



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: October 6, 2025		Subject: Joint City Council / Planning Commission Work Session – Wilsonville Industrial Land Readiness – West Railroad Area of Basalt Creek Staff Members: Cindy Luxhoj AICP, Associate Planner, and Dan Pauly AICP, Planning Manager Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
☐ Motion ☐ Public Hearing Date: ☐ Ordinance 1 st Reading Date: ☐ Ordinance 2 nd Reading Date: ☐ Resolution ☒ Information or Direction ☐ Information Only ☐ Council Direction ☐ Consent Agenda		☐ Approval ☐ Denial ☐ None Forwarded ☒ Not Applicable Comments: N/A	
Staff Recommendation: Provide direction on public realm and land use concepts to inform master planning for the West Railroad area of Basalt Creek.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
☒ Council Goals/Priorities: 2023-25 Council Goal: Attract high-quality industry and support economic opportunity for all in Wilsonville	☒ Adopted Master Plan(s): Basalt Creek Concept Plan	☐ Not Applicable	

ISSUE BEFORE COUNCIL: Review public realm and land use concepts for the West Railroad area of Basalt Creek. City Council and Planning Commission guidance will inform development of a preferred plan to be included in the Basalt Creek Master Plan, scheduled for adoption in early 2026. This Master Plan will also serve as the foundation of Development Code standards specific for the area.

EXECUTIVE SUMMARY:

The City is actively advancing the policy framework outlined in the Basalt Creek Concept Plan to make the Basalt Creek planning area “development ready” from a land use policy perspective. In parallel, staff are working on infrastructure financing and other key actions to support future development.

Land use policy development for a new area of the City follows a three-step process. The first step is a concept plan, which establishes general policy guidance and intent but does not carry legal authority for land use decisions, such as development applications and rezoning. The second step is a master plan, adopted as part of the City’s Comprehensive Plan. This document provides more detailed policy guidance and serves as a legally binding basis for future zoning and land use decisions. However, the master plan does not include detailed development standards for implementing the plan. The final step is the adoption of Development Code standards, which translate the master plan into specific, enforceable requirements to guide development consistent with the City’s vision.

The Basalt Creek focused portion of the Wilsonville Industrial Land Readiness (WILR) project aims to adopt both a Master Plan and Development Code standards for the area. As discussed at previous work sessions, planning for the West Railroad area was deferred when the Basalt Creek Concept Plan was adopted in 2018 due to natural resource constraints, limited access, fragmented property ownership, and lack of infrastructure. The West Railroad area lies west of the Portland and Western Railroad, along the Coffee Lake wetlands, extending from SW Grahams Ferry Road to Basalt Creek Parkway/Tonquin Road (see Attachment 1).

While the rest of the Basalt Creek area has assigned land use types and supporting details in the Concept Plan that provide a strong basis for development of a Master Plan and Development Code standards, the West Railroad area still requires this level of planning. Advancing this work will ensure the entire Basalt Creek planning area is ready for future development.

Two key goals and policies to establish in a master plan include those pertaining to the public realm, including streets, parks, open spaces and pathways, and land use, which defines allowed uses along with siting and design requirements to support a desired character of the area. This joint work session provides an opportunity for the City Council and Planning Commission to explore different approaches to these elements for the West Railroad area and offer direction to the project team. That guidance will inform a preferred alternative to be incorporated into the Master Plan and implemented through Development Code standards.

Staff and the consultant team will return to the Planning Commission and City Council in separate work sessions in November to present the preferred alternative.

What to Expect at the Joint Work Session

A consultant team from MIG will lead an interactive joint work session with the City Council and Planning Commission to explore public realm and land use concepts for the West Railroad area. Unlike typical work sessions where participants arrive having reviewed detailed materials, this session is designed as a shared real-time learning and collaboration experience.

MIG will introduce key site-specific constraints such as infrastructure capacity, access limitations, environmental factors, and policy considerations to frame the discussion (see Attachment 2 for contextual maps). The team will facilitate dialogue around how these constraints affect the feasibility and suitability of potential land uses. In addition to exploring physical design concepts, the session will outline the tools needed to implement each idea. These include regulatory mechanisms like zoning and Development Code updates, as well as incentive strategies such as public-private partnerships, infrastructure investments, and development incentives to help achieve the City's goals for the area.

West Railroad Concepts

Following an internal work session with City staff, MIG is developing initial draft concepts for public realm and land use planning in the West Railroad area. These concepts will be discussed in detail during the joint work session and will serve as the foundation for identifying a preferred alternative to carry forward. While the City Council and Planning Commission may choose one concept as the basis for the preferred alternative, it is common in planning processes to combine elements from multiple concepts into a hybrid approach.

In way of introduction, the following provides a brief overview of each concept or approach.

Concept 1: Tonquin Environment

This concept envisions a district that emphasizes the Coffee Creek Wetlands, Coffee Lake Creek, the future Ice Age Tonquin Trail, and connections to the adjacent Basalt Creek Parkway. Public and private investments would focus on environmental restoration and habitat rehabilitation to create a setting that attracts campus style development, craft industrial uses, small-scale office or manufacturing uses, and other specialized employers. The area's primary draw is its immediate access to high-quality natural and recreational amenities, positioning it as a unique employment and innovation district where economic activity and ecological stewardship could intersect.

Concept 2: Manufacturing and Industry

This concept relies on maximizing the area's employment potential by pursuing full access to the region's transportation network for freight and other large-scale uses. Key elements of providing a full transportation network to support large-scale industrial uses would include upgrading the SW Grahams Ferry Road railroad undercrossing for freight movement, enabling the SW Cahalin Road railroad crossing, and enhancing northern and western connections to the area. The City could consider incentives and targeted interventions to encourage parcel assembly and infrastructure investment. This concept

would encourage high-density employment development capable of supporting large-scale industrial and office development, maximizing long-term job growth.

Concept 3: Limited Connectivity with Flexible Land Use

This concept considers a more incremental approach, allowing development and redevelopment to proceed largely through market forces with limited City intervention. Parcel sizes would remain with no incentives for aggregation, and the street network would be limited generally to what is built today with some internal access provided through an internal circulation system. The SW Grahams Ferry Road railroad undercrossing would not be upgraded for freight. This concept would allow a variety of uses generally not found in other parts of Wilsonville, which could include commercial recreation, outdoor retail sales and storage, and other low intensity uses that are generally geared towards a mix of smaller businesses and niche activities within a more modest infrastructure framework.

EXPECTED RESULTS:

City Council and Planning Commission feedback on the three scenarios will guide the development of a preferred concept for land use and the public realm in the West Railroad area. Staff will incorporate this input into the Basalt Creek Master Plan and use it to shape Development Code amendments, including appropriate zoning, to support future development in the area.

TIMELINE:

Staff will hold additional work sessions with the City Council and Planning Commission in the coming months to continue refining the preferred concepts. Public hearings on the Basalt Creek Master Plan and related Development Code amendments are anticipated in early 2026.

CURRENT YEAR BUDGET IMPACTS:

Funding for the WILR project is allocated in the fiscal year (FY) 2025-26 budget from a \$290,000 Metro grant.

COMMUNITY INVOLVEMENT PROCESS:

The Basalt Creek Concept Plan review process included comprehensive community involvement. The WILR project has solicited input from Business Oregon, Greater Portland Inc., property owners, and developers to understand the demand for industrial land in Wilsonville and property owners' current and future plans. This input informed preparation of studies and reports and will guide the master plan and related Development Code amendments.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

When developed, Basalt Creek, including West Railroad, will generate jobs, contributing to the income and property tax base, supporting economic mobility through family-wage employment, and enhancing Wilsonville's livability. This will allow the industrial area to reach its full economic potential, positively impacting the greater Wilsonville community.

ALTERNATIVES:

A number of alternatives to public realm and land use planning will be presented at the work session.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Basalt Creek Concept Plan Map
2. West Railroad Context Maps