



CITY COUNCIL AGENDA

June 02, 2025 at 7:00 PM

Wilsonville City Hall & Remote Video Conferencing

PARTICIPANTS MAY ATTEND THE MEETING AT:

City Hall, 29799 SW Town Center Loop East, Wilsonville, Oregon

YouTube: <https://youtube.com/c/cityofwilsonvilleor>

Zoom: <https://us02web.zoom.us/j/81536056468>

TO PARTICIPATE REMOTELY OR PROVIDE PUBLIC COMMENT:

Register with the City Recorder:

CityRecorder@wilsonvilleoregon.gov or 503-570-1506

Individuals may submit comments online at: <https://www.wilsonvilleoregon.gov/SpeakerCard>,
via email to the address above, or may mail written comments to:

City Recorder - Wilsonville City Hall

29799 SW Town Center Loop East, Wilsonville, OR 97070

CITY COUNCIL MISSION STATEMENT

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

REVIEW OF AGENDA AND ITEMS ON CONSENT [5:00 PM]

COUNCILORS' CONCERNS [5:05 PM]

PRE-COUNCIL WORK SESSION [5:10 PM]

- A. [Sewer & Storm System Development Charge Update \(Wiegel/Katko\) \[40 min.\]](#)
- B. [Wilsonville Industrial Land Readiness \(Basalt Creek\) \(Pauly/Luxhoj\) \[30 min.\]](#)

ADJOURN [6:20 PM] - Break to switch Zoom accounts [5 min.]

EXECUTIVE SESSION [6:25 PM]

ORS 192.660(2)(h) Legal Counsel/Litigation

ADJOURN [6:55 PM]

CITY COUNCIL MEETING

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, June 2, 2025 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10:00 a.m. on May 20, 2025. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered there with except where a time limit for filing has been fixed.

CALL TO ORDER [7:00 PM]

1. Roll Call
2. Pledge of Allegiance
3. Motion to approve the following order of the agenda.

MAYOR'S BUSINESS [7:05 PM]

4. Upcoming Meetings

COMMUNICATIONS [7:10 PM]

5. [heARTs of Wilsonville: Many Cultures, One Heart Public Art Project Update \(Valentine\) \[15 min.\]](#)

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS [7:25 PM]

This is an opportunity for visitors to address the City Council on any matter concerning City's Business or any matter over which the Council has control. It is also the time to address items not on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizen input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

COUNCILOR COMMENTS, LIAISON REPORTS AND MEETING ANNOUNCEMENTS [7:40 PM]

6. Council President Berry
7. Councilor Dunwell
8. Councilor Cunningham
9. Councilor Shevlin

CONSENT AGENDA [8:00 PM]

10. [Resolution No. 3196](#)

[A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Construction Contract With VSS International, Inc For The Fiscal Year \(FY\) 2026 Slurry Seal Project \(Capital Improvement Project 4014\). \(Rauthause\)](#)

11. [Minutes of the May 5, 2025 City Council Meeting. \(City Recorder\)](#)
12. [Minutes of the May 19, 2025 City Council Meeting. \(City Recorder\)](#)

NEW BUSINESS [8:05 PM]

CONTINUING BUSINESS [8:05 PM]

PUBLIC HEARING [8:05 PM]

13. [**Ordinance No. 898**](#)

[An Ordinance Of The City Of Wilsonville Adopting The 2025-2045 Housing Needs And Capacity Analysis As A Sub-Element Of The Comprehensive Plan And Related Comprehensive Plan Text Amendments. \(Rybold\)](#)

14. [**Resolution No. 3203**](#) *(Legislative Hearing)*

[A Resolution Of The City Of Wilsonville Adopting The Housing Production Strategy. \(Rybold\)](#)

15. [**Resolution No. 3198**](#)

[A Resolution Declaring The City's Eligibility To Receive State Shared Revenues. \(Smith\)](#)

16. [**Resolution No. 3199**](#)

[A Resolution Declaring The City's Election To Receive State Shared Revenues. \(Smith\)](#)

17. [**Resolution No. 3200**](#)

[A Resolution Of The City Of Wilsonville Adopting The Budget, Making Appropriations, Declaring The Ad Valorem Tax Levy, And Classifying The Levy As Provided By ORS 310.060\(2\) For Fiscal Year 2025-26. \(Smith\)](#)

18. [**Resolution No. 3201**](#)

[A Resolution Of The City Of Wilsonville Authorizing A Supplemental Budget Adjustment For Fiscal Year 2024-25. \(Smith\)](#)

CITY MANAGER'S BUSINESS [8:45 PM]

LEGAL BUSINESS [8:50 PM]

ADJOURN [8:55 PM]

**AN EXECUTIVE SESSION MEETING WILL
IMMEDIATELY FOLLOW THE WORK SESSION CITY COUNCIL MEETING**

**AN URBAN RENEWAL AGENCY MEETING WILL
IMMEDIATELY FOLLOW THE CITY COUNCIL MEETING**

Time frames for agenda items are not time certain (i.e. agenda items may be considered earlier than indicated). The City will endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting by contacting Kimberly Veliz at CityRecorder@wilsonvilleoregon.gov or 503-570-1506: assistive listening devices (ALD), sign language interpreter, and/or bilingual interpreter. Those who need accessibility assistance can contact the City by phone through the Federal Information Relay Service at 1-800-877-8339 for TTY/Voice communication.

Habr   int  rpretes disponibles para aqu  llas personas que no hablan Ingl  s, previo acuerdo. Comun  quese al 503-570-1506.



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025		Subject: Sewer & Storm System Development Charge Update Staff Member: Zach Weigel, P.E., City Engineer Keith Katko, Finance Director Department: Community Development and Finance	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: N/A			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input checked="" type="checkbox"/> Adopted Master Plan(s): 2015 Wastewater Collection System Master Plan, 2023 Wastewater Treatment Plant Master Plan, 2024 Stormwater Master Plan		<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Staff will provide a briefing on the updated sewer and storm System Development Charge (SDC) and discuss next steps.

EXECUTIVE SUMMARY:

System Development Charges (SDCs) are one-time charges assessed on development at the time of building permit issuance. The SDC fees pay for expansion and extension of utility infrastructure that is needed to accommodate future growth. Growth-related infrastructure improvements include upsizing pipelines, expansion of pumping and treatment facilities, and extension of pipelines to serve new development areas. The SDC fee provides a mechanism for which new growth pays for its fair share of infrastructure costs rather than existing taxpayers or utility ratepayers, ensuring “growth pays for growth.”

The SDC calculation consists of three components. The Reimbursement Fee represents developer reimbursement of previous City investment in stormwater and sewer capacity that is being used by the development. The Improvement Fee represents the cost of planned capacity increasing infrastructure that serves future growth. The SDC calculation also includes a nominal Compliance Fee for the costs associated with implementing the SDC program.

The City of Wilsonville’s stormwater SDC was last updated in April 2012 by Resolution No. 2353. The adopted resolution included an implementation schedule per Equivalent Residential Unit (ERU) as follows:

2012 Stormwater SDC Implementation Schedule

Date	Improvement Fee	Reimbursement Fee	Total Fee
2012	\$620	\$160	\$780
2013	\$748	\$320	\$1,068
2014	\$876	\$480	\$1,356

The Stormwater SDC is indexed for inflation on an annual basis and updated every July 1. The current total Stormwater SDC fee is \$2,432 per ERU.

In April 2006, the Sewer SDC was last updated by Resolution No. 1987, establishing a total sewer SDC of \$4,068 per ERU. Like the Stormwater SDC, the Sewer SDC is indexed for inflation on an annual basis. Currently, the total Sewer SDC is \$7,102 per ERU. Both the Stormwater and Sewer SDC are scheduled for a 0.4% annual inflation increase planned for July 1, 2025.

On January 18, 2024, City Council adopted the 2023 Wastewater Treatment Plant Master Plan (Ordinance No. 888). Also, the 2024 Stormwater Master Plan was adopted by City Council on April 1, 2024 (Ordinance No. 890). Adoption of both Master Plan documents included new Capital Improvement Project (CIP) lists, which consist of utility improvements that will be needed over the next twenty years to meet projected growth, operation and maintenance needs, and regulatory requirements. Both Master Plan documents identify the projects or portions of projects that are needed to support anticipated growth within Wilsonville.

With the updated twenty-year project list, review of the stormwater and sewer SDC is necessary to ensure development is paying its share of needed infrastructure costs. Beginning in July 2024, the City entered into a Professional Services Agreement with FCS Group to perform a sewer and storm rate and SDC fee study that will result in a recommended update to the sewer and storm utility rate and SDC fee. FCS Group has completed the stormwater and sewer SDC analysis and has determined the maximum defensible SDC for each utility as follows:

Stormwater SDC

SDC Type	Fee per ERU
Improvement Fee	\$1,636
Reimbursement Fee	\$1,884
Compliance Fee	\$12
Total	\$3,532
Increase	\$1,100

Sewer SDC

SDC Type	Fee per ERU
Improvement Fee	\$14,745.11
Reimbursement Fee	\$2,569.36
Compliance Fee	\$7.12
Total	\$17,321.58
Increase	\$10,219.56

The project team would like to answer any questions from City Council and receive feedback prior to issuing the 90-day notice, as required by Oregon law, prior to the first public hearing for adoption of a SDC methodology. Once the 90-day notice is issued, the project team will make the proposed SDC methodology available for public review and schedule stakeholder meetings with interested parties.

EXPECTED RESULTS:

The updated stormwater and sewer SDC fee will provide the estimated funding required for completing the infrastructure projects needed to accommodate future growth within Wilsonville. The recommended SDC fees will ensure that growth will pay for its share of infrastructure costs rather than existing taxpayers and utility ratepayers.

TIMELINE:

Final utility rate and SDC adoption are anticipated for the third quarter of 2025.

CURRENT YEAR BUDGET IMPACTS:

The consultant work is included in the current CIP budget. Funds not spent in the Fiscal Year (FY) 2024-25 budget will be rolled over to the FY2025-26 fiscal year to ensure adequate funds are available for the completion of this work.

COMMUNITY INVOLVEMENT PROCESS:

Prior to adoption of a final utility rate and SDC fee schedule, the project team will be holding a virtual open house with interested community members, stakeholder meetings with the Home Builders Association and local developers, and coordination with top ten industrial users for their input into rate and fee analysis. Prior to any rate or fee increase becoming effective, articles will be printed in the Boones Ferry Messenger, flyers included in the monthly utility bills, and information provided on the City's website.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The updated utility rate and SDC fee will provide the funding necessary to support planned growth, maintain existing utility assets, and meet regulatory requirements, helping to maintain a financially sound sewer and storm utility program.

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

N/A

ATTACHMENT:

1. Wilsonville Stormwater and Sewer SDC Update Slide Deck



Wilsonville Sewer and Stormwater System Development Charges



June 2, 2025



Agenda

- **System Development Charge:** A one-time fee paid at the time of development to collect the cost of capacity for growth.
- Results shown today will be the maximum defensible system development charges



Methodology



Existing and planned capacity of each system



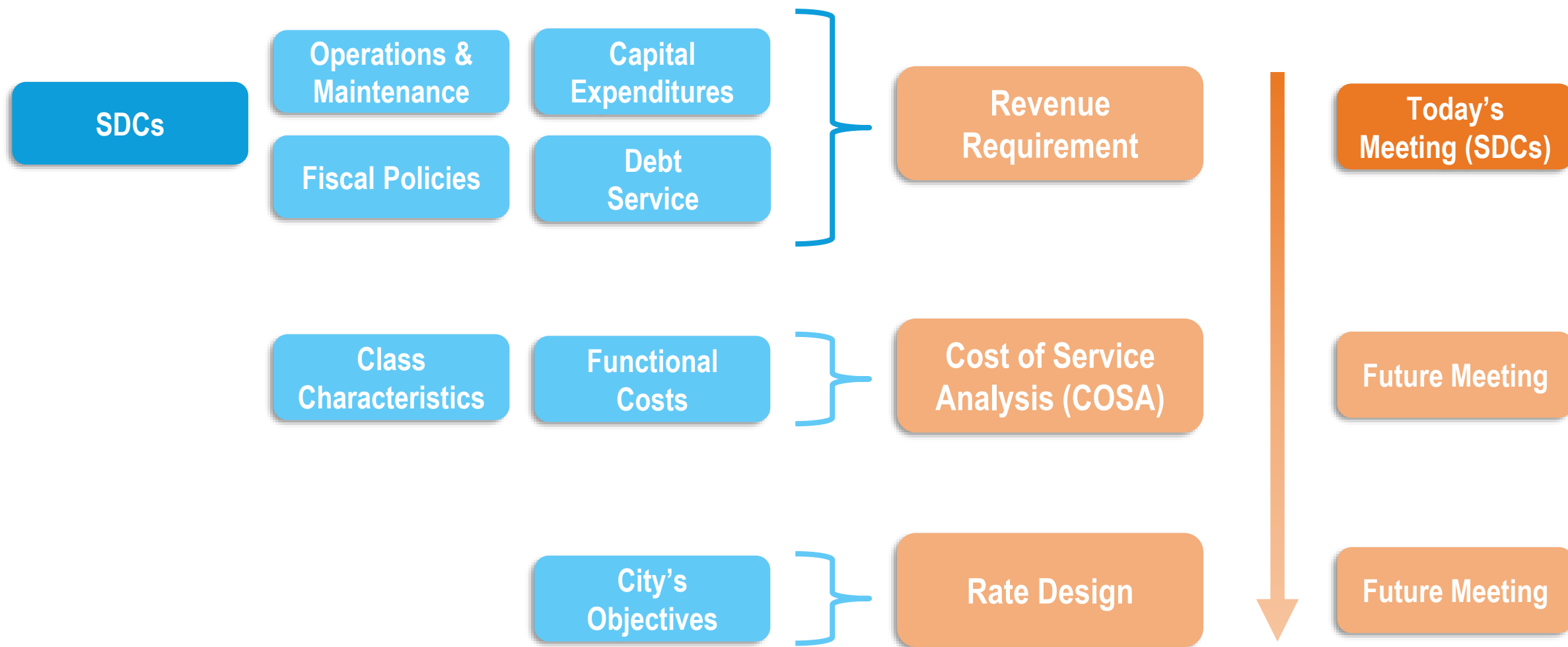
Eligible cost of the project lists and existing systems



Feedback / tweaks welcome



Rate Study Overview





Key Characteristics of SDCs

Item A.

SDCs are one-time charges, not ongoing rates. Paid at the time of development.

SDCs are available for water, wastewater, stormwater, transportation, and parks.

SDCs are for capital only, in both their calculation and in their use.

SDCs include both existing and future (planned) infrastructure cost components.

SDCs are for “system” facilities, not “local” facilities.



Legal Framework for SDCs

Item A.

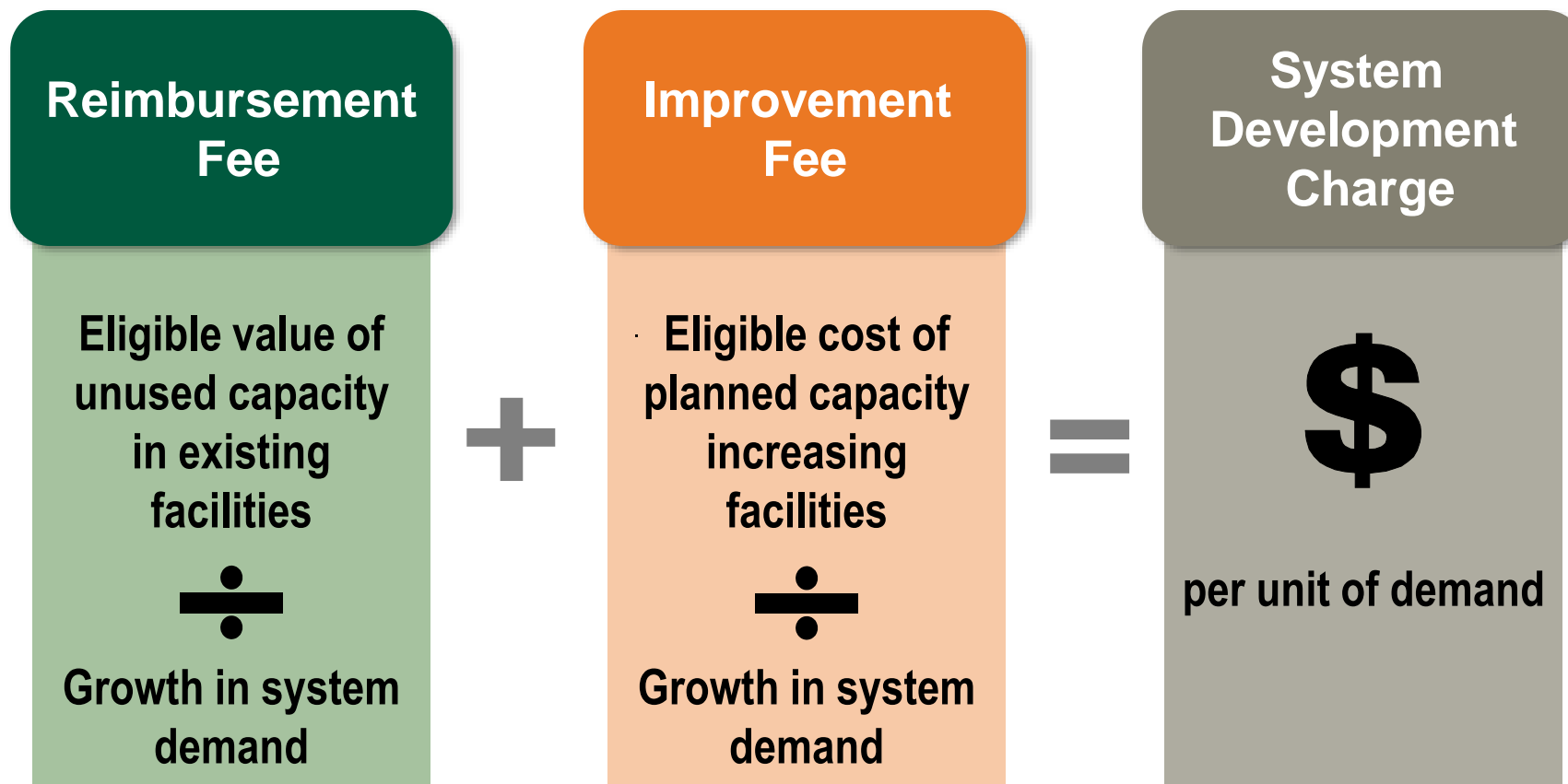
ORS 223.297 - 316, known as *the SDC Act*, provides “a uniform framework for the imposition of system development charges by governmental units” and establishes “that the charges may be used only for capital improvements.”





The SDC Calculation

Item A.

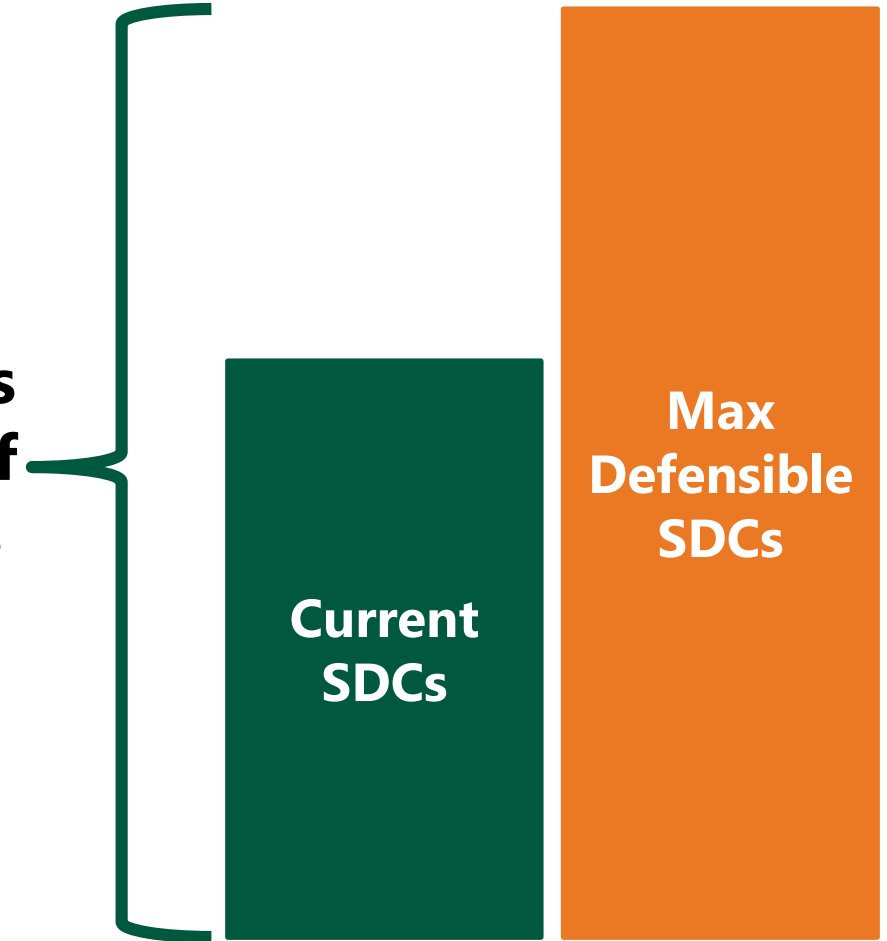




Methodology Goals

- Calculations are intended to set the maximum defensible SDCs
- Council can adopt anything up to that maximum for any reason

**Council's
Range of
Options**



Item A.



Stormwater SDC



Calculated Stormwater SDC

Item A.

Calculated SDC	
Improvement Fee Cost Basis	\$ 14,979,904
Outstanding Improvement Fee Fund Balance	(2,309,441)
Reimbursement Fee Cost Basis	14,594,801
Compliance Costs	90,520
Total	\$ 27,355,784
Growth in EDUs	7,745
Improvement Fee per EDU	\$1,636
Reimbursement Fee per EDU	\$1,884
Compliance Fee per EDU	\$12
Total SDC per EDU (2,750 Sq. Ft.)	\$3,532



Growth in Stormwater EDUs

	2024	2043	CAGR	Growth (2024-2043)	Growth Share
Impervious Acres	2,881	3,785	1.45%	905	23.90%
Billable EDUs	24,663	32,408	1.45%	7,745	23.90%

Source: *Stormwater Master Plan, Appendix B, Attachment B (growth in impervious acres); City customer billing data (billable EDUs)*

- Based on the City's planned growth in impervious acres, the number of billable stormwater equivalent dwelling units (EDUs) will increase by 7,745



Stormwater Improvement Fee Cost Basis

Item A.

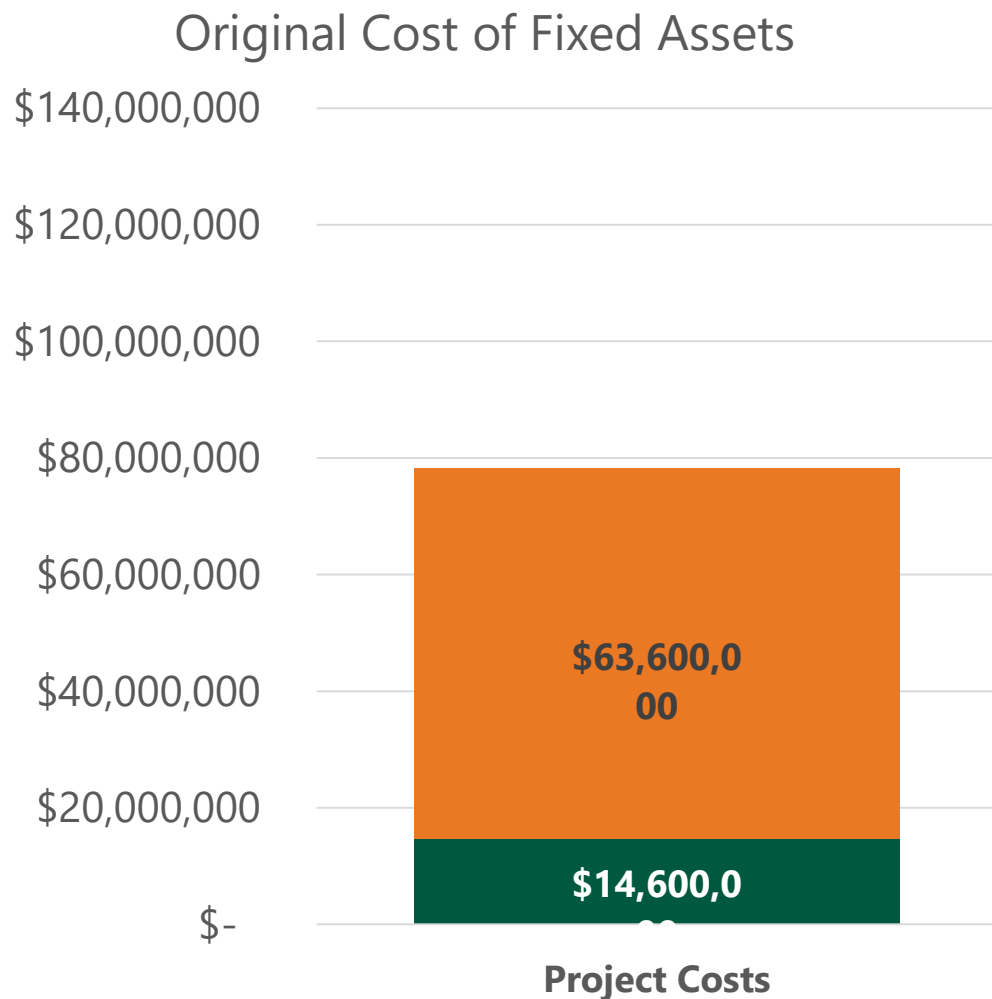


- Most of the City's stormwater project list is for the rehabilitation and repair of deficient assets
- Only about \$15 million (13% of the project list total) is for capacity for growth



Stormwater Reimbursement Fee Cost Basis

Item A.



- Most of the City's stormwater fixed asset list is not recoverable in the SDC
- Only about \$14.6 million (19% of the fixed asset list total) represents available capacity for growth



Calculated Stormwater SDC

Item A.

Calculated SDC	
Improvement Fee Cost Basis	\$ 14,979,904
Outstanding Improvement Fee Fund Balance	(2,309,441)
Reimbursement Fee Cost Basis	14,594,801
Compliance Costs	90,520
Total	\$ 27,355,784
Growth in EDUs	7,745
Improvement Fee per EDU	\$1,636
Reimbursement Fee per EDU	\$1,884
Compliance Fee per EDU	\$12
Total SDC per EDU (2,750 Sq. Ft.)	\$3,532

Sewer SDC





Calculated Sewer SDC (MCE Method)

Calculated Cost Bases	Full SDC
Improvement Fee Cost Basis	\$ 98,744,256
Outstanding Improvement Fee Fund Balance	(550,583)
Reimbursement Fee Cost Basis	16,793,844
Compliance Costs	45,260
Total	\$ 115,032,777

Calculated SDC (MCE Method)	Full SDC
Improvement Fee per MCE	\$14,745.11
Reimbursement Fee per MCE	\$2,569.36
Compliance Fee per MCE	\$7.12
Total SDC per MCE	\$17,321.58

MCE = meter-capacity equivalent



Sewer SDC Capacity

- Unlike stormwater, where capacity was measured in one metric (EDUs), sewer has four measures of capacity:
 - » **Collection (Flow)** – Measured in average dry weather flow
 - » **Treatment (Flow)** – Measured in peak hourly flow
 - » **Treatment (BOD)** – Measured in maximum month pounds per day
 - » **Treatment (TSS)** – Measured in maximum month pounds per day
- Measuring capacity in four different ways allows the City to charge high-strength customers



Sewer Capacity

Loadings	Collection (Flow)	Treatment (Flow)	Treatment (BOD)	Treatment (TSS)
Units	ADWF mgd	PHF mgd	MM ppd	MM ppd
2020 Loadings	1.91	8.79	10,685	8,906
2025 Loadings (Estimated)	2.24	10.10	12,379	10,265
2045 Loadings	4.20	17.60	22,301	18,116
Growth Rate	3.20%	2.82%	2.99%	2.88%

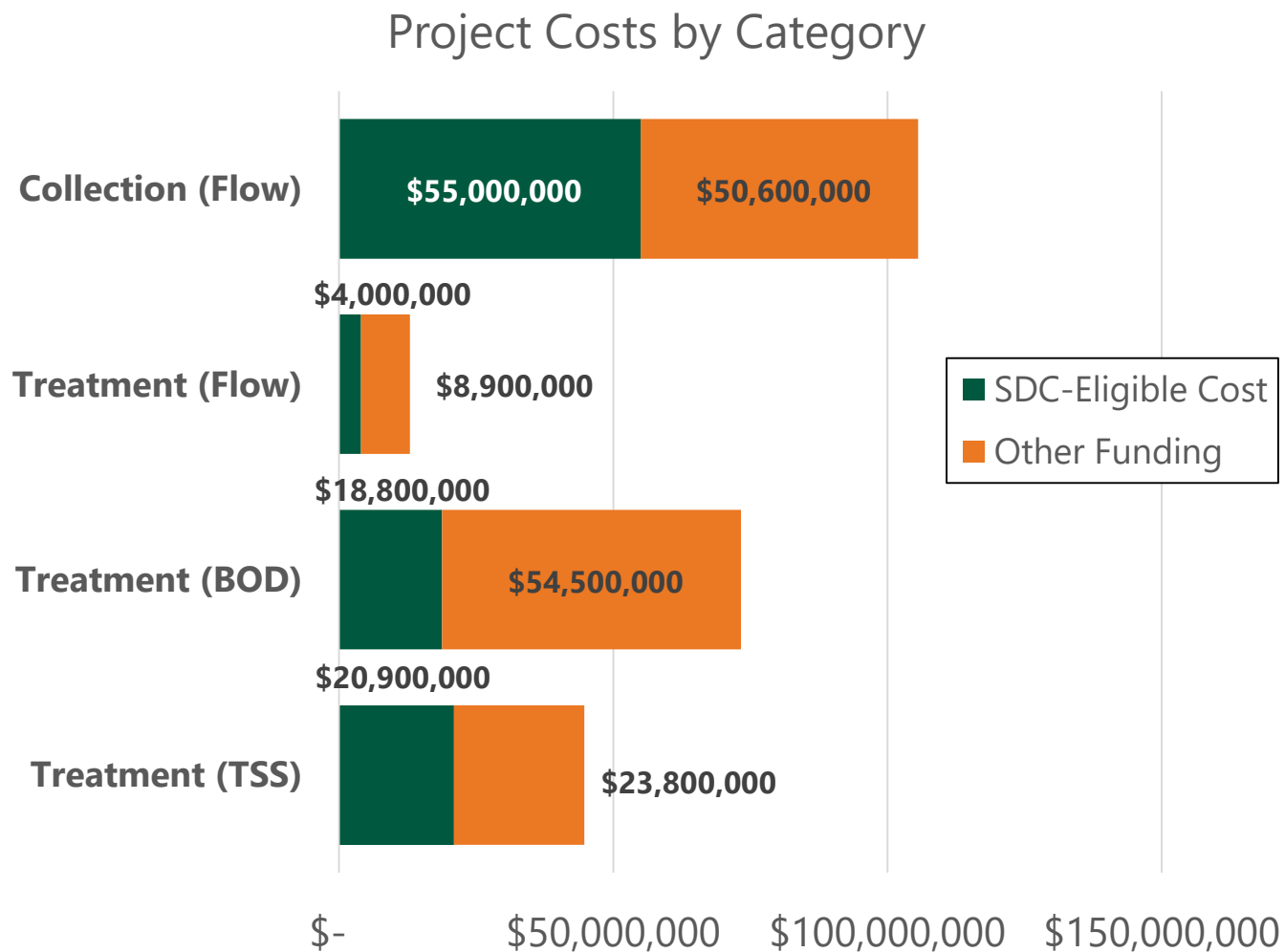
Abbreviations: ADWF = average dry weather flow, mgd = million gallons per day, PHF = peak hour flow, ppd = pounds per day

Growth (High-Strength Connections)	Collection (Flow)	Treatment (Flow)	Treatment (BOD)	Treatment (TSS)
Units	PHF gpd	PHF gpd	MM ppd	MM ppd
2025	10,099,355	10,099,355	12,379	10,265
2045	17,600,000	17,600,000	22,301	18,116
Growth	7,500,645	7,500,645	9,922	7,851



Sewer Improvement Fee Cost Basis

Item A.

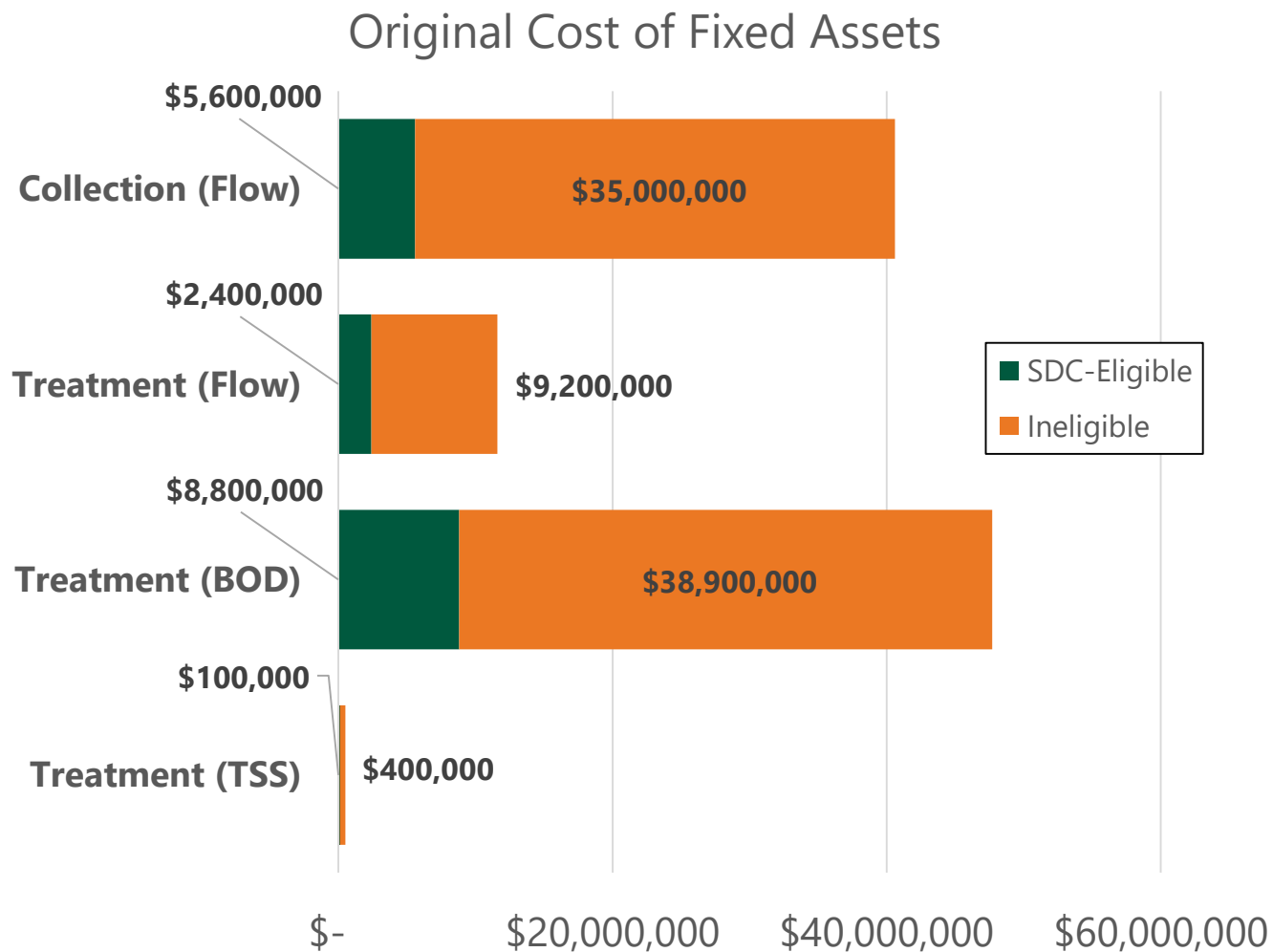


- \$98.7 million (about 42%) of the City's sewer project list is allocable to growth
- The remainder (\$137.8 million) must be collected from other sources



Sewer Reimbursement Fee Cost Basis

Item A.



- \$16.8 million (about 17%) of the City's fixed assets represent capacity available for growth



Calculated Sewer SDC (MCE Method)

Calculated Cost Bases	Full SDC
Improvement Fee Cost Basis	\$ 98,744,256
Outstanding Improvement Fee Fund Balance	(550,583)
Reimbursement Fee Cost Basis	16,793,844
Compliance Costs	45,260
Total	\$ 115,032,777

Calculated SDC (MCE Method)	Full SDC
Improvement Fee per MCE	\$14,745.11
Reimbursement Fee per MCE	\$2,569.36
Compliance Fee per MCE	\$7.12
Total SDC per MCE	\$17,321.58



Calculated Sewer SDC (Flows and Loadings Method)

Item A.

Calculated Cost Bases	Collection (Flow)	Treatment (Flow)	Treatment (BOD)	Treatment (TSS)
Improvement Fee Cost Basis	\$ 55,012,026	\$ 3,973,884	\$ 18,831,716	\$ 20,926,630
Outstanding Improvement Fee Fund Balance	(137,646)	(137,646)	(137,646)	(137,646)
Reimbursement Fee Cost Basis	5,561,896	2,384,988	8,752,538	94,422
Compliance Costs	11,315	11,315	11,315	11,315
Total	\$ 60,447,591	\$ 6,232,541	\$ 27,457,923	\$ 20,894,722

Calculated SDC (High Strength Customers)	Collection (Flow)	Treatment (Flow)	Treatment (BOD)	Treatment (TSS)
Units	PHF gpd	PHF gpd	MM ppd	MM ppd
Growth in Units	7,500,645	7,500,645	9,922	7,851
Improvement Fee per Unit	\$7.32	\$0.51	\$1,884.10	\$2,647.94
Reimbursement Fee per Unit	\$0.74	\$0.32	\$882.13	\$12.03
Compliance Fee per Unit	\$0.00	\$0.00	\$1.14	\$1.44
Total SDC per Unit	\$8.06	\$0.83	\$2,767.37	\$2,661.41



SDC Schedule (MCE Method)

Item A.

Meter Size	MCEs	SDC
3/4"	1.00	\$17,322
1"	1.67	\$28,869
1 1/2"	3.33	\$57,739
2"	5.33	\$92,382
3"	10.67	\$184,764
4"	16.67	\$288,693
6"	33.33	\$577,386



SDC Example (Flows and Loadings Method)

SDC Category	Unit	Unit Rate	Quantity	Calculated SDC
Collection (Flow)	PHF gpd	\$8.06	4,000 gpd	\$32,236
Treatment (Flow)	PHF gpd	\$0.83	4,000 gpd	\$3,324
Treatment (BOD)	MM ppd	\$2,767.37	5 ppd	\$13,837
Treatment (TSS)	MM ppd	\$2,661.41	5 ppd	\$13,307
Total				\$62,704



Next Steps

- **System development charge scenarios?**
- **Cost-of-service analyses**
- **Rate design**

Thank you! Questions?

www.fcsgroup.com





CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025		Subject: Wilsonville Industrial Land Readiness – Basalt Creek Staff Members: Cindy Luxhoj AICP, Associate Planner, and Dan Pauly AICP, Planning Manager Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Provide requested input about planned land uses for the Basalt Creek industrial area.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: Attract high-quality industry and support economic opportunity for all in Wilsonville (2023-2025 Council Goal)	<input checked="" type="checkbox"/> Adopted Master Plan(s): Basalt Creek Concept Plan	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Staff seeks input on policy direction for the Basalt Creek Planning Area to inform the Master Plan which is expected to be adopted at the end of the year.

EXECUTIVE SUMMARY:

During the May 19 work session, staff provided the Council with background on the Basalt Creek Planning Area—an unincorporated area within the urban growth boundary, located on the northwest edge of the City adjacent to Tualatin. That work session also included a review of the Guiding Principles for the Basalt Creek Planning area (Attachment 1). This work session will build on that background by presenting additional information and seeking the Council’s guidance on key aspects of the project.

Since adoption of the Basalt Creek Concept Plan in 2018, prepared jointly with the City of Tualatin, both Cities have individually advanced implementation efforts. However, Wilsonville has yet to complete certain steps, including master planning, amending the Development Code for appropriate zoning, and preparing an infrastructure funding plan. Consequently, in 2023, the City initiated the Wilsonville Industrial Land Readiness (WILR) project, funded by grants from Business Oregon and Metro, to update technical information and calibrate the Basalt Creek Concept Plan's assumptions with current conditions, including market conditions in order to develop a Master Plan and prepare the area for development.

In this work session, staff will present key findings from recent market and land use studies. The discussion will address the continued viability of proposed land uses in today’s economic climate and over the 20-year master planning horizon, ensuring alignment with the City’s vision of balancing industrial demand with the creation of a distinctive industrial business community that complements Wilsonville’s unique identity.

Key findings from recent studies indicate continued strong demand for industrial space, suitability of the Basalt Creek area for development, and challenges posed by parcelization and existing contractor establishments. Based on these findings, the Planning Commission recommends implementing the Concept Plan's land use types for the Basalt Creek area, excluding the West Railroad area, which is still under study and will be discussed at future work sessions. Additional information on the Concept Plan and WILR project findings, to date, is provided below.

Basalt Creek Concept Plan Land Use Types

The Basalt Creek Concept Plan (BCCP) designates properties for High-Tech Employment, Light Industrial, and Craft Industrial as shown in the attached map (Attachment 2). These designations support a mix of employment types, complement adjacent industrial areas, and respond to market demands. A synopsis of the land use types prepared by staff provides background information about scenario planning that shaped the Concept Plan map and land use types and incorporates new information from the recent analyses to inform refinement of land uses in the Master Plan (Attachment 3).

Due to natural resource constraints, fragmented ownership, and inadequate infrastructure, planning for the West Railroad area was postponed during concept planning and it was not assigned a land use type. The project team is still preparing information for West Railroad for Planning Commission and City Council consideration in coming months.

Recent studies, in particular the Economic Inventory and Site Suitability Analysis, confirm the appropriateness of the designated land use types in the Concept Plan. Further study of the West Railroad area is needed to determine the best way to balance industrial development with community priorities and to assign an appropriate land use type for the area. In addition, as recommended in the Concept Plan, northern extension of the Industrial Design Overlay District (form-based Code), adopted in 2018 for the Coffee Creek Industrial Area, to include all or a portion of Basalt Creek should be considered.

Findings of Key Studies and Analyses

Recently completed studies and analyses include:

Study	Purpose
Economic Inventory and Land Use Analysis	Evaluates current market trends and identifies suitable industries for Basalt Creek
Updated Buildable Lands Inventory (BLI)	Reflects recent land developments, adjusted natural resource constraints, and revised capacity estimates
Site Suitability Analysis	Evaluates three key opportunity sites for potential to support target industries based on attributes like size, location, and constraints
Redevelopment Feasibility of Contractor Establishments	Discusses redevelopment potential of contractor establishments given prevailing market conditions
Transportation System Plan (TSP) Evaluation	Reviews City's current list of TSP projects for Basalt Creek to ensure land use assumptions and identified transportation projects are still applicable, and identifies any new transportation improvement projects that might be needed to further support development
Updated Local Street Concept Map	Identifies likely connection points and alignments for future local streets in Basalt Creek
Updated Natural Resources Inventory	Inventories wetlands, upland tree groves, and riparian areas in compliance with Statewide Planning Goal 5 to identify resources to include in City's Significant Resource Overlay Zone (SROZ)

The complete package of economic and land use studies, which will inform the master planning process, is compiled in the Basalt Creek Recommendations Report (Attachment 4) with key findings highlighted below:

- Basalt Creek's vision as an industrial area aligns with current market trends, showing strong demand for industrial space nationally and in the Portland metro region.
- Despite limited development in Wilsonville relative to nearby cities, rising rents and low vacancy rates indicate a robust industrial market, attractive for new development, especially speculative development.

- The City’s Planned Development Industrial (PDI) zone, which supports a wide range of industrial and office uses, could be applied to Basalt Creek to facilitate a balance between market forces and prioritizing industrial use aligned with the Concept Plan Guiding Principles. Potential additions to the PDI zoning for this area to maintain the desired balance include:
 - Evaluating zoning limitations on low-intensity uses, such as contractor establishments, that do not meet long-term employment density goals, and determining appropriate regulatory strategies to encourage existing uses to transition to higher intensity urban industrial uses.
 - Considering the creation of a new zoning designation to apply to properties in the Craft Industrial land use type to expand the range of permitted uses consistent with the Concept Plan’s intent, while maximizing opportunity for future transition to higher-intensity urban industrial use.
 - Exploring zoning limitations on certain large-scale uses that may consume land in the High-Tech Employment land use type, prematurely precluding use of the properties for other desired employment-generating development.

Conclusion and Questions for City Council

Recent studies, reports, and Planning Commission discussions indicate the Guiding Principles remain valid and the land use types are viable in today’s economic conditions as well as over the 20-year master planning horizon, with some caveats as noted. Following Staff’s presentation, the City Council’s guidance is requested on the following:

- Does the City Council concur with Staff and the Planning Commission that the High-Tech Employment, Light Industrial, and Craft Industrial land use types continue to align with the City’s vision for Basalt Creek as reflected in the Guiding Principles and Concept Plan?
- Does the City Council have additional guidance that would help inform Development Code and economic development actions for the different industrial land use types in the Basalt Creek Concept Plan area?

Attachments and How they Can Assist City Council

While references to the various attachments are provided in the narrative above, the information below can help guide the Council in review of each attachment:

Attachment No.	Purpose
1. Basalt Creek Concept Plan Guiding Principles (Adapted for Wilsonville)	Provide Council, for reference, the Guiding Principles adapted for Wilsonville and categorized into market-driven, balanced, and aspirational types.
2. Basalt Creek Concept Plan Map	Refresh Council about the geography of the Basalt Creek area and where the different land use areas are located.

3. Synopsis of Basalt Creek Land Use Types	Provide a summary of each land use type considered in the Concept Plan and how it relates to recent studies.
4. Wilsonville Industrial Land Readiness Phase 1: Basalt Creek Recommendations Report	Provide Council, for reference, the complete package of studies and recommendations from Phase 1 of the Wilsonville Industrial Land Readiness project.

EXPECTED RESULTS:

Feedback from City Council will guide implementation items for the Basalt Creek planning area, including drafting a master plan and package of proposed Development Code amendments, formulating economic development strategies, and preparing an infrastructure funding plan.

TIMELINE:

Additional work sessions with the City Council and Planning Commission are anticipated in coming months. Work on the infrastructure funding plan will occur throughout 2025. Public hearings on related Development Code amendments are expected at the end of this year.

CURRENT YEAR BUDGET IMPACTS:

Funding for the first phase of the Wilsonville Industrial Land Readiness project is allocated in the fiscal year (FY) 2024-25 Planning Division budget and, for the second phase, will be allocated in the FY 2025-26 budget. The first phase was primarily funded by a \$100,000 grant from Business Oregon, with additional funding available, if needed, from a \$290,000 Metro grant, which is also funding the second project phase.

COMMUNITY INVOLVEMENT PROCESS:

The Basalt Creek Concept Plan review process involved extensive community engagement to gather input. In the first phase of the WILR project, ECONorthwest collected feedback from Business Oregon, Greater Portland Inc., property owners, and developers, to assess the demand for industrial land in Wilsonville and understand property owners' current and future plans. This information guided preparation of studies and reports and will be considered in determining appropriate zoning standards and preparing necessary Code amendments.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

Adopting appropriate zoning standards, creating an infrastructure funding plan, and pursuing economic development strategies will facilitate implementation of the Basalt Creek Concept Plan. This development will generate jobs, enhance the income and property tax base, support economic mobility through family-wage employment, and enable the industrial area to achieve its full economic potential, benefiting the greater Wilsonville community.

ALTERNATIVES:

As zoning standards, economic strategies, and an infrastructure funding plan are developed, alternatives will be explored and developed with the City Council and Planning Commission.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Basalt Creek Concept Plan Guiding Principles (Adapted for Wilsonville)
2. Basalt Creek Concept Plan Map
3. Synopsis of Basalt Creek Concept Plan Land Use Types
4. Wilsonville Industrial Land Readiness Phase 1: Basalt Creek Recommendations Report
5. Basalt Creek Concept Plan-access at the following link to the City's website: [Basalt Creek Concept Plan](#)



Concept Plan Guiding Principles

Market-driven:

- Meet regional responsibility for jobs.
- Maximize assessed property value.

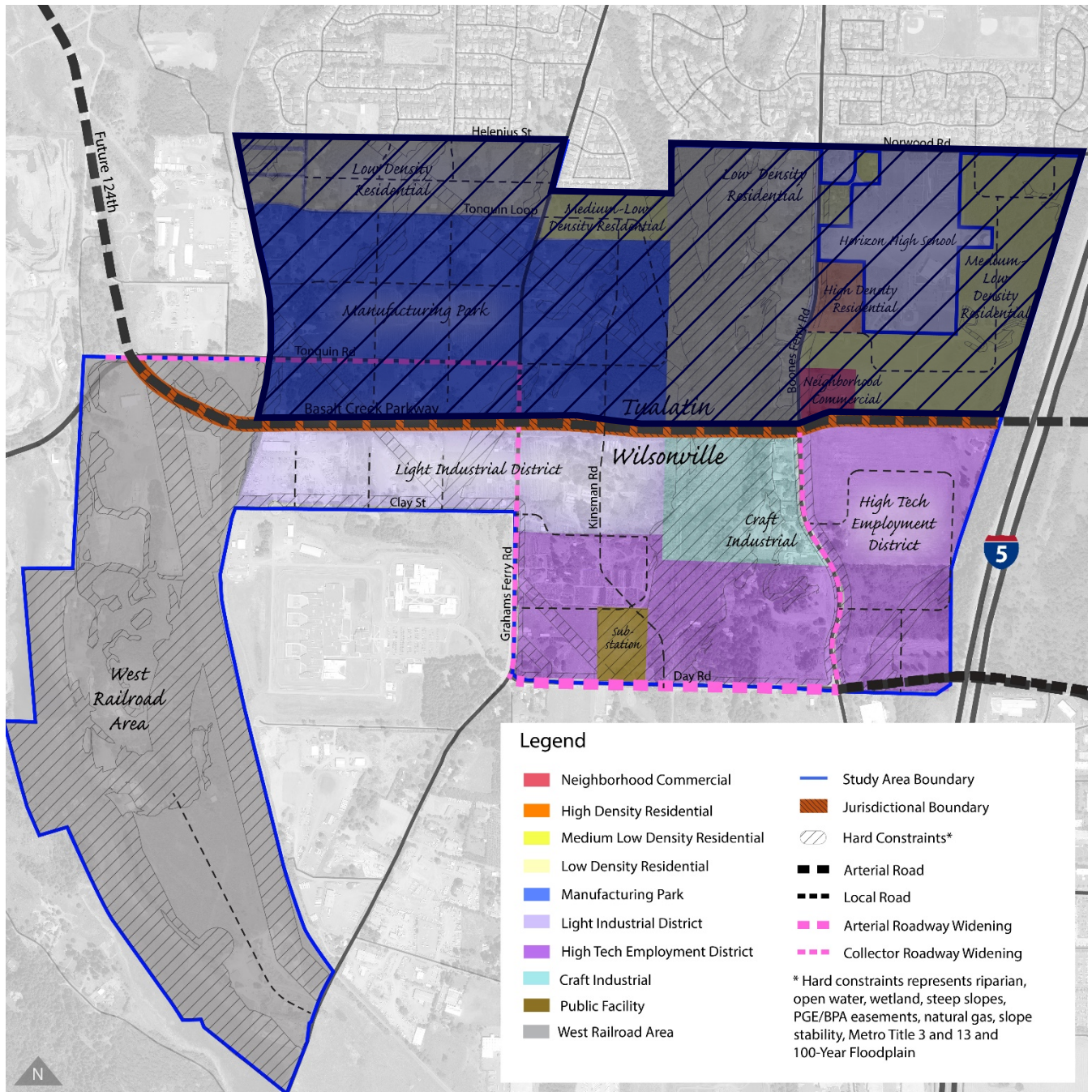
Balanced:

- Capitalize on the area's unique assets and natural location.
- Explore creative approaches to integrate jobs and housing in the Craft Industrial land use type.
- Ensure appropriate transitions between land uses.
- Design cohesive and efficient transportation and utility systems.

Aspirational:

- Maintain and complement Wilsonville's unique identity.
- Create a uniquely attractive business community unmatched in the metropolitan region.
- Incorporate natural resource areas and provide recreational opportunities as community amenities and assets.

Figure 8 Basalt Creek Land Use Concept Map



Synopsis of Basalt Creek Concept Plan Land Use Districts

Introduction

This synopsis provides background information about scenario planning that shaped the Basalt Creek Concept Plan (BCCP) map and land use districts, and details about each land use type. It also incorporates new information from analyses completed as part of the Phase 1 of the Wilsonville Industrial Land Readiness (WILR) project that could influence decision making about refinement of the land use types in response to changes in the Basalt Creek Planning Area (BCPA) since adoption of the Concept Plan.

Analysis of Contractor Establishments

The Analysis of Future Development of Contractor Establishments, one of the key reports prepared for Phase 1 of the WILR project, evaluated the redevelopment potential of contractor establishments in the BCPA under current market conditions. As much of the BCPA including West Railroad, north of SW Clay Street, and the eastern half of the north side of SW Day Road, is occupied by contractor establishments, this creates additional challenges to urban industrial development. The analysis notes that contractor establishments are unlikely to transition to higher intensity uses without City intervention and, if the City seeks to promote urban industrial development in these areas, a more proactive approach will be necessary, including targeted incentives and policies to encourage redevelopment.

Concept Plan Scenario Planning

Scenario planning is a tool used to estimate the likely future effects of growth and development patterns in a specific area. This information helps local governments make decisions about what type of land use, transportation and infrastructure plans and policies will best meet community needs in the future. Scenario planning helps identify challenges and opportunities for desired growth and allows exploration of different approaches to achieve the community vision for an area. Unlike a plan, scenarios are very specific, intending to model likely future land uses. Learning from these, a plan can be developed to allow for several beneficial scenarios.

Final Concept Plan Development

Scenarios were used in the BCCP to understand how different land use decisions, infrastructure investments, other regulations and policies might impact the future outcomes in Basalt Creek – and how well they achieved the guiding principles for the planning process. The scenarios that were designed and tested for the BCPA integrated many different variables (such as different land uses and service areas) and the relationships between those variables. By modifying the scenarios, the impact of different sets of decisions were able to be better understood.

A series of five scenarios were developed in an ongoing iterative process. These scenarios were fully analyzed for transportation, infrastructure, and land use implications, including how land use types and densities were balanced to meet obligations for providing regional employment capacity while limiting negative impacts on congestion and traffic levels. A preferred scenario was developed, which became the basis for the Basalt Creek Concept Plan Map.

Basalt Creek Concept Plan Map and Land Use Types

The BCCP Map, shown below after the summary table, includes three land use types in the area designated as future City of Wilsonville: High-Tech Employment District, Light Industrial District, and Craft Industrial District. Each land use district includes an assumed mix of office, industrial, warehousing and retail as shown in the table below:

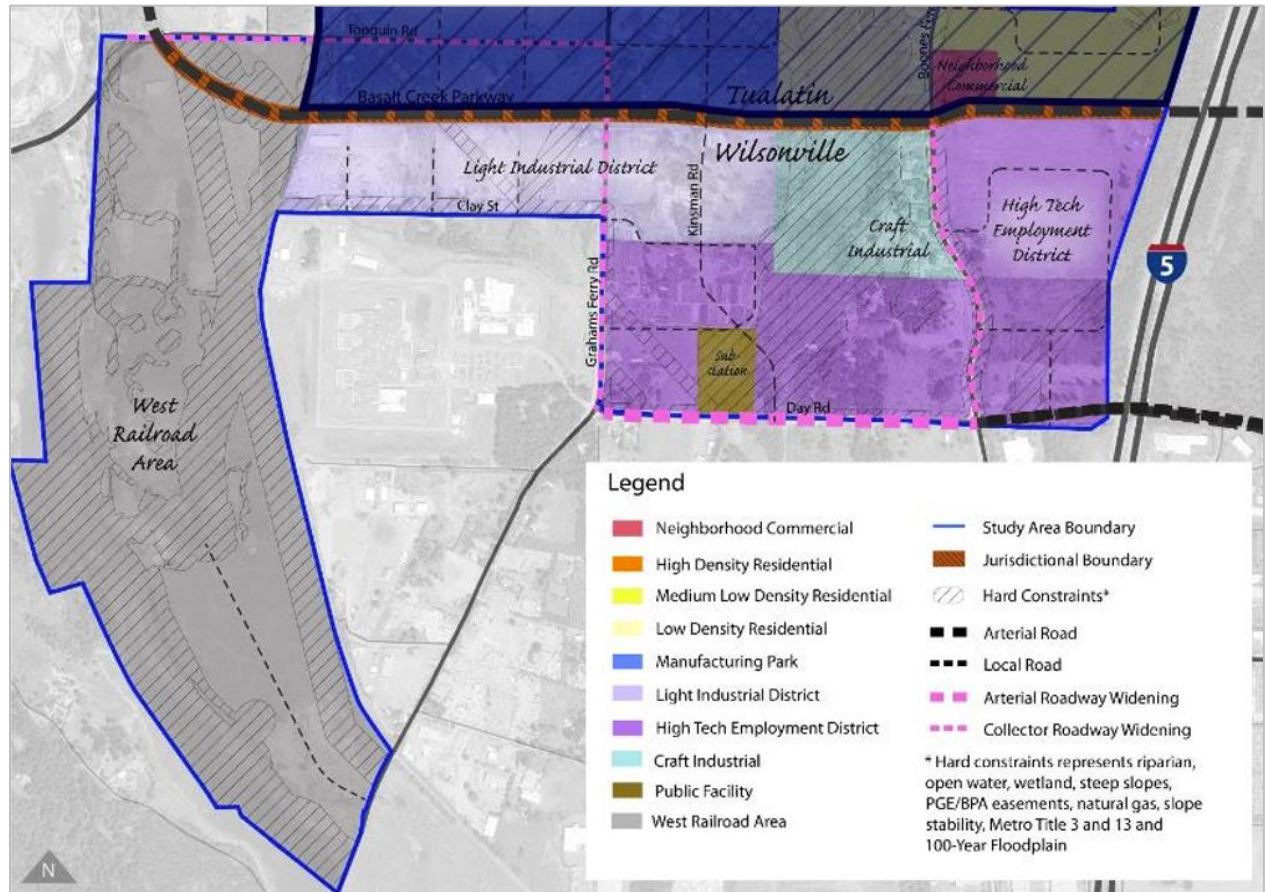
Table 1. Assumed Use Mix for Basalt Creek Concept Plan Land Use Districts.

Land Use District	Use/Share %				Jobs	
	Office	Industrial	Warehousing	Retail	Total	Per Gross Acre
High-Tech Employment	45%	38%	15%	1%	1916	20.28
Light Industrial	19%	69%	11%	1%	581	16.46
Craft Industrial	31%	44%	1%	24%	27	21.70

Because the West Railroad area was considered heavily constrained by natural resources and lack of access to transportation and utility infrastructure, assigning a land use type to this area was deferred until further planning could occur.

The land use types represent a mix of employment development types, include a modest opportunity for live/work housing in the Craft Industrial District, support adjacent and nearby industrial areas such as the Coffee Creek Industrial Area, and provide flexibility to meet a range of market demands. The BCCP considered the land use types and uses to be good candidates for the City's Industrial Form-based Code, adopted in 2018 for the Coffee Creek Industrial Area, should the City decide to extend it north into all or a portion of the BCPA.

Figure 1. Basalt Creek Concept Plan Map with Land Use Designations.

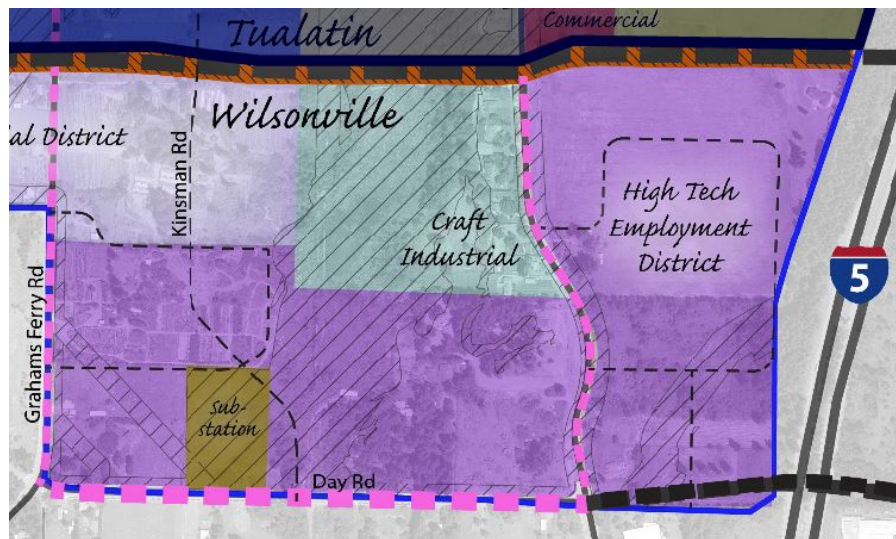


Land Use Districts

As discussed in the previous section, the BCCP Map includes three land use types: High-Tech Employment District, Light Industrial District, and Craft Industrial District. Each is discussed in detail in this section, including new information from analyses completed as part of the Phase 1 of the Wilsonville Industrial Land Readiness (WILR) project that could influence decision making about refinement of the land use types in response to changes in the Basalt Creek Planning Area (BCPA) since adoption of the Concept Plan. In addition, although the West Railroad area was not assigned a land use type in the BCCP, because it was heavily constrained with limited development potential, changes have occurred in the intervening years that warrant planning consideration for designating land use type(s). Hence, West Railroad also is discussed in this section.

High-Tech Employment District

The High-Tech Employment District, shown in purple on the BCCP Map excerpt below, is planned for all land in the BCPA east of SW Boones Ferry Road and most of the land south of SW Clay Street, if extended to the east side of SW Grahams Ferry Road, and extending south to SW Day Road, and bordered to the west by Coffee Creek Correctional Facility.



This land use type as modeled in the BCCP is expected to accommodate the largest number of jobs, estimated to be 1,916. Envisioned to include high-tech single-users accompanied by manufacturing and some warehouse space, employment was assumed to be roughly half office and half industrial. Initially modeled as one- and two-story buildings, the City desired to provide opportunities for four- to five-story office buildings as well, particularly near I-5 and along SW Boones Ferry Road.

Another consideration in determining the geographic extent of this High-Tech Employment District is that properties on the south side of SW Day Road are in the Coffee Creek Master Plan area, which is zoned PDI-RSIA with the Coffee Creek Industrial Design Overlay District (form-based code). Thus, assigning this land use type to properties on the north side of SW Day Road would result in consistency

of use and development form along both sides of the roadway, particularly if the Design Overlay District were extended to include all or part of the BCPA.

Some examples that were modeled for the High-Tech Employment District in the BCCP include Eaton on SW Kinsman Road, DW Fritz on SW Boeckman Road, and Rockwell on SW Parkway Avenue. These developments or similar examples are illustrated below:



In many ways, development envisioned for the High-Tech Industrial District is similar to what is anticipated in the Coffee Creek Industrial area – an industrial district appropriate for light manufacturing, flex uses, corporate headquarters and technology campuses, and industrial office, with some ancillary warehousing and distribution, as well as limited retail and service uses. The BCCP originally envisioned office space within each land use type with the highest share in the High-Tech Employment District and anticipated that the office space would be in connection with industrial users. However, the recently prepared Economic Inventory and Land Use Analysis for Phase 1 of the Wilsonville Industrial Land Readiness project, concluded that nationally and regionally demand for office space has been in decline with remote and hybrid work trends continuing to impact the need for office space. Therefore, while office will likely still be a part of the BCPA, it may occupy a smaller share than originally envisioned.

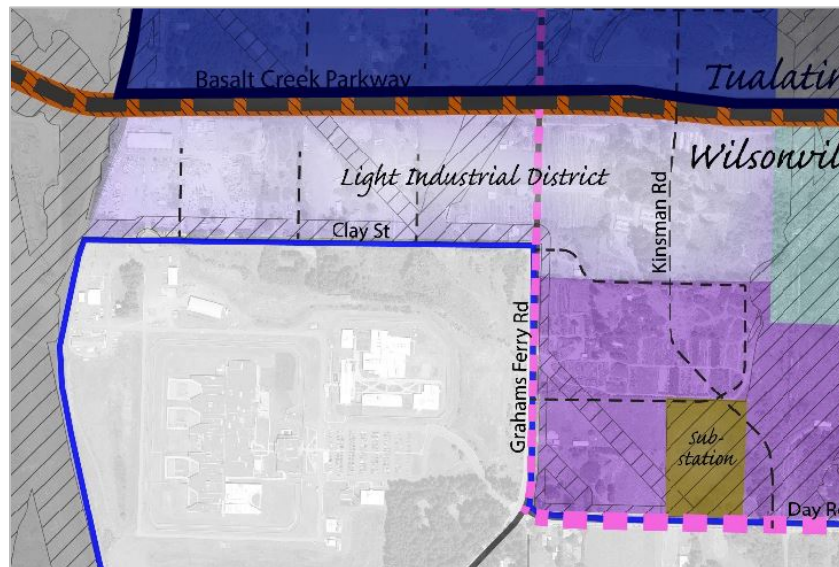
The Site Suitability Analysis prepared as part of Phase 1 of the WILR project includes the SW Greenhill site, which spans 57 acres in the High-Tech Employment land use type east of SW Boones Ferry Road.

This site's high proportion of undeveloped land, consolidated land ownership (two owners), and proximity to existing infrastructure, make it one of the most attractive locations in Basalt Creek for industrial development. Consistent with the vision of the BCCP, the site could be physically suitable for high-tech supply chain, cleantech industries, advanced manufacturing, food processing, warehousing and distribution, and industrial business parks or R&D campuses. Its proximity to transportation networks and regional workforce access further enhances its competitiveness.

There are some challenges posed by the presence of contractor establishments north of SW Day Road, along its eastern half within this land use type, that create additional challenges to urban industrial development. As noted earlier, contractor establishments are unlikely to transition to higher intensity uses without City intervention and, if the City seeks to promote urban industrial development in these areas, a more proactive approach will be necessary, including targeted incentives and policies to encourage redevelopment.

Light Industrial District

The Light Industrial District, shown in light purple on the BCCP Map excerpt below, is planned for land on the southern side of the future Basalt Creek Parkway between it and SW Clay Street, north of Coffee Creek Correctional Facility, and east of SW Grahams Ferry Road to the Basalt Creek Canyon.



This land use type is expected to include primarily manufacturing and warehouse uses in single- or multi-tenant buildings with some office and commercial activities. The Light Industrial is anticipated to accommodate a moderate number of jobs, estimated at 581 in the BCCP.

Some examples that were modeled for the Light Industrial District in the BCCP include Synergy Medical Systems (formerly American Medical Concepts) at 28050 SW Boberg Road, Houston's at 9799 SW Freeman Drive, McKesson at 970 SW Commerce Circle, Rite Aid at 29555 SW Boones Ferry Road, Canyon Creek Business Center and Wilsonville Corporate Center. These developments or similar examples are illustrated below:



The uses and form of development in the Light Industrial District as envisioned in the BCCP is similar to development in existing industrial areas of the City, such as along SW 95th Avenue, SW Commerce Circle, and SW Boberg Road. Although the Site Suitability Analysis prepared as part of Phase 1 of the WILR project does not include a site with this land use type designation, it notes that an approach supporting a wide range of industrial and office uses consistent with the BCCP and the Economic Inventory is desirable. This approach allows the market to determine the most appropriate locations for various business types while still prioritizing industries aligned with the City's employment and wage goals.

It should be noted that there are some challenges posed by the presence of contractor establishments on the north side of SW Clay Street, west of SW Grahams Ferry Road, that create additional challenges to urban industrial development.

Craft Industrial District

The Craft Industrial District, shown in turquoise on the BCCP Map excerpt below, is planned at the southwest corner of the intersection of SW Boones Ferry Road and the future extension of the Basalt Creek Parkway. This land use type anticipates a mix of small tenant spaces for creative industries and smaller-scale commercial uses and may include some limited residential use.



The Craft Industrial District responds to existing single-family residential development in the area, topography and natural constraints of the Basalt Creek Canyon, and the area's location directly south across the Basalt Creek Parkway from residential land and a neighborhood commercial node in Tualatin. Business development is expected to occur gradually over time, providing a transition to the higher intensity employment uses to the east and south in the High-Tech Employment District. In the long term, the area is anticipated to have two- to three-story buildings with small tenant spaces for light industrial manufacturing and office uses on the ground floor, as well as some retail, and living space above. Industries could include incubator, craft and artisan, innovation, and maker spaces. This land use type as modeled in the BCCP includes less than 20% residential use and is expected to accommodate 27 new jobs and 6 new housing units in the form of live-work or work-live units.

Some examples that were modeled for the Craft Industrial District in the BCCP include the Hood River waterfront and southeast Portland. Hood River, in particular, was considered a good example of development that could occur in the Craft Industrial District with two- and three-story buildings being used by craft industries with live-work spaces adjacent to a park, natural areas, and other industrial uses. Developments in these areas or similar examples are illustrated below:





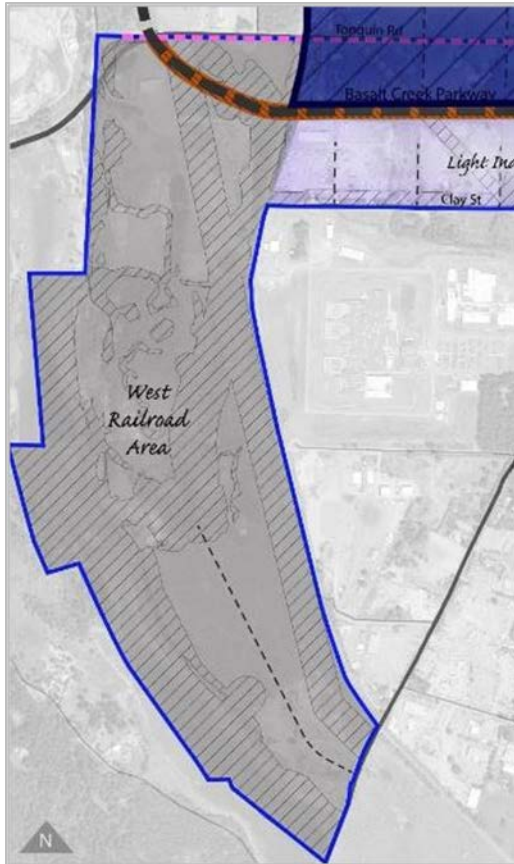
The BCCP envisioned a mix of uses in the Craft Industrial District that blend well with adjacent neighborhoods. These could include small tenant spaces for creative industries, such as incubator spaces, craft beer, wine, and food spaces, a tasting room, brewery, seamstress, photographer or photography studio, or the newest tech innovations, with some office, retail, and services. This could enable young entrepreneurs to live and work close to industries with which they would want to partner, and could provide supporting services and retail for employees.

The Site Suitability Analysis prepared as part of Phase 1 of the WILR project reviews the potential of this Craft Industrial District. With only 14 acres of unconstrained land available for development and its proximity to residential areas to the north in Tualatin, as well as existing residential development on parcels in this land use type, its suitability for high-intensity industrial uses is limited. The analysis concludes that the area aligns with the BCCP's vision for small-scale or micro-industrial uses, such as live-work spaces or makerspaces.

With site aggregation, as noted in the Site Suitability Analysis, the southeastern portion of the Craft Industrial District could accommodate small-scale industrial or office users on up to five acres. These uses could resemble industrial condo developments like the Commerce Circle Business Park or Riverwood Business Center, which integrate office and small-scale production spaces. The northeastern portion, while it could also redevelop, is likely less appealing due to its irregular shape and nearby high-value residences. The presence of existing residences, including some high-value homes, is likely to delay redevelopment timelines compared to other areas in the BCPA, although it is possible that transitional uses such as home-based businesses or cottage industries in accessory structures, could occur in the interim.

West Railroad

West Railroad, shown grey on the BCCP Map excerpt below, is divided from the rest of the BCPA by the Portland and Western Railroad (PNWR) and the Coffee Creek Correctional Facility. When the BCCP was adopted, this area was heavily constrained by natural resources, fragmented property ownership, and lack of access to adequate water, sewer, and transportation infrastructure. Although the area was considered to have potential for resource conservation and future public access to nature, due to the constraints, a future land use scenario was not created.



The Site Suitability Analysis prepared as part of Phase 1 of the WILR project includes West Railroad as an opportunity site, which spans 165 acres. The large parcels and access to regional transportation networks could make West Railroad physically suitable for uses such as general manufacturing, food processing, and warehousing or distribution. Proximity to Coffee Creek's industrial area further enhances its appeal to businesses providing support services to neighboring industries.

However, significant infrastructure upgrades are required in West Railroad, and access is limited by only one established point of vehicular ingress and egress at SW Grahams Ferry Road. The low railroad undercrossing on SW Grahams Ferry Road further constrains access as it does not currently allow passage by standard-height semi-trucks. The area's proximity to a rail line and a mining operation could make it less attractive to advanced manufacturing or other industries sensitive to vibration. Finally, the proliferation of contractor establishments in West Railroad in recent years creates additional challenges to urban industrial development as discussed in the introductory section of this synopsis.



December 2024

Wilsonville Industrial Land Readiness Phase 1: Basalt Creek Recommendations Report

City of Wilsonville

Prepared for: City of Wilsonville

ECOnorthwest

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Acknowledgments

ECONorthwest prepared this report with support from the guidance and input of several partners, including members, staff, and leadership of the ***City of Wilsonville***. Most notably we are appreciative of the involvement and input of ***Cindy Luxhoj, Daniel Pauly, Miranda Bateschell, and Matt Lorenzen***. This work was financially supported by grants from ***Business Oregon and Metro***.

That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of the economics of regional economies. ECONorthwest staff contributing to this study included ***Bob Parker, Nicole Underwood, Barrett Lewis, and Michelle Anderson***. ECONorthwest also relied on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

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Purpose and Background

The Cities of Tualatin and Wilsonville adopted the Basalt Creek Concept Plan (BCCP) in 2018 after a lengthy joint planning process. Now, in 2024-25, the City of Wilsonville is working to advance the Basalt Creek Planning Area (BCPA) beyond the concept plan to a development-ready status by designating zoning and refining infrastructure plans. However, since adoption of the BCCP, economic conditions at national, state, regional, and local levels have shifted significantly and must now be considered.

To address these evolving conditions, the City hired ECONorthwest to conduct a market assessment and industrial lands study focused on Wilsonville's portion of the BCPA. This study is comprised of several interconnected tasks:

- ◆ An **Economic Inventory** that evaluates current market trends and identifies industries suitable for the area (Appendix A).
- ◆ A **Buildable Lands Inventory (BLI)** that reflects recent land developments, adjusted constraints, and revised capacity estimates (Appendix B).
- ◆ A **Site Suitability Analysis** that evaluates three key opportunity sites for their potential to support target industries based on attributes like size, location, and constraints (Appendix B).
- ◆ An **Analysis of Future Development of Contractor Establishments in the BCPA** given prevailing lease rates and market conditions (Appendix C).

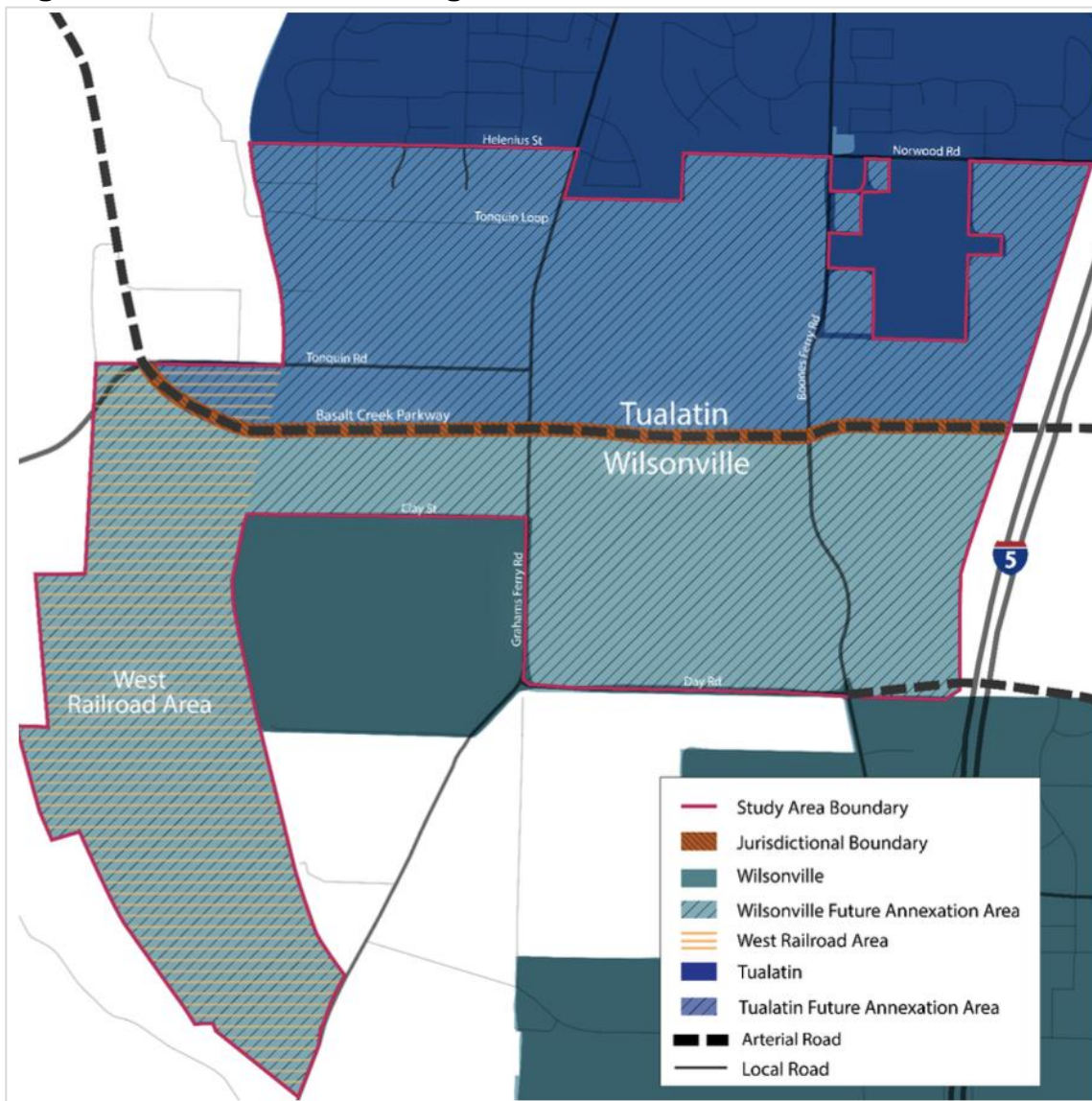
This report summarizes the key findings from each task and outlines recommended policy interventions and strategic actions for the City. By addressing challenges and leveraging opportunities, these efforts aim to establish Basalt Creek as a vital hub for regional job growth and long-term economic vitality.



Basalt Creek Planning Area Overview

The Basalt Creek Planning Area (BCPA) is an 847-acre area located between southern Tualatin and northern Wilsonville. This report focuses on the Wilsonville section, which includes 453 acres in the main portion of the BCPA south of the Basalt Creek Parkway and land west of the railroad known as West Railroad (as depicted in Figure 1). *For the remainder of this report, references to the BCPA specifically refer to the Wilsonville portion.* The BCPA is centrally located in the southern portion of the Portland Metro, adjacent to Interstate-5, and easily accessible and connected to other growing industrial areas (including Sherwood and Tualatin). It has access to the Portland Metro and Mid-Valley labor sheds, making it well positioned to attract various types of industry.

Figure 1: Basalt Creek Planning Area



Source: Basalt Creek Concept Plan, 2018. Note: Wilsonville's portion of the Basalt Creek Planning Area (BCPA) is inclusive of the Wilsonville Future Annexation Area and West Railroad Area.

What is Wilsonville's portion of Basalt Creek Like today?

The Wilsonville portion of the BCPA is currently zoned under Washington County's FD-20 designation (Future Development, 20-acre minimum lot size), which permits low-intensity uses. Since the adoption of the BCCP, Washington County has continued to approve developments consistent with its zoning, resulting in much of the land now being used for contractor establishments. These establishments—used for storing tools, equipment, and vehicles—provide jobs and economic activity. But they fall short of the employment densities and development envisioned in the Concept Plan, and which are typical of land within the Metro urban growth boundary (UGB) and incorporated City limits.



Contractor establishment (above) and railroad crossing near West Railroad.

KEY STATISTICS

The Wilsonville portion of the BCPA spans 453 acres and includes 85 tax lots, with only 10 tax lots hosting covered employment. Some areas in the BCPA have a high degree of parcelization, while others are less fragmented. There are a handful of large contiguous landholdings by single ownership.

From 2012 to 2022, covered employment grew from 194 to 275 employees in the BCPA, with an average wage of \$85,863—higher than the tri-county average (\$73,995) and City average (\$74,252)—indicating well-paying jobs. However, employment density remains low at 4.4 employees per acre (on parcels with covered employment), far below the BCCP vision of 18.5 employees per acre. It is important to note that these figures only account for covered employees.¹

Some of the land in the BCPA is actively used despite minimal reported employment. The area is primarily used for contractor establishments, including storage yards for various businesses, which typically require fewer employees. It is likely that additional workers are present but not included in the covered employment estimates, such as sole proprietors or other types of uncovered contractors.

¹ Covered employment refers to employees covered by unemployment insurance. It *excludes* sole proprietors, certain contractors ("1099 employees"), and some railroad workers.

Due to the prevalence of storage-focused contractor establishments, many lots have minimal building improvements. The improvement-to-land-value ratio is low and has changed little over the past decade.



453 acres



4.4 employees per acre in areas with employment



85 tax lots



Little change in improvement-to-land value since 2012



275 covered employees



Areas of high and low parcelization



\$86,000 average wage

Key Components of This Study

Economic Inventory: Basalt Creek's Market Context

The Economic Inventory provides a detailed analysis of market trends and industry opportunities for the BCPA, emphasizing its potential as a regional hub for industrial development (see Appendix A for the full inventory). Since adoption of the BCCP in 2018, economic conditions have been shifting considerably. Nationally, the industrial sector continues to experience robust demand fueled by e-commerce growth, reshoring efforts, and federal investments like the CHIPS Act, which supports semiconductor manufacturing. In the Portland Metro area, industrial trends mirror national patterns, with low vacancy rates and rising rents. While demand for industrial space has slowed from the highs of 2021–2023, it is expected to remain strong in the near term.

Locally, Wilsonville's industrial sector plays a crucial role in the City's economy, with manufacturing, wholesale trade, and construction accounting for 43 percent of employment compared to 22 percent regionally. Despite this strength, industrial growth in neighboring Sherwood and Tualatin has outpaced Wilsonville, primarily due to their supply of large, development-ready parcels. In the Portland Metro area, industrial demand is primarily driven by businesses expanding or upgrading facilities rather than businesses locating from out of state. To remain competitive, Basalt Creek must be prepared to accommodate these businesses' evolving needs.

Originally, the BCCP envisioned a mix of industrial and office uses, with the High-Tech Employment District assuming 45 percent of development in the area would be office. However, the demand for office space has declined regionally and nationally, driven by the rise of remote and hybrid work. While office space will likely remain part of the BCPA, its footprint may be smaller than originally planned.

Wilsonville is well positioned to capture industrial growth, particularly in key sectors such as semiconductor supply chain, cleantech, advanced manufacturing, and logistics. Basalt Creek's proximity to major transportation networks, its skilled labor force, and its location near established industrial clusters enhance its attractiveness. However, several challenges must be addressed to realize this potential. Fragmented land ownership, existing contractor establishments, and rural infrastructure that does not meet urban standards remain key barriers to high-intensity industrial uses.² Addressing these obstacles will be vital to unlocking Basalt Creek's capacity to compete for its commensurate share of regional economic growth.

² The City is refining its infrastructure plans for the BCPA. While plans exist, the infrastructure has not yet been built and will require funding for improvements.



Buildable Lands Inventory: Measuring Land Capacity and Development Potential

The updated Buildable Lands Inventory (BLI) revises the 2014 inventory from the BCCP, providing an updated assessment of Wilsonville’s portion of the BCPA for employment-related growth (see Appendix B). It identifies developable land and highlights areas with existing economic uses that offer redevelopment potential due to low improvement values and/or low employment density.

Of the 453 acres in Wilsonville’s portion of the BCPA:³

- ◆ **173 acres** are currently in active use and considered developed.
- ◆ **129 acres** are constrained by physical or environmental factors.
- ◆ **150 acres** are considered buildable and available for development.

This buildable land supply is distributed across a range of parcel sizes, from small lots under 5 acres to larger parcels exceeding 25 acres, offering flexibility to meet diverse industrial and employment needs. Given the 150 acres of buildable land and the expectation of employment densities between 10 and 18.5 employees per gross acre, the BCPA is expected to accommodate between 1,500 and 2,780 jobs. The BCCP estimated employment capacity at about 2,500 jobs in Wilsonville’s portion of Basalt Creek in 2018.

The updated BLI provides a clearer understanding of the land available to attract industries and support future employment growth. It emphasizes the BCPA’s potential to support a variety of industrial and employment uses aligned with Wilsonville’s economic development goals. However, it also reveals an increase in land used for contractor establishments since the previous BLI, highlighting the decreasing supply of land for urban industrial development. This trend is likely to continue if the area remains outside the city and unprepared for urban growth.

CHANGES FROM THE 2014 BLI

Buildable Acres

The BCCP identified 130 buildable acres whereas the updated BLI shows 150 buildable acres. This 20-acre increase is primarily due to a revised assessment of constraints in West Railroad. The 2014 BLI classified much of West Railroad as constrained, but updated constraints data show more development capacity. However, this gain was partially offset by land now occupied by contractor establishments, which has been reclassified as developed, reducing buildable acres elsewhere.

Employment Density

ECONorthwest applied the BCCP’s assumption of 18.5 jobs per gross acre to model a high-density employment growth scenario. However, shifting market conditions—such as reduced demand for office space and increased demand for industrial and flex space (which typically have lower employment densities)—led ECONorthwest to also model medium- and low-employment density growth scenarios. This approach provides a range of potential employment densities that more accurately reflect evolving market conditions.

³ Note that the acres do not total to 453 due to rounding.



Site Suitability: Aligning Market Potential

The Site Suitability Analysis assesses the competitiveness of three opportunity sites (Figure 2) within the BCPA to host key industries identified in the Economic Inventory (Appendix B includes the full site suitability analysis). This high-level evaluation focused on physical site characteristics—such as size, location, and constraints—without factoring in the likelihood of redevelopment. It provides a broad understanding of site benefits, barriers, and potential industry suitability, serving as a foundation for planning and zoning rather than a definitive assessment of development feasibility, building configurations or sizes.

Figure 2. Opportunity Sites



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro

Infrastructure will be pivotal in shaping the types of industries and scale of development suitable for the area. This analysis incorporated available information on infrastructure elements such as water, wastewater, and roads, and planned urban improvements with development; however, detailed system capacities, final road alignments, and the timing of improvements—particularly in areas like West Railroad—remain uncertain. These factors will play a significant role in determining the market competitiveness and potential development timeline for a site.

Water and wastewater systems are expected to meet most demands, though high-water users may require additional capacity. Similarly, industries with high electricity demands, such as those requiring five megawatts or more, may necessitate infrastructure upgrades. Road alignments will impact parcel configurations, building sizes, and overall development potential. While these elements are critical to understanding site suitability, they are not yet classified as definitive constraints or advantages.

- ♦ **The SW Greenhill** site spans 57 acres, with 91 percent (52 acres) of the land unconstrained. Minimal slopes (affecting 11 percent of the site), a high proportion of undeveloped land, consolidated land ownership (two owners), and proximity to existing infrastructure make it one of the most development-ready locations in Basalt Creek. The site could be physically suitable for high-tech supply chain, cleantech industries, advanced manufacturing, food processing, warehousing and distribution, and industrial business parks or R&D campuses. Its proximity to transportation networks and regional workforce access further enhances its competitiveness.
- ♦ **The Craft Industrial** area is split into eastern and western portions by site constraints and consists of seven tax lots with fragmented ownership, most under five acres. Only 14 acres are unconstrained, and its proximity to residential areas limits its suitability for high-intensity industrial uses. Instead, the area aligns with the BCCP's vision for small scale or micro-industrial uses, such as live-work spaces or makerspaces.

With site aggregation, the southeastern portion could accommodate small-scale industrial or office users on up to five acres. These uses could resemble industrial condo developments like the Commerce Circle Business Park or Riverwood Business Center in Wilsonville, which integrate office and small-scale production spaces. The northeastern portion, while it could also redevelop, is likely less appealing due to its irregular shape and nearby high-value residences. The presence of existing residences, including some high-value homes, are likely to delay redevelopment timelines compared to other opportunity sites.

- ♦ **The West Railroad** site spans 165 acres, with 55 percent (90 acres) of the land unconstrained. Its large parcels and access to regional transportation networks could make it physically suitable for uses such as general manufacturing, food processing, and warehousing or distribution. Proximity to Coffee Creek's industrial area further enhances its appeal to businesses providing support services to neighboring industries. However, significant infrastructure upgrades are required, and access is limited by only one established point of vehicular ingress and egress, as well as the low railroad undercrossing on SW Grahams Ferry Road, which does not currently allow passage by standard-height semi-trucks. Additionally, the site's proximity to a rail line and a mining operation could make the site less attractive to advanced manufacturing or other industries sensitive to vibration. Ongoing infrastructure alignment and capacity studies will provide further clarity on the site's suitability for targeted industries.

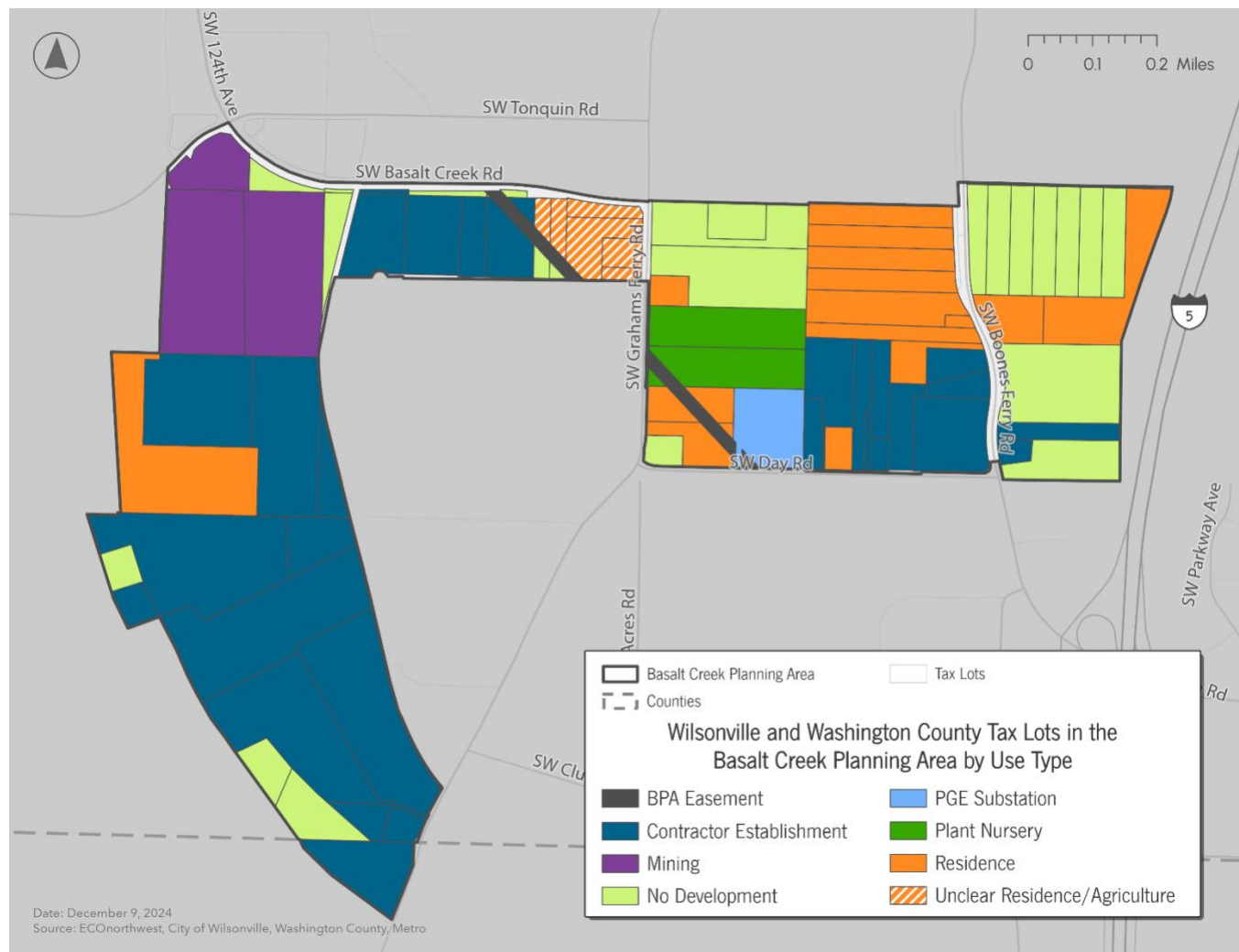


Contractor Establishments: Redevelopment Opportunities and Challenges

Contractor establishments have a substantial presence in Basalt Creek, particularly in West Railroad and along SW Day Road (Appendix C includes the full analysis of contractor establishments). These properties—often comprising small offices, storage buildings, and laydown yards—contribute limited employment and yield lower property values compared to urbanized industrial land. Figure 3 identifies the current land use categories and highlights areas occupied by contractor establishments.

While the Site Suitability Analysis assessed opportunity sites based on physical characteristics and their potential to support target industries should landowners opt to develop or redevelop, this analysis evaluates the redevelopment potential of contractor establishments under current market conditions.

Figure 3. Land Use Categories with Constraints, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro

Key Findings

Existing contractor establishments generate substantial income for property owners, reducing their motivation to sell or redevelop. For redevelopment to be financially viable, urban industrial rents would need to increase by 60 percent or more to justify the investment. Developers assess property value based on what remains after accounting for construction, entitlement, and operational costs, as well as conservative revenue assumptions. In Basalt Creek this is likely to result in developers offering less than what existing owners value their property for, especially when they are already hosting or running successful contractor establishments.

Relocation options for businesses currently occupying these sites are limited, creating additional challenges. Owner-occupied properties are even less likely to redevelop, as owners face relocation costs and potential increases in operational expenses. With limited regional industrial land, relocation could push these businesses farther from their markets, increasing costs for labor, transportation, and operations. Without considerable increases in urban industrial rents or land values, redevelopment for these properties remains unlikely.

Contractor establishments are unlikely to transition to higher intensity uses without City intervention. The gap between property values expected by owners and what developers can pay is unlikely to close naturally, as rising rents for industrial uses will likely coincide with increased contractor establishment rents. If the City seeks to promote urban industrial development in these areas, a more proactive approach will be necessary, including targeted incentives and policies to encourage redevelopment.



Conclusion and Recommendations

The BCPA offers a unique opportunity for Wilsonville to support regional economic growth and industrial development. Its strategic location near transportation networks, access to a skilled labor force, and proximity to established industrial clusters position the area as a strong candidate for attracting businesses supporting semiconductor supply chain, cleantech, advanced manufacturing, and logistics. However, realizing this potential will require addressing critical challenges and capitalizing on existing opportunities.

Fragmented land ownership and contractor establishments, which continue to be approved under Washington County's jurisdiction, remain barriers to the higher-intensity urban industrial uses envisioned in the BCCP. These establishments generate substantial revenue for property owners, reducing the incentive to sell or redevelop. For redevelopment to occur, urban industrial rents would need to rise substantially to bridge the gap between property owners' expectations and what developers are willing to pay. However, this gap is unlikely to close in the near term because as urban industrial rents rise, contractor establishment rents are also likely to increase. Additionally, relocation options for contractor establishment businesses, especially for owner-occupied properties, are limited, creating further challenges.

Rural infrastructure that does not meet urban standards also remains a key barrier to industrial development. This issue affects the feasibility of both immediate development and long-term growth, particularly in West Railroad where access is limited and the railroad undercrossing on SW Grahams Ferry Road precludes truck passage. Addressing these constraints is essential to unlocking the area's potential for higher-density employment uses.

Despite these challenges, there are clear opportunities. Development-ready sites and engaged property owners provide a strong starting point. Stakeholders have expressed a willingness to invest in infrastructure improvements if given access to large unconstrained sites, creating potential for catalytic projects that could spur additional development.

Wilsonville must balance its development goals with market realities. The Portland Metro area's industrial demand is driven by businesses expanding or upgrading facilities. Imposing restrictive requirements, such as mandating a high share of manufacturing, could deter development and drive users to more accommodating locations. Additionally, declining demand for office space nationally and regionally, driven by remote and hybrid work trends, suggests a reduced role for office uses compared to the original BCCP. While there are some exceptions to weak demand for suburban office space, our assessment is that the Portland Metro market dynamics are more consistent with national trends.

In conclusion, Basalt Creek presents a strong opportunity for Wilsonville to foster economic growth and industrial expansion. However, achieving this vision requires overcoming substantial challenges related to land use, infrastructure, and market dynamics. These findings provide the foundation for identifying actionable steps to unlock the area's full potential and align development with the City's long-term goals.



Recommendations

The recommendations for the BCPA are structured into four categories: **Further Exploration, Planning, Funding, and Investment**. These strategies address zoning, infrastructure, and development challenges while providing a phased approach for implementation. Central to these recommendations is the recognition that the status quo is unlikely to change without the City taking a more direct approach to encouraging development. Challenges such as fragmented ownership, the presence (and continued growth) of contractor establishments, and substantial needed infrastructure upgrades to serve urban developments are unlikely to resolve without City intervention.

Wilsonville can approach Basalt Creek's development with varying levels of involvement. A conservative approach would prioritize zoning and regulation, planning control, and limited infrastructure investments to guide development. A more proactive approach would accelerate the BCPA's vision by supporting relocation of contractor establishments, acquiring and aggregating land, and investing in additional infrastructure needs in areas like West Railroad. Which strategy the City chooses will ultimately depend on balancing risks with the desire to unlock the area's potential.



FURTHER EXPLORATION

This category focuses on gathering data, engaging stakeholders, and building a foundation of knowledge to support strategic decisions.

- ◆ **Outreach to Property Owners:** Engage with property owners to understand their development plans, challenges, and willingness to participate in redevelopment efforts. Explore opportunities for land assembly and redevelopment partnerships.
 - *Craft Industrial Opportunity:* Engage with landowners in the Craft Industrial area to explore dividing the site into east and west portions (by partitioning lots), focusing on creating developable parcels that align with the area's potential and constraints.
- ◆ **Coordinate with Portland General Electric (PGE) on Power Needs:** Collaborate with PGE to evaluate existing and future power requirements for industries such as advanced manufacturing and semiconductor supply chains, as identified in the Economic Inventory.
- ◆ **Explore Partnerships:** Identify opportunities to work with public entities (e.g., Port of Portland, Business Oregon, Greater Portland Inc.) and private partners to align resources and attract desired industries.
- ◆ **Support Contractor Establishment Relocation or Compliance:** Develop strategies to help contractor establishments relocate or consolidate or conform with City standards. This could involve creating incentives for relocation or, if necessary, working with them to bring existing operations into compliance with City service and land use standards.





PLANNING

Strategic planning ensures the alignment of zoning, policies, and infrastructure with long-term economic goals.

- ◆ **Apply the Planned Development Industrial (PDI) Zone across Basalt Creek with Modifications.** This approach would support a wide range of industrial and office uses consistent with the BCCP and the Economic Inventory. It allows the market to determine the most appropriate locations for various business types while still prioritizing industries aligned with the City's employment and wage goals.
 - *Prohibit Low-Intensity Uses and Address Existing Contractor Establishments.* Establish zoning prohibitions or limitations on low-intensity uses, such as contractor establishments, that do not meet long-term employment density goals. For existing contractor establishments, determine the appropriate regulatory approach, such as designating them as conditional, nonconforming, or prohibited uses.
 - *Evaluate Additional Standards or Allowances for the Craft Industrial Area.* Given the site's constraints and proximity to residential development, the Craft Industrial Area has limited development potential. To maximize its utility, consider allowing additional uses—such as live-workspaces, small-scale offices, and small-scale production facilities—that may not fully align with the current PDI zone. This could involve creating a separate zoning designation or an overlay to expand the range of permitted uses within the PDI zone.
- ◆ **Update Urban Planning Area Agreement (UPAA):** Amend agreement with Washington County to transfer planning authority for Basalt Creek to the City, ensuring alignment with Wilsonville's long-term vision. This would reduce the risk of continued low-intensity uses, alleviate staffing burdens at the County level, and reduce future pressures to expand the urban growth boundary (UGB).
 - *Example:* Troutdale has an Intergovernmental Agreement with Multnomah County that transfers planning authority to the City for areas within its UGB.
- ◆ **Preliminary Urban Renewal Area (URA) Analysis:** Evaluate the feasibility of establishing a URA or expanding the Coffee Creek URA to help fund infrastructure improvements and catalyze development. NOTE: The City already has funding for this task as part of the Wilsonville Industrial Land Readiness project.
- ◆ **Consider a Development Plan for West Railroad:** Develop a plan for West Railroad that balances industrial development with community priorities. While the BCCP deemed much of the site unbuildable and omitted detailed future use recommendations, the City has continued to address the area in broader land use and infrastructure planning. Building on these efforts, the plan should involve input from landowners, potential users, and ideally a master developer to ensure alignment with stakeholder needs and market trends. Importantly, creating this plan would not preclude zoning the area to guide immediate development efforts.





FUNDING

Identifying and securing funding sources will be critical to addressing infrastructure needs and supporting redevelopment.

◆ **Explore and Establish Funding Mechanisms such as:**

- Use Urban Renewal to finance infrastructure improvements and reduce barriers for developers pending the results of the URA feasibility study.
- Explore the potential for Local Improvement Districts (LIDs) and/or public-private partnerships to share costs and responsibilities. NOTE: Cost sharing mechanisms of owners of contractor establishments may be less attractive if they do not need the infrastructure improvements or connections to continue business operations.

◆ **Explore and Leverage State and Federal Funding:** Leverage grants, loans, and other funding programs to support infrastructure upgrades and attract investment. These could include, but are not limited to:⁴

- Statewide Transportation Improvement Program (STIP)
- Immediate Opportunity Fund (IOF)
- Oregon Transportation Infrastructure Bank (OTIB).
- Safe Drinking Water Revolving Fund (SDWRLF).
- Water Wastewater Fund (W/W).
- Special Public Works Fund (SPWF).
- U.S. Economic Development Association (EDA) Public Works Program



INVESTMENTS

Targeted investments will help unlock development opportunities and create momentum for future growth.

- ◆ **Develop Infrastructure:** Focus early infrastructure improvements on properties that are cost-effective to serve and likely to develop in alignment with the BCPA vision, such as the SW Greenhill Road site. These early investments can demonstrate feasibility and attract additional development.
 - The City could collaborate with property owners, Greater Portland Inc. (GPI), and Business Oregon to attract a catalytic user that could justify and accelerate infrastructure development for the site. Combining this strategy with site acquisition efforts and development planning for West Railroad would further enhance its effectiveness and overall development potential.
- ◆ **Provide Development Incentives such as:**

⁴ As a first step, the City should draft a list of potential projects and evaluate eligibility for funding programs; ECONorthwest did not evaluate eligibility for these funding programs.

- Consider system development charge (SDC) adjustments or deferrals for targeted developments that support the city’s vision for BCCP and where it would not place undue burdens on funds available for capital improvements.
- Market the City’s “WIN” (Wilsonville Investment Now) program in conjunction with Basalt Creek development opportunities. NOTE: This urban renewal program would no longer be available if an area-wide urban renewal area is established.
- Provide relocation assistance to contractor establishments to enable redevelopment. This could include support identifying alternative sites and streamlining permitting processes if those sites are in Wilsonville.
- ◆ **Site Acquisition and Aggregation:** Partner with public or private entities to assemble large, contiguous parcels that can support high-value industrial users. Consider using Urban Renewal funds and public partner contributions to facilitate these efforts.
 - The City could explore securing **purchase options** on key parcels to facilitate land assembly. A purchase option allows the City the right to buy property within a specified timeframe, offering flexibility without the immediate cost of full acquisition. This proactive approach provides leverage and control over future development while allowing the City to decline the purchase if circumstances change or acquisition becomes unfeasible. To advance this strategy, the City should identify and prioritize purchase option agreements with property owners of high-opportunity sites, building momentum for collaboration and development.

Phasing

The implementation of the BCPA recommendations is structured into three phases: Immediate (0–3 years), Midterm (3–7 years), and Long-Term (7–15 years). Each phase focuses on actionable steps to address development challenges, align infrastructure, and catalyze economic growth while adapting to market trends.

IMMEDIATE ACTIONS (0–3 YEARS)

The initial phase establishes the foundational elements for Basalt Creek’s development by addressing zoning, engaging stakeholders, and identifying funding strategies. Key priorities include:

- ◆ Establish zoning
- ◆ Amend UPAA with Washington County
- ◆ Engage property owners to discuss future plans, development potential, and incentives
- ◆ Explore ways to support contractor establishment relocation and/or accommodate and bring them to City standards (urban industrial development)



- ◆ Analyze funding needs and sources and develop funding strategy to support infrastructure investments and other priorities such as land acquisition and developer incentives
- ◆ Explore partnerships
- ◆ Coordinate with PGE on anticipated power needs
- ◆ Prioritize infrastructure to properties that are both high opportunity and “low-cost-to-serve,” to showcase early wins

MIDTERM ACTIONS (3–7 YEARS)

This phase builds on early successes by advancing funding mechanisms, solidifying plans for key areas, and fostering development agreements. Major actions include:

- ◆ Adopt funding mechanisms to support infrastructure investments and other priorities (this is a likely prerequisite to land acquisition)
- ◆ Acquire key parcels (or purchase options) as opportunity and funding allows
- ◆ Develop West Railroad’s development plan with input from landowners, potential users, and preferably a master developer
- ◆ Secure initial development agreements and fund major infrastructure upgrades through URA or other funding mechanism
- ◆ Continue to coordinate with PGE

LONG-TERM ACTIONS (7–15 YEARS)

The final phase focuses on sustaining Basalt Creek’s momentum by adapting to market trends and completing infrastructure build-out to support full site utilization. Long-term priorities include:

- ◆ Monitor market trends and adjust zoning or policies to accommodate emerging industries
- ◆ Complete phased infrastructure build-out to support full site utilization

This phased approach ensures that Basalt Creek’s development progresses systematically, balancing immediate actions with long-term investments to achieve the City’s vision for economic growth and industrial expansion.



Appendix A: Economic Inventory and Basalt Creek Concept Plan Land Use Analysis





September 2024

Industrial Land Readiness: Economic Inventory and Basalt Creek Concept Plan Land Use Analysis -

City of Wilsonville

Prepared for: City of Wilsonville

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Acknowledgments

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That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of the economics of recreation, amenities, and regional economies. ECONorthwest staff contributing to this study included ***Bob Parker, Nicole Underwood, Barrett Lewis, and Mackenzie Visser***. ECONorthwest also relied on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

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1. Introduction

Purpose and Background

After a multiyear planning process, Wilsonville, in partnership with Tualatin, developed and adopted the Basalt Creek Concept Plan (BCCP) in 2018. The BCCP established a framework for development in the area over the next twenty years. Wilsonville is planning for the development of its portion of the Basalt Creek Planning Area (BCPA), located in unincorporated Washington County.

The City adopted the BCCP in anticipation of future industrial development. However, at the time of adoption, a number of implementation steps remained. In the years following the adoption of the BCCP, Washington County has approved development consistent with County zoning. The BCPA now hosts several contractor establishments that, while providing jobs and economic activity, are not the type of development or commerce envisioned in the Concept Plan.

The City is currently working on the final implementation steps to make the BCPA development ready. These steps include designating the zoning to be used in the area as well as refining infrastructure funding plans. Since adoption of the BCCP in 2018, significant economic shifts have occurred at national, state, regional, and local levels to be considered during the current implementation steps. Given these economic shifts, reassessing Basalt Creek's market conditions is crucial for Wilsonville's implementation process. This reassessment will help ensure that development plans align with current economic realities and future projections.

To understand the changing market conditions, Wilsonville engaged ECONorthwest to conduct an updated market assessment and industrial lands study for Wilsonville's portion of Basalt Creek. This Economic Inventory report is a key component of that study, providing an overview of the current economic conditions and trends affecting the BCPA. The findings from this analysis will inform recommendations on how to translate the BCCP's land use concepts into zoning designations and inform infrastructure planning to support economic development opportunities in the area.



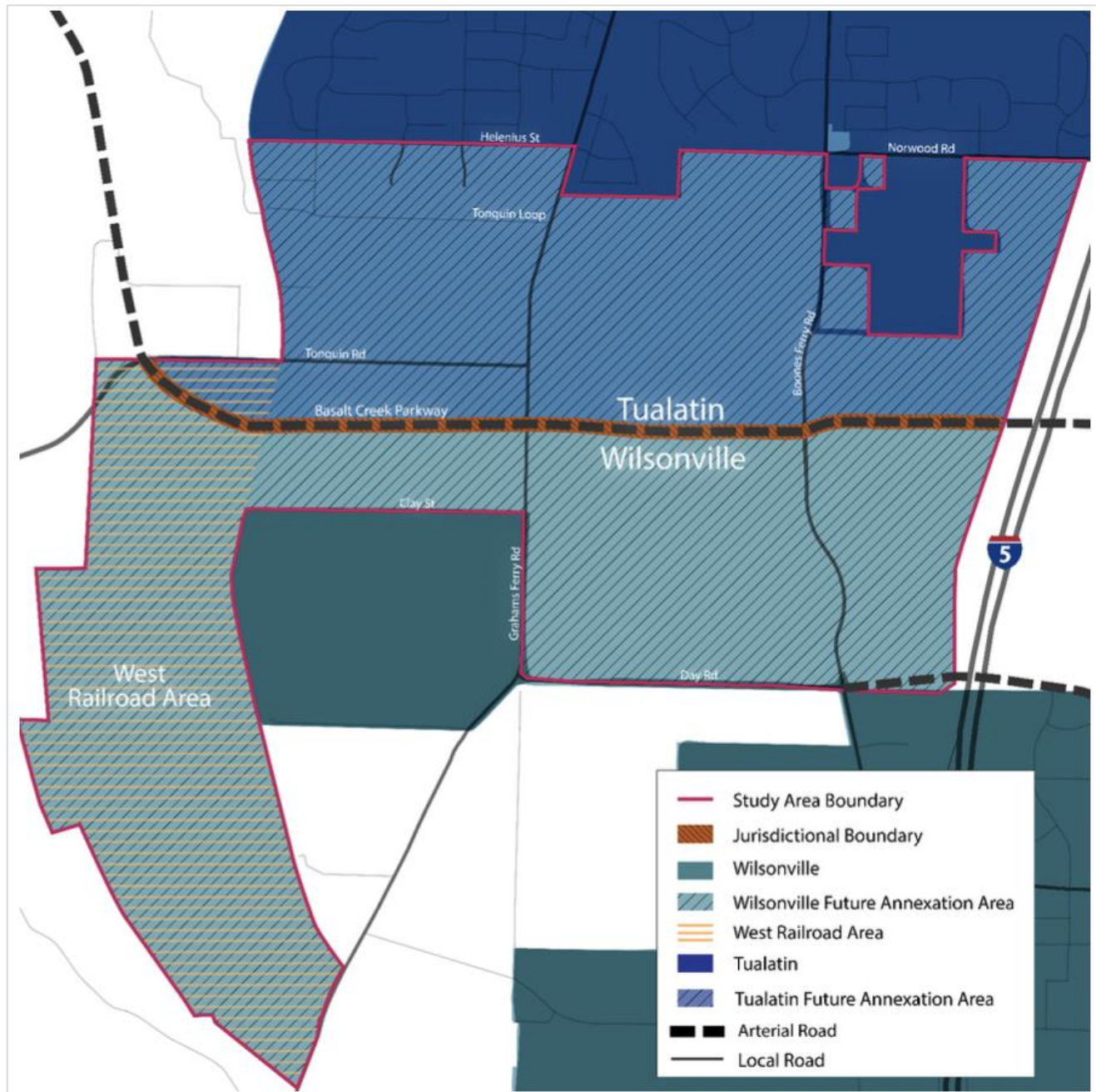
Basalt Creek Planning Area Overview

The Basalt Creek Planning Area (BCPA) is an 847-acre area located in unincorporated Washington County between the southern border of incorporated Tualatin and the northern border of incorporated Wilsonville. This report focuses on the Wilsonville section, which includes 480 acres within the designated Wilsonville Future Annexation Area and West Railroad Area (as depicted in Figure 1). The BCPA is centrally located in the southern portion of the Portland metro, easily accessible and connected to other growing industrial areas, including Sherwood and Tualatin. It has access to the Portland metro and Mid-Valley labor sheds, making it well positioned to attract various types of industry.

Currently, the Wilsonville portion of the BCPA falls under Washington County's Future Development 20-Acre District (FD-20) zoning, which allows a variety of low-intensity uses. The area has limited development, with much of the developed land used for contractor establishments, including storage of equipment and vehicles. A contractor establishment is a facility where contractors and/or subcontractors store and organize their tools, equipment, supplies, and materials. These facilities can include buildings, grounds, or structures, and often have outdoor storage and assembly areas. While important uses, these lands host limited employment and assessed property value, much less than the employment densities and development typologies envisioned in the BCCP and typical of land within the metro urban growth boundary (UGB) and incorporated City limits.



Figure 1: Basalt Creek Planning Area



Source: Basalt Creek Concept Plan, 2018. Note: Wilsonville's portion of the Basalt Creek Planning Area (BCPA) is inclusive of the Wilsonville Future Annexation Area and West Railroad Area.

How does the Basalt Creek Concept Plan guide development?

After a multiyear planning process, Wilsonville, in partnership with Tualatin, developed and adopted the Basalt Creek Concept Plan (BCCP) in 2018. The BCCP established a framework for development in the area over the next 20 years. The BCCP identifies preferred land uses across the area and strives to coordinate future land use, transportation, and infrastructure investments between Tualatin, Wilsonville, and Washington County. In particular, the BCCP:

- ◆ Established a vision for urbanization of the Basalt Creek Planning Area
- ◆ Established a new jurisdictional boundary between Tualatin and Wilsonville (to determine which parts of the Planning Area may be annexed into and served by each City)
- ◆ Identified conceptual land uses across the area
- ◆ Recommended high-level designs for transportation and infrastructure systems to support future development
- ◆ Set specific action items and implementation measures

GUIDING PRINCIPLES

Guiding Principles represent the collective interests and goals for the Basalt Creek Planning Area, as agreed to and established by the Joint Councils of Tualatin and Wilsonville.

- » **Maintain and complement the Cities' unique identities.**
- » **Capitalize on the area's unique assets and natural location.**
- » **Explore creative approaches to integrate jobs and housing.**
- » **Create a uniquely attractive business community unmatched in the metropolitan region.**
- » **Ensure appropriate transitions between land uses.**
- » **Meet region responsibility for jobs and housing.**
- » **Design cohesive and efficient transportation and utility systems.**
- » **Maximize assessed property value.**
- » **Incorporate natural resource areas, and provide recreational opportunities as community amenities and assets.**



Land Use Designations

The BCCP identified a mix of land use designations for the area based on its land suitability analysis and adjacent land uses. For Wilsonville, the BCCP proposed four main land use designations. However, West Railroad did not include a specific concept because it was viewed as having lower development potential and was slated for future study and consideration. These designations, as defined in the BCCP, are:

HIGH-TECH EMPLOYMENT DISTRICT

Most of the buildable acres in the Planning Area south of the proposed Basalt Creek Parkway are devoted to a mix of higher-density employment land. The High-Tech Employment District is expected to accommodate the largest number of jobs (1,916) with a mix of warehousing, manufacturing, and office buildings. This land use is in the southern and eastern sections of the Planning Area, covering all Wilsonville land east of SW Boones Ferry Road and most of the land south of SW Clay Street, which extends to SW Day Road and is bordered to the west by Coffee Creek Correctional Facility.

The BCCP assumed the following breakdown of uses for the High-Tech Employment District, which helped estimate the amount of traffic the development would generate.

Table 1. BCCP Assumed Breakdown of Uses for the High-Tech Employment District

USE	SHARE
Retail	1%
Office	45%
Industrial	38%
Warehousing	15%
TOTAL	100%

Source: Basalt Creek Concept Plan, 2018. Note: Share may not equal 100% due to rounding.

CRAFT INDUSTRIAL

The southwest corner of the intersection of SW Boones Ferry Road and the new Basalt Creek Parkway is planned as Craft Industrial, which allows for a mix of smaller-scale commercial uses and may include live-work units. These envisioned development types respond to the topography on those parcels and their location directly south across the Parkway from residential land and southwest of the neighborhood commercial node across the Parkway in Tualatin. Craft Industrial is a better fit with those surrounding uses, providing a transition to the higher-intensity employment uses to the south. This area allows less than 20 percent residential use and is expected to accommodate 27 new jobs and 6 new housing units in the form of live-work units.

The BCCP assumed the following breakdown of uses for the Craft Industrial District, which helped estimate the amount of traffic the development would generate.



Table 2. BCCP Assumed Breakdown of Uses for the Craft Industrial District

USE	SHARE
Retail	24%
Office	31%
Industrial	44%
Warehousing	1%
TOTAL	100%

Source: Basalt Creek Concept Plan, 2018. Note: Share may not equal 100% due to rounding.

LIGHT INDUSTRIAL DISTRICT

This land is located across the southern edge of Basalt Creek Parkway and its future extension just north of Coffee Creek Correctional Facility, and it will be able to accommodate 581 new jobs, primarily in warehousing and light manufacturing.

The BCCP assumed the following breakdown of uses for the Light Industrial District, which helped estimate the amount of traffic the development would generate.

Table 3. BCCP Assumed Breakdown of Uses for the Light Industrial District

USE	SHARE
Retail	1%
Office	19%
Industrial	69%
Warehousing	11%
TOTAL	100%

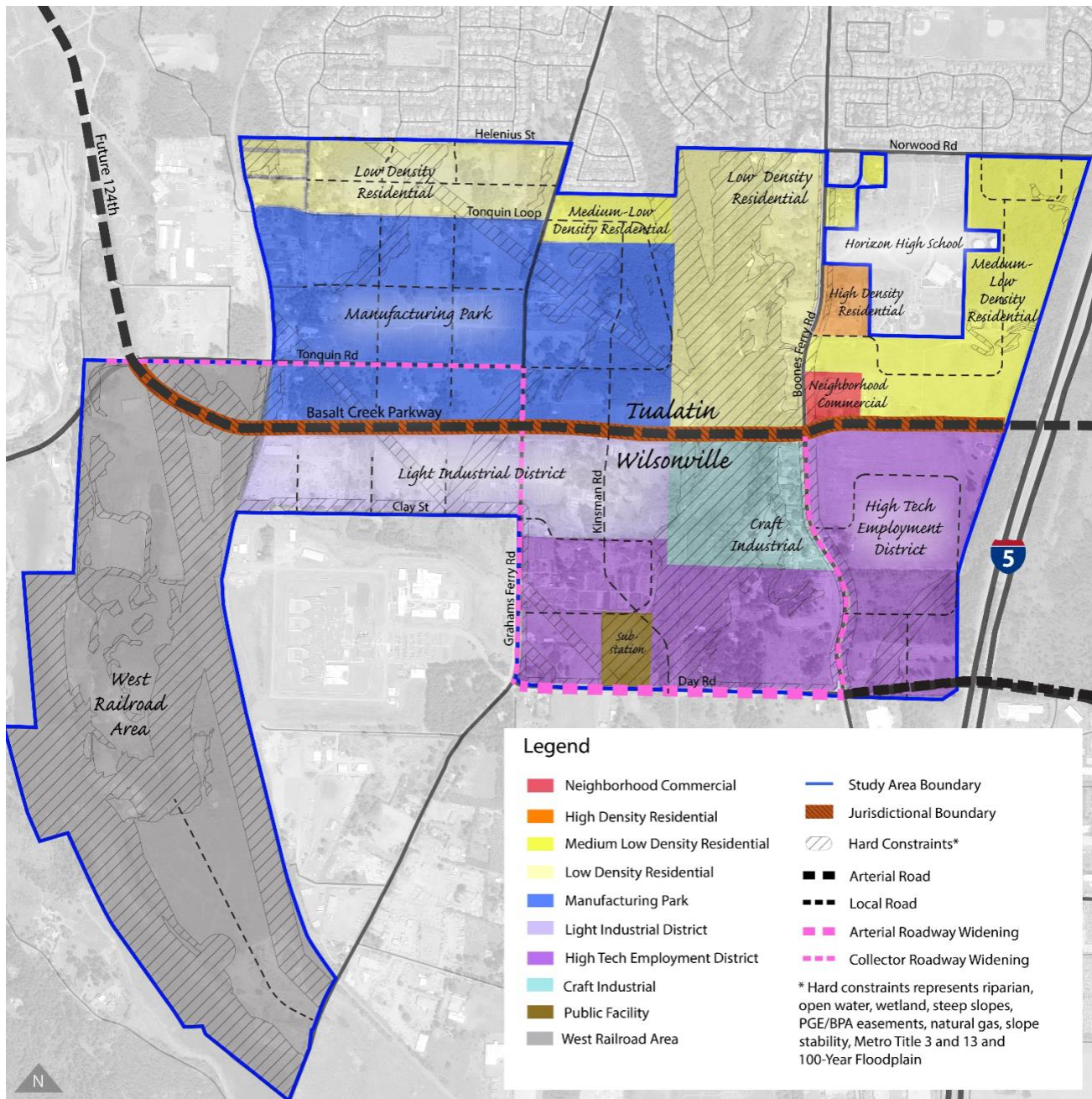
Source: Basalt Creek Concept Plan, 2018. Note: Share may not equal 100% due to rounding.

WEST RAILROAD AREA

The West Railroad Area is divided from the rest of the Planning Area by the Portland and Western Railroad (PNWR) and the Coffee Creek Correctional Facility. When the BCCP was adopted, the area was heavily constrained by wetlands habitat, steep slopes, and fragmented property ownership. Initial estimates indicated that it would be costly to serve this area with adequate infrastructure due to its location. However, it was identified as having potential for resource conservation, future public access to nature, and possibly additional land uses. Because it was considered to have much lower development potential than the rest of the Planning Area, a future land use scenario was not created. Additional analysis on infrastructure funding and appropriate land uses was recommended once development and extension of infrastructure occurred in the rest of Basalt Creek.



Figure 2. Basalt Creek Land Use Concept Map



Source: Basalt Creek Concept Plan, 2018.

Note: West Railroad did not include a specific concept because it was viewed as having lower development potential and was slated for future study and consideration.

Implementation Measures

The BCCP also outlined the following implementation measures for the Cities:

1. **Update Urban Planning Area Agreements (UPAAs)** to acknowledge the future jurisdictional boundary and outline what areas may be annexed by each City, as well as transfer planning authority to the Cities.
2. **Amend Comprehensive Plans** to include the adoption of the Concept Plan.
3. **Assess zoning** and make sure it is compatible with anticipated land uses in the area and special design elements in the Concept Plan. The Concept Plan suggested Wilsonville consider applying the Coffee Creek Industrial Design Overlay District (form-based code) in the area.
4. **Annex as demand occurs** based on the pace of development and begin to make utility improvements adjacent to existing City services.
5. **Consider capital improvements** to spur development via financing the infrastructure themselves for reimbursement, creating a cooperative financing district, or developing the infrastructure to induce desired development.
6. **Consider master planning** in the area.

Wilsonville updated its UPAA in 2019 and amended its Comprehensive Plan after the Concept Plan was adopted. The City is now working on developing zoning and evaluating infrastructure needs as a part of this project.

Basalt Creek Concept Plan Proposed Employment Densities

The BCCP assigned employment densities to each land use designation to align with the regional employment capacity and traffic counts. According to the Concept Plan, the Wilsonville portion of the BCPA could support 2,524 jobs across 136.6 buildable acres, for an average employment density of 18.5 employees per gross buildable acre. The specific land use designations and respective employment densities are shown below. Note: West Railroad did not include a specific concept because it was viewed as having lower development potential in the near term and was slated for future study and consideration.

Table 4: Basalt Creek Concept Plan Land Use Designations

LAND USE DESIGNATION	BUILDABLE ACRES	TOTAL JOBS	JOBS PER GROSS BUILDABLE ACRE
Craft Industrial	1.3	27	21.7
Light Industrial District	35.3	581	16.5
High Tech Employment District	94.5	1,916	20.3
Functionally Unbuildable	5.6	0	0
TOTAL	136.6	2,524	18.5

Source: Basalt Creek Concept Plan.



Other Guiding Plans and Documents

WILSONVILLE COMPREHENSIVE PLAN

Wilsonville's Comprehensive Plan, updated in 2024, designates Basalt Creek and West Railroad as areas of special concern (M and N), and it describes special considerations that must be addressed in development of these areas. Design objectives established for Area of Special Concern M, Basalt Creek, include:

- ◆ Consider adopting a form-based code similar to that adopted in the Coffee Creek Industrial Area for new industrial development in Basalt Creek.
- ◆ Protect key natural resources and sensitive areas while making recreational opportunities accessible by integrating the new parkland, open spaces, natural areas, and trails in Basalt Creek into existing regional networks. Development should protect, enhance, and provide access to these natural resources.
- ◆ Locate north-to-south trails near the Basalt Creek Canyon and provide bicycle connections that would connect to other cities and trail systems, serving as an asset for both residents and employees in the area.
- ◆ Provide strong transit access to support employment within Basalt Creek. Integrate transit access with the bike, pedestrian, and trail services at key access points along SW Grahams Ferry Road, SW Boones Ferry Road, SW Day Road, SMART Central, and the Coffee Creek Correctional Facility.

No design objectives were included for Area of Special Concern N, West Railroad; however, it is noted that the area will require additional planning before any development occurs.

BASALT CREEK TRANSPORTATION REFINEMENT PLAN

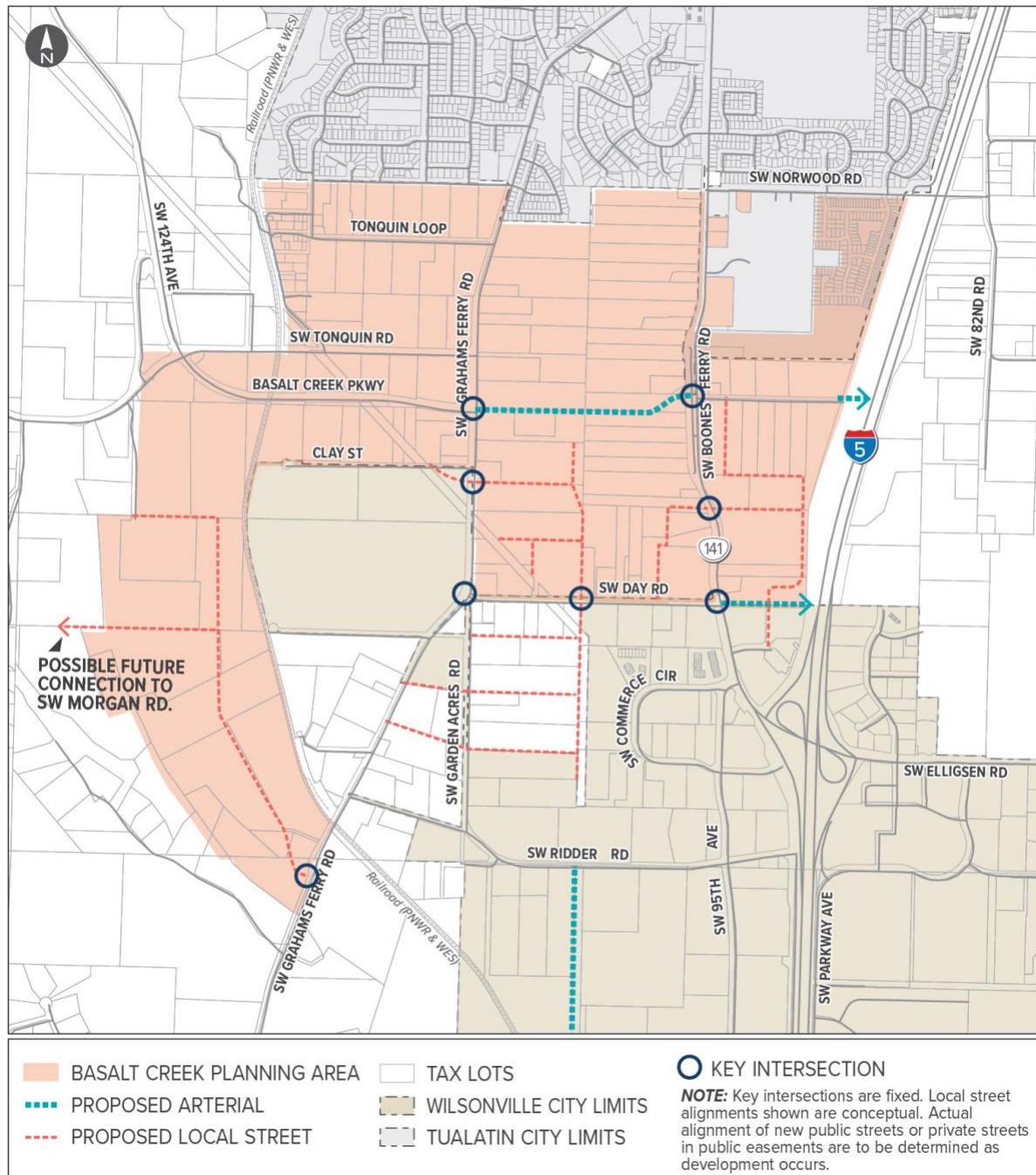
The 2013 Basalt Creek Transportation Refinement Plan (TRP) set the layout of major new roads and improvements for the area, including enhanced bike and pedestrian facilities and connections to the future SMART transit system. The TRP included an Action Plan that consisted of 18 transportation investments, which were prioritized according to short-term, medium-term, and long-term projects.

ONGOING INFRASTRUCTURE AND NATURAL RESOURCE PLANNING

The City is currently collaborating with several consultants to update its understanding of infrastructure needs, natural resources, and hazards in the BCPA. The City is working with DKS Associates to refine the street alignment in the BCPA. A preliminary street alignment, provided below, may undergo further changes in future iterations.



Figure 3. Proposed BCPA Street Plan



Source: DKS Associates

Simultaneously, Pacific Habitat Services is assisting the City in updating and refining natural hazard and resource maps of the area. For utility infrastructure, the City has engaged Consor to help with assessing water, wastewater, and stormwater needs, as well as with determining the costs of necessary upgrades. These collaborative efforts aim to provide a comprehensive and up-to-date overview of the area's development requirements and environmental considerations. These simultaneous projects will be incorporated and inform this planning process as information becomes available.

What has happened since the Basalt Creek Concept Plan was adopted?

Since adoption of the BCCP, significant shifts have occurred in the office and industrial real estate markets. The pandemic accelerated the trend toward remote work, leading to higher office vacancy rates and a redefinition of office space needs. Conversely, the industrial sector experienced strong growth characterized by high demand, rising rents, and robust development, which was driven in part by the federal Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act. National trends in these industries are detailed in Section 2, while regional and Wilsonville-specific trends are covered in Section 3.

The City of Wilsonville has not annexed any of Basalt Creek since the BCCP was adopted in 2018. As a result, the BCPA has remained under Washington County's jurisdiction and zoning. Some development has occurred at much lower densities than envisioned in the BCCP, which is allowed under the more permissive County zoning code. Many existing businesses, including contractor establishments, have few employees and are using large areas of land for equipment storage, which conflicts with the City's vision for higher employment density. These uses are permitted under Washington County zoning but do not align with Wilsonville's goals for the area, or with the goals, priorities, and industrial land needs within the greater Portland metro area. Wilsonville's portion of the BCPA consisted of 90 tax lots in 2022. Some areas have a high degree of parcelization, while others are less fragmented. There are a handful of large contiguous landholdings by single ownership. While there has been growth in contractor establishments, many of them existed before the BCCP was in place. These trends are discussed in more detail in Section 3.

The City is interested in future development in Basalt Creek that better aligns with its vision for higher industrial employment density. To make meaningful progress, the City must first establish appropriate zoning designations and plan for necessary infrastructure—key objectives of this project.



2. Changes in Market Conditions

Following the COVID-19 pandemic, office and industrial real estate markets faced challenging development conditions, particularly due to high interest rates, significantly slowing commercial real estate development activity. The increased cost of capital has made many projects economically unfeasible, especially speculative projects that rely on debt financing and those with longer loan payback periods.¹ Higher interest rates have also reduced property valuations, complicating the ability of developers to secure construction financing and attract equity investments.² Additionally, rising construction costs—driven by inflation and supply chain disruptions—have further complicated development efforts across these sectors.

This section examines national trends that have shaped office and industrial real estate markets in recent years. It compares these trends to projections from the 2014 Market Analysis by Leland Consulting Group, which informed the BCCP. Understanding the broader national context is crucial for several reasons: It provides a benchmark for comparing local performance. National trends often influence regional and local markets, albeit sometimes with a delay. This understanding helps identify potential opportunities or challenges that may affect Wilsonville and Basalt Creek in the future. It also allows for more informed decision-making and strategic planning at the local level.

Regional and Wilsonville-specific trends are addressed separately in Section 3, building upon this national overview.

National and State Employment Trends

National Employment

The United States has seen robust employment growth since the COVID-19 pandemic. National employment increased by 21 percent between April 2020 and April 2024, surpassing prepandemic levels. The most recent year (April 2023 to April 2024) saw total nonfarm employment grow by 1.8 percent.³

Oregon Employment

Oregon's employment recovery, while positive overall since 2020, has fallen behind the national trend. From April 2020 to April 2024, the state's employment grew by 17 percent.

¹ If developers take on debt to finance a project, the longer they take to repay the loan, the more interest will accrue.

² In addition to loans, developers will typically finance projects in part with equity investments, in which investors become shareholders in the project.

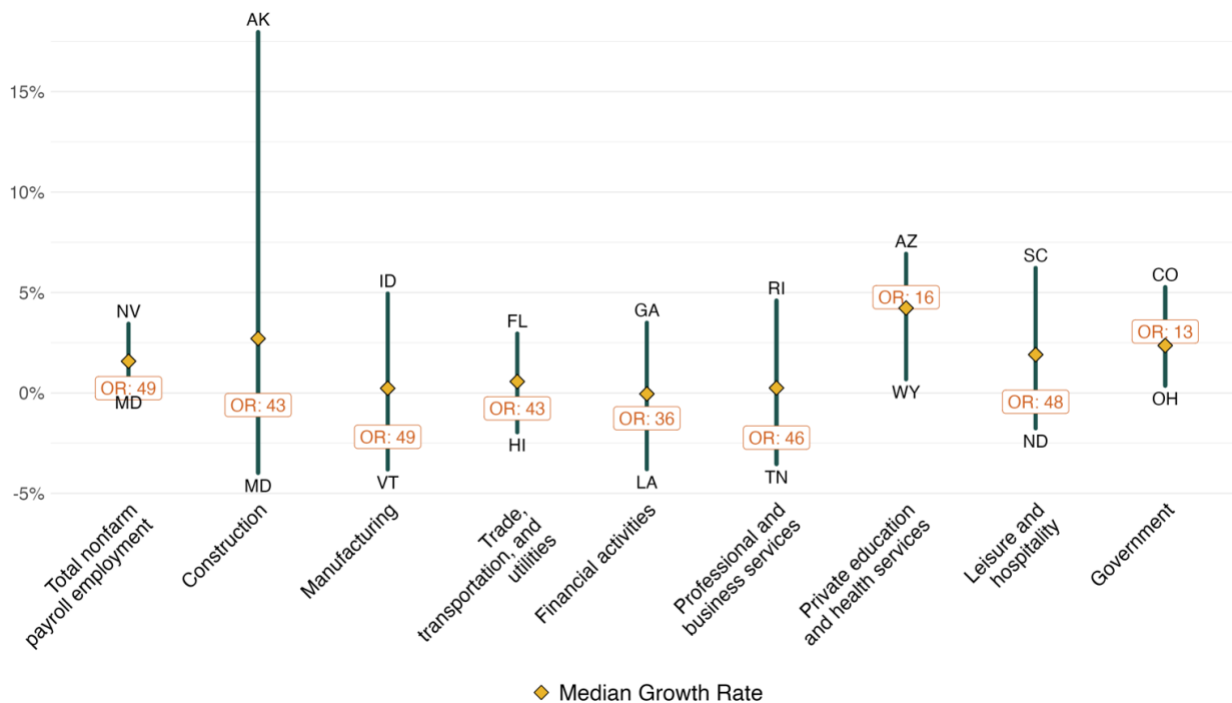
³ U.S. Bureau of Labor Statistics, Total Nonfarm Employment (not seasonally adjusted), 2020-2024.



However, in contrast to national growth, Oregon experienced a slight decline of 0.1 percent in employment between April 2023 and April 2024.⁴

The state's recent economic performance is concerning across multiple sectors. Oregon ranked 49th out of all states in nonfarm employment growth rate between April 2023 and April 2024. During this period, the state was among the bottom ten for employment growth (losing jobs while other states saw gains) in manufacturing, construction, trade, transportation and utilities, professional and business services, and leisure and hospitality.

Figure 4. Employment Growth Rates for All States by Sector (April 2023 to April 2024)



Source: U.S. Bureau of Labor Statistics Current Employment Survey, April 2024. Note: This figure compares Oregon's employment growth rate to all other states. For example, "OR: 49" for total nonfarm payroll employment means Oregon ranked 49th out of all states in employment growth rate between April 2023 and April 2024.

⁴ U.S. Bureau of Labor Statistics, Total Nonfarm Employment (not seasonally adjusted), 2020-2024

National Office Trends

This section describes national trends for office space excluding industrial, manufacturing, or flex space, which is discussed in the following subsection. The 2014 Market Analysis, which informed the Basalt Creek concept planning process, highlighted a reduced demand for office space and a less robust market, predicting a slower pace for office development. This outlook was based on the fact that regional employment levels in Portland had only recently returned to their prerecession levels of 2008.

These trends have been further exacerbated by the COVID-19 pandemic and resulting market shifts toward remote work. According to the Bureau of Labor Statistics' American Time Use Survey, the share of employees working from home rose from 24 percent in 2019 to 34 percent in 2022.⁵ Nationally, the office market as a whole is declining, although high-quality office space remains in relatively strong demand. Key findings include:

- ◆ **Negative net absorption:** National net absorption for office space came in negative (at negative 18.2 million square feet) for the tenth quarter in a row.⁶ However, this trend is not uniform across U.S. markets, with a third of U.S. office markets having positive net absorption. JLL, a global commercial real estate and investment management company that tracks and reports on commercial real estate dynamics, noted that many properties and markets with high negative net absorption are earmarked for conversion to other uses.⁷
- ◆ **Shrinking inventory:** The construction pipeline has decreased by 67 percent since early 2020. As of Q2, 2024 office deliveries (referring to new construction added to the market) were 27 percent below the average since 2020, and the current pipeline is at its lowest point in a decade.⁸ As office inventory removals outpace market deliveries, overall office market inventory has declined.⁹
- ◆ **Favored product types:** Certain types of office space are outperforming others, with tenants favoring high-quality buildings, such as those in attractive locations or featuring additional amenities. With new construction slowing down, existing high-quality assets will likely continue to see demand as competition decreases. In contrast, older and obsolete spaces may require investment or conversion, and the performance of middle-market spaces will vary depending on factors like location, space type, and submarket.¹⁰

Looking ahead, the office sector is expected to adjust to a hybrid work model, with peak attendance levels stabilizing at around 60 to 70 percent. This shift will set a new baseline for office space requirements. Cushman & Wakefield predicts that office occupancy will start to stabilize in the latter half of 2025 as the pace of adjustments to hybrid spaces

⁵ BLS, [American Time Use Survey](#), 2023; does not differentiate between part- and full-time workers

⁶ Cushman & Wakefield, [U.S. Office Marketbeat Q2 2024](#)

⁷ JLL, [JLL U.S. Office Outlook Q1 2024](#)

⁸ Cushman & Wakefield, [U.S. Office Marketbeat Q2 2024](#)

⁹ JLL, [JLL U.S. Office Outlook Q1 2024](#)

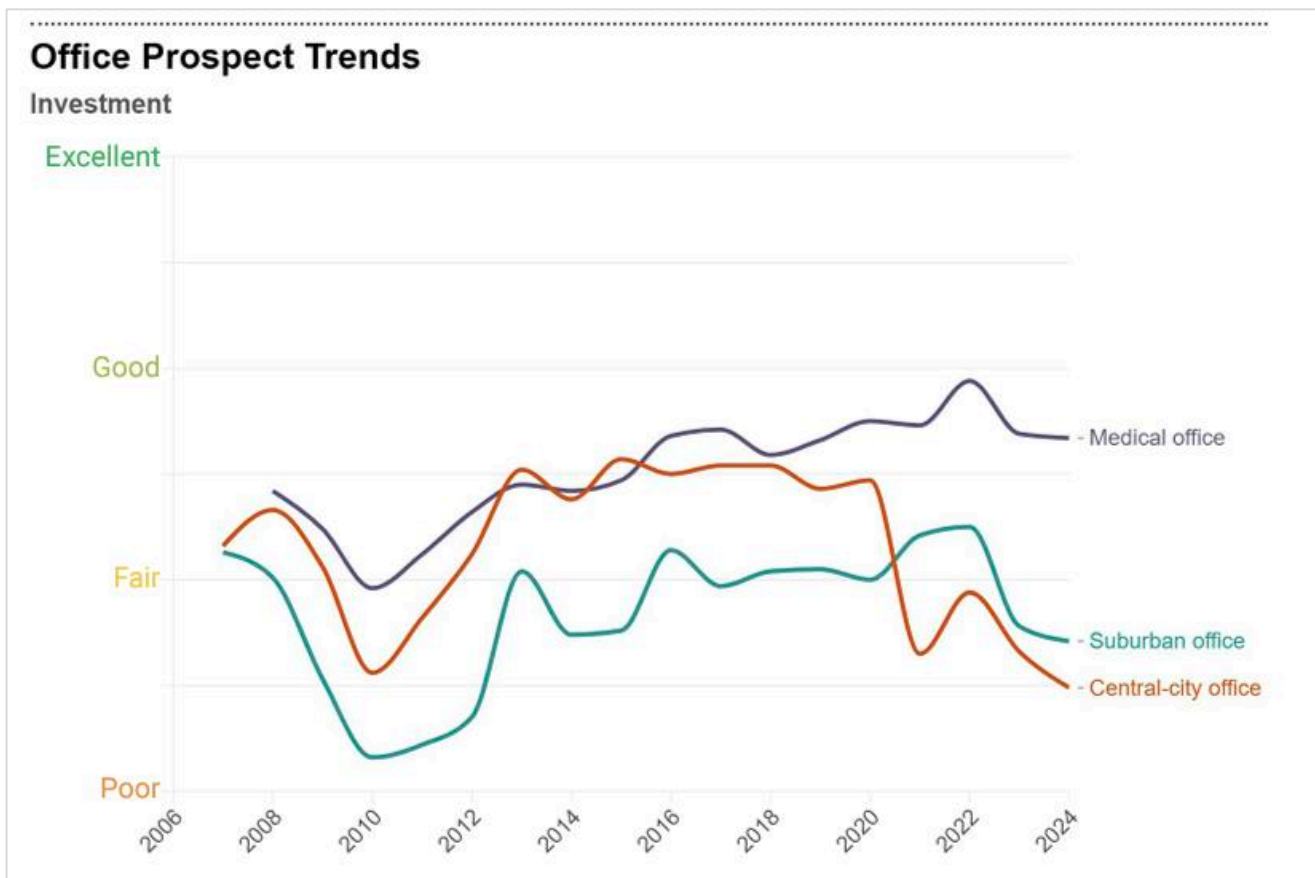
¹⁰ Cushman & Wakefield, [U.S. Office Marketbeat Q2 2024](#)



slows down and growth in both employees and new businesses generate demand for office space.¹¹

Figure 5 shows the Urban Land Institute’s national office market investment prospect trends by secondary market type. While the investment prospect for suburban and central city office space has fallen between “poor” and “fair” in recent years, the investment prospect for medical office space has risen relatively steadily and is rated just below “good.”

Figure 5: Urban Land Institute National Office Investment Prospect Trends



Source: Urban Land Institute [2024 Emerging Trends in Real Estate, United States and Canada](#)

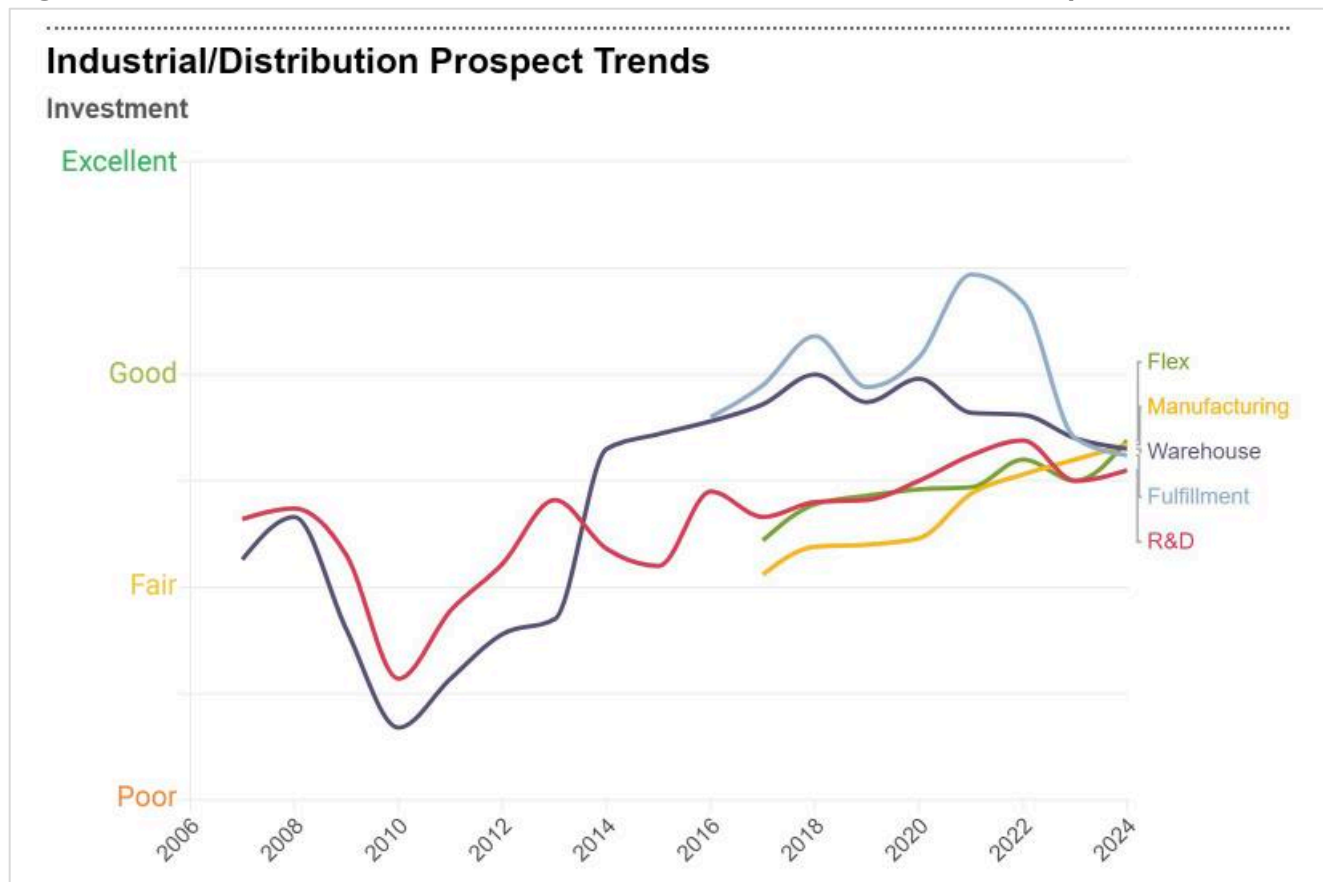
¹¹ Cushman & Wakefield, [U.S. Office Marketbeat Q2 2024](#)

National Industrial Trends

The 2014 Market Analysis, which informed the Basalt Creek concept planning process, reported that industrial space demand was likely to surge as the economy continued to recover from the 2008 recession, citing significant industrial space in the Portland region's development pipeline. It also highlighted that the I-5 South submarket would see some of the greatest demand, predicting that industrial development would continue to outpace office development—an accurate forecast.

The 2014 Market Analysis also correctly predicted stronger markets for research and development, advanced manufacturing, general manufacturing, and warehousing space. Figure 6 shows the Urban Land Institute's trends in investment prospects for industrial and distribution space nationally, showing increased development prospects for these space types from 2014 to around 2021. Historically, fulfillment and warehouse space were rated as better investment prospects than research and development, manufacturing, and flex space. However, in recent years the investment prospects for the various secondary market types have coalesced toward a similar prospect rating, just below "good."

Figure 6: Urban Land Institute National Industrial and Distribution Prospect Trends



Source: Urban Land Institute 2024 Emerging Trends in Real Estate, United States and Canada

In recent years, the industrial real estate market has shown strong performance, particularly in 2022 and 2023, though growth has started to slow in 2024. Despite this slowdown, the national industrial market remains relatively robust overall. Key trends include:¹²

- ◆ **Stabilizing vacancy rates:** Since mid-2022, vacancy rates have been rising, but the pace of increase has slowed. As of Q2 2024, the national vacancy rate stands at 6.1 percent and is expected to continue increasing. However, it remains below the 10-year pre-pandemic average (2010-2019) of 7 percent.
- ◆ **Positive net absorption:** Industrial market demand remains strong, with positive net absorption and rising rents. However, the rate of change has slowed compared to previous years. For instance, rents rose by 3.7 percent year over year since 2023 Q2, marking the slowest growth rate since 2020.
- ◆ **Slowing construction:** One reason for rising vacancy rates is the influx of new supply, with over 1.2 billion square feet delivered nationally in 2022 and 2023. However, the construction of new industrial projects has slowed significantly, decreasing by 46 percent from Q2 2023, reaching its lowest point in four years.

Nationally, the market is expected to stabilize over the next year as the shrinking construction pipeline and positive net absorption limit the available supply of industrial space. However, Cushman & Wakefield report that “the tailwinds of e-commerce growth, onshoring and nearshoring, and a resilient consumer all set the stage for fundamentals to trend positively going forward, albeit at a pace below 2021 and 2022 highs.”^{13,14} Key forecasted trends include:

- ◆ **Decreasing vacancy rates:** While vacancy rates are expected to continue to rise until early 2025, they are expected to peak at around 6.7 percent and then begin to decrease in the second half of 2025. In conjunction with this trend, annual net absorption is expected to increase through 2025.¹⁵
- ◆ **Increasing rents:** Although the rate of rent increase is expected to slow, asking rents for industrial space are anticipated to continue growing through 2025.¹⁶
- ◆ **Manufacturing growth:** According to JLL, the sustained growth in manufacturing due to reshoring trends (returning production to the United States) will likely continue to drive industrial demand nationally. Supply chains will seek strategically located facilities that can accommodate localized manufacturing, efficient distribution, and resilient inventory management systems.¹⁷

¹² Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

¹³ Onshoring and nearshoring refers to the trend of businesses sourcing production within the United States as opposed to outside the United States.

¹⁴ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

¹⁵ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

¹⁶ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

¹⁷ JLL, [Q1 2024 Industrial Outlook](#)



3. Wilsonville Basalt Creek Updated Market Assessment

The Basalt Creek Concept Plan (BCCP) was based on a market assessment conducted in 2014. In the decade since, significant changes have occurred in employment patterns and market conditions. This section provides an updated analysis of regional and Wilsonville-specific employment trends, current forecasts, and present market dynamics, building on the national overview in Section 2.

This updated information establishes a new baseline for understanding Basalt Creek's current market context. Additionally, this section evaluates Basalt Creek's competitive strengths and weaknesses and identifies industries most likely to establish a presence in the area.

Employment Trends and Forecast

In 2022, Wilsonville's employment landscape was characterized by a strong concentration in industrial sectors, with manufacturing, wholesale trade, and construction making up 43 percent of the City's total employment—a much higher share compared to the broader tri-county region. This focus on industrial jobs sets Wilsonville apart, highlighting its distinct role in the regional economy.



Employment Trends

In 2022, Wilsonville had 21,383 covered employees, representing 2.2 percent of the region's covered employment.¹⁸ The City's top three sectors are manufacturing (17.8 percent, 3,796 jobs), wholesale trade (14.4 percent, 3,083 jobs), and construction (10.5 percent, 2,248 jobs). These three industries combined represent 43 percent of Wilsonville's total employment, nearly double the 22 percent share these sectors hold in the broader tri-county region (Clackamas, Multnomah, and Washington Counties).

This concentration in industrial jobs sets Wilsonville apart from the surrounding area. While Wilsonville's top sectors are manufacturing, wholesale trade, and construction, the tri-county region's largest employers are in health care and social assistance, government, and manufacturing.

Table 5: Industry Distribution, Wilsonville and Tri-County Region, 2022

SECTOR	WILSONVILLE		TRI-COUNTY	
	2022 COVERED EMPLOYMENT	SHARE OF EMPLOYMENT	2022 COVERED EMPLOYMENT	SHARE OF EMPLOYMENT
Agriculture, Forestry, Fishing and Hunting	41	0.2%	9,532	1.0%
Utilities, Mining, Quarrying, Oil and Gas Extraction	101	0.5%	2,552	0.3%
Construction	2,248	10.5%	58,672	6.1%
Manufacturing	3,796	17.8%	102,378	10.6%
Wholesale Trade	3,083	14.4%	46,341	4.8%
Retail Trade	2,078	9.7%	90,895	9.4%
Transportation and Warehousing	748	3.5%	43,835	4.5%
Information	121	0.6%	21,957	2.3%
Finance and Insurance	231	1.1%	31,171	3.2%
Real Estate and Rental and Leasing	219	1.0%	16,947	1.8%
Professional, Scientific, and Technical Services	1,974	9.2%	69,299	7.2%
Management of Companies and Enterprises	555	2.6%	36,951	3.8%
Admin., Waste Mgmt, and Remediation	1,655	7.7%	58,605	6.1%
Private Education	90	0.4%	18,213	1.9%
Health Care and Social Assistance	1,007	4.7%	122,197	12.7%
Arts, Entertainment, and Recreation	193	0.9%	13,631	1.4%
Accommodation and Food Services	1,356	6.3%	77,278	8.0%
Other Services (except Public Administration)	454	2.1%	34,720	3.6%
Other (nonclassifiable)	28	0.1%	1,927	0.2%
Government	1,405	6.6%	107,431	11.1%
Total:	21,383	100%	964,532	100%

Source: QCEW

¹⁸ **Covered** employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.



Over the past decade, Wilsonville's employment grew slightly faster than that of the tri-county region. This growth was largely driven by an increase in construction jobs, which more than tripled during this period. Although the tri-county region also experienced growth in construction jobs, Wilsonville's rate of growth was considerably higher. Wilsonville also had strong employment growth in wholesale trade. Notably, while wholesale employment rose in Wilsonville, it declined across the broader tri-county region.

In contrast, Wilsonville experienced a decline in manufacturing employment, even as the region saw growth in this sector. Wilsonville maintained stable employment in the transportation and warehousing sector, while the tri-county region grew substantially.

Table 6: Change in Employment, Wilsonville and Tri-County Region (2012 to 2022)

SECTOR	CHANGE 2012-2022			
	NUMBER		PERCENT	
	WILSONVILLE	TRI-COUNTY	WILSONVILLE	TRI-COUNTY
Agriculture, Forestry, Fishing and Hunting	(2)	810	-5%	9%
Utilities, Mining, Quarrying, Oil and Gas Extraction	(5)	263	-5%	11%
Construction	1,505	20,584	203%	54%
Manufacturing	(549)	8,332	-13%	9%
Wholesale Trade	703	(2,409)	30%	-5%
Retail Trade	81	6,254	4%	7%
Transportation and Warehousing	1	17,473	0%	66%
Information	(34)	1,946	-22%	10%
Finance and Insurance	(16)	(3,904)	-6%	-11%
Real Estate and Rental and Leasing	(31)	3,678	-12%	28%
Professional, Scientific, and Technical Services	452	19,014	30%	38%
Management of Companies and Enterprises	293	15,121	112%	69%
Admin., Waste Mgmt, and Remediation	780	9,821	89%	20%
Private Education	(87)	(617)	-49%	-3%
Health Care and Social Assistance	(435)	26,457	-30%	28%
Arts, Entertainment, and Recreation	33	2,277	21%	20%
Accommodation and Food Services	291	5,588	27%	8%
Other Services (except Public Administration)	51	1,062	13%	3%
Other (nonclassifiable)	15	1,627	115%	542%
Government	289	4,210	26%	4%
Total:	3,335	137,587	18%	17%

Source: QCEW

BASALT CREEK PLANNING AREA EMPLOYMENT

The BCPA (Wilsonville portion only) grew in employment from 2012 to 2022, with 275 covered employees reported as of 2022. The average wage in the BCPA was \$85,863, which is higher than both the tri-county (\$73,995) and City average wages (\$74,252), suggesting these are relatively well-paying jobs.



Table 7. Change in Employment and Wage, BCPA 2012-2022

YEAR	TAX LOTS	ESTABLISHMENTS	EMPLOYMENT	TOTAL PAY*	AVERAGE WAGE*
2012	80	11.0	194	\$9,593,330	\$49,450
2022	90	10.0	275	\$23,612,269	\$85,863
CHANGE	10	-1	81	\$14,018,939	\$36,413

Source: QCEW

*not inflation adjusted

Wilsonville's portion of the BCPA consisted of 80 tax lots in 2012 and 90 tax lots in 2022. Some areas in the BCPA have a high degree of parcelization, while others are less fragmented. There are a handful of large contiguous landholdings by single ownership. In 2012, 8 tax lots had businesses with covered employment, increasing slightly to 10 tax lots in 2022. Employment density on lots with covered employment remains low at 4.4 employees per acre as of 2022, with most tax lots having no covered employment at all.

Table 8. Lots with and without Covered Employment in the BCPA, 2012-2022

	2012			2022		
	TAX LOTS	ACRES	EMPLOYMENT DENSITY	TAX LOTS	ACRES	EMPLOYMENT DENSITY
With Employment	8	62	3.1	10	63	4.4
Without Employment	72	410	n/a	80	406	n/a
Total	80	472	0.4	90	469	0.6

Source: QCEW Note: The minor change in acreage from 2012 to 2022 resulted from constructing of the Basalt Creek Parkway and small adjustments in the recording of tax lots over that period.

It is important to note that these figures only account for covered employees.¹⁹ Some of the land in the BCPA is actively used despite minimal reported employment. The area is primarily used for contractor establishments, including storage yards for various businesses, which typically require fewer employees. It is likely that additional workers are present but not included in the covered employment estimates, such as sole proprietors or other types of uncovered contractors. Due to the prevalence of storage-focused contractor establishments, many lots have minimal building improvements. The improvement-to-land-value ratio is low and has changed little over the past decade.

Table 9. Improvement to Land Value, BCPA, 2012-2022

	LAND VALUE	BUILDING VALUE	IMPROVEMENT TO LAND VALUE
2012	\$16,577,800	\$6,738,020	0.41
2022	\$32,892,790	\$16,996,440	0.52

Source: Regional Land Information System (RLIS)

¹⁹ **Covered** employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Employment Forecast

Between 2020 and 2045, the City is projected to grow by 3,471 employees at an average annual growth rate of 0.7 percent. This rate is faster than Tualatin but slightly slower than Sherwood and the region overall. Washington County is projected to grow the fastest of the three counties in the region.

Table 10: Metro Employment Forecast, 2020 to 2045

	2020	2045	CHANGE 2020-2045		
			NUMBER	PERCENT	AAGR
Tualatin	34,115	36,792	2,677	8%	0.3%
Wilsonville	20,539	24,010	3,471	17%	0.7%
Sherwood	6,646	8,013	1,367	21%	0.8%
Clackamas County	173,891	212,341	38,450	22%	0.9%
Multnomah County	538,628	651,090	112,462	21%	0.8%
Washington County	313,513	391,712	78,199	25%	1.0%
THREE COUNTY TOTAL	1,026,032	1,255,143	229,111	22.3%	0.9%

Source: Oregon Metro, [2045 Distributed Forecast](#)

AAGR = Annual Average Growth Rate

For 2022 to 2032, the Oregon Employment Department (OED) forecasts the strongest growth for the Portland tri-county region in commercial sectors, led by information, leisure and hospitality, and private education and health services. However, OED also predicts growth in industrial sectors, with the strongest relative growth in the construction industry followed by transportation, warehousing, and utilities.

Table 11: Portland Tri-County Industry Projections, 2022 to 2032

INDUSTRY	EMPLOYMENT		CHANGE	
	2022	2032	NUMBER	PERCENT
Natural resources and mining	10,100	10,600	500	5.0%
Construction	59,100	67,800	8,700	14.7%
Manufacturing	101,300	109,800	8,500	8.4%
Wholesale trade	47,300	51,900	4,600	9.7%
Retail trade	90,000	93,500	3,500	3.9%
Transportation, warehousing, and utilities	46,500	52,500	6,000	12.9%
Information	23,400	28,700	5,300	22.6%
Financial activities	60,600	62,500	1,900	3.1%
Professional and business services	167,600	191,000	23,400	14.0%
Private educational and health services	143,400	168,700	25,300	17.6%
Leisure and hospitality	90,700	109,400	18,700	20.6%
Other services	38,200	43,100	4,900	12.8%
Government	114,200	123,500	9,300	8.1%
Self-employment	62,700	69,600	6,900	11.0%
Total	1,055,100	1,182,600	127,500	12.1%

Source: Oregon Employment Department [Employment Projections](#)



Real Estate Market Trends

The real estate market trends in Wilsonville and the Portland region generally align with the national trends outlined in Section 2. While Wilsonville's office market typically has a lower vacancy rate compared to the broader region, it has had consistently negative net absorption and recent spikes in the vacancy rate, reaching over 12 percent in 2024.

More positively, Wilsonville's industrial market has a relatively low vacancy rate, large average building sizes, and a variety of industrial space types that could appeal to a mix of tenants. Wilsonville is also well positioned to benefit from promising industrial trends in the broader region, including investments in semiconductor manufacturing and market growth that could attract tenants to the area. However, industrial development in Wilsonville has been limited over the past decade. Only 1.7 percent of its total industrial space has been built in the last 10 years, compared to 11 percent in the broader Portland metro area. According to CoStar, in the past five years, three buildings have been under construction in Wilsonville: one completed in 2022 and two slated to be completed in 2025.

This section analyzes real estate market trends for various submarkets encompassing the BCPA, including the I-5 South submarket (Figure 7) and the Portland metro area (Figure 8).

NOTE ON COSTAR DATA

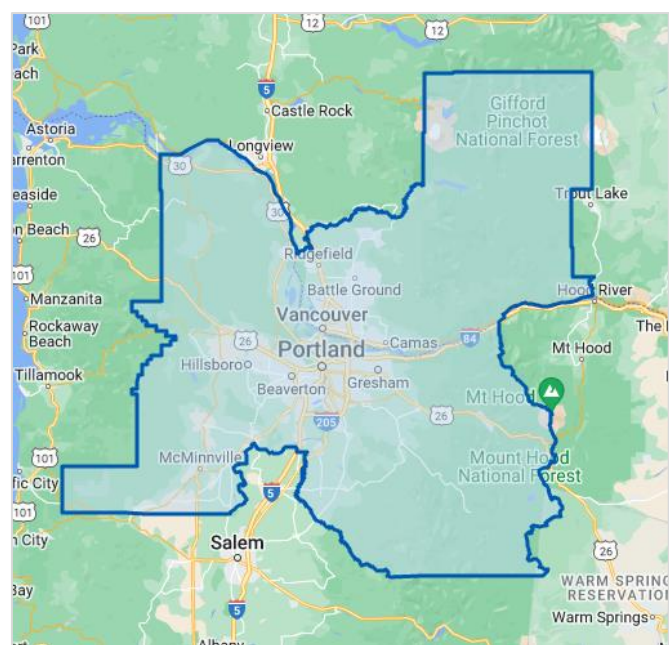
While CoStar data provides valuable, up-to-date data across a wide range of metrics, data quality is more limited in smaller markets and at the property level. The data here should be read as an indication of overall market statistics and trends, rather than an exact reflection of all properties in a given market.

Figure 7: I-5 South Submarket Boundary



Source: CoStar

Figure 8: Portland Metro CoStar Boundary



Source: CoStar

Office Market Trends

Portland Metro Regional Trends

Like the national office space market, office spaces in the Portland metro are experiencing high vacancy rates and lower leasing activity. Work-from-home policies have decreased the demand for office space. Consequently, tenants have increased bargaining leverage; they are pressuring landlords to reduce rates, increase lease concessions, and raise tenant improvement budgets. Despite these adjustments, an increase in vacancies is expected, with interest rates and economic uncertainty adding volatility to the office market.²⁰ Other key findings include:

- ◆ **Record high vacancy rates:** High vacancy rates have continued to climb, reaching a record high of 13.3 percent vacant office space in 2024 Q2.²¹
- ◆ **Continued negative net absorption:** Net absorption in the Portland market was just over negative 500,000 square feet in 2024 Q2, the fourth quarter in a row of negative net absorption. Since the beginning of 2020, the Portland office market has only had positive net absorption for five quarters.²²
- ◆ **Leasing activity:** Leasing and sales activity are on par with 2023, indicating that the vacancy and absorption trends are due to companies exiting the marketplace or downsizing at a higher rate, likely due to continued work-from-home policies.²³

However, the Portland office market is not uniform, with the suburban office market performing better than the downtown and regional office markets. The Portland suburbs' office vacancy rates are 8.6 percent, compared to 23.9 percent downtown.²⁴

Wilsonville Office Market

Wilsonville currently has approximately 1.4 million square feet of office space, representing roughly 18 percent of office space in the I-5 South submarket and 1 percent in the broader Portland metro region. According to CoStar, over the past decade, one office building was added to Wilsonville's market in 2020, located at 29250 Southwest Town Center Loop West. This office building was about 30,000 square feet, or roughly 2 percent of Wilsonville's total office space. Over the same period, the Portland metro added a greater share (9 percent) of

²⁰ Cushman & Wakefield, [Office Marketbeat Q2 2024 Portland Office Report](#)

²¹ Cushman & Wakefield, [Office Marketbeat Q2 2024 Portland Office Report](#)

²² Kidder Matthews, [Portland Office Market Report Q2 2024](#)

²³ Kidder Matthews, [Portland Office Market Report Q2 2024](#)

²⁴ Cushman & Wakefield, [Office Marketbeat Q2 2024 Portland Office Report](#)



space to its office market. These projects, on average, have been significantly larger than usual office buildings, with a few very large projects surpassing 100,000 square feet.

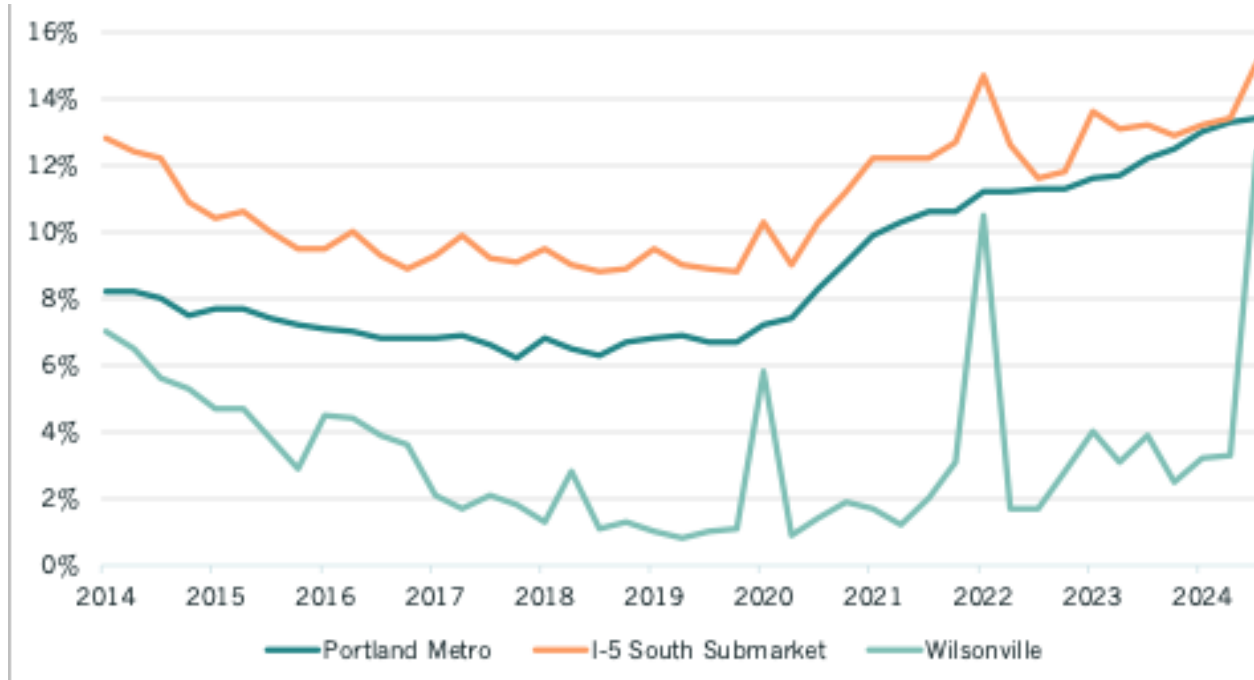
Table 12: Office Space Development Trends, 2014 to 2024

GEOGRAPHY	TOTAL BUILDINGS	TOTAL SQUARE FEET	AVERAGE BUILDING SIZE
ALL OFFICE DEVELOPMENT			
Portland Metro	6,217	118,809,170	19,110
I-5 South Submarket	431	7,533,437	17,479
Wilsonville	62	1,358,335	21,909
BUILT IN THE LAST 10 YEARS			
Portland Metro	66	10,354,342	156,884
I-5 South Submarket	4	80,976	20,244
Wilsonville	1	30,000	30,000

Source: CoStar, pulled August 2024

Per Costar, the I-5 South submarket office vacancy rates have been higher than the Portland metro's vacancy rates since 2014, although vacancy rates have been much more similar since 2022. Both have vacancy rates above 13 percent as of July 2024. While Wilsonville office vacancy rates have remained much lower, the end of a few leases are reflected in vacancy rate spikes in 2020, 2022, and 2024, when the vacancy rate spiked closer to the Portland metro average.

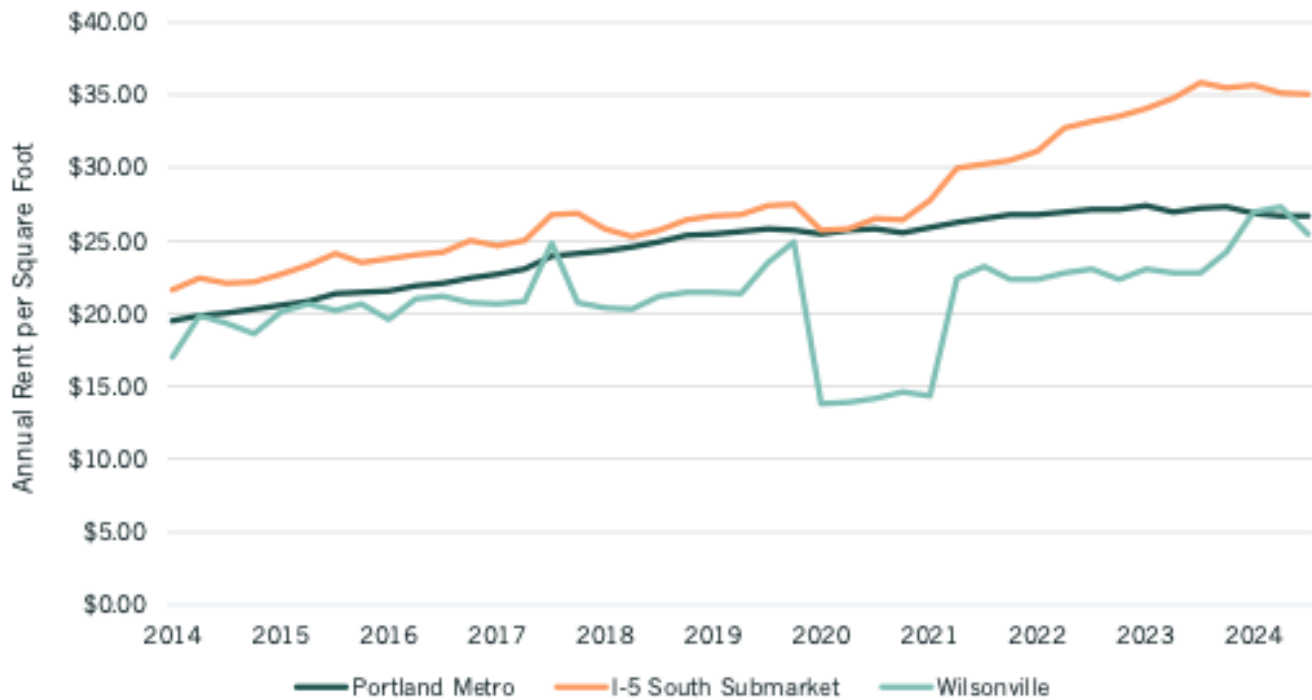
Figure 9: Office Vacancy Rate Trends, 2014-2024



Source: CoStar, pulled August 2024

Office rents have increased in the I-5 South submarket despite high vacancies, and they remain substantially above the Portland metro region's average, according to Costar. Historically, office rents in Wilsonville have been lower than in the Portland metro area. However, since an initial decline in 2020, rents in Wilsonville have risen steadily, reaching over \$26 per square foot, now equal to the Portland metro average for the first time in a decade.

Figure 10: Office Lease Rate Trends, 2014-2024



Source: CoStar, pulled August 2024

Net absorption and delivery trends also indicate a relatively slow office market. From 2019 to 2024 Q3, net absorption was negative in all three areas. Over the same period, net absorption in the Portland metro area was negative 4.6 million square feet, negative 387,000 square feet in the I-5 South submarket, and negative 122,000 square feet in Wilsonville.

Industrial Market

Portland Metro Regional Trends

Like the national industrial market overall, the Portland metro area industrial market has been strong in recent years, particularly from 2021 to 2023. However, similar to national trends, a few metrics indicate that demand for industrial space is decelerating in the region:²⁵

- ◆ **Increasing vacancy rates:** Vacancy for industrial space in the Portland metro region has risen steadily since early 2023, and net absorption was negative in both Q1 and Q2 of 2024. While overall leasing activity for industrial space in the area remained higher than the area's 10-year average, a few large companies downsizing or exiting the market contributed to negative net absorption and vacancy trends.
- ◆ **Slow lease-up for new construction:** The delivery of 1.2 million square feet to the market in early 2024 also contributed to the region's supply of vacant industrial space. However, newly constructed industrial space has been slow to lease up, with 93 percent of recent leasing activity in buildings built before 2010.
- ◆ **Rising unemployment rates:** In early 2024, Portland's unemployment rate (4.1 percent) surpassed the national average (3.8 percent) amid layoffs, including the shutdown of a large UPS location in North Portland, which impacted 300 sorting and distribution jobs.

However, investors and leasing professionals are confident in the regional market's long-term health, particularly due to significant investments in the region's semiconductor manufacturing sector.²⁶ Market strengths include:

- ◆ **CHIPS Act:** In 2022, the federal government allocated \$50 billion as part of the CHIPS Act to bolster U.S. semiconductor manufacturing, which is expected to create thousands of regional manufacturing and construction jobs.²⁷ The expansion of the semiconductor industry could also have a ripple effect, creating demand for industrial space for equipment suppliers, supply chain materials manufacturers, and testing facilities.
- ◆ **Strong submarkets:** According to market reports from Cushman & Wakefield and CBRE, other strong industrial submarkets include food and beverage warehousing, tech warehousing, and auto part manufacturing.²⁸ These are some of the most common types of tenants seeking space in the market, although deals are taking longer on average to reach completion.²⁹

²⁵ CBRE, [Q2 2024 Portland Industrial Market Update](#)

²⁶ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

²⁷ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

²⁸ Cushman & Wakefield, [Industrial Marketbeat Q2 2024 Portland Industrial Report](#)

²⁹ CBRE, [Q2 2024 Portland Industrial Market Update](#)



- ◆ **Market growth:** Current forecasts estimate that 2.4 million square feet will be delivered to the market in 2024, roughly 1 percent of the current Portland industrial space inventory. As reported by CBRE, investors and leasing professionals are confident that the Portland market has additional room for growth.

Wilsonville Industrial Market

Wilsonville has about 8.6 million square feet of industrial and flex space, representing roughly 24 percent of the I-5 South submarket and 3 percent of the Portland metro region's industrial space. The average size of Wilsonville's industrial building is roughly 63,000 square feet, almost twice as large as the average industrial building in the broader Portland metro (34,000 square feet).

Wilsonville has had limited industrial development in the past decade. Only 1.7 percent of Wilsonville's total industrial space was built in the last 10 years, compared to roughly 11 percent of the I-5 South submarket and Portland metro industrial space. This slow pace of development makes sense given the limited supply of developable industrial land in the City and, more precisely, the development constraints that exist on those lands.

Table 13: Industrial & Flex Space Development Trends, 2014 to 2024

GEOGRAPHY	TOTAL BUILDINGS	TOTAL SQUARE FEET	AVERAGE BUILDING SIZE
ALL INDUSTRIAL DEVELOPMENT			
Portland Metro	7,535	257,487,989	34,172
I-5 South Submarket	900	35,089,559	38,988
Wilsonville	137	8,605,081	62,811
BUILT IN THE LAST 10 YEARS			
Portland Metro	278	30,328,230	109,094
I-5 South Submarket	50	3,848,383	76,968
Wilsonville	2 ³⁰	145,611	72,806

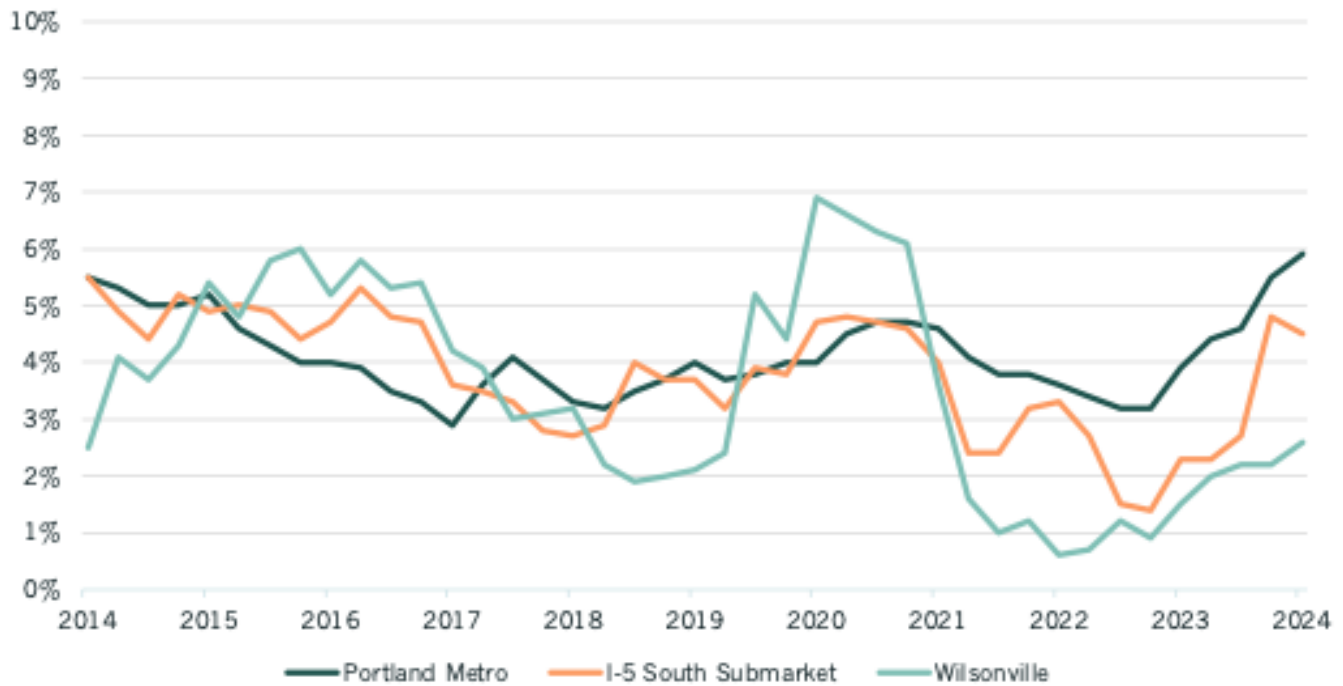
Source: CoStar, pulled August 2024

³⁰ The two buildings listed in CoStar are located at 96500 SW Parkway Ave (2025) and 10680 SW Clutter Road (2022). However, city staff noted three others: the Black Creek development in the Coffee Creek industrial area and two SSI Shredding facilities.



Wilsonville's industrial vacancy rate has remained below 6 percent for most of the past decade. In 2020 and 2021, Wilsonville saw a brief spike in vacancy, likely driven by the COVID-19 pandemic, which quickly dropped to just over 1 percent in 2022. As of July 2024, Wilsonville's combined industrial and flex space vacancy rate was 2.6 percent (Figure 12). Wilsonville's industrial vacancy rate has been below the Portland metro since 2021. As of July 2024, the Portland metro had a vacancy rate of 5.9 percent and I-5 South submarket had a vacancy rate of 4.5 percent.

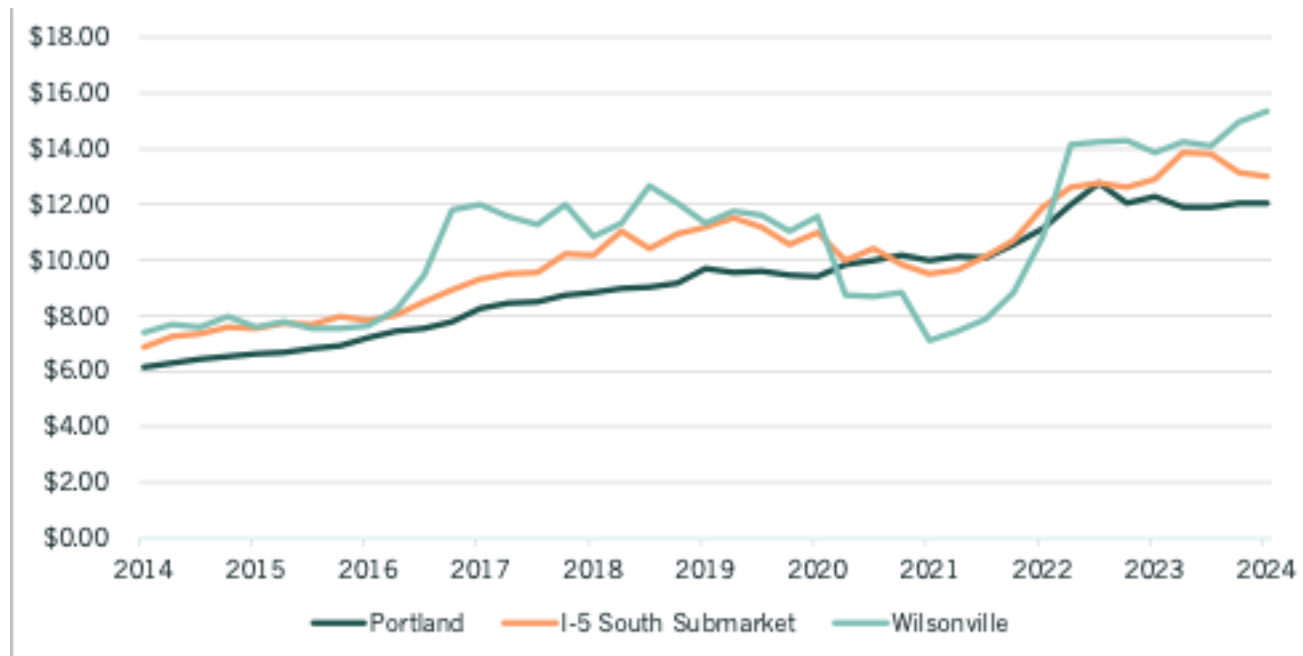
Figure 11: Industrial & Flex Vacancy Rate Trends, 2014-2024



Source: CoStar, pulled August 2024

Triple net industrial rents in Wilsonville increased from 2014 to 2020 and were generally higher than the Portland metro region over the period.³¹ Wilsonville shows a large drop in lease rates between 2020 and 2021, likely due to COVID-19 impacts. However, rates rebounded in 2022, reaching \$15.35 per square foot in July 2024, higher than the Portland metro (\$12.03) and I-5 South submarket (\$12.99). The combination of rising rents and very low vacancy rates suggests a robust industrial market in Wilsonville, potentially attracting new development, especially speculative development.

Figure 12: Industrial & Flex Rents Trends, 2014-2024

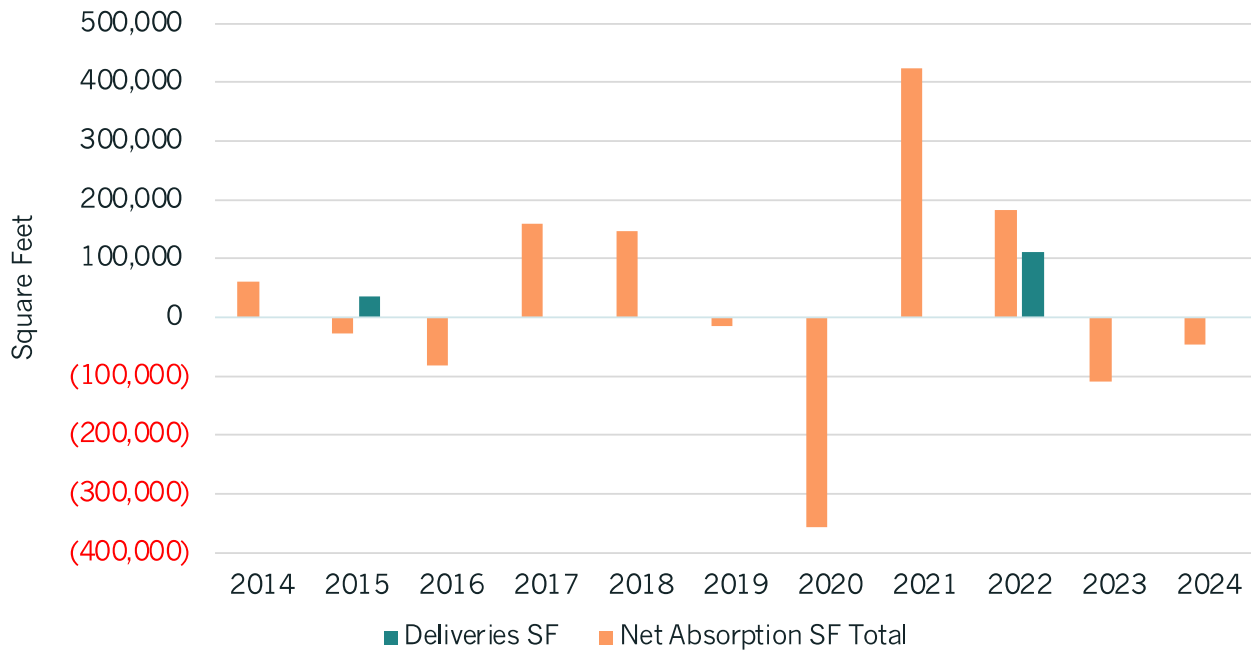


Source: CoStar, pulled August 2024

³¹ Triple-net (NNN) rents are annual rents on a per-square-foot basis not including any pass-through expenses such as taxes, insurance, and any utilities or maintenance costs, which are passed on to the tenant and paid separately.

Net absorption has been generally positive for industrial properties over the past decade, with a large vacancy in 2020; however, it was followed by high positive net absorption the following year. Net absorption was negative in 2023 and through August 2024 (when data was pulled) but at a smaller magnitude than in 2020.

Figure 13: Net Absorption for Industrial & Flex Space in Wilsonville, 2014 to 2024



Source: CoStar, pulled August 2024

TYPE OF INDUSTRIAL PRODUCT BUILT SINCE 2014

Within the industrial product type, CoStar delineates the properties into a secondary type based on their use, size, and amenities to industrial users. CoStar utilizes the following definitions for the secondary types of industrial space:

- ◆ **Distribution:** Spaces used for warehousing and distribution of inventory that are typically 200,000 square feet or more, have clear heights of 28 feet, are less than 5 percent office space, and have site coverage that can be up to 40 percent.
- ◆ **Warehouse:** Buildings that are 25,000 square feet or greater, are up to 20 percent office area, have clear heights of 22 feet or greater, and have site coverage up to 50 percent.
- ◆ **Manufacturing:** Buildings that are typically 300,000 square feet or greater with an office area up to 50 percent.
- ◆ **R&D:** Flex space specifically used for research and development.
- ◆ **Flex/Other/Misc.:** A versatile building that may be used with office (corporate headquarters), research and development, mixed-use industrial and retail sales, and includes but is not limited to industrial, warehouse, and distribution uses. At least half of the rentable area of the building must be used as office space. Flex buildings typically have ceiling heights under 18 feet, with light industrial zoning. Flex buildings have also been called Incubator, Tech and Showroom buildings in markets nationwide.

Table 14 shows industrial development by submarket, or secondary market, types. Over the past 10 years, the I-5 South submarket has captured a slightly smaller share of the total market at 8.7 percent compared to its total share of 10.2 percent. The secondary market type distribution has also changed. While the I-5 South submarket contains roughly 27 percent of the total market space for R&D and warehouse space, it has captured about 35 percent of the space built in the last 10 years. Meanwhile, it captured a smaller share of manufacturing and distribution development (19 percent in the past 10 years compared to 27 percent of the total market share).

Table 14: Industrial Development Trends by Secondary Market Type, Portland Metro and I-5 South Submarket, 2014 to 2024

	ALL DEVELOPMENT		PAST 10 YEARS		I-5 CAPTURE RATES	
	METRO	I-5	METRO	I-5	ALL DEV'T	2014-2024
Distribution	49,002,646	5,677,113	16,716,663	1,222,159	11.6%	7.3%
Manufacturing	43,382,806	6,661,789	5,802,456	700,301	15.4%	12.1%
R&D	4,036,770	409,055	514,319	87,476	10.1%	17.0%
Warehouse	116,255,396	19,920,386	11,999,179	2,178,085	17.1%	18.2%
Flex/Other/Misc	156,220,367	4,831,339	24,957,511	1,053,586	3.1%	4.2%
Total	368,897,985	37,499,682	59,990,128	5,241,607	10.2%	8.7%

Source: CoStar, pulled August 2024

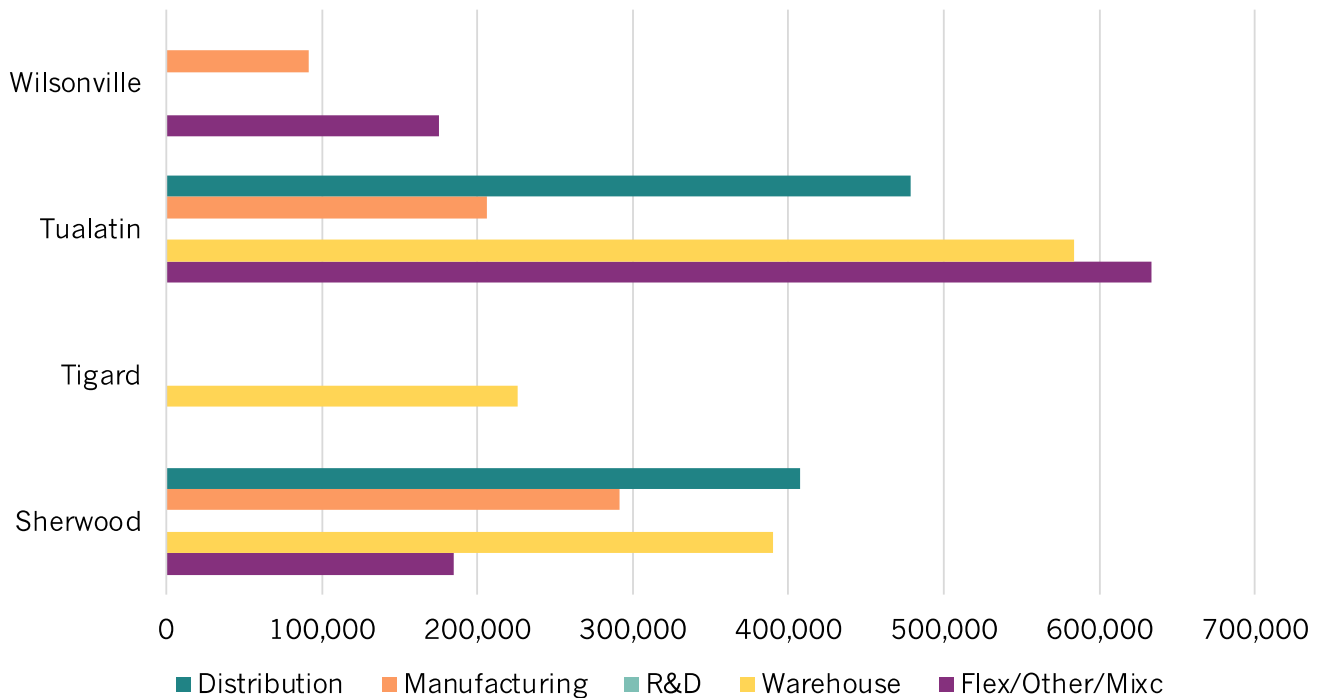


Industrial development along the I-5 South submarket has recently concentrated in Tualatin and Sherwood, with Wilsonville falling behind. This trend is likely due to Wilsonville's shortage of development-ready industrial land and large parcels, a view supported by interviews with local developers, brokers, and economic development organizations.

Many speculative industrial developers are seeking large sites, as demonstrated by recent developments in Sherwood and Tualatin on parcels exceeding 10 acres. Notable examples include the recently completed Sherwood Commerce Center on a 30+ acre site and the proposed Rock Creek industrial site development on 25 acres in Sherwood. In Tualatin, the Tualatin Sherwood Corporate Park was completed in 2022 on over 40 acres, while the Hedges Creek Industrial Park is expected to be completed in 2025 on a 20-acre site.

Local developers report that most of the industrial demand is coming from existing regional businesses rather than out-of-state companies. These local industrial users are primarily looking to expand or upgrade their current facilities within the area. Many express a desire to be outside the City of Portland and Multnomah County, citing concerns about public safety and higher rates of taxation.

Figure 14. Secondary Industrial Space Recently Built or Proposed in I-5 South Submarket by City, 2019-2026



Source: CoStar, pulled August 2024

Target Industry Assessment

Wilsonville is well positioned within the region to capture industrial growth. It has access to a strong base of employment, proximity to I-5, and connections to other growing industrial areas in Sherwood and Tualatin. This section examines industries likely to be drawn to Wilsonville, considering its strengths and competitive edge. The analysis begins by identifying common barriers to industrial development, based on local stakeholder interviews. It then reassesses strengths and weaknesses outlined in the Basalt Creek Concept Plan (BCCP), updating these factors to reflect market and employment trends over the past decade. The section concludes by summarizing how these market trends will shape Basalt Creek's development.

Barriers to Industrial Development

Stakeholders identified a number of key barriers for industrial users that prevent development. While some of these challenges are more directly applicable to Basalt Creek than others, they all represent important considerations for the City as it prepares the area for development:

- ◆ **Site Readiness:** Many sites lack the necessary transportation and utility infrastructure and preparations to immediately accommodate industrial users.
- ◆ **Power Availability:** Immediate or quick access to heavy power is currently the most significant barrier for many industrial businesses. The increasing power demands of modern industrial operations make this a crucial factor.
- ◆ **Outdated Existing Buildings:** Many existing structures do not meet the needs of modern industrial users, requiring significant renovations or complete rebuilds.
- ◆ **Lack of Intermediate Industrial Spaces:** Medium-sized industrial users (users that require 20,000 to 40,000 square feet) have limited spaces to choose from.
- ◆ **Misaligned Visions and Overly Prescriptive Zoning:** Sometimes, the landowners' or city's vision for an area does not align with the diverse needs of potential users. Discussions with local developers and brokers highlight the importance of allowing a mix of uses for better financing opportunities. This is particularly relevant for speculative development, where end users are not known at the time of entitlement and construction. Overly prescriptive zoning that designates specific uses, such as manufacturing, can be more challenging to finance because banks see risk and concern if they perceive the list of potential tenants is too small or narrow. Additionally, various types of uses tend to cluster together due to supply chain benefits. For example, manufacturers often have suppliers located nearby. Overly prescriptive zoning can disrupt this natural ecosystem by preventing clustering.
- ◆ **Fragmented Land Ownership:** Areas with multiple small parcels under different ownership can make it difficult to assemble larger sites needed for significant industrial development.



- ◆ **Incompatible Neighboring Uses:** The presence of nonindustrial uses in close proximity can preclude development out of concern for possible or future conflicts that have the potential to limit or complicate the operations of industrial businesses.
- ◆ **Requirements for Connectivity:** In some cases, required access roads can deter large industrial developers because the roads may decrease the area of developable land while adding significant cost to a speculative project. Additionally, some industrial users who prioritize confidentiality and security may be less attracted to areas with public access requirements.

Comparative & Competitive Advantage

The BCCP outlined the Basalt Creek area's advantages and challenges, many of which are still relevant. The following includes Basalt Creeks' advantages and challenges drawing from the BCCP and updating based on new information gathered as a part of this report.

STRENGTHS AND COMPETITIVE ADVANTAGES

- ◆ Centrally located in the south metro, within the urban growth boundary, and designated in the City's comprehensive plan for industrial uses.
- ◆ Large contiguous cluster of existing and planned industrial employment areas, including Wilsonville's Coffee Creek Industrial Area, and adjacent employment lands in Tualatin and Sherwood.
- ◆ Large areas of contiguous land ownership with property owners who are interested in developing or selling for redevelopment.
- ◆ Long-term growth projections for employment and population in the southwest Portland metro area.
- ◆ Excellent access to I-5, I-205, and Highway 217. Additional transportation strengths include existing and planned arterial roads as well as local and regional transit service provided by TriMet, WES Commuter Rail, and SMART.³²
- ◆ Access to an educated workforce as part of the Metro labor shed and Mid-Valley labor shed.
- ◆ Easily accessible to other growing industrial areas, particularly in Tualatin and Sherwood.
- ◆ Planned substation development.

CHALLENGES

- ◆ Zoning needs to be in place prior to development.
- ◆ Planning, financing, and construction of new infrastructure.

³² Existing major arterials include SW Grahams Ferry Road, SW Boones Ferry Road, and SW Day Road; the City is also planning the extension of Basalt Creek Parkway.



- ◆ Existing low employment density uses (contractor establishments and storage uses) that generate income for property owners may reduce appetite to sell for redevelopment.
- ◆ Lot sizes and property aggregation. There is a mix of large and small lots throughout Basalt Creek. The time and cost required to secure properties from multiple parties to aggregate developable industrial properties of adequate size can be a significant deterrent to developers.
- ◆ Natural features, including wetlands and slopes. Basalt Creek and its surrounding slopes and wetland areas run north-south through the study area and divide the area into east and west sections.
- ◆ Growing power demands from industrial users and uncertainty on timing and capacity of additional service.³³

Which industries may be attracted to Basalt Creek?

Basalt Creek's long-standing vision as an industrial area aligns well with current market trends, which show strong demand for industrial space both nationally and in the Portland metro region. Stakeholders point to Wilsonville's potential to attract a diverse range of industrial businesses, including those in the semiconductor supply chain, cleantech, advanced manufacturing, and data centers.

Wilsonville's appeal to these sectors stems from its strategic location in the south metro area, access to a skilled labor force, and proximity to related industries. The semiconductor sector in particular is poised for expansion due to recent CHIPS Act investments. Similarly, cleantech industries are anticipated to see growth within the Portland metro region. The availability of large areas of contiguous land ownership in the Basalt Creek Planning Area further enhances its attractiveness to major industrial users who seek large lots for development.

It is worth noting that while the Basalt Creek Concept Plan (BCCP) originally envisioned a mix of uses—including office space associated with industrial operations, primarily in the High-Tech Employment district—current market conditions suggest that office use will likely play a smaller role than initially planned. Instead, the focus is expected to shift more toward industrial and tech-oriented developments to capitalize on emerging economic opportunities. Below are details about the potential sectors and industries that may be particularly attracted to Wilsonville:

- ◆ **Semiconductor Sector Supply Chain:** This sector includes companies involved in the design, manufacturing, and testing of semiconductor chips, as well as those providing materials, equipment, and services to chip manufacturers. Wilsonville is attractive for this industry due to its proximity to existing semiconductor clusters in

³³ ECONorthwest has reached out to PG&E to understand how much of a challenge access to adequate power may be and is waiting to hear back. This statement may be updated after that conversation.



the Portland metro area, access to a skilled workforce, and potential for large industrial sites. Basalt Creek would likely host businesses that support the supply chain rather than producing the chips themselves.

- ◆ **Cleantech, including Battery Technology:** Cleantech encompasses renewable energy technologies, energy efficiency solutions, and sustainable manufacturing processes. Businesses in this sector include energy storage and related sustainable material technologies and a variety of alternative energy technologies and production. Battery technology, crucial for electric vehicles and energy storage, is a growing subsector that is already present in Wilsonville. Wilsonville's strategic location and potential for large industrial sites make it suitable for cleantech manufacturing and R&D facilities.
- ◆ **Advanced Manufacturing:** This sector involves the use of innovative technologies to create products. It includes robotics, 3D printing, and smart manufacturing systems. Wilsonville's access to a skilled workforce and its location near tech hubs make it attractive for advanced manufacturing operations.
- ◆ **Distribution and Logistics:** This sector involves the storage, transportation, and delivery of goods. Wilsonville's location near major transportation routes (I-5 and I-205) and its proximity to Portland make it an ideal location for distribution centers and logistics hubs.
- ◆ **Data Centers:** Data centers are facilities used to house computer systems and associated components. Wilsonville's access to available land and the potential access to reliable power sources could make it attractive for data center development.³⁴ The proximity to tech companies in the Portland metro area is an additional advantage.

This diverse range of potential industries positions Wilsonville to capitalize on various economic opportunities, creating a resilient industrial base in Basalt Creek.

³⁴ Interviews with stakeholders have suggested that Wilsonville may be attractive to data centers. ECONorthwest has reached out to PG&E to understand if Basalt Creek has/will have access to the power necessary for this type of use and is waiting to hear back.



4. Conclusion

The Basalt Creek area in Wilsonville is strategically positioned for industrial development with the potential to attract a variety of users, from manufacturing and logistics to data centers. The area's suitability for supporting the semiconductor supply chain is underscored by recent expansions of semiconductor suppliers in nearby Sherwood. Additionally, the area could be attractive to cleantech businesses, including those involved in battery storage and alternative energy technologies.

However, realizing this potential presents several challenges. Existing contractor establishments generate sufficient income for some property owners, reducing their incentive to sell or redevelop the land for higher-intensity industrial uses. Furthermore, relocation options for these businesses may be limited, complicating redevelopment efforts. (The feasibility of redevelopment will be further explored in a subsequent separate study.)

Conversely, some developers have already assembled land, and they are ready for immediate development, eager to capitalize on the strong industrial demand seen in nearby Coffee Creek, Tualatin, and Sherwood. Stakeholders emphasized the importance of large parcels in facilitating area redevelopment, with many developers willing to fund necessary infrastructure improvements if given access to such lots. For example, Schnitzer Properties owns property east of Grahams Ferry Road, south of Basalt Creek Parkway, and north of Day Road and eagerly awaits the adoption of zoning and policy to enable industrial development in this area. They intend to submit development and annexation applications as soon as zoning and policy is in place. Their recent development in Sherwood, known as the Sherwood Commerce Center, is an example of the type of development they are envisioning for their Basalt Creek property, offering flexible spaces for various industrial users.

It is crucial for Wilsonville to carefully balance its development goals for Basalt Creek with market realities. While the City may have preferences for certain types of businesses, being overly selective could deter development altogether. This is especially significant given the current economic climate. The BCCP originally envisioned office space within each district with the highest share in its High-Tech Employment District and anticipated that this office space would be in connection with industrial users. However, nationally and regionally demand for office space has been in decline with remote and hybrid work trends continuing to impact the need for office space. While office will likely still be a part of the BCPA, it may occupy a smaller share than originally envisioned.

Nationally, there's strong demand for industrial space. But Oregon's employment growth, which has been lagging national trends since 2020, may moderate this trend locally. Developers have stated that current industrial demand in the metro area is largely driven by regional businesses seeking to expand or upgrade their facilities. If Wilsonville imposes overly burdensome or restrictive requirements on the types of industrial users it allows (such as requiring a high share of manufacturing space), it risks limiting development feasibility and driving developers and industrial users to more accommodating locations.



The City must navigate these challenges while working toward its vision for Basalt Creek: a diverse mix of industrial uses, higher employment density, high-wage jobs, an enhanced tax base, and increased community prosperity.

Next Steps

These findings are preliminary and will be refined through further analysis, stakeholder engagement, and discussions with the Planning Commission and City Council. Upcoming tasks include completing the buildable lands inventory, conducting site suitability analyses for key locations, and assessing the feasibility of redeveloping contractor establishments. All these elements will ultimately be synthesized into a comprehensive final report outlining key findings and recommendations.



Appendix B: Buildable Lands Inventory and Site Suitability Analysis





DATE: December 20, 2024
TO: City of Wilsonville
FROM: ECONorthwest: Nicole Underwood, Bob Parker, and Barrett Lewis
SUBJECT: WILR Phase 1: BLI and Site Suitability Analysis

The Cities of Tualatin and Wilsonville adopted the Basalt Creek Concept Plan (BCCP) in 2018 after a lengthy joint planning process. Now, in 2024-25, the City of Wilsonville is working to advance the Basalt Creek Planning Area (BCPA) beyond the concept plan to a development-ready status by designating zoning and refining infrastructure plans. However, since adoption of the BCCP, economic conditions at national, state, regional, and local levels have shifted significantly and must now be considered.

To address these evolving conditions, the City hired ECONorthwest to conduct a market assessment and industrial lands study focused on Wilsonville's portion of the BCPA. The study began with an Economic Inventory, which reviewed current market trends and industries suitable for the area.

This memorandum addresses Task 3 in the Scope of Work: updating the **Buildable Lands Inventory (BLI)** for the BCPA and conducting a **Site Suitability Analysis** for key opportunity sites. The updated BLI reflects recent land developments, adjusted constraints, and revised capacity estimates.

The Site Suitability Analysis examines three selected "opportunity sites" within the BCPA, assessing their potential to support the target industries identified in the Economic Inventory. This analysis considers site attributes, including size, location, access, topography, constraints, and surrounding land uses. It also considers infrastructure (transportation, water, sewer, stormwater) based on available data, with the understanding that infrastructure planning may evolve as work progresses.



Land Supply

This industrial Buildable Lands Inventory (BLI) updates the 2014 BLI from the original concept plan, providing a revised assessment of the buildable land *supply* available within Wilsonville's portion of the BCPA for employment-related growth and development. The amount of land needed to accommodate anticipated growth, often referred to as *demand* for land, depends on the type of employment-related development and other factors.

This BLI update serves two purposes: 1) to provide a revised assessment for developable acres in the BCPA and 2) to identify lands that have existing economic uses but low improvement values and/or low-density employment. These uses are inconsistent with the development vision expressed in the BCCP and are sites that may have redevelopment potential.

The BCPA encompasses a total of 453 acres across 85 tax lots. Of this:

- **173 acres** are currently in active use and are considered developed.
- **129 acres** are constrained by physical or environmental factors.
- **150 acres** are considered buildable and available for development.

The BLI also provides a basis for updating employment capacity. Given the 150 acres of buildable land and the expectation of employment densities between 10 and 18.5 employees per acre, the BCPA is expected to accommodate between 1,500 and 2,780 jobs and 2.3 million and 2.9 million square feet of development. The BCCP estimated total employment capacity at about 2,500 jobs.

This section outlines the methodology used to develop the BLI and employment and built space capacities, and it presents the results for Wilsonville's portion of the BCPA. EConorthwest analyzed GIS data from the City of Wilsonville, Metro, and Washington County, with City staff reviewing the findings for accuracy and completeness.

Methodology

The buildable lands inventory followed a structured process to assess land status:

1. **Generate UGB “land base”:** EConorthwest established a baseline of tax lots within Wilsonville’s portion of the BCPA designated for industrial and employment uses.
2. **Classify lands by development status:** The project team categorized parcels as vacant, partially vacant, or developed.
3. **Identify constraints:** EConorthwest applied physical and regulatory constraints, such as wetlands and natural resource protections, to identify unbuildable portions.



4. **Verify inventory results:** City staff reviewed classifications and aerial imagery to confirm accuracy.
5. **Tabulate and map results:** The team compiled findings into tables and maps to provide a clear overview of buildable lands.

The following section summarizes the results of the industrial BLI for the BCPA, presented in tabular and map formats.

Land Base

The land base for the Buildable Lands Inventory (BLI) includes all tax lots within Wilsonville's portion of the BCPA. Table 1 provides a breakdown of the land base by Wilsonville Comprehensive Plan designation within the BCPA.

Table 1. Employment Land Base by Wilsonville Comprehensive Plan Designation, BCPA, 2024

Plan Designation	Number of Tax Lots	Percent	Total Tax Lot Acreage	Percent (Total Acreage)
Industrial	63	74%	237	52%
Undesignated	22	26%	215	48%
Total	85	100%	453	100%

Source: EConorthwest analysis, City of Wilsonville, Clackamas County, Washington County, Metro

Development Status Classification

Table 2 displays the total acres of tax lots, categorized based on whether land is buildable. EConorthwest applied a rule-based classification of vacant, partially vacant, or developed land to determine the initial development status and verified the results through reviews by City staff. These reviews incorporated local knowledge and analyses of aerial maps.

Table 2. Employment Acres by Classification and Wilsonville Comprehensive Plan Designation, BCPA, 2024

Plan Designation	Total Acres	Committed Acres	Constrained Acres	Buildable Acres
Industrial	237	63	48	127
Undesignated	215	110	81	24
Total	453	173	129	150

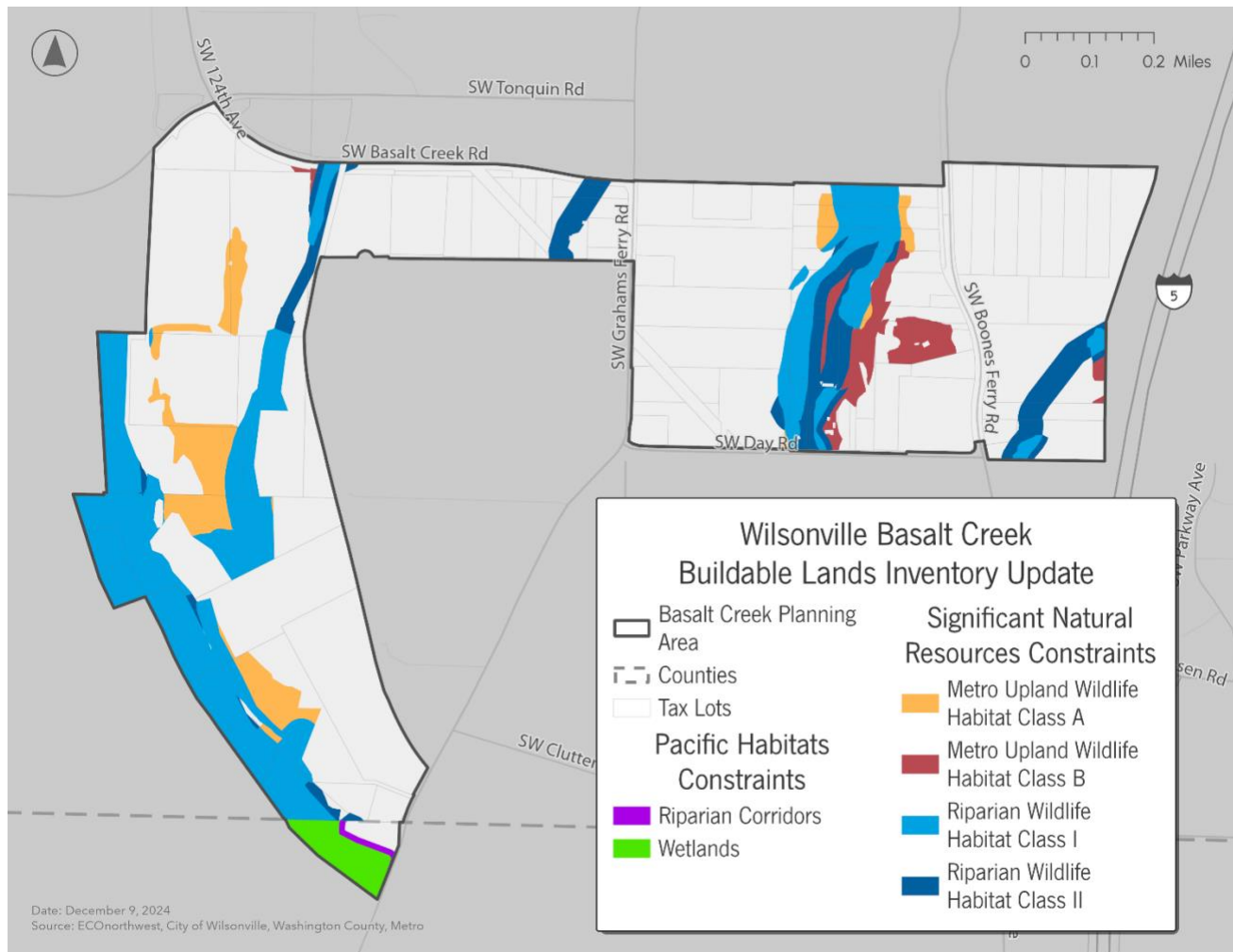
Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services



Development Constraints

In coordination with City staff, EConorthwest identified physical constraints based on Washington County's Significant Natural Resources (SNR), as amended by Washington County Ordinances No. 901 and No. 902.¹ The SNR includes Metro Upland Wildlife Habitat Classes A and B, as well as Riparian Wildlife Habitat Classes I and II. For the single southern parcel located in the West Railroad area and within Clackamas County, GIS data provided by Pacific Habitat Services were used to identify physical constraints. These constraints are shown in Figure 1.

Figure 1. Development Constraints, BCPA, 2024

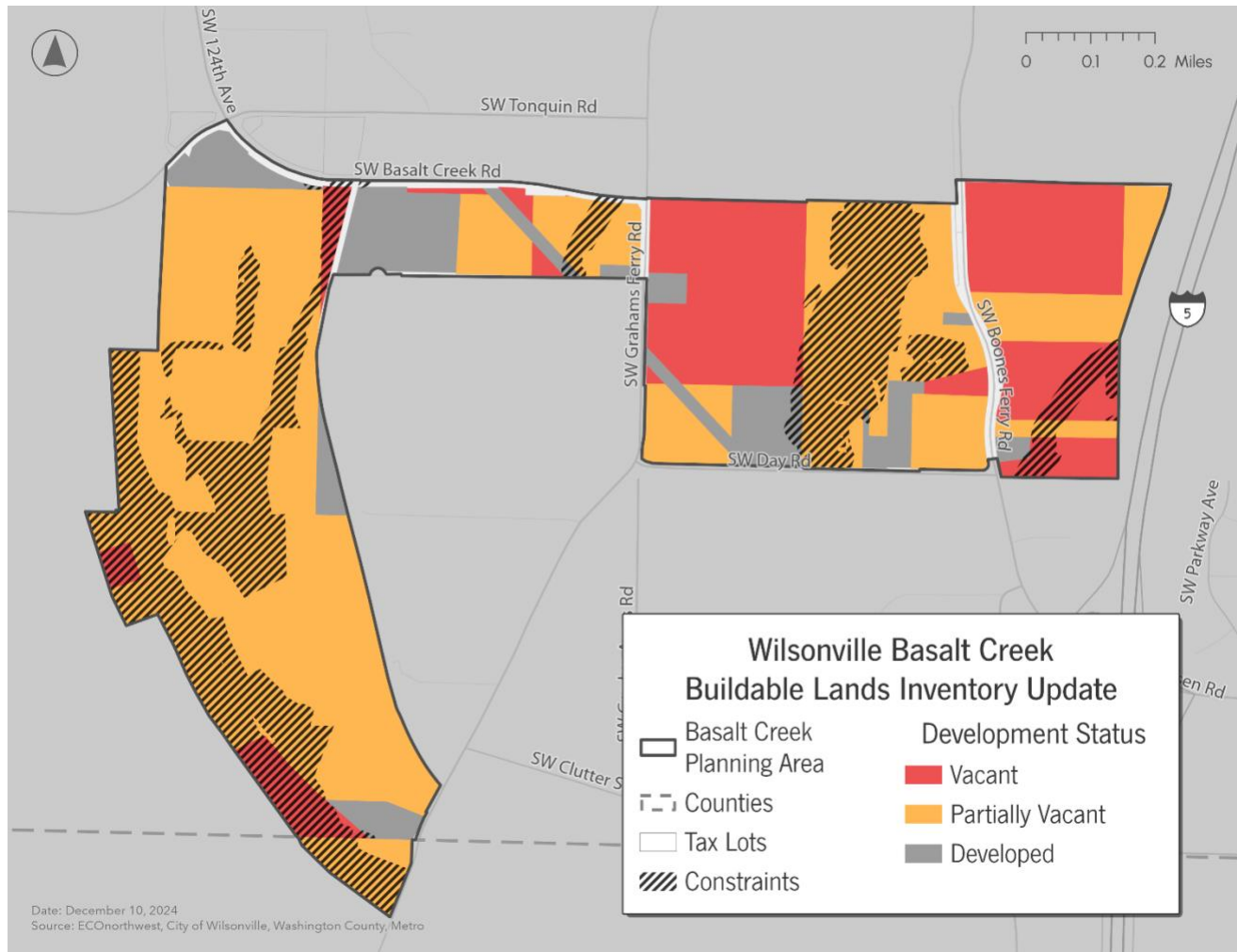


Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

¹ <https://www.washingtoncountyor.gov/lut/planning/documents/ordinance-no-901a/download?inline>

Figure 2 shows development status with constraints applied, resulting in buildable acres. Land classified as vacant or partially vacant and affected by these constraints is deemed unavailable for development and has been excluded from the inventory of buildable land.

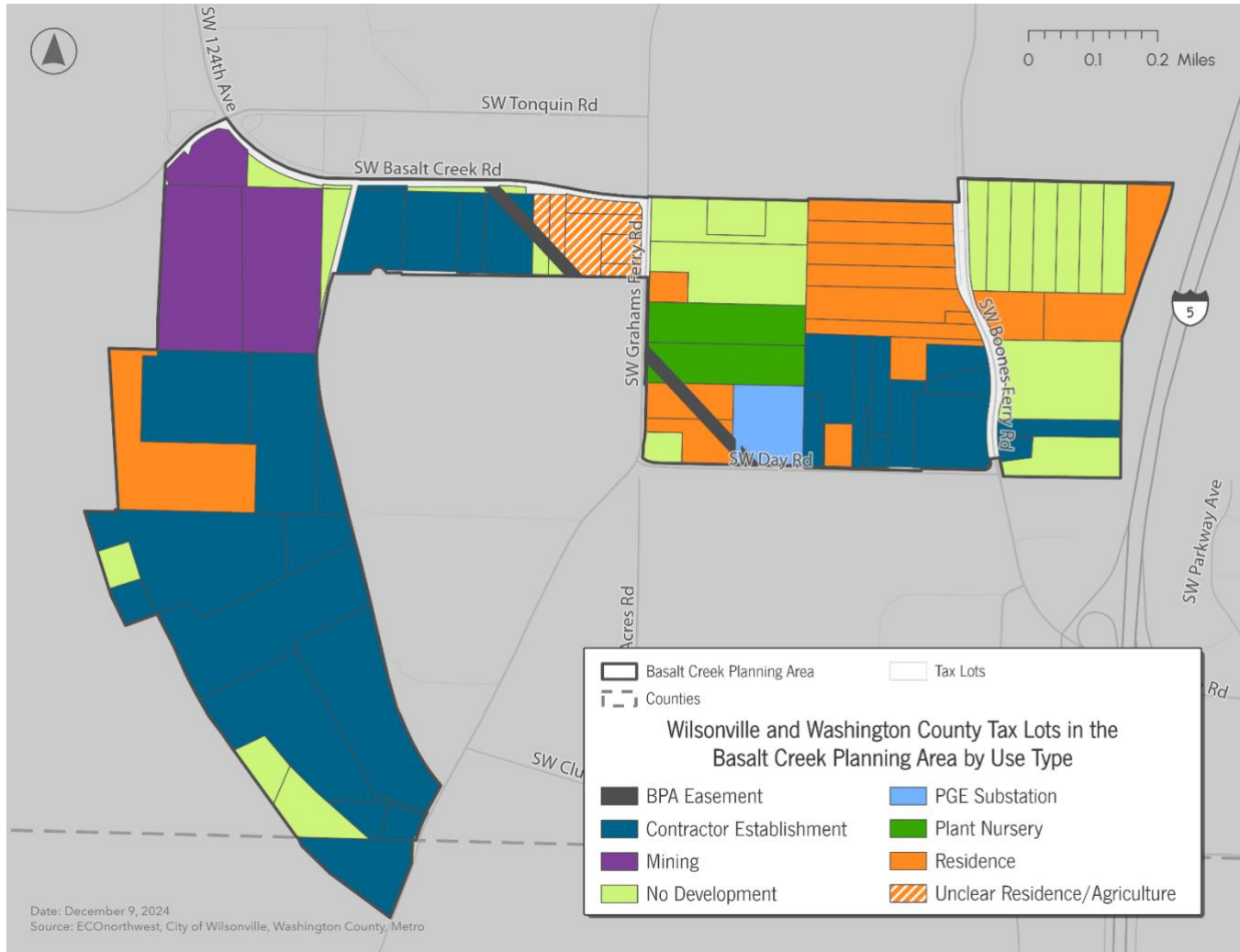
Figure 2. Development Status with Constraints, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

Figure 3 identifies land use categories for each site. EONorthwest collaborated with City staff to identify these categories through a detailed review process that combined local knowledge with aerial map analysis. Unlike basic classifications of vacant or partially vacant land, this map provides deeper insights into current land uses, offering valuable context for evaluating redevelopment potential and guiding the feasibility analysis (the results of which are shared in a separate memorandum).

Figure 3. Land Use Categories with Constraints, BCPA, 2024



Source: EONorthwest Analysis, City of Wilsonville, Metro

Vacant Buildable Land

The next step in the buildable lands inventory involved removing portions of vacant tax lots deemed unsuitable for development. Unsuitable areas fall into two categories:

1. Developed portions of partially vacant tax lots.
2. Areas affected by physical constraints (i.e., areas within Metro Upland Wildlife Habitat Classes A and B and Riparian Wildlife Habitat Classes I and II).

Table 3 presents the buildable acres—tax lot areas remaining after deducting these constraints—for both vacant and partially vacant land, categorized by Wilsonville’s Comprehensive Plan designation. The BCPA has 150 total buildable acres available for development.

Table 3. Buildable Acres in Vacant and Partially Vacant Tax Lots by Wilsonville Comprehensive Plan Designations, BCPA, 2024

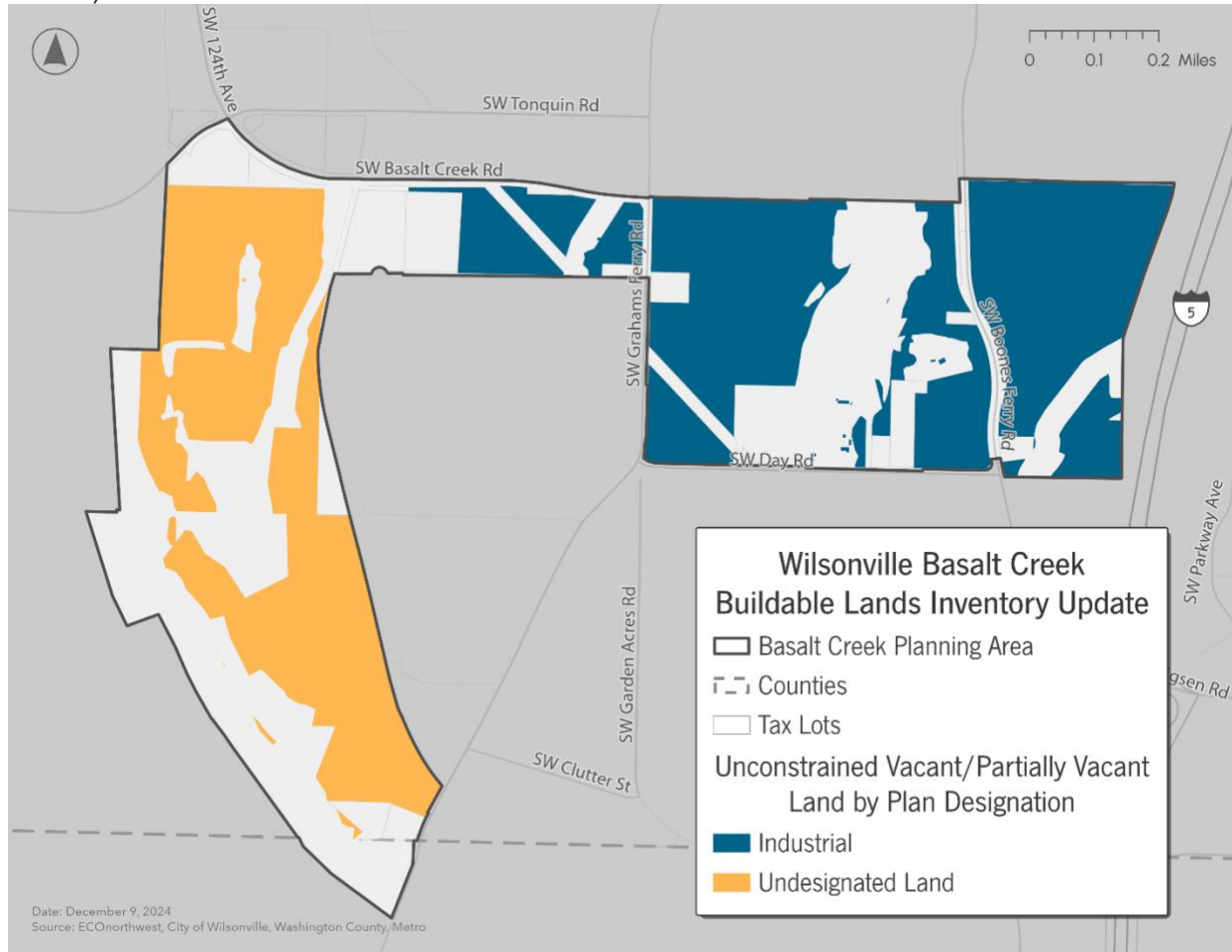
Plan Designation	Total Buildable Acres	Buildable Acres on Vacant Lots	Buildable Acres on Partially Vacant Lots
Industrial	127	87	40
Undesignated	24	0.4	23
Total	150	87	63

Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro



Figure 4 shows the buildable vacant and partially vacant land within the BCPA, categorized by Wilsonville Comprehensive Plan designation. It is important to note that tax lots shown as partially vacant in the map do not distinguish the part of the tax lot that is unavailable for development (or has redevelopment potential). However, the buildable lands inventory database accounts for these distinctions: the developed portions (unavailable for future development) are excluded, while the vacant portions are detailed in Table 4.

Figure 4. Buildable Employment Land by Wilsonville Comprehensive Plan Designation, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

Table 4 presents the size of buildable lots categorized by Wilsonville Comprehensive Plan designation across the BCPA. The planning area includes:

- ◆ Eight lots smaller than 0.5 acres, totaling 2 acres.
- ◆ Twenty-two lots between 0.5 and 2 acres, totaling 22 acres.
- ◆ Eighteen lots between 2 and 5 acres, totaling 57 acres.
- ◆ Six lots between 5 and 10 acres, totaling 46 acres.
- ◆ Two lots between 10 and 25 acres, totaling 23 acres.

Table 4. Buildable Acres and Tax Lots by Buildable Site Size by Wilsonville Comprehensive Plan Designation, BCPA, 2024

Plan Designation	Buildable Sites Size					
	0 - 0.5 Acres	0.5 - 1 Acres	1 - 2 Acres	2 - 5 Acres	5 - 10 Acres	10 - 25 Acres
Industrial	1	7	10	51	35	23
Undesignated	1	1	4	6	12	-
Acreage Total	2	8	14	57	46	23
Industrial	5	10	7	16	4	2
Undesignated	3	2	3	2	2	-
Tax Lot Total	8	12	10	18	6	2

Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro

Employment Capacity

EConorthwest analyzed the buildable land in Basalt Creek to update projections for potential job growth in the area. This assessment involved reviewing the capacity estimates from the BCCP and refining them using the updated land inventory of 150 buildable acres.

The analysis began with a review of research conducted by EConorthwest and other organizations on employment density. A common finding in such studies is the significant variability in employment density across industries, plan designations, and zoning districts. For example, an industrial zone may have employment densities ranging from 1-3 employees per acre for a warehousing facility and 10-15 employees per acre for flex spaces to densities over 25 employees per acre for office buildings.

The capacity estimates that follow are intended to provide a high-level estimate of job capacity based on the 2024 BLI update. Some factors, such as land needed for streets, would reduce capacity while others, such as higher lot coverages or multistory buildings, would increase capacity. The main utility of employment capacity estimates is in estimating

infrastructure needs. The figures that follow can be used to inform infrastructure demand estimates which can then be compared with infrastructure capacity to determine if existing and planned capacity are sufficient to accommodate expected employment densities.

Land Demand Methodology

When evaluating land and building capacity, two measures are commonly used to define the relationships between building size, floor area, and land area. These measures include:

- **Floor Area Ratio (FAR):** The ratio of a building's total square footage to the site's total square footage.
- **Employees Per Acre (EPA):** The total number of employees divided by the site size.

Basalt Creek Growth Capacity: Land Use Model Assumptions

This model builds on assumptions from the BCCP. Initially, the BCCP estimated an average of **18.5 jobs per gross acre** in Wilsonville's portion of Basalt Creek (excluding West Railroad). Key employment density estimates included:

- ◆ High-Tech Employment District: 20 jobs per gross acre.
- ◆ Craft Industrial: 22 jobs per gross acre.
- ◆ Light Industrial District: 16 jobs per gross acre.

ECONorthwest applied the BCCP's assumption of 18.5 jobs per gross acre to model a high-density growth scenario. However, shifting market conditions—such as reduced demand for office space and increased demand for industrial and flex space (which typically have lower employment densities)—led ECONorthwest to also model medium- and low-density growth scenarios to better reflect the potential range of employment densities in the study area. ECO also modeled different lot coverage ratios/FARs. The scenarios use lot coverages of 35 percent and 45 percent which is consistent with the assumptions used in the Task 4 redevelopment feasibility analysis of contractor establishments. The FARs of 0.35 and 0.45 reflect lot coverage ratios and the assumption that uses will be single story.

- ◆ **Low-Density Scenario:**
 - 10 employees per gross acre.
 - Lot coverage/FAR: 35 percent/0.35.
 - Reflects more traditional industrial densities and provides a more conservative estimate.
- ◆ **Medium-Density Scenario:**
 - 15 employees per gross acre.
 - Lot coverage/FAR: 45 percent/0.45.



- Assumes a greater share of office development compared to the low-density scenario, offering a more ambitious estimate.
- ◆ **High-Density Scenario (BCCP Adopted Assumption)**
 - 18.5 employees per gross acre.
 - Lot coverage/FAR: 45 percent/0.45.
 - Maintains the BCCP assumptions and envisions a greater share of office development than the other scenarios. It assumes the same lot coverage ratio which yields the same built space capacity as the medium-density scenario but with a higher number of employees occupying that space.

Results: Land Use Modeling for Basalt Creek

Table 5 outlines the results of this analysis, indicating that Wilsonville’s portion of Basalt Creek has capacity for:

- ◆ **Employment:** Between 1,500 and 2,780 jobs.
- ◆ **Built Space:** Between 2.3 million and 2.9 million square feet.

These findings reflect the range of potential outcomes based on varying employment density assumptions.²

Table 5. Job Capacity and Built Space Capacity, Wilsonville BCPA

	Low	Medium	High
Job Capacity	1,500	2,250	2,780
Built Space Capacity (SF)	2,289,000	2,943,000	2,943,000

Source: Analysis by EConorthwest

² EConorthwest also analyzed the potential number of employees and built space under current density levels, estimated at approximately 5 employees per gross acre. If these existing conditions persist, the area is projected to accommodate around **750 employees** and **1.3 million square feet** of built space.

Site Suitability Analysis

The BCPA is well positioned to capture industrial growth in the South Metro region. It benefits from its strategic location with access to I-5, a robust employment base, and connections to other expanding industrial hubs in Sherwood and Tualatin. Over the summer, ECONorthwest conducted an Economic Inventory to assess market conditions and identify industries most likely to establish a presence in Basalt Creek focusing on industrial and office uses in alignment with the BCCP vision.³ The analysis highlighted strong national and regional demand for industrial space and identified key sectors with potential interest in the area, including the semiconductor supply chain, cleantech, advanced manufacturing, distribution and logistics, and data centers.

Although the BCCP originally envisioned a blend of industrial and office development, current market trends suggest a shift toward a greater emphasis on industrial uses. Office developments, while still anticipated, are expected to occupy a smaller footprint than initially planned.

To determine site specific competitiveness for these industries, ECONorthwest evaluated three opportunity sites using the Mackenzie Infrastructure Finance Authority (IFA) Industrial Development Competitiveness Matrix as a foundation. Recognizing that industry requirements have evolved since the matrix's creation in 2015, the analysis incorporated updated reports and stakeholder feedback to align with current market demands. This Site Suitability Analysis assesses site characteristics such as size, location, and constraints to evaluate their ability to host target industries. While the analysis considered buildable land availability, its primary focus was on site potential, assuming redevelopment occurs. Feasibility and redevelopment likelihood of contractor establishments is addressed in a separate task.

WHICH SECTORS MAY BE ATTRACTED TO BASALT CREEK?

Below are the potential sectors that may be particularly attracted to Basalt Creek as identified in the Economic Inventory report.

- » **Semiconductor Sector Supply Chain:** Companies providing materials, equipment, and services to chip manufacturers.
- » **Cleantech, including Battery Technology:** Businesses involved in renewable energy technology, energy efficiency solutions, and sustainable manufacturing processes.
- » **Advanced Manufacturing:** Companies using technology such as robotics, 3D printing, and computerized systems to manufacture specialized products or components.
- » **Distribution and Logistics:** Storage, transportation, and delivery of goods.
- » **Data Centers:** Facilities used to house computer systems and associated components.

³ When evaluating the office market, medical office showed stronger growth than traditional office. However, ECONorthwest did not further evaluate its potential, as it was not a use envisioned in the BCCP.



Opportunity Sites for Analysis

EONorthwest evaluated the following sites for their development potential (Figure 5):

- ◆ **SW Greenhill Site:** Selected for its consolidated land ownership and strong potential for near-term development, given the absence of active use.
- ◆ **Craft Industrial Area:** As a transitional area, the City seeks to assess this site's characteristics in detail to determine the most appropriate land uses. This will inform zoning designations.
- ◆ **West Railroad Site:** West Railroad lacked a defined concept in the original BCCP. To explore its potential, EONorthwest analyzed a portion of West Railroad, focusing on its development suitability. This will inform whether a zoning designation similar to the rest of the Basalt Creek area would be appropriate. The area also faces physical and service constraints, and the analysis evaluates whether these challenges might limit future development opportunities.

Figure 5. Opportunity Sites



Source: EONorthwest Analysis, City of Wilsonville, Washington County, Metro

Table 6 summarizes the size of unconstrained lots for the opportunity sites. Note that "unconstrained acres" here includes developed areas. In general, larger sites are more appealing to industrial users, who often seek parcels of 5 or more acres. Smaller sites, however, may require site aggregation to meet these needs. Notably, sites in SW Greenhill and West Railroad, which exceed 5 acres, could be especially attractive to developers. While all opportunity sites may require some degree of site aggregation, the Craft Industrial area faces the greatest challenge due to its relatively small lot sizes and fragmented land ownership.

Table 6. Unconstrained Acres and Tax Lots by Site Size for Opportunity Sites, BCPA, 2024

Site Suitability Area	Unconstrained Sites Size					
	0 - 0.5 Acres	0.5 - 1 Acres	1 - 2 Acres	2 - 5 Acres	5 - 10 Acres	10 - 25 Acres
Craft Industrial	-	1	5	8	-	-
SW Greenhill	-	-	-	31	-	21
West Railroad	0.3	-	3	10	19	60
Acreage Total	0.3	1	9	49	19	81
Craft Industrial	-	1	3	3	-	-
SW Greenhill	-	-	-	8	-	2
West Railroad	3	-	2	3	3	4
Tax Lot Total	3	1	5	14	3	6

Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro

Site Competitiveness Factors

The IFA Industrial Development Competitiveness Matrix includes the following factors for evaluating the competitiveness of different industries:

- ◆ Site Size
- ◆ Competitive Slope (physical slope of a parcel, which can impact its suitability for development)
- ◆ Access to Transportation and Trip Generation (Highway, Rail, and Airport Proximity)
- ◆ Access to Utility Infrastructure (Water, Sewer, Electricity, Telecommunications)
- ◆ Special Considerations

The industries evaluated in the IFA Industrial Development Competitiveness Matrix include the following, which align with the BCCP and the Economic Inventory findings, and are the focus of this analysis (the full matrix can be found in Appendix B.1):

- ◆ **Production Manufacturing:**
 - High-Tech/Cleantech Manufacturing
- ◆ **Value-Added Manufacturing and Assembly:**
 - Food Processing
 - Advanced Manufacturing and Assembly
- ◆ **Light/Flex Industrial:**
 - General Manufacturing
 - Industrial Business Parks and R&D Campuses
 - Business Services
- ◆ **Warehousing and Distribution**
 - Regional Warehouse/Distribution
 - Local Warehouse/Distribution
- ◆ **Specialized Uses:**
 - Data Centers

Industry-Specific Considerations

Recent growth in the semiconductor and cleantech sectors has prompted additional research to understand the evolving needs of these industries. To support this, the Oregon Legislature established the Oregon Semiconductor Task Force to identify industry needs and opportunities. Similarly, Business Oregon supported the creation of the Oregon Cleantech Competitiveness Assessment Report to evaluate the needs and prospects for cleantech industries. Key findings related to site-specific requirements from these initiatives are outlined below.

SEMICONDUCTOR SECTOR

The semiconductor industry offers Oregon a prime opportunity to expand advanced manufacturing, grow its traded sector, and create high-quality jobs. The \$52 billion CHIPS Act, passed in July 2022, accelerates efforts to boost domestic semiconductor production by allocating \$40 billion for manufacturing and \$10 billion for research over five years.

The Metro region hosts a robust semiconductor cluster centered in Hillsboro. There has also been some semiconductor activity south of Hillsboro, including LAM Research in Sherwood and Tualatin, bolstering the supply chain presence in the South Metro. This established network positions the region to attract additional semiconductor-related investments.

The Semiconductor Task Force's Industrial Lands Subcommittee identified key site characteristics most important for the semiconductor industry:



- ◆ **Workforce Availability and Talent Proximity.** Access to skilled workers—engineers, technicians, and operators—is essential. Semiconductor clusters thrive where workers can easily transition between companies, creating a dynamic employment ecosystem. Workforce access is critical for both fabrication plants and supply chain operations.
- ◆ **Parcel Size and Usage.** Parcel size varies by operational needs. Fabrication plants require **50–100 acres** to accommodate clean rooms and infrastructure, with large-scale R&D and production facilities needing **500+ acres**. Supply chain operations, such as equipment and material suppliers, generally need smaller parcels of **15–35 acres**.
- ◆ **Infrastructure Readiness.** Reliable access to **transportation, water, electricity, and wastewater systems** is crucial. Semiconductor companies prioritize sites with infrastructure ready to support development within **6 months to 3 years**.
- ◆ **Clustering with R&D Partners and Suppliers.** Collaboration with suppliers and R&D partners is vital. Fabrication plants benefit from proximity to suppliers for quick equipment maintenance and research. Supply chain operations also thrive in clusters, connecting with customers and transport hubs.
- ◆ **Environmental and Regulatory Considerations:** Predictable permitting processes are essential to avoid delays. While environmental regulations remain important, fast-tracked approvals are necessary to match the industry's pace.

SITE COMPETITIVENESS FOR THE CLEANTECH SECTOR

Oregon is well positioned to capitalize on the growth of cleantech industries, driven by federal initiatives like the Inflation Reduction Act and an increasing focus on sustainability. Cleantech encompasses a range of technologies, including renewable energy, energy-efficient materials, water technologies, and recycling systems. While the IFA Industrial Development Competitiveness Matrix provides general site characteristics for cleantech, the Oregon Cleantech Competitiveness Assessment Report—developed for Business Oregon—offers more detailed site selection criteria specific to established and emerging cleantech industries within the state. Key site characteristics for these subsectors are summarized below (a complete matrix is available in Appendix B.2). Scalability is essential for many users, as industries often begin on smaller sites but require the flexibility to expand as they grow.

- ◆ **Battery Storage:** These systems store renewable energy for later use, enhancing grid stability and reliability. Technologies range from lithium-ion to flow batteries, used in applications from small urban microgrids (0-5 acres) to large grid-scale facilities (25+ acres). Electrical system proximity and access for power generation facilities may vary, depending on the scale and intended use. Microgrid systems may only need connection to the local electrical grid, while large-scale grid storage may require connection to regional transmission lines or substations. Zoning flexibility for



energy uses is critical, while water needs and transportation access are generally less significant.

- ◆ **Mass Timber:** Engineered wood products like cross-laminated timber (CLT) and glued laminated timber (GLT) serve as sustainable alternatives to steel and concrete. Production facilities need medium to large sites (5-25+ acres), reliable transportation (particularly to arterial roads and railways) for raw materials, and substantial power supply.
- ◆ **Ag-Tech:** This sector integrates advanced technologies like AI, Internet of Things (IoT), agrivoltaics, and drones to optimize agriculture. Ag-tech operations, in this sense, are generally assumed to focus on software and small-scale equipment products, generally collaborating with large existing farms for R&D. These businesses typically require small sites (0-5 acres) with low transportation, water, and power demands.
- ◆ **Circular Economy:** This sector focuses on recycling and resource reuse, supporting waste-reduction and material-recovery technologies. Businesses range from R&D to recycling and upcycling facilities. Typically, these operations require small to medium-sized sites (0-25 acres), though the specific site needs depend on the types of raw materials and finished products, as well as the scalability of the industry. Good transportation access—especially to arterial roads and potentially railways—is important, along with moderate water and power requirements and flexible zoning options.
- ◆ **Solar and Wind Energy Production:** This sector encompasses both energy production and manufacturing. Manufacturing facilities share site requirements with advanced manufacturing industries, while energy production facilities vary significantly in scale. These range from small rooftop installations to large-scale farms, which require proximity to transmission lines and substations. The electrical system needs depend on the scale and purpose of the facility—microgrid systems may only require a connection to the local grid, while large-scale grid storage typically necessitates access to regional transmission lines or substations. Transportation access requirements also vary, but wind turbine manufacturing often requires rail access due to the size of components.
- ◆ **Water Technologies:** This sector focuses on addressing water scarcity and quality through innovations such as AI-driven leak detection, wastewater recycling, and desalination. It often involves both R&D and production facilities. These businesses typically require small to medium-sized sites (0-25 acres) with access to high-pressure water systems and significant power capacity, while having relatively low transportation needs.
- ◆ **Building Energy Technologies:** This sector focuses on innovations that improve energy efficiency, including smart HVAC systems and energy-efficient lighting to reduce building energy use. R&D and software development facilities in this space



typically require small sites (0-5 acres) with moderate to high electrical needs, while having low transportation and water requirements.

- ♦ **Electric Vehicle (EV) Infrastructure Technologies:** Supporting the adoption of EVs through charging networks and technology development, this sector generally requires medium to large sites (5-25+ acres) with high electrical power demands and good access to transportation networks.

Opportunity Site Characteristics

The market analysis revealed that Basalt Creek is well suited for various industrial uses, including light industrial, flex space, warehousing, distribution, advanced manufacturing, and support for cleantech and semiconductor sectors. These industries have specific site requirements. To assess how the three opportunity sites could accommodate different sectors, ECONorthwest analyzed each site's characteristics and evaluated them against the competitiveness matrix and additional criteria specific to cleantech and semiconductor industries.

Table 7 outlines the physical characteristics of the three sites under analysis.



Table 7. Physical Characteristics of Opportunity Sites

SITE CHARACTERISTIC	SW GREENHILL	CRAFT INDUSTRIAL	WEST RAILROAD
Site Size and Ownership	<ul style="list-style-type: none"> ♦ 57 acres ♦ 10 tax lots ♦ 2 owners (1 owns 42 acres, 1 owns 14 acres) 	<ul style="list-style-type: none"> ♦ 32 acres ♦ 7 tax lots ♦ 7 owners (fairly even site size distribution) 	<ul style="list-style-type: none"> ♦ 165 acres ♦ 15 tax lots ♦ 8 owners (1 owns 65 acres, 4 own ~20 acres each, 3 own smaller parcels)
Slope	Slopes of 10% or greater cover about 6 acres, or 11% of the total site area.	<ul style="list-style-type: none"> ♦ Slopes of 10% or greater cover about 15 acres, or 46% of the total site area. These slopes are generally in the middle of the site, bordering Basalt Creek. 	<ul style="list-style-type: none"> ♦ Slopes of 10% or greater cover about 34 acres, or 20% of the total site area. However, some of these slopes are from activities on the sites and not physical attributes.
Surrounding Uses	<ul style="list-style-type: none"> ♦ North: Planned for medium-low density residential and neighborhood commercial (Tualatin portion of BCPA) ♦ East: BCPA border and I-5 ♦ South: Undeveloped land, contractor establishment (planned High-Tech Employment District) ♦ West: Craft Industrial Opportunity Site 	<ul style="list-style-type: none"> ♦ North: Planned for (and under development) low-density residential (Tualatin portion of BCPA) ♦ East: SW Greenhill Opportunity Site (planned High-Tech Employment District) ♦ South: Contractor establishments, single residential property (planned High-Tech Employment District) ♦ West: Contractor establishments, plant nurseries, and undeveloped land (planned Light Industrial District) 	<ul style="list-style-type: none"> ♦ North: Adjacent to mining site ♦ East: Coffee Creek Correctional Facility and Coffee Creek Industrial area ♦ West: Coffee Creek provides a natural buffer ♦ South: Undeveloped land in Clackamas County
Constraints	<ul style="list-style-type: none"> ♦ 52 unconstrained acres (91% of total area) ♦ Minimal constraints running along the eastern boundary 	<ul style="list-style-type: none"> ♦ 14 unconstrained acres (42% of total area); 9 of these acres are east of the constraints that dominate the central area; the remaining 5 acres occupy the northwest corner ♦ Constraints dominate the central north-south area 	<ul style="list-style-type: none"> ♦ 92 unconstrained acres (56% of total area) ♦ Constraints run along the entire western boundary and central northern half

Table 8 outlines the existing and planned utilities on the opportunity sites. Details on water, sewer, and roads were provided by City staff based on the most current local access maps from DKS. Final infrastructure alignment and capacity are still in the planning stages.

Table 8. Infrastructure and Utility Characteristics of Opportunity Sites

SITE CHARACTERISTIC	SW GREENHILL	CRAFT INDUSTRIAL	WEST RAILROAD
Water: Potable water delivery to BCPA requires Basalt Creek Parkway extension, Zone C booster station, and may require SW Grahams Ferry Rd extension. These systems will connect SW Tooze Rd to SW Day Rd – 10,200 LF 18" diameter pipe and 4,670 LF 12" diameter pipe. <i>Modeling needs to confirm these requirements.</i>	Current: No existing water lines in area. Planned: Requires water main along SW Boones Ferry Rd alignment (2,490 LF). Water lines assumed to generally follow local road layout (5,460 LF). Will connect proposed water lines to existing lines on SW Pioneer Ct and SW Day Rd. <i>Sizes to be confirmed during modeling.</i>	Current: No existing water lines in area. Planned: Assumed to utilize proposed water main along SW Boones Ferry Rd. <i>Sizes to be confirmed during modeling.</i>	Current: No existing water lines in area. Planned: Water lines assumed to follow road layout from SW Grahams Ferry to SW Tonquin Rd (6,900 LF). <i>Sizes to be confirmed during modeling.</i>
Roads	Current: Existing SW Boones Ferry Rd, SW Greenhill Rd Planned: New arterial to I-5 from SW Greenhill Rd (300 LF). New arterial from SW Day Rd to I-5 (1,060 LF). New local roads looping SW Greenhill Rd to SW Boones Ferry Rd (3,350 LF) and connecting to SW Pioneer Ct (2,110 LF).	Current: Existing SW Boones Ferry Rd. Planned: New local road looping SW Day Rd to SW Boones Ferry Rd (1,900 LF). Assumed to utilize SW Boones Ferry Rd.	Current: Existing SW Grahams Ferry Rd to south and SW Tonquin Rd to north. Planned: New local road connecting SW Grahams Ferry Rd to SW Tonquin Rd (6,900 LF) with a possible connection to SW Morgan Rd (2,570 LF).
Sewer: Wastewater collection for BCPA requires completion of Coffee Creek Interceptor Phase 2 – 2,000 LF of gravity system upsizing to 21" diameter pipe from SW Boeckman Rd along railroad to SW Ridder Rd. This also requires Coffee Creek Interceptor Railroad Crossing – 160 LF of 21" diameter pipe.	Current: No existing sewer lines in area. Planned: Gravity collection lines flow generally south and west along proposed road layout (5,460 LF). Requires new collection line along SW Day Rd (1,600 LF) and new line to travel south between SW Day Rd to connect to SW Garden Acres Rd just north of SW Ridder Rd (3,700 LF). <i>10-12" diameter collection lines are anticipated.</i>	Current: No existing sewer lines in area. Planned: Assumed to utilize proposed line along SW Boones Ferry Rd.	Current: No existing sewer lines in area. Planned: Gravity line flows from SW Clay St west, crosses railroad, and meets proposed local street alignment in West Railroad to SW Grahams Ferry Rd (6,900 LF). Lift station is required with pressure main along SW Grahams Ferry to SW Clutter St (380 LF) before returning to gravity along SW Clutter St to SW Garden Acres Rd (1,430 LF). <i>A 10" diameter pipe is anticipated for gravity lines.</i>
Natural Gas	The IFA matrix does not identify natural gas as a requirement for industries most likely to locate in the BCCP. Natural gas did not come up as a barrier for industrial development in interviews.		
Electricity	Discussions with PGE indicate that the area can accommodate industrial users with moderate power needs. However, large power users such as a data center may require infrastructure upgrades. These types of upgrades can take 3+ years.		
Telecommunication	Since the BCPA is located within the Metro, telecommunication service is expected to be adequate to meet the needs of likely users. Telecommunication capacity did not come up as a barrier for industrial development in interviews.		



Location in the overall region and access to highways, rail, other like businesses, and labor force also play a role in site selection for industries. Given the proximity of these sites within a very small area, we detail these overall characteristics for the BCPA rather than for each site (Table 9).

Table 9. Basalt Creek Transportation and Proximity Characteristics

SITE CHARACTERISTIC	BASALT CREEK EVALUATION
Available Trips	<ul style="list-style-type: none"> ♦ The BCCP allocated 951 trips to Wilsonville’s portion of Basalt Creek. The TRP identifies the necessary improvements to accommodate those trips. Additional development and trips would require an update to the TRP and additional capacity improvements to the planned system.
Transportation Access to Interstate or Principal Arterial	<ul style="list-style-type: none"> ♦ The entirety of Basalt Creek is within 5 miles of access to I-5 and I-205 and is less than 10 miles from Highway 217.
Proximity to Regional Infrastructure Rail/Port/Airport	<ul style="list-style-type: none"> ♦ Basalt Creek is ~27 miles from Portland International Airport and ~26 miles from the Port of Portland. ♦ A rail line runs through Basalt Creek. The type of rail line and potential for spurs are not known at this point.
Proximity to Labor Force	<ul style="list-style-type: none"> ♦ Access to the broader Portland Metro and Mid-Valley labor forces.
Proximity to Goods	<ul style="list-style-type: none"> ♦ Close proximity to wine region and agricultural land. ♦ Close proximity to distributors, other manufacturers, and tech hubs, including semiconductor businesses.

Evaluation of Compatible Uses

The suitability of potential users for each site is outlined below, based on site characteristics and industry-specific needs. This high-level evaluation focuses on physical site characteristics—such as size, location, and constraints—without factoring in the likelihood of redevelopment. It provides a broad understanding of site benefits, barriers, and potential industry suitability, serving as a foundation for planning and zoning rather than a definitive assessment of building configurations or sizes.

Infrastructure will be pivotal in shaping the types of industries and scale of development suitable for the area. This analysis incorporated available information on infrastructure elements such as water, wastewater, and roads; however, detailed system capacities, final road alignments, and the timing of improvements—particularly in areas like West Railroad—remain uncertain. These factors will play a significant role in determining site suitability.

Water and wastewater systems are expected to meet most demands, though high-water users may require additional capacity. Similarly, industries with significant electricity demands might necessitate infrastructure upgrades. Road alignments will impact parcel configurations, building sizes, and overall development potential. While these elements are critical to understanding site suitability, they are not yet classified as definitive constraints or advantages.

- ◆ **The SW Greenhill** site spans 57 acres, with 91 percent (52 acres) of the land unconstrained. Minimal slopes (affecting 11 percent of the site), a high proportion of undeveloped land, consolidated land ownership (two property owners), and proximity to existing infrastructure make it one of the most development-ready locations in Basalt Creek. The site could be physically suitable for a high-tech supply chain, cleantech industries, advanced manufacturing, food processing, small warehousing and distribution, and industrial business parks or R&D campuses. Its proximity to transportation networks and regional workforce access further enhances its competitiveness.
- ◆ **The Craft Industrial** area is split into eastern and western portions by site constraints and consists of seven tax lots with fragmented ownership, most under five acres. Only 14 acres are unconstrained, and its proximity to residential areas limits its suitability for high-intensity industrial uses. Instead, the area aligns with the Basalt Creek Concept Plan's vision for small-scale or micro-industrial uses, such as live-work spaces or makerspaces.

With site aggregation, the southeastern portion could accommodate small-scale industrial or office users on up to five acres. These uses could resemble industrial condo developments like the Commerce Circle Business Park or Riverwood Business Center, which integrate office and small-scale production spaces. The northeastern portion, while it could also redevelop, is likely less appealing due to its irregular shape and nearby high-value residences. The presence of existing residences,

including some high-value homes, are likely to delay redevelopment timelines compared to other opportunity sites. However, the feasibility of redeveloping these residential properties was not assessed as a part of this study.

- ♦ **The West Railroad** site spans 165 acres, with 56 percent (92 acres) of the land unconstrained. Its large parcels and access to regional transportation networks could make it physically suitable for uses such as general manufacturing, food processing, and small to mid-sized warehousing or distribution. Proximity to Coffee Creek's industrial area further enhances its appeal to businesses providing support services to neighboring industries. However, significant infrastructure upgrades are required, and access is limited by the railroad undercrossing on SW Grahams Ferry Road. Additionally, the site's proximity to a rail line and a mining operation could make the site less attractive to advanced manufacturing or other industries sensitive to vibration. Ongoing infrastructure alignment and capacity studies will provide further clarity on the site's suitability for targeted industries.

In Table 10, the compatibility of each site with various industrial uses is color coded as follows:

- ♦ **Red:** Not competitive for the industry
- ♦ **Yellow:** Moderate potential
- ♦ **Green:** High compatibility and strong suitability

Table 10. Evaluation of Compatible Uses Based on Site Characteristics

INDUSTRIES		SW GREENHILL	CRAFT INDUSTRIAL	WEST RAILROAD
Production Manufacturing	High-Tech / Cleantech Manufacturing	Midsized, flat site; high power or utility demands could exclude some users depending on system capacity	May be able to accommodate a small user (under 5 acres) most likely on the southeastern portion; some users may prefer larger sites with expansion potential	Vibration <i>may</i> be a concern from nearby rail and/or mining; high power or utility demands could exclude some users depending on system capacity
Value-Added Manufacturing and Assembly	Food Processing	Water and sewer needs are high; high demands could exclude some users depending on system capacity	May be able to accommodate a small user (under 5 acres) most likely on the southeastern portion	Water and sewer needs are high; high demands could exclude some users depending on system capacity
	Advanced Manufacturing & Assembly	Midsized, flat site; lower water and sewer demand than high-tech industries	Site small and constrained; increased setbacks (if required) could be a problem; often requires on-site utility service areas	Vibration <i>may</i> be a concern from nearby rail and/or mining

INDUSTRIES		SW GREENHILL	CRAFT INDUSTRIAL	WEST RAILROAD
Light / Flex Industrial	General Manufacturing	Residential proximity may reduce appeal	Site small and constrained; residential proximity may reduce appeal	Desirable site size available; distance from sensitive uses (residential, park)
	Industrial Business Park and R&D Campus	Midsized, flat site; slightly small for some users	Site small and constrained	Constraints may limit large park potential
	Business / Admin Services	Midsized, flat site; high trip generation	May be able to accommodate a small user (under 5 acres) most likely on the southeastern portion; tolerates higher slopes; compatible near residential; high trip generation	Proximity to Coffee Creek Industrial area that hosts similar services is attractive; tolerates higher slopes; high trip generation
Warehouse & Distribution	Regional	Close to I-5; existing road infrastructure; site may be a little small for some users	Site too small and constrained; limited space for trucks	Constraints could limit large distribution centers; the City is evaluating needed improvement to better accommodate truck traffic
	Local	Close to I-5; existing road infrastructure; suitable for smaller users	Site too small and constrained; limited space for trucks	Close to I-5; suitable for smaller users; the City is evaluating needed improvement to better accommodate truck traffic
Specialized	Data Center	May be suitable, but power needs could exceed available capacity, requiring upgrades	Site too small and constrained	May be suitable, but power needs could exceed available capacity, requiring upgrades

Site Competitiveness for Semiconductor Industry

Basalt Creek lacks the large parcels required for fabrication plants but is positioned to accommodate supply chain businesses that support semiconductor manufacturing.

- ♦ **SW Greenhill:** **High Potential** – Could be competitive for the semiconductor supply chain businesses. This site is closest to development ready, which is highly competitive because semiconductor companies prioritize sites with infrastructure ready to support development within *6 months to 3 years*.
- ♦ **Craft Industrial:** **Not Competitive** – Given the small parcels on the Craft Industrial site, this site is not competitive for the semiconductor supply chain businesses.



- ♦ **West Railroad: Moderate Potential** – The longer timeline required to provide adequate infrastructure, combined with existing constraints, makes this site less attractive for the semiconductor industry.

Site Competitiveness for Cleantech

- ♦ **Craft Industrial: Moderate Potential** – Given the small parcels and extent of constraints, this site is not competitive for many cleantech businesses but may be attractive to small-scale users in ag-tech and building energy tech that require sites under 5 acres.

Table 11. Cleantech Evaluation of Compatible Uses for Craft Industrial

Battery Storage	Existing businesses add appeal, but energy demands may exceed supply; site size may be too small for many users
Mass Timber	Limited by small site size, lack of direct rail access, and high energy requirements
Ag-Tech	Site may be suitable for a small user
Circular Economy	Some users may prefer direct rail access; site may be too small for some users
Solar & Wind Energy	Small site; unsuitable for power generation and manufacturing
Water Tech	High demand user; water pressure adequacy and energy needs may pose challenges; site may be too small for some users
Building Energy Tech	Site may be suitable for a smaller user; energy demands could exceed supply
EV infrastructure Tech	Limited site size, lack of rail access, and high energy requirements

- ♦ **SW Greenhill and West Railroad: High Potential** – Site size and infrastructure could appeal to a variety of cleantech subsectors, including battery storage, ag-tech, circular economy, water tech, and building energy tech.

Table 12. Cleantech Evaluation of Compatible Uses

Battery Storage	Existing businesses add appeal, but energy demands may exceed supply
Mass Timber	Limited by lack of direct rail access and high energy requirements
Ag-Tech	Sites meet needs well
Circular Economy	High transportation needs: some facilities may prefer direct rail access
Solar & Wind Energy	Unsuitable for power generation; possible for manufacturing but limited by rail and power needs
Water Tech	High demand user; water pressure adequacy and energy needs may pose challenges; low transportation needs
Building Energy Tech	Sites meet needs well; energy demands could exceed supply
EV infrastructure Tech	Limited by lack of rail access and high power requirements

Conclusion

Land Supply

The BCPA offers a promising opportunity to support a diverse range of industrial and employment uses that align with Wilsonville’s economic development goals. Since the previous Buildable Lands Inventory (BLI) update, the area has experienced growth in contractor establishments. The updated BLI identifies **150 acres of buildable land**, comprising **87 acres of vacant land** and **63 acres of partially vacant land**, after accounting for constraints and existing development. The supply is distributed across parcels of varying sizes, ranging from small lots under 5 acres to larger parcels exceeding 25 acres, providing a mix of options suitable for different industry needs. Given the 150 acres of buildable land and the expectation of employment densities between 10 and 18.5 employees per acre, the BCPA is expected to accommodate between **1,500 and 2,780 jobs**.

Site Suitability Analysis

The Site Suitability Analysis evaluates the competitiveness of three opportunity sites within the BCPA based on their ability to host key industries identified in the Economic Inventory. This evaluation focuses on physical site characteristics, such as size, location, and constraints, rather than the likelihood of redevelopment. Redevelopment feasibility is addressed in a separate deliverable.

- ◆ **SW Greenhill:** With its minimal constraints, lack of development, consolidated land ownership, and existing infrastructure, this site could be physically suited for cleantech, high-tech supply chains, advanced manufacturing industries, food processing, small warehousing and distribution, and industrial business parks or R&D campuses requiring medium-sized parcels. This validates the uses originally envisioned in the BCCP for the area.
- ◆ **Craft Industrial:** Due to significant constraints, the site is currently more suitable for micro-industrial uses, such as live-work spaces, as originally identified in the BCCP. However, with site aggregation, the southeastern portion could accommodate small-scale business or administrative services and production uses, similar to industrial condo developments like Commerce Circle Business Park or Riverwood Business Center. The presence of existing residences, including some high-value homes, are likely to delay redevelopment timelines compared to other opportunity sites.
- ◆ **West Railroad:** This site has potential for development in general manufacturing, food processing, warehousing and distribution, and business services. However, significant infrastructure upgrades are required, and existing constraints may limit the scale of some types of development.



Next Steps

The findings presented in this memorandum are preliminary and will be further refined through ongoing discussions with the Planning Commission and City Council. This analysis is being conducted in parallel with an evaluation of redevelopment feasibility for contractor establishments. Ultimately, these components, along with insights from the Economic Inventory, will be synthesized into a summary report that outlines key findings and recommendations.





Appendix B.1 IFA Industrial Development Competitiveness Matrix





STATE OF OREGON - Infrastructure Finance Authority
Industrial Development Competitiveness Matrix



PROFILE CRITERIA			Production Manufacturing		Value-Added Manufacturing and Assembly		Light / Flex Industrial			Warehousing & Distribution		Specialized		
			A	B	C	D	E	F	G	I	H	J	K	L
			Heavy Industrial / Manufacturing	High-Tech / Clean-Tech Manufacturing	Food Processing	Advanced Manufacturing & Assembly	General Manufacturing	Industrial Business Park and R&D Campus	Business / Admin Services	Regional Warehouse / Distribution	Local Warehouse / Distribution	UVA Manufacturing / Research	Data Center	Rural Industrial
1	GENERAL REQUIREMENTS		Use is permitted outright, located in UGB or equivalent and outside flood plain; and site (NCDA) does not contain contaminants, wetlands, protected species, or cultural resources or has mitigation plan(s) that can be implemented in 180 days or less.											
PHYSICAL SITE														
2	TOTAL SITE SIZE**	Competitive Acreage*	10 - 100+	5 - 100+	5 - 25+	5 - 25+	5 - 15+	20 - 100+	5 - 15+	20 - 100+	10 - 25+	10 - 25+	5 - 25+	
3	COMPETITIVE SLOPE:	Maximum Slope	0 to 5%	0 to 5%	0 to 5%	0 to 7%	0 to 5%	0 to 7%	0 to 12%	0 to 5%	0 to 5%	0 to 7%	0 to 5%	
TRANSPORTATION														
5	TRIP GENERATION:	Average Daily Trips per Acre	40 to 60 (ADT / acre)	40 to 60 (ADT / acre)	50 to 60 (ADT / acre)	40 to 60 (ADT / acre)	40 to 50 (ADT / acre)	60 to 150 (ADT / acre)	170 to 180 (ADT / acre)	40 to 80 (ADT / acre)	40 to 80 (ADT / acre)	40 to 80 (ADT / acre)	20 to 30 (ADT / acre)	40 to 50 (ADT / acre)
6	MILES TO INTERSTATE OR OTHER PRINCIPAL ARTERIAL:	Miles	w/ in 10	w/ in 10	w/ in 30	w/ in 15	w/ in 20	N/A	N/A	w/ in 5 (only interstate or equivalent)	w/ in 5 (only interstate or equivalent)	N/A	w/ in 30	N/A
7	RAILROAD ACCESS:	Dependency	Preferred	Preferred	Preferred	Not Required	Preferred	Preferred	Not Required	Preferred	Preferred	Not Required	Avoid	N/A
8	PROXIMITY TO MARINE PORT:	Dependency	Preferred	Preferred	Preferred	Not Required	Preferred	Preferred	Not Required	Preferred	Preferred	Not Required	Not Required	N/A
9	PROXIMITY TO REGIONAL COMMERCIAL AIRPORT:	Dependency	Preferred	Competitive	Preferred	Competitive	Preferred	Required	Preferred	Preferred	Preferred	Preferred	Competitive	N/A
		Distance (Miles)	w/ in 60	w/ in 60	w/ in 60	w/ in 30	w/ in 60	w/ in 30	w/ in 60	w/ in 60	w/ in 60	w/ in 30	w/ in 60	N/A
10	PROXIMITY TO INTERNATIONAL AIRPORT:	Dependency	Preferred	Competitive	Preferred	Competitive	Preferred	Competitive	Preferred	Preferred	Preferred	Competitive	Preferred	N/A
		Distance (Miles)	w/ in 300	w/ in 300	w/ in 300	w/ in 100	w/ in 300	w/ in 100	w/ in 300	w/ in 300	w/ in 300	w/ in 100	w/ in 300	N/A
UTILITIES														
11	WATER:	Min. Line Size (Inches/Dmtr)	8" - 12"	12" - 16"	12" - 16"	8" - 12"	6" - 10"	8" - 12"	4" - 6"	4" - 8"	4" - 6"	4" - 8"	16"	4" - 8"
		Min. Fire Line Size (Inches/Dmtr)	10" - 12"	12" - 18"	10" - 12"	10" - 12"	8" - 10"	8" - 12"	6" - 10"	10" - 12"	6" - 8"	6" - 10"	10"-12"	6" (or alternate source)
		High Pressure Water Dependency	Preferred	Required	Required	Preferred	Not Required	Preferred	Not Required	Not Required	Not Required	Not Required	Required	Not Required
		Flow Gallons per Day per Acre	1600 (GPD / Acre)	5200 (GPD / Acre)	3150 (GPD / Acre)	2700 (GPD / Acre)	1850 (GPD / Acre)	2450 (GPD / Acre)	1600 (GPD / Acre)	500 (GPD / Acre)	500 (GPD / Acre)	1600 (GPD / Acre)	50-200 (Gallons per MWh) †	1200 (GPD / Acre)
12	SEWER:	Min. Service Line Size (Inches/Dmtr)	6" - 8"	12" - 18"	10" - 12"	10" - 12"	6" - 8"	10" - 12"	6" - 8"	4"	4"	6"	8"-10"	4" - 6" (or on-site source)
		Flow (Gallons per Day per Acre)	1500 (GPD / Acre)	4700 (GPD / Acre)	2600 (GPD / Acre)	2500 (GPD / Acre)	1700 (GPD / Acre)	2000 (GPD / Acre)	1600 (GPD / Acre)	500 (GPD / Acre)	500 (GPD / Acre)	1300 (GPD / Acre)	1000 (GPD / Acre) ‡	1000 (GPD / Acre)



13	NATURAL GAS:	Preferred Min. Service Line Size (Inches/Dmtr)	4" - 6"	6"	4"	6"	4"	6"	2"	2"	2"	2"	4"	N/A
		On Site	Competitive	Competitive	Preferred	Competitive	Competitive	Competitive	Preferred	Preferred	Preferred	Preferred	Preferred	Preferred
14	ELECTRICITY:	Minimum Service Demand	2 MW	4-6 MW	2-6 MW	1 MW	0.5 MW	0.5 MW	0.5 MW	1 MW	1 MW	0.5 MW	5-25 MW	1 MW
		Close Proximity to Substation	Competitive	Competitive	Not Required	Competitive	Preferred	Competitive	Preferred	Not Required	Not Required	Not Required	Required, could be on site	Not Required
		Redundancy Dependency	Required	Preferred	Not Required	Required	Not Required	Competitive	Required	Not Required	Not Required	Not Required	Required	Not Required
15	TELECOMMUNICATIONS:	Major Communications Dependency	Preferred	Required	Preferred	Required	Required	Required	Required	Preferred	Preferred	Required	Required	Preferred
		Route Diversity Dependency	Not Required	Required	Not Required	Required	Not Required	Preferred	Required	Not Required	Not Required	Not Required	Required	Not Required
		Fiber Optic Dependency	Preferred	Required	Preferred	Required	Preferred	Required	Required	Preferred	Preferred	Required	Required	Not Required
16	SPECIAL CONSIDERATIONS:		Adequate distance from sensitive land uses (residential, parks, large retail centers) necessary. High throughput of materials. Large yard spaces and/or buffering required. Often transportation related requiring marine/rail links.	Acreage allotment includes expansion space (often an exercisable option). Very high utility demands in one or more areas common. Sensitive to vibration from nearby uses.	May require high volume/supply of water and sanitary sewer treatment. Often needs substantial storage/yard space for input storage. Onsite water pre-treatment needed in many instances.	Surrounding environment of great concern (vibration, noise, air quality, etc.). Increased setbacks may be required. Onsite utility service areas. Avoid sites close to wastewater treatment plants, landfills, sewage lagoons, and similar land uses. Lower demands for water and sewer treatment than Production High-Tech Manufacturing.	Adequate distance from sensitive land uses (residential, parks) necessary. Moderate demand for water and sewer. Higher demand for electricity, gas, and telecom.	High diversity of facilities within business parks. R&D facilities benefit from close proximity to higher education facilities. Moderate demand on all infrastructure systems.	Relatively higher parking ratios may be necessary. Will be very sensitive to labor force and the location of other similar centers in the region. High reliance on telecom infrastructure.	Transportation routing, and proximity to/from major highways is crucial. Expansion options required. Truck staging requirements mandatory. Minimal route obstructions between the site and interstate highway such as rail crossings, drawbridges, school zones, or similar obstacles.	Transportation infrastructure such as roads and bridges to/from major highways is most competitive factor.	Must be located within or near FAA regulated UAV testing sites. Moderate utility demands. Low reliance on transportation infrastructure.	Larger sites may be needed. The 25 acre site requirement represents the more typical site. Power delivery, water supply, and security are critical. Surrounding environment (vibration, air quality, etc.) is crucial. May require high volume/supply of water and sanitary sewer treatment.	Located in more remote locations in the state. Usually without direct access (within 50 miles) of Interstate or City of more than 50,000 people.

Mackenzie; Business Oregon

Terms:

<div>More Critical</div> <div>↑</div> <div>Less Critical</div>	'Required' factors are seen as mandatory in a vast majority of cases and have become industry standards
	'Competitive' significantly increases marketability and is <u>highly recommended by Business Oregon</u> . May also be linked to financing in order to enhance the potential reuse of the asset in case of default.
	'Preferred' increases the feasibility of the subject property and its future reuse. Other factors may, however, prove more critical.
* Competitive Acreage: Acreage that would meet the site selection requirements of the majority of industries in this sector.	
**Total Site: Building footprint, including buffers, setbacks, parking, mitigation, and expansion space	
† Data Center Water Requirements: Water requirement is reported as gallons per MWh to more closely align with the Data Center industry standard reporting of Water Usage Effectiveness (WUE).	
‡ Data Center Sewer Requirements: Sewer requirement is reported as 200% of the domestic usage at the Data Center facility. Water and sewer requirements for Data Centers are highly variable based on new technologies and should be reviewed on a case-by-case basis for specific development requirements.	



Appendix B.2 Cleantech Industrial Sector Land Use Competitiveness Matrix

The Oregon Cleantech Competitiveness Assessment Report (Appendix D in the report) identified the following land use requirements for key cleantech subsectors in Oregon as described below.

Cleantech Land Use Criteria

Land use requirements for attracting and growing industrial users vary across sectors. We have reviewed typical land use and infrastructure needs based on existing facility development, anticipated growth needs, and similarities to existing established industrial users within the State. We have reviewed land use competitiveness for the following development criteria, which are commonly used when evaluating sites for attracting potential industrial users:

1. Total site size: Gross property area, including building footprint, setbacks, parking, laydown space, buffers and/or mitigation areas, and expansion areas.
 - A. Small: 0-5 acres
 - B. Medium: 5-25 acres
 - C. Large: > 25 acres
2. Use allowance: Specific manufacturing use allowed under current zoning. Development standards also may limit feasibility of necessary elements such as utility yards.
 - A. Low: Allowed outright
 - B. Medium: Allowed conditionally or with limitations
 - C. High: Not allowed
3. Site slope tolerance: Elevation differences across the site; generally, industries with large-footprint buildings or laydown yards require flatter sites.
 - A. Low: 0-5%
 - B. Moderate: 0-7%
 - C. High: 0-12%
4. Access to interstate or principal arterial transportation routes: Access to shipping routes and available capacity for trips generated.
 - A. Low: Relatively low need for access to transportation routes.
 - B. Moderate: Access to principal transportation routes is preferred.
 - C. High: Access to principal transportation routes is required.
5. Railroad access: Proximity and capacity for rail freight systems, for either raw materials or finished goods.
 - A. Low: Relatively low need for rail access.
 - B. Moderate: Access to rail access is preferred.
 - C. High: Access to rail access is required.
6. Marine port access: Proximity and capacity for marine cargo shipping, for either raw materials or finished goods.
 - A. Low: Relatively low need for marine access.
 - B. Moderate: Access to marine access is preferred.



- C. High: Access to marine access is required.
- 7. Airport access: Proximity and flight availability for employees, customers, or air cargo.
 - A. Low: Relatively low need for airport access.
 - B. Moderate: Access to airport access is preferred.
 - C. High: Access to airport access is required.
- 8. High-pressure water supply: Proximity and capacity for high-pressure water supply, typically as municipal water.
 - A. Low: Significant water usage is not expected to be a critical component of this industry.
 - B. Moderate: Water usage may be high for this industry; high-pressure water supply is preferred.
 - C. High: High-pressure water supply is required.
- 9. Electricity supply: Proximity and capacity for electrical power.
 - A. Low: Significant electricity usage is not expected to be a critical component of this industry.
 - B. Moderate: Electrical usage may be high for this industry; high-demand service and/or redundancy is preferred.
 - C. High: High-demand service and/or redundant electrical supply is required.

The following table summarizes our recommendations of land use competitiveness for the selected Cleantech sectors across the criteria listed above.



Table 13. Competitiveness Matrix for Select Cleantech Industries

	Battery Storage	Mass Timber	Ag-Tech	Circular Economy	Solar & Wind Energy Prod	Water Tech	Building Energy Tech	EV Infrastructure Tech
Site Size	Small to Large ⁴	Med to Large	Small ⁵	Small to Med ⁶	Med to Large ⁷	Small to Med	Small	Med to Large
Use Allowance	Varies by jurisdiction							
Slope Tolerance	Mod.	Low	High	Mod.	Mod.	Low	High	Mod.
Transportation Access	Low	High	Low	High	Mod.	Low	Low	High
Rail Access	Low	Mod.	Low	Mod.	Wind: High Solar: Low	Low	Low	Mod.
Marine Access	Low	Low	Low	Low to Mod.	Low to High ⁸	Low	Low	Low to Mod.
Airport Access	Low	Low	Mod.	Low	Low	Low	Mod.	High
High-Pressure Water Needs	Low	Low to Mod.	Low	Mod.	Mod.	High	Low	Low
Electrical Supply Needs	High ⁹	Mod. to High	Low	Mod.	High ⁶	High	Mod. to High	High

Source: Oregon Cleantech Competitiveness Assessment Report, 2024

⁴ Battery storage site sizes may vary widely, from urban microgrid installations to large-scale power grid storage.⁵ The Ag-Tech industries identified in this study are assumed to generally focus on software and small-scale equipment products. These companies may use large-scale farms for product development or research; however, since those are likely to be existing operating farm facilities, we do not identify them as a land use criterion here.⁶ Site facility size for circular economy is dependent on the raw materials and finished products involved and the industry scaling.⁷ Site size for solar/wind manufacturing facilities is similar to advanced manufacturing industries, while sites for solar/wind power generation vary greatly depending on scale, ranging from rooftop systems to grid-scale farms.⁸ Offshore wind power requires marine facilities to transport turbines and equipment to the generating site. Land-based wind power marine access varies.⁹ Electrical system proximity and access for power generation facilities may vary depending on the scale and intended use. Microgrid systems may only need connection to the local electrical grid, while large-scale grid storage may require connection to regional transmission lines or substations.

Appendix B.3 Buildable Lands Inventory Methodology

The BLI is intended to identify industrial lands that are available for development for employment uses within the City of Wilsonville’s BCPA. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. The amount of land needed to accommodate anticipated growth, often referred to as *demand* for land, depends on the type of employment-related development and other factors.

This appendix presents methods and definitions used to develop the industrial buildable lands inventory for the BCPA. The results (shown in the Land Supply section of the memorandum) are based on analyses by ECONorthwest of data from the City of Wilsonville, Washington and Clackamas Counties, Metro, and Pacific Habitat Services. The analysis was reviewed by City staff. The remainder of this appendix summarizes key findings of the BLI.

Methods and Definitions

The BLI in Wilsonville’s BCPA includes all land that allows industrial uses within the jurisdiction of Wilsonville’s comprehensive plan use designations or unincorporated areas of Washington and Clackamas Counties. From a practical perspective, land was included in the BLI if it met all the following criteria:

1. It is inside the BCPA
2. It is within a Wilsonville Comprehensive Plan designation or unincorporated areas of Washington and Clackamas Counties.
3. It is inside a tax lot (as defined by Metro), and
4. Its plan designation allows employment uses. *Note that tax lots do not generally include road or railroad rights-of-way or water.*

The inventory then builds from the tax lot–level database to estimate buildable land by Comprehensive Plan designation.

Inventory Steps

The five steps in the BLI are:

1. Generate UGB “land base”
2. Classify lands by initial development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results



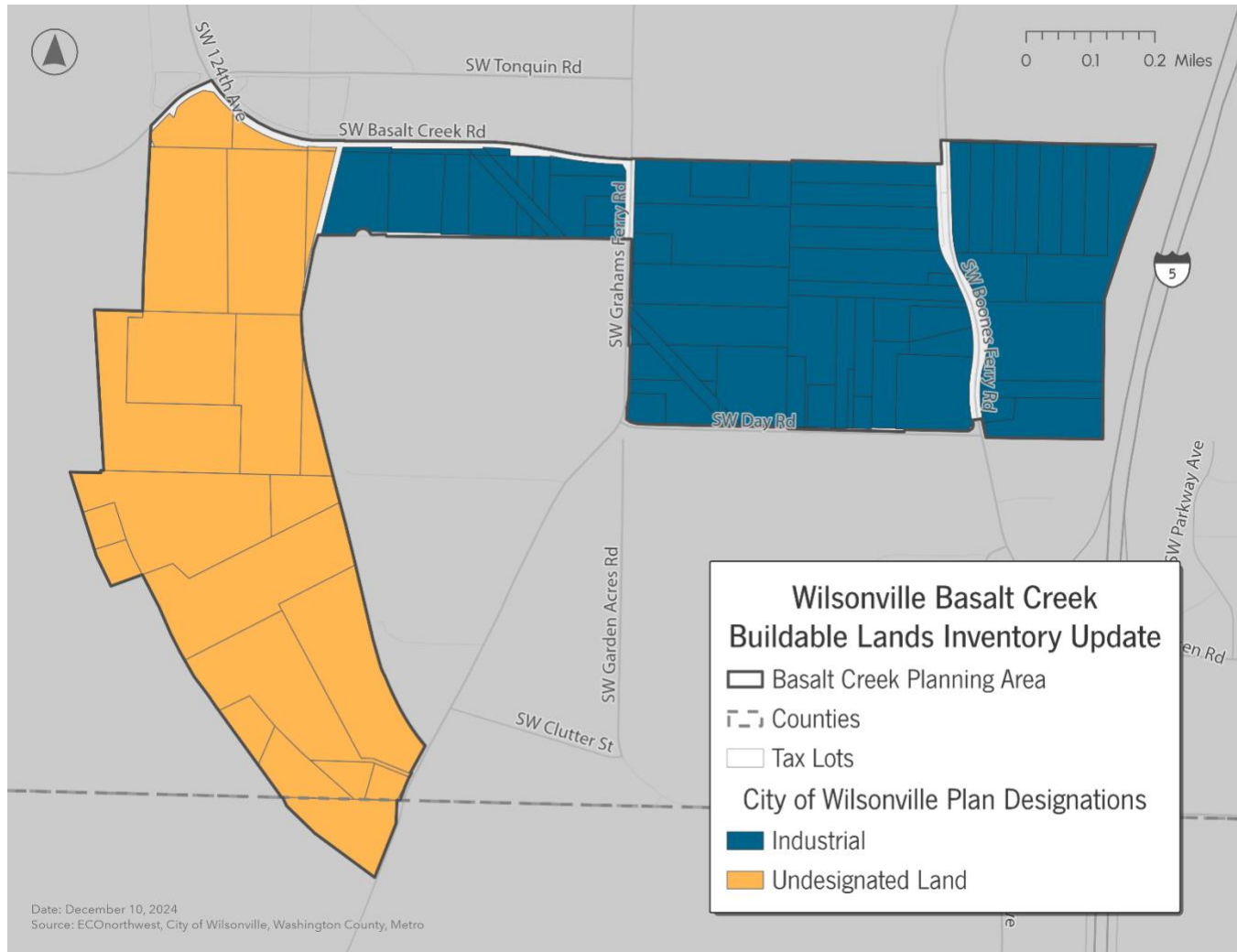
Step 1: Generate UGB “Land Base”

The industrial inventory used all tax lots within the BCPA with the appropriate types of comprehensive plan designations that fall under those land use categories:

- ◆ Industrial (I)
- ◆ Undesignated land (i.e., unincorporated land)

Figure 6 below shows a map of these designations used in the BLI.

Figure 6. Land Base by Wilsonville Comprehensive Plan Designation, BCPA, 2024



Source: ECONorthwest Analysis, City of Wilsonville, Metro

Step 2: Classify Lands by Development Status

In this step, EConorthwest initially classified each tax lot with an employment plan designation (based on the definitions above) into one of three mutually exclusive categories based on development status:

- Vacant land
- Partially vacant land
- Developed land

EConorthwest identified buildable land and classified development status using a rule-based methodology adapted from Metro's Buildable Land Inventory documentation¹⁰ and utilizing Metro's vacant and developed land GIS inventories. These classifications serve as a starting point for identifying development statuses and are further refined in step 4 through visual review by EConorthwest and the City of Wilsonville.

The rules are described in Table 14, and the development status classifications of the BLI land base are visualized in map format in Figure 7.

Table 14. Rules for Development Status Classification

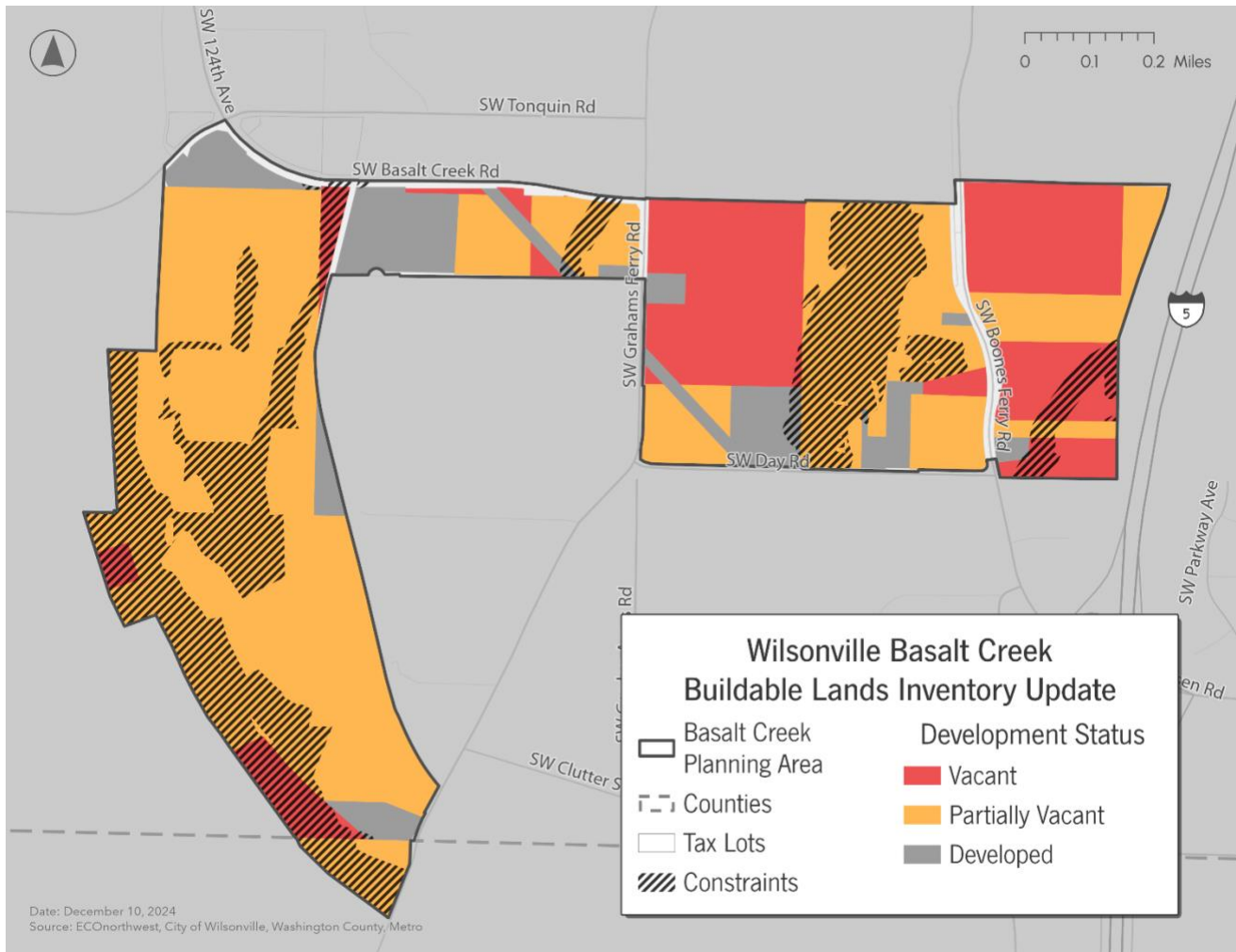
DEVELOPMENT STATUS	DEFINITION	METHODOLOGICAL BASIS
Vacant Land	A tax lot where the area is: (a) Less than 2,000 sq ft and less than 10% developed, or (b) More than 95% vacant.	<i>Metro Appendix 2 - 2024 Buildable Land Inventory (BLI) and Capacity Estimates¹¹</i>
Partially Vacant Land	A tax lot where the area does not meet the vacant land definition and is more than one-half acre vacant	No statutory definition
Developed Land	A tax lot that is not vacant or partially vacant.	<i>Metro Appendix 2</i>

¹⁰ <https://www.oregonmetro.gov/sites/default/files/2024/07/09/2024-UGR-Appendix-2-UGB-capacity-analysis-with-attachments.pdf>

¹¹ Ibid.



Figure 7. Development Status with Constraints, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

Step 3: Identify Constraints

As shown in

Table 15, the BLI included development constraints consistent with guidance in OAR 660-009-0005(2) and discussion with Wilsonville City staff.

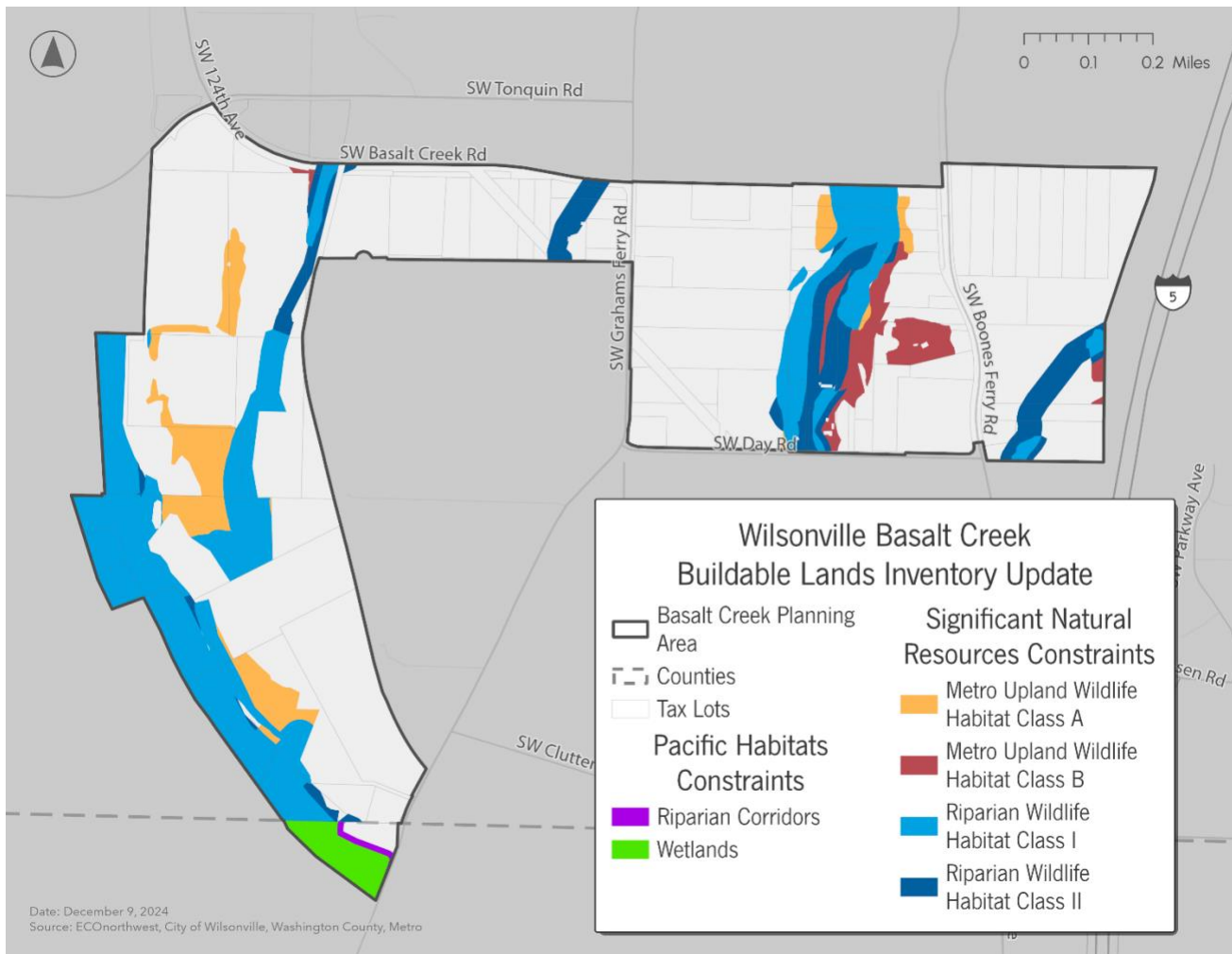
Table 15. Constraints Included in BLI

DEVELOPMENT STATUS	STATUTORY AUTHORITY	THRESHOLD	SOURCE
Goal 5 Natural Resource Constraints			
Significant Natural Resources (SNR)	<i>OAR 660-009-0005(2)</i>	Lands within SNR classifications: <ul style="list-style-type: none"> ♦ Metro Upland Wildlife Habitat Classes A and B ♦ Riparian Wildlife Habitat Classes I and II 	Washington County
Riparian Corridors	<i>OAR 660-009-0005(2)</i>	Lands within riparian corridors (Clackamas County only)	Pacific Habitat Services
Wetlands	<i>OAR 660-009-0005(2)</i>	Lands within wetlands (Clackamas County only)	Pacific Habitat Services

These areas were evaluated as prohibitive constraints (unbuildable). All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands identified as vacant or partially vacant. Figure 8 shows a map of the individual constraints.



Figure 8. Development Constraints, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

Step 4: Verify Inventory Results

ECONorthwest used a multistep verification process. The first verification step involved a “visual assessment” of land classifications using GIS and recent aerial photos. The visual assessment involved reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the visual assessment methodology. The second round of verification involved City staff verifying the visual assessment output. ECONorthwest amended the BLI based on City staff review and a discussion of staff’s comments.

Step 5: Tabulate and Map Results

The results of the industrial BLI are presented in tabular form in Table 16 and in a map in Figure 9.

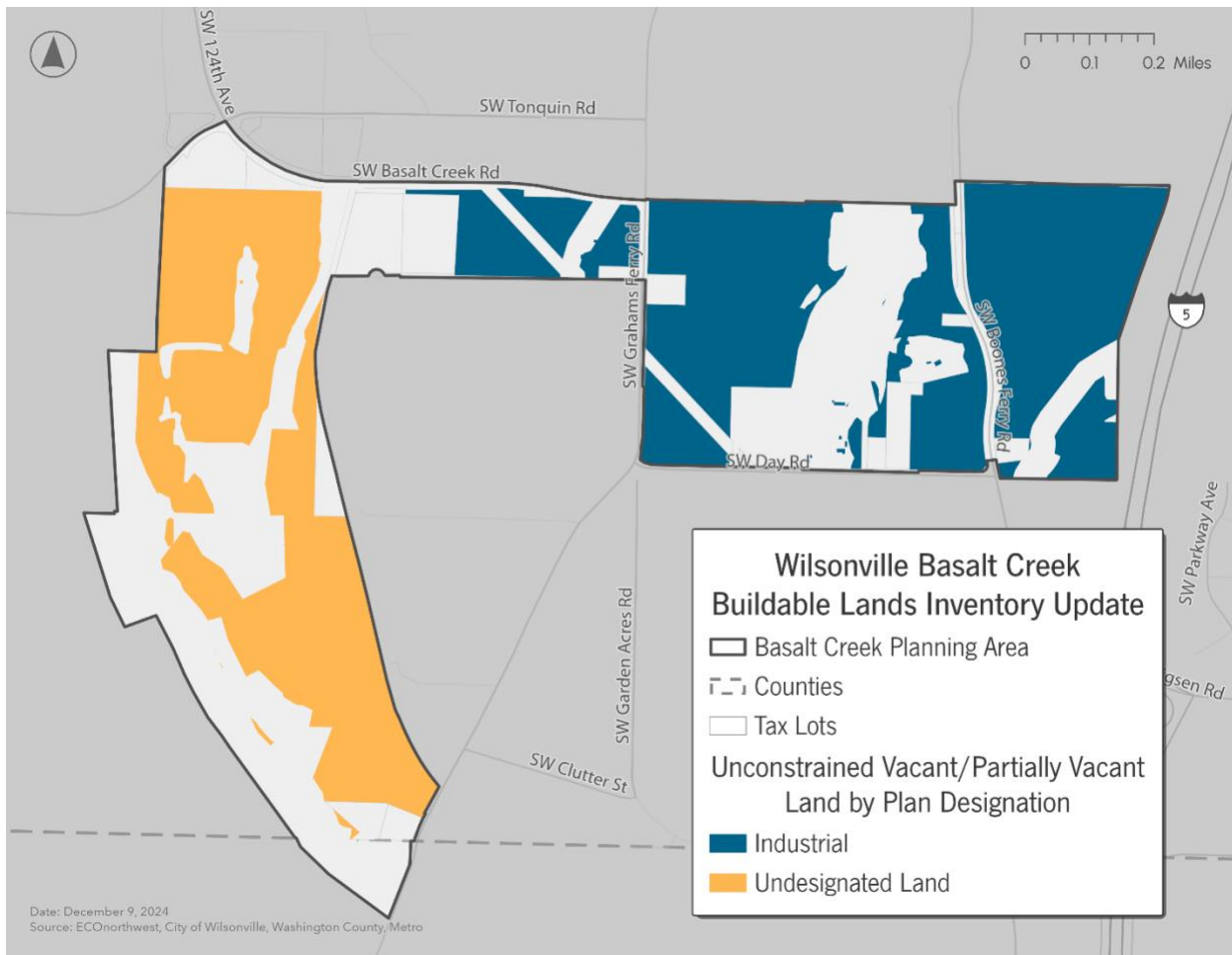
Table 16. Buildable Acres in Vacant and Partially Vacant Tax Lots by Wilsonville Plan Designations, BCPA, 2024

Plan Designation	Total Buildable Acres	Buildable Acres on Vacant Lots	Buildable Acres on Partially Vacant Lots
Industrial	127	87	40
Undesignated	24	0.4	23
Total	150	87	63

Source: ECONorthwest Analysis, City of Wilsonville, Washington County, Metro



Figure 9. Buildable Employment Land by Wilsonville Plan Designation, BCPA, 2024



Source: EConorthwest Analysis, City of Wilsonville, Washington County, Metro, Pacific Habitat Services

Appendix C: Redevelopment Feasibility of Contractor Establishments





DATE: December 12, 2024
TO: City of Wilsonville
FROM: ECONorthwest: Nicole Underwood, Michelle Anderson, and Bob Parker
SUBJECT: WILR Phase 1: Redevelopment Feasibility of Contractor Establishments

The Cities of Tualatin and Wilsonville adopted the Basalt Creek Concept Plan (BCCP) in 2018 after a lengthy joint planning process. Now, in 2024-25, the City of Wilsonville is working to advance the Basalt Creek Planning Area (BCPA) beyond the concept plan to a development-ready status by designating zoning and refining infrastructure plans. However, since adoption of the BCCP, economic conditions at national, state, regional, and local levels have shifted significantly and must now be considered.

To address these evolving conditions, the City hired ECONorthwest to conduct a market assessment and industrial lands study focused on Wilsonville's portion of the BCPA. This study comprises several interconnected tasks:

- ◆ An **Economic Inventory** that evaluated current market trends and identified industries suitable for the area (completed).
- ◆ An updated **Buildable Lands Inventory (BLI)** that reflects recent land developments, adjusted constraints, and revised capacity estimates (ongoing).
- ◆ A **Site Suitability Analysis** that evaluates three key opportunity sites for their potential to support target industries based on attributes like size, location, and access (ongoing).
- ◆ An **Analysis of Future Development of Contractor Establishments in the BCPA** given prevailing lease rates and market conditions (this memorandum).

This memorandum addresses the fourth task by evaluating the redevelopment potential of contractor establishments within the BCPA. Currently, the Wilsonville portion of the BCPA falls under Washington County's Future Development 20-Acre District (FD-20) zoning, which allows a variety of low-intensity uses. The area has limited development, with much of the developed land used for contractor establishments, which typically include small offices (often converted residences), storage buildings, and laydown yards. While these uses contribute to jobs and economic activity, they yield limited employment opportunities and lower property values compared to those envisioned in the BCCP or those typically expected for land within the metro urban growth boundary (UGB) and city limits.

The primary question we address in this task is: What is the redevelopment potential of existing contractor establishments in the BCPA, given prevailing lease rates and market conditions? This analysis will help the City understand what types of development the market will support, which desired development types identified in the BCCP are viable under current economic conditions, and what conditions might be necessary in the future to support desired development.



The findings from this analysis will guide recommendations on policy interventions and strategic actions the City can take to support desired development and promote redevelopment feasibility. These efforts are part of a broader initiative to position Basalt Creek as a key area for regional job growth and long-term economic success.

Redevelopment Feasibility of Existing Contractor Establishments

The Economic Inventory identified a range of industrial users who may find Basalt Creek particularly attractive due to its prime location in the Southwest Metro area, access to a skilled workforce, availability of industrial land, strong transportation networks, and proximity to existing industrial clusters. Discussions with stakeholders also highlighted strong regional demand for industrial space.

However, several challenges complicate redevelopment efforts. Many existing contractor establishments generate significant income for property owners, reducing their motivation to sell or redevelop the land for higher-intensity industrial uses. Additionally, relocation options for businesses currently occupying these sites may be limited, creating further barriers to redevelopment.

These challenges raise critical questions about whether current market rents and sales prices are sufficient to make redevelopment feasible in the BCPA. This analysis evaluates the conditions needed to support redevelopment in Basalt Creek.

WHICH SECTORS MAY BE ATTRACTED TO BASALT CREEK?

Below are the potential sectors that may be particularly attracted to Basalt Creek, as identified in the Economic Inventory report.

Semiconductor Sector Supply Chain:

Companies providing materials, equipment, and services to chip manufacturers.

Cleantech, including Battery

Technology: Businesses involved in renewable energy technology, energy efficiency solutions, and sustainable manufacturing processes.

Advanced Manufacturing: Companies using technology such as robotics, 3D printing, and computerized systems to manufacture specialized products or components.

Distribution and Logistics: Storage, transportation, and delivery of goods.

Data Centers: Facilities used to house computer systems and associated components.



Methods and Approach

What are the key questions?

While there is clear demand for industrial space in the BCPA, the question remains: **What conditions (e.g., market, ownership, site, zoning) are needed to promote and incentivize urban industrial development as envisioned in the BCCP?** To answer this core question, EConorthwest identified several subquestions to guide the analysis.

- ◆ What types of property owners are in the study area, and who is respectively occupying the site (e.g., the owner or tenant)?
 - Understanding ownership and occupancy dynamics helps assess the financial motivations of property owners and helps determine whether redevelopment offers an incentive.
- ◆ What are the potential future uses for these sites?
 - Identifying potential future uses informs construction costs, market rents, and site utilization. Evaluating the likely range of site utilization (based on constraints and zoning) helps determine whether redevelopment would offer higher returns compared to current uses.

By addressing these supporting questions, EConorthwest evaluated scenarios where ownership, occupancy, and future uses align to incentivize redevelopment. This structured approach provides insights into the conditions necessary to drive redevelopment in the BCPA.

How did we answer the key questions?

EConorthwest used a detailed pro forma model to evaluate multiple potential development scenarios. These scenarios incorporated variations in current ownership and occupancy, potential future uses, and site utilization (for additional details, see Appendix). For this quantitative analysis, we focused on conditions that could support new development, either on recently acquired properties (e.g., speculative purchases) or on land likely to transact for redevelopment in the future.

WHAT IS A PRO FORMA?

The pro forma method, a standard tool in real estate feasibility studies, replicates the decision-making process of investors and lenders. It assesses the balance between development costs, expected revenue, and financing structures to identify potential viability gaps.

The pro forma considers the site utilization and potential building program of each scenario, development hard costs (construction labor and materials), other development costs (soft



costs, contingency, developer fee, etc.), costs of capital, relevant operating costs, and land acquisition costs. For each scenario, the pro forma calculated the rent levels required to cover these costs and achieve financial feasibility.

DATA LIMITATIONS AND METHODOLOGY

While the quantitative analysis provided valuable insights, data limitations in the study area and the I-5 South Submarket (such as limited observations of contractor establishment rents) posed some challenges. These limitations are typical for studies in smaller submarkets. To address this, we supplemented the analysis with qualitative methods, including interviews with developers and brokers, to validate assumptions and refine recommendations. We also conducted a range of sensitivity testing to account for potential variance (e.g., higher and lower potential contractor establishment rents) instead of basing the results of our analysis on one assumption. As a result, we believe the findings accurately reflect current market conditions in Wilsonville and provide a reliable basis for evaluating redevelopment feasibility in the BCPA.

WHY IS DEVELOPMENT FEASIBILITY AND PRO FORMA ANALYSIS IMPORTANT?

Development can be costly and risky. Getting funding to construct new development requires lenders and investors to be reasonably confident they will earn enough financial return to justify the risks.

Economic or market feasibility is generally assessed by comparing the expected revenues (rents, sales prices) against the costs of development. If a development project is not profitable, it is not feasible; it will not be built. While some of the factors that determine market feasibility are outside a jurisdiction's direct control (e.g., labor and materials costs, interest rates, market rents), local jurisdictions can provide incentives (such as tax exemptions or land donations) or adjust building, utility, and zoning fees; zoning; programs; and other regulations that can have a substantial impact on whether development could be feasible or not.

ASSUMPTIONS AND INDUSTRY STANDARDS

We based several assumptions on industry standards to ensure consistency and accuracy:

- ◆ **Construction Costs:** Used national averages adjusted with a Portland metro-specific multiplier to account for regional building conditions.
- ◆ **Other Development Costs and Operating Costs:** Applied standard rates for soft costs (architectural design, site engineering, permitting and entitlement fees, capital carrying costs, etc.), contingency, and developer fees.

For a more detailed overview of the data, assumptions, and methodology, please refer to the Appendix.



UNDERSTANDING THE PRICE OF LAND IN THE BCPA: HOW THIS IS FACTORED INTO FEASIBILITY RESULTS

Predicting the price that a landowner would require when selling property for development is an imperfect science—each landowner has reasons to sell or hold their land. Some property owners are willing to develop their land without selling, but based on interviews, we determined this would be rare in the study area. For the purposes of this analysis, we assumed the value of the property (i.e., the price of the land at which an owner would be willing to sell) could be derived from current comparable property sales prices in the area using a **“comps approach”** as well as using an **“income-based approach”** that considers the revenue stream from current tenants on the property. Therefore, this memo analyzes the rent needed based on the range of land values given these two approaches.

We identified vacant land sales (including contractor establishment sales) in the I-5 South Submarket using CoStar data. Most of the vacant land properties recently transacted (over the last 4 years) for approximately \$7 to \$17 per square foot of land. One improved land transaction (with a contractor establishment) had a sale price that indicated it transacted for \$26 per square foot of land. These observations served as our range of land prices using a comps approach. Many of these comps, both vacant land and contractor establishments, might have been leased to tenants and generated income; however, the prices they sold for could have been decided via an unknown variety of methods (including an income-based approach and then a subsequent negotiation). Therefore, for the purposes of this analysis, we refer to all these observed transactions as being within the “comps approach” method.

The income-based approach relied on data collected during interviews, which indicated the rent for contractor yards in the area could range from \$0.18 to \$0.23 per square foot of land per month. We considered this gross annual revenue, net of approximately 5 percent for various operating costs, and divided by a range of capitalization (cap) rates (5 percent to 7 percent) to estimate the value. Using a cap rate is a common valuation approach in the commercial real estate industry. This analysis resulted in a range of \$19 to \$52 per square foot of land—considerably higher than most of the results from the comps approach. This approach more accurately reflects the value current owners place on the potential future revenue from their existing tenants, as well as the level of incentive required to encourage them to sell and repurpose the property. Although this income-based value could eventually be negotiated during a potential sale, we still use this range in our analysis to reflect values that a landowner might require to sell their land.



Key Findings

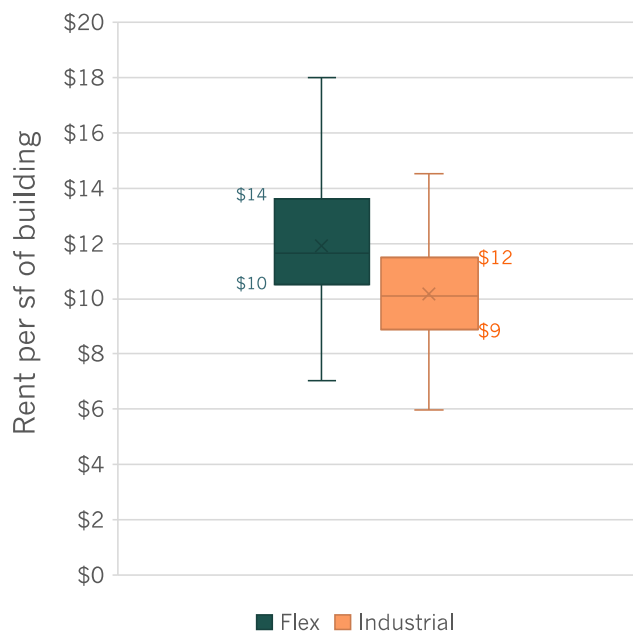
Current uses are generating substantial revenue with minimal management effort or risk.

Our market research and interviews highlighted that the rent for current uses varied based on whether the site was mostly open land or a building was present. Sites without buildings typically structured their rent per square foot of land, and this typically ranged from \$0.18 to \$0.23 per month. For example, a 1-acre site could generate annual gross rent of approximately \$95,000 to \$120,000 with minimal management effort or operating costs. (This is intended for illustrative purposes only and can scale to larger site sizes.)

Over the past four years, vacant land in the area has sold for around \$7 to \$17 per square foot. For the same illustrative 1-acre site, this translates to sale prices ranging from \$305,000 to \$750,000. The resulting ratio of annual gross lease revenue to property value ranges from 13 percent (a monthly rent of \$0.18 per square foot relative to a land value of \$17 per square foot) to 39 percent (a monthly rent of \$0.23 per square foot relative to a land value of \$7 per square foot). This means that property owners who recently purchased land and rent it to contractor establishments could recover their investment within 2.5 to 8 years. For long-term landowners who have already paid off their investment, rents represent additional income with minimal effort. Either way, given the substantial revenue from these uses, a landowner has very little incentive to redevelop.

For sites with buildings and yards, rents are typically based on the building area and range from \$0.85 to \$1.30 per square foot of building per month, or \$10.20 to \$15.60 per square foot per year. In comparison, flex and industrial spaces in the I-5 South Submarket rent for \$9 to \$14 per square foot per year, meaning that rent for an existing contractor establishment building with a yard is already achieving similar market rents to potential future uses. Not only are some of these contractor establishments already achieving comparable rents to flex and industrial uses, but they are also doing so without the risks of redevelopment (which include new capital investment, entitlements, the time to convert the land to the new use and generate revenue, and opportunity cost, among others).

Figure 1. Market Rent of Potential Future Uses



Source: ECOnorthwest analysis, CoStar

Rents would likely need to increase by at least three-fifths (60 percent), if not double (100 percent), to fund construction and create incentive to flip existing contractor establishments.

For our pro forma analysis, we evaluated a range of scenarios based on the variation in ownership and occupancy, future uses, future site utilization, and land acquisition costs (see Appendix for more detail). As previously discussed, ECONorthwest solved for the rent needed to cover these various costs and then compared to the potential market rent of the flex and industrial uses observed in the I-5 South Submarket. We show these results for a range of potential land acquisition prices and construction costs.

We analyzed results for three different physical scenarios based on observed comparable developments (using the relationship between building square footage and site square footage):

- ♦ **Very high site utilization** based on 45 percent site coverage, similar to Graham's Ferry Industrial Center. Note: future development in some portions of BCPA may face constraints due to natural site features or zoning standards that may make achieving this site utilization challenging.
- ♦ **High site utilization** based on 35 percent site utilization, similar to the Sherwood Commerce Center
- ♦ **Low site utilization** based on 20 percent site utilization, similar to observed flex and industrial uses built over the last 20 years in the I-5 South Submarket

INTERPRETING THE RESULTS CHARTS

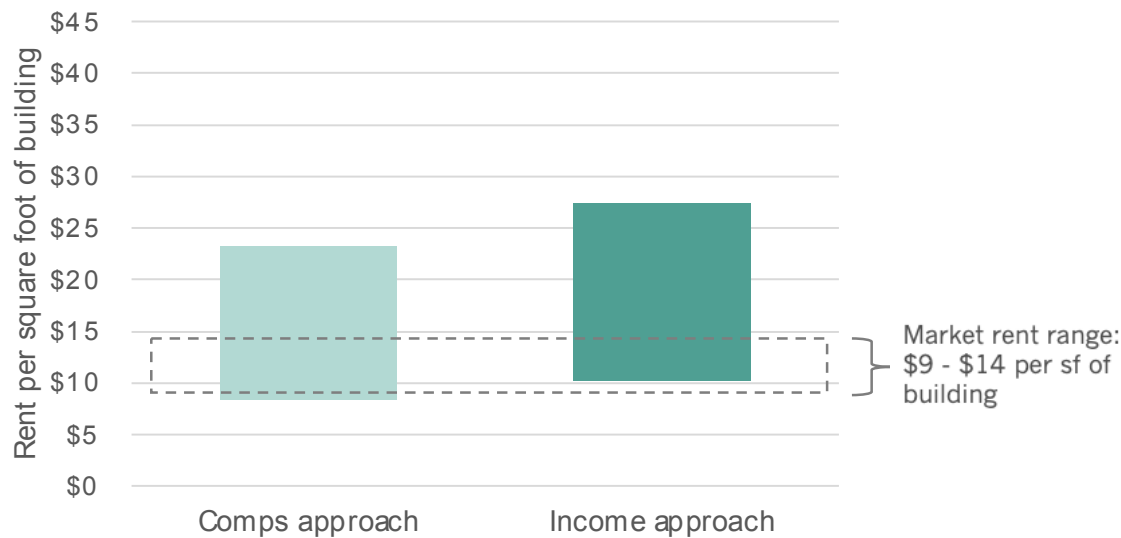
Development feasibility hinges on a range of different assumptions. Rather than picking one specific set of assumptions, the results charts shown in this memo encompass a range of potential assumptions, namely land acquisition costs and development costs.

ECONorthwest compared the feasibility results to both the comps approach and income approach—**one column** in the following charts shows the resulting range of rents needed if assuming a comps approach, and **one column** shows the range needed based on an income approach. **Both columns** also include sensitivity testing given a range of construction costs and land prices, which is reflected in the size of the bars (the same range is assumed for each of the land price method scenarios). **A dashed box** is also shown to represent the range of observed rents for potential future uses. The rent results would ideally be within, if not lower than, this range for the development to be feasible.



In the **very high site utilization** scenario, future flex and industrial uses are only feasible when land acquisition costs remain low—below \$20 per square foot—and other development costs are average or low. This combination of assumptions results in rents similar to the existing market rents of \$9 to \$14 per square foot of building (see comparison to gray bar shown in results chart in Figure 2). To make redevelopment feasible for properties with land costs higher than \$20 per square foot (common for land with existing uses), the market rent for flex and industrial uses would likely need to increase by at least three-fifths, if not double, while construction costs remain constant.

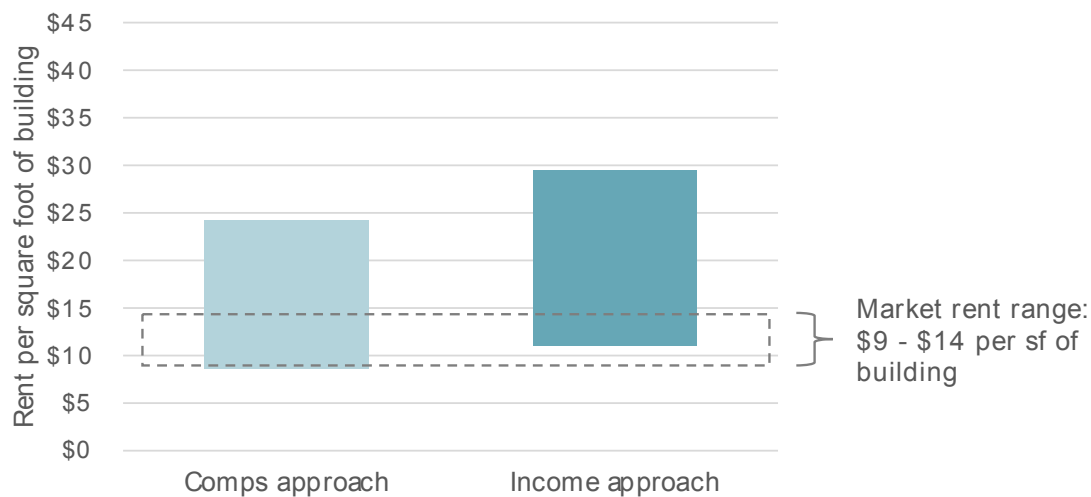
Figure 2. Rent Needed for Very High Site Utilization (45%)



Source: ECONorthwest analysis

The results in the **high site utilization scenario** are similar to the very high site utilization scenario. However, relative to the latter, rents would need to increase to cover the same range of land and development costs. Future flex and industrial uses are only feasible when land acquisition costs remain low—below \$20 per square foot—and other development costs are average or low. This combination of assumptions results in rents similar to the existing market rents of \$9 to \$14 per square foot of building (see comparison to gray bar shown in results chart in Figure 3). To make redevelopment feasible for properties with land costs higher than \$20 per square foot (common for land with existing uses), the market rent for flex and industrial uses must increase by at least three-quarters, if not double, while construction costs remain constant.

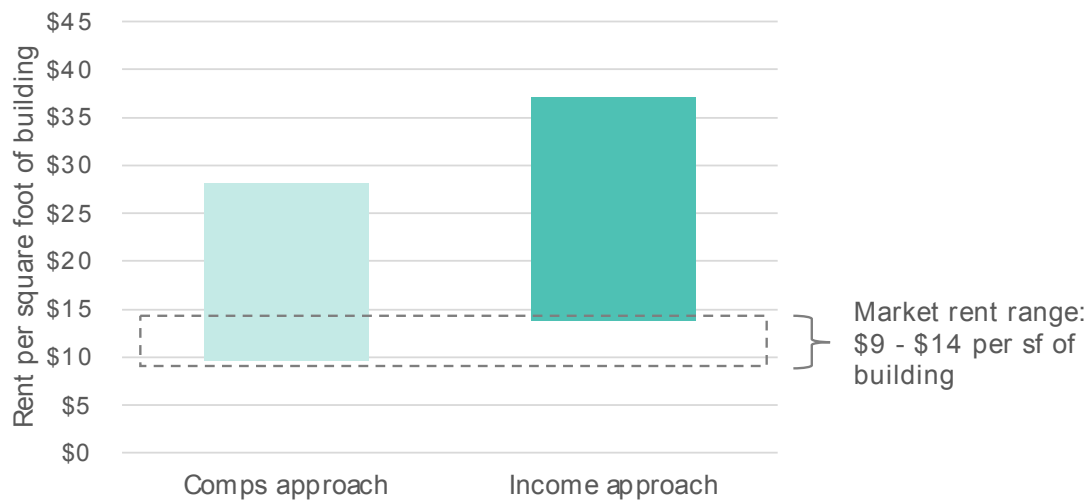
Figure 3. Rent Needed for High Site Utilization (35%)



Source: ECONorthwest analysis

In the **low site utilization scenario**, future flex and industrial uses are only feasible when land acquisition costs are assumed to be low—less than \$10 per square foot, based on the low end of recent comparable sales of vacant land—and other development costs are low. This combination of assumptions results in rents similar to the existing market rents of \$9 to \$14 per square foot of building (see comparison to gray bar shown in results chart in Figure 4). For properties with existing uses (where land is likely to transact between \$19 and \$52 per square foot), the market rent for flex and industrial uses must double while construction costs remain constant to make redevelopment feasible.

Figure 4. Rent Needed for Low Site Utilization (20%)



Source: ECONorthwest analysis

Owner-occupied sites face greater feasibility challenges when landowners want to maintain their business operations.

Owner-occupied sites present more complex financial considerations compared to vacant or tenant-occupied properties. Landowners using their property for their own business must account for additional costs if they relocate, including relocation expenses, higher rents (or purchase prices) for new properties, and potentially higher ongoing business costs. For example, moving farther from suppliers or services could result in increased fuel or labor expenses.

To justify relocating their business, landowners would likely need to sell their property at an even higher price than what the quantitative analysis assumes. This requirement would, in turn, translate to higher rents than those shown in the results charts (Figure 3 and Figure 4). However, if the landowner does not intend to maintain their business, financial considerations would be less complex. Without the need to account for future business costs or the loss of tenant income, necessary rents could align more closely with those projected in the comps approach.



Conclusion and Next Steps

Current contractor establishments generate significant revenue with minimal effort or risk, reducing financial incentives for redevelopment.

Rents for existing contractor establishments, particularly those with buildings, are already comparable to market rates for industrial and flex uses in the I-5 South Submarket. Therefore, for redevelopment to become financially feasible, market rents would likely need to rise by at least three-fifths, if not double, depending on site utilization, land acquisition costs, and construction costs. Higher site utilization scenarios present some redevelopment feasibility when land acquisition costs are low (below \$20 per square foot). Conversely, properties with higher land costs or existing uses would either have substantially higher rents or reduced development costs (e.g., construction, financing) to achieve feasibility.

Owner-occupied properties are less likely to redevelop if the owner wants to maintain their business operations. Redevelopment is difficult for owner-occupants, as they must consider relocation costs and potential increases in operational expenses. Limited regional industrial land supply could push these businesses to relocate further from their markets, increasing costs for labor, transportation, and operations. Without substantial increases in land values or rents, redevelopment for these properties remains unlikely.

Achieving the City's development vision for Basalt Creek will require strategic interventions. Potential approaches could include purchasing and aggregating properties to create development-ready parcels, subsidizing infrastructure costs, adjusting system development charges (SDCs), offering other development incentives, or implementing other strategies yet to be identified.

The findings in this memorandum are preliminary and will be refined through further analysis and discussions. This study is being conducted alongside updates to the buildable lands inventory and site suitability analysis. Ultimately, these components will be synthesized with insights from the Economic Inventory into a comprehensive final report that outlines key findings and actionable recommendations.



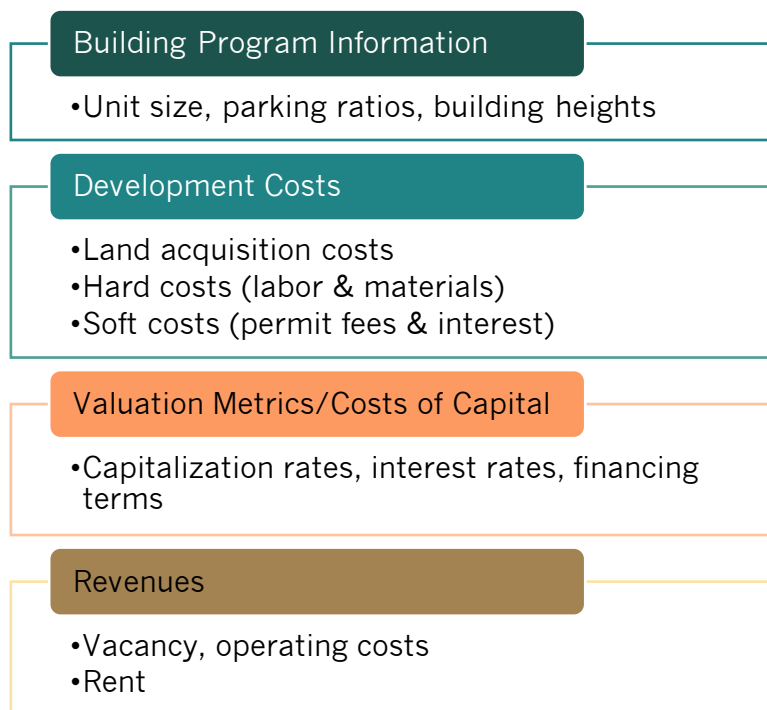
Appendix C.1

Financial Feasibility Methods

To model development feasibility, ECONorthwest employed a pro forma model, which is a common method used in real estate feasibility studies because it simulates the decision-making process of investors and lenders. The pro forma assesses the balance between development costs, expected revenue, and financing structure, which helps to identify viability gaps.

Figure 5. Factors Used in the Pro Forma Analysis

Source: ECONorthwest



This method provides a general analysis of prototypical development scenarios, or prototypes, without accounting for unique conditions that might influence development feasibility (e.g., higher predevelopment costs). Therefore, this analysis serves as a strong indicator of the relative likelihood of development rather than an absolute measure of feasibility.

The pro forma considers the site utilization and potential building program of each scenario, development hard costs (construction labor and materials), other development costs (soft costs, contingency, developer fee, etc.), costs of capital, relevant

operating costs, and land acquisition costs. It then calculates the rent required to cover these costs for each scenario.

Scenarios Evaluated

To establish relevant assumptions for the pro forma model, we first identified the scenarios needed to address the research questions. These scenarios were based on variations in current ownership and occupancy, potential future uses, and site utilization.



CURRENT SITE OWNERSHIP AND OCCUPANCY

We started with an understanding of the current site ownership and occupancy. Based on our understanding, there were three main categories:

- ◆ **Owners of vacant or unused land.** This category includes people who recently purchased land with the intent to develop and existing owners potentially interested in selling their land for new development.
- ◆ **Owners renting to contractor establishment tenants.** These owners might sell their property but would need compensation for the foregone future revenue from their tenants.
- ◆ **Owners using the land for their own contractor establishments.** Financial considerations for this group vary substantially. Landowners would need to account for up-front and ongoing costs associated with relocating their businesses, making this scenario more complex to quantify compared to vacant or tenant-occupied sites.

APPROACH TO ESTIMATING LAND PRICE

- ◆ **Vacant and underutilized land:** We used a comparable sales (“comps”) approach to estimate land price, which accounts for the sales price of recently purchased land, especially by those intending to develop (see the callout box on page 5 for details on the comps approach).
- ◆ **Tenant-occupied land:** For owners renting to contractor establishment tenants, we used an income-based approach to estimate the financial hurdle of land price. This better reflects the potential foregone revenue from tenants (see the callout box on page 5 for details on the income-based approach).
- ◆ **Owner-occupied land:** Due to varied business conditions of landowners who are using the land for their own contractor establishment, we evaluated this scenario qualitatively, considering insights from the other scenarios.

FUTURE BUILDING PROGRAMS

We then considered the potential future building programs that could occur on these former contractor establishment sites. We based the building square footage of our two prototypes on observed comparable flex and industrial spaces, based on CoStar data from the I-5 South Submarket. Key considerations included:

- ◆ **Site Utilization:** Over the past 20 years, average site utilization (building area relative to site area) in the I-5 South Submarket was about 20 percent. Recent developments such as the Sherwood Commerce Center and Graham’s Ferry Industrial Center achieved 35 percent and 45 percent site utilization, respectively. But this was enabled by maximizing impervious coverage for parking and truck logistics. Future development in some portions of the study area may face constraints due to natural site features or zoning



standards. We therefore modeled three prototypes to capture a range of potential future development conditions:

- **Low utilization:** 20 percent
- **High utilization:** 35 percent
- **Very high utilization:** 45 percent

CONSTRUCTION COSTS

Lastly, for the scenarios we modeled, we evaluated a range of potential construction costs for flex and industrial uses. We referenced the **2024 National Building Cost Manual** by Craftsman to arrive at a range of potential construction costs for various building types that could house future flex and industrial uses. We conducted sensitivity testing of the potential rents needed to cover low to high construction costs, and the results that informed our key findings are inclusive of the range used.

The land cost, site utilization, and building costs were all assumptions that varied in our analyses as we conducted sensitivity testing of different scenarios (e.g., high site coverage, high land costs, high construction costs). All other pro forma assumptions we held constant. We describe the specifics of these assumptions in the section below.

Detailed Methods and Assumptions

To evaluate future flex or industrial rental uses, we began by calculating development costs. This involved applying the cost-per-square-foot values (see Table 1. Scenarios and Assumptions Used) to the building square footage derived from the site utilization. From that construction cost, we calculated the soft cost, contingency, and developer fees to arrive at the total development cost.

Given the potential range of sources to fund these projects, we used a high-level approach and assumed all sources of money that funded the project would require a 6 percent annual return based on a 30-year term. We calculated a payment inclusive of this return, based on the total development cost, to arrive at the rent needed to cover these annual costs. We also assumed these rents would be triple net and that, therefore, the operating costs would be passed on to the tenant, which is common for flex and industrial lease terms. We highlight the specific assumptions of this analysis, and any relevant ranges, in Table 1.



Table 1. Scenarios and Assumptions Used

Source: ECOnorthwest, CoStar, Redfin, Craftsman, Stakeholder Interviews

Assumption	Values
Land price	Ranged from \$7 to \$26 based on observed sales comps of vacant land as well as one sale observation of a contractor establishment. Ranged from \$19 to \$52 per square foot based on income-based approach.
Building program	(3) square footage estimates based on a calculation of 20% site utilization, 35% site utilization, 45% site utilization
Construction costs	\$75 to \$200 per square foot of building; \$20 per square foot of paving
Soft costs	20% of hard costs
Contingency	5% of hard and soft costs
Developer fee	5% of hard and soft costs plus contingency
Costs of capital	6% annual interest range, 30-year term for all funding sources
Operating costs	Assumed triple net rents



heARTs of Wilsonville: Many Cultures, One Heart

Public Art Project

Metro Community Enhancement Grant

Erika Valentine, Arts &
Culture Program
Coordinator

Item 5.



Background and Project

- Staff brought ACHC project options that could potentially be funded through grant (Nov 2023)
- 10 fiberglass hearts painted by local artists
- CEP presentations took place in Feb 2024, funding July 2024



Budget

Item 5.

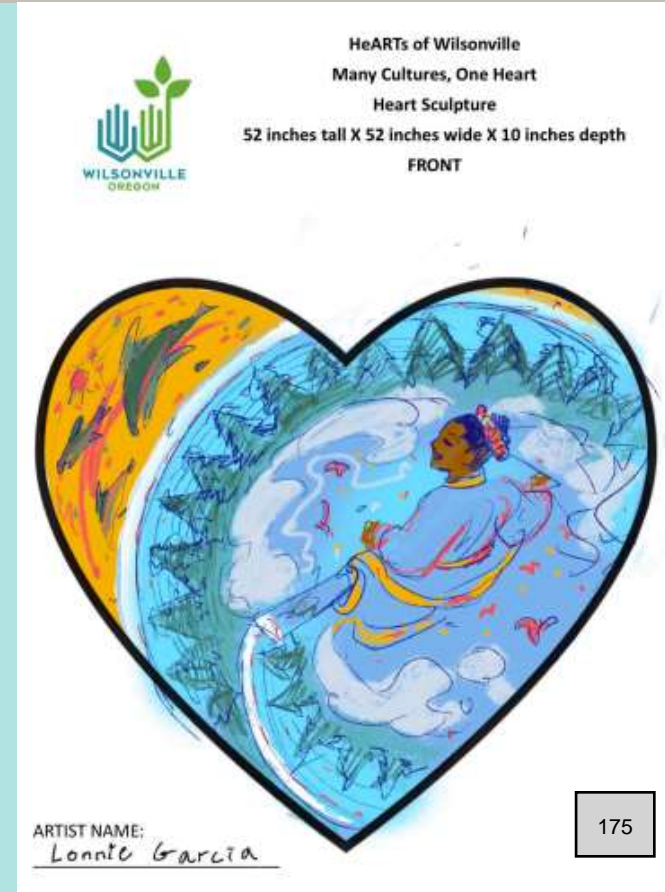
Description	Amount
Artist Stipend	10 Artists X \$1,350 = \$13,500
Hearts	10 hearts X \$1,350 = \$13,500
Shipping	\$2,000
Total	\$29,000

* Other expenses covered by general fund: materials for bases/installation, signage, reception supplies



Background and Process

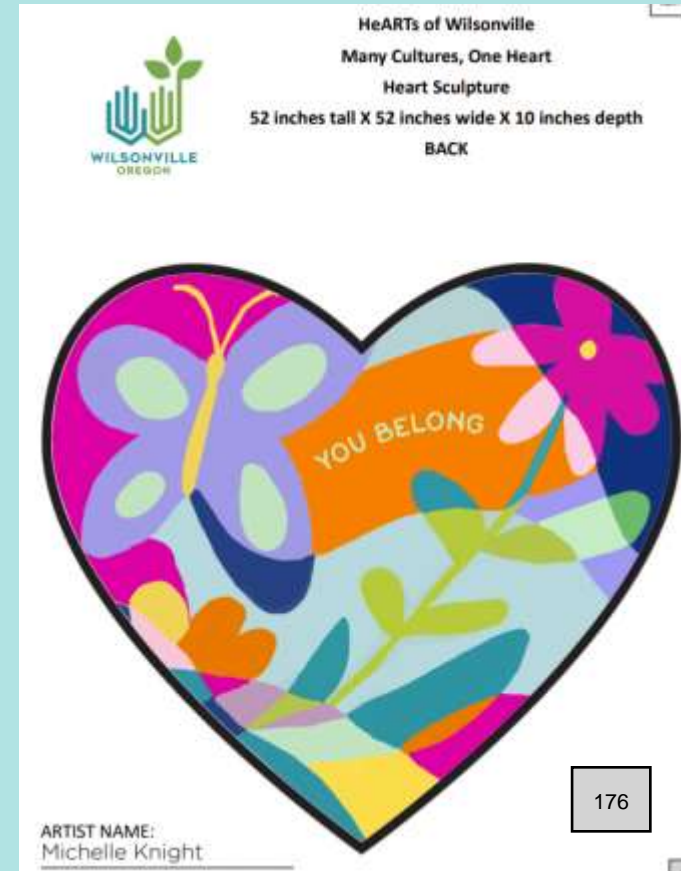
- Call for Art application with theme “Many Cultures, One Heart”
- ACHC for feedback (Aug 2024)
- Call for Art issued September 2024 and due November 2024



Call for Art

Item 5.

- 29 designs by 20 artists
 - Internal staff reviewed and determined strongest 18 applications
- ACHC & 2 Members from DEI
- Criteria: previous body of work/design aesthetic and artist excellence and design (originality and connection to the theme)



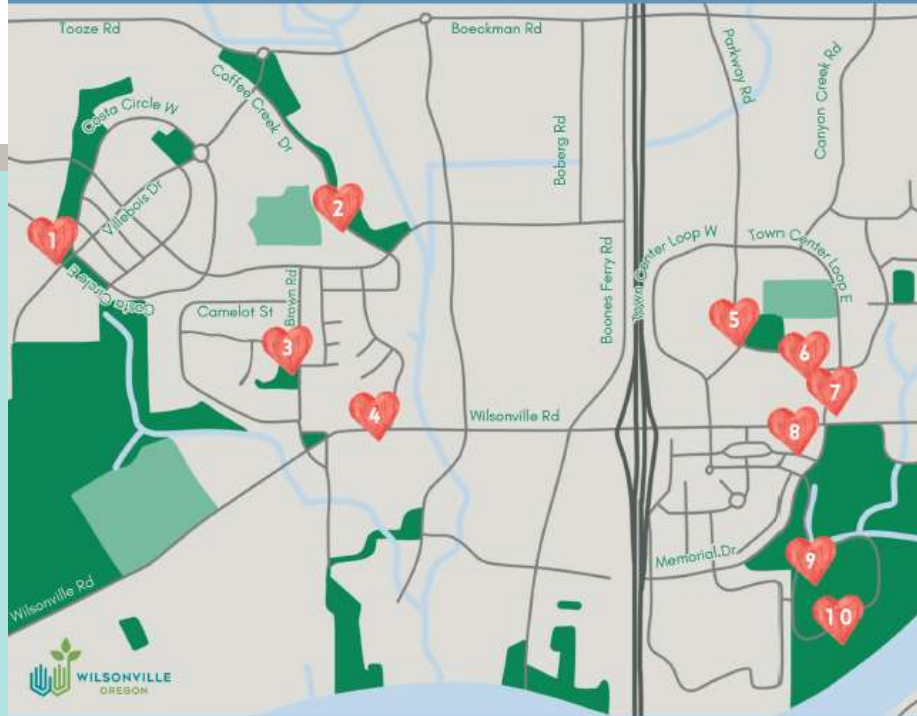
Process

- Artists notified
- Contracts
- Parks Maintenance Team built bases
- Artists pick up hearts (Jan 2025)
- Hearts due back to City (April 2025)
- Install signage onto base



heARTs of Wilsonville

Many Cultures, One Heart



1 Elle Knight

Heart of Belonging
Sofia Park

5 Triesta and Chris Zuber

Ubuntu
Town Center Park

9 Eileen Begley

Wilsonville & Kitakata: Sister Cities
Memorial Park near tennis courts

2 Zak Ostertag

Wilsonville: Globally Rooted
Tivoli Park

6 Abhinaya Sudharsanam

Unity in Diversity
City Hall

10 Lonnie Garcia

Pacific Northwest Folklorico
Memorial Park at Nature Play

3 Cathy Rowe

Season of Love
Tranquil Park

7 Angennette Escobar with Wilsonville HS Art Students

Flores del Istmo de Tehuantepec
Police Building

4 Charlie Correales

Heart in Bloom
Engleman Park

8 Addie Boswell

For the Dreamers
Wilsonville Library



Learn more about this project and the City's Public Art Collection

This project was made possible by the City of Wilsonville's Arts, Culture, and Heritage Commission and funded by Wilsonville-Metro Community Enhancement funds.



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Marketing



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Reception



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Installation

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QUESTIONS & FEEDBACK

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CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025	Subject: Resolution No. 3196 A Resolution Authorizing the City Manager to Execute a Construction Contract with VSS International, Inc for the FY 2026 Slurry Seal Project (Capital Improvement Project 4014) Staff Member: Marissa Rauthause, PE, Civil Engineer Department: Community Development	
Action Required <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda	Advisory Board/Commission Recommendation <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Staff recommends Council adopt the Consent Agenda.		
Recommended Language for Motion: I move to adopt the Consent Agenda.		
Project / Issue Relates To:		
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

A City of Wilsonville Resolution approving the joint cooperative public bid process, accepting the lowest responsible bidder, and awarding a construction contract to VSS International, Inc. in the amount of \$1,021,614.85 for the construction of the Fiscal Year (FY) 2026 Slurry Seal Project.

EXECUTIVE SUMMARY:

The FY 2026 Slurry Seal Project, a sub-project of the annual Street Maintenance Program, will reseal the asphalt driving surface of several Wilsonville neighborhoods in July through August 2025 (see Attachment 1). The project will reseal approximately 363,968 square yards of city roadways.

The City of Wilsonville, along with three other local public agencies, partnered with the City of Hillsboro in a Joint Cooperative Procurement (as authorized in ORS 279A.210) to realize project savings through economies of scale. Under this Joint Cooperative Procurement, the City of Hillsboro is acting as the administrative contracting agency, but the City of Wilsonville must issue its own construction contract binding only the City of Wilsonville to VSS International, Inc.

The City of Hillsboro advertised the Slurry Seal project on Monday, March 24, 2025, and received three (3) bids by the April 10, 2025, deadline (see Attachment 2) of which VSS International, Inc. submitted the lowest, responsive bid at \$1,041,614.85 for City of Wilsonville project elements, which was reduced to \$1,021,614.85 for City of Wilsonville project elements after removal of unneeded services.

EXPECTED RESULTS:

Reseal the asphalt driving surface and extend the serviceable life of the roadway surface for 363,968 square yards of city roadways including local streets in the Villebois neighborhood, Camelot Street and surrounding neighborhood streets, and Montebello Drive and surrounding neighborhood streets. Refer to Attachment 1 for a detailed map of all streets being slurry sealed.

TIMELINE:

Construction can begin in July 2025 with a final completion date scheduled before September 2025.

CURRENT YEAR BUDGET IMPACTS:

The 2026 Slurry Seal project (Capital Improvement Project #4014) is funded through Road Maintenance fees. The proposed FY 2025-26 Wilsonville budget includes \$2,392,000 for construction, contract administration, and overhead for Street Maintenance Projects. The contract amount with VSS International, Inc. is within the proposed budgeted amount.

COMMUNITY INVOLVEMENT PROCESS:

A project website has been formed to communicate project related impacts and updates. Mailers will be prepared to communicate project impacts to residents and businesses within and near the various project areas.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

Completion of the project will positively impact roadway surfaces by providing an extension of serviceable life by sealing the top surface of the existing roadways.

Impacts to residential neighborhoods include single day (7AM – 5PM) restrictions to roadway parking and property access. Barricades and no parking signs will be placed no less than thirty-six (36) hours but no more than seventy-two (72) hours prior to commencement of work. Advance door hanger notices and day prior door-to-door verbal contact will be utilized by the Contractor to notify residents and coordinate temporary relocation and parking of vehicles outside of the work area.

ALTERNATIVES:

Council could direct staff to modify the construction contract and re-solicit for construction bids or reject the construction contract and cancel the project outright. Either alternative is not recommended as it will delay implementation of the City's annual street maintenance program, leading to further degradation of roadway surfaces and an increase in road maintenance costs over time. Further, re-bidding the contract will likely lead to higher construction costs as any modified work would be delayed until the 2026 construction season and the City will not be able to take advantage of the "economy of scale" pricing through participation in the City of Hillsboro Joint Cooperative Procurement.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 3196
 - A. 2026 Slurry Seal Construction Contract
2. Project Location Map
3. Bid Summary

Legend

— Slurry Seal



VICINITY MAP
NTS

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RESOLUTION NO. 3196**A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH VSS INTERNATIONAL, INC FOR THE FISCAL YEAR (FY) 2026 SLURRY SEAL PROJECT (CAPITAL IMPROVEMENT PROJECT 4014).**

WHEREAS, the City of Wilsonville has planned, designed, and budgeted for the completion of Capital Improvement Project #4014, known as the Fiscal Year (FY) 2026 Slurry Seal project (the Project); and

WHEREAS, the City of Hillsboro, acting as administrative contracting agency as part of a Joint Cooperative Procurement as authorized by ORS 279A.210, solicited sealed bids from qualified contractors for the Project that duly followed the State of Oregon Public Contracting Rules and consistent with the City of Wilsonville Municipal Code; and

WHEREAS, three bids were received by City of Hillsboro and opened on April 10, 2025, and VSS International, Inc. submitted a bid of \$1,021,614.85 for City of Wilsonville project elements, which was subsequently evaluated as the lowest responsive and responsible bid.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

- Section 1. The Joint Cooperative Procurement process for the Project duly followed Oregon Public Contracting Rules, and VSS International, Inc. submitted the lowest responsive and responsible bid.
- Section 2. The City of Wilsonville, acting as the Local Contract Review Board, authorizes the City Manager to enter into and execute, on behalf of the City of Wilsonville, a Construction Contract with VSS International, Inc. for a stated value of \$1,021,614.85 in substantially the form as attached hereto as Exhibit A.
- Section 3. Effective Date. This Resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of June, 2025, and filed with the Wilsonville City Recorder this date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, MMC, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Cunningham

Councilor Dunwell

Councilor Shevlin

EXHIBIT:

A. 2026 Slurry Seal Construction Contract

**CITY OF WILSONVILLE
CONSTRUCTION CONTRACT**

This Construction Contract (“Contract”) for the 2026 Street Maintenance Slurry Seal Project (“Project”) is made and entered into on _____ (“Effective Date”) by and between the **City of Wilsonville**, a municipal corporation of the State of Oregon (hereinafter referred to as the “City”), and **VSS International, Inc.**, a California corporation (hereinafter referred to as “Contractor”).

RECITALS

WHEREAS, the Oregon Revised Statutes authorize cooperative procurements in accordance with ORS 279A.200, et seq.; and

WHEREAS, the City of Hillsboro issued a formal Invitation to Bid as part of a Joint Cooperative Procurement for the Project described herein; and

WHEREAS, Contractor represents that Contractor is qualified to perform the services described herein on the basis of specialized experience and technical expertise; and

WHEREAS, Contractor is prepared to perform this Contract in accordance with all the terms and conditions as set forth below, as the City does hereinafter require;

NOW, THEREFORE, in consideration of these mutual promises and the terms and conditions set forth herein, the parties agree as follows:

AGREEMENT**Section 1. Contract Documents**

This Contract includes and incorporates by reference all of the foregoing Recitals, all of the following additional “Contract Documents,” and any and all terms and conditions set forth in such Contract Documents: Invitation to Bid, entitled “City of Hillsboro 2025 Pavement Management Program ITB# 202503-10013,” dated March 24, 2025, and “Addendum No. 1,” dated April 4, 2025; Contractor’s bid submitted in response thereto; Revised Notice of Intent to Award, dated April 16, 2025; City of Wilsonville 2017 Public Works Standards; Oregon Department of Transportation 2018 Oregon Standard Specifications for Construction; Special Provisions to ODOT Standards, and the provisions of Oregon Revised Statutes (ORS) 279C, as more particularly set forth in this Contract. Contractor must be familiar with all of the foregoing and comply with them. Any conflict or inconsistency between the Contract Documents shall be called to the attention of the City by Contractor before proceeding with affected work. All Contract Documents should be read in concert, and Contractor is required to bring any perceived inconsistencies to the attention of the City before executing this Contract. In the event a provision of this Contract conflicts with standards or

requirements contained in any of the foregoing Contract Documents, the provision that is more favorable to the City, as determined by the City, will apply.

Section 2. Scope of Work

Contractor will furnish all labor, equipment, and material required to complete the preparation and placement of approximately 363,968 square yards of asphalt emulsion slurry seal, including striping and associated work (the “Work”). Contractor shall diligently perform the Work according to the requirements and deliverable dates identified in the other Contract Documents.

Section 3. Term

The term of this Contract shall be from the Effective Date until all Work required to be performed hereunder is completed and accepted, or no later than August 31, 2025, whichever occurs first, unless earlier terminated in accordance herewith or an extension of time is agreed to, in writing, by the City. All Work must be at Final Completion by no later than August 31, 2025. See **Section 24** for the definition of Final Completion.

Section 4. Contractor’s Work

4.1. All written documents, drawings, and plans submitted by Contractor in conjunction with the Work shall bear the signature, stamp, or initials of Contractor’s authorized Project Manager. Any documents submitted by Contractor that do not bear the signature, stamp, or initials of Contractor’s authorized Project Manager, will not be relied upon by the City. Interpretation of plans and answers to questions regarding the Work given by Contractor’s Project Manager may be verbal or in writing, and may be relied upon by the City, whether given verbally or in writing. If requested by the City to be in writing, Contractor’s Project Manager will provide such written documentation.

4.2. The existence of this Contract between the City and Contractor shall not be construed as the City’s promise or assurance that Contractor will be retained for future services beyond the Work described herein.

4.3. Contractor shall maintain the confidentiality of any confidential information that is exempt from disclosure under state or federal law to which Contractor may have access by reason of this Contract. Contractor warrants that Contractor’s employees assigned to perform any of the Work provided in this Contract shall be clearly instructed to maintain this confidentiality. All agreements with respect to confidentiality shall survive the termination or expiration of this Contract.

Section 5. Contract Sum, Retainage, and Payment

5.1. Except as otherwise set forth in this **Section 5**, the City agrees to pay Contractor the not to exceed amount of ONE MILLION TWENTY-ONE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND EIGHTY-FIVE CENTS (\$1,021,614.85), based on the unit pricing described in the Contract Documents, for performance of the Work (“Contract Sum”). Any compensation in excess of the Contract Sum will require an express written Change Order between

the City and Contractor. Contractor's unit pricing is set forth in **Exhibit A**, attached hereto and incorporated by reference herein.

5.2. During the course of Contractor's performance, if the City, through its Project Manager, specifically requests Contractor to provide additional services beyond the Scope of Work described in the Contract Documents, Contractor shall provide such additional services and bill the City a reasonable agreed upon fee, pursuant to a written Change Order, executed in compliance with the provisions of **Section 25**.

5.3. Contractor will be paid for Work for which an itemized invoice is received by the City within thirty (30) days of receipt, unless the City disputes such invoice, less a five percent (5%) withholding for retainage. Retainage shall be as outlined in the Contract Documents and as specified under ORS 279C.550 to 279C.570. If the City disputes an invoice, the undisputed portion of the invoice will be paid by the City within the above timeframe, less the retainage. The City will set forth its reasons for the disputed claim amount and make good faith efforts to resolve the invoice dispute with Contractor as promptly as is reasonably possible. Final payment will be held until completion of the final walkthrough, as described in **Section 24**.

5.4. Except as provided in **Subsection 9.2**, the Contract Sum includes the cost of all required fees payable to governmental agencies, including but not limited to plan checking, land use, zoning, permitting, and all other similar fees required to perform the Work on the Project.

5.5. Contractor's unit prices and Contract Sum are all-inclusive and include, but are not limited to, all work-related costs, expenses, salaries or wages, plus fringe benefits and contributions, including payroll taxes, workers compensation insurance, liability insurance, profit, pension benefits, and all other contributions and benefits, office expenses, travel expenses, mileage, and all other indirect and overhead charges, including, but not limited to, the Oregon Corporate Activity Tax (CAT).

5.6. Contract provisions regarding payment policies, progress payments, interest, etc. are as outlined in the Contract Documents and in ORS 279C.570.

Section 6. Prevailing Wages

This is a Contract for a Public Works Project, subject to ORS 279C.800 to 279C.870. Therefore, not less than the current applicable state prevailing wage must be paid on this Project. Wage rates for this Project are those published by the Oregon Bureau of Labor and Industries (BOLI), entitled "Prevailing Wage Rates for Public Works Contracts," effective April 5, 2025, and all subsequent amendments. The BOLI prevailing wage rate for public works contracts can be found at the following website: <http://www.oregon.gov/boli/employers/pages/prevailing-wage-rates.aspx>. Because this is a public works contract subject to payment of prevailing wages, each worker in each trade or occupation employed in the performance of the Work, either by Contractor, a subcontractor, or other person doing or contracting to do, or contracting for the whole or any part of the Work, must be paid not less than the applicable state prevailing wage for an hour's work in the same trade or occupation in the locality where such labor is performed, in accordance with ORS 279C.838 and 279C.840, if applicable. Contractor must comply with all public contracting wages required by law. If applicable,

Contractor and any subcontractor, or their sureties, shall file a certificate of rate of wage as required by ORS 279C.845. If the City determines at any time that the prevailing rate of wages has not been or is not being paid as required herein, it may retain from the moneys due to Contractor an amount sufficient to make up the difference between the wages actually paid and the prevailing rate of wages, and may also cancel the Contract for breach. Contractor shall be liable to the workers affected for failure to pay the required rate of wage, including all fringe benefits under ORS 279C.840(5). If applicable, Contractor must include a contract provision in compliance with this paragraph in every subcontract and shall require each subcontractor to include it in subcontract(s).

See **Contractor's Responsibilities** below and other Contract Documents for additional requirements and responsibilities regarding compliance with wage and hour laws and regulations.

Section 7. Filing of Certified Statement

As required in ORS 279C.845(7), the City will retain twenty-five percent (25%) of any amount earned by Contractor under the Contract until Contractor has filed the certified statements required in ORS 279C.845(1). The City will pay to Contractor the amount withheld within fourteen (14) days after Contractor files the required certified statements. As required in ORS 279C.845(8), Contractor shall retain twenty-five percent (25%) of any amount earned by a first-tier subcontractor on the Project until the first-tier subcontractor has filed with the City the certified statements required in ORS 279C.845(1). Before paying any amount withheld, Contractor shall verify that the first-tier subcontractor has filed the certified statement. Within fourteen (14) days after the first-tier subcontractor files the required certified statement, Contractor shall pay the first-tier subcontractor any amount withheld. Contractor shall require all other sub-subcontractors to file certified statements regarding payment of prevailing wage rates with the City.

Section 8. Reports to Department of Revenue

When a public contract is awarded to a nonresident bidder and the contract sum exceeds Ten Thousand Dollars (\$10,000), Contractor shall promptly report to the Department of Revenue, on forms to be provided by the Department, the total contract sum, terms of payment, length of contract, and such other information as the Department may require, before the City will make final payment on the Contract.

Section 9. City's Rights and Responsibilities

9.1. The City will designate a Project Manager to facilitate day-to-day communication between Contractor and the City, including timely receipt and processing of invoices, requests for information, and general coordination of City staff to support the Project.

9.2. If applicable, the City will pay the required Bureau of Labor and Industries fee of one-tenth of one percent (0.1%) of the Contract Sum, or as required by statute.

9.3. The City reserves the right to reject any bid or to refuse delivery of materials or services at or from any manufacturer, supplier, or contractor with which the City has reasonable

grounds to believe is or may be operating in violation of any local, state, or federal law or which is the subject of pending litigation.

9.4. If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with the Contract as such claim becomes due, the City may, but shall not be obligated to, pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of the Contract. The payment of a claim in the manner authorized hereby shall not relieve Contractor or its surety from the obligation with respect to any unpaid claim. If the City is unable to determine the validity of any claim for labor or services furnished, the City may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined, and the claim, if valid, is paid by Contractor or the City. There shall be no final acceptance of the Work under the Contract until all such claims have been resolved.

9.5. Award of this Contract is subject to budget appropriation. Funds are approved for Fiscal Year 2024-25. If not completed within this fiscal year, funds may not be appropriated for the next fiscal year. The City also reserves the right to terminate this Contract early, as described in **Section 22**.

Section 10. City's Project Manager

The City's Project Manager is Marissa Rauthause. The City shall give Contractor prompt written notice of any re-designation of its Project Manager.

Section 11. Contractor's Project Manager

Contractor's Project Manager is Jeff Roberts. In the event that Contractor's Project Manager is changed, Contractor shall give the City prompt written notification of such re-designation. Recognizing the need for consistency and knowledge in the administration of the Project, Contractor's Project Manager will not be changed without the written consent of the City, which consent shall not be unreasonably withheld. In the event the City receives any communication from Contractor that is not from Contractor's Project Manager, the City may request verification by Contractor's Project Manager, which verification must be promptly furnished.

Section 12. Project Information

Except for confidential information designated by the City as information not to be shared, Contractor agrees to share Project information with, and to fully cooperate with, those corporations, firms, contractors, public utilities, governmental entities, and persons involved in the Project. No information, news, or press releases related to the Project, whether made to representatives of newspapers, magazines, or television and radio stations, shall be made without the written authorization of the City's Project Manager.

Section 13. Duty to Inform

If at any time during the performance of this Contract, Contractor becomes aware of actual or potential problems, faults, environmental concerns, or defects in the Project, Contract Documents, or Work, or any portion thereof; or of any nonconformance with federal, state, or local laws, rules, or regulations; or if Contractor has any objection to any decision or order made by the City with respect to such laws, rules, or regulations, Contractor shall give prompt written notice thereof to the City's Project Manager. Any delay or failure on the part of the City to provide a written response to Contractor shall neither constitute agreement with nor acquiescence to Contractor's statement or claim, nor constitute a waiver of any of the City's rights.

Section 14. Subcontractors and Assignments

14.1. Some Work may be performed by persons other than Contractor, provided Contractor advises the City of the names of such subcontractors and the services which they intend to provide, and the City specifically agrees, in writing, to such subcontracting. The City hereby agrees that Contractor will contract with Specialized Pavement Marking, LLC to provide its striping services, which is a critical part of this Contract. Contractor acknowledges such services will be provided to the City pursuant to a subcontract(s) between Contractor and subcontractor(s) and no privity of contract exists between the City and the subcontractor(s). In all cases, processing, and payment of billings from subcontractors is solely the responsibility of Contractor. References to "subcontractor" in this Contract mean a subcontractor at any tier.

14.2. Contractor shall defend, indemnify, and hold the City harmless against any liability, cost, or damage arising out of Contractor's use of such subcontractor(s) and subcontractor's negligent acts, errors, or omissions. Unless otherwise agreed to, in writing, by the City, Contractor shall require that all of Contractor's subcontractors also comply with and be subject to the provisions of **Section 15**, below, and meet the same insurance requirements of Contractor under this Contract.

14.3. The City has the right to enter into other agreements for the Project, to be coordinated with this Contract. Contractor must cooperate with the City and other firms, engineers, or subcontractors on the Project so that all portions of the Project may be completed in the least possible time and within normal working hours. Contractor must furnish other engineers, subcontractors, and affected public utilities, whose designs are fitted into Contractor's design, detail drawings giving full information so that conflicts can be avoided.

Section 15. Contractor's Responsibilities

In addition to the obligations and responsibilities set forth in ORS 279C or any of the Contract Documents, Contractor agrees to the following terms and conditions:

15.1. Except as otherwise provided under ORS 30.265, the performance under this Contract is at Contractor's sole risk. All damages or loss to Work, equipment, or materials incurred during the performance of the Work shall be at Contractor's sole risk. Any injury to persons or property incurred during the performance of the Work shall be at Contractor's sole risk. The service or services to be rendered under the Contract are those of an independent contractor who is not an officer, employee,

or agent of the City, as those terms are used in ORS 30.265. Notwithstanding the Oregon Tort Claims Act or provisions of any other contract, Contractor is acting as and assumes liability of an independent contractor as to claims between the City and Contractor. Contractor is solely liable for any workers compensation coverage, social security, unemployment insurance or retirement payments, and federal or state taxes due as a result of payments under the Contract. Any subcontractor hired by Contractor shall be similarly responsible. Contractor shall be liable to the City for any failure of any subcontractor(s) to comply with the terms of the Contract.

15.2. Contractor is an independent contractor for all purposes and shall be entitled to no compensation other than the Contract Sum provided for under **Section 5** of this Contract. Contractor will be solely responsible for determining the manner and means of accomplishing the end result of Contractor's Work. The City does not have the right to control or interfere with the manner or method of accomplishing said Work. The City, however, will have the right to specify and control the results of Contractor's Work so such Work meets the requirements of the Project.

15.3. Contractor must make prompt payment for any claims for labor, materials, or services furnished to Contractor by any person in connection with this Contract as such claims become due. Contractor shall not permit any liens or claims to be filed or prosecuted against the City on account of any labor or material furnished to or on behalf of Contractor. If Contractor fails, neglects, or refuses to make prompt payment of any such claim, the City may pay such claim to the person furnishing the labor, materials, or services, and offset the amount of the payment against funds due, or to become due, to Contractor under this Contract. The City may also recover any such amounts directly from Contractor.

15.4. Contractor must comply with all Oregon and federal wage and hour laws, including BOLI wage requirements, if applicable. Contractor shall make all required workers compensation and medical care payments on time. Contractor shall be fully responsible for payment of all employee withholdings required by law, including but not limited to taxes, including payroll, income, Social Security (FICA), and Medicaid. Contractor shall also be fully responsible for payment of salaries, benefits, taxes, and all other charges due on account of any employees. Contractor shall pay all contributions or amounts due the Industrial Accident Fund from Contractor or subcontractor incurred in the performance of this Contract. Contractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. All costs incident to the hiring of subcontractors or employees shall be Contractor's responsibility. Contractor shall defend, indemnify, and hold the City harmless from claims for payment of all such expenses.

15.5. No person shall be discriminated against by Contractor or any subcontractor in the performance of this Contract on the basis of sex, gender, race, color, creed, religion, marital status, age, disability, sexual orientation, gender identity, or national origin. Any violation of this provision shall be grounds for cancellation, termination, or suspension of the Contract, in whole or in part, by the City. Contractor shall comply with all federal, state, and local laws, regulations, executive orders, and ordinances applicable to the Contract or to the implementation of the Project. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations, and executive orders to the extent they are applicable to the Contract or the implementation of the Project: (a) all applicable requirements of state civil rights and rehabilitation statutes, rules, and regulations; (b) Titles VI and VII of the Civil Rights Act of 1964, as amended;

(c) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (d) the Americans with Disabilities Act of 1990, as amended, and ORS 659A.142; (e) Executive Order 11246, as amended; (f) the Health Insurance Portability and Accountability Act of 1996; (g) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (h) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (i) all regulations and administrative rules established pursuant to the foregoing laws; and (j) all other applicable requirements of federal civil rights and rehabilitation statutes, rules, and regulations.

15.6. Contractor certifies that Contractor has not discriminated against minority, women, or small business enterprises in obtaining any subcontract.

15.7. Pursuant with ORS 279C.505(2), by execution of this Contract, Contractor agrees to have an employee drug testing program in place at the time of executing the Contract, acknowledges that such a program will be maintained throughout the Contract period, including any extensions, and shall demonstrate to the City that such drug testing program is in place. The failure of Contractor to have, or to maintain, such a drug-testing program is grounds for immediate termination of the Contract. Contractor shall require each subcontractor providing labor for the Project to also comply with this drug testing program requirement.

15.8. Contractor agrees that the City shall not be liable, either directly or indirectly, in any dispute arising out of the substance or procedure of Contractor's drug testing program. Nothing in this drug testing provision shall be construed as requiring Contractor to violate any legal, including constitutional, rights of any employee, including but not limited to selection of which employees to test and the manner of such testing. The City shall not be liable for Contractor's negligence in establishing or implementing, or failure to establish or implement, a drug testing policy or for any damage or injury caused by Contractor's employees acting under the influence of drugs while performing Work covered by the Contract. These are Contractor's sole responsibilities, and nothing in this provision is intended to create any third-party beneficiary rights against the City.

15.9. Contractor is solely responsible for ensuring that any subcontractor selection and substitution is in accordance with all legal requirements. The City shall not be liable, either directly or indirectly, in any dispute arising out of Contractor's actions with regard to subcontractor selection and/or substitution.

15.10. Contractor shall make payment promptly, as due, to all parties supplying to such Contractor labor or material for the prosecution of the Work provided for in the Contract Documents and shall be responsible for payment to such persons supplying labor or material to any subcontractor.

15.11. By execution of this Contract, as required by ORS 305.385(6), Contractor certifies under penalty of perjury that to the best of Contractor's knowledge, Contractor is not in violation of any tax laws described in ORS 305.380(4).

15.12. Contractor agrees that if Contractor or a first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with this Contract within thirty (30) days after receiving payment from the City or a contractor, Contractor or the first-tier subcontractor shall owe the person the amount due plus interest charges commencing at the end

of the ten (10) day period within which payment is due under ORS 279C.580(3)(a) and ending upon final payment, unless payment is subject to a good faith dispute as defined in ORS 279C.580. The rate of interest on the amount due shall be calculated in accordance with ORS 279C.515(2). The amount of interest may not be waived.

15.13. Contractor agrees that if Contractor or a subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with this Contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580.

15.14. Contractor shall make payment promptly, as due, to any party furnishing medical, surgical, hospital, or other needed care and attention, incident to sickness or injury, to the employees of Contractor, of all sums which Contractor agreed to pay or collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing payment for such service.

15.15. Contractor and all subcontractors shall comply with the provisions of ORS 279C.540 pertaining to maximum hours, holidays, and overtime. With certain exceptions listed below, Contractor shall not require or permit any person to work more than ten (10) hours in any one (1) day, or forty (40) hours in any one (1) week, except in case of necessity, emergency, or where public policy requires it, and in such cases the person shall be paid at least time and a half for:

15.15.1. All overtime in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week when the work week is five (5) consecutive days, Monday through Friday; or

15.15.2. All overtime in excess of ten (10) hours in any one (1) day or forty (40) hours in any one (1) week when the work week is four (4) consecutive days, Monday through Friday; and

15.15.3. All work performed on the days specified in ORS 279C.540(1)(b) for public improvement contracts.

15.16. Contractor and all subcontractors shall comply with the provisions of ORS 279C.545 pertaining to time limitation on claims for overtime and requirements for posting circulars containing said provisions.

15.17. For personal/professional service contracts, as designated under ORS 279A.055, instead of 15.15.1, 15.15.2, and 15.15.3 above, a laborer shall be paid at least time and a half for all overtime worked in excess of forty (40) hours in any one (1) week, except for individuals under these contracts who are excluded under ORS 653.010 to 653.261 or under 29 USC §§ 201 to 209 from receiving overtime.

15.18. Contractor shall follow all other exceptions, pursuant to ORS 279B.235 (for non-public improvement contracts) and ORS 279C.540 (for public improvement contracts), including

contracts involving a collective bargaining agreement, contracts for services, and contracts for fire prevention or suppression.

15.19. Contractor must give notice to employees who work on a public contract, in writing, either at the time of hire or before commencement of Work on the Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

15.20. The hourly rate of wage to be paid by any Contractor or subcontractor to employed workers or other persons doing or contracting to do all or part of the work contemplated by a public contract shall be not less than the applicable wage required by law.

15.21. Contractor, its subcontractors, and all employers working under the Contract are subject employers under the Oregon Workers Compensation Law and shall comply with ORS 656.017 and provide the required workers compensation coverage, unless otherwise exempt under ORS 656.126. Contractor shall ensure that each of its subcontractors complies with these requirements.

15.22. In the performance of this Contract, Contractor shall comply with all applicable federal, state, and local laws, municipal codes, regulations, rules, and ordinances, including but not limited to those dealing with public contracts (ORS Chapter 279C) and with the prevention of environmental pollution and the preservation of natural resources (and avoidance of natural resource damages) in the performance of the Contract, including but not limited to ORS 279C.525. To the extent that known environmental and natural resource risks are specifically noted, shown, or specified in the Contract Documents or on the construction drawings, such risks are allocated to Contractor pursuant with ORS 279C.525(8)(a). If new or amended statutes, ordinances, rules, or regulations are adopted, or Contractor encounters a condition not referred to in this Contract, not caused by Contractor, and that was not discoverable by reasonable site inspection which requires compliance with federal, state, or local laws, codes, or regulations dealing with the preservation of the environment, both the City and Contractor shall have all the rights and obligations set forth in ORS 279C.525.

15.23. Contractor shall be liable for any fine imposed against Contractor, the City, or the 'Project' as a result of a violation of any laws or permitting requirements by Contractor or any of its subcontractors or their sub-subcontractors or any suppliers.

15.24. Pursuant to ORS 279B.055, Contractor shall use recyclable products to the maximum extent economically feasible, and in full conformance with the Contract Document Specifications, in the performance of the Work.

15.25. Contractor must maintain a City of Wilsonville or Metro business license at all times while performing Work under this Contract.

15.26. Contractor must maintain and provide proof of a statutory public works bond throughout the term of this Contract.

Section 16. Subcontractor Requirements

16.1. If subcontractors are permitted, Contractor's relations with subcontractors shall comply with ORS 279C.580. Pursuant with ORS 279C.580(3), each subcontract for property or services that Contractor enters into with a first-tier subcontractor, including a material supplier, for the purpose of performing a construction contract, shall include:

16.1.1. A payment clause that obligates Contractor to pay the first-tier subcontractor for satisfactory performance under the subcontract within ten (10) days out of such amounts as are paid to Contractor by the City under the public improvement contract; and

16.1.2. An interest penalty clause that obligates Contractor, if payment is not made within 30 days after receipt of payment from the City, to pay to the first-tier subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause outlined in **Subsection 16.1.1** above. A contractor or first-tier subcontractor may not be obligated to pay an interest penalty if the only reason that the contractor or first-tier subcontractor did not make payment when payment was due is that the contractor or first-tier subcontractor did not receive payment from the City or Contractor when payment was due. The interest penalty period shall begin on the day after the required payment date and end on the date on which payment of the amount due is made and shall be computed at the rate specified in ORS 279C.515(2).

16.2. Contractor shall include in each subcontract, as a condition of performance of such contract, a provision requiring the first-tier subcontractor to include a payment clause and interest penalty clause, conforming to the standards set forth in **Subsections 16.1.1 and 16.1.2** above, in each of its subcontracts and requiring that the same clauses be included in any of the first-tier subcontractors' subcontracts with a lower-tier subcontractor or supplier.

16.3. Contractor shall certify that all subcontractors, as described in ORS 701.005(2), will be registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board in accordance with ORS 701.035 or 701.026, respectively, before the subcontractors commence Work under the Contract.

16.4. In no event shall any subcontract be awarded to any person or entity debarred, suspended, or disqualified from federal, state, or municipal contracting.

16.5. Contractor shall include this Contract by reference in any subcontract and require subcontractors to perform in strict compliance with this Contract.

Section 17. Environmental Laws

17.1. Although the City is not aware of any of the following, before beginning construction, Contractor shall determine if there is any asbestos, lead paint, or other hazardous materials that will be removed or disturbed as a part of the Project. If disturbance or removal is required, Contractor will advise the City, in writing, and will provide the City with a detailed written supplemental Scope

of Work concerning how such disturbance or removal will be accomplished and how materials, if any, will be disposed of, all in accordance with State and Federal environmental laws. Work required due to the finding of any such hazardous materials will require a written Change Order.

17.2. Contractor shall perform all Work in compliance with permits for the Project issued by the US Army Corp of Engineers, Oregon Department of State Lands, and Oregon Department of Environmental Quality, and shall maintain a copy of these permits on the job site at all times.

17.3. In compliance with the provisions of ORS 279C.525, the following is a list of federal, state, and local agencies, of which the City has knowledge, that have enacted ordinances or regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the Contract:

FEDERAL AGENCIES:

Forest Service
Defense, Department of
Environmental Protection Agency
Bureau of Sport Fisheries and Wildlife
Bureau of Land Management
Bureau of Reclamation
Occupational Safety and Health Administration
Coast Guard

Agriculture, Department of
Soil Conservation Service
Army Corps of Engineers
Interior, Department of
Bureau of Outdoor Recreation
Bureau of Indian Affairs
Labor, Department of
Transportation, Department of
Federal Highway Administration

STATE AGENCIES:

Environmental Quality, Department of
Forestry, Department of
Human Resources, Department of
Soil and Water Conservation Commission
State Land Board

Agriculture, Department of
Fish and Wildlife, Department of
Geology and Mineral Industries, Department of
Land Conservation and Development Commission
National Marine Fisheries Service (NMFS)
State Engineer
Water Resources Board

LOCAL AGENCIES:

County Courts
Port Districts
County Service Districts
Water Districts

City Council
County Commissioners, Board of
Metropolitan Service Districts
Sanitary Districts
Fire Protection Districts

This list may not be all-inclusive, and it is the responsibility of Contractor to know all applicable laws and to comply with them in the performance of this Contract.

17.4. Pursuant with ORS 279C.510(1), if this Contract calls for demolition work, Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective.

17.5. Pursuant with ORS 279C.510(2), if this Contract calls for lawn or landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site, if feasible and cost-effective.

17.6. Contractor shall be responsible for the immediate clean-up, remediation, reporting, and payment of fines, if any, related to the release of any hazardous substance or material by Contractor or any subcontractor.

Section 18. Indemnity

18.1. Indemnification. Contractor acknowledges responsibility for liability arising out of the performance of this Contract, and shall defend, indemnify, and hold the City harmless from any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim resulting or allegedly resulting from Contractor's negligent acts, omissions, errors, or willful or reckless misconduct pursuant to this Contract, or from Contractor's failure to perform its responsibilities as set forth in this Contract. The review, approval, or acceptance by the City, its Project Manager, or any City employee of documents or other work performed, prepared, or submitted by Contractor shall not be considered a negligent act, error, omission, or willful misconduct on the part of the City, and none of the foregoing shall relieve Contractor of its responsibility to perform in full conformity with the City's requirements, as set forth in this Contract, and to indemnify the City as provided above and to reimburse the City for any and all costs and damages suffered by the City as a result of Contractor's negligent performance of this Contract, failure of performance hereunder, violation of state or federal laws, or failure to adhere to the standards of performance and care described in **Subsection 18.2.** Contractor shall defend the City (using legal counsel reasonably acceptable to the City) against any claim that alleges negligent acts, omissions, errors, or willful or reckless misconduct by Contractor. As used herein, the term "Contractor" applies to Contractor and its own agents, employees, and suppliers, and to all of Contractor's subcontractors, including their agents, employees, and suppliers.

18.2. Standard of Care. In the performance of the Work, Contractor agrees to use at least that degree of care and skill exercised under similar circumstances by reputable members of Contractor's profession practicing in the Portland metropolitan area. Contractor will re-perform any Work not meeting this standard without additional compensation. Contractor's re-performance of any Work, even if done at the City's request, shall not be considered as a limitation or waiver by the City of any other remedies or claims it may have arising out of Contractor's failure to perform in accordance with the applicable standard of care of this Contract and within the prescribed timeframe.

Section 19. Insurance

19.1. Insurance Requirements. Contractor must maintain insurance coverage acceptable to the City in full force and effect throughout the term of this Contract. Such insurance shall cover all risks arising directly or indirectly out of Contractor's activities or work hereunder. Any and all agents or subcontractors with which Contractor contracts for any portion of the Work must have insurance that conforms to the insurance requirements in this Contract. Additionally, if a subcontractor is an engineer, architect, or other professional, Contractor must require the subcontractor to carry Professional Errors and Omissions insurance and must provide to the City proof of such coverage. The amount of insurance carried is in no way a limitation on Contractor's liability hereunder. The policy or policies maintained by Contractor shall provide at least the following minimum limits and coverages at all times during performance of this Contract:

19.1.1. Commercial General Liability Insurance. Contractor and all subcontractors shall obtain, at each of their own expense, and keep in effect during the term of this Contract, comprehensive Commercial General Liability Insurance covering Bodily Injury and Property

Damage, written on an “occurrence” form policy. This coverage shall include broad form Contractual Liability insurance for the indemnities provided under this Contract and shall be for the following minimum insurance coverage amounts: The coverage shall be in the amount of **\$2,000,000** for each occurrence and **\$3,000,000** general aggregate and shall include Products-Completed Operations Aggregate in the minimum amount of **\$2,000,000** per occurrence, Fire Damage (any one fire) in the minimum amount of **\$50,000**, and Medical Expense (any one person) in the minimum amount of **\$10,000**. All of the foregoing coverages must be carried and maintained at all times during this Contract.

19.1.2. Business Automobile Liability Insurance. If Contractor or any subcontractors will be using a motor vehicle in the performance of the Work herein, Contractor shall provide the City a certificate indicating that Contractor and its subcontractors have business automobile liability coverage for all owned, hired, and non-owned vehicles. The Combined Single Limit per occurrence shall not be less than **\$2,000,000**.

19.1.3. Pollution Liability Coverage. Contractor shall carry sudden and accidental and gradual release pollution liability coverage that will cover, among other things, any spillage of paints, fuels, oils, lubricants, de-icing, anti-freeze or other hazardous materials, or disturbance of any hazardous materials, as that term is defined under Oregon law, during the performance of this Contract. Contractor will be fully responsible for the cost of any clean-up of any released materials or disturbance, in accordance with Oregon Department of Environmental Quality (“DEQ”) and Federal Environmental Protection Agency (“EPA”) clean-up requirements. The coverage shall be in the amount of **\$2,000,000** for each occurrence and **\$2,000,000** general aggregate.

19.1.4. Workers Compensation Insurance. Contractor, its subcontractors, and all employers providing work, labor, or materials under this Contract that are subject employers under the Oregon Workers Compensation Law shall comply with ORS 656.017, which requires them to provide workers compensation coverage that satisfies Oregon law for all their subject workers under ORS 656.126. Out-of-state employers must provide Oregon workers compensation coverage for their workers who work at a single location within Oregon for more than thirty (30) days in a calendar year. Contractors who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include Employer’s Liability Insurance with coverage limits of not less than **\$500,000** each accident.

19.1.5. Insurance Carrier Rating. Coverages provided by Contractor and its subcontractors must be underwritten by an insurance company deemed acceptable by the City, with an AM Best Rating of A or better. The City reserves the right to reject all or any insurance carrier(s) with a financial rating that is unacceptable to the City.

19.1.6. Additional Insured and Termination Endorsements. The City will be named as an additional insured with respect to Contractor’s liabilities hereunder in insurance coverages. Additional Insured coverage under Contractor’s Commercial General Liability, Automobile Liability, Pollution Liability, and Excess Liability Policies, as applicable, will be provided by endorsement. Additional insured coverage shall be for both ongoing operations via ISO Form CG 2010 or its equivalent, and products and completed operations via

ISO Form CG 2037 or its equivalent. Coverage shall be Primary and Non-Contributory. Waiver of Subrogation endorsement via ISO Form CG 2404 or its equivalent shall be provided. The following is included as additional insured: “The City of Wilsonville, its elected and appointed officials, officers, agents, employees, and volunteers.” An endorsement shall also be provided requiring the insurance carrier to give the City at least thirty (30) days’ written notification of any termination or major modification of the insurance policies required hereunder. Contractor must be an additional insured on the insurance policies obtained by its subcontractors performing any of the Work contemplated under this Contract.

19.1.7. Certificates of Insurance. As evidence of the insurance coverage required by this Contract, Contractor shall furnish a Certificate of Insurance to the City. This Contract shall not be effective until the required certificates and the Additional Insured Endorsements have been received and approved by the City. Contractor agrees that it will not terminate or change its coverage during the term of this Contract without giving the City at least thirty (30) days’ prior advance notice and Contractor will obtain an endorsement from its insurance carrier, in favor of the City, requiring the carrier to notify the City of any termination or change in insurance coverage, as provided above.

19.2. Primary Coverage. The coverage provided by these policies shall be primary, and any other insurance carried by the City is excess. Contractor shall be responsible for any deductible amounts payable under all policies of insurance. If insurance policies are “Claims Made” policies, Contractor will be required to maintain such policies in full force and effect throughout any warranty period.

Section 20. Bonding Requirements

20.1. Payment and Performance Bonds. Contractor shall obtain a Payment Bond and a Performance Bond, each in a form acceptable to the City and from a surety acceptable to the City, and each in the full amount of the Contract Sum.

20.2. Maintenance/Warranty Bond. Contractor shall maintain a two (2) year Maintenance/Warranty Bond, in a form acceptable to the City and from a surety acceptable to the City, in the amount of ten percent (10%) of the Contract Sum.

20.3. Public Works Bond. Pursuant to ORS 279C.830(2), in addition to the Payment and Performance bonds, before starting work on this Contract or any subcontract hereunder, Contractor and all subcontractors, unless exempt under ORS 279C.836(4), (7), (8), or (9), must have on file with the Construction Contractors Board a public works bond with a corporate surety authorized to do business in the State of Oregon in the minimum amount of **\$30,000**. The bond must provide that the Contractor or subcontractor will pay claims ordered by the Bureau of Labor and Industries to workers performing labor upon public works projects. The bond must be a continuing obligation, and the surety’s liability for the aggregate of claims that may be payable from the bond may not exceed the penal sum of the bond. The bond must remain in effect continuously until depleted by claims paid under ORS 279C.836, unless the surety sooner cancels the bond. Contractor further certifies that Contractor will include in every subcontract a provision requiring a subcontractor to have a public

works bond filed with the Construction Contractors Board before starting work on the Project, unless exempt under ORS 279C.836(4), (7), (8), or (9).

20.4. Bond Claims. Any notice of claim on a payment or performance bond or public works bond shall comply with the requirements of ORS 279C.605.

Section 21. Warranty

21.1. In addition to, and not in lieu of, any other warranties provided by various manufacturers and suppliers, Contractor fully warrants all Work and materials for a period of two (2) years from the date of Final Acceptance of the Work and shall make all necessary repairs and replacements to remedy, in a manner satisfactory to the City's Project Manager and at no cost to the City, any and all defects, breaks, or failures of the Work or materials occurring within two (2) years following the date of completion due to faulty or inadequate materials or workmanship. Repair of damage or disturbances to other improvements under, within, or adjacent to the Work, whether or not caused by settling, washing, or slipping, when such damage or disturbance is caused, in whole or in part, from activities of Contractor in performing Contractor's duties and obligations under this Contract, is also covered by the warranty when such defects or damage occur within the warranty period. The two (2) year warranty period shall, with relation to such required repair, be extended two (2) years from the date of completion of such repair.

21.2. If Contractor, after written notice, fails within **ten (10) days** to proceed to comply with the terms of this Section, the City may have the defects corrected, and Contractor and Contractor's surety shall be liable for all expense incurred. In case of an emergency where, in the opinion of the City's Project Manager, delays would cause serious loss or damage, repairs may be made without notice being given to Contractor, and Contractor or Contractor's surety shall pay the cost of repairs. Failure of the City's Project Manager to act in case of an emergency shall not relieve Contractor or Contractor's surety from liability and payment of all such costs.

21.3. Current State Law (ORS 12.135) provides for a ten (10) year period, from the time of substantial completion, as defined in ORS 12.135(4)(b), for the City to file a claim for repairs of defective Work due to Contractor's improper use of materials and/or workmanship, and Contractor agrees it is bound thereby.

Section 22. Early Termination; Default

22.1. This Contract may be terminated prior to the expiration of the agreed upon terms:

22.1.1. By mutual written consent of the parties;

22.1.2. By the City, for any reason, and within its sole discretion, effective upon delivery of written notice to Contractor by mail or in person. The City retains the right to elect whether or not to proceed with actual construction of the Project; or

22.1.3. By the City if Contractor breaches this Contract and fails to cure the breach within ten (10) days of receipt of written notice of the breach from the City.

22.2. If the City terminates this Contract in whole or in part, due to default or failure of Contractor to perform Work in accordance with the Contract, the City may procure, upon reasonable terms and in a reasonable manner, services similar to those so terminated. In addition to any other remedies the City may have, both at law and in equity, for breach of contract, Contractor shall be liable for all costs and damages incurred by the City as a result of the default by Contractor, including, but not limited to all costs incurred by the City in procuring services from others as needed to complete this Contract. This Contract shall be in full force to the extent not terminated by written notice from the City to Contractor. In the event of a default, the City will provide Contractor with written notice of the default and a period of ten (10) days to cure the default. If Contractor notifies the City that it wishes to cure the default but cannot, in good faith, do so within the ten (10) day cure period provided, then the City may elect, in its sole discretion, to extend the cure period to an agreed upon time period, which agreed upon extension must be in writing and signed by the parties prior to the expiration of the cure period. Unless a written, signed extension has been fully executed by the parties, if Contractor fails to cure prior to expiration of the cure period, the Contract is automatically terminated.

22.3. If the City terminates this Contract for its own convenience not due to any default by Contractor, payment of Contractor shall be prorated to, and include the day of, termination and shall be in full satisfaction of all claims by Contractor against the City under this Contract.

22.4. Termination under any provision of this Section shall not affect any right, obligation, or liability of Contractor or the City that accrued prior to such termination. Contractor shall surrender to the City items of work or portions thereof, referred to in **Section 28**, for which Contractor has received payment or the City has made payment.

Section 23. Suspension of Work

The City may suspend, delay, or interrupt all or any part of the Work for such time as the City deems appropriate for its own convenience by giving written notice thereof to Contractor. An adjustment in the time of performance or method of compensation shall be negotiated as a result of such delay or suspension unless the reason for the delay was within Contractor's control. The City shall not be responsible for Work performed by any subcontractors after notice of suspension is given by the City to Contractor.

Section 24. Final Completion and Liquidated Damages

24.1. Contractor's Project Manager and the City's Project Manager shall conduct a final inspection of the Project when Contractor believes the Work is complete and create a project corrections list ("punch list") of any remaining items to be completed before the Final Completion date of August 31, 2025. All punch list items must be fully addressed and corrected on or before the Final Completion date.

24.2. The City and Contractor recognize that time is of the essence of this Contract and that the City will suffer financial loss and public detriment if all Work is not fully completed by August 31, 2025, plus any extensions thereof granted, in writing, by the City. Both parties also recognize the delays, expenses, and difficulties involved in proving in a legal proceeding the actual loss suffered by

the City if the Work is not completed on time. Accordingly, instead of requiring any such proof, the City and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay the City the amount of Four Hundred Dollars (\$400) per day for each and every day that expires after August 31, 2025. Retainage will not be released before Final Completion is established.

24.3. The parties further agree that this amount of liquidated damages is a reasonable forecast of just compensation for the harm caused by any breach and that this harm is one which is impossible or very difficult to estimate. In addition to the liquidated damages above, Contractor shall reimburse the City for all costs incurred by the City for engineering, inspection, and project management services required beyond the time specified for Final Completion. Contractor shall also reimburse the City for all costs incurred for inspection and project management services required due to punch list items not completed within the time allotted for Final Completion. If Contractor fails to reimburse the City directly, the City will deduct the cost from Contractor's final pay request.

24.4. Contractor will not be responsible for liquidated damages or be deemed to be in default by reason of delays in performance due to circumstances beyond Contractor's reasonable control, including but not limited to strikes, lockouts, severe acts of nature, or actions of unrelated third parties not under Contractor's direction and control that would preclude any reasonable Contractor from performing the Work ("Force Majeure"). In the case of the happening of any Force Majeure event, the time for completion of the Work will be extended accordingly and proportionately by the City, in writing. Poor weather conditions, unless extreme, lack of labor, supplies, materials, or the cost of any of the foregoing shall not be deemed a Force Majeure event.

Section 25. Contract Modification; Change Orders

Any modification of the provisions of this Contract shall not be enforceable or binding unless reduced to writing and signed by both the City and Contractor. A modification is a written document, contemporaneously executed by the City and Contractor, which increases or decreases the cost to the City over the agreed Contract Sum in **Section 5** of this Contract, or changes or modifies the Work described in the Contract Documents or the time for performance. In the event Contractor receives any communication of whatsoever nature from the City, which communication Contractor contends gives rise to any modification of this Contract, Contractor shall, within five (5) days after receipt, make a written request for modification to the City's Project Manager in the form of a Change Order. Contractor's failure to submit such written request for modification in the form of a Change Order shall be the basis for refusal by the City to treat said communication as a basis for modification or to allow such modification. In connection with any modification to this Contract affecting any change in price, Contractor shall submit a complete breakdown of labor, material, equipment, and other costs. If Contractor incurs additional costs or devotes additional time on Project tasks, the City shall be responsible for payment of only those additional costs for which it has agreed to pay under a signed Change Order. To be enforceable, the Change Order must describe with particularity the nature of the change, any delay in time the Change Order will cause, or any increase or decrease in the Contract Sum. The Change Order must be signed and dated by both Contractor and the City before the Change Order may be implemented.

Section 26. Dispute Resolution

In the event of a dispute concerning performance of this Contract, the parties agree to meet to negotiate the problem. If such negotiation fails, the parties will mediate the dispute using a professional mediator, and the parties will split the cost. If the dispute cannot be resolved in either of the foregoing ways within thirty (30) days, either party may file suit in Clackamas County Circuit Court. In the alternative, at the City's election, the parties may follow the dispute resolution procedures found in the Special Provisions.

Section 27. Access to Records

The City shall have access, upon request, to such books, documents, receipts, papers, and records of Contractor as are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts during the term of this Contract and for a period of four (4) years after termination of the Contract, unless the City specifically requests an extension. This clause shall survive the expiration, completion, or termination of this Contract.

Section 28. Property of the City

All documents, reports, and research gathered or prepared by Contractor under this Contract, including but not limited to spreadsheets, charts, graphs, drawings, tracings, maps, surveying records, mylars, modeling, data generation, papers, diaries, inspection reports, photographs, and any originals or certified copies of the original work forms, if any, shall be the exclusive property of the City and shall be delivered to the City prior to final payment. Any statutory or common law rights to such property held by Contractor as creator of such work shall be conveyed to the City upon request without additional compensation.

Section 29. Notices

Any notice required or permitted under this Contract shall be in writing and shall be given when actually delivered in person or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail, addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party.

To City: City of Wilsonville
Attn: Marissa Rauthause, Civil Engineer
29799 SW Town Center Loop East
Wilsonville, OR 97070

To Contractor: VSS International, Inc.
Attn: Jeff Roberts
3785 Channel Drive
West Sacramento, CA 95691

Section 30. Miscellaneous Provisions

30.1. Integration. This Contract and the Contract Documents contain the entire and integrated agreement between the parties and supersedes all prior written or oral discussions, representations, or agreements. In case of conflict among these or any other documents, the provisions of this Contract shall control, and the terms most favorable to the City, within the City's sole discretion, will apply.

30.2. Legal Effect and Assignment. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns. This Contract may be enforced by an action at law or in equity.

30.3. No Assignment. Contractor may not assign this Contract, nor delegate the performance of any obligations hereunder, unless agreed to in advance and in writing by the City.

30.4. Adherence to Law. This Contract shall be subject to, and Contractor shall adhere to, all applicable federal, state, and local laws (including the Wilsonville Code and Public Works Standards), including but not limited to laws, rules, regulations, and policies concerning employer and employee relationships, workers compensation, and minimum and prevailing wage requirements. Any certificates, licenses, or permits that Contractor is required by law to obtain or maintain in order to perform the Work described in this Contract shall be obtained and maintained throughout the term of the Contract.

30.5. Governing Law. This Contract shall be construed in accordance with and governed by the laws of the State of Oregon, regardless of any conflicts of laws. All contractual provisions required by ORS Chapters 279A, 279B, 279C, and related Oregon Administrative Rules to be included in public agreements are hereby incorporated by reference and shall become a part of this Contract as if fully set forth herein.

30.6. Jurisdiction. Jurisdiction and venue for any dispute will be in Clackamas County Circuit Court.

30.7. Legal Action/Attorney Fees. If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Contract or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court or body at trial or on any appeal or review, in addition to all other amounts provided by law. If the City is required to seek legal assistance to enforce any term of this Contract, such fees shall include all of the above fees, whether or not a proceeding is initiated. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review.

30.8. Nonwaiver. Failure by either party at any time to require performance by the other party of any of the provisions of this Contract shall in no way affect the party's rights hereunder to

enforce the same, nor shall any waiver by the party of the breach hereof be held to be a waiver of any succeeding breach or a waiver of this nonwaiver clause.

30.9. Severability. If any provision of this Contract is found to be void or unenforceable to any extent, it is the intent of the parties that the rest of the Contract shall remain in full force and effect, to the greatest extent allowed by law.

30.10. Modification. This Contract may not be modified except by written instrument executed by Contractor and the City.

30.11. Time of the Essence. Time is expressly made of the essence in the performance of this Contract.

30.12. Calculation of Time. Except where the reference is to business days, all periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Oregon, except that if the last day of any period falls on any Saturday, Sunday, or legal holiday observed by the City, the period shall be extended to include the next day which is not a Saturday, Sunday, or legal holiday. Where the reference is to business days, periods of time referred to herein shall exclude Saturdays, Sundays, and legal holidays observed by the City. Whenever a time period is set forth in days in this Contract, the first day from which the designated period of time begins to run shall not be included.

30.13. Headings. Any titles of the sections of this Contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

30.14. Number, Gender and Captions. In construing this Contract, it is understood that, if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that, generally, all grammatical changes shall be made, assumed, and implied to individuals and/or corporations and partnerships. All captions and paragraph headings used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Contract.

30.15. Good Faith and Reasonableness. The parties intend that the obligations of good faith and fair dealing apply to this Contract generally and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Contract. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of where this Contract gives the City “sole discretion” or the City is allowed to make a decision in its “sole judgment.”

30.16. Other Necessary Acts. Each party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Contract in order to provide and secure to the other parties the full and complete enjoyment of rights and privileges hereunder.

30.17. Interpretation. As a further condition of this Contract, the City and Contractor acknowledge that this Contract shall be deemed and construed to have been prepared mutually by

each party, and it shall be expressly agreed that any uncertainty or ambiguity existing therein shall not be construed against any party. In the event that any party shall take an action, whether judicial or otherwise, to enforce or interpret any of the terms of the contract, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including attorney fees and costs, whether incurred in a court of law or otherwise.

30.18. Defined Terms. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Specifications and Contract Documents.

30.19. Entire Agreement. This Contract, all documents attached to this Contract, and all Contract Documents and laws and regulations incorporated by reference herein, represent the entire agreement between the parties.

30.20. Counterparts. This Contract may be executed in one or more counterparts, each of which shall constitute an original Contract but all of which together shall constitute one and the same instrument.

30.21. Authority. Each party signing on behalf of Contractor and the City hereby warrants actual authority to bind their respective party.

The Contractor and the City hereby agree to all provisions of this Contract.

CONTRACTOR:

VSS INTERNATIONAL, INC.

By: _____

Name: _____

As Its: _____

EIN/Tax I.D. No. _____

CITY:

CITY OF WILSONVILLE

By: _____

Name: _____

As Its: _____

APPROVED AS TO FORM:

By: _____

Name: _____

City of Wilsonville Legal Counsel

EXHIBIT A

ITEM #	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1	Move-in, Bond, Insurance, Clean-up E. City of Wilsonville	L.S.	All	\$ 7,000.00	\$ 7,000.00
2	Traffic Control and Public Notification E. City of Wilsonville	L.S.	All	\$ 174,000.00	\$ 174,000.00
3	Street Preparation and Application of Type II Asphalt Emulsion Slurry Seal	SQ. YD.	363968	\$ 2.05	\$ 746,134.40
4	Install/Replace Pavement Markings per Manual of Uniform Traffic Control Devices				
	A. Arrows, Left Turn, Thermoplastic	EA.	4	\$405.00	\$ 1,620.00
	B. Reflective Raised Pavement Markers, Bidirectional, Blue	EA.	100	\$16.20	\$ 1,620.00
	C. Reflective Raised Pavement Markers, Bidirectional, Yellow w	EA.		\$12.96	
	D. Striping, White, 4", Thermoplastic	L.F.	1000	\$2.00	\$ 2,000.00
	E. Striping, White, 6", Thermoplastic	L.F.	3415	\$2.43	\$ 8,298.45
	F. Striping, White, 8", Thermoplastic	L.F.		\$0.00	
	G. Striping, White, 12", Thermoplastic	L.F.	650	\$17.28	\$ 11,232.00
	H. Striping, Yellow, 4", Thermoplastic	L.F.	160	\$2.00	\$ 320.00
	I. Crosswalk, White, 24" x 10', Thermoplastic	EA.	132	\$270.00	\$ 35,640.00
	J. Railroad Crossing, Thermoplastic	EA.		\$2,376.00	
	K. Stop Bar, Thermoplastic	L.F.	1000	\$19.98	\$ 19,980.00
	L. Stop Bar, Thermoplastic	EA.		\$405.00	
	M. ADA Parking Stall, White on Blue Background, 40" x 40"	EA.		\$918.00	
	N. Bike Symbol with arrow - Thermo plastic	EA.	34	\$405.00	\$ 13,770.00
			TOTAL	\$	\$ 1,021,614.85



CITY COUNCIL & STATE OF THE CITY ADDRESS MINUTES

May 05, 2025, at 7:00 PM

Wilsonville City Hall & Remote Video Conferencing

CALL TO ORDER

1. Roll Call
2. Pledge of Allegiance

A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Monday, May 5, 2025. The Mayor called the meeting to order at 7:00 p.m., followed by the roll call and the Pledge of Allegiance.

PRESENT

Mayor O'Neil
 Council President Berry
 Councilor Dunwell
 Councilor Shevlin
 Councilor Cunningham

STAFF PRESENT

Amanda Guile-Hinman, City Attorney
 Andrea Villagrana, Human Resource Manager
 Andy Stone, IT Director
 Bill Evans, Communications & Marketing Manager
 Bryan Cosgrove, City Manager
 Dwight Brashear, Transit Director
 Jeanna Troha, Assistant City Manager
 Katherine Smith, Assistant Finance Director
 Keith Katko, Finance Director
 Kimberly Veliz, City Recorder
 Kris Ammerman, Parks and Recreation Director
 Mark Ottenad, Public/Government Affairs Director
 Nancy Kraushaar, Engineer
 Shasta Sasser, Library Director
 Zach Weigel, City Engineer
 Zoe Mombert, Assistant to the City Manager

3. Motion to approve the following order of the agenda.

The Mayor requested to approve the amended agenda with Resolution No. 3186 moved to New Business.

Motion: Moved to approve the amended agenda with Resolution No. 3186 moved to New Business.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Dunwell, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 5-0.

MAYOR'S BUSINESS

4. State of the City Address

The Mayor presented the 2025 State of the City Address which is appended to the minutes in its entirety.

RECESS

The Mayor recessed the meeting.

There was a brief recess for a reception which included a performance by the Wilsonville Choir.

The Mayor reconvened the meeting at 8:02p.m.

The Mayor acknowledged that former Mayor John Ludlow was in the audience.

COMMUNICATIONS

There was none.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on any matter concerning City's Business or any matter over which the Council has control. It is also the time to address items not on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizen input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

The following individuals provided public comment:

John Ludlow	Maripat Hensel	Doris Wehler
Kara Clark	Garret Prior	Tim Knapp

Next, the Scouts in the audience were recognized.

COUNCILOR COMMENTS, LIAISON REPORTS AND MEETING ANNOUNCEMENTS

5. Council President Berry

Council President Berry provided a detailed report on the following items:

- Volunteer Appreciation Event on May 1, 2025
- Book titled *"Growing Up in Wilsonville the Boy who Dreamed to be a Steamboat Captain"* published by the Wilsonville Historical Society

6. Councilor Dunwell

Councilor Dunwell provided a detailed report on the following items:

- Willamette Intake Facilities (WIF) Commission meeting on April 28, 2025
- Volunteer Appreciation Event on May 1, 2025
- *"Samurai in the Oregon Sky"* documentary and Q&A with director on May 1, 2025
- Mental Health Fair on May 3, 2025

7. Councilor Cunningham

Councilor Cunningham provided a detailed report on the following:

- Mental Health Fair on May 3, 2025

8. Councilor Shevlin

Councilor Shevlin provided a detailed report on the following items:

- Meeting with West Linn Wilsonville School Board Candidates
- Volunteer Appreciation Event on May 1, 2025
- New restaurant in Charbonneau called Lumière
- Charbonneau Music Festival *"Blues for Schools Festival"* on August 2-3, 2025
- Boeckman Bridge Ribbon Cutting on May 5, 2025
- Clackamas County Coordinating Committee(C4) on May 8, 2025
- Meeting with residents

CONSENT AGENDA

The agenda was amended to move Resolution No. 3186 from the Consent Agenda to New Business.

The City Attorney read the title of the Consent Agenda items into the record.

9. Minutes of the April 21, 2025, City Council Meeting.

Motion: Moved to approve the Consent Agenda.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Dunwell, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 5-0.

NEW BUSINESS

10. Adoption of Council Goals

Sara Singer Wilson of SSW Consulting presented the 2025 City Council Goals, which the Council created during their March 14-15, 2025, Retreat and Goal Setting sessions. The PowerPoint displayed was added to the record.

The City Council Goals were as follows:

- Financial Health
 - Explore cost savings/efficiencies and alternative revenue options for sustainable fiscal health.
- Public Safety
 - Streamline response to code enforcement challenges.
 - Expand on-the-ground mental health resources to support community.
 - Evaluate rental inspection program.
- Parks
 - Maintain existing maintenance levels of service with upcoming expansion (approx. 30 acres).
- Communication and Engagement
 - Community understands Town Center Plan, Urban Renewal, and other funding sources for infrastructure through engagement to inform Council direction.
 - Evaluate and improve online engagement tools to expand audience and reach.

Following the presentation the Mayor requested a motion on the 2025 City Council Goals.

Motion: Moved to adopt the Council Goals.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Dunwell, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 5-0.

11. Resolution No. 3186

A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Professional Services Agreement With JayRay Ads & PR, Inc, For 'Explore Wilsonville' Tourism Promotion And Development And Destination Marketing Services.

The City Attorney read the title of Resolution No. 3186 into the record.

Zoe Mombert, Assistant to the City Manager, recalled the presentation given during the Work Session prior to the City Council meeting.

Councilor Dunwell asked Council to amend the contract and make it a single year contract or to revisit any option to extend the additional two years as it was written.

Motion: Moved to amend the current contract to change it from a three-year contract to a one year contract.

Motion made by Councilor Dunwell Seconded by Councilor Cunningham.

After discussion and clarification from the City Attorney about the existing termination clauses in the contract, the original motion was retracked by Councilor Dunwell. Councilor Cunningham, who seconded the original motion, agreed to the retraction.

Councilor Dunwell mentioned her conversations with Councilor Berry and Zoe Mombert, Assistant to the City Manager, about adding data points to the reporting requirements.

Motion: Moved to approve Resolution No. 3186.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Dunwell, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 5-0.

CONTINUING BUSINESS

There was none.

PUBLIC HEARING

There was none.

CITY MANAGER'S BUSINESS

There was none.

LEGAL BUSINESS

The City Attorney announced the Legal team would be at a conference Thursday May 8, 2025, and Friday, May 9, 2025.

ADJOURN

The Mayor adjourned the meeting at 8:57 p.m.

Respectfully submitted,

Kimberly Veliz, City Recorder

ATTEST:

Shawn O'Neil, Mayor



STATE OF THE CITY ADDRESS

May 05, 2025 at 7:00 PM

Wilsonville City Hall & Remote Video Conferencing

Welcome everyone. Happy Cinco de Mayo. Thank you for joining me tonight in the City we all love for my first state of the city address.

I've been Mayor for a mere four months, so I asked staff for a bit of guidance about this State of the City Addresses, and they told me I could make it "whatever I want." So, immediately I thought great this will be short.

However, I did a little digging and learned that the shortest state of the City ever in Wilsonville was about eleven minutes — tempting. Shockingly, the longest was well over an hour. Nobody needs that from me. So, I promise to land somewhere in the middle. Long enough to review where we are, but short enough to keep you from checking your phone too often.

It is an honor to have been elected Wilsonville's 10th Mayor. This City has been home to my family for more than 17 years. We've invested in our home and business here, we are raising our son here, and like many of you, we care deeply about protecting the things that make Wilsonville extraordinary. As we plan and move forward with intention and heart for our families and their futures here.

As we begin, I want to recognize some wonderful people in this room tonight. Let's start with my colleagues on the City Council:

- Council President Caroline Berry
- Councilor Katie Dunwell
- Councilor Adam Cunningham
- Councilor Anne Shevlin

This is truly a team of thoughtful and dedicated public servants. I may have the podium tonight, but I can tell you that most everything we do, we do together. Thank you, Councilors.

I also want to acknowledge the leadership that came before us. Present tonight are former Mayors:

- Tim Knapp
- Julie Fitzgerald
- And is former Council President Akervall here? No.
- And former Councilor Joanne Linville.

Your tenures plant the many seeds that we now enjoy as a City. Thank you, visionary leaders.

And to our elected officials here tonight in spirit Senator Aaron Woods, and Representative Courtney Neron, she many not be here this evening, but she said she might be here. So. I'll just give her that acknowledgement. Thank you for your collaboration and hard work on behalf of our City, region, and state.

To our City Manager Bryan Cosgrove; our City Attorney Amanda Guile-Hinman and our phenomenal, phenomenal City staff, to our law enforcement led by Police Chief Rob Wurpes and, to our first responders from Tualatin Valley Fire & Rescue led by Fire Chief Deric Weiss. Thank you for being the hearts, minds, and hardworking hands of our City.

Let's give them a round of applause.

To our many volunteer board and commission members, to the Wilsonville Area Chamber of Commerce.

Finally, to my wife Yumi, and our son Tenzin, who's at home watching on YouTube. You are my greatest joy and my fiercest supporters. I know this journey has been challenging, but your love and sacrifice have been the foundation for everything I do. I love you. Thank you.

Yumi and I came to Wilsonville in 2008. We were like so many of you, young(ish), ambitious, and just trying to make life work. She had a job up in Portland. I was commuting down to Salem. And Wilsonville? Perfectly inconvenient for both of us. A true marital compromise.

Those first few years, we were in a constant state of "go." It felt like we only really lived in Wilsonville on the weekends. But even in those brief windows, we saw something here something special that bested both Portland and Salem. A community that was peaceful, walkable, with a nice variety of local restaurants for the time some of our favorites, owned and operated by folks from historically marginalized cultures. We loved it. But we also knew it could be more. More inclusive, more diverse, more connected and over time, we've watched that vision begin to take root.

When our son Tenzin was born in 2011, everything changed for us. Suddenly, we weren't only considering commutes when thinking about livability. We were now also thinking about childcare, school quality, convenient parks, safe streets, and a sense of belonging for our family. We became vested in our City and Community's future.

I opened my law firm here in Wilsonville to be closer to home. I had encouragement from former City Attorney Michael Kohlhoff, who had opened his business, his firm years ago and I had a lot of help from other local small business owners. Especially other parents who knew the juggle of building a business while raising a family. We kept each other going. The Chamber of Commerce played a key role as well. Wilsonville's small businesses are not just an important economic driver for us all they are in many ways the soul of this City.

Supported by great organizations like the Wilsonville Rotary Club, they volunteer, sponsor our sports teams and student groups, they show up for our events, they reinvest in our future.

As Mayor, I want to make sure our local small businesses are supported and appreciated. And of course, the other essential economic driver for our community is our many innovative industries and large employers that operate in Wilsonville.

These, along with institutions like the Oregon Institute of Technology and Clackamas Community College, allow our community to continually punch above its weight, offering opportunity and prosperity for everyone.

In 2014, when my son was about to start public school, I discovered that his primary school was located next to an old petroleum pipeline owned by Kinder Morgan, an energy infrastructure conglomerate. At that time, middle school children next door were being evacuated on top of the pipeline during earthquake drills, and many local leaders were unaware of the pipeline's existence or the associated risks. Residents did not realize it was in their backyards.

Many had either never known or had forgotten the tragic 1999 Olympic pipeline rupture in Washington, where three children lost their lives. That pipeline in Washington was the same age as the Kinder Morgan pipeline we have in our community. At the time, Kinder Morgan and the federal government claimed there were no safety concerns. Out of concern for our children, I tried to educate our community and City leaders.

The Wilsonville Spokesman reporting over the years was critical in helping with this process. As an aside, the Wilsonville Spokesman is a vital institution that safeguards the first amendment at the local level. It reports on the issues that matter most to our community and ensures that public institutions are held accountable. We should all have a subscription.

Back to the pipeline beginning in 2019, with the encouragement of our community, City staff, Mayor Knapp, and Mayor Fitzgerald, along with Representative Neron, collectively put pressure on Kinder Morgan and the federal government to take action.

Fast forward to today. Thanks to the relentless efforts of our community and its leaders, Kinder Morgan has been ordered by the federal government to make repairs and enhance the overall safety of this sixty-four-year-old pipeline.

You can now see this vital work taking place in our community today. We must remain vigilant and, as a community, continue to advocate for Kinder Morgan to improve and maintain the safety of the pipeline and keeping us informed.

And yes, our School District has assured me that our children are no longer evacuated on top of the pipeline during earthquake drills.

And while I wouldn't recommend pipeline safety advocacy as a relaxing hobby it did teach me a lot about our community resolve. It is the unwavering support and strong community relationships we've built over the years that I carry with me today.

This support is crucial now more than ever as we advocate for the federal government and the state of Oregon to expedite full funding for the replacement of the Boone Bridge, which divides our City.

We must ensure that this bridge is seismically sound to withstand a Cascadia Subduction Zone earthquake and provides additional lanes to alleviate traffic congestion. We, all of us, can achieve this together.

Representative Courtney Neron, Congresswoman Andrea Salinas, Senator Jeff Merkley, and many of our regional leaders are actively supporting this effort. As a community, we must continue to communicate directly with them about this critical need.

Of course, much has changed since my family moved here in 2008. And for the better by most measures. Our inviting parks and trails, our varied and livable neighborhoods have been designed with community in mind. As I visit neighborhoods, I see diverse residents who all seem to appreciate what our City offers a stronger sense of belonging. That's no accident. That is the result of years of advocacy, empathy, and intentional leadership both by our elected, and our community.

Wilsonville is a City of belonging for all for our seniors, for people of color, or those historically marginalized, for our LGBTQ+ community member, for our neighbors with disabilities, our veterans, diversity, equity, inclusion is not just a tagline. It's our north star.

And if you need examples simply consider the diverse occasions our City has hosted or celebrated this past year, such as the grand opening of our new disability-inclusive playground at Boones Ferry Park.

Here's a brief tour of the park if you haven't had a chance to visit in person.

A video about the Boones Ferry Park was played for the audience.

The Mayor announced Representative Neron had arrived.

The only regret I have about that park opened when my now kid is too old to go enjoy it. We got the old one.

Wilsonville also renewed its sister City exchange with Kitakata, Japan.

We observed this past year the Korean War Interpretive Center opening attended by many veterans and dignitaries including Governor Kotek.

We also honored those who served at Veteran's Day and Memorial Day ceremonies.

We had fun with the always popular community Easter Egg Hunt.

We embraced our LGBTQ+ friends and neighbors with a Pride Celebration and Mural.

We celebrated Juneteenth with music and guest speakers.

We brought families together for National Night Out and Party in the Park.

We congratulated our high school scholastic and athletic champions!

We hosted Wilsonville's annual Christmas tree lighting, photos with Santa, community caroling, and Christmas stocking donations for home-bound seniors.

We enjoyed a las Posadas Celebration.

We observed Wilsonville's first-ever Menorah lighting.

We enjoyed a Ramadan community potluck, and during this time members of the Muslim community center collected hygiene products throughout the month to support Wilsonville Community Sharing.

We celebrated Lunar New Year with traditional Chinese performances and crafts for kids.

And most recently, we hosted a standing-room-only multicultural dance presentation at McMenamin's Old Church featuring Japanese, Indian, and Indigenous dance groups.

Here are a few highlights from that lovely day.

A video of the multicultural dance presentation was played for the audience.

These cultural events are hugely popular with community members, and there's something for everyone even a bingo night fundraiser benefiting our Senior Community Center.

Just this past week Wilsonville unveiled an amazing City-wide Hearts of Wilsonville installation by a dozen local artists.

A video about the HeART of the City artwork was played for the audience.

And last Saturday, we experienced a remarkable event titled '*turning darkness into light*,' commemorating the 30th anniversary of the Dammasch hospital closure. This Mental Health Fair featured outstanding speakers, captivating entertainment, delicious food, and a wide array of mental health support resources.

These aren't just social activities. They are chapters in the collective Wilsonville story that show respect and support for our diverse communities.

We all should be proud of our City.

Now let's talk about a few infrastructure accomplishments.

Since last year, we've accomplished a lot. We completed a state-of-the-art public works complex to improve efficiency, responsiveness, and emergency preparedness for key departments, essential to the safe and smooth operation of our City.

We are almost finished building a 3-million-gallon westside water reservoir because hydration is lifeline infrastructure. This will provide a critical resource in the event of an emergency making our community resilient and ready for the future.

We're also investing in our future with a new sewer interceptor to support new neighborhoods east of Stafford Road in Frog Pond.

These projects may not be high visibility, but they are impressive accomplishments that will give our community a huge advantage and reward all community members for this investment.

And Boeckman Road? It's almost back! No more hazardous Boeckman dip. Drivers, cyclists, and pedestrians alike will soon enjoy safer access with a seismically sound bridge and leveled street grade, a new roundabout to keep traffic flowing, wider sidewalks and dedicated bike lanes, concealed utilities, and even a restored creek habitat for our wildlife. Safe, efficient, and accessible for all that's how Wilsonville rolls.

The Vuela residential development is also nearing completion. A 121-unit complex adjacent to the Wilsonville transit center, with rents starting at around \$539 a month. This much anticipated and sorely needed affordable housing provides economic stability and opportunity for our community. And, because these homes are conveniently located next to our transit center, Vuela residents can connect to jobs while building a future as part of our community. It's the progress cities can, should and must deliver.

I just wanted to add Wilsonville is getting it done!

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We're also moving forward on the Town Center Plan. A long-term vision to replace outdated and vacant big box retail buildings with sustainable retail, affordable modern homes, plus community amenities our community members have made abundantly clear they expect Wilsonville leaders to deliver. So, our Town Center can be active, attractive, and vibrant. This kind of transformation obviously takes time and financial investment. But we are planning now on how best to proceed.

Let's talk about the challenging road ahead. Like every municipality these days, we are closely monitoring external economic and political turbulence, and its impact on funding for critical infrastructure. Such as the replacement of the Boone Bridge. Likely cost increases due to tariffs on technology and supplies that will impact City budgets and services. And disruption of supply chains may impact timelines on project completion and City services for our residents.

Additionally, we must prepare for a transition of City administration leadership as long-time employees retire. Community Director Chris Neamtzu retired last month, Government and Public Affairs Director Mark Ottenad will retire this month, and City Manager Bryan Cosgrove will retire at the end of the year.

Much of what we enjoy today was implemented by these dedicated individuals with guidance from our civic leaders and community.

As Mayor, I am honored that during my first state of the City address and their last I can acknowledge their service to our community. They have left their successors a clear map, and I anticipate a smooth transition. Thanks to their expertise and professionalism.

Let's give them a round of applause.

Given all this the City Council has organized progress in four broad areas:

1. First, under the umbrella of public health, safety, and welfare, the Council identified the following goals:
 - Streamlining response to code enforcement difficulties reported by community members.
 - Evaluating and updating our public nuisance code.
 - Exploring a rental inspection program, including funding for such a program.
 - Expanding on-the-ground mental health resources to support our community.
2. Second, the Council focus will be on the current and future fiscal health of the City's operating funds, including these financial goals:
 - Exploring efficiencies, cost savings and alternative revenue options.
 - Future-proofing revenues and avoiding further large rate spikes in the sewer, water, and stormwater funds by indexing these utilities to a CIP index.
3. Third, Council will focus on ways the City can continue to build trust through communication and community engagement with the following goals:

- Engaging the community on urban renewal and infrastructure funding sources.
 - Creating a Town Center communication and engagement strategy to help inform Council decisions.
 - Evaluating and improving online engagement to expand community interactions.
4. Fourth, to ensure that the current quality of parks maintenance is provided for the long term as our parks portfolio grows, with an additional thirty acres of maintenance responsibility coming online in the next couple years.

The goal is to retain existing levels of service after expansion by identifying potential cost savings and new revenue opportunities.

I look forward to working with my colleagues on Council to achieve those goals.

Thirty-seven years ago, when I first arrived in Oregon, I was introduced to something folks called back then “the Oregon way.” It was more than just a phrase it was a way of life. One grounded in collaboration, respect, and finding common ground over partisanship.

It was a time when neighbors said good morning not out of habit, but out of genuine respect. A time when people could disagree without being disagreeable. When communication means not just speaking but listening, truly listening.

Much has changed since then. The digital age has sped things up, and sometimes, drowned things out. But I believe the spirit of the Oregon way matters now more than ever. Because it’s not about who’s right or wrong — it’s about mutual respect, shared ideas, and working together to move our community forward. That, to me, should be the Wilsonville way. Let’s carry that spirit forward not just for ourselves, but for the next generation.

We’ve accomplished so much together but the future will ask even more of us. And I believe we’re ready. By building on our progress, facing challenges with resolve, and creating opportunity for all, we can ensure Wilsonville continues to thrive.

I’m genuinely excited for what lies ahead. This City is a living example of what’s possible when we lead with innovation, inclusivity, and heart.

I look forward to working alongside our City Council, our incredible staff, our passionate volunteers, and each and every one of you as we move forward, together, with purpose and optimism. Together, we’ll ensure Wilsonville remains a vibrant, welcoming City that future generations will be proud to call home.

Thank you for being here tonight and watching me sweat. Thank you for believing in this City. And thank you for being a part of Wilsonville’s future. Thank you!



CITY COUNCIL MINUTES

May 19, 2025, at 7:30 PM

Wilsonville City Hall & Remote Video Conferencing

CALL TO ORDER

1. Roll Call
2. Pledge of Allegiance

A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:30 p.m. on Monday, May 19, 2025. The Mayor called the meeting to order at 7:30 p.m., followed by the roll call and the Pledge of Allegiance.

PRESENT:

Mayor O'Neil
 Councilor President Berry
 Councilor Dunwell - Excused
 Councilor Cunningham
 Councilor Shevlin

STAFF PRESENT:

Amanda Guile-Hinman, City Attorney
 Andrea Villagrana, Human Resource Manager
 Bryan Cosgrove, City Manager
 Dwight Brashear, Transit Director
 Jeanna Troha, Assistant City Manager
 Kimberly Rybold, Senior Planner
 Kimberly Veliz, City Recorder
 Mark Ottenad, Public/Government Affairs Director
 Matt Lorenzen, Economic Development Manager
 Zoe Mombert, Assistant to the City Manager

3. Motion to approve the following order of the agenda.

MAYOR'S BUSINESS

4. Upcoming Meetings

The Mayor reported on upcoming events and announced proclamations included in the packet.

May Diversity, Equity and Inclusion (DEI) Calendar Dates of Observance

- Asian American and Pacific Islander Heritage Month
- Jewish American Heritage Month

SMART Transit Agency Event

- Bike Month Challenge

Proclamations

- Pride Month Proclamation
 - Pride Celebration & Mural Reception at Town Center Park on June 7, 2025
 - Rick Wallace founder of WilsonvillePride.org along with members and allies of the LGBTQ+ were invited to receive the proclamation and pose for a photo.
- Wilsonville Rotary 50th Anniversary Proclamation
- Rotary Club President Mike Bishop, along with other Rotary Club members were invited to receive the proclamation and pose for a photo.
- National Public Works Week Proclamation
 - 65th anniversary of Public Works week
- Mental Health Awareness Proclamation
- The proclamation was included in the April 21, 2025, City Council packet, however, a NAMI representative would present under community input about the proclamation.

5. Boards/Commission Appointments/Reappointments

Arts, Culture, and Heritage Commission – Reappointment

Reappointment of Deborah Zundel and Susan Schenk to the Arts, Culture, and Heritage Commission for a term beginning 7/1/2025 to 6/30/2028.

Motion: Moved to ratify the reappointment of Deborah Zundel and Susan Schenk to the Arts, Culture, and Heritage Commission for a term beginning 7/1/2025 to 6/30/2028.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O’Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Arts, Culture, and Heritage Commission – Appointment

Appointment of Douglas Parker to the Arts, Culture, and Heritage Commission for a term beginning 7/1/2025 to 6/30/2028.

Motion: Moved to ratify the appointment of Douglas Parker to the Arts, Culture, and Heritage Commission for a term beginning 7/1/2025 to 6/30/2028.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Diversity, Equity and Inclusion Committee – Appointment

Appointment of Rick Wallace and Wilnise Jasmin to the Diversity, Equity and Inclusion Committee for a term beginning 5/19/2025 to 12/31/2026.

Motion: Moved to ratify the appointment of Rick Wallace and Wilnise Jasmin to the Diversity, Equity and Inclusion Committee for a term beginning 5/19/2025 to 12/31/2026.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Diversity, Equity and Inclusion Committee – Appointment

Appointment of Mina Lemke to the Diversity, Equity and Inclusion Committee for a term beginning 5/19/2025 to 12/31/2027.

Motion: Moved to ratify the appointment of Mina Lemke to the Diversity, Equity and Inclusion Committee for a term beginning 5/19/2025 to 12/31/2027.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Kitakata Sister City Advisory Board – Appointment

Appointment of Wendy Hall to the Kitakata Sister City Advisory Board for a term beginning 5/19/2025 to 12/31/2026.

Motion: Moved to ratify the appointment of Wendy Hall to the Kitakata Sister City Advisory Board for a term beginning 5/19/2025 to 12/31/2026.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Kitakata Sister City Advisory Board – Appointment

Appointment of Theodore Russell to the Kitakata Sister City Advisory Board for a term beginning 5/19/2025 to 12/31/2027.

Motion: Moved to ratify the appointment of Theodore Russell to the Kitakata Sister City Advisory Board for a term beginning 5/19/2025 to 12/31/2027.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Library Board – Reappointment

Reappointment of Richard Spence to the Library Board for a term beginning 7/1/2025 to 6/30/2029.

Motion: Moved to ratify the reappointment of Richard Spence to the Library Board for a term beginning 7/1/2025 to 6/30/2029.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Library Board – Appointment

Appointment of Sarah Ebersole to the Library Board for a term beginning 5/19/2025 to 6/30/2026.

Motion: Moved to ratify the appointment of Sarah Ebersole to the Library Board for a term beginning 5/19/2025 to 6/30/2026.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Parks and Recreation Advisory Board – Appointment

Appointment of John West and Kristi Corno to the Parks and Recreation Advisory Board for a term beginning 5/19/2025 to 12/31/2028.

Motion: Moved to ratify the appointment of John West and Kristi Corno to the Parks and Recreation Advisory Board for a term beginning 5/19/2025 to 12/31/2028.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Tourism Promotion Committee – Reappointment

Reappointment of Elizabeth Crawford and Brandon Roben to the Tourism Promotion Committee for a term beginning 7/1/2025 to 6/30/2028.

Motion: Moved to ratify the reappointment of Elizabeth Crawford and Brandon Roben to the Tourism Promotion Committee for a term beginning 7/1/2025 to 6/30/2028.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

Tourism Promotion Committee – Appointment

Appointment of Gus Castaneda to the Tourism Promotion Committee for a term beginning 5/19/2025 to 6/30/2026.

Motion: Moved to ratify the appointment of Gus Castaneda to the Tourism Promotion Committee for a term beginning 5/19/2025 to 6/30/2026.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

The Mayor continued announcing upcoming events and reported on meetings he had attended.

Clackamas County Coordinating Committee (C4) Metro Subcommittee

- On May 14, 2025, the Mayor attended the monthly meeting of the Clackamas County Coordinating Committee Metro Subcommittee, which was composed of county and cities in the jurisdiction of metro regional government.

Celebrate Trade Gala

- On May 15, 2025, the Mayor attended the Celebrate Trade Gala as a guest of South Korea.

75th Anniversary of the Outbreak of the Korean War

- Scheduled for June 28, 2025, at the Oregon Korean War Memorial at Town Center Park.

Tualatin Valley Fire and Rescue (TVF&R) Community Academy

- The Mayor participate in a 26-hour training program conducted by TVF&R on May 16-17, 2025.

Boeckman Bridge Ribbon Cutting

- On May 20, 2025, the City hosted a Ribbon-Cutting Event to celebrate the successful completion of the Boeckman Dip Bridge and the re-opening of Boeckman Road to thru traffic.

DEI Speaker Series - Celebrating Jewish American Heritage Month

- On May 20, 2025, featured speaker is Judy Margles, retired CEO of the Oregon Jewish Museum and Center for Holocaust Education Center.

Memorial Day Remembrance Ceremony

- Annual Memorial Day Remembrance Ceremony at Town Center Park on May 26, 2025.

City Council Meeting

- The next City Council meeting is scheduled for June 2, 2025.

COMMUNICATIONS

There was none.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on any matter concerning City's Business or any matter over which the Council has control. It is also the time to address items not on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizen input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

The following individuals provided public comment:

John Ludlow	Tim Knapp	Bob Renfro	Pat Wolfram	Tristan Roland
Ruth Webster	Natalie Dunn	David & April Corll	Rick Wallace	Dana Crocker
Lee Brackman	Dave Hunt	Mary Rooney	Christi Mayer	Bill Bagnall
Leonard Dunn	Vikrant Salar			

COUNCILOR COMMENTS, LIAISON REPORTS AND MEETING ANNOUNCEMENTS

6. Council President Berry

The Council President discussed a family event where her cousin from Washington inquired about Wilsonville's success compared to her own city. The Council President attributed Wilsonville's thriving nature to strong civic organizations like Rotary, active citizen participation in City Council meetings, and dedicated volunteers who serve as role models. She also noted the effectiveness of urban renewal as a financing tool and praised the city's thoughtful planning and excellent staff.

The Council President reported on the following:

- Council President Berry appreciated the audience and the volunteers.
- Acknowledged Mark Ottenad, Public/Government Affairs Director for his 17 years of service.
- Budget Committee meetings on May 7 and 13, 2025
- Boeckman Bridge Ribbon Cutting on May 20, 2025
- Clackamas County Association (CCA) Dinner on May 22, 2025
- Last day to vote for May 2025 election was May 20, 2025

7. Councilor Dunwell - Excused

8. Councilor Cunningham

The Councilor attended the Washington County Coordinating Committee (WCCC) on May 12, 2025.

In addition, Councilor Cunningham had numerous conversations with community members to discuss their concerns about community growth. The Councilor appreciated the diverse perspectives within the Council and looked forward to collaborating on solutions to serve all citizens effectively.

9. Councilor Shevlin

Thanked all attendees and congratulated those that have been reappointed or appointed to boards and commissions.

The Councilor then reported on the following:

- Budget Committee meetings on May 7 and 13, 2025
- Clackamas County Coordinating Committee (C4) on May 8, 2025
- House District 26 candidate meeting
- Boeckman Bridge Ribbon Cutting on May 20, 2025
- French Prairie Forum on May 21, 2025
- Greater Portland Inc. (GPI) Small Cities Consortium

CONSENT AGENDA

The City Attorney read the Consent Agenda item into the record.

10. Resolution No. 3197

A Resolution To Allocate Community Enhancement Funds For Fiscal Year 2025/2026.

Motion: Moved to adopt the Consent Agenda as read.

Motion made by Councilor Berry Seconded by Councilor Cunningham.

Voting Yea:

Mayor O'Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

NEW BUSINESS

There was none.

CONTINUING BUSINESS

There was none.

PUBLIC HEARING

There was none.

CITY MANAGER'S BUSINESS

City Manager acknowledged Mark Ottenad, Public/Government Affairs Director, who was attending his last City Council meeting after 17 years of service with the City of Wilsonville. The City Manager praised the Public/Government Affairs Director for contributions to the City of Wilsonville, including his past work on grant applications, economic development strategies, and various initiatives.

In response, Public/Government Affairs Director Ottenad expressed his pleasure in serving the City of Wilsonville and working under four Mayors and two City Managers, highlighting City Manager Cosgrove as an exemplary leader. He also conveyed his gratitude for the opportunity to contribute to the community over the years, thanking the Council and City staff for their support.

The Mayor appreciated Public/Government Affairs Director Ottenad for having stayed in his position longer to assist with the new City Council transition.

The City Manager addressed the proposed bus route to Clackamas Town Center, noting it had been a long-discussed desire due to its benefits. The route would provide access to the courthouse, aid commuters by avoiding rush-hour traffic on highways, and connect people living in adjacent areas like Oregon City. The City Manager noted that the route was grant-funded and that if the funding were to end, there would be discussions about its continuation. The City Manager stressed that the funding, primarily from the State Transportation Improvement Fund (STIF), ensured no fiscal burden on the City of Wilsonville, and encouraged those with questions to reach out to Dwight Brashear, Transit Director, for more information.

LEGAL BUSINESS

The City Attorney recalled, the City of Wilsonville, through the South Metro Area Regional Transit (SMART) department, received federal funding through the Federal Transit Administration (FTA) to support Wilsonville's public transit system. Based on a template of the 2025 Federal Transit Administration Master Agreement for all FTA grants, staff would not be able to sign the Master Agreement in its present form due to terms that the City cannot comply with, particularly terms about assisting in immigration enforcement due to an Oregon state law that prohibits the City from doing so. To protect the City's interests and ability to continue to receive federal funding, staff sought Council authorization to engage in affirmative litigation to protect the City's ability to receive federal funding.

Motion: Moved to authorize the City Attorney to engage in affirmative litigation on behalf of the City to protect the City's ability to receive federal funding.

Motion made by Councilor Berry Seconded by Councilor Shevlin.

Councilor Cunningham supported the motion and understood the issue was that the City must follow state law. The Councilor then shared the four points he uses as his guiding questions when considering issues.

The Mayor suggested it might be helpful for the Oregon Department of Justice (DOJ) to get involved due to the conflict between state and federal law.

Voting Yea:

Mayor O’Neil, Council President Berry, Councilor Shevlin, Councilor Cunningham

Vote: Motion carried 4-0.

ADJOURN

The Mayor adjourned the meeting at 9:14 p.m.

Respectfully submitted,

Kimberly Veliz, City Recorder

ATTEST:

Shawn O’Neil, Mayor



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025		Subject: Ordinance No. 898 – 1st Reading & Resolution No. 3203 Housing Our Future: Housing Needs and Capacity Analysis and Housing Production Strategy Staff Member: Kimberly Rybold, AICP, Senior Planner Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: June 2, 2025 <input checked="" type="checkbox"/> Ordinance 1 st Reading Date: June 2, 2025 <input type="checkbox"/> Ordinance 2 nd Reading Date: June 16, 2025 <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable	
		Comments: During a public hearing on May 14, 2025, Planning Commission unanimously recommended adoption of the Housing Needs and Capacity Analysis, Housing Production Strategy, and associated Comprehensive Plan text amendments.	
Staff Recommendation: Adoption of the City of Wilsonville 2025-2045 Housing Needs and Capacity Analysis as a sub-element of the Comprehensive Plan, related Comprehensive Plan text amendments, and the City of Wilsonville Housing Production Strategy.			
Recommended Language for Motions: Two separate motions: <ul style="list-style-type: none"> • I move to adopt Ordinance No. 898 on first reading. • I move to adopt Resolution No. 3203. 			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input checked="" type="checkbox"/> Adopted Master Plan(s): Comprehensive Plan	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

City Council will consider a recommendation from the Planning Commission to adopt the City of Wilsonville 2025-2045 Housing Needs and Capacity Analysis as a sub-element of the Comprehensive Plan, related Comprehensive Plan text amendments, and the City of Wilsonville Housing Production Strategy.

EXECUTIVE SUMMARY:

The purpose of the Housing Our Future project is to analyze Wilsonville's housing capacity and need followed by creating strategies to meet housing needs. The City's last Housing Needs Analysis was adopted in 2014. Since that time the City has taken several follow-up actions related to housing including completing Town Center and Frog Pond master plans and adopting the Equitable Housing Strategic Plan. This project builds on these past housing initiatives and newly adopted policies. The project is required for continued compliance with Statewide Planning Goal 10 (Housing) under House Bill 2003 adopted by the Oregon legislature in 2019.

The project includes two primary work products – the Housing Needs and Capacity Analysis (HNCA) and the Housing Production Strategy (HPS). The HNCA identifies unmet housing need in Wilsonville over the next 20 years, focusing on issues related to land need, as well as demographic change and housing affordability (Attachment 1, Exhibit A). Using the recommended actions of the 2020 Equitable Housing Strategic Plan (EHSP) as a starting point, the HPS proposes actions that Wilsonville can take to help address the unmet housing needs (Attachment 2, Exhibit A).

Based on an assessment of the City's buildable residential land and forecasted future household growth, the HNCA concludes that Wilsonville has sufficient land to accommodate household growth over the next 20 years. However, ongoing affordability challenges indicate that Wilsonville will need a wider range of housing price points than currently available, including income-restricted housing and other housing types such as accessory dwelling units, townhouses, duplexes, triplexes, quadplexes, and multifamily buildings with five or more units.

To inform the HPS, the City formed a project Task Force, composed of people involved in housing development and local non-profit service providers, to shape the development and selection of housing actions. To gather additional insight, the project team interviewed local service providers, non-profits, and educational institutions to better understand the City's unmet housing needs, particularly among low- to middle-income households, the Latino population, immigrants and refugees, people with disabilities, people experiencing homelessness, seniors, and college students. The City also reviewed other recent housing-related outreach, including community input from *Let's Talk, Wilsonville!*, public events, and focus groups. Based on this input, the City assessed actions that would be best suited to support the City's anticipated housing needs, with the aim of moving forward with a focused set of impactful actions to promote the development and preservation of affordable and attainable housing.

Upon reviewing this information, the project Task Force, Planning Commission, and City Council considered which actions would help meet the City's identified housing needs while being able to be implemented within the six-year period of the HPS, considering funding and staffing limitations. Based on this input, the HPS includes the following actions:

- **Planning Work Program Actions:** Actions A (rezoning land), B (housing variety), C (administrative review), D (accessibility incentives and requirements), and E (preserve affordability) involve policy decisions related to the Comprehensive Plan and/or Development Code. The Planning Division can incorporate these actions into its work program during the next six years, either as standalone projects or within broader projects. Together, these actions support the production of a variety of housing types at various price points and help preserve existing affordable housing units.
- **Foundational Actions for the Future:** Actions F (housing specialist) and G (funding source for housing) set the stage for a more comprehensive housing strategy. Action F focuses on developing requirements for a housing specialist, a key priority identified by the Task Force to support future housing initiatives. Action G would provide a dedicated source of funding for this position and future housing initiatives, reducing reliance on the City's General Fund. As several actions that were broadly supported by the Task Force, Planning Commission, and City Council in this process require additional housing-specific staff capacity and funding tools that the City does not currently have, it is critical to implement Actions F and G in this six-year HPS period.

The HPS includes a timeline for implementation of the actions along with a set of metrics to track progress. Halfway through the six-year HPS cycle, the City will submit a report to the Oregon Department of Land Conservation and Development (DLCD), summarizing the status of actions and the collected metrics.

Through this process, the Task Force and City Council identified four additional actions as priorities for future consideration. Creating a rental housing inspection program, expanding land disposition efforts, collaboration with a community land trust, and supporting homebuyer assistance were not included in the HPS due to the need for dedicated staff and funding, but they remain important strategies for addressing the City's housing needs. These actions depend on establishing a Housing Specialist (Action F) and a Funding Source for Housing (Action G). Rather than being part of this HPS, the City may work on these separately or revisit them in a future HPS. The City is not required to report on progress for these actions as a part of this HPS.

Incorporating feedback from Planning Commission and City Council work sessions held in April, the final HNCA and HPS include the following refinements:

- Edits to the Executive Summary in the HNCA to incorporate information on the percentage of renter households and the impact on median household income relative to the surrounding area
- Addition of an Executive Summary in the HPS
- Inclusion of additional statistics within HPS Exhibit 8, Populations with Unmet Housing Needs
- Refinement of HPS Action C to highlight consideration of public notification methods during implementation of this action
- Refinement of Action D to ensure consideration of strategies that would match accessible units to people needing them

- Addition of information about key findings on housing need from the 2022-2026 Clackamas County Coordinated Care Plan in Chapter 2 and Appendix B of the HPS
- Grammatical edits for clarity in both documents

Minor Comprehensive Plan text amendments will reflect the HNCA and HPS as the City's guiding documents for housing planning and compliance with Statewide Planning Goal 10 – Housing (Attachment 1, Exhibit B). The Findings Report demonstrates how the HNCA and Comprehensive Plan text amendments comply with applicable City, Metro, and State policies and regulations (Attachment 1, Exhibit C).

EXPECTED RESULTS:

Adoption of Ordinance No. 898, adopting the City of Wilsonville 2025-2045 Housing Needs and Capacity Analysis as a sub-element of the Comprehensive Plan and related Comprehensive Plan text amendments, along with adoption of Resolution No. 3203 adopting the City of Wilsonville Housing Production Strategy.

TIMELINE:

The HNCA and related Comprehensive Plan text amendments will be in effect 30 days after ordinance adoption on second reading, which is scheduled for June 16, 2025. The HPS will be in effect upon adoption of the resolution. Implementation of HPS actions will occur over the course of the next six years, with a mid-cycle progress report due to DLCD at the end of 2028.

CURRENT YEAR BUDGET IMPACTS:

A portion of City staff time in fiscal year (FY) 2024-25 is funded by a \$40,000 DLCD grant. Phase 3 consultant costs are funded directly by Department of Land Conservation and Development (DLCD) for a total estimated project cost of \$115,000. Additional project outreach costs of approximately \$10,000 are funded by the Planning Division's professional services budget.

COMMUNITY INVOLVEMENT PROCESS:

The Housing Our Future project has been guided by an inclusive public outreach process. Engagement included creation of a project task force, participation in a variety of public events, interviews, distribution of a housing conversation guide, and engagement through *Let's Talk, Wilsonville!* Outreach has been focused on engaging those most impacted by the high costs of housing, particularly those who are typically underrepresented in these conversations. A summary of the project's outreach is included in Attachment 2, Exhibit A, Appendix C.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

As a result of this project, the City has a clearer understanding of housing needs for the next 20 years and confirmed there is sufficient land area for the City to accommodate these needs. Creation of a HPS allowed the City to assess progress in implementing recommendations contained within the 2020 Equitable Housing Strategic Plan and prioritize additional actions the City can undertake to meet future housing needs of the community. Pursuit of strategies resulting from this project will continue Wilsonville's efforts to make housing more affordable and attainable for City residents and employees, helping ensure Wilsonville has housing opportunities for different household compositions, ages, abilities, and income ranges.

ALTERNATIVES:

Through consultation with the City Council and Planning Commission, the project team considered and evaluated numerous alternatives to support the City's future housing needs as identified in the HNCA and HPS. The recommended HPS includes actions best suited to meet the City's identified housing needs while being able to be implemented within the six-year period of the HPS, considering funding and staffing constraints. City Council can adopt the HNCA, HPS, and Comprehensive Text Amendments as presented, adopt with amendments, or continue the public hearing. The DLCDC grant funds consultant and staff time for the project through mid-June; therefore, any staff and consultant time required for continuation of the public hearing would be at the City's expense.

ATTACHMENTS:

1. Ordinance No. 898
 - A. [City of Wilsonville 2025-2045 Housing Needs and Capacity Analysis – May 2025](#)
 - B. [Housing Our Future Comprehensive Plan Text Amendments – May 2025](#)
 - C. [Findings Report](#)
 - D. [Planning Commission Resolution No. LP25-0001 and Record](#)
2. Resolution No. 3203
 - A. [City of Wilsonville Housing Production Strategy – May 2025](#)
 - B. [Planning Commission Resolution No. LP25-0001 and Record \(Same as Ordinance No. 898, Exhibit D\)](#)

ORDINANCE NO. 898**AN ORDINANCE OF THE CITY OF WILSONVILLE ADOPTING THE 2025-2045 HOUSING NEEDS AND CAPACITY ANALYSIS AS A SUB-ELEMENT OF THE COMPREHENSIVE PLAN AND RELATED COMPREHENSIVE PLAN TEXT AMENDMENTS.**

WHEREAS, Oregon law requires that state, regional, and local governments plan for housing needs for the people of the state; and

WHEREAS, the City of Wilsonville last undertook a Housing Needs Analysis in 2014, adopting the Wilsonville Residential Land Study as a sub-element of the Comprehensive Plan; and

WHEREAS, the City implemented the study's recommendations to support forecasted housing needs, including concept planning and Urban Growth Boundary expansion in Frog Pond East and South, adoption of the Town Center Plan, adoption of clear and objective residential development standards, and establishment of an Annual Housing Report; and

WHEREAS, the City continues to support development of a variety of housing types and price points through implementation of actions in the 2020 Equitable Housing Strategic Plan; and

WHEREAS, in 2019 the Oregon Legislature adopted House Bill 2003, establishing new requirements for cities throughout Oregon regarding Housing Needs Analyses and directing the Oregon Land Conservation and Development Commission to establish a schedule for cities to adopt new or updated Housing Capacity Analyses and Housing Production Strategies; and

WHEREAS, the City must adopt its Housing Needs and Capacity Analysis (HNCA) and Housing Production Strategy (HPS) no later than December 31, 2025; and

WHEREAS, the City refers to the combined project for an updated HNCA and HPS as "Housing Our Future"; and

WHEREAS, the HNCA identifies unmet housing need in Wilsonville over the next 20 years, focusing on issues related to land need, as well as demographic change and housing affordability; and

WHEREAS, the HNCA will replace the 2014 Wilsonville Residential Land Study as a sub-element of the Comprehensive Plan that is as part of the Comprehensive Plan, with full regulatory status as other elements of the Plan; and

WHEREAS, Comprehensive Plan text amendments are needed to reflect the replacement of the 2014 Wilsonville Residential Land Study with the 2025-2045 HNCA as the City's guiding document for housing planning; and

WHEREAS, the City will consider adoption of the HPS by resolution concurrently with this ordinance; and

WHEREAS, the adoption of the HNCA and HPS will result in continued compliance of the Wilsonville Comprehensive Plan with Statewide Planning Goal 10 – Housing; and

WHEREAS, to gather public input, the project team conducted interviews with local service providers, non-profits, and educational institutions to further inform the City's understanding of unmet housing needs, particularly among low- to middle-income households, the Latino population, immigrants and refugees, people with disabilities, people experiencing homelessness, seniors, and college students; and

WHEREAS, the City used a combination of online surveys, polls, and open houses, along with in-person community events and a community-led Housing Conversation Guide to gather additional input on housing needs and possible strategies; and

WHEREAS, a project Task Force composed of people involved in housing development and other non-profit service providers working in the Wilsonville community reviewed the results of this outreach and the HNCA, providing input on the development of the HPS; and

WHEREAS, the Planning Commission held four public work sessions, the City Council held seven public work sessions, and the Planning Commission and City Council held one joint work session for the Housing Our Future project, to review and provide input on the HNCA and HPS; and

WHEREAS, interested parties have been afforded the opportunity to participate and inform the development of the HNCA and HPS; and

WHEREAS, required notice of a public hearing has been provided to a list of interested parties and interested agencies, published in the *Wilsonville Spokesman*, posted on the City's website, and posted in a variety of public areas in City buildings, all in accordance with the public hearing and notice procedures that are set forth in Sections 4.012 and 4.198 of the Wilsonville Code; and

WHEREAS, following the timely mailing, posting, and publication of the required notice, the Planning Commission conducted a public hearing on May 14, 2025, to review the proposed HNCA, HPS, and Comprehensive Plan text amendments, and to gather additional testimony and evidence regarding the proposed amendments, and thereafter deliberated and voted to approve Resolution No. LP25-0001 recommending adoption to the City Council; and

WHEREAS, a copy of the record of the aforementioned Planning Commission action and recommendation is marked Exhibit D, attached hereto and incorporated by reference herein; and

WHEREAS, following the Planning Commission public hearing, the Planning Director forwarded the recommended Comprehensive Plan amendments onto the City Council, along with a Staff Report and attachments, in accordance with the public hearing and notice procedures that are set forth in Sections 4.008, 4.012 and 4.198 of the Wilsonville Code; and,

WHEREAS, the City Council, after public hearing notices advertised in printed media, emailed, and posted in several locations throughout the City and on the City website, held a public hearing on June 2, 2025, to review the HNCA and Comprehensive Plan text amendments, and to gather additional evidence and testimony regarding the proposed actions; and

WHEREAS, the City Council afforded all interested parties an opportunity to be heard on the subject and has entered all available evidence and testimony into the public record of its proceeding; and

WHEREAS, the City Council duly considered the Planning Commission recommendation and all the exhibits and testimony introduced and offered by all interested parties.

NOW, THEREFORE, THE CITY OF WILSONVILLE ORDAINS AS FOLLOWS:

Section 1. Findings. The above-recited findings are adopted and incorporated herein, including the findings attached hereto as Exhibit C, and the findings and conclusions of Resolution No. LP25-0001, its staff report, and public record attached hereto as Exhibit D and incorporated herein. The City Council further finds and concludes that the adoption of the HNCA and Comprehensive Plan text amendments is necessary for the good of the public of the municipality as described in Exhibit D.

Section 2. The City Council hereby adopts the HNCA as a sub-element of the City of Wilsonville Comprehensive Plan, attached hereto as Exhibit A.

Section 3. The Comprehensive Plan is hereby amended as shown in Exhibit B.

Section 4. The City Recorder is hereby directed to prepare final formatting to make sure such style and conforming changes match the format and style of the Wilsonville Comprehensive Plan.

Section 3. Effective Date. This Ordinance shall be declared to be in full force and effect thirty (30) days from the date of final passage and approval.

SUBMITTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of June, 2025, and scheduled the second reading on June 16, 2025, commencing at the hour of 7:00 p.m. at the Wilsonville City Hall, 29799 SW Town Center Loop East, Wilsonville, Oregon.

Kimberly Veliz, MMC, City Recorder

ENACTED by the City Council on the 16th day of June, 2025, by the following votes:

Yes: _____ No: _____

Kimberly Veliz, City Recorder

DATED and signed by the Mayor this 16th day of June, 2025.

Shawn O'Neil, Mayor

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Cunningham

Councilor Dunwell

Councilor Shevlin

EXHIBITS:

- A. [City of Wilsonville 2025-2045 Housing Needs and Capacity Analysis – May 2025](#)
- B. [Housing Our Future Comprehensive Plan Text Amendments – May 2025](#)
- C. [Findings Report](#)
- D. [Planning Commission Resolution No. LP25-0001 and Record](#)

RESOLUTION NO. 3203**A RESOLUTION OF THE CITY OF WILSONVILLE ADOPTING THE HOUSING PRODUCTION STRATEGY.**

WHEREAS, Oregon law requires that state, regional, and local governments plan for housing needs for the people of the state; and

WHEREAS, the City supports development of a variety of housing types and price points through adoption and implementation of the 2019 Town Center Plan, the 2020 Equitable Housing Strategic Plan, 2021 Middle Housing in Wilsonville Project, and 2022 Frog Pond East and South Master Plan; and

WHEREAS, in 2019 the Oregon Legislature adopted House Bill 2003, establishing new requirements for cities throughout Oregon regarding Housing Needs Analyses and directing the Oregon Land Conservation and Development Commission to establish a schedule for cities to adopt new or updated Housing Capacity Analyses and Housing Production Strategies; and

WHEREAS, the City must adopt its Housing Needs and Capacity Analysis (HNCA) and Housing Production Strategy (HPS) no later than December 31, 2025; and

WHEREAS, the City refers to the combined project for an updated HNCA and HPS as “Housing Our Future”; and

WHEREAS, the City will consider adoption of the HNCA by ordinance concurrently with this resolution; and

WHEREAS, the HPS proposes actions that Wilsonville can take to help address the unmet housing needs over the next six years, which, when combined with the City’s existing housing initiatives, achieves fair and equitable housing outcomes including location of housing, fair housing, housing choice, housing options for residents experiencing homelessness, affordable homeownership and affordable rental housing, and gentrification, displacement, and housing stability; and

WHEREAS, the adoption of the HNCA and HPS will result in continued compliance of the Wilsonville Comprehensive Plan with Statewide Planning Goal 10 – Housing; and

WHEREAS, to gather public input, the project team conducted interviews with local service providers, non-profits, and educational institutions to further inform the City’s

understanding of unmet housing needs, particularly among low- to middle-income households, the Latino population, immigrants and refugees, people with disabilities, people experiencing homelessness, seniors, and college students; and

WHEREAS, the City used a combination of online surveys, polls, and open houses, along with in-person community events and a community-led Housing Conversation Guide to gather additional input on housing needs and possible strategies; and

WHEREAS, a project Task Force composed of people involved in housing development and other non-profit service providers working in the Wilsonville community reviewed the results of this outreach and the HNCA, providing input on the development of the HPS; and

WHEREAS, the Planning Commission held four public work sessions, the City Council held seven public work sessions, and the Planning Commission and City Council held one joint work session for the Housing Our Future project, to review and provide input on the HNCA and HPS; and

WHEREAS, interested parties have been afforded the opportunity to participate and inform the development of the HNCA and HPS; and

WHEREAS, required notice of a public hearing has been provided to a list of interested parties and interested agencies, published in the *Wilsonville Spokesman*, posted on the City's website, and posted in a variety of public areas in City buildings, all in accordance with the public hearing and notice procedures that are set forth in Sections 4.012 and 4.198 of the Wilsonville Code; and

WHEREAS, following the timely mailing, posting, and publication of the required notice, the Planning Commission conducted a public hearing on May 14, 2025, to review the proposed HNCA, HPS, and Comprehensive Plan text amendments, and to gather additional testimony and evidence regarding the proposed amendments, and thereafter deliberated and voted to approve Resolution No. LP25-0001 recommending adoption to the City Council; and

WHEREAS, a copy of the record of the aforementioned Planning Commission action and recommendation is marked Exhibit B, attached hereto and incorporated by reference herein; and

WHEREAS, following the Planning Commission public hearing, the Planning Director forwarded the recommended HPS onto the City Council, along with a Staff Report and

attachments, in accordance with the public hearing and notice procedures that are set forth in Section 4.012 of the Wilsonville Code; and,

WHEREAS, the City Council, after public hearing notices advertised in printed media, emailed, and posted in several locations throughout the City and on the City website, held a public hearing on June 2, 2025, to review the HPS, and to gather additional evidence and testimony regarding the HPS; and

WHEREAS, the City Council afforded all interested parties an opportunity to be heard on the subject and has entered all available evidence and testimony into the public record of its proceeding; and

WHEREAS, the City Council duly considered the Planning Commission recommendation and all the exhibits and testimony introduced and offered by all interested parties.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

- Section 1. Findings. The above-recited findings are adopted and incorporated herein, including the findings and conclusions of Resolution No. LP25-0001, its staff report, and public record attached hereto as Exhibit B and incorporated herein.
- Section 2. Based on such findings, the City Council hereby adopts the HPS, attached hereto as Exhibit A.
- Section 3. Effective Date. This Resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of June, 2025, and filed with the Wilsonville City Recorder this date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, MMC, City Recorder

SUMMARY OF VOTES:

Mayor O’Neil

Council President Berry

Councilor Cunningham

Councilor Dunwell

Councilor Shevlin

EXHIBITS:

- A. [City of Wilsonville Housing Production Strategy – May 2025](#)
- B. [Planning Commission Resolution No. LP25-0001 and Record \(Same as Ordinance No. 898, Exhibit D\)](#)



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025	Subject: Resolutions Nos. 3198 & 3199 State Shared Revenue Staff Member: Katherine Smith, Assistant Finance Director Department: Finance	
Action Required <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: June 2, 2025 <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	Advisory Board/Commission Recommendation <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable Comments: Budget as approved by Budget Committee on May 13, 2025, including state shared revenue.	
Staff Recommendation: Staff recommends Council adopt Resolution Nos. 3198 and 3199.		
Recommended Language for Motion: Two separate motions: I move to adopt Resolution No. 3198. I move to adopt Resolution No. 3199.		
PROJECT / ISSUE RELATES TO:		
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input checked="" type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Public hearing on receipt and use of state shared revenues.

EXECUTIVE SUMMARY:

Oregon law requires the public be given two opportunities to comment on receiving state shared revenues and their proposed use. The first opportunity was extended during the Budget Committee meeting held on May 13, 2025. The second opportunity is offered in conjunction with the budget adoption.

The following table provides a summary of State Shared Revenue for fiscal year (FY) 2025-26:

Revenue	Fund Deposited	Amount
Gas Tax	Road Operating	\$2,181,000
Liquor Tax	General Fund	\$470,000
State Shared Revenue	General Fund	\$400,000
Cigarette Tax	General Fund	\$18,000

Possible uses for General Fund recognized liquor tax, state shared revenues, and cigarette tax include funding for Police, Parks and Building Maintenance, Library, Youth, Adult, and Senior Services, Policy and Administration Admin, Planning. Use of gas tax recognized in the Road Operating Fund is for road operations.

EXPECTED RESULTS:

Accompanying resolutions satisfy legal requirements to receive state shared revenues in FY 2025-26.

TIMELINE:

- April 24 and May 1, 2025: Public notice of the availability of the budget and Budget Committee meeting dates published in the Wilsonville Spokesman.
- May 7 and May 13, 2025: Meeting of the Budget Committee, public invited to comment, voted to approve the budget with no changes.
- May 22, 2025: Public notice of the meeting to adopt published in the Wilsonville Spokesman.
- June 2, 2025: Council meeting to receive public testimony and to adopt the budget, including accepting state shared revenue.

CURRENT YEAR BUDGET IMPACTS:

This will not affect the current budget.

COMMUNITY INVOLVEMENT PROCESS:

The opportunity for the public to address the Budget Committee pertaining to state shared revenues was offered at the meeting on May 7, 2025. No public testimony was received. Public comment will also be accepted at the June 2, 2025 City Council meeting.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

State revenues allow, in part, funding for the road operations program, facility and parks maintenance, law enforcement, parks and recreation services and library operations.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

- A. Resolution No. 3198
- B. Resolution No. 3199

RESOLUTION NO. 3198**A RESOLUTION DECLARING THE CITY’S ELIGIBILITY TO RECEIVE STATE SHARED REVENUES.**

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

- 1) Police protection;
- 2) Fire protection;
- 3) Street construction, maintenance, and lighting;
- 4) Sanitary sewer;
- 5) Storm sewers;
- 6) Planning, zoning and subdivision control;
- 7) One or more utility services; and

WHEREAS, City officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

That the Wilsonville City Council hereby declares that the City directly provides all of the municipal services enumerated above, save and except the provision of the City’s fire protection, which is through Tualatin Valley Fire & Rescue.

This resolution is effective upon adoption.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 2nd day of June, 2025 and filed with the Wilsonville City Recorder this same date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Dunwell

Councilor Cunningham

Councilor Shevlin

RESOLUTION NO. 3199**A RESOLUTION DECLARING THE CITY’S ELECTION TO RECEIVE STATE SHARED REVENUES.**

WHEREAS, the Budget Committee has reviewed and approved the proposed use of State Shared Revenues; and

WHEREAS, a public hearing has been held before the Budget Committee on May 7, 2025 to discuss possible uses of the funds and before the City Council on June 2, 2025 to obtain public input as to the proposed uses of State Shared Revenues.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Pursuant to ORS 221.770 the City of Wilsonville hereby elects to receive state shared revenues for the fiscal year 2025-26.
2. This resolution is effective upon adoption.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 2nd day of June, 2025 and filed with the Wilsonville City Recorder this same date.

Shawn O’Neil, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor O’Neil

Council President Berry

Councilor Dunwell

Councilor Cunningham

Councilor Shevlin



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025		Subject: Resolution No. 3200 City Budget Adoption for Fiscal Year 2025-2026 Staff Member: Katherine Smith, Assistant Finance Director Department: Finance	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: June 2, 2025 <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable Comments: Budget as approved by Budget Committee on May 13, 2025.	
Staff Recommendation: Staff recommends the Council adopt Resolution No. 3200.			
Recommended Language for Motion: I move to approve the fiscal year 2025-2026 proposed budget, in the total amount of \$228,927,800 (two hundred twenty-eight million, nine hundred twenty-seven thousand, eight hundred dollars); and levying the full amount of the city general tax rate of \$2.5206. (two dollars and fifty two zero six cents).			
PROJECT / ISSUE RELATES TO:			
<input checked="" type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Public hearing and adoption of the fiscal year 2025-2026 budget.

EXECUTIVE SUMMARY:

Following the Budget Committee vote to approve the budget, the City Council must hold a public hearing and receive comments on the budget prior to adoption. Council must adopt the budget no later than June 30, 2025.

The City of Wilsonville's budget was approved by the Budget Committee in the amount of \$228,927,800. A comprehensive table displaying the budget is on page 23 in the budget document.

Of the total adopted budget of \$228,927,800, the City appropriates \$218,142,696 for the fiscal year beginning July 1, 2025, as shown in Exhibit A – Schedule of Appropriations. The difference of \$10,785,104 is not appropriated and is not available for expenditure during the year.

By law, the Council may make changes in the approved budget within certain limitations: (1) taxes may not be increased over the amount approved by the budget committee, and (2) estimated expenditures in a fund cannot be increased by more than \$5,000 or 10 percent, whichever is greater. The Council can reduce the budget from that approved by the Budget Committee.

EXPECTED RESULTS:

Create the budget for operating and capital purposes for the fiscal year (FY) 2025-2026.

TIMELINE:

- April 24, 2025 and May 1, 2025 – Public notice of the availability of the budget and Budget Committee meeting dates published in the Wilsonville Spokesman.
- May 7, 2025 and May 13, 2025 – Meeting of the Budget Committee, presentation of budget message, an opportunity for public to testify, voted to approve budget with no changes.
- May 22, 2025 – Public notice of the meeting to adopt published in the Wilsonville Spokesman.
- June 2, 2025 – Council meeting to receive public testimony, and consider Resolution to adopt the budget.

COMMUNITY INVOLVEMENT PROCESS:

The opportunity for the public to address the Budget Committee was offered at the meetings on May 7, 2025 and May 13, 2025. Four public comments were received. The public may also attend the June 2, 2025 public hearing on the City's budget.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The budget provides for the delivery of services and construction of capital projects throughout the community.

BUDGET COMMITTEE ACTIONS:

The Budget Committee approved the Proposed Budget for FY 2025-2026 with an 8-1-0 vote at the May 13, 2025 meeting.

CURRENT YEAR BUDGET IMPACTS:

Does not affect the current year budget.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 3200
 - A. Schedule of Appropriations

RESOLUTION NO. 3200

A RESOLUTION OF THE CITY OF WILSONVILLE ADOPTING THE BUDGET, MAKING APPROPRIATIONS, DECLARING THE AD VALOREM TAX LEVY, AND CLASSIFYING THE LEVY AS PROVIDED BY ORS 310.060(2) FOR FISCAL YEAR 2025-26.

WHEREAS, in accordance with ORS 294.426 the Wilsonville Budget Committee met on May 7, 2025 and May 13, 2025 to receive public testimony, hear the budget message and listen to presentations pertaining to the proposed budget for Fiscal Year 2025-26; and,

WHEREAS, the Budget Committee deliberated on the proposed budget on May 7, 2025 and on May 13, 2025; and

WHEREAS, the Budget Committee approved the proposed budget on May 13, 2025; and

WHEREAS, the proposed budget document included the Comprehensive Financial Management Policies which specifies certain reserves and contingency balances for operating funds and such amounts were included in the approved budget, and

WHEREAS, on May 22, 2025, a summary of the budget, as required by ORS 294.438, was duly published in the Pamplin Media, formerly the Wilsonville Spokesman, a newspaper of general circulation in the City; and,

WHEREAS, in accordance with ORS 294.456 the Wilsonville City Council duly held a public hearing on June 2, 2025 where all interested persons were afforded an opportunity to appear and be heard with respect to the approved budget for the fiscal year beginning July 1, 2025.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The Council adopts the budget for FY 2025-26 in the total amount of \$228,927,800.
2. Of the total adopted budget of \$228,927,800, the City appropriates \$218,142,696 for the fiscal year beginning July 1, 2025, as shown in Exhibit A – Schedule of Appropriations. The difference of \$10,785,104 is not appropriated and is not available for expenditure during the year.

3. The City of Wilsonville City Council hereby imposes the taxes provided for in the Adopted Budget at the rate of \$2.5206 per \$1,000 of assessed value for general operations; and that these taxes are hereby imposed and categorized for the tax year 2025-26 upon the assessed value of all taxable property in the City.

	<u>General Government Limit</u>
General Fund	\$2.5206 / \$1,000

4. In compliance with the City's Financial Management Policies certain contingencies, reserves and carryover balances are established as part of the budget process. These balances are matched to the Governmental Accounting Standards Board (GASB) Pronouncement Number 54 standard terminology as set forth below.

- a. GASB Restricted category includes amounts for which an external source has created a legal restriction on available balances, such as for bond covenants and taxes restricted to payment of debt. Within the budget document such amounts are titled Restricted.
- b. GASB Committed category includes amounts for which Council has approved by resolution. Only a subsequent council resolution may change the amount or intended use. Within the budget document such amounts are titled Committed (unappropriated). The Committed (unappropriated) is also referred to as the unappropriated ending fund balance and serves as a carryover from one fiscal year to the next.
- c. GASB Assigned category includes amounts which are designated but for which a resolution has not been adopted. Authority is hereby granted to the City Council, City Manager and the Finance Director for the purpose of setting aside resources for specific future needs, such as equipment and building replacements and prudent financial reserves. Within the budget document such amounts are titled Assigned (designated) and Assigned (contingency). Assigned (designated) purpose is identified on page 259 of the Proposed Budget document. Assigned (contingency) is the portion of appropriations available for use during a fiscal year if approved through Council Resolution.

- d. GASB Unassigned category is used exclusively in the General Fund and has the same meaning as Assigned (contingency) in paragraph (c) above.
 - e. City Council considers the spending of the restricted classification of fund balance on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the Council will consider that assigned amounts will be reduced first, followed by unassigned amounts and then committed amounts.
5. This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regularly scheduled meeting thereof this 2nd day of June, 2025 and filed with the City Recorder this date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Dunwell

Councilor Cunningham

Councilor Shevlin

ATTACHMENT:

- A. Schedule of Appropriations

General Fund

Administration	\$	2,713,191	
Finance		2,247,636	
Information Technology/GIS		2,021,215	
Legal		894,710	
Human Resources and Risk Management		1,390,650	
Public Works Administration		1,178,310	
Facilities		2,315,294	
Parks Maintenance		2,964,012	
Parks & Recreation		2,245,194	
Library		3,047,236	
Law/Code Enforcement		7,450,424	
Municipal Court		254,570	
Transfers to Other Funds		4,049,122	
Contingency		5,332,394	
Total Fund Appropriations			\$ 38,103,958

Community Development Fund

C.D. Administration	\$	547,690	
Engineering		2,872,890	
Planning		1,591,930	
Transfers to Other Funds		1,085,714	
Contingency		1,240,913	
Total Fund Appropriations			\$ 7,339,137

Building Inspection Fund

Building Inspection	\$	1,391,675	
Transfers to Other Funds		422,808	
Contingency		2,929,352	
Total Fund Appropriations			\$ 4,743,835

Transit Operations Fund

Transit	\$	9,944,118	
Transfers to Other Funds		2,691,600	
Contingency		12,861,728	
Total Fund Appropriations			\$ 25,497,446

Road Operating Fund

Road Operations	\$	1,407,864	
Debt Service		360,000	
Transfers to Other Funds		1,020,195	
Contingency		409,765	
Total Fund Appropriations			\$ 3,197,824

Road Maintenance Fund

Transfers to Other Funds	\$	2,392,000	
Contingency		4,743,471	
Total Fund Appropriations			\$ 7,135,471

Water Operating Fund

Water Distribution	\$	1,914,912	
Water Treatment Plant		4,837,799	
Debt Service		375,000	
Transfers to Other Funds		2,322,263	
Contingency		10,599,201	
Total Fund Appropriations			\$ 20,049,175

Sewer Operating Fund

Wastewater Collections	\$	1,341,902		
Wastewater Treatment Plant		3,937,430		
Debt Service		2,886,000		
Transfers to Other Funds		13,513,137		
Contingency		6,104,305		
Total Fund Appropriations			\$	27,782,774

Street Lighting Operating Fund

Street Lighting	\$	367,290		
Transfers to Other Funds		702,850		
Contingency		230,965		
Total Fund Appropriations			\$	1,301,105

Stormwater Fund

Stormwater Maintenance	\$	1,374,824		
Debt Service		325,000		
Transfers to Other Funds		4,392,135		
Contingency		3,509,995		
Total Fund Appropriations			\$	9,601,954

Fleet Service Fund

Fleet	\$	2,527,570		
Contingency		661,551		
Total Fund Appropriations			\$	3,189,121

Water Capital Projects Fund

Capital Projects	\$	3,319,731		
Transfers to Other Funds		827,480		
Total Fund Appropriations			\$	4,147,211

Sewer Capital Projects Fund

Capital Projects	\$	12,985,881		
Transfers to Other Funds		1,135,503		
Total Fund Appropriations			\$	14,121,384

Road Capital Projects Fund

Capital Projects	\$	11,531,377		
Debt Service		469,940		
Transfers to Other Funds		1,066,585		
Total Fund Appropriations			\$	13,067,902

Stormwater Capital Projects Fund

Capital Projects	\$	3,524,515		
Transfers to Other Funds		529,700		
Total Fund Appropriations			\$	4,054,215

Facilities Capital Projects Fund

Capital Projects	\$	4,238,300		
Transfers to Other Funds		131,200		
Total Fund Appropriations			\$	4,369,500

Parks Capital Projects Fund

Capital Projects	\$ 2,841,283	
Transfers to Other Funds	187,400	
Total Fund Appropriations		\$ 3,028,683

Water Development Charges Fund

Materials & Services	\$ 14,570	
Debt Service	453,000	
Transfers to Other Funds	1,691,894	
Total Fund Appropriations		\$ 2,159,464
Reserved for Future Expenditures	536,816	
Total Budget		\$ 2,696,280

Sewer Development Charges Fund

Materials & Services	\$ 12,380	
Transfers to Other Funds	1,733,967	
Total Fund Appropriations		\$ 1,746,347
Reserved for Future Expenditures	44,155	
Total Budget		\$ 1,790,502

Road Development Charges Fund

Materials & Services	\$ 40,760	
Transfers to Other Funds	7,511,825	
Total Fund Appropriations		\$ 7,552,585
Reserved for Future Expenditures	2,018,011	
Total Budget		\$ 9,570,596

Washington County TDT Fund

Reserved for Future Expenditures	2,919,654	
Total Budget		\$ 2,919,654

Frog Pond West Fund

Materials & Services	\$ 19,540	
Transfers to Other Funds	1,234,346	
Total Fund Appropriations		\$ 1,253,886
Reserved for Future Expenditures	1,935,795	
Total Budget		\$ 3,189,681

Stormwater Development Charges Fund

Materials & Services	\$ 5,650	
Transfers to Other Funds	539,880	
Total Fund Appropriations		\$ 545,530
Reserved for Future Expenditures	3,380,033	
Total Budget		\$ 3,925,563

Parks Development Charges Fund

Materials & Services	\$ 9,490	
Transfers to Other Funds	889,057	
Total Fund Appropriations		\$ 898,547
Reserved for Future Expenditures	2,421,178	
Total Budget		\$ 3,319,725

Total City Appropriations - including Contingency	\$ 204,887,054
Total Reserved for Future Expenditures	\$ 13,255,642
Total City of Wilsonville Budget	\$ 218,142,696



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 2, 2025		Subject: Resolution No. 3201 Supplemental Budget Adjustment Staff Member: Katherine Smith, Assistant Finance Director Department: Finance	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: June 2, 2025 <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Staff recommends Council adopt Resolution No. 3201.			
Recommended Language for Motion: I move to adopt Resolution No. 3201.			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

A supplemental budget resolution for the fiscal year 2024-2025 budget year.

EXECUTIVE SUMMARY:

Oregon's Local Budget Law allows the Council to amend the adopted budget for an occurrence or condition that was not known at the time the budget was adopted. A special hearing must be held to discuss and adopt the supplemental budget. The governing body holds a public hearing although the budget committee is not required to be involved. Public notice of the hearing must be published 5 to 30 days before the hearing. The governing body enacts a resolution to adopt the supplemental budget after the hearing.

This supplemental budget includes anticipated changes to legal appropriations of \$2,327,840. This includes:

- An Increase in current year requirements and coinciding resources (grant funding) for the SMART Yard Expansion (CIP 8148), which is trending ahead of schedule – \$1,552,500
- Recording of General Fund and Community Development Fund overhead, for various capital improvement projects - \$775,340

EXPECTED RESULTS:

The supplemental budget adjustment adopted by the Council at a regularly scheduled meeting.

TIMELINE:

As required by Local Budget Law, a notice for the public hearing has been published in the Wilsonville Spokesman on May 22, 2025. The adoption of the Supplemental Budget Adjustment is required prior to the end of the fiscal year, June 30, 2025.

CURRENT YEAR BUDGET IMPACTS:

See details outlined in Exhibit A.

COMMUNITY INVOLVEMENT PROCESS:

The public hearing will be held on June 2, 2025, as a part of the adoption process.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The amended budget provides for the delivery of services and construction of capital projects throughout the community.

ALTERNATIVES:

Not approving the attached supplemental budget could result in overspending current budget appropriations. The City is required to disclose all excess expenditures over appropriations in the Annual Comprehensive Financial Report (ACFR).

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 3201
 - A. Exhibit A - Need, Purpose and Amount: Detail by Fund & Category

RESOLUTION NO. 3201**A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING A SUPPLEMENTAL BUDGET ADJUSTMENT FOR FISCAL YEAR 2024-25.**

WHEREAS, the City adopted a budget and appropriated funds for fiscal year 2024-25 by Resolution No. 3201; and

WHEREAS, certain expenditures are expected to exceed the original adopted budget in some of the City's funds and budgetary transfers are necessary within these funds to provide adequate appropriation levels to expend the unforeseen costs; and

WHEREAS, ORS 294.463 provides that a city may adjust appropriations within appropriation categories provided the enabling resolution states the need for the adjustment, purpose of the expenditure and corresponding amount of appropriation; and,

WHEREAS, all transfers from contingencies within the fiscal year to date that exceed fifteen percent (15%) of the fund's total appropriations are included in the supplemental budget adjustment request; and,

WHEREAS, all expenditure transfers within the fiscal year to date in aggregate exceed ten percent (10%) of the fund's total expenditures are included in the supplemental budget adjustment request; and,

WHEREAS, consistent with local budget law and based upon the foregoing, the staff report in this matter and public hearing input, the public interest is served in the proposed supplemental budget adjustment,

WHEREAS, to facilitate clarification of the adjustments in this resolution, Attachment A to this resolution provides a summary by fund of the appropriation categories affected by the proposed transfer of budget appropriation and the purpose of the expenditure.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

The City amends and adjusts the estimated revenues and appropriations within the funds and categories delineated and set forth in Attachment A, attached hereto and incorporated by reference herein as if fully set forth.

This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd of June, 2025, and filed with the Wilsonville City Recorder this date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Dunwell

Councilor Shevlin

Councilor Cunningham

EXHIBIT:

A. Need, Purpose and Amount: Detail by Fund & Category

ATTACHMENT A

NEED, PURPOSE AND AMOUNT: DETAIL BY FUND & CATEGORY

	Current Appropriations	Change in Appropriations	Amended Appropriations
110-General Fund			
Resources			
Taxes	\$ 16,395,000	\$ -	\$ 16,395,000
Licenses and permits	176,700	-	176,700
Intergovernmental	3,299,090	-	3,299,090
Charges for services	439,822	-	439,822
Other Revenues	204,070	-	204,070
Fines and forfeitures	190,000	-	190,000
Investment Revenue	620,000	-	620,000
Proceeds of interfund loan	1,015,100	-	1,015,100
Transfers in	5,068,179	425,770	5,493,949
Fund balances - beginning	18,958,248	-	18,958,248
Total Resources	<u>\$ 46,366,209</u>	<u>\$ 425,770</u>	<u>\$ 46,791,979</u>
Requirements			
Administration	\$ 2,564,212	\$ -	\$ 2,564,212
Finance	2,134,078	-	2,134,078
Information Technology/GIS	1,839,162	-	1,839,162
Legal	843,350	-	843,350
Human Resources and Risk Manager	1,228,920	-	1,228,920
Public Works Administration	1,117,514	-	1,117,514
Facilities	2,254,335	-	2,254,335
Parks Maintenance	2,915,379	-	2,915,379
Parks & Recreation	2,313,429	-	2,313,429
Library	2,823,416	-	2,823,416
Law/Code Enforcement	6,914,522	-	6,914,522
Municipal Court	232,980	-	232,980
Transfers to Other Funds	12,406,770	-	12,406,770
Contingency	2,752,442	425,770	3,178,212
Unappropriated	4,025,700	-	4,025,700
Total Requirements	<u>\$ 46,366,209</u>	<u>\$ 425,770</u>	<u>\$ 46,791,979</u>

Resource increases are due to overhead from capital improvement project (CIP) changes.

231-Community Development Fund**Resources**

Licenses and permits	\$	668,567	\$	-	\$	668,567
Intergovernmental		265,000		-		265,000
Charges for services		443,006		-		443,006
Investment Revenue		70,000		-		70,000
Transfers in		4,048,900		402,070		4,450,970
Fund balances - beginning		1,790,716		-		1,790,716
Total Resources	\$	7,286,189	\$	402,070	\$	7,688,259

Requirements

C.D. Administration	\$	717,944	\$	-	\$	717,944
Engineering		2,631,206		-		2,631,206
Planning		1,382,100		-		1,382,100
Transfers to Other Funds		860,186		-		860,186
Contingency		748,453		402,070		1,150,523
<i>Unappropriated</i>		946,300		-		946,300
Total Requirements	\$	7,286,189	\$	402,070	\$	7,688,259

Resource increases are due to overhead from capital improvement project (CIP) changes.

260-Transit Operations Fund**Resources**

Taxes	\$	6,200,000	\$	-	\$	6,200,000
Intergovernmental		3,683,000		1,500,000		5,183,000
Charges for services		20,000		-		20,000
Investment Revenue		645,000		-		645,000
Other Revenues		16,000		-		16,000
Fund balances - beginning		18,128,610		-		18,128,610
Total Resources	\$	28,692,610	\$	1,500,000	\$	30,192,610

Requirements

Transit	\$	10,551,221	\$	-	\$	10,551,221
Transfers to Other Funds		5,044,080		1,552,500		6,596,580
Contingency		11,393,009		(52,500)		11,340,509
<i>Unappropriated</i>		1,704,300		-		1,704,300
Total Requirements	\$	28,692,610	\$	1,500,000	\$	30,192,610

Increase in requirements and coinciding resources (grant funding) in the current fiscal year, for the SMART Yard Expansion (CIP 8148), which is trending ahead of schedule.

515-Water Capital Projects Fund**Requirements**

Capital Projects	\$	21,106,064	\$	-	\$	21,106,064
Transfers to Other Funds		1,103,893		385,710		1,489,603
Contingency		760,279		(385,710)		374,569
Total Requirements	\$	22,970,236	\$	-	\$	22,970,236

Requirement increases for removing the potential overhead delay.

525-Sewer Capital Projects Fund**Requirements**

Capital Projects	\$	5,854,901	\$	-	\$	5,854,901
Transfers to Other Funds		291,183		218,690		509,873
Contingency		299,011		(218,690)		80,321
Total Requirements	\$	<u>6,445,095</u>	\$	<u>-</u>	\$	<u>6,445,095</u>

Requirement increases for removing the potential overhead delay.

575-Stormwater Capital Projects Fund**Requirements**

Capital Projects	\$	2,526,993	\$	-	\$	2,526,993
Transfers to Other Funds		299,620		103,410		403,030
Contingency		264,094		(103,410)		160,684
Total Requirements	\$	<u>3,090,707</u>	\$	<u>-</u>	\$	<u>3,090,707</u>

Requirement increases for removing the potential overhead delay.

335-Facilities Capital Projects Fund**Resources**

Investment Revenue	\$	120,500	\$	-	\$	120,500
Transfers in		9,618,671		1,552,500		11,171,171
Fund balances - beginning		281,499		-		281,499
Total Resources	\$	<u>10,020,670</u>	\$	<u>1,552,500</u>	\$	<u>11,573,170</u>

Requirements

Capital Projects	\$	9,432,196	\$	1,500,000	\$	10,932,196
Transfers to Other Funds		150,985		87,990		238,975
Contingency		437,489		(35,490)		401,999
Total Requirements	\$	<u>10,020,670</u>	\$	<u>1,552,500</u>	\$	<u>11,573,170</u>

Requirement increases are to fund the SMART Yard Expansion (CIP 8148) with a transfer in from Transit.