

Basalt Creek MP Zone Update

Project Summary, Initial Findings, Next Steps

Tualatin City Council • May 23, 2022



This Evening's Discussion

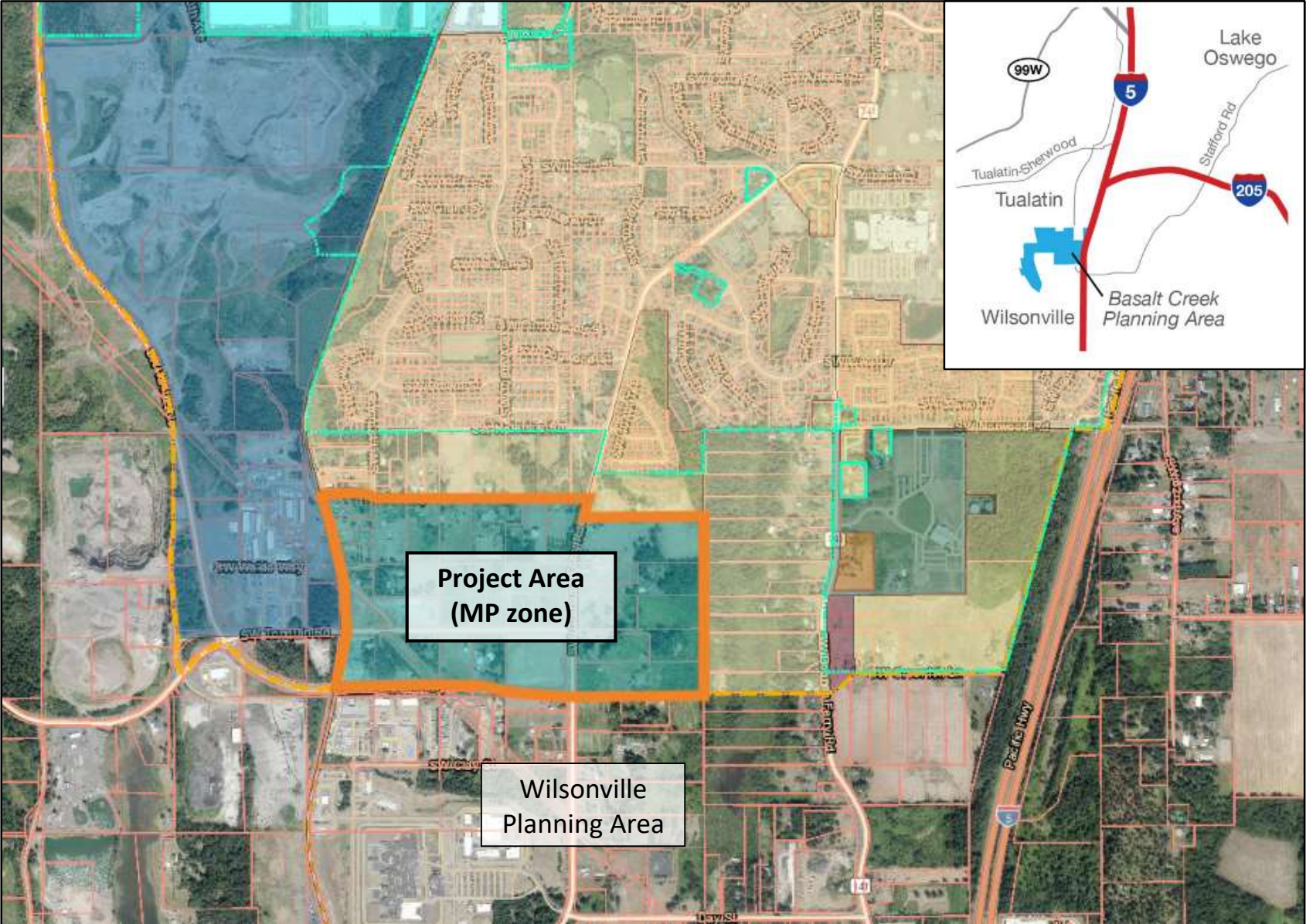
- **Project Background and Purpose**
- **Planning Process**
- **Preliminary Findings of Economic Analysis**
- **Next Steps**

The background of the slide is a photograph of a desk. In the foreground, there are several stacks of papers and documents, some of which are open. To the right, there is a white ceramic cup. In the background, a small potted plant is visible on the desk. The overall lighting is soft and warm, creating a professional and focused atmosphere.

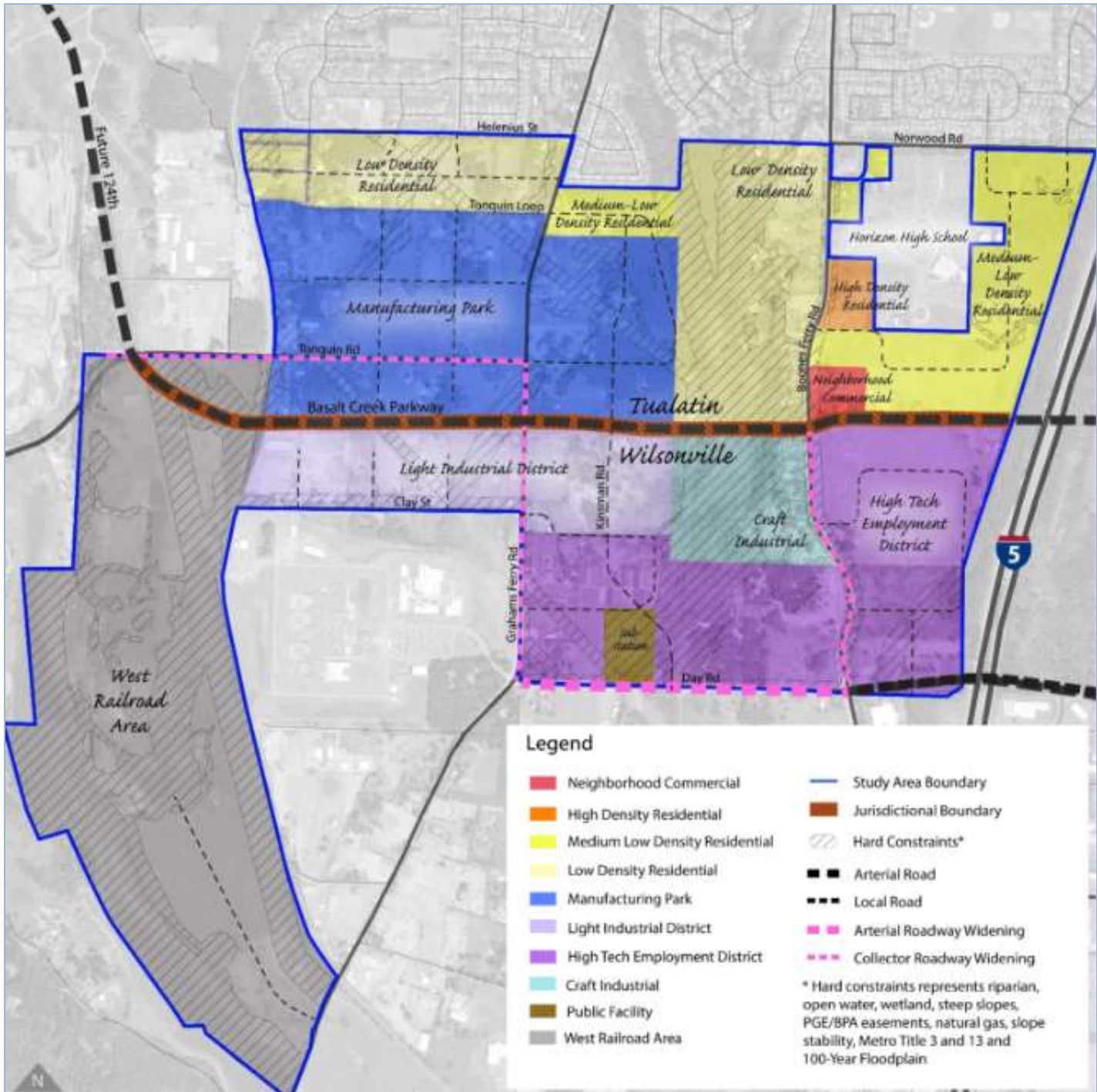
Background and Purpose

How Planning and Policy
Priorities Apply to the MP Zone

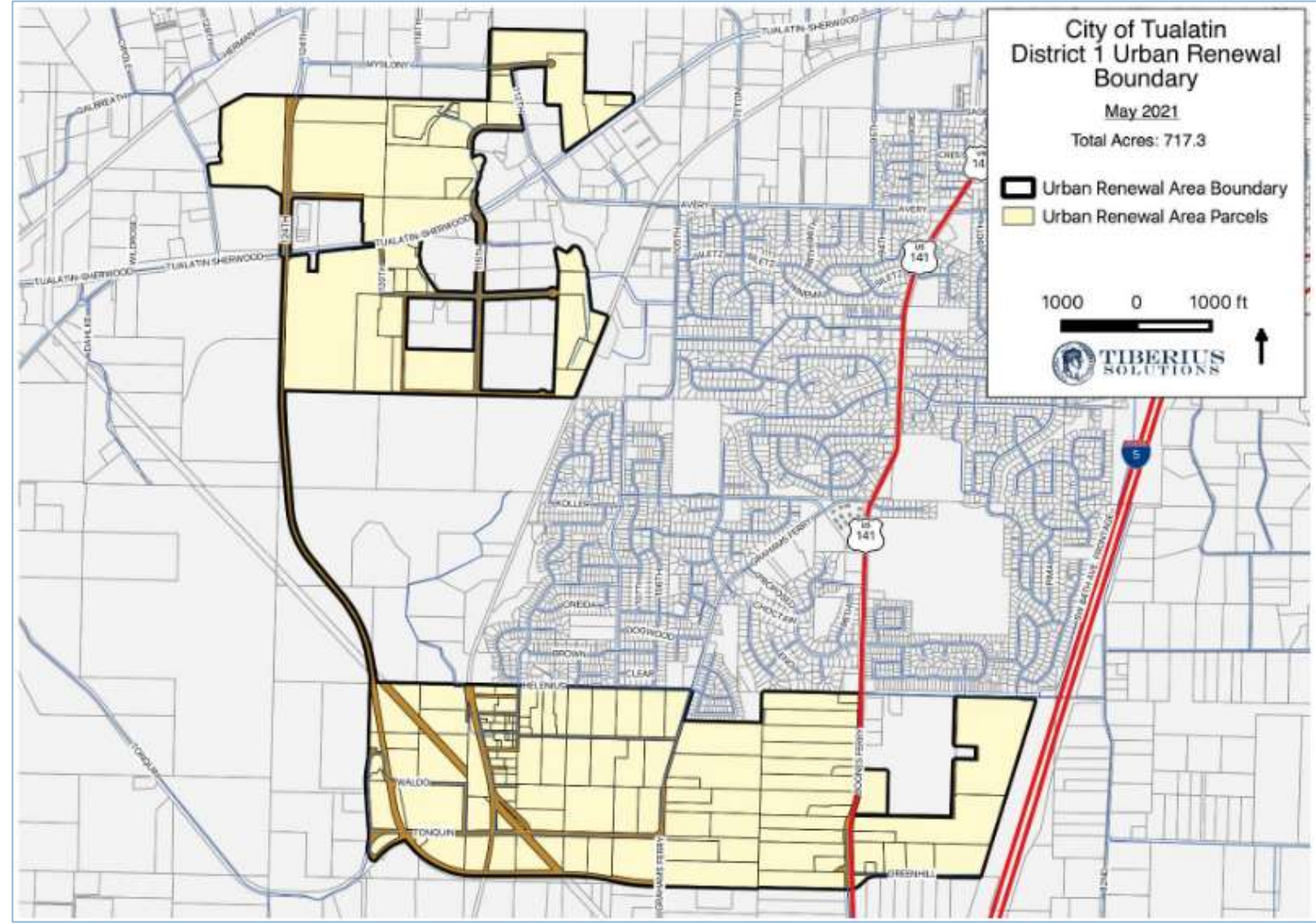
Project Focus



Basalt Creek Concept Plan (2018)



Southwest and Basalt Creek Development Area Plan (2021)



Priorities from Previous Plans

High
employment
density

Funding for
infrastructure
improvements

Minimizing
conflict
between uses

MP Zone



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



Planning Process

Project Approach, Community
Engagement, Schedule

Project Components

Code audit of existing MP zone

HHPR



Economic analysis

Leland Consulting Group



Transportation Planning Rule Analysis

DKS Associates



Draft code amendments

Project Team

Engagement Strategy



Making the most of being remote



Direct outreach to affected stakeholders



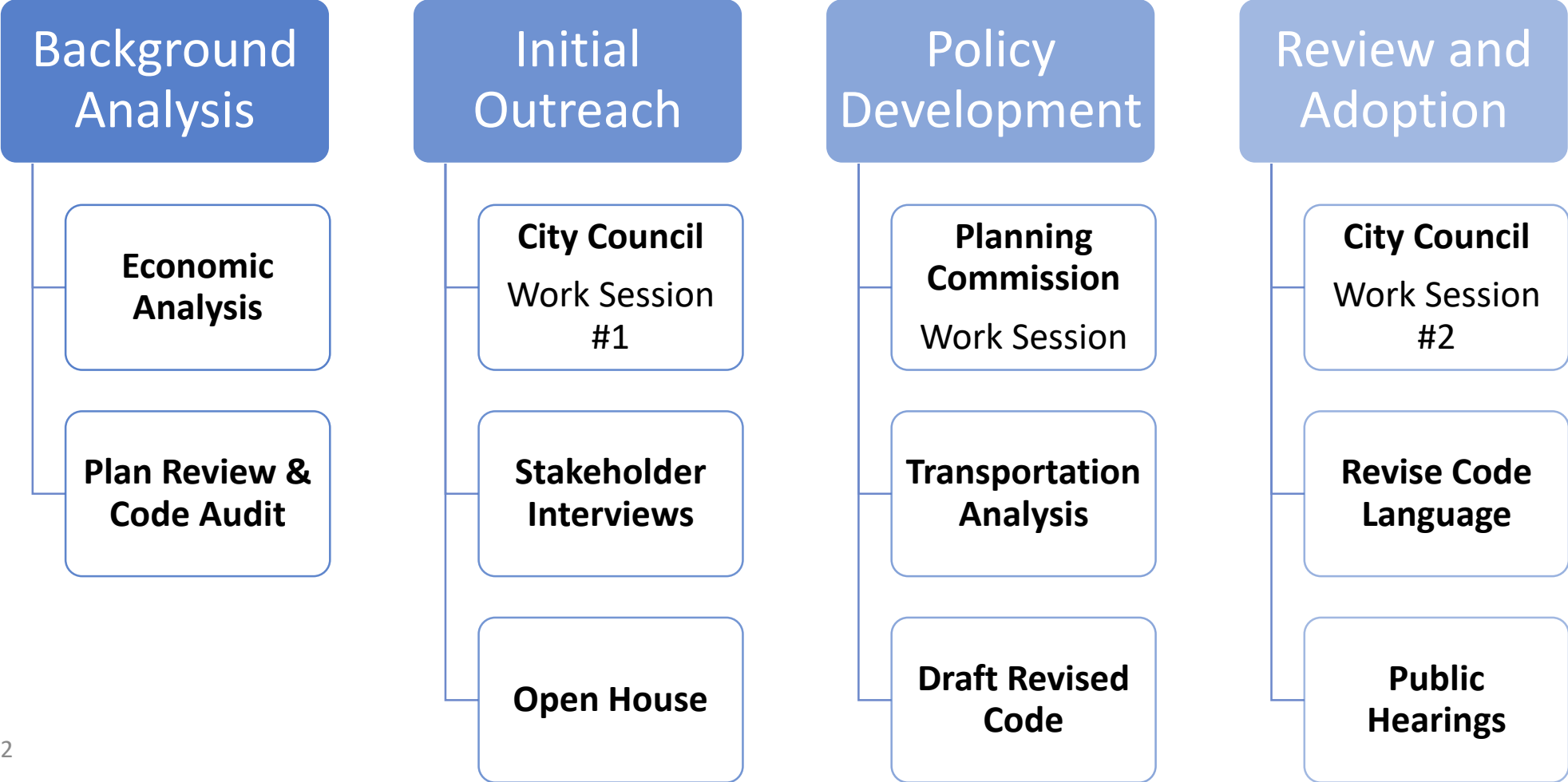
Engagement for broader community – multimedia project information and feedback hub



Recognizing underrepresented communities in engaging project participants and in considering potential policy outcomes

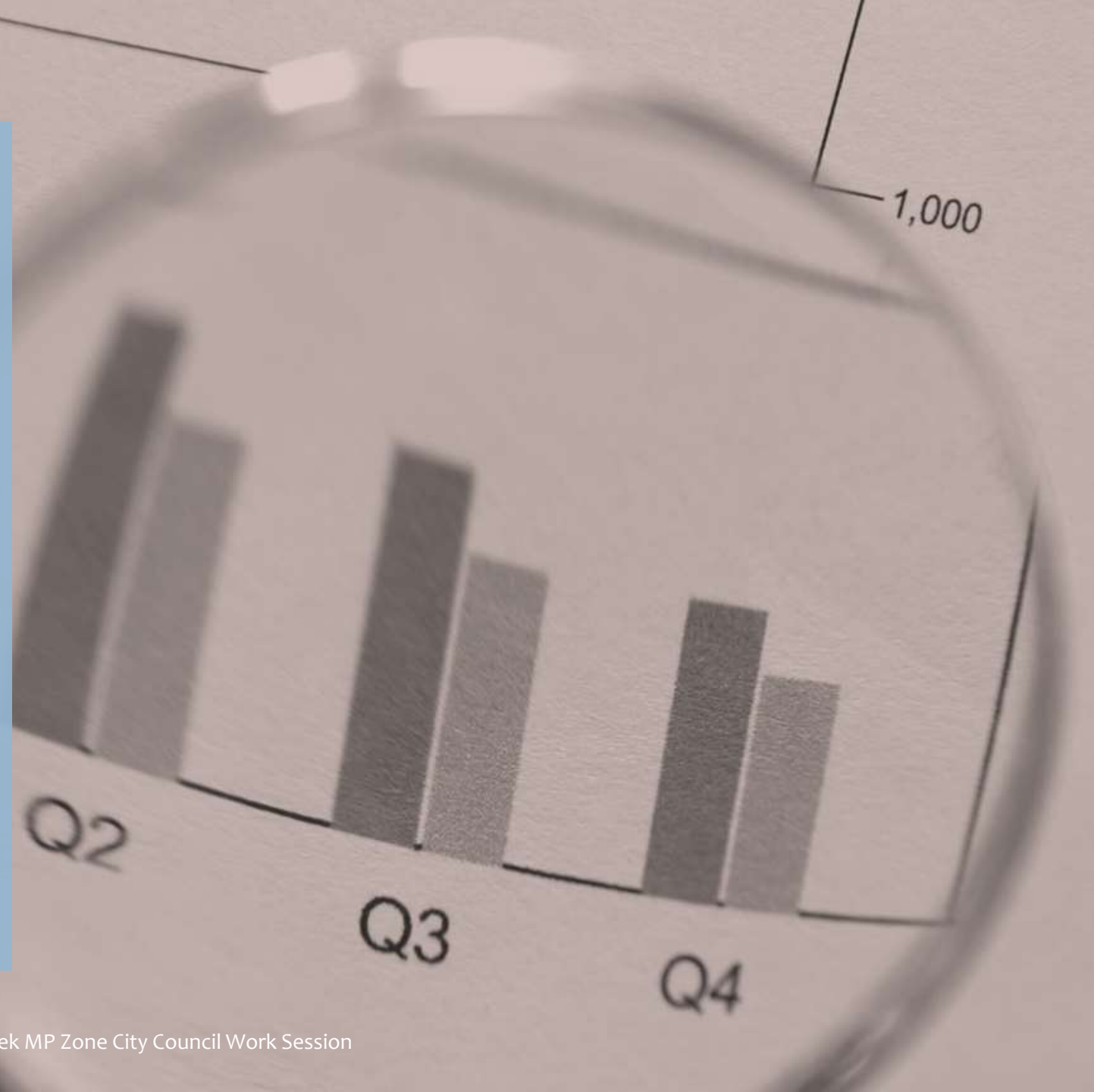
Project Schedule

City of Tualatin – MP Zone Update



Economic Analysis

Preliminary Findings



Industrial Market Overview

Historic levels of demand for industrial warehouse, distribution, and logistics for ecommerce

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

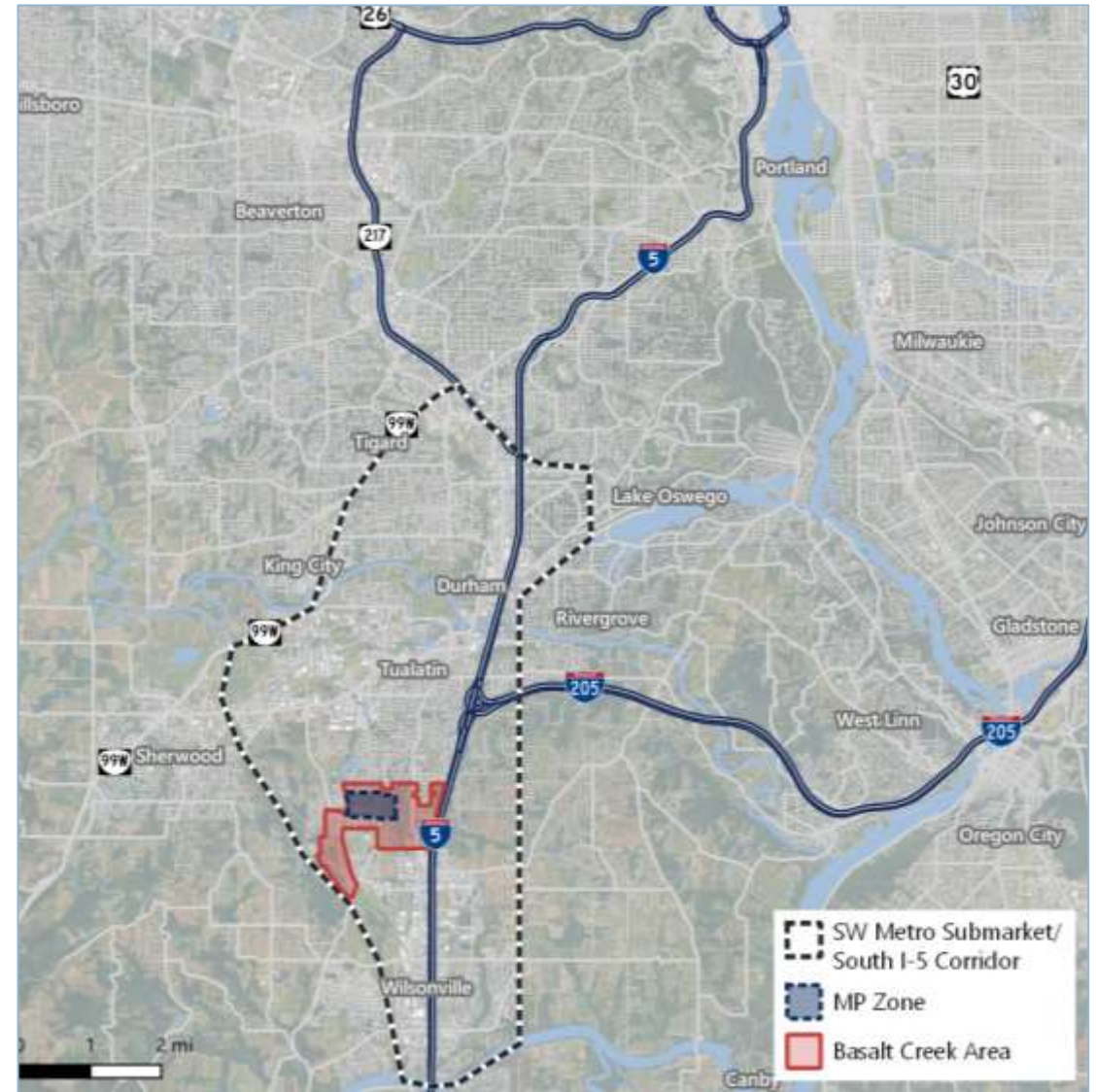
Constrained land supply has reduced amount of industrial land developed and pushed activity toward more difficult parcels, and secondary markets (Salem, Woodburn, Newberg, etc.)

SW Metro Submarket

One of the most diverse industrial submarkets in Oregon

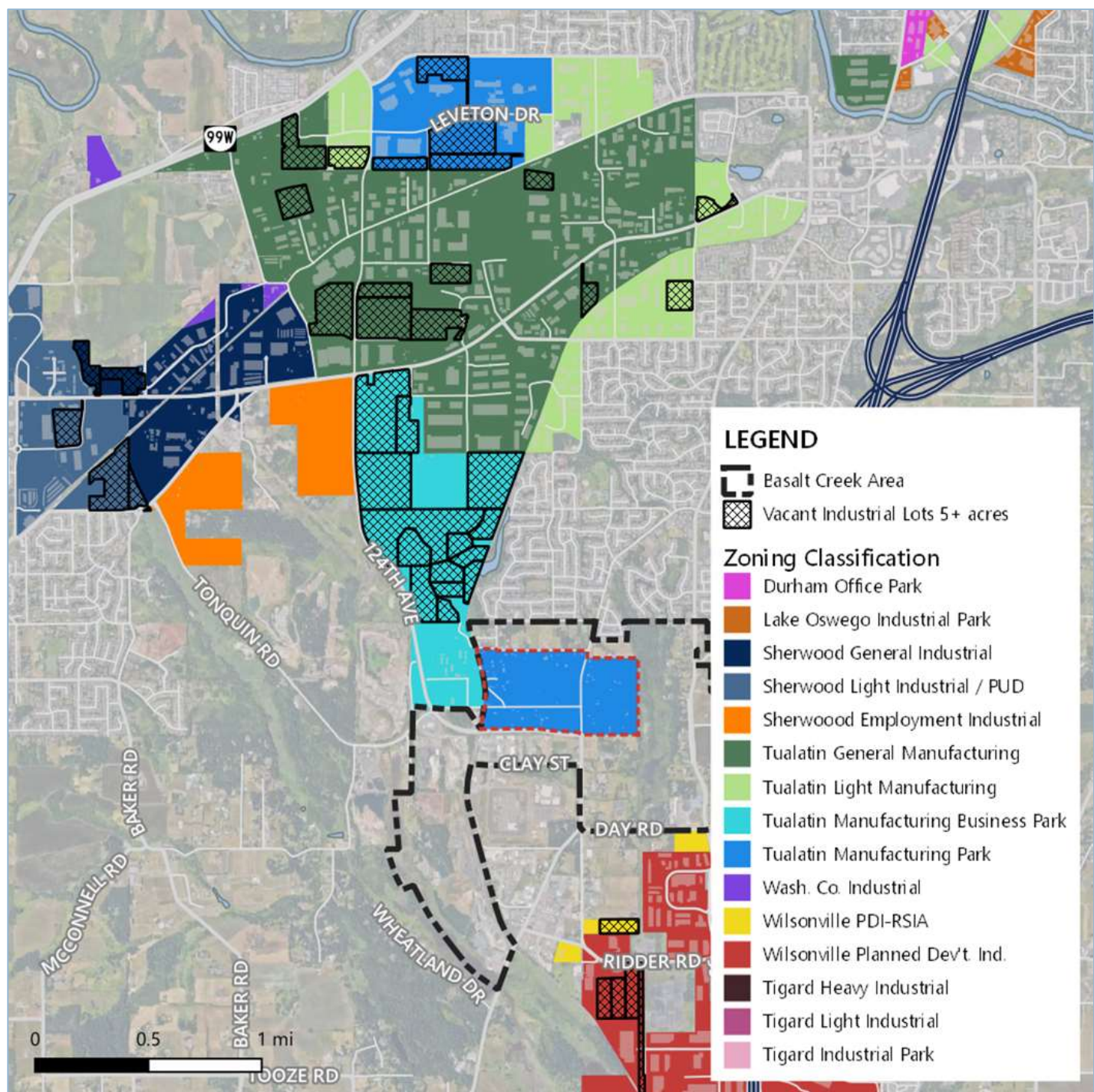
Historically accounts for approximately ¼ of the Metro area's industrial construction

Tualatin has emerged as a major industrial node, and diversified from reliance on light manufacturing



Buildable Lands

May 23, 2022

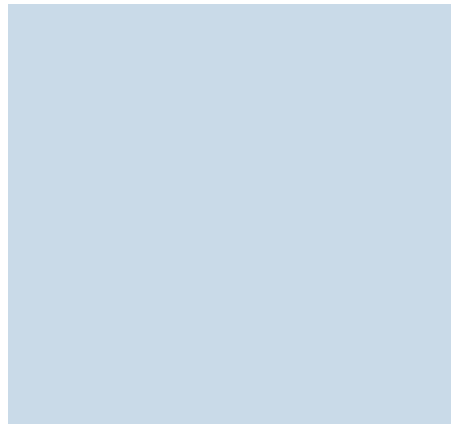


Case Study: Tonquin Employment Area

Also brought into Urban Growth Boundary in 2004

Increase in uses allowed in Employment Industrial (EI) zone was balanced by limitations on building size

After zoning changes and new infrastructure, 535,000 square feet of industrial buildings now under construction



Findings from Interviews

- Reflect the economic diversity of the SW submarket
- Recognize rapid changes in industrial development
- Land supply is constrained
- Costs increasing 5 x
- Developers mitigate risk by building property that appeals to the widest variety of tenants
- Demand for multi-tenant industrial buildings accommodating suppliers, wholesalers, services, contractors, etc.