



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Steve Koper, AICP, Assistant Community Development Director
Erin Engman, AICP, Senior Planner

DATE: August 28, 2023

SUBJECT:

Consideration of an amendment to the Tualatin Development Code (TDC) to create the Basalt Creek Employment (BCE) Zoning District. Additional amendments are proposed to Tualatin Comprehensive Plan Chapters 4 and 10; Tualatin Transportation System Plan; Tualatin Municipal Code Chapter Title 9-10; and Tualatin Development Code Chapters 31, 38, 39, 62, 73A, and 73B in support of the new zoning district.

RECOMMENDATION:

The Planning Commission has unanimously recommended that Council approve of Ordinance No.1480-23 adopting the Basalt Creek Employment (BCE) Zoning District and associated amendments.

EXECUTIVE SUMMARY:

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

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

City staff retained HPR Inc. (with sub-consultants DKS associates and Leland Consulting Group) through an RFP selection process to assist with the draft development code, a Transportation Planning Rule Study, (Exhibit 7) and an Economic Report (Exhibit 8). This project was scoped with the following tasks:

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

The proposed amendments not only support Council's direction to support job density by limit warehousing uses, but additionally back economic and market trends, support industrial stakeholder needs for tenant flexibility and industry cluster co-location, as well as regulate community desires for attractive and quality development.

SUMMARY OF THE PROPOSED AMENDMENTS:

Plan Text Amendment PTA 22-0001 (Exhibit 4):

- Comprehensive Plan
 - Chapter 4: memorialize goals, policies, and strategic actions identified in the 2019 Economic Opportunities Analysis
 - Chapter 10: define Basalt Creek Employment (BCE) district objectives
- Municipal Code
 - Title 9-10: add Basalt Creek Employment (BCE) to locational standards for mobile food units
- Development Code
 - Chapter 31: added definition for Mobile Food Unit
 - Chapter 38: establish that industrial sign standards apply in the Basalt Creek Employment (BCE) zone
 - Chapter 39: define advanced manufacturing use; add mobile food unit development as a commercial use category
 - Chapter 62: remove reference to Tonquin Loop Road in Manufacturing Park development standards
 - Chapter 65: establish Basalt Creek Employment (BCE) Zoning District uses and development standards
 - Chapter 73A: establish Basalt Creek Employment (BCE) zone design standards
 - Chapter 73B: establish Basalt Creek Employment (BCE) zone landscape standards

Plan Map Amendment PMA 22-0001 (Exhibit 1):

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

To further supplement the City's goal of job density, the City could consider revising the Tualatin Economic Development Strategy (2019) under a separate project. Recommended strategy updates include identifying partnerships and incentive programs to grow, retain, and attract businesses in Tualatin. Additionally staff may be directed to work with businesses and partners in education to ensure there are workforce training opportunities in Tualatin. As a reminder, the broad goal of the Tualatin Economic Development Strategy is to help the City manage the land within the Tualatin planning area to support and manage economic growth while maintaining the character and quality of life in Tualatin and protecting public interests such as health, safety, and municipal revenues.

PUBLIC OUTREACH:

- Staff has done extensive public outreach, and a summary is included as Exhibit 5.
 - July 27: Open House
 - September 25: Planning Commission Meeting
 - September 29: Stakeholder Discussion
 - October 28: Stakeholder Discussion with City Manager & Economic Development Program Manager
 - November 9: Discussion with Citizen Involvement Organizations (CIOs)
 - December 12: Continued Stakeholder Discussion
 - January 5 : Discussion with the Chamber, Stakeholders, and Business Community

- January 19: Planning Commission Meeting
 - February 2: Continued discussion with the Chamber, Stakeholders, and Business Community
 - March 16: Planning Commission Meeting
 - June 15: Planning Commission recommendation in support of PTA 22-0001 and PMA 22-0001
 - August 9: Presentation to Architectural Review Board
- The Byrom CIO residents shared the following themes, which are included in Exhibit 6:
 - Road construction and maintenance should keep pace with increased industrial traffic.
 - Uses should be conducted in a completely enclosed building to mitigate for environmental and noise impacts.
 - Landscape buffers should be used to separate industrial from residential areas.
 - The city should encourage uses that provide high-wage jobs and support commercial uses that can be patronized by nearby residents
- Stakeholders shared the following themes, which are echoed in the Economic Analysis Report included as Exhibit 8:
 - Flexible tenant space (“spec” development) has replaced owner-occupied, purpose-built development.
 - Development driven by the tenant model requires greater flexibility to ensure consistent tenant occupancy, as well as to secure capital for construction.
 - Many tenants require a warehousing/wholesale sales component to supplement or support their operations.

The amendments also have the support of the Tualatin Chamber of Commerce, Westside Economic Alliance, as well as local industrial development groups.

OUTCOMES OF DECISION:

If approved, Ordinance No.1480-23 will adopt BCE Zoning District and implement the proposed amendments (see the above summary).

ALTERNATIVES TO RECOMMENDATION:

- Continue the discussion to a later date
- Approve the amendments and adopt the Ordinance(s) with additional changes
- Deny the amendments and decline to adopt the Ordinance(s)

FINANCIAL IMPLICATIONS:

Approval of Ordinance No. 1480-23 will support the goals of the Southwest and Basalt Creek Development Area, including the collection of tax increment revenue.

ATTACHMENTS:

- Ordinance 1480-23
- Attachment A: Presentation
- Exhibit 1: Findings and Analysis
- Exhibit 2. 2019 Economic Opportunities Analysis and Strategies
- Exhibit 3: Revised Maps - PMA 22-0001
- Exhibit 4: Revised Plan Text - PTA 22-0001
- Exhibit 5: Public Engagement Summary
- Exhibit 6: Public Comments
- Exhibit 7: TPR Analysis
- Exhibit 8: Economic Analysis
- Exhibit 9: Noticing Materials