



TUALATIN
CHAMBER of COMMERCE

27 February 2023

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

Dear Mayor and Councilors:

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

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

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

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

Sincerely,

Anneleah Jaxen
CEO
Tualatin Chamber of Commerce

Skip Stanaway
Chair
Board of Directors

Susan Noack
Chair
Business Advocacy Council



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

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

Dear Councilors,

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

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

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

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

BUSINESS EXPANSION AND RETENTION:

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



ECONOMIC BENEFITS:

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

REDUCED TRAFFIC AND FUNDED TRAFFIC IMPROVEMENTS:

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

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

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

Sincerely,



Ryan Schera
AVP, Development





To: BAC, Tualatin Chamber of Commerce

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

Dear BAC Members,

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

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

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

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

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

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

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

Best Regards

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

Stu Peterson
Partner Macadam Forbes



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

Dear Councilors,

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

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

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

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

Thank you for the opportunity to provide this testimony.

Sincerely,

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

Elizabeth Mazzara Myers, Executive Director

Steve Koper

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

Importance: High

Steve,

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

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

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

The preliminary findings are:

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

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

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

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

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

TDC 65.210. Additional Limitations on Uses.

[...]

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

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

Thank you and have a good weekend.

Ryan Schera

AVP, Development

Schnitzer Properties

Formerly Harsch Investment Properties

Phone 503.973.0258 Cell 503.327.3240

Email RyanS@SchnitzerProperties.com

Web www.SchnitzerProperties.com

1121 SW Salmon Street • Portland, OR 97205

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

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

Subject: RE: Basalt Creek Employment potential code changes

[EXTERNAL]

Hi Ryan,

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

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

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

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

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

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

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

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

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

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

TDC 65.210. Additional Limitations on Uses.

[...]

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

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

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

(5) Warehouse and Freight Movement.

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

(6) Wholesale Sales.

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

Best,

-Steve

Steve Koper, AICP

Assistant Community Development Director
City of Tualatin | Planning Division
503.691.3028 | www.tualatinoregon.gov

From: Steve Koper

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

To: 'ryans@schnitzerproperties.com' <ryans@schnitzerproperties.com>

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

Subject: Basalt Creek Employment potential code changes

Hi Ryan,

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

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

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

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

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

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	Advanced manufacturing uses limited to: <ul style="list-style-type: none"> • Casting or fabrication of metals, including electroplating. • Other similar uses as determined by application of TDC 31.070.
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TDC 65.210. Additional Limitations on Uses.

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

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

(5) Warehouse and Freight Movement.

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

Best,
-Steve

Steve Koper, AICP
Assistant Community Development Director

