple smaller tenant spaces
- Flexible configuration for different firm types and functions, including:
  - Manufacturing (including light or craft manufacturing)
  - Office space
  - Storage and distribution of goods

T-S Corporate Park, Tonquin Employment Area, Sherwood



# Where the Plans and the Market May Align

- These flex spaces allow for:
  - Higher overall employment density
  - Easier market entrance and early growth for smaller businesses and startups
  - A more diversified economic base



# Allowing More Types of Industrial Uses

- The MP zone only allows manufacturing of a short list of products including electronic, optical, and musical instruments, textiles, and sporting goods
- TDC Chapter 63 regulates potential impacts from industrial uses, including noise, vibration, air quality, glare, and storage



# Encouraging different scales of development

The MP zone requires extra land for deep landscaped setbacks (50' – 60' in the Basalt Creek area), making it difficult to develop at a smaller scale, or on smaller properties

Many comparison zones have setbacks of 20' or less, depending on the uses on neighboring properties





# Allowing Limited Commercial Uses

- The MP zone could allow limited commercial services to serve major employers and surrounding residential areas
- In Regionally Significant Industrial Areas like Basalt Creek, the amount of commercial development allowed is limited by Metro



# Allowing Limited Distribution & Warehousing Uses

- Shipping and storage operations often support manufacturing and other industrial activities, especially as e-commerce continues to grow
- Some industrial zones:
  - Cap the overall size of distribution/warehouse developments
  - Allow distribution and warehouse uses in combination with other industrial or office uses



# Ensuring compatibility with residential areas



Deeper setbacks, landscaping, and reduced building height could still apply to provide a buffer between MP zones and residential areas



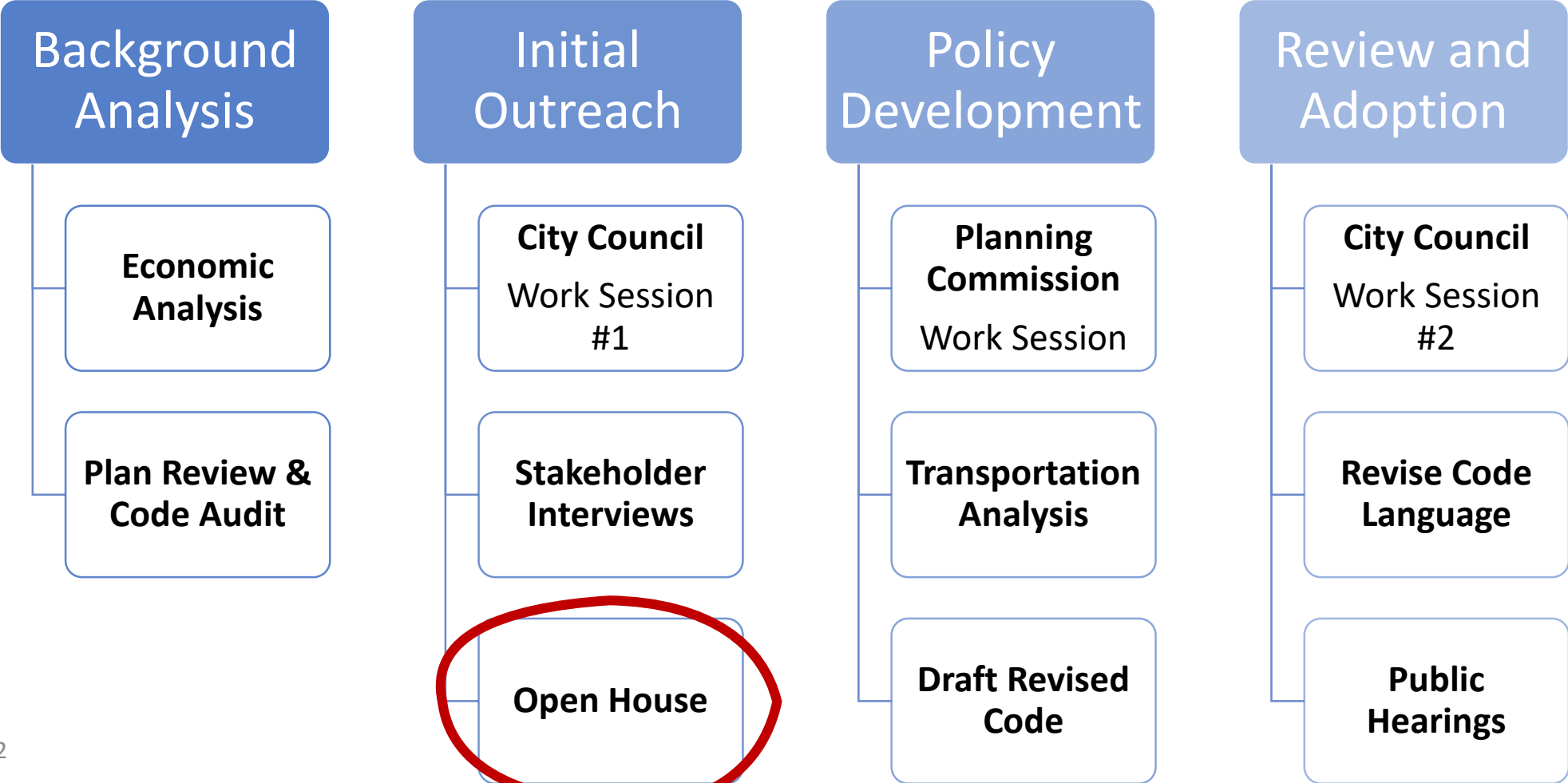
# Next Steps

July 27, 2022

Basalt Creek MP Zone Community Open House

# Project Schedule

## City of Tualatin – MP Zone Update





Visit the Project Page

<https://www.tualatinoregon.gov/planning/basalt-creek-industrial-code-project>



Attend project meetings at the Planning Commission and City Council



Ask questions and provide written comments

[eengman@tualatin.gov](mailto:eengman@tualatin.gov)

Join the  
Conversation

## BASALT CREEK INDUSTRIAL CODE PROJECT

OPEN HOUSE: JULY 27, 2022

### Public Comments Record

- **What coordination is being done with the county for roads and utilities in the area?**

*The Basalt Creek Comprehensive Plan amended the City's existing TSP to identify the future road network to serve the area. The system of Arterial, Collector, and Local roadways has been evaluated against future projected trip generation of the various urban zones. The City is also considering a future update to our TSP. As part of the process, the City will work with Washington County and the Oregon Department of Transportation (ODOT).*

*The public water and sewer plan maps were also updated as part of the Comprehensive Plan amendment to show planned infrastructure for the Basalt Creek area. At present, public water and sewer lines are generally not available in this area and will need to be extended in order to support future urbanization.*

*The City adopted an Urban Renewal Area in 2021, which sets goals for developing transportation and utility infrastructure in the Basalt Creek Planning Area to facilitate development of employment lands. The financing mechanism used by the URA depends on increased tax revenues from new development to fund infrastructure projects, over a thirty-year period. Without development activity in the early years of the district, the URA may find itself challenged to fund infrastructure projects.*

- **PGE transmission corridor and topography are additional challenges for development**
- **The Basalt Creek Plan shows a grid...future street grid. The metro area is in need of larger industrial sites. Are these future local streets actually going to be required?**

*As stated above, the City's existing TSP has been amended to identify the future road network to serve the Basalt Creek Area. This plan guides the work of City staff in planning and building transportation in Tualatin. As new development occurs, City staff use this document to require improvements. That said, the City is considering an update to our TSP, and it is possible that this work may recommend updates to the adopted future street grid.*

- **Is flooding/pooling water an issue?**

*New development would be required to submit a Stormwater report that evaluates the potential downstream impacts of the proposed development. The City will also require that these impacts are mitigated with an appropriately sized water quality and stormwater detention facility.*

- **Can we do a meeting like this where Engineering discusses their plan to address infrastructure? Some of the improvements are capital improvement projects.**
- **What about noise? Walls won't be built. Will these newcomers have to build to reduce noise in their buildings?**

*The Tualatin Development Code [Chapter 63](#) puts limits on noise level that results from industrial uses by recognizing noise limitations set by the city [Municipal Code 6-14](#) and the state- [Department of Environmental Quality](#). It's possible that that the City may consider incorporating development standards for sound barrier construction, similar to [TDC 60.310\(3\)](#).*

- **Will the Basalt Creek Parkway Extension noise be a problem?**

*The Basalt Creek Parkway Extension project is being led by Washington County and was subject to a noise report. For more information, please visit the following website:*

<https://www.co.washington.or.us/LUT/TransportationProjects/basalt-creek-parkway-extension.cfm>

- **Please considering reducing landscape percentages. They are high compared to other standards in the region.**
- **Interest in smaller footprint/flexible format**
- **What about craft industrial?**

*Craft industry is typically defined as the production of handmade items, and is commonly described as manufacturing with tools but not automation. Some characteristics of craft industry may be found in the [Light Manufacturing](#) use category, and include the production of food and beverage items, the manufacture of furniture or cabinets, and the production of textiles. The City is considering adding Light Manufacturing as a permitted use with limitations. The City is also exploring the opportunity of permitting retail sale areas for goods produced on-site.*

- **Is the process being driven by land owners or the City?**

*This project is driven by the City based on priorities adopted in the recent Economic Opportunities Analysis (EOA) and the Southwest and Basalt Creek Development Area Plan...*

- **Is the goal to combine parcels for large development or facilitate development on the smaller parcels?**
- **From a market perspective, would it be helpful to have an understanding of recent lease activity in Tualatin, and/or examples of built product that could help explain a possible vision of the proposed code changes? The PacTrust development at Koch Corporate Center and recent new construction projects along TS Rd. seems to be a good indication of building sizes and the range of end-users that would likely be interested in this area.**
- **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?**

*We are in the preliminary stages of exploring what amendments might look like and have had discussions on how to encourage pedestrian/bicyclist friendly development. An entirely form-based chapter would contrast with our existing code chapters, but there could be benefits or opportunities there. As an example, we are exploring some form-based principles with our setbacks.*

- **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?**



**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)



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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)

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

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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]**

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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)

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**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)

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

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# BASALT CREEK INDUSTRIAL CODE PROJECT

## EXHIBIT C4: PUBLIC OUTREACH SUMMARY

The project has included the following public outreach opportunities:

- July 27: Open House
  - A summary is included as Exhibits C1-3.
- 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 PTA 22-001 (Exhibit A1: Scenario A) and PMA 22-0001 (Exhibit B2) 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 and that Exhibit A3: Scenario B and Exhibit A4: Scenario C have incorporated stakeholder feedback in earnest.



# City of Tualatin

www.tualatinoregon.gov

## REQUEST FOR PROPOSAL

### Basalt Creek Planning Area Manufacturing Parking (MP) Zoning Code Update

The City of Tualatin is requesting interested firms to submit their responses for planning services to conduct a zoning code update to the City’s Manufacturing Park (MP) Zoning District specific to the Basalt Creek Planning Area based on this request for proposal.

Responses must be received by **4:00 PM, February 11, 2022**. Responses received after this date will not be accepted. Postmarks and faxed copies are not accepted.

Questions and requests for clarification must be provided in writing to the email address below:

Steve Koper  
Assistant Community Development Director  
City of Tualatin Community Development Department  
10699 SW Herman Road  
Tualatin, OR 97062  
Phone: (503) 691-3028  
Email: [skoper@tualatin.gov](mailto:skoper@tualatin.gov)

RFP Schedule	Date
Solicitation Release	January 18, 2022
Deadline for Questions	February 4, 2022
Responses due to the City	February 11, 2022
Potential Interviews	Week of February 14, 2022
Successful Team Announced	February 21, 2022
Negotiation Schedule	February 22-25, 2022
Contract Execution	February 28, 2022

The City reserves the right to modify this schedule at its discretion. Notification of changes will be posted to the City of Tualatin’s website.

### I. Introduction

The City of Tualatin is located approximately 14 miles south of Portland, Oregon. Our community has 27,910 residents (2021 estimate), and since 2010 Tualatin’s population has grown approximately seven (7) percent. Including areas outside the city limits but within the urban growth boundary, the Tualatin area population is just over 28,000 and serves an urban service area of over 50,000. Tualatin is a vibrant community that combines small-town charm

with suburban/urban amenities in a regional hub. From our rich cultural heritage, exquisite parks, plentiful trails and the beautiful Tualatin River, Tualatin offers many opportunities to work, live, and play. In 2016, Tualatin was ranked among the top cities in ‘America’s Best Community’ competition.

In 2019, the City adopted zoning for the Basalt Creek Planning Area based on its adopted 2018 Basalt Creek Concept Plan. The Basalt Creek Planning Area consists of 847 acres located in Washington County between the Cities of Tualatin and Wilsonville that was brought into the Portland Metropolitan Urban Growth Boundary (UGB) in 2004. The future boundary between the two cities will be Basalt Creek Parkway, which is an east-west extension of 124<sup>th</sup> Avenue. The Manufacturing Park (MP) Zoning District that is the subject of this RFP consists of approximately 92 buildable acres. The area largely remains unincorporated and is not served by public utilities, although it is part of the Southwest and Basalt Creek Development Area (Urban Renewal) Plan, adopted by the City of Tualatin in 2021.

The goal of updating the MP Zoning in the Basalt Creek area is to help facilitate future land development patterns in a manner that:

- Supports the aforementioned Development (Urban Renewal) Plan.
- Is consistent with the Basalt Creek Concept Plan which expected the area to accommodate 1,897 new jobs, calculated based on the expected square footage of development in this area and the average square footage needed per employee.
- Supports the Economic Opportunities Analysis (2019), which found a deficit of 74 acres of industrial land and concluded that the City should identify opportunities to make more efficient use of employment land, such as limiting development of businesses that have large land requirements and have little employment.

The City is seeking proposals from interested firms to:

- Prepare an audit of the City’s existing Manufacturing Park (MP) Zoning District, limited to its application within the Basalt Creek Planning Area.
- Provide an analysis of the MP District compared to current economic data, and land development trends and practices.
- Provide recommended changes to the MP District based on this analysis, consistent with the City’s Basalt Creek Concept Plan, Economic Opportunities Analysis, and Urban Renewal Plan for the Basalt Creek Planning Area
- Partner with the City to conduct Council, Planning Commission, public, and stakeholder engagement on potential changes.
- Prepare an “adoption-ready” draft Zoning District Code to be applied in the Basalt Creek Planning Area where the MP District is presently applied, which would include Transportation Planning Rule (TPR) analysis.

The new **Zoning District Code** that will replace the MP District in the Basalt Creek Planning Area will help guide future land development in this area of the City, consistent with existing



goals and values contained in adopted documents, with input from the Council, Planning Commission, public and stakeholders.

## **II. Responses**

Written responses shall reflect the team's ability to provide a full range of technical expertise in updating municipal or county zoning codes in a simple, easy to follow format. Consultants should submit proposals that include:

- The project team and its strengths as it relates to the project;
- A public outreach plan that includes Council, Planning Commission, public, and stakeholder input and feedback;
- A narrative detailing the consultant's philosophy, technical expertise and approach; and
- Ability of team members to illustrate and explain complex planning ideas to the general public through the use of public meetings, media campaigns, and presentation graphics.

## **III. Project Coordination**

Steve Koper (Assistant Community Development Director) will be the City's project manager. Unless authorized by the project manager, no other City official or employee may speak for the City with respect to this solicitation.

## **IV. Scope of Work**

The selected consultant shall have demonstrated a broad and extensive experience with auditing and creating zoning code provisions within the State of Oregon using Oregon's Land Use Planning System, and has conducted this same type of work for any of the Portland MSA municipalities. The timeline for the project is anticipated to be February 2022 through July 2022. The scope of work shall consist of:

1. Manufacturing Park (MP) Zoning District Code Audit. The scope of the audit will be limited to the application of the MP Zoning in the Basalt Creek Planning Area.
  - a. The audit should identify areas of code (land uses, development standards, etc.) that will potentially be updated.
  - b. Note: the MP District is also presently applied in the City's Leveton Area, which is not being considered as part of this project.
2. Economic Analysis
  - a. Current economic data and trends relative to employment land uses.
  - b. Land development trends and practices.
  - c. Principles and values from the 2018 Basalt Creek Concept Plan, 2019 Economic Opportunities Analysis, and 2021 Southwest and Basalt Creek Development Plan.
  - d. Other information as applicable.
3. Transportation Planning Rule (TPR) Analysis and Findings sufficient to ensure new land uses and patterns will be supported by existing and planned transportation infrastructure.
4. Draft Code Update

- a. Combining code audit, economic analysis, and TPR analysis, resulting in a draft development code for public feedback, including purpose statement, permitted, conditional and/or limited land uses and draft development standards.
- 5. Public Outreach
  - a. Two City Council work sessions
  - b. One Planning Commission meeting
  - c. One public open house (may be Zoom or online depending on COVID precautions)
  - d. Four one-hour stakeholder interviews (may be Zoom or online depending on COVID precautions). City staff will help identify and facilitate.
- 6. Final “adoption-read” draft Zoning Code language
  - a. Note: final adoption, meetings and public hearings are not included in this scope of work. City staff will facilitate final adoption.
  - b. Code does not need to include findings other than TPR but must be designed to assure compliance with applicable State, Metro, and local regulations. City staff will draft findings and a final Ordinance.

Some elements of the above scope of work may be consolidated for efficiency and elimination of redundancies. The final draft Zoning Code language must comply with existing locally adopted documents and regulations (Basalt Creek Concept Plan, Economic Opportunities Analysis, Urban Renewal Area Plan, Comprehensive Plan and Zoning Code), Statewide Planning Goals, Oregon Revised Statutes and Administrative Rules and Metro Code.

## V. Proposed Response Format

Responses must be submitted via email and are limited to a maximum of twenty (20) pages, not including resumes. The proposal must include the following information:

### 1. Introductory Requirements

- a. Letter of Interest (*1 page maximum*)
 

Proposals must include a letter of interest signed by an authorized representative of the consultant’s company confirming the consultant’s availability to accomplish this project and a commitment to complete the project in a timely manner.
- b. Project understanding and approach (*1 page maximum*)
 

A statement describing the consultant’s understanding of the project and any special skills the consultant will bring to the project.

### 2. General Information (*1 page maximum*)

Provide the following company information (Prime and Subs):

- a. Firm name
  - a. ii. Business Address
  - b. iii. Primary contact name, email and telephone numbers
  - c. iv. Year established
  - d. v. Type of ownership

- b. Disclose any potential or perceived conflicts of interest.

**3. Project Approach** (3 pages maximum)

- a. Provide a narrative detailing the consultant's philosophy and approach to complete the study as described. Please include your firm's proposal and cost breakdown by tasks for public involvement.
- b. Provide a breakdown of the project schedule including the timing of major tasks, assigned staff, progress reports, public participation events, meetings, conference calls and draft and final reports, etc.
- c. Describe the consultant's ability to prepare and present information and recommendations to lay citizens, local appointed and elected officials, staff, and other interested stakeholders.
- d. Describe deliverables for the overall project
- e. Provide examples of any additional information or approaches felt to be relevant to indicate the consultant's ability to successfully complete this project.

**4. Project Schedule** (1 page maximum)

**5. Resumes** (1 page maximum per individual)

- a. Provide resumes of individuals who will be working on a project. For each individual, describe their proposed role, the anticipated percentage of time they will be dedicated to the project, and list their relevant experience.

**6. References** (1 page maximum)

- a. Provide references from at least one, but not more than three, projects for which the consultant has provided similar services.
- b. References are to include the name of a project contact along with their position, email address and telephone number.
- c. Each reference is to include a description of the services provided to the client and the consultant's specific role.

**7. Project Costs** (1 page maximum)

Expenses are to be broken down into line items showing the cost of each major task as well as the overall cost. Total maximum project cost is not to exceed \$60,000.

**VI. Proposal Submittal Requirements**

The entire submittal in PDF format copy of the proposal must be received via email to [skoper@tualatin.gov](mailto:skoper@tualatin.gov) by **4:00 PM, February 11, 2022.**

## **VII. Evaluation Procedure**

The City will form a selection committee to evaluate and score each of the proposals. Each proposal will be evaluated based upon the relevant qualifications and experience of the consultant. Staff will verify references. The proposals will be evaluated using the following criteria:

1. Does the consultant firm or team proposal meet the prescribed proposal format and provide all of the requested information? **(5 Points)**
2. Does the consultant firm or team have demonstrated experience and technical competence in similar projects? **(20 Points)**
3. Has the firm provided this identified service to neighboring local jurisdictions? **(10 points)**
4. Does the proposed team show sufficient capacity to provide the requested services within the proposed project schedule? **(10 Points)**
5. Do key personnel possess the qualifications to be assigned to the anticipated projects? **(5 Points)**
6. Does the proposal achieve budget and project delivery goals for project as described in the suggested Scope of Work? **(10 Points)**
7. Proposed approach to the suggested requested scope of work. Although the City has identified the general suggested scope of work, the consultant and their team is afforded flexibility toward their approach in an effort to spur innovation in achieving the best product for the City. **(15 Points)**
8. Are the firm or teams references from past clients favorable? **(5 Points)**
9. Is the firm familiar with the local, regional, and state laws associated with the suggested scope of work? **(5 Points)**
10. Estimated cost and timeline of providing the services: breakdown timeline and cost for each deliverable with proposed assigned staff and include a total cost and total timeframe. **(15 Points)**

## **VII. Selection Process**

The City's selection process will be based on a review and rating of the proposal against the criteria listed above by a City staff committee. The City reserves the right to conduct interviews based on its sole discretion.

## **VIII. Acceptance or Rejection of Proposal**

The City reserves the right to accept or reject any and all proposals. The City also reserves the right to waive any informality or irregularity in any proposal. Additionally, the City may for any reason, decide not to award an agreement as a result of this RFP or cancel the RFP process. The City reserves the right to negotiate project deliverables and associated costs. The City is not obligated to respond to any proposal submitted, nor be legally bound in any manner by the submission of the proposal.

## **IX. Questions**

For questions regarding this RFP, please submit your questions in writing via email to Steve Koper at [skoper@tualatin.gov](mailto:skoper@tualatin.gov). Questions must be received no later than February 4, 2022. It is the consultant team's responsibility to assure they receive responses to questions if any are issued.

## **X. Addenda**

Addendums to the RFP, if any, will be posted to the City's RFP/Bids website for the project: <https://bids.tualatinoregon.gov/rfp/basalt-creek-area-manufacturing-park-mp-zoning-code-update>. It is the responsibility of the consultant team to learn of the addendums, and ensure that the submitted proposals incorporate them.

## 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 light industrial uses consisting of manufacturing, warehouse, wholesale, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities.

**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.

Machine Shop. A machine shop consists of equipment, tools and supplies for machining, a process where materials are cut, shaped, fabricated, and finished to prepare them for use. Machine shops are used in the creation of new equipment, parts or products, as well as repairs of existing. A machine shop may store some raw materials and an inventory of finished products.

Metal Fabrication. Metal fabrication is the creation of metal products by cutting, bending and assembling processes.

**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 light industrial uses consisting of manufacturing, warehouse, wholesale, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail 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

USE CATEGORY	STATUS	LIMITATIONS AND CODE REFERENCES
<b>RESIDENTIAL USE CATEGORIES</b>		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
<b>COMMERCIAL USE CATEGORIES</b>		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Subject to TDC 65.120(2).
Marijuana Facilities	P (L)	Subject to TDC Chapter 80.
Medical Office	P (L)	Subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).
Other Educational and Vocational Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none"> <li>• Correspondence, trade, or vocational school subject to TDC 65.210(1);</li> <li>• Job training or related services subject to TDC 65.210(1).</li> </ul>



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Retail Sales and Services	P (L)	<ul style="list-style-type: none"> <li>• Child day care center permitted subject to TDC 34.200.</li> <li>• All other Retail Sales and Services uses without drive-up or drive-through facilities are permitted subject to TDC 65.210(1).</li> </ul>
<b>INDUSTRIAL USE CATEGORIES</b>		
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>• 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. Other similar advanced manufacturing uses as determined by application of TDC 31.070.</li> <li>• 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.</li> <li>• Permitted uses subject to Chapter 63.</li> </ul>

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Light Manufacturing	P (L)	Trade and industrial schools limited to those whose operations are housed entirely within a building.  All other uses Permitted outright except: <ul style="list-style-type: none"> <li>• Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials.</li> <li>• Permitted uses subject to Chapter 63.</li> </ul>
Wholesale Sales	P	Permitted uses subject to TDC 65.210(6) and limited to: <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. Products may be picked up on site or delivered to the customer.</li> </ul>
Vehicle Storage	P (L)	Subject to TDC 65.120(7).
Warehouse and Freight Movement	P (L)/C	Subject to TDC 65.210(4) and (5)
<b>INFRASTRUCTURE AND UTILITIES USE CATEGORIES</b>		
Basic Utilities	P	—

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Greenways and Natural Areas	P	—
Public Safety Facilities	C (L)	
Transportation Facilities	P	—
Wireless Communication Facility	P (L)	Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.

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

- (1) *Commercial Recreation, Medical Office, Retail Sales and Services, Eating and Drinking Establishments, and/or Other Educational or Vocational 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 street frontage on SW Graham’s Ferry Road.
- (2) *Mobile Food Unit Development.*
  - (a) *Maximum Size.* A mobile food unit development may contain up to 10 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 200 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 manufacturing use, Wholesale Sales use and Warehouse and Freight Movement use are permitted.

(b) *Limited Uses.* Office uses not accessory to a permitted light industrial use must not exceed 20,000 square feet on the development site.

(4) Warehouse and Freight Movement. *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 35% of the gross floor area on a development site. Small sites under 9 acres in size are exempt.

(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.* Wholesale Sales uses may not exceed 35% of the gross floor area on a development site. Small sites under 9 acres in size are exempt.

(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.

(7) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except as provided by this section.

(a) *Permitted Uses.* Off-street parking and loading, utility facilities, wireless communication facilities, outdoor play areas of child day care centers as required by state day care certification standards, and outdoor storage occupying less than ten (10) percent of the total site area, are permitted outright as outdoor uses.

(b) *Conditional Uses.* A conditional use permit is required for outdoor

storage activity or mechanical equipment when proposed to occupy more than ten (10) percent of the total lot area when part of and necessary for the operation of any permitted use.

- (8) *Light Manufacturing*. All uses must be conducted wholly within a completely enclosed building.
- (a) *Limitations*. Building, heating, plumbing and electrical contractor's offices, with storage of equipment or materials indoors and Trade or industrial schools where industrial vehicles and equipment are operated indoors are permitted outright.
  - (b) *Noise*. All uses and development must comply with the Oregon State Department of Environmental Quality standards relating to noise and the City of Tualatin noise ordinance in, TMC 63.051.
  - (c) *Vibration*. All uses and development must comply with the City of Tualatin vibration ordinance in, TMC 63.052.
  - (d) *Air Quality*. All uses and development must comply with the most recent air quality standards adopted by the Oregon Department of Environmental Quality and with the City of Tualatin air quality ordinance in, TMC 63.053.
  - (e) *Odors*. All uses and development must comply with the City of Tualatin odor ordinance in, TMC 63.054.
  - (f) *Heat and Glare*. All uses and development must comply with the City of Tualatin heat and glare ordinance in, TMC 63.055.
  - (g) *Storage and Stored Materials*. All uses and development must comply with the City of Tualatin storage and stored materials ordinance in, TMC 63.056.
  - (h) *Liquid or Solid Waste Materials*. All uses and development must comply with the City of Tualatin liquid or solid waste materials ordinance in, TMC 63.057.
  - (i) *Dangerous Substances*. All uses and development must comply with the City of Tualatin dangerous substances ordinance in, TMC 63.058.
- (9) *Vehicle Storage*.
- (a) *Accessory Uses to an Office or Industrial Use*. Vehicle fleet storage uses accessory to a permitted Office, Light Manufacturing use, Wholesale Sales use and Warehouse and Freight Movement use are permitted.

(b) *Prohibited Uses.* All other Vehicle Storage uses are prohibited in the zone.

**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

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

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Parking and Circulation Areas Adjacent to Private Property Line	10 feet	No minimum setback required adjacent to joint access approach in accordance with TDC 73C.
Fences	10 feet	From public right-of-way.
<b>STRUCTURE HEIGHT</b>		
Maximum Height	85 feet	Any portion of a structure within 100 feet of a residential zone shall be limited to the maximum height of that residential zone.

**TDC 65.310. Additional Development Standards.**

- (1) *Industrial Master Plan.* Minimum lot size, setbacks, maximum height, and other development standards may be modified by submittal of an Industrial Master Plan application. See TDC 33.050.
- (2) *Spur Rail Tracks.* Spur rail tracks are not permitted within 200 feet of an adjacent residential district.
- (3) *Wetland Conservation Lots.* Minimum lot size, width, or frontage requirement do not apply to wetland conservation lots.
- (4) *Landscape Buffer Adjacent to Residential Uses.* A minimum 10-foot-wide landscaped area, meeting the Type D standard described in Table 73B-2, must be located along property lines abutting residential zones.
- (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.



**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:

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, MG, and BCE 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) 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>* 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>		

## 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)

---

**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.

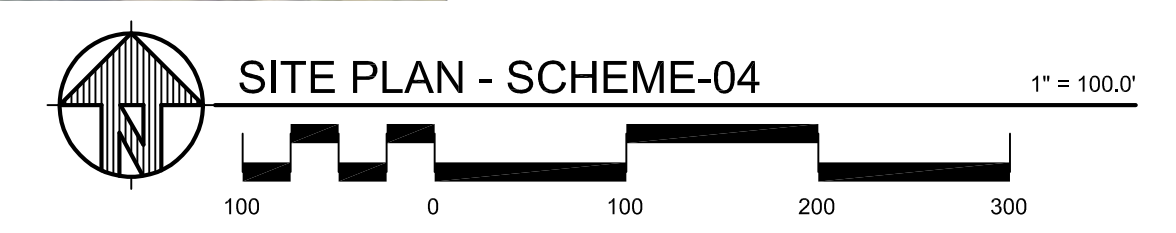
(5) Warehouse and Freight Movement.

(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





**GENERAL NOTES:**

- PROPERTY LINE BEARINGS AND DISTANCES AS WELL AS SITE AREA CALCULATIONS ARE PROVIDED FOR ZONING AND PERMIT REVIEW ONLY. REAL PROPERTY LEGAL DESCRIPTIONS AND AREA CALCULATIONS ARE TO BE PROVIDED BY A REGISTERED PROFESSIONAL SURVEYOR.

**PLANNING AND ZONING REVIEW:**

JURISDICTION: CITY OF TUALATIN, OREGON

**AREA SUMMARY:**

GROSS SITE AREA:	2,034,482 SQFT.	46.71 ACRES (+/-)
DEDICATION AREA:	16,311 SQFT.	0.37 ACRES (+/-)
NET DEVELOPED AREA:	2,018,171 SQFT.	46.34 ACRES (+/-)

BUILDING A:	88,400 SQFT.	4.4% COVERAGE
BUILDING B:	70,000 SQFT.	3.5% COVERAGE
BUILDING C:	98,000 SQFT.	4.9% COVERAGE
BUILDING D:	69,056 SQFT.	3.4% COVERAGE
BUILDING E:	77,000 SQFT.	3.8% COVERAGE
BUILDING F:	70,000 SQFT.	3.5% COVERAGE
BUILDING G:	50,000 SQFT.	2.5% COVERAGE
BUILDING H:	55,000 SQFT.	2.7% COVERAGE
<b>TOTAL</b>	<b>577,456 SQFT.</b>	<b>28.6% COVERAGE</b>

**Tonquin Road Development**

DECEMBER 2022

VLMK  
ENGINEERING + DESIGN  
503.222.4453  
www.vlmk.com

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**MEMORANDUM**

DATE: December 7, 2022

TO: SCHNITZER PROPERTIES  
1121 SW Salmon Street  
Portland, OR 97205

FROM: Brendan Buckley  
Johnson Economics, LLC

SUBJECT: Analysis of Industrial Development Alternatives for the Basalt Creek Plan Area in Tualatin

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**VI. Forecast of Taxable Value and TIF Revenue Potential ..... 13**

**VII. Employment Density and Wages ..... 17**

**VIII. Conclusions ..... 19**

**I. INTRODUCTION**

JOHNSON ECONOMICS has conducted an alternative use analysis on an industrial site of roughly 82 total acres located in Tualatin, Oregon. The total acreage consists of 15 tax lots which are bisected by two public streets (SW Grahams Ferry Rd. and SW Tonquin Rd.) forming three separate contiguous sites.

The site is located within the Southwest and Basalt Creek urban renewal (UR) area and is currently zoned as Manufacturing Park (MP). The MP zone is currently under consideration to be replaced by a new Basalt Creek Employment District (BCE) zone.

The purpose of this analysis is to examine how a hypothetical potential development under the current draft of the BCE zone<sup>1</sup> (the “BCE Use”) compares to a flexible industrial park development

<sup>1</sup> This analysis is based upon the September 14, 2022 version of the draft BCE zone.



(the “Flex Use”) that includes some uses that are not currently allowed in the BCE zone. The scenarios are comprised of:

- BCE Use: a light-industrial facility of over 1 million square feet across 6 buildings, with the use mix dominated by manufacturing uses, with some accompanying office space. See Figure 4.1 for more detail.
- Flex Use: a flex industrial park of over 1 million square feet across 12 buildings, internally subdivided into a range of potential tenanted spaces for small to large-sized businesses, in a variety of sectors. Businesses include light manufacturing and office, as well as uses that are not currently permitted in the draft BCE zone, such as wholesale sales and warehousing. See Figure 3.3 for more detail.

The key metrics of comparison between the two scenarios are level of property investment, tax revenues, urban renewal impacts, and employment. The developed square footage and total estimated investment value within each scenario is the same. As detailed below, due to market demand, the prospective timing of development differs, with the Flex Use expected to develop sooner than the BCE Use.

## **II. EXECUTIVE SUMMARY**

The following findings and conclusions are based on the analysis that follows in this report.

- The Flex Use would be home to a range of business types including light manufacturing, wholesale, and warehouse businesses. Some spaces would be suitable for creative office or flex industrial/office use. As planned, the development would be able to accommodate businesses from small to large.
- As proposed, the BCE zone would not allow some categories of uses that are generally compatible with the low-impact light industrial uses envisioned for the zone. Some of these restricted uses, including warehouse and wholesale sales, would be appropriate for the Flex Use, while also supportive of the goals of the BCE zone and Basalt Creek Plan Area in general. They can also be designed to be compatible with nearby residential uses.
- A City funded and directed economic analysis prepared in conjunction with the zoning update found that manufacturing, while an important component of on-going industrial growth, is growing more slowly than other types of industrial uses, and this is projected to continue.
- The City funded and directed economic analysis recommended allowing a broader range of land uses in the BCE zone to encourage the most rapid and robust build out of industrial areas including flex, manufacturing, wholesale, and warehouse space. Stakeholders in the



industrial planning and the real estate market likewise recommended codes with greater flexibility and allowed uses as models, while pointing to restrictive codes as what to avoid.

- When compared to the BCE Use, the Flex Use is projected to result in greater taxable value, with significantly greater revenue benefits to the Urban Renewal Area (URA).
- The Urban Renewal (UR) Plan forecasted an average annual growth of 6% in the assessed value, resulting in \$4.5M in URA revenue over the 30-year life of the district. The Flex Use is estimated to result in over \$58M in revenue over the same period, or 13 times higher than the forecast in the UR Plan.
- The BCE Use, a speculative light industrial campus introduced after an additional 10 years, would generate a cumulative TIF revenue of \$38M over three years, or roughly 65% of the forecasted revenue from the Flex Use.
- As the recruitment other major employers such as high-tech and advanced manufacturing companies to the Basalt Creek area remains speculative, the Flex Use at the subject site has the potential to provide significant UR revenue in the early years of the district to finance identified UR projects.
- The Flex Use would also provide off-site improvements with extensive public benefits to other users and the City, including improving streets, intersections, trails, water and sewer infrastructure in the immediate area.
- The Flex Use would include a roughly \$29M total investment in improved public infrastructure, which would contribute substantially to extending services to other portions of the Basalt Creek Plan Area and facilitate further development of additional employment uses in the area. This investment would be contributed to the development of the URA without requiring urban renewal funding.
- Modern flex industrial parks, such as the Flex Use, offer a high density of employment through offering a mix of spaces suitable for a broad range of light industrial, office, wholesale, warehouse, and related sectors. At the assumed density of 20 jobs per acre, the Flex Use would support an estimated 1,640 jobs.
- There is no compelling reason to predict a significant difference between the realized employment density of a development under the City's draft BCE zone as proposed (e.g. the BCE Use) vs. the employment density under revised zoning standards with an expanded list of allowable uses such as those proposed in the Flex Use.



- This mixture of business sectors included in the Flex Use feature high average wages beyond those found in manufacturing alone (the BCE Use). The mix of sectors included in the Flex Use is likely to support many family-wage, skilled, blue-collar jobs, at a comparable employment density to that expected in the limited diversity of uses in the BCE Use.
- Our analysis concludes that as compared to development allowed under the proposed BCE zone, an expanded list of allowable uses in the BCE zone would support comparable levels of employment density and wages in the area, potentially generate greater taxable value and urban renewal revenue, include significant investment in off-site public infrastructure, while remaining compatible with neighboring uses.

### **III. HYPOTHETICAL FLEX USE DEVELOPMENT PROGRAM**

Figures 3.1 & 3.2 show a preliminary site plan<sup>2</sup> for the Flex Use that forms the basis of the assumptions in this analysis. The layouts shown below are broken into the east and west sections as divided by SW Graham's Ferry Road.

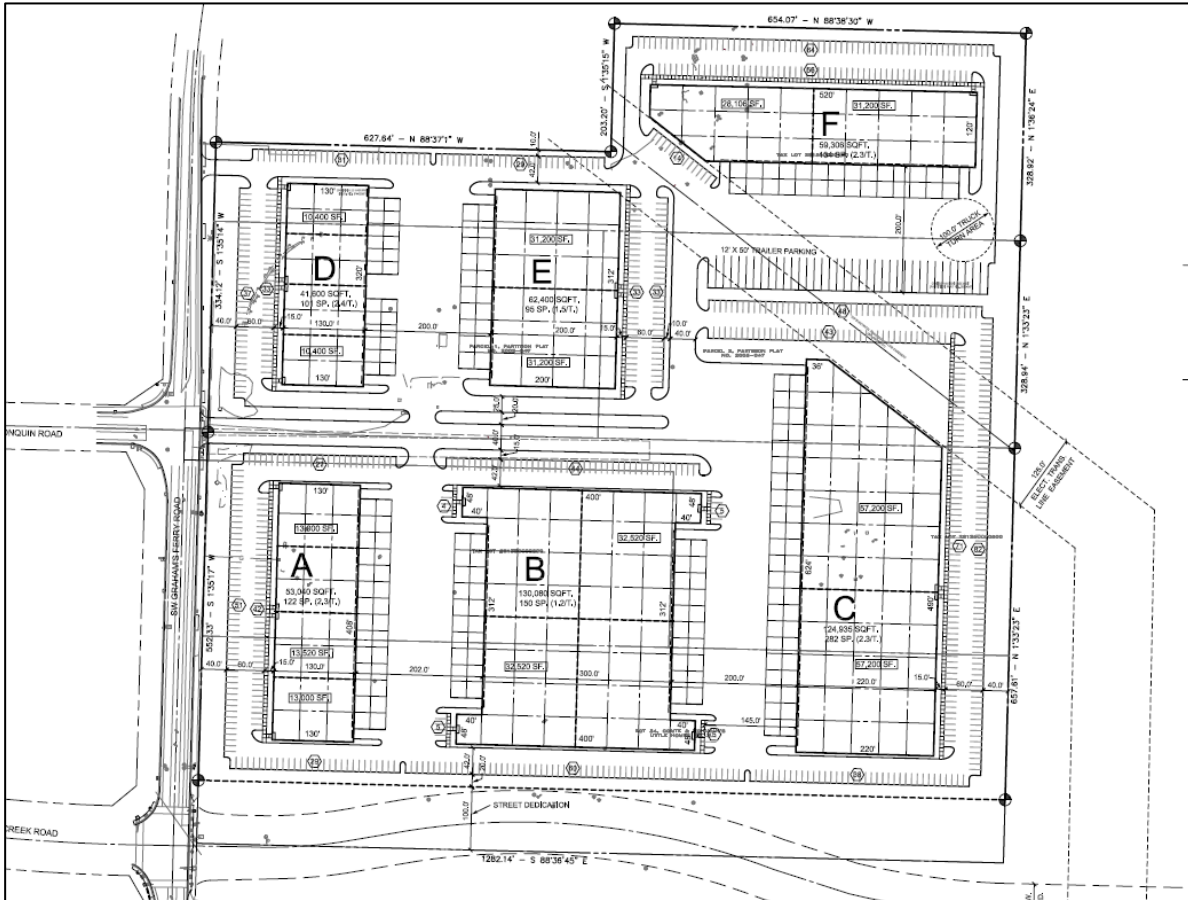
The east section is located to the east of SW Graham's Ferry Road, and north of the planned extension of Basalt Creek Drive. It consists of six buildings totaling 471k square feet.

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<sup>2</sup> This site plan is potentially subject to change during the planning process, but this is representative of the eventual planned use and scale.



**FIGURE 3.1: SUBJECT SITE EASTERN SECTION, PRELIMINARY SITE PLAN (SUBJECT TO CHANGE)**



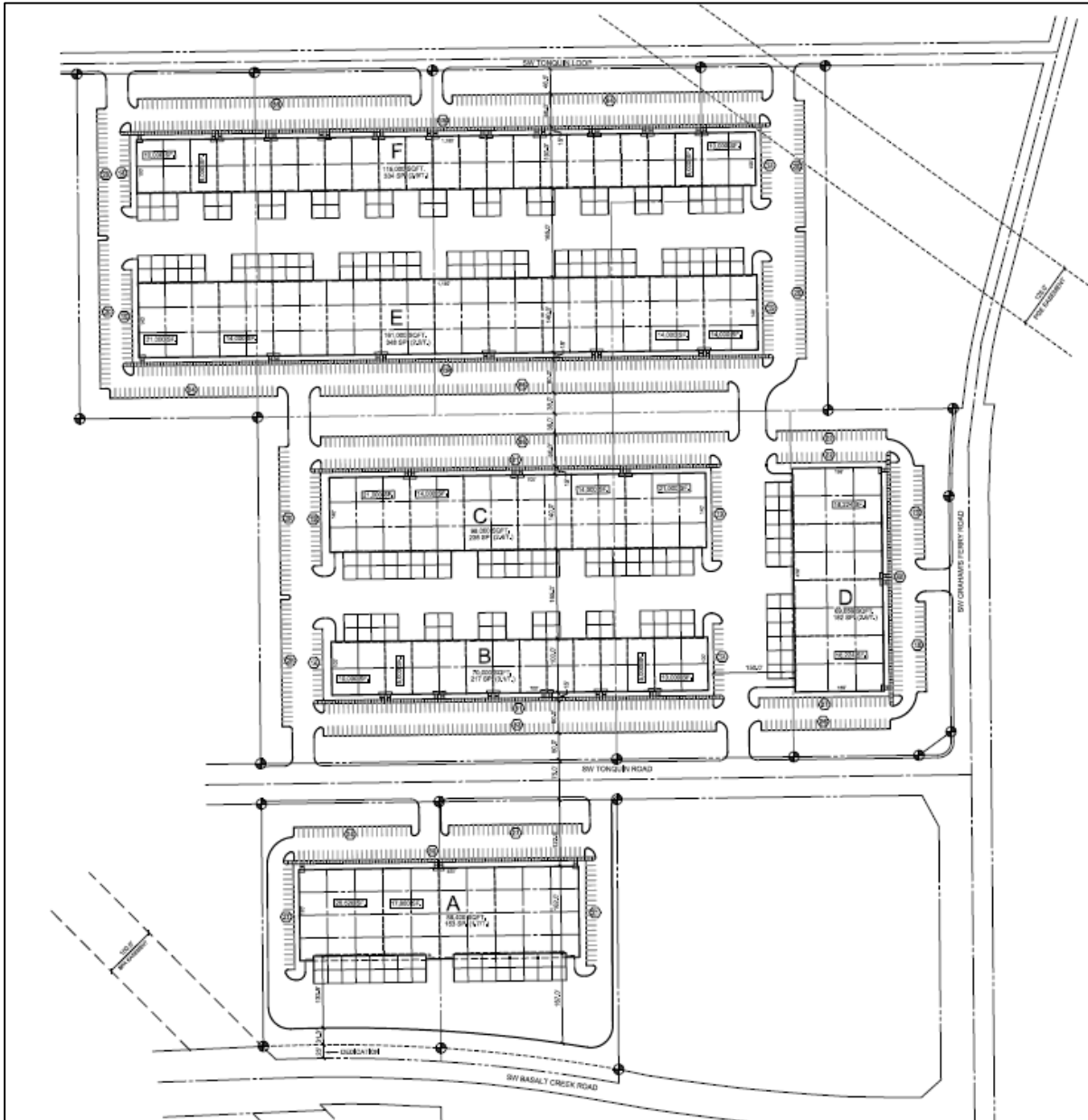
Source: VLMK Engineering and Design

The west section is located to the west of SW Graham's Ferry Road, north of Basalt Creek Drive, and bisected by SW Tonquin Rd. It consists of six buildings totaling 601k square feet.





**FIGURE 3.2: SUBJECT SITE WESTERN SECTION, PRELIMINARY SITE PLAN (SUBJECT TO CHANGE)**



Source: VLMK Engineering and Design

Figure 3.3 presents the preliminary Flex Use development plan and estimated value of capital improvements at the site for a flex industrial development. These estimates form the basis for projected tax revenue generation from the development, as discussed in following sections. Overall, this facility will have an estimated future value of over \$232 million in real property and equipment.



**FIGURE 3.3: PRELIMINARY DEVELOPMENT PLAN AND ESTIMATED CAPITAL INVESTMENT**

East Site		Estimated Capital Investment Value		
Flex Ind. Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
Building A	53,040	\$217	\$11,510,000	\$11,510,000
Building B	130,080	\$217	\$28,227,000	\$28,227,000
Building C	124,935	\$217	\$27,111,000	\$27,111,000
Building D	41,600	\$217	\$9,027,000	\$9,027,000
Building E	62,400	\$217	\$13,541,000	\$13,541,000
Building F	59,306	\$217	\$12,869,000	\$12,869,000
<b>TOTAL:</b>	<b>471,361</b>	<b>\$217</b>	<b>\$102,285,000</b>	<b>\$102,285,000</b>

West Site		Estimated Capital Investment Value		
Flex Ind. Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
Building A	88,400	\$217	\$19,183,000	\$19,183,000
Building B	70,000	\$217	\$15,190,000	\$15,190,000
Building C	98,000	\$217	\$21,266,000	\$21,266,000
Building D	69,056	\$217	\$14,985,000	\$14,985,000
Building E	161,000	\$217	\$34,937,000	\$34,937,000
Building F	115,000	\$217	\$24,955,000	\$24,955,000
<b>TOTAL:</b>	<b>601,456</b>	<b>\$217</b>	<b>\$130,516,000</b>	<b>\$130,516,000</b>

PROPOSED FLEX INDUSTRIAL		Estimated Capital Investment Value		
Flex Ind. Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
<b>TOTAL:</b>	<b>1,072,817</b>	<b>\$217</b>	<b>\$232,801,000</b>	<b>\$ 232,801,000</b>

Source: VLMK Engineering and Design, Schnitzer Properties, CoStar, Johnson Economics

**Tenants and Land Uses:** The Flex Use would be home to a range of business types including light manufacturing, wholesale sales, and warehousing. Some spaces would be suitable for creative office or flex industrial/office use. As planned, the development would be able to accommodate businesses from small to large.

These assumptions are used to model the potential tax revenue and employment generation from this development, discussed more in the following sections of this report.



#### **IV. HYPOTHETICAL BCE USE PROGRAM**

To compare the impacts of the Flex Use with what might happen the proposed BCE zone in the area, we have modeled the BCE Use as a hypothetical light industrial development. The light industrial development would be largely manufacturing based, with a limited office component in keeping with the limitations of the BCE zone as currently drafted.

#### **Proposed Basalt Creek Employment District (BCE) Zone: Purpose and Permitted Uses**

Currently, the City of Tualatin is considering the replacement of the Manufacturing Park (MP) zone, that currently overlays the subject properties, with the newly defined BCE zone. The draft BCE zone is intended to meet the goals of the plan through supporting a mix of employment uses that are compatible with nearby residential uses. Preliminary *draft* code language describes the zone's potential purpose as currently conceived:

*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 light manufacturing, office, and incubator space for established and emerging businesses, typically in a low-rise, flex-space development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities.*

[Tualatin Comprehensive Plan, Chapter 10 (9/14/22 draft language)]

Like the MP Zone before it, the BCE would place limitations on most land use categories, including many industrial uses. Retail, commercial services, and office uses are either limited to auxiliary or secondary uses to light industrial or limited in square footage as the primary use.

As drafted, the BCE zone does not allow some categories of uses that are generally compatible with light industrial uses and would be appropriate for a flex industrial park like the Flex Use, including some machine shops, metal fabrication, wholesale trade, most warehousing, and storage of fleet vehicles associated with on-site employers.

As discussed more below, these uses would likely be beneficial to the goals of the BCE and Basalt Creek Plan Area in general and can be compatible with the low-impact light industrial uses envisioned for the zone, and nearby residential uses.

#### **BCE Use Development Scenario**

Figure 4.1 presents a hypothetical development plan and estimated value of capital improvements at the site for a light industrial development at the site, consisting largely of manufacturing with some secondary office uses, the BCE Use. The BCE Use development is assumed to be accommodated in fewer buildings (six) in more of a campus-style design.



For the sake of comparison, the assumed FAR of 0.3 remains the same, meaning the overall square footage of space is assumed to be the same between the two scenarios, as well as the total estimated investment value (\$232M). The main difference between the two scenarios is assumed to be the prospective timing of development, as discussed in the following section.

**FIGURE 4.1: HYPOTHETICAL BCE USE PLAN AND ESTIMATED CAPITAL INVESTMENT**

East Site		Estimated Capital Investment Value		
Manufacturing Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
Building A	183,120	\$217	\$39,737,000	\$39,737,000
Building B	166,535	\$217	\$36,138,000	\$36,138,000
Building C	121,706	\$217	\$26,410,000	\$26,410,000
<b>TOTAL:</b>	<b>471,361</b>	<b>\$217</b>	<b>\$102,285,000</b>	<b>\$102,285,000</b>

West Site		Estimated Capital Investment Value		
Manufacturing Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
Building A	158,400	\$217	\$34,373,000	\$34,373,000
Building B	167,056	\$217	\$36,251,000	\$36,251,000
Building C	276,000	\$217	\$59,892,000	\$59,892,000
<b>TOTAL:</b>	<b>601,456</b>	<b>\$217</b>	<b>\$130,516,000</b>	<b>\$130,516,000</b>

ALTERNATIVE SCENARIO		Estimated Capital Investment Value		
Manufacturing Facility	Built Area (Square Feet)	Real Prop. Value/s.f.	Real Prop. Value	Total Value
<b>TOTAL:</b>	<b>1,072,817</b>	<b>\$217</b>	<b>\$ 232,801,000</b>	<b>\$ 232,801,000</b>

Source: CoStar, Johnson Economics

**Land Use:** As noted, the BCE Use is expected to be largely manufacturing based, with some accompanying office space. This alternative does not include the variety of uses envisioned in the Flex Use, because the proposed BCE zone limits are restricts many flex industrial uses.

The assumptions presented in Figure 4.1 are used to model the potential tax revenue and employment generation from this development, discussed more in the following sections of this report.

## **V. INDUSTRIAL MARKET TRENDS IMPACTING DEVELOPMENT**



Aside the mix of businesses, the two development scenarios will differ in the prospects for actually being realized in the near term based on the current industrial real estate environment. The Flex Use is actively looking to move forward, whereas a prospective campus-style business park for one or a few large users presented in the BCE Use is more speculative.

This section reviews market conditions for new industrial development that will impact the pace of development, and therefore the timing of employment growth, benefits to the tax base, Urban Renewal Area, and off-site public infrastructure improvements.

### **Economic Analysis of the Zone Update Project**

As part of the Basalt Creek MP Zone Update project, the City funded and directed an economic analysis that was prepared by Leland Consulting Group (Leland Analysis) to assess the “market-based development and employment opportunities”<sup>3</sup> in the area. After examining industrial market conditions and trends in the Portland region and SW Metro submarket, ***the analysis recommended allowing a broader range of land uses in the updated zone*** (i.e. the BCE zone) in order to encourage the most rapid and robust build out of industrial areas. Some key findings from the analysis:

- In general, the analysis finds that manufacturing, while an important component of on-going industrial growth, is growing more slowly than other types of industrial uses, and this is projected to continue. “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.” (Pg. 7)
- On the regional level, manufacturing employment growth is expected to be somewhat more robust than nationally, but still trail other industrial growth: “...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.” (Pg. 7)
- “For Basalt Creek, the ULI Survey suggests in the near-term developers are more likely to invest in new fulfillment and warehousing projects than manufacturing” (Pg. 6), and “[m]anufacturing (i.e. buildings exclusively used for manufacturing uses) has accounted for

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<sup>3</sup> Basalt Creek MP Zone Update Economic Analysis, Chris Zahas and Sam Brookham, Leland Consulting Group, 2022.



significantly less development in recent years, which appears a broader market trend...” (Pg. 11)

- These findings support an approach of allowing manufacturing uses while maintaining flexibility for other uses that can also offer employment density and good wages, while better taking advantage of economic cycles.

As part of the analysis, Leland Consulting met with various stakeholders in the industrial planning and real estate market who recommended potential model zones on which to base the new BCE zone.

- Five model zones in the Portland region were suggested. What the zones have in common is flexibility and a range of allowed uses. Meanwhile, stakeholders suggested that zoning codes which are overly restrictive should be avoided.
- A case study of the Tonquin Employment Area in Sherwood noted that:

“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.” [Emphasis added] (Pg. 16)

The economic analysis reaches similar conclusions, recommending flexibility in allowed uses in the updated zone:

“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...”



“[T]he most suitable of ‘model’ zones (per feedback from stakeholders) are generally less restrictive than the Manufacturing Park zone in Basalt Creek.” (Pg. 20-21)

**Recommendations:** Ultimately, the City funded and directed economic analysis recommends expanding the allowed use table in the MP zone to be more inclusive of other industrial uses and to be better aligned with market demand that includes flex, distribution, manufacturing, and warehouse space (pg. 21). This recommendation for the updated BCE zone can be accomplished while still ensuring compatibility with nearby residential uses.

### **Summary of Economic Conditions**

The City funded and directed economic analysis prepared as part of drafting the BCE zone supports the finding that a more flexible zone with a greater variety of allowed uses is likely to encourage more rapid development, with greater public benefits to the tax base and Urban Renewal Area, without sacrificing employment density or wage levels. The following sections address these impacts.



## **VI. FORECAST OF TAXABLE VALUE AND TIF REVENUE POTENTIAL**

### **Southwest and Basalt Creek Development Area (Urban Renewal Area)**

The subject property is located within an urban renewal area (URA). The UR Plan (2021) identifies goals for the URA and implementing UR projects. The URA goals include to encourage “high density employment opportunities” and “encourage land development that strengthens the local tax base”. Other goals include the provision of transportation and utility infrastructure to support this vision for the build-out of the URA. The Flex Use can support these goals and help build taxable value within the UR district *without requiring expenditure of UR resources*.

The feasibility study prepared prior to adoption of the UR Plan forecasted revenue to the URA of between \$28.4 million and \$55.5 million, for the Basalt Creek area over 30 years (a separate feasibility study was prepared for the north part of the district.) The study applied a general annual inflation factor of 3% to all properties and then an additional factor of 1% to 3% annually for new development. Therefore, the total forecasted rate ranged between 4% (low) to 6% (high).

For the sake of this analysis, Johnson Economics applied these rates to the roughly 82-acre subject site. The subject site consists of 15 taxlots, with a total assessed value of \$5,371,350 in the 2021/22 tax year. This is assumed to be the “frozen base” value for the purposes of urban renewal, above which the taxable value from any appreciation and newly added value is assigned to the URA.

Applying the methodology of the feasibility analysis (a 4% to 6% annual growth rate) to this property as-is leads to a forecast of modest TIF revenue potential. Modeling the Flex Use results in high assessed value beginning in 2024 (Figure 5.1). The estimated total investment in the 12-building facility is roughly \$232.8 million, based on the preliminary development plan and assumptions outline below. (This development program is preliminary and may change over time, as will estimates of development costs. This is a best estimation at the time of this analysis and should be considered a rough or “order-of-magnitude” forecast to give an idea of the scale of the Flex Use and potential valuation.)

The hypothetical BCE Use is assumed to have the same square footage of space, over a fewer number of buildings, and the same valuation. The total estimated values are reproduced below for reference.

**Timing of development:** Figure 6.1 (following page) presents forecast of tax increment (TIF) revenue that goes to the URA over the 30-year period of the district. Phase I of the Flex Use is projected to happen in the near term, with the high taxable value being added to the tax roles in 2025, with two more phases being completed in two-year increments.

The development of a large industrial campus, based on manufacturing, in the BCE Use is speculative and reliant on recruitment of one or more major industrial employers to the area. The modeling here





demonstrates the impact of this BCE Use if it occurred in two phases, with the later east side of the development taking place after ten years and the west side after twenty years.

The timing of the BCE Use scenario is purely speculative, but as the economic analysis prepared for the zone change study points out, attracting large employers such as advanced manufacturers or high-tech industry to a zone with limited allowed uses can be a long-term prospect, or not happen at all. More flexible zoning is expected to have better prospects in the near term, as demonstrated by the Flex Use.

Figure 6.1 compares the taxable valuation and TIF revenue forecasts for the baseline UR Plan scenario (6% annual growth), the Flex Use and BCE Use.



**FIGURE 6.1: FORECASTED TAX INCREMENT FINANCING REVENUE GROWTH, SUBJECT PROPERTY**  
**(SCENARIOS: URA PLAN (6% AGR) / PROPOSED FLEX INDUSTRIAL / BCE USE**

YEAR	Estimated RMV		New Taxable Value			Tax Rate (88.49)	Annual TIF Revenue (Net)*			Cumulative TIF Revenue (Net)				
	Frozen Base	Baseline AV (3% Growth)	Flex Use Development	BCE Use Development	UR Plan High Growth (6%)		Flex Use Development	BCE Use Development	UR Plan High Growth (6%)	Flex Use Development	BCE Use Development	UR Plan High Growth (6%)	Flex Use Development	BCE Use Development
	2021	\$5,371,350	\$5,371,350											
2022	\$5,371,350	\$5,797,690			\$322,281			14.89						
2023	\$5,371,350	\$5,971,621			\$663,899			14.89	\$4,799					\$4,799
2024	\$5,371,350	\$6,150,769			\$1,026,014			14.89	\$9,391					\$14,190
2025	\$5,371,350	\$6,335,292			\$1,409,856	\$66,216,592		14.89	\$14,513	\$14,513				\$28,703
2026	\$5,371,350	\$6,525,351	\$70,624,000		\$1,816,728	\$64,128,458		14.89	\$19,943	\$936,667				\$48,647
2027	\$5,371,350	\$6,721,112	\$68,345,806		\$2,248,013	\$122,011,515		14.89	\$25,699	\$907,129				\$74,345
2028	\$5,371,350	\$6,922,745	\$126,033,103		\$2,705,174	\$118,147,564		14.89	\$31,799	\$1,725,914				\$1,843,796
2029	\$5,371,350	\$7,130,427	\$121,967,519		\$3,189,766	\$216,705,810		14.89	\$38,266	\$1,671,256				\$3,569,710
2030	\$5,371,350	\$7,344,340	\$220,318,083		\$3,703,433	\$209,812,688		14.89	\$45,121	\$3,065,412				\$106,144
2031	\$5,371,350	\$7,564,670	\$213,211,048		\$4,247,920	\$203,155,243		14.89	\$52,387	\$2,967,905				\$144,410
2032	\$5,371,350	\$7,791,611	\$206,333,272		\$4,825,076	\$196,726,271		14.89	\$60,089	\$2,873,732				\$5,240,966
2033	\$5,371,350	\$8,025,359	\$199,677,360		\$5,436,862	\$190,518,814		14.89	\$68,253	\$2,782,791				\$189,531
2034	\$5,371,350	\$8,266,120	\$193,236,155		\$6,085,354	\$184,526,150	\$128,039,372	14.89	\$76,907	\$2,694,984				\$8,306,378
2035	\$5,371,350	\$8,514,103	\$187,002,731	\$130,515,952	\$6,772,756	\$178,741,788	\$124,077,163	14.89	\$86,080	\$2,610,215	\$1,811,181			\$19,625,791
2036	\$5,371,350	\$8,769,526	\$180,970,385	\$126,305,760	\$7,501,403	\$173,159,457	\$120,258,207	14.89	\$95,804	\$2,528,392	\$1,755,134			\$22,236,006
2037	\$5,371,350	\$9,032,612	\$175,132,630	\$122,231,381	\$8,273,768	\$167,773,103	\$116,578,345	14.89	\$106,111	\$2,449,427	\$1,701,112			\$24,764,398
2038	\$5,371,350	\$9,303,590	\$169,483,191	\$118,288,433	\$9,092,475	\$162,576,881	\$113,033,567	14.89	\$117,037	\$2,373,234	\$1,649,059			\$3,566,314
2039	\$5,371,350	\$9,582,698	\$164,015,991	\$114,472,677	\$9,960,305	\$157,565,151	\$109,620,008	14.89	\$128,618	\$2,299,731	\$1,598,916			\$5,267,427
2040	\$5,371,350	\$9,870,179	\$158,725,152	\$110,780,010	\$10,880,204	\$152,732,465	\$106,333,940	14.89	\$140,893	\$2,228,838	\$1,550,630			\$6,916,486
2041	\$5,371,350	\$10,166,285	\$153,604,986	\$107,206,461	\$11,855,297	\$148,073,571	\$103,171,773	14.89	\$153,906	\$2,160,477	\$1,504,147			\$8,515,402
2042	\$5,371,350	\$10,471,273	\$148,649,987	\$103,748,188	\$12,888,896	\$143,583,399	\$100,130,046	14.89	\$167,699	\$2,094,575	\$1,459,416			\$10,066,032
2043	\$5,371,350	\$10,785,411	\$143,854,826	\$100,401,473	\$13,984,511	\$139,257,059	\$97,205,427	14.89	\$182,320	\$2,031,059	\$1,416,390			\$11,570,179
2044	\$5,371,350	\$11,108,974	\$139,214,348	\$97,162,715	\$15,145,862	\$135,089,836	\$196,680,045	14.89	\$197,818	\$1,969,861	\$1,375,019			\$13,029,595
2045	\$5,371,350	\$11,442,243	\$134,723,562	\$196,313,771	\$16,376,895	\$131,077,184	\$190,680,612	14.89	\$214,246	\$1,910,913	\$2,782,138			\$14,445,985
2046	\$5,371,350	\$11,785,510	\$130,377,641	\$189,981,069	\$17,681,790	\$127,214,721	\$184,895,457	14.89	\$231,659	\$1,854,152	\$2,697,273			\$15,821,004
2047	\$5,371,350	\$12,139,075	\$126,171,910	\$183,852,647	\$19,064,978	\$123,498,224	\$179,318,292	14.89	\$250,118	\$1,799,516	\$2,615,439			\$16,603,142
2048	\$5,371,350	\$12,503,248	\$122,101,849	\$177,921,917	\$20,531,158	\$119,923,627	\$173,943,048	14.89	\$269,684	\$1,746,944	\$2,536,547			\$17,310,414
2049	\$5,371,350	\$12,878,345	\$118,163,080	\$172,182,500	\$22,085,308	\$116,487,012	\$168,763,871	14.89	\$290,423	\$1,696,380	\$2,460,511			\$17,912,911
2050	\$5,371,350	\$13,264,695	\$114,351,367	\$166,628,226	\$23,732,708	\$113,184,609	\$163,775,117	14.89	\$312,408	\$1,647,767	\$2,387,249			\$18,300,161
2051	\$5,371,350	\$13,662,636	\$110,662,613	\$161,253,122	\$25,478,951	\$110,012,788	\$158,971,345	14.89	\$335,711	\$1,601,053	\$2,316,681			\$18,616,841
2052	\$5,371,350	\$14,072,515	\$107,092,852	\$156,051,408	\$27,329,969	\$106,968,059	\$154,347,307	14.89	\$360,413	\$1,556,186	\$2,248,729			\$18,865,571
			\$103,638,244	\$151,017,492					\$386,596	\$1,513,117	\$2,183,320			\$4,474,711
														\$57,697,628
														\$38,048,890

Source: Washington County Assessor, CoStar, Johnson Economics, VLMK Engineering and Design

\* Tax loss adjustment (-5%)



### **Tax Revenue Generation: Findings**

- Growth of the current assessed value at 6% would yield an estimated cumulative TIF revenue generation of \$4.5M over 30 years from the subject property (Figure 6.1). In comparison, the estimated taxable value of the Flex Use, introduced in the year 2025, would yield cumulative TIF revenue of \$58M over 30 years, or 13 times higher than high end of the forecast from the UR feasibility study.
- The BCE Use, a speculative light industrial campus introduced after 10 years, would generate a cumulative TIF revenue of \$38M over three years, or roughly 65% of the forecasted revenue from the Flex Use.
- This difference reflects that the timing of development is a critical factor for revenue generation in an urban renewal district. A development earlier in the district's planning period will generate much greater cumulative TIF revenue before the district's expiration than an equivalent development completed in the middle of the district's planning period.
- Clearly, the Flex Use has the potential to greatly outperform the valuation and tax revenue generation assumptions included in the original UR feasibility analysis. The forecasted revenue from the UR Plan was \$55.5 million at the high end of the forecast range, meaning the revenue from the Flex Use alone has the potential to exceed the total forecasted revenue for the entire UR district.
- As the recruitment other major employers such as high-tech and advanced manufacturing companies to the Basalt Creek area remains speculative, the Flex Use at the subject site has the potential to provide significant UR revenue in the early years of the district to finance identified UR projects.

### **Off-Site Improvements in the Basalt Creek Area**

AKS Engineering has prepared rough order of magnitude (ROM) cost estimates for the potential off-site improvements that would accompany the Flex Use at the expense of the developer<sup>4</sup>. These improvements will provide extensive public benefits to other users and the City by improving streets, intersections, trails, water and sewer infrastructure in the immediate area. The following is a summary of these preliminary ROM estimates:

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<sup>4</sup> "Tualatin Basalt Creek Public Infrastructure ROM Cost Review", AKS Engineering, Darko Simic PE, 10/21/2022



Full and three-quarter street improvements:	\$17.8M
Pedestrian Trail Improvements:	\$150,000
Public Water Infrastructure Improvements:	\$3.6M
Public Sewer Infrastructure Improvements:	\$7.4M
<b>TOTAL Estimated Improvements:</b>	<b>\$29.0M</b>

These projects, which might total a combined \$29M in investment in improved public infrastructure would contribute substantially to extending services to other portions of the Basalt Creek Plan Area and facilitate further development of additional employment uses. This investment would be contributed to the development of the URA without requiring urban renewal funding.

## **VII. EMPLOYMENT DENSITY AND WAGES**

### **Employment Density**

The Basalt Creek Concept Plan forecasts the area currently zoned MP may accommodate nearly 1,900 jobs at a density of 20 jobs per acre. This is roughly 650 s.f. of built space per job at an assumed FAR of 0.3.

The Flex Use consisting of flex industrial space is forecast to provide employment at this density or better. 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. At the assumed 20 jobs per acre of the MP zone, the Flex Use (which includes most, but not all, of the BCE zoned area) would support an estimated 1,640 jobs.

Comprehensive and reliable data on employment density across various categories of industrial users is unfortunately not available, with significant variation among different studies and reporting of individual companies. In general, employment density for office, creative, and high-tech enterprises is estimated to be the highest, while manufacturing and distribution uses are estimated to feature lower job densities.

With a mix of these users in a multi-tenant flex business park like the Flex Use development, the employment density would be expected to be equal to or higher than a manufacturing-heavy light industrial development such as the BCE Use. A multi-tenant development such as the Flex Use is also likely to feature increased employment concentration via offering smaller leasable spaces per business.



In recent years, industrywide trends have included a decrease in employment density in manufacturing businesses, and an increase in employment density in some categories that were traditionally thought of as having low employment density, including warehouse and distribution.<sup>5</sup>

This shift is because investment in automation in modern industries is, on the one hand, decreasing the number of employees needed in sophisticated manufacturing plants relative to growing production lines and robotics. On the other hand, investment in equipment is increasing the vertical density of operations like storage and distribution, meaning less floor area is required per employee. These two trends are increasing the parity among industrial users over time. (As noted, any real-world company is likely to feature unique operating characteristics that can vary widely from any average estimate of density.)

Nevertheless, there is not a compelling reason to predict a significant difference between the realized employment density of a development under the currently proposed BCE zone, vs. the employment density under a revised zoning standards that allows additional uses such as those proposed in the Flex Use development.

### **Industrial Wage Levels**

The following figure shows average annual wage rates among the major industry sectors that might locate in a multi-tenant flex business park like the Flex Use. Traditionally, manufacturing like what may be developed in the BCE Use has been emphasized as an industrial employment sector that pays uniquely high wages relative to other industrial users. While this may be true in relation to some sectors such as construction or transportation, these are not anticipated to be major users at the Flex Use.

The mix of users in the Flex Use is likely to include various categories of manufacturing including advanced manufacturing and fabrication, as well as wholesale trade, warehousing, and some mix of business services or high-tech industries, such as software. As shown in Figure 7.1, this mixture of business sectors that could be included in the Flex Use features high average wages beyond those in the manufacturing alone sector alone in the BCE Use. A mix of these sectors in the Flex Use is likely to support many family-wage blue-collar jobs, at a comparable employment density to the density envisioned in the Basalt Creek Concept Plan and in the draft BCE zone.

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<sup>5</sup> “Brave New World,” Kim Moore, Oregon Business, November 2017.

“Growth Trends for Occupations Considered at Risk from Automation,” US Bureau of Labor Statistics, July 2022.

[Bls.gov/opub/](https://www.bls.gov/opub/)

“The Evolution of the Warehouse: Trends in Technology, Design, Development and Delivery,” NAIOP, October 2020.

[https://en.wikipedia.org/wiki/Fourth\\_Industrial\\_Revolution](https://en.wikipedia.org/wiki/Fourth_Industrial_Revolution)



**FIGURE 7.1: AVERAGE WAGE LEVELS IN RELEVANT SECTORS, WASHINGTON CO., 2021**

<b>Industry</b>	<b>Avg. Annual Wage</b>
All Washington County Employment	\$86,181
Manufacturing	\$121,315
Wholesale trade	\$116,706
Transportation, warehousing & utilities	\$50,020
<b>Blended Avg. of Proposed Uses:</b>	<b>\$96,014</b>

Source: Oregon Employment Department, QCEW Data, Washington County 2021

### **VIII. CONCLUSIONS**

The analysis presented in the preceding sections of this report support the following findings and conclusions:

- The Flex Use would be home to a range of business types including light manufacturing, wholesale, and warehouse businesses. Some spaces would be suitable for creative office or flex industrial/office use. As planned, the development would be able to accommodate businesses from small to large.
- As proposed, the BCE zone would not allow some categories of uses that are generally compatible with the low-impact light industrial uses envisioned for the zone. Some of these restricted uses, including warehouse and wholesale sales, would be appropriate for the Flex Use, while also supportive of the goals of the BCE zone and Basalt Creek Plan Area in general. They can also be designed to be compatible with nearby residential uses.
- A City funded and directed economic analysis prepared in conjunction with the zoning update found that manufacturing, while an important component of on-going industrial growth, is growing more slowly than other types of industrial uses, and this is projected to continue.
- The City funded and directed economic analysis recommended allowing a broader range of land uses in the BCE zone to encourage the most rapid and robust build out of industrial areas including flex, manufacturing, wholesale, and warehouse space. Stakeholders in the industrial planning and the real estate market likewise recommended codes with greater flexibility and allowed uses as models, while pointing to restrictive codes as what to avoid.



- When compared to the BCE Use, the Flex Use will result in greater taxable value, with significantly greater revenue benefits to the Urban Renewal Area (URA).
- The Urban Renewal (UR) Plan forecasted an average annual growth of 6% in the assessed value, resulting in \$4.5M in URA revenue over the 30-year life of the district. The Flex Use is estimated to result in over \$58M in revenue over the same period, or 13 times higher than the forecast in the UR Plan.
- The BCE Use, a speculative light industrial campus introduced after an additional 10 years, would generate a cumulative TIF revenue of \$38M over three years, or roughly 65% of the forecasted revenue from the Flex Use.
- As the recruitment of other major employers such as high-tech and advanced manufacturing companies to the Basalt Creek area remains speculative, the Flex Use at the subject site has the potential to provide significant UR revenue in the early years of the district to finance identified UR projects.
- The Flex Use would also provide off-site improvements with extensive public benefits to other users and the City, including improving streets, intersections, trails, water and sewer infrastructure in the immediate area.
- The Flex Use would include a roughly \$29M total investment in improved public infrastructure, which would contribute substantially to extending services to other portions of the Basalt Creek Plan Area and facilitate further development of additional employment uses in the area. This investment would be contributed to the development of the URA without requiring urban renewal funding.
- Modern flex industrial parks, such as the Flex Use, offer a high density of employment through offering a mix of spaces suitable for a broad range of light industrial, office, wholesale, warehouse, and related sectors. At the assumed density of 20 jobs per acre, the Flex Use would support an estimated 1,640 jobs.
- There is no compelling reason to predict a significant difference between the realized employment density of a development under the City's draft BCE zone as proposed (e.g. the BCE Use) vs. the employment density under revised zoning standards with an expanded list of allowable uses such as those proposed in the Flex Use.
- This mixture of business sectors included in the Flex Use feature high average wages beyond those found in manufacturing alone (the BCE Use). The mix of sectors included in the Flex Use is likely to support many family-wage, skilled, blue-collar jobs, at a comparable employment density to that expected in the limited diversity of uses in the BCE Use.

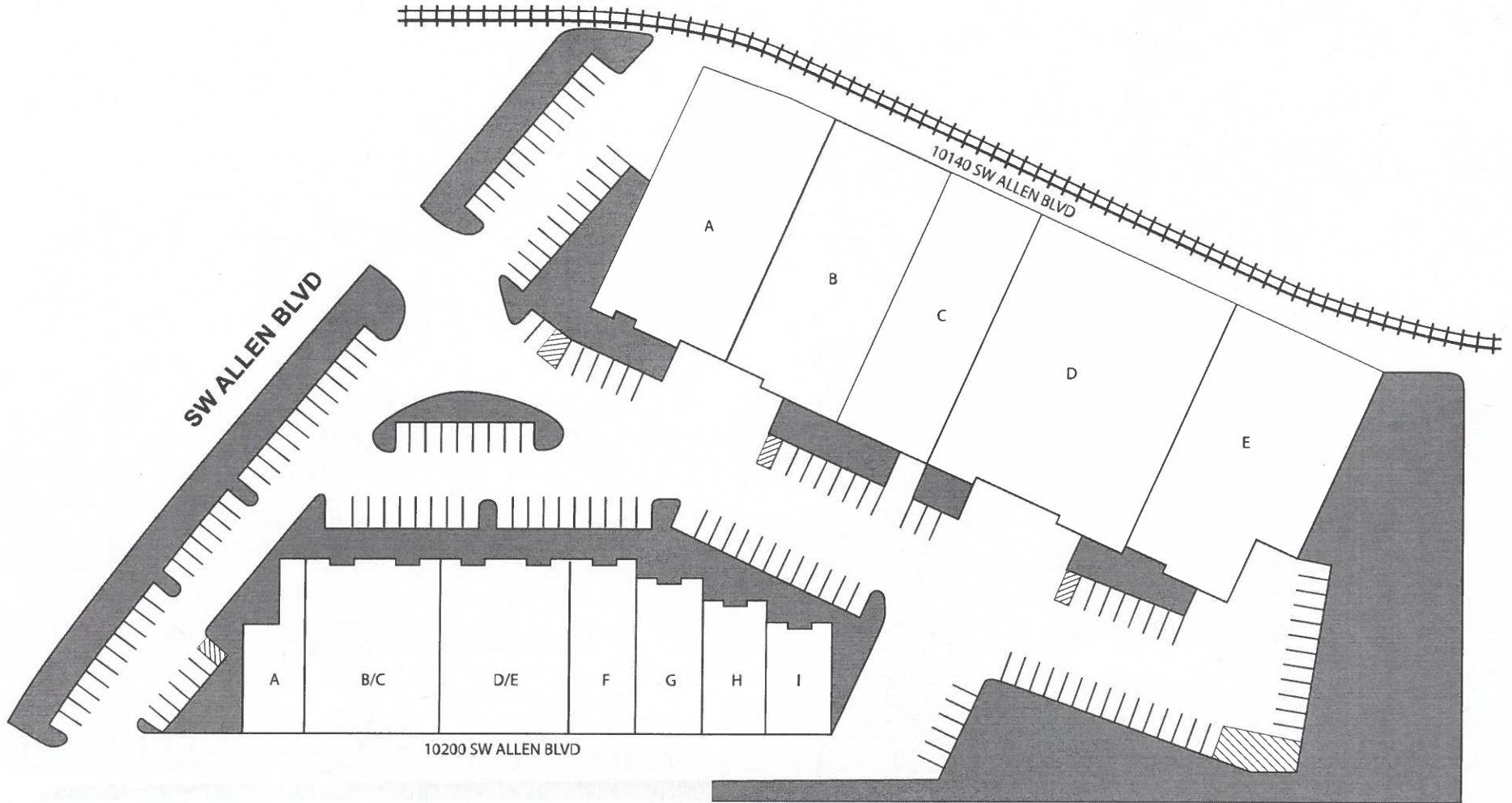


- Our analysis concludes that as compared to development allowed under the proposed BCE zone, an expanded list of allowable uses in the BCE zone would support comparable levels of employment density and wages in the area, potentially generate greater taxable value and urban renewal revenue, include significant investment in off-site public infrastructure, while remaining compatible with neighboring uses.



## ALLEN WEST BUSINESS PARK

Beaverton, Oregon



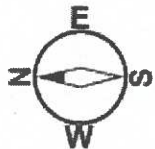
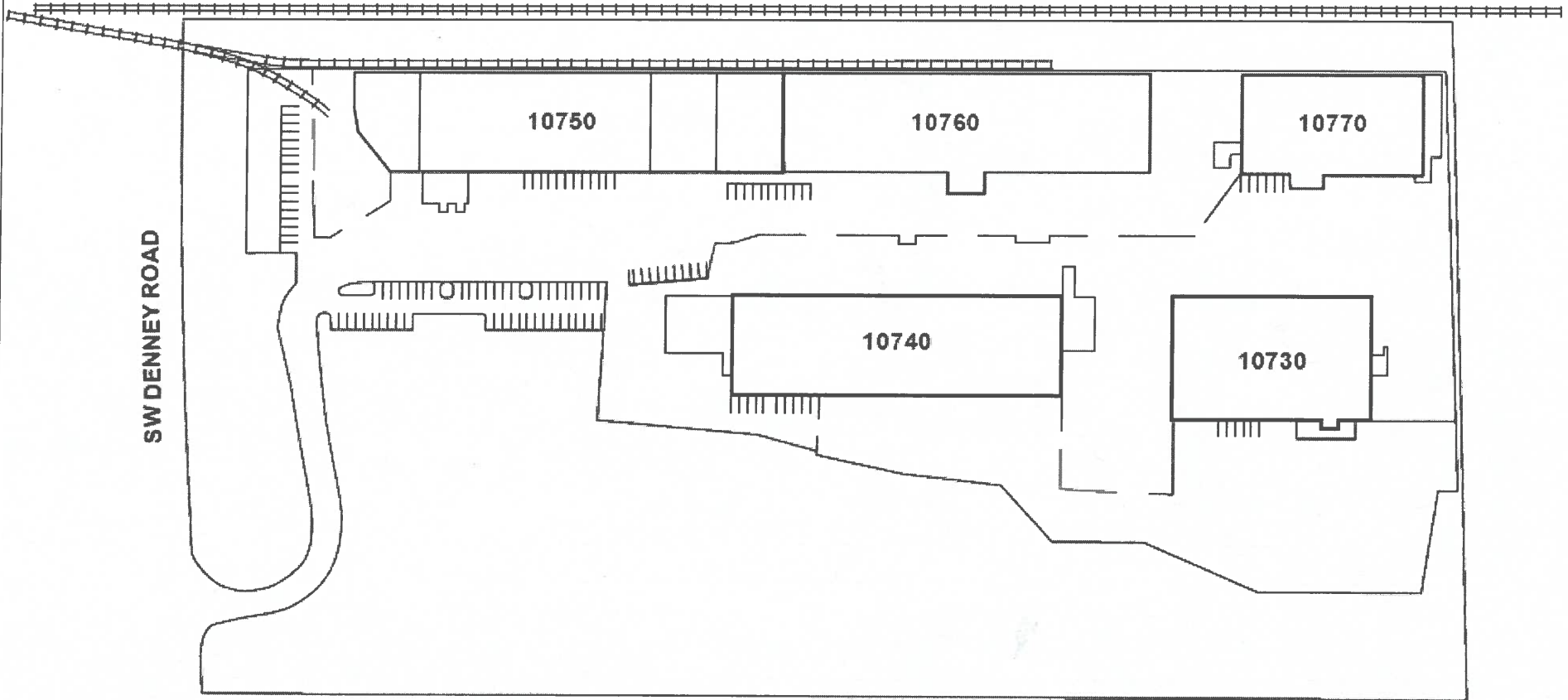
Infinity Financial	7,899 SF
Apantac	6,256 SF
Cedar House Media	3,740 SF
CBOE Office Technology	3,506 SF
Brooks Pest Control	3,300 SF
Pro Drain & Rooter Serv.	2,860 SF
Cote d'Or Imports	2,420 SF
All Points Media	22,572 SF
CNW, Inc.	17,214 SF
Epiq Class Action	10,673 SF

Financial services
Design/development imaging equipment
Media
Printer/laptop assembly
Exterminators
Plumbers
Wine storage
Outdoor advertising
Consignment furniture sales
Document storage

# DENNEY ROAD INDUSTRIAL

Beaverton, Oregon

HIGHWAY 217



Circus Trix	33,528 SF
Tillamook Country Smoker	75,082 SF
Ness & Campbell Crane	27,200 SF
Shift Operations	36,200 SF
Arizona Tile	48,000 SF

Family amusement center
Food production
Crane/rigging/large equipment
Auto service and reconditioning
Tile, stone, quartz showroom & distr.

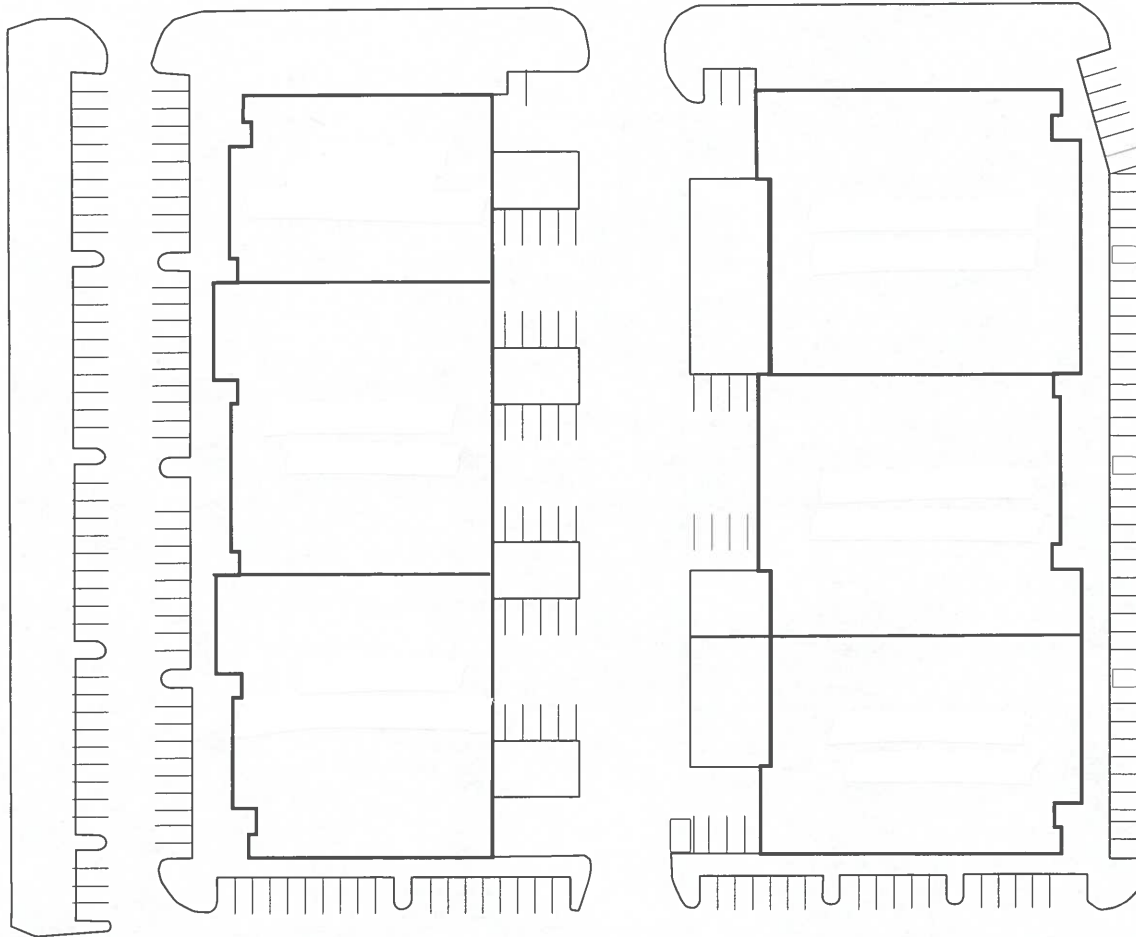
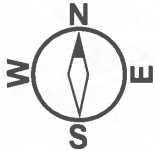
# WILSONVILLE COMMERCE CENTER

27120-27180 SW 95th Avenue, Wilsonville, 97070

SW NIKE DRIVE

SW 95TH AVE

WEST FRONTAGE ROAD



Mitchell, Lewis & Staver	21,724 SF
Allied Technologies	21,012 SF
Commercial Furniture Dist.	19,663 SF
Century Wheel & Rim	23,524 SF
Proctor Sales	19,665 SF

Pumping equipment & service
High-tech manufacturing
Furniture warehousing/distribution
Auto/truck/trailer parts & accessories
Boiler/steam/hydronic product sales



**Schnitzer**  
PROPERTIES

# Technical Memorandum

December 12, 2022

Project# 28420

To: Ryan Schera, Schnitzer Properties  
From: Kristine Connolly, PE, Carla Kleynhans, and Diego Arguea, PE  
Project: Basalt Creek Industrial Park  
Subject: Trip Generation and Distribution Study

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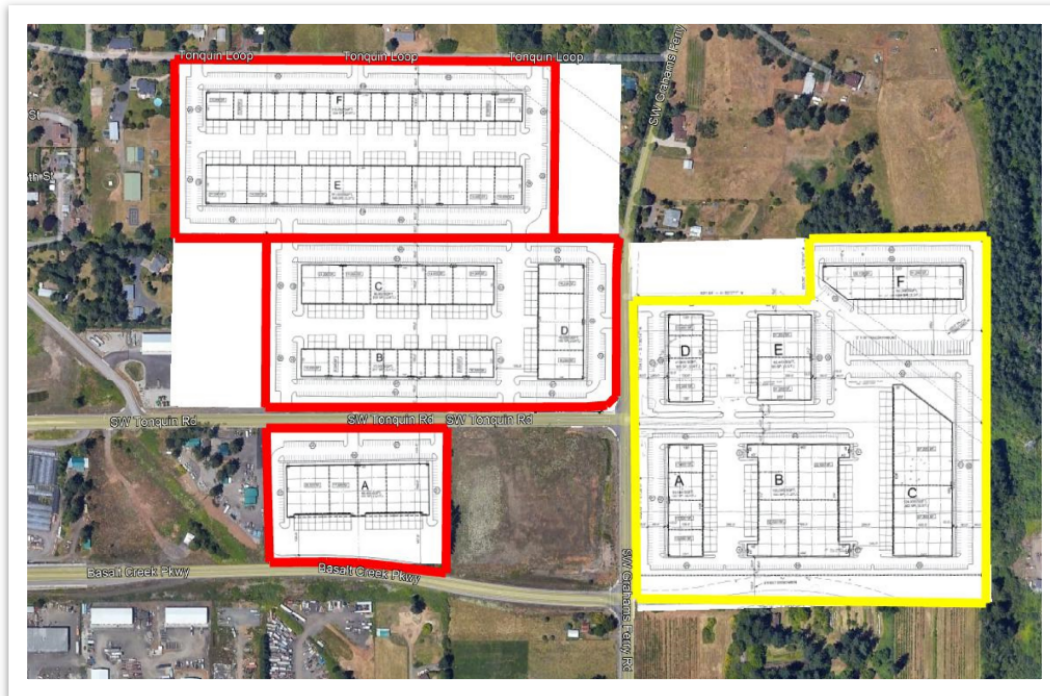
Basalt Creek Industrial Park is a proposed industrial park development located to the north of Basalt Creek Parkway and on both the eastern and western sides of SW Grahams Ferry Road. The current future zoning of the area is Manufacturing Park (MP). The development would like to broaden their allowable uses to include a mixture of wholesales, warehousing, and light manufacturing uses with a limitation on both warehousing and wholesales of 35% of the gross floor area on a development site allowed outright and a conditional use permit requirement to exceed the 35% limitation for each use. The broadened zoning currently being developed is referred to as the Basalt Creek Employment (BCE) Zone. However, this zoning still contains a size limitation to certain land uses. The proposed Basalt Creek development is thus proposing a text amendment to the draft BCE zoning.

This letter documents the comparison of the worst-case trip generation potential, the expected truck trip generation and assignment associated with the proposed development. This will be used as a supporting document for text amendment. **As shown below, the BCE text amendment worst-case trip generation will generate less trips compared to the MP trip generation.**

## **BASALT CREEK INDUSTRIAL PARK**

Exhibit 1 is a concept layout for the proposed development. This layout was used to obtain an estimate of the Gross Floor Area required to determine the worst-case trip generation of the proposed industrial park. Based on the concept layout the development can be divided into several sites varying from two to twelve sites. The overall trip generation comparison outcome will remain the same however the number of trips generated, and the trip rate will increase the more sites there are. For simplicity, it is assumed that the industrial park will be developed as two separate sites. The areas indicated in red as the western site and the area in yellow as the eastern site.

### Exhibit 1: Concept Layout



### DEVELOPMENT CODES

The use categories and their limitations for the MP zone is based on the City of Tualatin Development Code Chapter 62 TDC 62.200 and TDC 62.210. An extract of these sections has been included in Appendix A. The land uses listed in the use categories table are the land use trip rates that were compared to obtain the worst-case trip rate combination. The main land use limitation is the size restriction, restricting all commercial uses to a total of 20,000 square feet allowed on site.

Ordinance 1418-19 relates to the Basalt Creek Concept Plan, amending various City of Tualatin development code chapters. This Ordinance is included in Appendix B and a draft version of the BCE zone is included in Appendix C. Similar to the MP Development Code, this draft provides the use categories and their limitations for the BCE zone and will form part of the City of Tualatin Development Code Chapter 65. The main difference between the MP development code and the BCE development code is the permitted use categories.

The MP permits:

- Eating and drinking establishment uses limited to a restaurant or deli
- Retail sales and services uses limited to:
  - sale of good produced on site
  - child day care
  - food or convenience store, mailing operations, reproductions or photo coping services, bank and medical service
- Light manufacturing uses to limited to:
  - Manufacture and assembly of electronic or optical instruments, equipment, devices, musical instruments, toys, and sporting goods
  - Production of textiles or apparel
  - Printing, publishing, and lithography shops

- Research and development laboratories
- Primary processing of organic materials such as tanning of leather is prohibited.

The BCE permits:

- Eating and drinking establish without drive up or drive-through facilities
- Mobile food unit development
- Medical offices
- Retail sales and services uses limited to:
  - child day care center
  - all other retail sales and services uses without drive-up or drive-through facilities
- Light manufacturing uses except:
  - Machine shop
  - Building, heating, plumbing and electrical contractor’s offices with on-site storage of equipment or materials
  - Casting or fabrication of metals
  - Trade or industrial schools where industrial vehicles and equipment are operated
- Warehousing and freight movement uses limited to storage and distribution of goods produced on-site

**BCE ZONE TEXT AMENDMENT**

The proposed development is recommending various text amendments to the industrial land use categories in terms of land uses permitted and size limitations. The text amendment will allow for a mixture of wholesales, warehousing, and light manufacturing uses with a limitation on both warehousing and wholesales of 35% of the gross floor area on a development site allowed outright and a conditional use permit requirement to exceed the 35% limitation for each use.

**TRIP GENERATION**

The *Trip Generation Manual, 11<sup>th</sup> Edition* published by the Institute of Transportation Engineers in 2021, provides trip rates for various land uses. The average trip generation rates were used for the land uses indicated in the tables below, except were indicated differently.

**Existing MP Zoning Trip Generation**

The land uses with the highest trip rates per zone were combined to identify the worst-case trip generation. This combination was restricted by the maximum allowable size of certain land uses based on the development code. Refer to Table 1 for the estimated trip generation for the MP zone.

**Table 1: Estimated Trip Generation for MP zone**

Land Use	ITE Code	Size (sq ft)		AM Peak Hour		PM Peak Hour	
		West Site	East Site	Rate	Trips	Rate	Trips
Eating and Drinking Establishment	933	5,000	5,000	43.18	432	33.21	332
Health and Fitness Facility	492	12,000	12,000	1.31	31	3.45	83
Convenience Store	851	3,000	3,000	62.54	375	49.11	295
Research and Development	760	581,456	451,361	1.03	1,064	0.98	1,012
<b>Total</b>		<b>601,456</b>	<b>471,361</b>	<b>1.74</b>	<b>1,871</b>	<b>1.53</b>	<b>1,639</b>

### Proposed Text Amendment BCE Trip Generation

The land uses with the highest trip rates per zone were combined to identify the worst-case trip generation per zone. This combination was not restricted by the size limitation as that is one of the text amendments proposed. Refer to Table 2 for the estimated trip generation for the text amended BCE zone.

**Table 2: Estimated Trip Generation for the text amended BCE zone – Worst Case**

Land Use	ITE Code	Size (sq ft)		AM Peak Hour		PM Peak Hour	
		West Site	East Site	Rate	Trips	Rate	Trips
Eating and Drinking Establishment	933	5,000	5,000	43.18	432	33.21	332
Health and Fitness Facility	492	5,000	5,000	1.31	13	3.45	35
Medical Office Building <sup>1</sup>	720	10,000	10,000	-	57	-	78
Light Manufacturing	140	377,946	293,385	0.68	457	0.74	497
Wholesales	860	203,510	157,976	0.55	199	1.76	636
Warehousing	150	0	0	0.17	0	0.18	0
<b>Total</b>		<b>601,456</b>	<b>471,361</b>	<b>0.92</b>	<b>984</b>	<b>1.47</b>	<b>1,578</b>

<sup>1</sup>The trip rate equation was used to calculate the trip generation

### Trip Generation Comparison

All the worst-case trip generation options were described above. Comparing the estimated trip generations for the different zonings it can be concluded that the MP will generate the highest number of trips. The text amended BCE will generate 887 fewer trips during the AM peak hour and 61 fewer trips during the PM peak hour compared to the MP zone.

### TRUCK TRIP GENERATION

The expected truck trip generation is based on data obtained from the project team and supplemented by data collected in February 2019 at the 115<sup>th</sup> Street Industrial Park. This data is available in Appendix D. The industrial park land uses are well comparable to the land uses proposed by the Basalt Creek Industrial Park. The truck percentages and estimated truck trips per zoning type is indicated in Table 4.

**Table 4: Estimated Truck Trip Generation**

Land Use	Total AM Peak Hour		Total PM Peak Hour	
	Percentage	Trips	Percentage	Trips
MP Zoning	13%	243 trips	8%	131 trips
Text Amended BCE Zoning – Worst Case		128 trips		126 trips

It was estimated that up to 128 truck trips will be generated in the AM peak hour and 126 truck trips will be generated in the PM peak hour with the BCE text amendment in place. **This is lower than the truck trips generated with the MP zoning.**

**TRIP DISTRIBUTION**

The truck and vehicle distribution patterns will be different based on the trip origins and destinations.

The anticipated weekday AM and PM **vehicular** trip distributions are as follows:

- 35% to the north via SW Grahams Ferry Road to Sherwood – Tualatin South
- 45% to the south via SW Grahams Ferry Road to the I-5 interchange
- 10% to the west via SW Tonquin Road to Sherwood – Tualatin North
- 10% to the west via SW 124<sup>th</sup> Avenue to Pacific Highway W

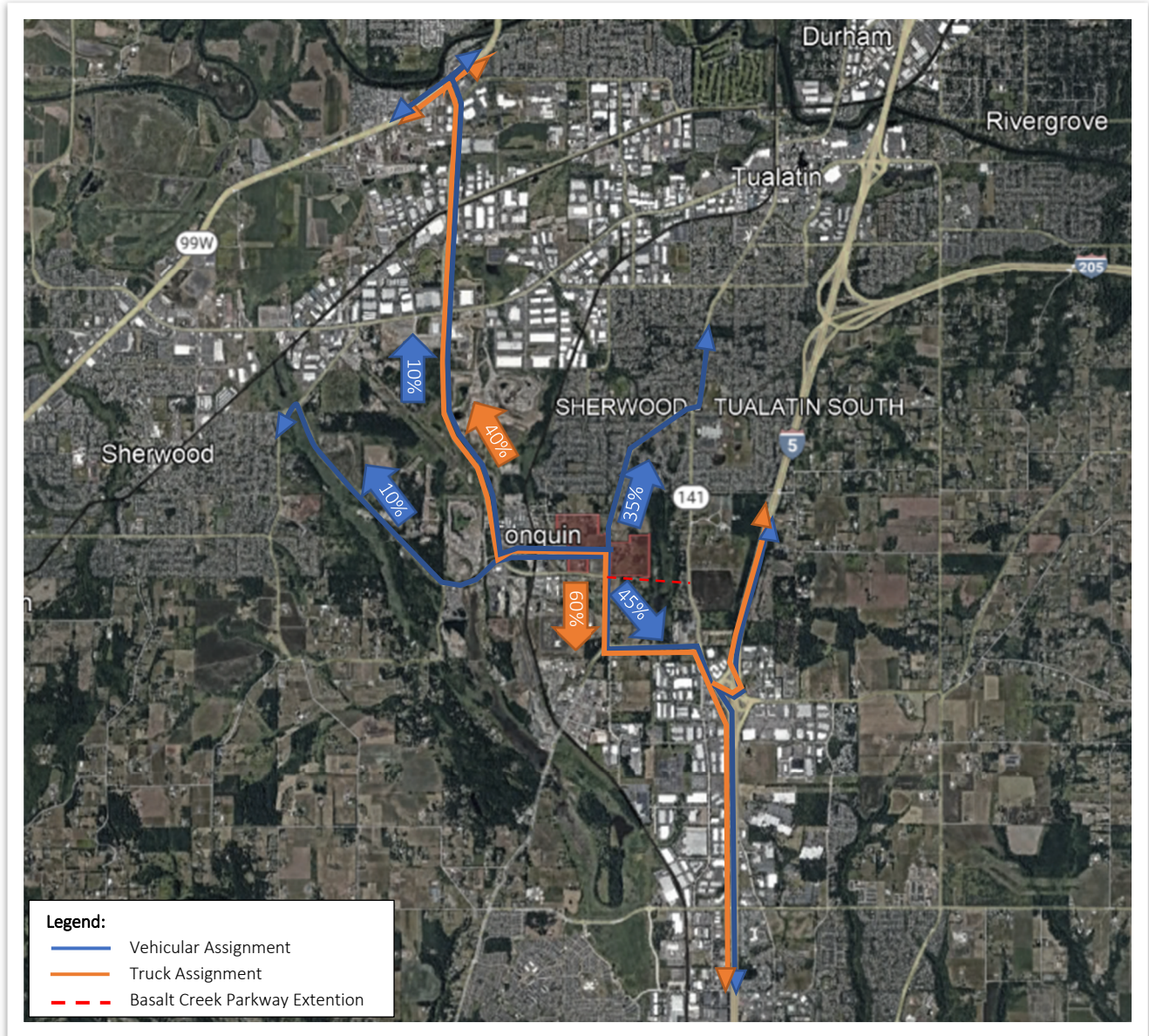
The anticipated weekday AM and PM **truck** trip distributions are as follows:

- 60% southwards via SW Grahams Ferry Road to the I-5 interchange
- 40% westwards via SW 124<sup>th</sup> Avenue to Pacific Highway W

The Basalt Creek Parkway Extension is proposed from Grahams Ferry Road to Boones Ferry Road. This will provide two routes to the I-5 interchange.



Exhibit 2: Trip Distribution



**FINDINGS AND RECOMMENDATION**

After comparing the worst-case trip generation for MP zoning, BCE zoning and BCE text amendment, it was concluded that the MP will generate the highest number of trips. **The BCE text amendment will generate the least number of trips and thus also generate the lowest number of truck trips.**

Please contact us if you have any questions or need further information.

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## Appendix A MP Zoning Extract

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**Appendix B Ordinance 1418-19**

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## Appendix C BCE Draft Zoning

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Appendix D Truck Trip  
Generation Data

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# Basalt Creek Employment Zoning Code

Tualatin Planning Commission  
January 19, 2023



# Introductions

- » Ryan Schera, Steve Roselli, & Rob Mecklenborg, ***Schnitzer Properties***
- » Stu Peterson and Rhys Konrad, ***Macadam Forbes***
- » Dana Krawczuk, ***Stoel Rives***
- » Kristine Connolly & Carla Kleynhaus, ***Kittelson and Associates***
- » Brendan Buckley, ***Johnson Economics***
- » Mimi Doukas, ***AKS Engineering and Forestry***

# Basalt Creek Employment Zoning Code

- » Thank you to Staff and the Planning Commission for continued refinement of the proposed text amendment
  - » Feedback from Stakeholders
  - » Data from Johnson Economics
  - » Data from Kittelson and Associates
- » Support Option B with adjustments to percentages
  - » Alternative “B1”
  - » Minimum of 30% manufacturing
  - » Mix of Warehouse and Wholesale Sales are permitted for the remainder of the site



# Basalt Creek Employment Zoning Code

Scenario B1 Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1 (Permitted as an accessory use to permitted light and/or heavy manufacturing use with size limited to 50% GFA of primary light and/or heavy manufacturing use).</li> <li>• Adds as a Limited primary use:               <ul style="list-style-type: none"> <li>○ <del>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit</del></li> <li>• <u>Subject to a transportation trip analysis showing no net increase in trips during AM or PM peak over 100% manufacturing scenario.</u></li> <li>• <u>Light and/or heavy manufacturing use must comprise a minimum of 30% GFA of the site.</u></li> <li>• <u>No single building may exceed 150,000 square feet in size.</u></li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Adds as a Limited Use:               <ul style="list-style-type: none"> <li>○ Use limited to sales of industrial products primarily sold wholesale to other industrial firms or industrial workers; and</li> <li>○ <del>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit.</del></li> </ul> </li> <li>• <u>Subject to a transportation trip analysis showing no net increase in trips during AM or PM peak over 100% manufacturing scenario.</u></li> <li>• <u>Light and/or heavy manufacturing use must comprise a minimum of 30% GFA of the site.</u></li> <li>• <u>No single building may exceed 150,000 square feet in size.</u></li> </ul>

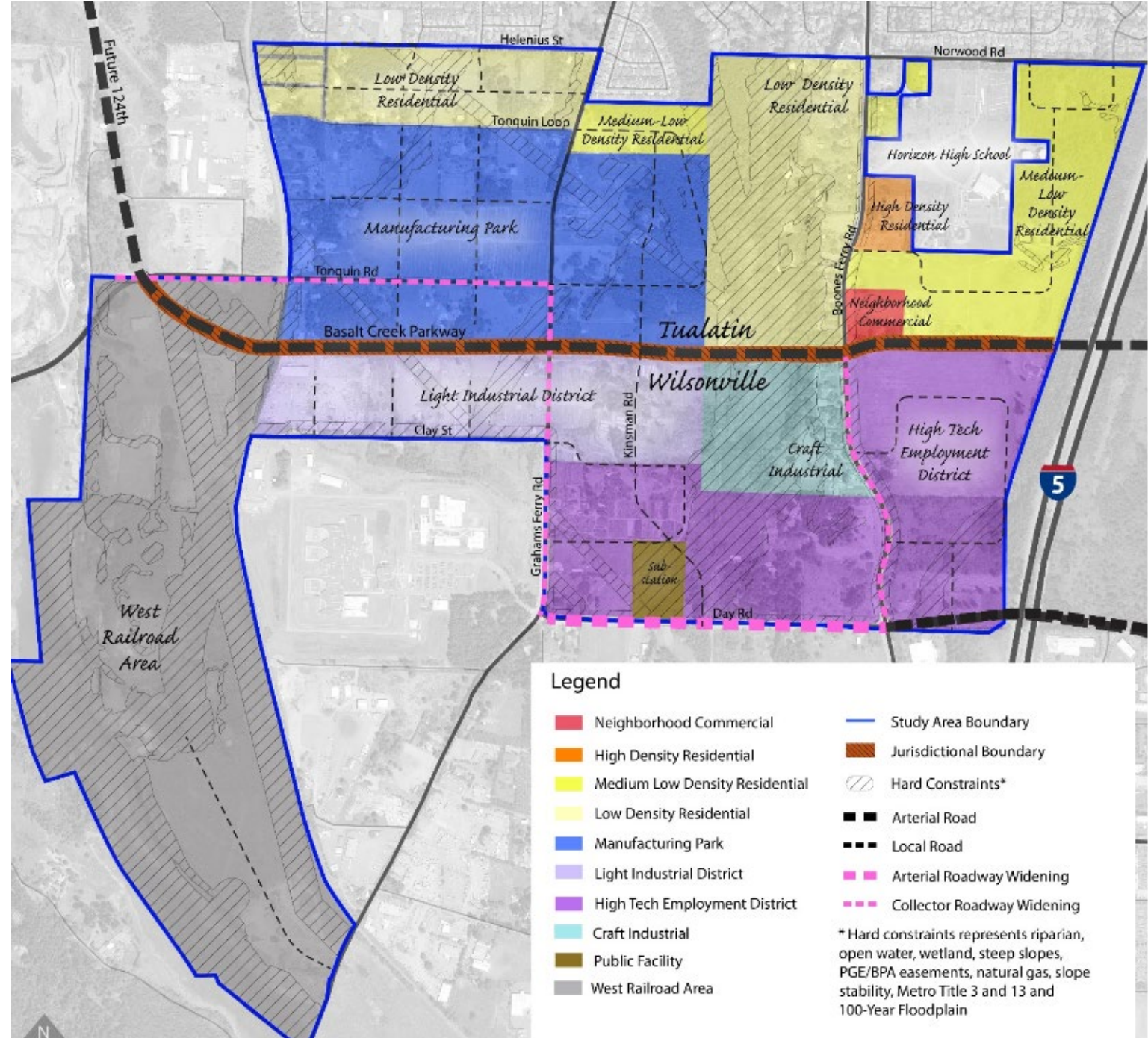
# Basalt Creek Employment Zoning Code

- » We believe the code needs to further accommodate Wholesale and Warehouse uses, not just manufacturing in order to:
  - » Better reflect market trends per the City's economic report by Leland.
  - » Reduce current and future supply constraints on warehouse and wholesale space (Tualatin vacancy at 1.5%).
  - » Reduce rents for users.
  - » Retain current employers that need space to grow and want to stay in Tualatin.
  - » Fund the Urban Renewal Area (URA) via collected property taxes.
  - » Pay back bonds for needed public infrastructure in the URA.

# Basalt Creek Concept Plan



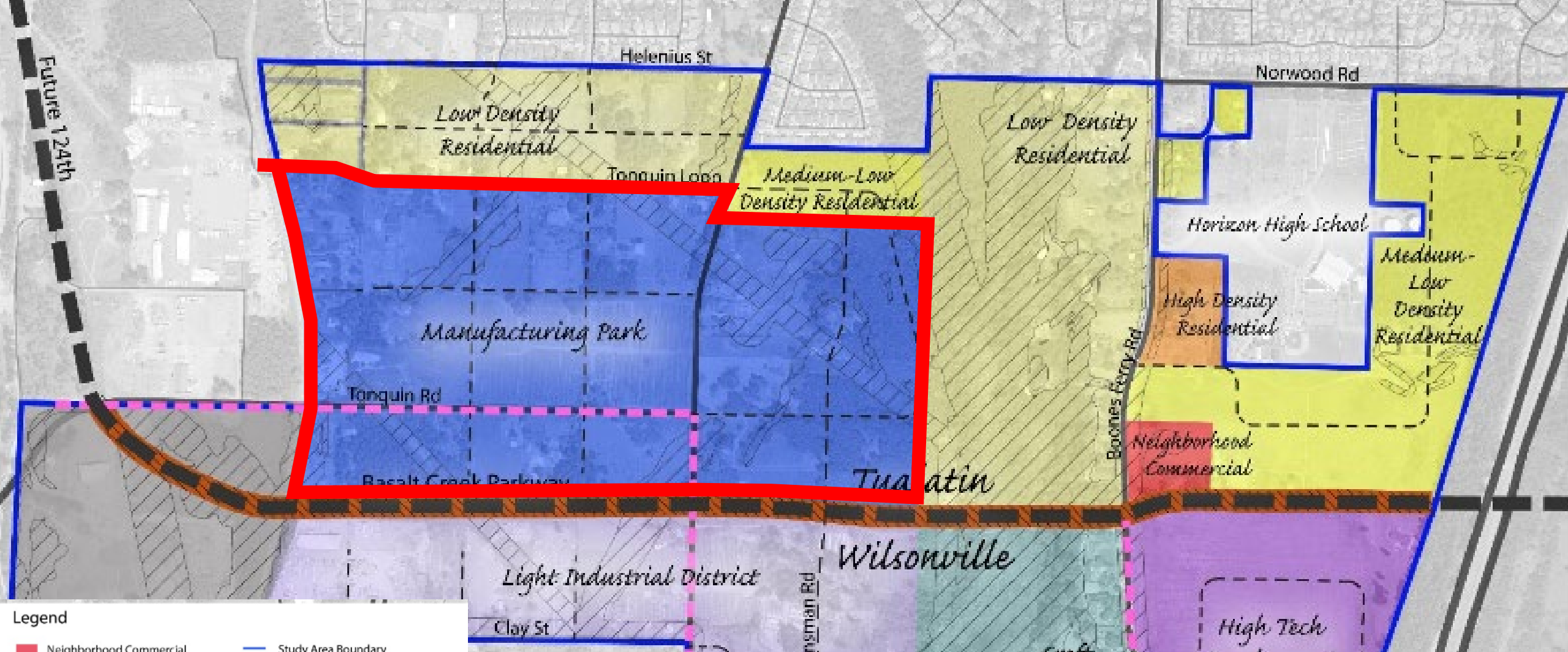
Adopted in 2019



### Legend

Neighborhood Commercial	Study Area Boundary
High Density Residential	Jurisdictional Boundary
Medium Low Density Residential	Hard Constraints*
Low Density Residential	Arterial Road
Manufacturing Park	Local Road
Light Industrial District	Arterial Roadway Widening
High Tech Employment District	Collector Roadway Widening
Craft Industrial	
Public Facility	
West Railroad Area	

\* Hard constraints represents riparian, open water, wetland, steep slopes, PGE/BPA easements, natural gas, slope stability, Metro Title 3 and 13 and 100-Year Floodplain



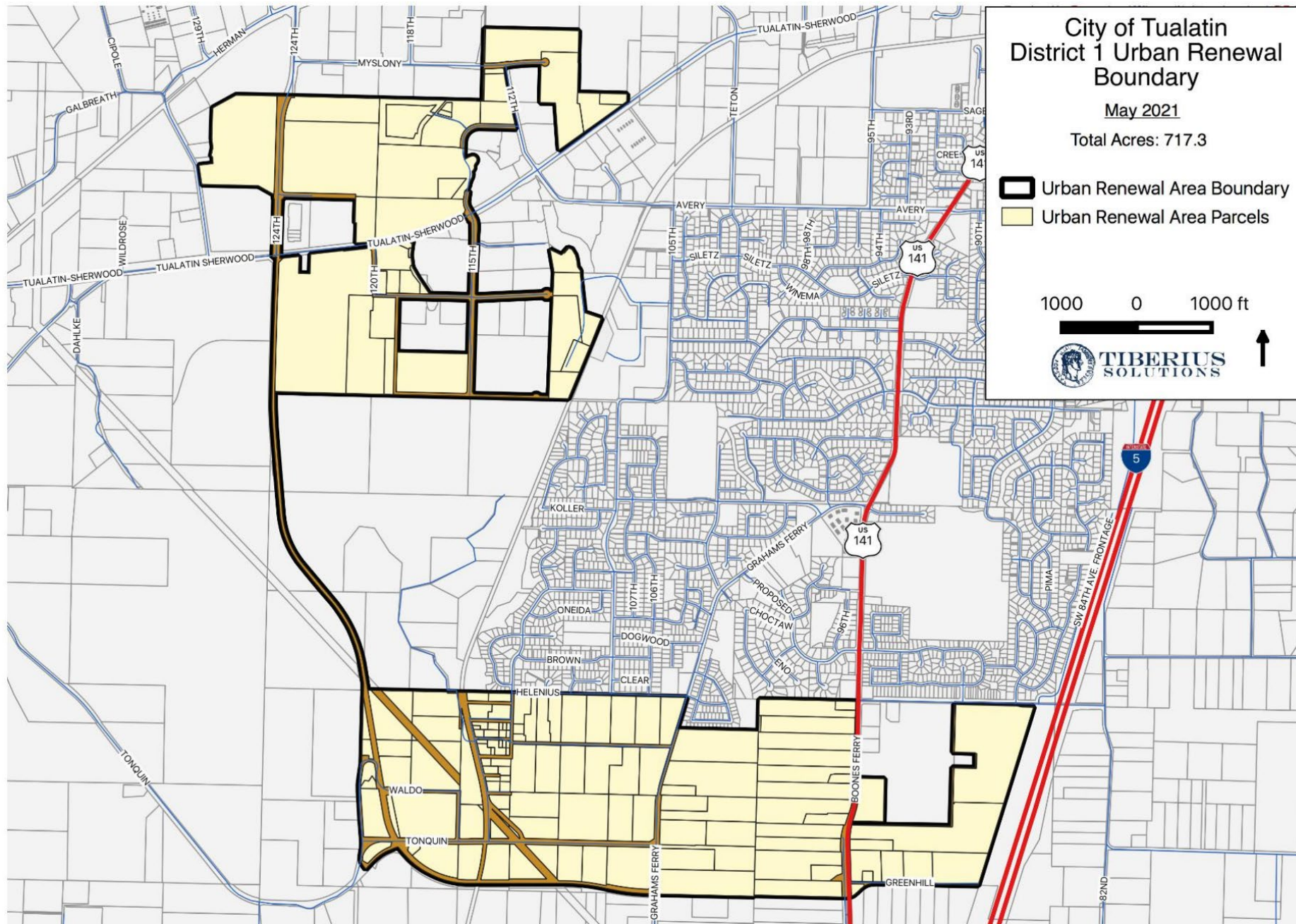
**Legend**

- Neighborhood Commercial
- High Density Residential
- Medium Low Density Residential
- Low Density Residential
- Manufacturing Park
- Light Industrial District
- High Tech Employment District
- Craft Industrial
- Public Facility
- West Railroad Area
- Study Area Boundary
- Jurisdictional Boundary
- Hard Constraints\*
- Arterial Road
- Local Road
- Arterial Roadway Widening
- Collector Roadway Widening

\* Hard constraints represents riparian, open water, wetland, steep slopes, PGE/BPA easements, natural gas, slope stability, Metro Title 3 and 13 and 100-Year Floodplain



Figure 1 – Tualatin Urban Renewal Plan Area Boundary



# What is Flex Industrial Space

- » Flex industrial buildings are, by design, “flexible” in size and amenities allowing for a wide range of manufacturing, warehouse and wholesale uses.
- » Accessory office and/or showroom space commonly accompany the primary use.
- » Smaller in size compared to traditional large industrial buildings.
- » Typically located in an industrial park that is:
  - » Near employee housing/employment base.
  - » Enhanced exterior building and landscape design compared to traditional.
  - » More parking to accommodate increased employee count.



**SITE PLAN - SCHEME-04**

**GENERAL NOTES:**  
 1. PROPERTY LINE BEARINGS AND DISTANCES AS WELL AS SITE AREA CALCULATIONS ARE PROVIDED FOR ZONING AND PERMIT REVIEW ONLY. REAL PROPERTY LEGAL DESCRIPTIONS AND AREA CALCULATIONS ARE TO BE PROVIDED BY A REGISTERED PROFESSIONAL SURVEYOR.

**PLANNING AND ZONING REVIEW:**  
 JURISDICTION: CITY OF TULAMEN, OREGON

**AREA SUMMARY:**

GROUND SITE AREA:	2,034,482 SQFT	46.71 ACRES (±)
CONCRETE AREA:	15,511 SQFT	0.35 ACRES (±)
NET DEVELOPED AREA:	2,018,971 SQFT	46.36 ACRES (±)

BUILDING A:	66,436 SQFT	1.51% COVERAGE
BUILDING B:	70,300 SQFT	3.45% COVERAGE
BUILDING C:	66,200 SQFT	3.25% COVERAGE
BUILDING D:	60,700 SQFT	2.98% COVERAGE
BUILDING E:	77,300 SQFT	3.79% COVERAGE
BUILDING F:	70,300 SQFT	3.45% COVERAGE
BUILDING G:	60,700 SQFT	2.98% COVERAGE
BUILDING H:	66,200 SQFT	3.25% COVERAGE
TOTAL:	577,436 SQFT	28.24% COVERAGE













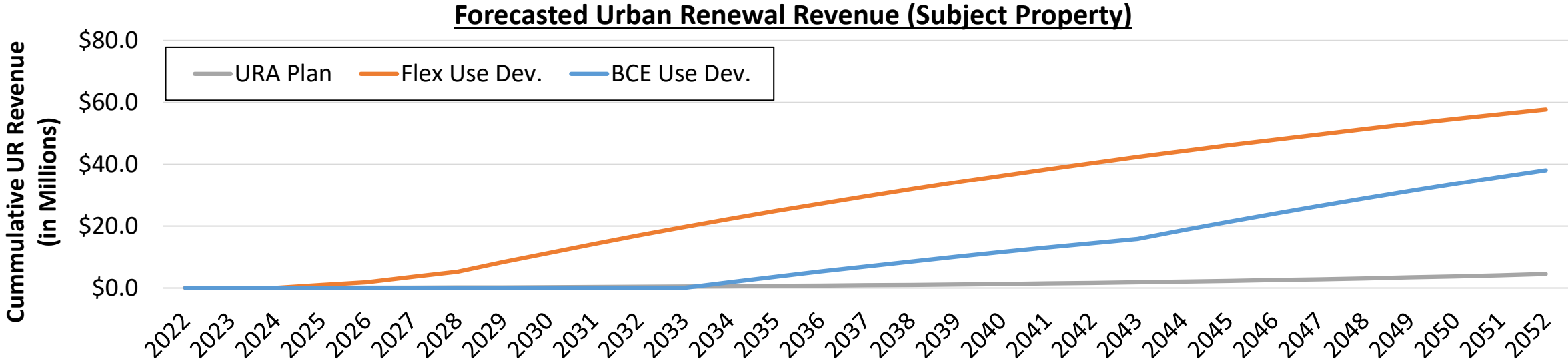
# Market Need for Flex Industrial

## » **High Density Employment**

- » Johnson Economics reviewed impacts of Manufacturing v. Flex Industrial
- » Similar expected job density of 20 jobs per acre
- » Similar wage levels
  
- » Additionally, Johnson found:
  - » Flex industrial would generate a higher tax revenue
  - » Flex industrial would occur faster than limited Manufacturing, resulting in more Tax Increment Financing (TIF) dollars for the URA to fund infrastructure improvements

# Urban Renewal Revenue Forecast

Growth Scenario	30-Year TIF Revenue
Adopted URA Plan (6% growth)	\$4.5 million
Flex Use Development (near-term)	\$57.7 million
BCE Use Development (in 10 years)	\$38.0 million



# Market Trends

## » Market Trends for Manufacturing, Warehouse and Wholesale Sales

### » From the September 2022 Leland Economic Analysis Memo:

**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.

# Market Trends

## » Market Trends for Manufacturing, Warehouse and Wholesale Sales

### » From the September 2022 Leland Economic Analysis Memo:

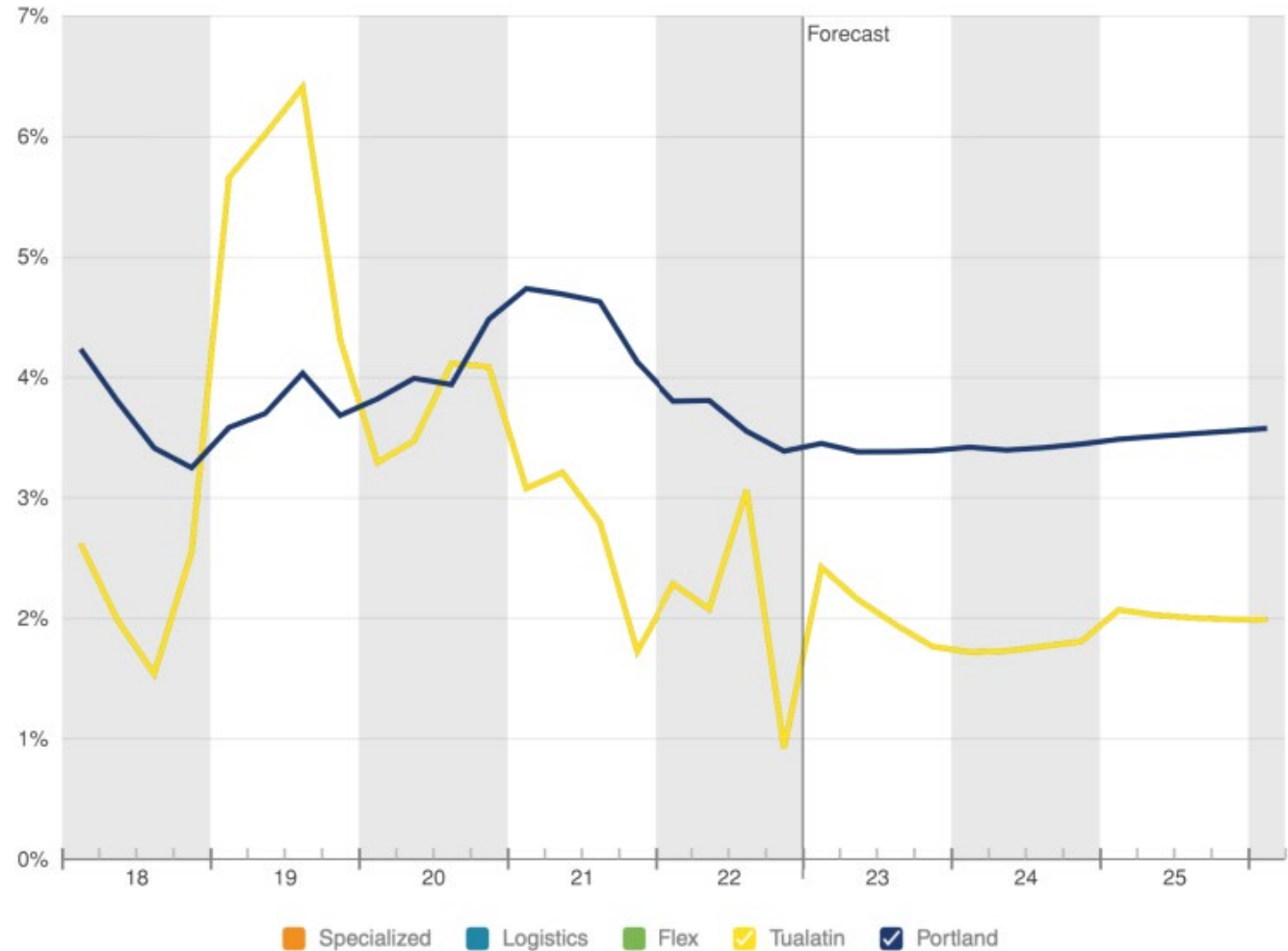
**Recommended Actions.** Specific actions to address the barriers and leverage regional opportunities described in this memorandum include:

- 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.

# Market Trends

## » Low Vacancy and Increased Rents due to low supply/available space

- » Current Vacancy: 1.5%
- » Rents: increase with limited vacancy.





# Market Trends

## » Industrial Trends and Market Analysis

- » City study: manufacturing growing more slowly than other sectors
- » City study: recommends broader range of allowed uses including flex, warehouse and wholesale.
- » Flex Use can meet employment density and high wage targets
- » Likely to happen sooner vs. speculative manufacturer recruitment

# Transportation Review of Flex Industrial

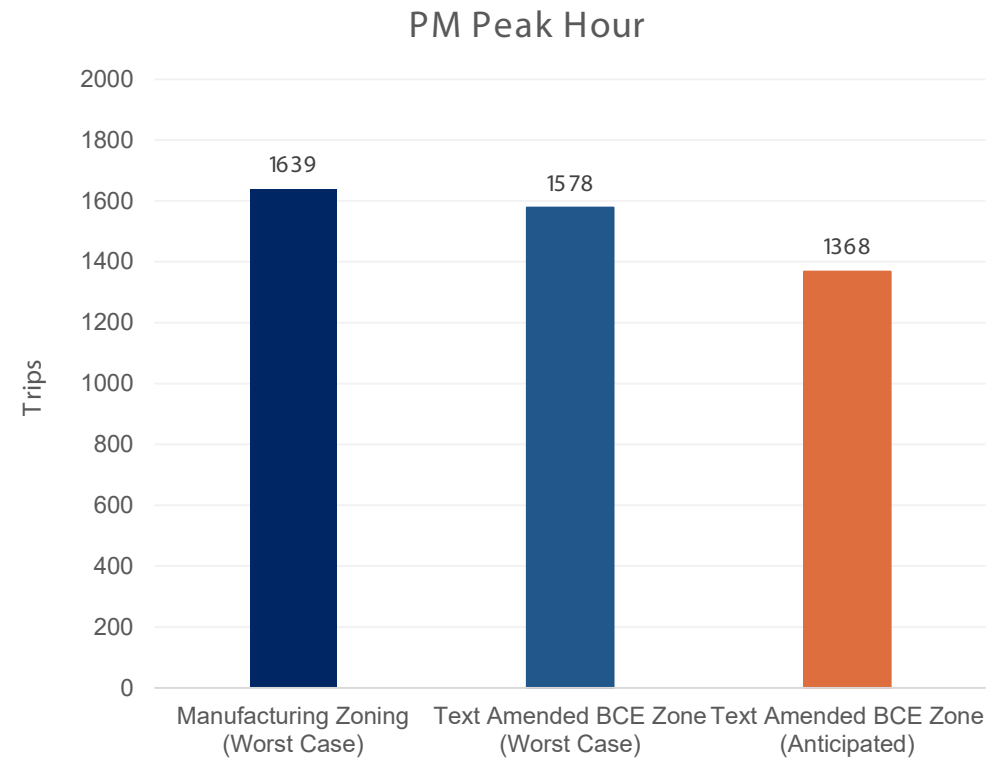
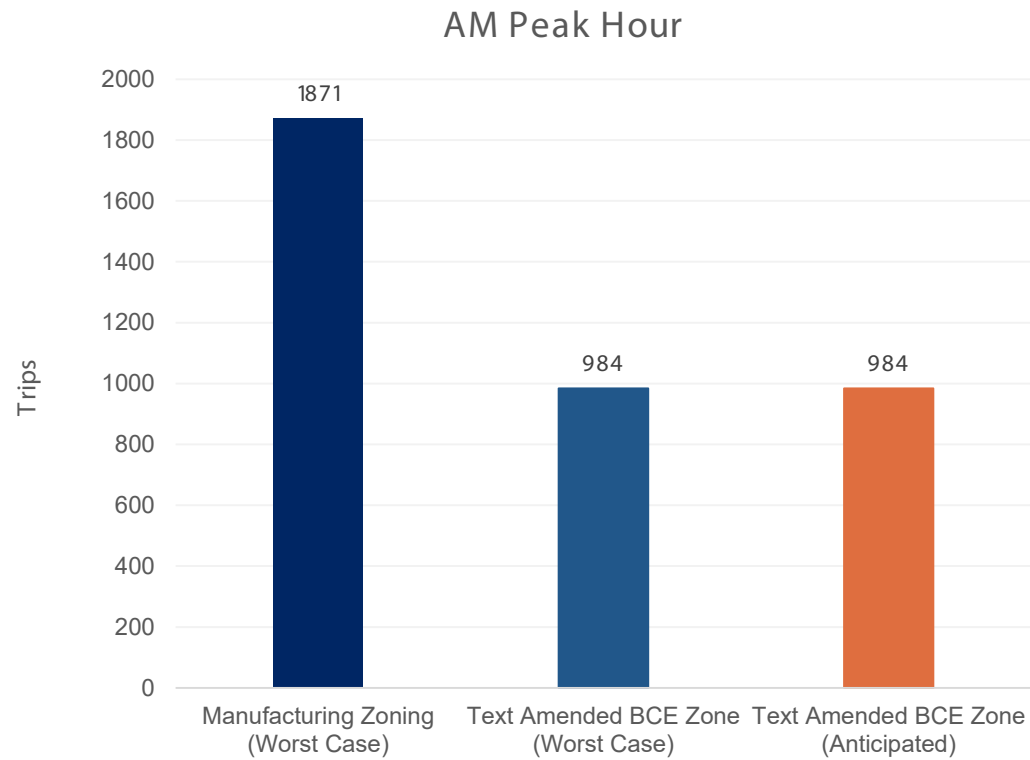
## » **Key Transportation Findings**

- » Proposed amendment reduces peak hour vehicle trips (compared to existing code)
- » Flex scenario results in fewer total trips and fewer truck trips
- » Majority of site vehicle trips to/from I-5 (vs. residential areas to north)
- » Development will be required to construct additional roadway infrastructure and other public infrastructure (sewer, water, storm)
- » Urban Renewal District can construct additional improvements if funded through timely development

# Transportation Review of Flex Industrial

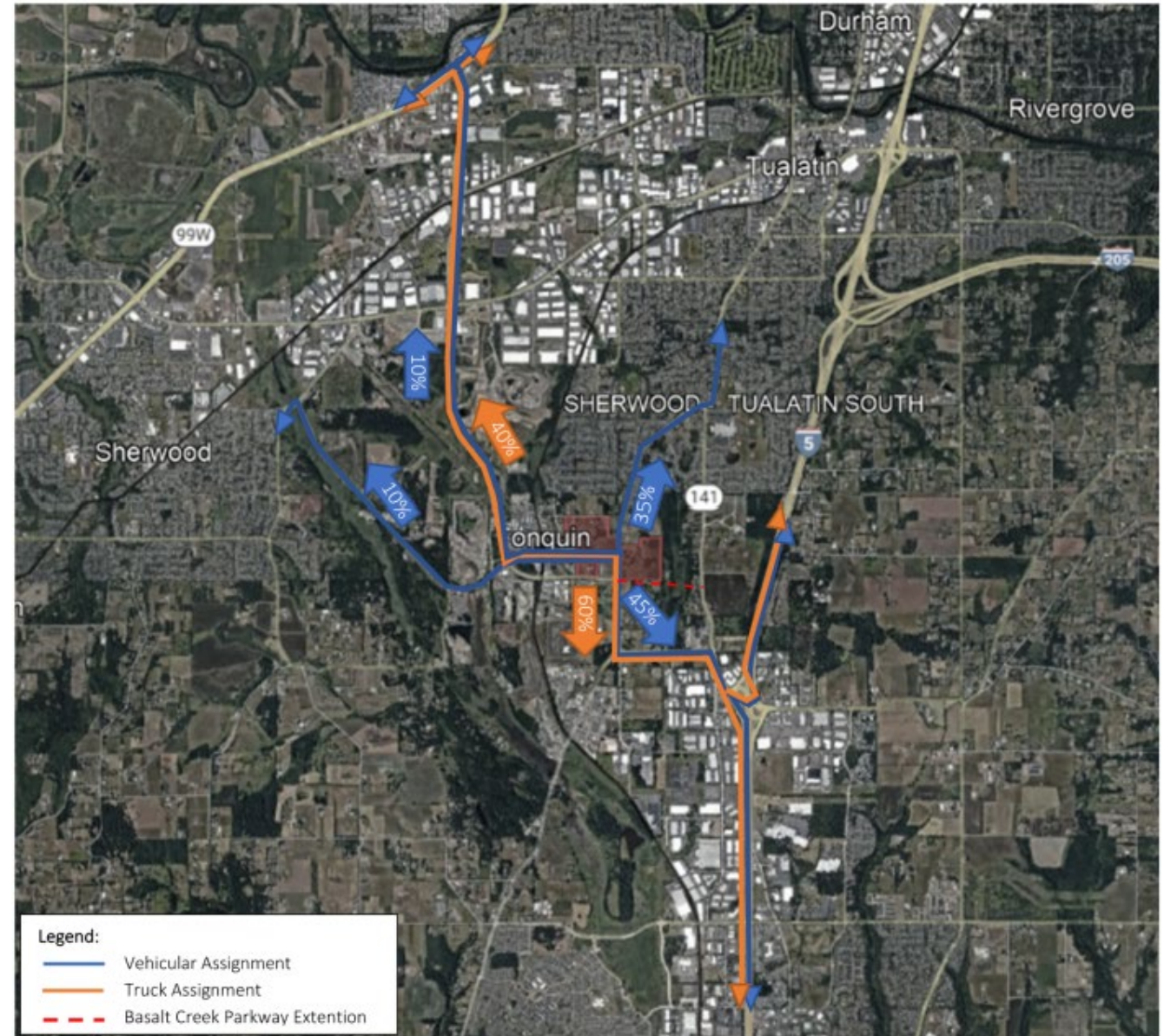
## » Transportation Impacts

### » Peak Hour Trip Comparison of Scenario C



# Transportation Review of Flex Industrial

- » Transportation Impacts
  - » Trip Distribution



# Basalt Creek Employment Zoning Code

» We request that the Planning Commission recommend modified Option B1 to the City Council:

Scenario B1 Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1 (Permitted as an accessory use to permitted light and/or heavy manufacturing use with size limited to 50% GFA of primary light and/or heavy manufacturing use).</li> <li>• Adds as a Limited primary use:               <ul style="list-style-type: none"> <li>○ <u>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit.</u></li> <li>• <u>Subject to a transportation trip analysis showing no net increase in trips during AM or PM peak over 100% manufacturing scenario.</u></li> <li>• <u>Light and/or heavy manufacturing use must comprise a minimum of 30% GFA of the site.</u></li> <li>• <u>No single building may exceed 150,000 square feet in size.</u></li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Adds as a Limited Use:               <ul style="list-style-type: none"> <li>○ Use limited to sales of industrial products primarily sold wholesale to other industrial firms or industrial workers; and</li> <li>○ <u>Size limited to 25% or 25,000 SF of GFA within an individual building. More than one building on a site may meet this limit.</u></li> </ul> </li> <li>• <u>Subject to a transportation trip analysis showing no net increase in trips during AM or PM peak over 100% manufacturing scenario.</u></li> <li>• <u>Light and/or heavy manufacturing use must comprise a minimum of 30% GFA of the site.</u></li> <li>• <u>No single building may exceed 150,000 square feet in size.</u></li> </ul>

# Thank you. Questions?

Ryan Schera

**Schnitzer Properties**

Mimi Doukas

**AKS Engineering & Forestry, LLC**





# Basalt Creek Employment Zoning Code

» Option C1 Alternative:

Scenario <a href="#">BC1</a> Summary	
<b>Heavy Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Light Manufacturing</b>	<ul style="list-style-type: none"> <li>• Same as Scenario A1</li> </ul>
<b>Warehousing</b>	<ul style="list-style-type: none"> <li>• Permitted as an accessory use to permitted light and/or heavy manufacturing use               <ul style="list-style-type: none"> <li>• Size limited to 50% GFA of primary light and/or heavy manufacturing use</li> </ul> </li> <li>• Permitted as a primary use for contiguous development sites over 10 acres except:               <ul style="list-style-type: none"> <li>○ <a href="#">Together, Warehousing and Wholesale Sales uses may</a><del>May</del> not exceed <del>35%</del><a href="#">70%</a> of the total building square footage on the site.</li> <li>○ No single building may exceed 150,000 square feet in size.</li> <li>○ More than one building on a site may meet this limit.</li> <li>○ Parcels comprising a contiguous site may be separated by a road/right-of-way.</li> </ul> </li> </ul>
<b>Wholesale Sales</b>	<ul style="list-style-type: none"> <li>• Use limited to sales of industrial products primarily sold wholesale to other industrial firms or industrial workers for contiguous development sites over 10 acres, and:               <ul style="list-style-type: none"> <li>○ <a href="#">Together, Warehousing and Wholesale Sales uses may</a><del>May</del> not exceed <del>35%</del><a href="#">70%</a> of the total building square footage on the site.</li> <li>○ No single building may exceed 150,000 square feet in size.</li> <li>○ More than one building on a site may meet this limit.</li> <li>○ Parcels comprising a contiguous site may be separated by a road/right-of-way.</li> </ul> </li> </ul>