



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: September 18, 2023		Subject: Coffee Creek Code Assessment	
		Staff Member: Cindy Luxhoj AICP, Associate Planner	
		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: Staff recommends Council provide requested input on direction of possible Development Code amendments to the Coffee Creek Industrial Design Overlay District.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: Attract high-quality industry and increase investment in industrial areas	<input checked="" type="checkbox"/> Adopted Master Plan(s): Coffee Creek Master Plan	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Staff has initiated an assessment of the Coffee Creek Industrial Design Overlay District form-based code, which was adopted in 2018 for the Coffee Creek Master Plan area, and is seeking input from City Council on the direction of possible Development Code amendments to the form-based code standards and review process.

EXECUTIVE SUMMARY:

The City adopted the Coffee Creek Master Plan in 2007 to guide industrial development in the Coffee Creek area. In 2018, the City adopted the Coffee Creek Industrial Design Overlay District form-based code (Development Code Section 4.134) and accompanying Pattern Book to establish clear and objective regulations and guidelines for the area. These standards guide street design and connectivity, site design, circulation, building form and architecture, and landscaping for future development.

To facilitate a predictable and timely process for reviewing industrial development applications in Coffee Creek, two land use review tracks were established:

- Class 2 Administrative Review of applications meeting all the clear and objective standards of the form-based code.
- Development Review Board review of applications requesting one or more waivers to the standards.

The City also modified procedures governing City Council review of annexations and Zone Map amendments in Coffee Creek. These modifications allow for City Council review of the requests without prior review or recommendation by the Development Review Board, thus facilitating concurrent processing with other related development permit applications for a project, such as Stage 1, Stage 2, Site Design Review, etc.

When adopted, the form-based code standards and review process was subject to a pilot period of three completed development applications or five years, whichever comes first. As of 2023, both milestones have been achieved, with four completed industrial development projects in various stages of construction throughout the Coffee Creek area (see Attachment 1); thus, staff is assessing the form-based code. This review will enable the City to determine whether adjustments are warranted to the standards, process, or both, to achieve the overall objective of providing a clear and quick development review process that fosters creation of a connected, high-quality employment center in Coffee Creek.

To date, staff has reviewed the timeline to land use approval for the four completed development projects in Coffee Creek (see Attachment 2) and types of requested waivers to the form-based code standards (see Attachment 3). The timeline to approval, from complete application to final land use approval, has varied from roughly three (3) to seven (7) months. Each application applied for at least one waiver triggering review by the Development Review Board and so, to date, the Class 2 review process has not been utilized. Waivers requested have been for driveway width on a Supporting Street, parking location and use at the front of a building on an Addressing Street, retaining wall height and design, and building entrance canopy and ground floor ceiling height, among others.

In July 2023, staff also conducted three focused discussions with applicants and their consultant teams to gain feedback from a customer service standpoint about the form-based code to inform the current assessment (see Attachment 4). Earlier this month, staff engaged in a follow-up discussion with one of the applicants to understand in more depth which of the form-based code standards could more closely align with current and future needs of prospective industrial users in the Coffee Creek area.

In regards to process, applicants stated a preference for more definite guidance upfront from City staff about specific Code requirements and the development review timeline. They also desired more frequent communication about application deficiencies during completeness review and preparation of the land use decision so that they could address issues as they arose. Many of these comments about the timeliness and predictability of the development permit process were not specific to the form-based code, and when applicants focused on Coffee Creek their comments were mostly positive. The ability to take an application to City Council public hearing prior to Development Review Board review was greatly appreciated and added appreciable time savings to the process. Related to the form-based code standards, applicants offered helpful suggestions for adjustments to the standards, particularly related to project waiver requests, which will help inform discussions about what Code amendments could improve and streamline the development review process while maintaining the desired high-quality design in the Coffee Creek Industrial Area (see Attachment 5).

Based on this initial work, it appears that the land use review process is overall working as designed to facilitate a predictable and timely process for reviewing industrial development applications in Coffee Creek. Concurrent City Council review of annexations and Zone Map amendments, which all four projects requested, in particular is enabling a more streamlined land use review process. However, none of the projects has been able to meet all the form-based code standards and utilize the Class 2 Administrative Review track. Rather, they all have required at least one waiver and, thus, review by the Development Review Board, which has resulted in longer timelines to obtaining approval.

Therefore, staff has determined that modification to the land use review tracks and process is not needed. However, staff is recommending the City Council consider slight adjustments to the form-based code standards to make compliance more achievable for applicants, with the objective of enabling applicants to use the Class 2 Administrative Review track while not compromising the City's ability to continue creating a connected, high-quality employment center in Coffee Creek.

At this work session, staff is seeking the following feedback from City Council:

- What questions does City Council have about the Coffee Creek Code Assessment project?
- Does City Council agree with the direction of possible Development Code amendments described by staff that maintains the review process and focuses on adjusting the form-based code standards to reduce the need for waiver requests?

EXPECTED RESULTS:

Feedback from the meeting will guide staff in drafting a package of proposed Development Code amendments that staff will present to City Council for feedback this winter.

TIMELINE:

Planning Commission was briefed on the Coffee Creek Code Assessment at their September 13, 2023 meeting. Work sessions with Planning Commission and City Council are anticipated in December 2023. A Planning Commission public hearing and recommendation to City Council on the Development Code amendments is expected in February 2024. City Council public hearing and adoption is anticipated in March or April 2024.

CURRENT YEAR BUDGET IMPACTS:

Funding for the Coffee Creek Code Assessment work is allocated in the FY2023-24 Planning Division budget.

COMMUNITY INVOLVEMENT PROCESS:

The Coffee Creek Master Plan, as well as the Coffee Creek Industrial Design Overlay District drafting and review process, included comprehensive community involvement to gather input. For the current Coffee Creek Code Assessment project, staff has focused on gathering input from recent applicants and their consultant teams to inform the evaluation and provide input on the process and standards.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

Refinement of the Coffee Creek form-based code to facilitate future development while continuing to create the desired connected, high-quality employment center envisioned in the Master Plan will result in efficiencies for future users, as well as inform planning for the Basalt Creek industrial area to the north, which will benefit all members of the Wilsonville community who live and work in these industrial areas.

ALTERNATIVES:

Alternatives include:

- Make no modifications to the Coffee Creek Industrial Design Overlay District standards.
- Modify the Coffee Creek Industrial Design Overlay District standards related to the land use review process for applicants.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Coffee Creek Regulating Plan with Location of Approved Developments
2. Coffee Creek Industrial Area Application Timeline to Approval
3. Waiver Requests for Approved Developments in Coffee Creek
4. Participant List and Questions for Coffee Creek Form-based Code Discussions
5. Summary of Feedback from Coffee Creek Form-based Code Focused Discussions