



TUALATIN CITY COUNCIL MEETING

MONDAY, AUGUST 28, 2023

**TUALATIN CITY SERVICES
10699 SW HERMAN ROAD
TUALATIN, OR 97062**

Mayor Frank Bubenik
Council President Valerie Pratt
Councilor Maria Reyes Councilor Bridget Brooks
Councilor Christen Sacco Councilor Cyndy Hillier
Councilor Octavio Gonzalez

To the extent possible, the public is encouraged to watch the meeting live on local cable channel 28, or on the City's website.

For those wishing to provide comment during the meeting, there is one opportunity on the agenda: Public Comment. Written statements may be sent in advance of the meeting to Deputy City Recorder Nicole Morris up until 4:30 pm on Monday, August 28. These statements will be included in the official meeting record, but not read during the meeting.

For those who would prefer to make verbal comment, there are two ways to do so: either by speaking in person or entering the meeting using the zoom link and writing your name in chat. As always, public comment is limited to three minutes per person.

Phone: +1 669 900 6833

Meeting ID: 861 2129 3664

Password: 18880

Link: <https://us02web.zoom.us/j/86121293664?pwd=SS9XZUZyT3FnMk5rbDVKN2pWbnZ6UT09>

Work Session

- 1. 5:00 p.m. (60 min) – Tualatin’s Transportation System Plan Update.** Staff and the consultant team will provide an update on the process to update Tualatin’s Transportation System Plan (TSP). This will include introducing the consultant project team, providing an overview of what a TSP typically includes, describing the state, regional, and local context in which we are planning, and providing an overview of how the team intends to engage the public in this plan. The project team will then facilitate a discussion of priorities, goals, and objectives for the TSP.
- 2. 6:00 p.m. (30 min) – Electric Scooter Pilot Program Review & Next Steps.** In August 2022 the City entered into a 12-month pilot program with Lime Scooters, allowing the operation of electric scooter (e-scooter) rentals. The intent of the pilot agreement was to gauge demand for the service, determine the feasibility of operations, and allow flexibility to respond to issues and make adjustments as needed. The 12-month pilot program is set

to end at the end of August and staff is seeking direction from Council regarding ongoing e-scooter operations.

3. **6:30 p.m. (30 min) – Council Meeting Agenda Review, Communications, and Roundtable.** Council will review the agenda for the August 28 City Council meeting and brief the Council on issues of mutual interest.

7:00 P.M. CITY COUNCIL MEETING

Call to Order

Pledge of Allegiance

Announcements

1. New Employee Introduction – Jamie Zamrin, Management Intern
2. Tualatin Library Foundation Vine2Wine

Public Comment

This section of the agenda allows anyone to address the Council regarding any issue not on the agenda, or to request to have an item removed from the consent agenda. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

Consent Agenda

The Consent Agenda will be enacted with one vote. The Mayor will ask Councilors if there is anyone who wishes to remove any item from the Consent Agenda for discussion and consideration. If you wish to request an item to be removed from the consent agenda you should do so during the Citizen Comment section of the agenda.

1. Consideration of Approval of the Work Session and Regular Meeting Minutes of August 14, 2023
2. Consideration of **Resolution No. 5720-23** Authorizing the City Manager to Sign an Intergovernmental Agreement between the Tigard-Tualatin School District and the City of Tualatin Setting Forth Requirements for Participation in the School Resource Officer Program
3. Consideration of **Resolution No. 5722-23** Awarding a Contract for Construction of the 2022 Neighborhood Traffic Safety Projects, Phase 2
4. Consideration of **Resolution No. 5724-23** Authorizing Increasing Tualatin Community Park Sports Field Lighting Purchase and Replacement Change Order Authorization Amount

Special Reports

1. Update from State Representative Jules Walters

Public Hearings - Legislative or Other

1. Consideration of **Ordinance No. 1480-23** Amending the Tualatin Comprehensive Plan; Amending the Tualatin Municipal Code; and Amending and Creating New Provisions in the Tualatin Development Code to Create the Basalt Creek Employment Zoning District

General Business

If you wish to speak on a general business item please fill out a Speaker Request Form and you will be called forward during the appropriate item. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

1. Consideration of **Ordinance No. 1479-23** Amending Tualatin Municipal Code to Extend the Hours of Prohibited Parking and Adding SW Blackfoot Drive and Osage Street
2. Recommendation of Applicants for the Tualatin Inclusion, Diversity, Equity, and Access (I.D.E.A.) Advisory Committee

Items Removed from Consent Agenda

Items removed from the Consent Agenda will be discussed individually at this time. The Mayor may impose a time limit on speakers addressing these issues.

Council Communications

Adjournment

Meeting materials, including agendas, packets, public hearing and public comment guidelines, and Mayor and Councilor bios are available at www.tualatinoregon.gov/council.

Tualatin City Council meets are broadcast live, and recorded, by Tualatin Valley Community Television (TVCTV) Government Access Programming. For more information, contact TVCTV at 503.629.8534 or visit www.tvctv.org/tualatin.

In compliance with the Americans with Disabilities Act, this meeting location is accessible to persons with disabilities. To request accommodations, please contact the City Manager's Office at 503.691.3011 36 hours in advance of the meeting.



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Cody Field, Management Analyst

Mike McCarthy, City Engineer

Steve Koper, Assistant Community Development Director

DATE: August 28, 2023

SUBJECT:
Tualatin Transportation System Plan Update

EXECUTIVE SUMMARY:

Staff and the consultant team will provide an update on the process to update Tualatin's Transportation System Plan (TSP). This will include:

- Introducing the consultant project team
- Provide an overview of what a TSP typically includes
- Describe the State, Regional, and local context in which we are planning
- Provide an overview of how the team intends to engage the public in this plan

The project team will then facilitate a discussion of priorities, goals, and objectives for the TSP.

Staff and the project team will be seeking Council input on all of these elements of the Transportation System Planning process.

ATTACHMENTS:

- Powerpoint Presentation



Transportation System Plan Introduction & Priorities Discussion

Tualatin City Council | August 28, 2023



AGENDA



Introductions &
Purpose



Introduction to
Transportation
System Plans



Community
Engagement



Priorities
Discussion



Wrap Up & Next
Steps



INTRODUCTIONS

• • • *The Project Team* • • •



FEHR  PEERS

alta
PLANNING + DESIGN

C3
Community
Engagement
Liaison Services

ECO
NW



Transportation System Plan 101

A **realistic** plan that results in **action**

A TSP provides a comprehensive, multimodal picture of how the existing and future transportation system meets the needs of its users.

- ODOT TSP Guidelines

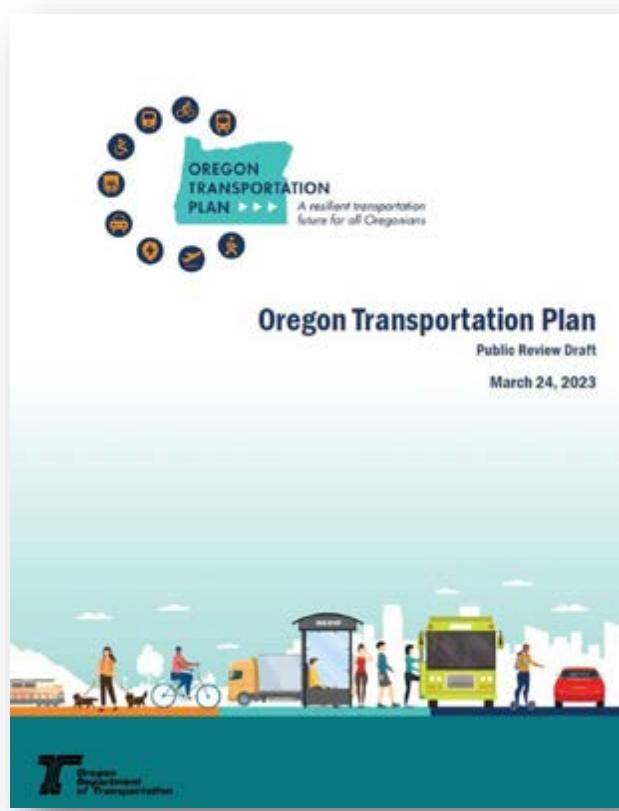


The Transportation System Plan Will:

- **Develop transportation networks for all users – drivers, transit riders, walkers and bicyclists.**
- **Predict how well the system will work in the future and suggest improvements.**
- **Establish new goals and policies to guide City decision-making.**
- **Develop a prioritized list of transportation projects to support bicyclists, pedestrians, transit riders, cars, and safety.**
- **Make recommendations about how to pay for improvements.**



Planning Context: State and Regional Guidance



Transportation Planning Rule (TPR)

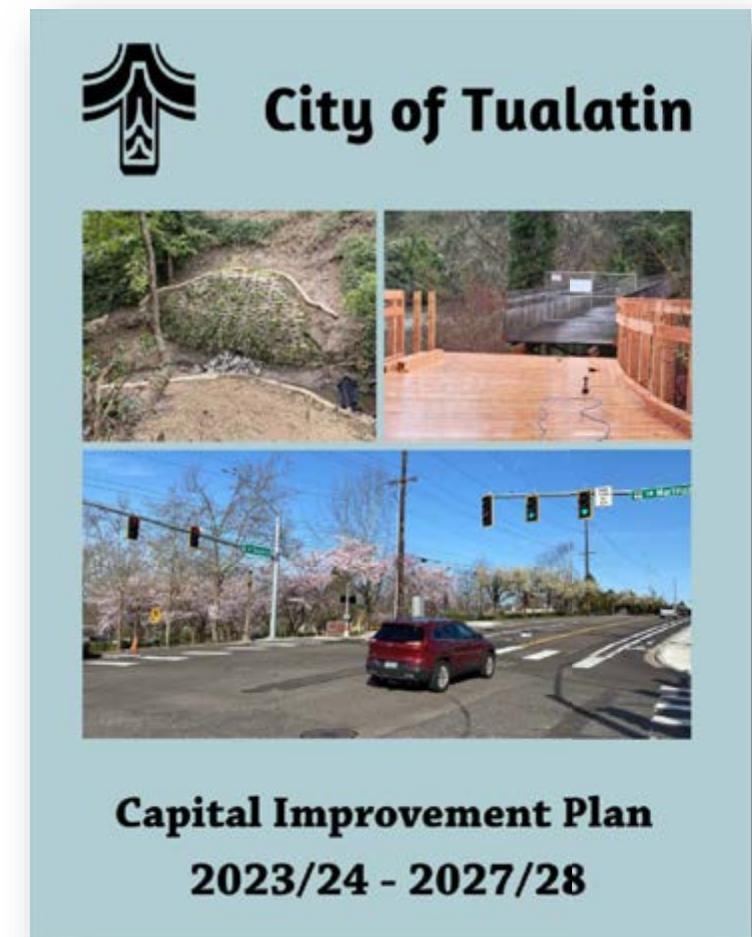
- Establishes land use controls and a network of facilities and services to meet overall transportation needs. (OAR 660-12)

TSP Guidelines





Planning Context: Local Framework





What will make the TSP Successful?

- **Goals and objectives that reflect community feedback**
- **Policies, programs, and projects that reflect existing conditions and future needs**
- **Clear direction for staff and Council**



Key Plan Components





PUBLIC ENGAGEMENT APPROACH

- **Phase 1. Recruit - Build our reach.**
- **Phase 2. Listen and Learn- Engage broadly**
- **Phase 3. Reflect- Connect the dots.**
- **Phase 4. Refine- Share draft plan.**





Public Engagement Schedule

PHASE 1

Aug-Sep 2023

What is the TSP? Do you want to follow along with this process?

PHASE 2

Oct 2023

What can the TSP address?
What are your transportation goals and needs?

PHASE 3

Apr-Jun 2024

How do our transportation goals connect to potential projects? Are these the right projects?

PHASE 4

Sep-Oct 2024

What do you think of the draft plan? What did we miss?



Existing & Future Conditions



Transportation Goals & Performance Measures



Programs, Project List, & Prioritization



Funding Availability



Draft Plan

Council Adoption



Phase 1: Recruit

- Attended Viva Tualatin, National Night Out events
- Project website: www.tualatintsp.com
- Recruiting for Community Advisory Committee
- Preparing project email list with Tualatin Moving Forward and other City contacts



The graphic features the Tualatin TSP logo at the top left, followed by the year 2024 in large orange numbers. To the right, there are two sections: one in English and one in Spanish, both titled "TRANSPORTATION SYSTEM PLAN" and "PLAN DEL SISTEMA DE TRANSPORTE". The English section includes the text "We're updating Tualatin's Transportation System Plan (TSP) and we want to hear from you!" and the Spanish section includes "Estamos actualizando el Plan del sistema de transporte (TSP) de Tualatin, ¡dinos qué opinas!". At the bottom, there are two sections: "WHAT IS A TSP?" and "QUÉ ES UN TSP?", each with a brief description of the plan's purpose and scope.

Tualatin TSP

TRANSPORTATION SYSTEM PLAN

PLAN DEL SISTEMA DE TRANSPORTE

WHAT IS A TSP?

The TSP serves as the city's long-term plan for transportation improvements, such as investments in sidewalks, roads, and bike lanes. The plan considers all transportation types—walking, driving, bicycling and transit. The plan **describes the system, identifies challenges, and outlines projects, programs, and policies to meet the community's transportation needs now and in the future.**

QUÉ ES UN TSP?

El TSP funciona como un plan a largo plazo para mejoras en el transporte de la ciudad, como inversiones en aceras, caminos y carriles para bicicletas. El plan considera todos los tipos de transporte: caminar, conducir, andar en bicicleta y transporte público. El plan **describe el sistema, identifica desafíos y describe proyectos, programas y políticas para satisfacer las necesidades de transporte de la comunidad en la actualidad y en el futuro.**



Phase 2: Listen and Learn

- **Purpose:**
 - Tell story of TSP, how it connects to Tualatin Moving Forward Bond Program
 - Get input to inform vision, goals, and project needs.
- **Activities**
 - Community survey
 - In-person workshop
 - 3 mobile outreach events
 - Focus groups
 - Community Advisory Committee meetings
 - Transportation Advisory Group coordination

WHY IS THIS IMPORTANT?

The TSP outlines how the City will use policy and funding to meet our community transportation goals for **safety, mobility, climate change, livability, and a healthy economy**. Projects need to be listed in the TSP to be eligible for state and federal transportation funds, so we need to work with you to get the right projects on the list.

WHEN IS THIS HAPPENING?

Community conversations will begin **fall 2023** and continue through City Council adoption of the TSP in **late 2024**.

WE WANT TO HEAR YOUR OPINIONS!

WAYS TO GET INVOLVED INCLUDE:

- ⚠ Volunteer for the Community Advisory Committee: Contact us to find out more and sign up.
- ⚠ Sign up to be on the email list to hear about opportunities to:
 - Take surveys
 - Attend workshops
 - Participate in a focus group

¡QUEREMOS CONOCER TU OPINIÓN!

FORMAS DE PARTICIPAR:

- ⚠ Voluntariado para el Comité Asesor Comunitario: Contáctanos para obtener más información e inscribirte.
- ⚠ Regístrate para estar en la lista de correo electrónico para conocer oportunidades para:
 - Tomar encuestas
 - Asistir a talleres
 - Participar en un focus group

STAY IN THE LOOP AND GET INVOLVED!
Visit tualatinfsp.com

We are committed to keeping you informed and listening to you! To ask questions or receive project updates, please email: tsp@tualatin.gov and visit the **Tualatin TSP website**. Call or text (971)253-3038.

¡MANANTE INFORMADO Y PARTICIPA!
Visita tualatinfsp.com

¡Estamos comprometidos a mantenerte informado y escucharte! Para preguntas o recibir actualizaciones del proyecto, envía un correo electrónico a: tsp@tualatin.gov y visita el sitio web de **Tualatin TSP**. Llama o envía un mensaje de texto a (971)253-3038.



Introduction to Transportation Priorities



Priorities, Goals, Objectives, and Performance Measures

Priority: Major outcome that the TSP should position the City to achieve.

Goal: Provides broad strategic direction for policy and investment decisions.

Objective: Identifies a measurable outcome and means to achieve a goal.

Performance Measure: Tracks progress towards meeting the goals.



2013 Transportation System Plan Goals

Goal Category	Goal
Access and Mobility	Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access for all users.
Safety	Improve safety for all users, all modes, all ages, and all abilities within the City of Tualatin.
Vibrant Community	Allow for a variety of alternative transportation choices for citizens of and visitors to Tualatin to support a high quality of life and community livability. Produce a plan that respects and preserves neighborhood values and identity.
Equity	Consider the distribution of benefits and impacts from potential transportation options, and work towards fair access to transportation facilities for all users, all ages, and all abilities.
Economy	Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.
Health/Environment	Provide active transportation options to improve the health of citizens in Tualatin. Ensure that transportation does not adversely affect public health or the environment.
Ability to Be Implemented	Promote potential options that are able to be implemented because they have community and political support and are likely to be funded.



Draft Priorities



The TSP update will position the City to develop a transportation system that...

- Advances our **land use** vision
- Provides a high **quality of life** for residents
- Creates more opportunities for **multi-modal** transportation
- Advances our **climate** goals
- Leverages regional **collaboration**
- Maximizes our **investments**



Priorities Discussion

- Do these priorities address existing challenges for traveling in Tualatin?
- Do these priorities encompass the future we want for travel in Tualatin?
- Are there any priorities that you think should be added or removed?



Next Steps

Community Engagement:

- **Creation of the Community Advisory Committee**
- **Outreach to the public on their priorities and needs**
- **Compiling input to finalize the TSP goals**

Upcoming Touchpoints:

- **Existing Conditions technical analysis**
- **TSP Goals incorporating community and Council input**



Tualatin Transportation System Plan

Background

The City's Transportation System Plan (TSP) update will provide a framework to guide transportation investments over the next 20+ years in accordance with the community's transportation priorities. The City is not new to planning for its transportation system and has completed many planning efforts in the ten years since the last TSP update. This TSP will incorporate transportation-related goals and actions identified in Tualatin's current Transportation System Plan (2013), the Core Opportunity Reinvestment Area Plan (2022), Southwest and Basalt Creek Development Area Plan (2021), Central Urban Renewal Plan (2009), Parks & Recreation Master Plan (2018), and Climate Action Plan (2023). Goals, priorities, and objectives from some of these plans are included as an attachment.

Along with the City's recent planning efforts, there are regional and state policies that guide local planning decisions. Oregon's Transportation Planning Rule (TPR) specifies what must be addressed and included in a transportation system plan to meet state requirements. This TSP update must also be consistent with regional policies, such as those by Washington County, Clackamas County, and Metro's 2023 Regional Transportation Plan (RTP). This regional context will help to shape the goals and priorities included in the TSP.

What will make this TSP successful?

The TSP is only as good as its ability for implementation, and we aspire to create a document that does not sit on the shelf. Here are key components that will lead to a successful TSP:

- A clear, consistent vision for Tualatin's mobility
- Transportation priorities that reflect community and Council values and vision for the future
- Meaningful public outreach that tells a clear story and gathers feedback from all communities
- Policies, programs, and projects that:
 - Reflect existing work plans and programs as well as new elements
 - Protect Tualatin's natural and neighborhood assets
 - Integrate infrastructure improvements, programs, and City operations across multiple departments
 - Are prioritized in a way that reflects community goals
- A feasible, financially sustainable roadmap for developing Tualatin's transportation system

- Performance measures that address the community's priorities and allow the City to measure progress toward its goals
- A concise, accessible document that provides clear direction for City staff and Council
- A plan that meets state and regional regulatory requirements so that transportation projects are eligible for federal funding.

Importance of Transportation Priorities

It's important that the City's TSP reflects the community's values and vision for the future. This starts with identification of transportation priorities. If the transportation priorities reflect what the community desires, then the rest of the plan will follow suit.

In addition to setting the tone for the document, the transportation priorities help shape the following:

- Transportation performance measures
- Project list development
- Prioritization of projects to ultimately match funding availability

State and Regional Guidance for Goals and Policies

Statewide Land Use Planning Goal 12 is to provide and encourage a safe, convenient, and economic transportation system. This is implemented through the Transportation Planning Rule (TPR) which requires cities to coordinate land use and transportation and specifies what must be included in the TSP. The main elements required for a TSP are:

- Determination of Transportation Needs
- Existing and planned facilities by mode
- Transportation system management and Transportation demand management
- Policies and land use regulations for implementing the TSP
- Financing program

In addition, Metro provides guidance for the region through the RTP, which is in the process of being updated. The 2023 RTP includes the following vision and draft goals:

Everyone in the greater Portland region will have safe, reliable, affordable, efficient, and climate friendly travel options that allow people to choose to drive less and that support equitable, resilient, healthy and economically vibrant communities and region.

- **Equitable Transportation** Transportation system disparities experienced by Black, Indigenous and people of color and people with low incomes, are eliminated. The disproportionate barriers people of color, people with low incomes, people with

disabilities, older adults, youth and other marginalized communities face in meeting their travel needs are removed.

- **Climate Action and Resilience** People, communities and ecosystems are protected, healthier and more resilient and carbon emissions and other pollution are substantially reduced as more people travel by transit, walking and bicycling and people travel shorter distances to get where they need to go.
- **Thriving Economy** Centers, ports, industrial areas, employment areas and other regional destinations are accessible through a variety of multimodal connections that help people, communities, and businesses thrive and prosper.
- **Safe System** Traffic deaths and serious crashes are eliminated and all people are safe and secure when traveling in the region.
- **Mobility Options** People and businesses can reach the jobs, goods, services and opportunities they need by well connected, low-carbon travel options that are safe, affordable, convenient, reliable, efficient, accessible, and welcoming.



Goals and Objectives in Existing Plans

Tualatin Transportation System Plan (2013)

Parks & Recreation Master Plan (2018)

Southwest and Basalt Creek Development Area Plan (2021)

Core Opportunity Reinvestment Area Plan (2022)

These goals are from the 2013 Transportation System Plan for reference, we anticipate using a new set of goals for the current TSP update.

TABLE 1

Goals and Objectives of the Tualatin Transportation System Plan

Goal Category	Goal	Objective
Access and Mobility	Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access for all users.	<p>Improve travel time reliability/provide travel information for all modes including freight and transit.</p> <p>Provide efficient and quick travel between points A and B.</p> <p>Provide connectivity within the City between popular destinations and residential areas.</p> <p>Accommodate future traffic, bicycle, pedestrian, and transit demand.</p> <p>Reduce trip length and potential travel times for motor vehicles, freight, transit, bicycles, and walkers.</p> <p>Improve comfort and convenience of travel for all modes including bicycles, pedestrians, and transit users.</p> <p>Increase access to key destinations for all modes.</p>
Safety	Improve safety for all users, all modes, all ages, and all abilities within the City of Tualatin.	<p>Address known safety locations, including high-crash locations for motor vehicles, bicycles, and pedestrians.</p> <p>Address geometric deficiencies that could affect safety including intersection design, location and existence of facilities, and street design.</p> <p>Ensure that emergency vehicles are able to provide services throughout the City to support a safe community.</p> <p>Provide a secure transportation system for all modes.</p>
Vibrant Community	<p>Allow for a variety of alternative transportation choices for citizens of and visitors to Tualatin to support a high quality of life and community livability.</p> <p>Produce a plan that respects and preserves neighborhood values and identity.</p>	<p>Create a variety of safe options for transportation needs including bicycles, pedestrians, transit, freight, and motor vehicles.</p> <p>Provide complete streets that include universal access through pedestrian facilities, bicycle facilities, and transit on some streets.</p> <p>Support a livable community with family-friendly neighborhoods.</p> <p>Maintain a small-town feel.</p>
Equity	Consider the distribution of benefits and impacts from potential transportation options, and work towards fair access to transportation facilities for all users, all ages, and all abilities.	<p>Promote a fair distribution of benefits to and burdens on different populations within the City (that is, low-income, transit-dependent, minority, age groups) and different neighborhoods and employment areas within the City.</p> <p>Consider access to transit for all users.</p>

These goals are from the 2013 Transportation System Plan for reference, we anticipate using a new set of goals for the current TSP update.

Goal Category	Goal	Objective
Economy	Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.	<p>Support a vibrant city center and community, accessible to all modes of transportation.</p> <p>Support employment centers by providing transportation options to major employers.</p> <p>Increase access to employment and commercial centers on foot, bike, or transit.</p> <p>Consider positive and negative effects of alternatives on adjacent residential and business areas.</p> <p>Accommodate freight movement.</p> <p>Facilitate efficient access for goods, employees, and customers to and from commercial and industrial lands, including access to the regional transportation network.</p>
Health/Environment	Provide active transportation options to improve the health of citizens in Tualatin. Ensure that transportation does not adversely affect public health or the environment.	<p>Provide active transportation options to area schools to reduce childhood obesity.</p> <p>Promote active transportation modes to support a healthy public and children of all ages.</p> <p>Provide interconnected networks for bicyclists and pedestrians throughout the City for all age groups.</p> <p>Consider air quality effects of potential transportation solutions.</p> <p>Protect park land and create an environmentally sustainable community.</p> <p>Consider positive and negative effects of potential solutions on the natural environment (including wetlands and habitat areas).</p>
Ability to Be Implemented	Promote potential options that are able to be implemented because they have community and political support and are likely to be funded.	<p>Promote fiscal responsibility and ensure that potential transportation system options are able to be funded given existing and anticipated future funding sources.</p> <p>Evaluate potential options for consistency with existing community, regional, and state goals and policies.</p> <p>Strive for broad community and political support.</p> <p>Optimize benefits over the life cycle of the potential option.</p> <p>Consider transportation options that make the best use of the existing network.</p> <p>Conduct the planning process with adequate input and feedback from citizens in each affected neighborhood.</p>

CORE VALUES

Inclusiveness & equity

Conservation & stewardship

Health & wellness

Community vibrancy & livability

Family-friendliness

Diversity

Economic vitality

Accessibility & connectivity

Community engagement

Social cohesion

VISION

Tualatin is a vibrant city, with a healthy and cohesive community, connected through attractive parks, diverse facilities, trails, conservation of natural areas, recreation opportunities, and art and culture that are engaging and accessible to all.

MISSION

We actively care for our parks, connect our community through trails and programs, and protect our river, greenways and natural areas to create a beautiful, livable city.

GOALS



Goal 1: Expand accessible and inclusive parks and facilities to support community interests and recreation needs.



Goal 2: Create a walkable, bikeable, and interconnected city by providing a network of regional and local trails.



Goal 3: Conserve and restore natural areas to support wildlife, promote ecological functions, and connect residents to nature and the outdoors.



Goal 4: Activate parks and facilities through vibrant programs, events, and recreation opportunities for people of different ages, abilities, cultures, and interests.



Goal 5: Support the arts through programs, parks, and public spaces that reflect Tualatin's identity, heritage, history, and expressive character.



Goal 6: Promote Tualatin's unique identity, economic vitality, and tourism through parks, natural resources, historic preservation, events, programs, and placemaking.



Goal 7: Manage, administer, and maintain quality parks, facilities, and programs through outstanding customer service, stewardship, and sustainable practices.

Southwest and Basalt Creek Development Area Plan (2021)

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is the amount of indebtedness secured by a pledge of tax increment revenue that can be spent on projects, programs and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$53,200,000 (Fifty-three Million Two Hundred Thousand dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds.

IV. PLAN GOALS

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the TDC intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the TDC. The goals and objectives are not listed in any order of importance or priority. A matrix of how the projects align with the goals and objectives is shown in Table 2.

Goal 1: PUBLIC INVOLVEMENT

Implement community involvement practices.

Objectives:

1. Convene an urban renewal task force comprised of taxing districts and other stakeholders to provide guidance on the preparation of the urban renewal plan.
2. Invite public comment at all TDC meetings.
3. Complete the Urban Renewal Annual Report and send it to all impacted taxing districts as required by ORS 457.460.

Goal 2: EMPLOYMENT LAND DEVELOPMENT

Encourage land development that provides high density employment opportunities. Encourage land development in ways that strengthen the local tax base and support Tualatin's employment lands as a major local and regional employment center. Manage land development impacts to the environment and other uses.

Objectives:

1. Build water, sewer, storm-water and other infrastructure to accommodate growth in the Area.
2. Assist in the construction and improvement of transportation infrastructure to support existing development and allow for future development.
3. Assist in the financing and provision of public transportation and utility improvements identified in this Plan.
4. Cooperate with brokers, local and regional development agencies, and the State Department of Economic Development in marketing properties within the Area.
5. Acquire properties as necessary for reassembly and resale. Create new parcels which conform to the physical characteristics of the terrain and to the proposed public improvements.
6. Assist in natural resource protection.

Goal 3: TRANSPORTATION INFRASTRUCTURE

Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access and safety for all users. Allow for a variety of alternative transportation choices for citizens of and visitors to Tualatin to support a high quality of life and community livability. Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.

Objectives:

1. Assist in the construction of new and improvement of existing transportation infrastructure to allow for future development and support existing development.
2. Provide pedestrian and bicycle connectivity improvements, increasing safety and access for pedestrians and bicyclists in the Area.
3. Connect the Tonquin Trail (Tualatin Portion) to the Regional Planned Network.
4. Leverage the TDC's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.
5. Partner with regional organizations to address natural resource protection in the Area.

Goal 4: UTILITY INFRASTRUCTURE

Provide public services and facilities to meet the present and future needs of the Area.

Objectives:

1. Design and construct water, sewer, stormwater and other utility infrastructure to accommodate growth in the Area.
2. Leverage the TDC's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Goal 5: DEVELOPER ASSISTANCE AND INCENTIVES

Facilitate development and redevelopment on sites in the Area, stimulating growth, providing new employment opportunities and an increased tax base in the Area. Assist in the provision of infrastructure to support the development of additional housing options in the Area.

Objectives:

1. Provide developer assistance and incentives to facilitate development within the Area.
2. Reduce or eliminate environmental impacts on adjacent properties.

Core Opportunity Reinvestment Area Plan (2022)

IV. PLAN GOALS

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the TDC intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the TDC. The goals and objectives are not listed in any order of importance or priority. A matrix of how the projects align with the goals and objectives is shown in Table 2.

GOAL 1: BLIGHT REMEDIATION

Encourage and facilitate the redevelopment of historically underutilized and vacant parcels and buildings through direct or public-private partnerships.

Implementation Summary: Incentivize public and private development that reduces the acreage of historically underutilized and vacant parcels and buildings.

Strategy 1: Encourage redevelopment of dilapidated parcels within Plan Area.

- Action 1.1: Evaluate opportunities to increase development of commercial and residential mixed-use development.*
- Action 1.2: Provide or fund additional infrastructure needed for increased commercial and residential development.*
- Action 1.3: Acquire property to ensure overall community and economic development needs are met and maintained.*

Strategy 2: Ensure development of vacant parcels within Plan Area flood plain.

- Action 2.1: Evaluate opportunities to increase opportunities for development.*
- Action 2.2: Allocate funding for infrastructure development for site development.*
- Action 2.3: Complete necessary site preparation and mitigation measures need for site development.*

Strategy 3: Reduce vacant commercial and industrial buildings in Plan Area.

- Action 3.1: Conduct market analysis and downtown planning for recruitment and development opportunities.*
- Action 3.2: Prioritize projects that maximize area prosperity and development that reduces existing vacancy rates.*
- Action 3.3: Ensure city owned parcels meet highest and best-use for Plan goals.*

Strategy 4: Leverage tax increment financing with additional funding tools to support economic development.

- Action 4.1: Evaluate opportunities to maximize total project funding with local, regional, state and federal partners.*

Action 4.2: Provide incentives, rebates, and assistance where gap funding exists for private and public-private development projects.

Strategy 5: Encourage employment growth and density development in existing areas.

Action 5.1: Support redevelopment of underutilized commercial and industrial areas.

GOAL 2: ENHANCED CONNECTIVITY

Provide residents and workers access to a connected and efficient multi-modal system within, and to/from Plan Area.

Implementation Summary: Construct or upgrade systems that promote efficient and effective transportation within and to the Plan Area.

Strategy 1: Development of main street corridors within Plan area.

Action 1.1: Completion of Area Transportation Plan.

Action 1.2: Develop a main street corridor within the Town Commons for enhanced access to existing businesses.

Strategy 2: Increase major arterial capacity within Plan Area

Action 2.1: Widen existing major arterial roads as identified in the Tualatin Transportation System Plan.

Action 2.2: Provide or fund additional infrastructure needed for increased commercial, industrial, and residential development.

Strategy 3: Improve existing intersections

Action 3.1: Ensure existing intersections along Tualatin-Sherwood Road promote safe pedestrian usage and ease of traffic flow to mitigate congestion growth.

Action 3.2: Develop and implement additional access points to zoned light industrial areas along Tualatin Sherwood Road.

Strategy 4: Expand area trail systems

Action 4.1: Connect existing trails for a complete recreational and multimodal system

Action 4.2: Complete unfinished trails

Strategy 5: Regional Coordination

Action 5.1: Coordinate with Washington County's Land-Use and Transportation Department to leverage URA resources and enhance efficiency with connectivity projects

Strategy 6: Plan for regional transportation projects inside and outside plan area

Action 6.1: Determine if expanding the Core Opportunity and Reinvestment Area boundary, or the creation of a new urban renewal district, is the best option for major regional transportation projects.

GOAL 3: MIXED-USE DEVELOPMENT

Encourage and facilitate attainable multi-family housing that's complementary to commercial development with expanded employment opportunities and life-style amenities.

Implementation Summary: Incentivize public and private development that creates an area where individuals live, work, shop, and play near major transportation infrastructure and quality-of-life amenities.

Strategy 1: Ensure an adequate supply of land is available and developable.

Action 1.1: Evaluate opportunities to increase development within Plan Area.

Action 1.2: Acquire land to ensure availability for future development.

Action 1.3: Fund infrastructure to support higher density commercial, industrial and residential development.

Action 1.4: Review and revise land use requirements and planning district designations, where necessary, to focus housing efforts on areas most suitable.

Strategy 2: Support development and preservation of housing.

Action 2.1: Support development of housing affordable to people who have incomes between 30-120% of median family income in Washington County.

Action 2.2: Develop and implement additional access points to zoned light industrial areas along Tualatin Sherwood Road.

Strategy 3: Adjust planning efforts based on economic and market landscapes.

Action 3.1: Fund planning efforts regarding zoning and development.

GOAL 4: ECONOMIC DEVELOPMENT

Cultivate opportunities for entrepreneurial growth within Plan Area.

Description: Provide small businesses with dedicated financing.

Strategy 1: Develop assistance opportunities to businesses in Plan Area.

Action 1.1: Provide capital improvement grants to businesses within Plan Area.

GOAL 5: COMMUNITY IDENTITY

Cultivate a shared community identity that represents the area's long standing culture and traditions while fostering community connections and healthy relationship with the environment and each other.

Strategy 1: Establish more recreational opportunities to the natural environment.

Action 1.1: Funding planning and construction efforts for recreational access to the Tualatin River.

Strategy 2: Develop a community identity.

Action 2.1: Fund efforts to establish community design standards for all development projects.

GOAL 6: INDUSTRIAL DEVELOPMENT

Promote dense industrial development in the southwestern area of the Urban Renewal Area.

Implementation Summary: Incentivize development that promotes denser employment opportunities while ensuring community identity and community health is maintained and enhanced.

GOAL 7: PUBLIC UTILITIES

To provide public utilities in the Plan Area as needed to facilitate growth and aesthetic quality.

Implementation Summary: Provide a fully funded utility infrastructure system that assist with eliminating existing blight and encourages future growth.

GOAL 8: FLOOD MITIGATION

Promote the public health, safety and general welfare while minimizing existing and future impact to public and private development due to flood conditions.

Implementation Summary: Provide resources to reduce flood condition impacts.

GOAL 9: ENVIRONMENTAL STEWARDSHIP

To protect Tualatin's original asset, its natural environment, the Commission will work to minimize future impacts to adjacent land where future projects may occur.

Table 2 – Relationship of Projects to Core Opportunity Reinvestment Area Plan Goals

Project Category	Goals
Mixed Use Development	1,2,4
Transportation	1,3,5,6
Community Identity	1,2,4,5,6,9
Economic Development	1,4
Developer Assistance and Incentives	1,3,4
Utilities	7
Natural Resource Protection	9
Flood Mitigation	8,9
Acquisition and Disposition	1
Administration	1,2,3,4,5,6,7,8,9



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Nic Westendorf, Deputy Public Works Director

DATE: August 28, 2023

SUBJECT:
E-Scooter Pilot Review.

RECOMMENDATION:

Staff recommends extending the agreement to allow Lime Scooters to continue operation while staff works to create a process for Council consideration to allow long term e-scooter operations.

EXECUTIVE SUMMARY:

In August 2022 the City entered into a 12-month pilot program with Lime Scooters, allowing the operation of electric scooter (e-scooter) rentals. The intent of the pilot agreement was to gauge demand for the service, determine the feasibility of operations, and allow flexibility to respond to issues and make adjustments as needed. The 12-month pilot program is set to end at the end of August and staff are seeking direction from Council regarding ongoing e-scooter operations.

During the pilot program staff worked with Lime to ensure responsiveness to resident complaints and feedback and to determine feasibility of the service. The City and Lime coordinated on community outreach, held events to kick off the new program and educate riders about safety and rules, and monitored the e-scooter use to gauge the level of community interest. Both staff and Lime believe the pilot has been successful and that ongoing e-scooter operations would be beneficial for the City.

Ridership. Since the pilot began in September 2022 there have been over 14,000 rides covering more than 16,000 miles. If those same trips were taken by car, it would have resulted in over 14,000 lbs. of Co2 pollution – the equivalent of burning over 7,100 pounds of coal. Those rides were taken by 2,900 different riders, which indicates that a lot of riders are repeat users. This is further supported by the ride routes tracked on Lime's interactive dashboard, which show consistent use between the downtown area and various neighborhoods and employment centers on the outer edges of town.

Ridership peaked during the summer and drops during the winter months. While Tualatin has seen over 1,500 riders per month during this 2023 summer (May-present), the winter average is closer to 675 rides per month. In March there were only 441 rides. This seasonal swing is typical in colder climates and has led to Lime adjusting the size of the fleet to account for ridership, with the fleet ranging between 40-70 e-scooters depending on demand. Lime has indicated that they will likely continue scaling the fleet if future operations are allowed and may consider pausing operations

during winter when ridership is at its lowest. This ensures e-scooters are not sitting for long periods unused and that supply is adjusted to meet demand.

Complaints. Over the course of the pilot agreement staff received about a dozen formal complaints. Formal complaints are considered to be those that came in via email, social media, or by phone, and included some engagement beyond a single negative comment. They typically involved concerns over rider safety and e-scooter parking. Concerns such as children riding scooters, riders without helmets, and unsafe riding behavior were frequently cited. In addition, folks were also concerned about scooters being parked near their homes or blocking sidewalks or ADA ramps. In most instances, City staff or Lime were able to resolve the issue either through education or action by Lime's local team. Lime has been prompt to respond to ADA issues and misplaced scooters. The behavior issues are harder to police and similar issues exist with privately owned e-scooters and bikes.

City use. Free rides are offered to staff as an alternative to using City vehicles to get between City buildings. The City's seasonal Park Rangers have also began using scooters for some of their patrols this summer through a partnership with Lime. This has been a benefit to the City, reducing some vehicle trips made for operational purposes and is a nice benefit to offer staff. While not a deciding factor in continuing to offer e-scooters, it is worth highlighting the benefit of the partnership for City staff and the City's efforts to reduce transportation emissions.

Potential Changes to Lime's Operations. Lime has indicated that they would likely make the following changes if long-term operations are permitted in Tualatin:

- Continue to lower fleet size in winter, potentially suspend operations during least popular months.
- Increase price per ride (total price, not per minute) 5-10 cents to account for actual operating costs.

Both changes are intended to ensure Lime is able to continue to provide service in Tualatin while covering costs and maintaining a profit. These changes are still under consideration at Lime and would likely take effect during the extended agreement while staff work on long term e-scooter regulations.

Overall, Lime has been excellent to work with and the overall feedback regarding e-scooters has been positive. The use of e-scooters has been strong and there is a demand for alternative modes of transportation. Continuing to allow e-scooter providers to operate in Tualatin helps service our last mile transportation gaps and helps support our climate action and transportation goals.

Staff would like direction from Council regarding whether continued e-scooter operations are supported, which, if any, changes to operations should be considered, and gather any additional feedback or requests from Council.

OUTCOMES OF DECISION:

If desired, staff can create a process for long-term e-scooter operations in the City and bring it back for future Council consideration. Staff can extend the current agreement with Lime to allow continued operations while that process is developed to ensure e-scooters remain available.

ALTERNATIVES TO RECOMMENDATION:

Council could decide to no longer allow e-scooter rental operations or request further modifications to the operating requirements.

FINANCIAL IMPLICATIONS:

If allowed, continued e-scooter operations would generate a small revenue stream from the 10-cent fee collected per ride. To date, the total revenue share from the pilot is just over \$1,100. This is a nominal and likely not a deciding factor for allowing e-scooters.

ATTACHMENTS:

- PowerPoint Presentation



E-Scooter Pilot Review

August 28, 2023

Overview

- Pilot Overview
 - Community Engagement
 - Ridership
 - Complaints
 - City use
 - Potential Changes
- Conversation & next steps



Community Engagement

Kickoff Event and Tualatin Community Park

Lime offers free helmets,
reduced rates

Social media campaigns
around safety and proper use

Ridership

Cumulative Trips

Lifetime ▾

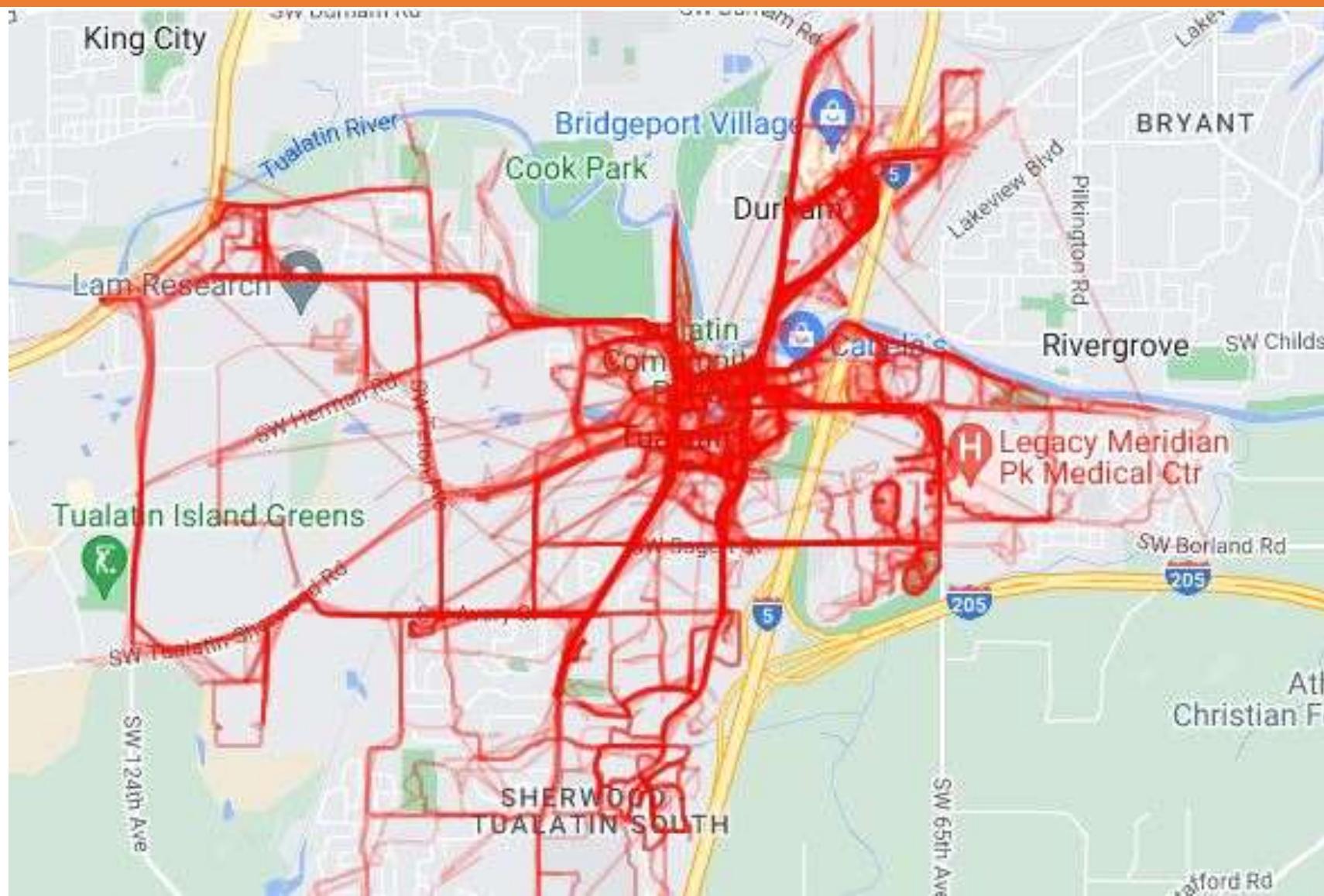
# Trips	# Riders	Total Distance	CO2 Saved	Median Distance/Trip	Median Time/Trip
14,065	2,876	15,906.7 mi	14,021.5 lbs	0.9 mi	9 min

Trips Trends

Monthly ▾



Ridership



Complaints

- Minimal complaints received, many resolved quickly by Lime
- Unsafe behavior
 - Riding without helmet
 - Unsafe riding (blowing stop signs, riding on sidewalks, not predictable)
 - Underage riders
- E-Scooter parking issues
 - Blocking sidewalk/ ADA ramps
 - Parked near residential homes

City Use

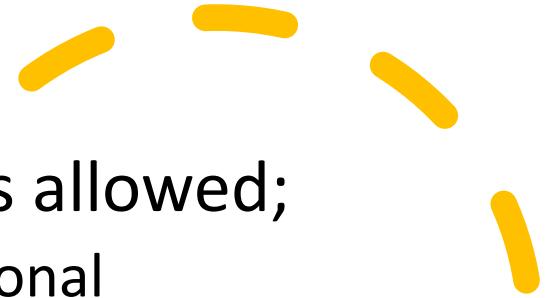
Staff has access to travel between City facilities

Park Rangers using e-scooters for park patrols

Supports City's climate action and transportation goals

Potential Changes

- If continued operation is allowed;
 - Reduced fleet size/ seasonal operations
 - 5-10 cent increase per ride to cover operating expenses



Potential Next Steps

- Extend agreement with Lime and staff draft permanent e-scooter regulations for Council consideration
- Request modifications to e-scooter operations
- No longer allow e-scooters



Discussion

Note: This did not occur in Tualatin.

Vine2Wine

- Wine tastings provided by 6 premium Northwest wineries
- Mixology by Straightaway Cocktails
- Gourmet food samplings
- Music by Kevin Karrick & Susan Sandel
- Silent auction

Tualatin Library Foundation Fundraiser

Saturday, October 14, 2023

7:00-10:00 PM | \$50 Ticket

Tualatin Public Library

Purchase tickets at
TualatinLibraryFoundation.org
or at the Tualatin Library
Information Desk.



Funds raised benefit the Tualatin Library Foundation endowment, which supports literacy and STEAM-education projects through Tualatin Public Library.



Tualatin Library Foundation

Activities Sponsored:

2023 donations: \$5,800

- OBOB book program
- Makers in Residence

2022 donations: \$2,850

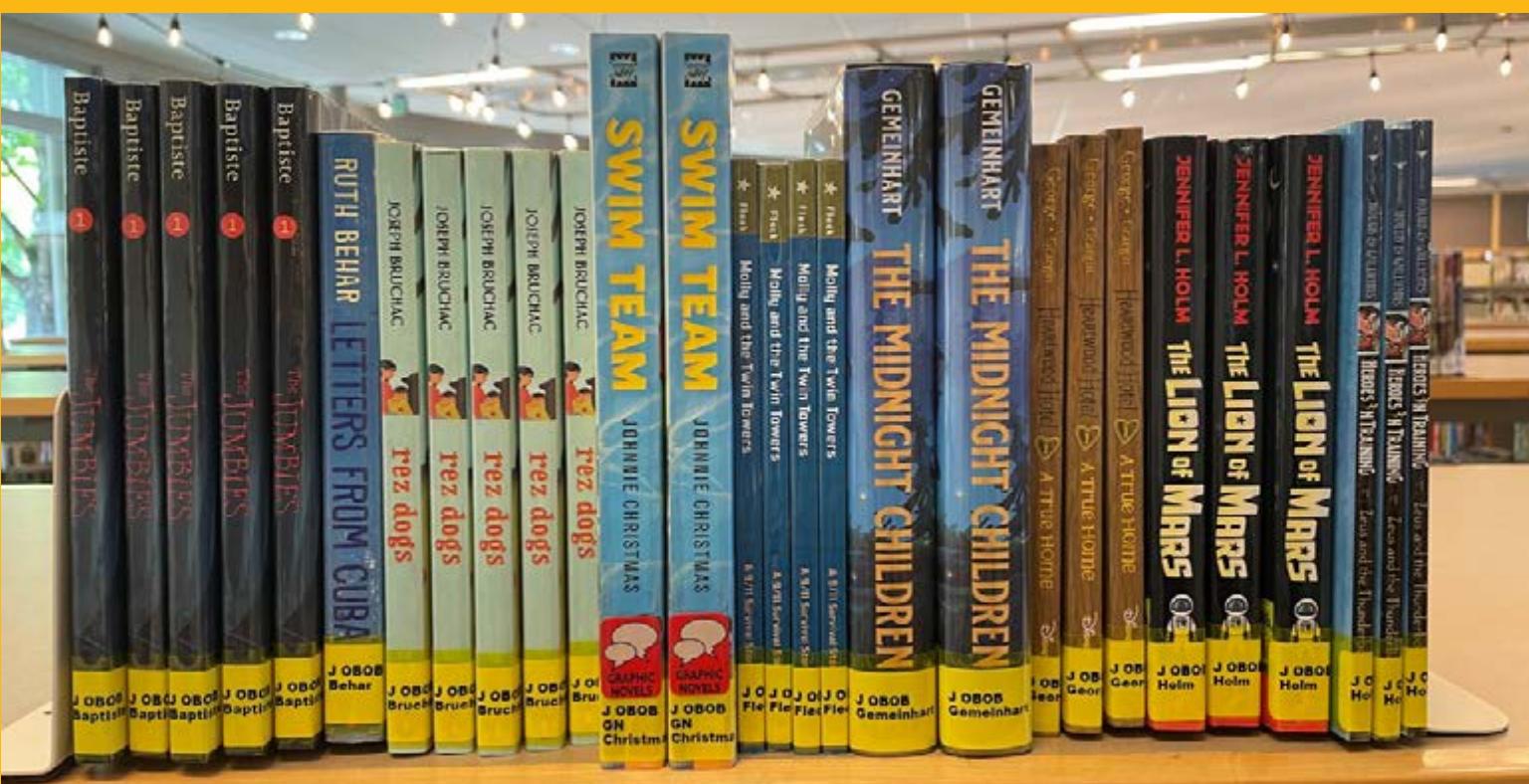
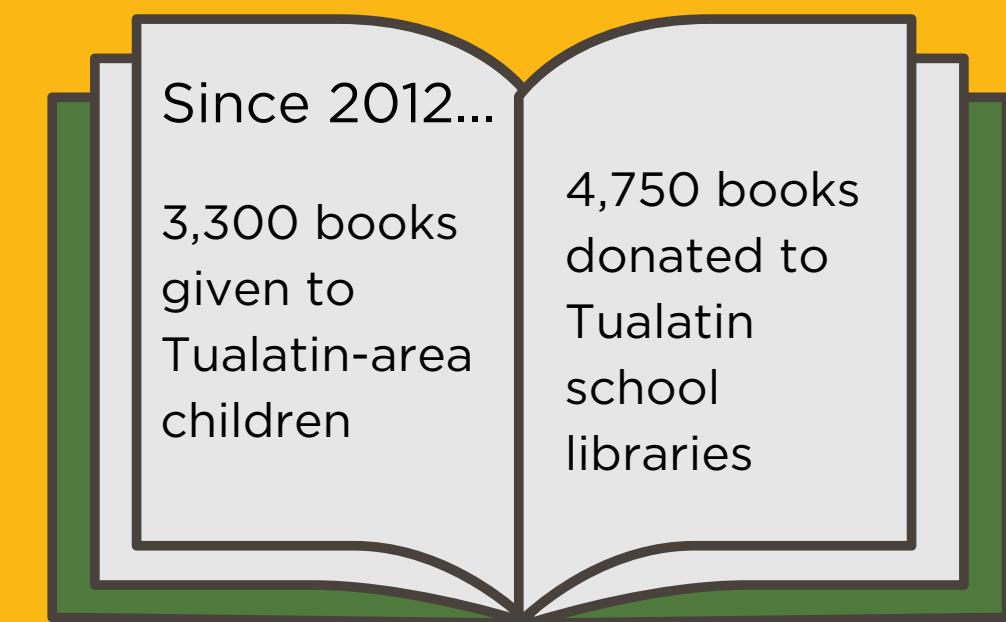
- OBOB book program

2021 donations: \$107,285

- OBOB book program
- Makerspace construction

Prior projects include:

- 1000 Books Before Kindergarten
- Library After Dark / field trips





**CITY OF TUALATIN
Staff Report**

TO: Honorable Mayor and Members of the City Council
THROUGH: Sherilyn Lombos, City Manager
FROM: Nicole Morris, Deputy City Recorder
DATE: August 28, 2023

SUBJECT: Consideration of Approval of the Work Session and Regular Meeting Minutes of August 14, 2023
RECOMMENDATION: Staff respectfully recommends the Council adopt the attached minutes.

ATTACHMENTS:

-City Council Work Session Meeting Minutes of August 14, 2023
-City Council Regular Meeting Minutes of August 14, 2023



OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL WORK SESSION MEETING FOR AUGUST 14, 2023

Present: Council President Valerie Pratt, Councilor Bridget Brooks, Councilor Maria Reyes, Councilor Christen Sacco, Councilor Octavio Gonzalez

Absent: Mayor Frank Bubenik, Councilor Cyndy Hillier

Council President Pratt called the meeting to order at 6:00 p.m.

1. Metro Regional Transportation Plan (RTP) Public Comment Period Discussion.

City Engineer Mike McCarthy presented information about the public comment period for the Metro Regional Transportation Plan (RTP). He gave a brief overview of the RTP, which is a twenty-year transportation vision for the entire Metro region. Engineer McCarthy emphasized the plan is required for federal funding and encompasses transportation projects and policies for the broader metropolitan area. He noted the deadline for submitting comments on the plan is August 25th. Engineer McCarthy discussed the planning context of the RTP in relation to state rules and their impact on county and city plans. He encouraged residents to visit Metro's website to review the plan and provide their feedback through the public comment process. He shared that the RTP's policy goals are based on the Metro 2040 growth concept and described some of the key projects within the plan. He noted some projects include the SW corridor light rail, improvements to bridges, the Hwy 99W corridor study, and the development of high capacity transit options.

Council President Pratt brought up the absence of the I-205 widening project from ODOT's project list even though it's listed in the RTP. Engineer McCarthy explained that the I-205 widening project was delayed on ODOT's list but assured that it will be addressed in the future.

Engineer McCarthy explained the basic philosophy of the RTP, which aims to avoid building new roadway capacity. He highlighted a key proposal within the plan that involves tolling and committing regional revenue to non-capacity projects.

Councilor Gonzalez inquired about the rationale behind prioritizing funding for alternative transportation methods over traditional roadways. Engineer McCarthy acknowledged the concern and suggested that this perspective could be included in the Council's comments on the plan. City Manager Lombos stated the city does not share the same philosophy as Metro regarding roadway capacity, she thinks it's important to share that with them.

Councilor Brooks pointed out Tualatin's road system is not built on a grid structure like Portland's downtown, making it difficult to offset traffic. She emphasized the importance of investing in the transportation system to prevent service interruptions, and expressed concerns about the potential economic divide that could result from prioritizing certain transportation methods over others.

Councilor Sacco shared concerns about promoting alternative transportation without ensuring its viability and how it could impact residents' quality of life based on their geographic location. She

stressed the need for a functional system before encouraging the use of alternate transportation methods.

Councilor Reyes expressed concerns with people and businesses moving away or considering other locations if traffic continues to get worse.

Councilor Brooks emphasized the need to address environmental concerns within the plan, ensuring that any transportation solutions are environmentally sustainable.

Councilor Gonzalez referred to the urban growth prosperity report and highlighted that Tualatin's favorable location could attract growth to the area. He emphasized the importance of considering this growth when planning transportation solutions.

Council President Pratt asked about the use of tolling revenue for mitigation projects. Engineer McCarthy admitted uncertainty about the allocation of tolling dollars for mitigation projects, as Metro's plans in this regard have not been clearly communicated.

Councilor Brooks stressed the importance of forward-thinking planning for alternate transportation methods. She suggested designing infrastructure in a way that accommodates future transportation options, such as preparing for bus lanes when the time comes to introduce those services.

Engineer McCarthy acknowledged a potential limitation in the plan regarding revisions, explaining that any changes made would need to demonstrate equivalent or greater reductions in greenhouse gas emissions, which could pose challenges to modification.

Councilor Pratt inquired about models that demonstrate whether tolling would truly reduce traffic or just defer it. Engineer McCarthy explained the models primarily indicate an improvement in the freeway system's performance. Councilor Pratt expressed her concern regarding potential traffic diversion from the freeway and its impacts on areas outside of the freeway.

Councilor Brooks questioned whether the plan addresses changing transportation modes. Engineer McCarthy clarified that Metro's focus is primarily on reducing home-based vehicle miles traveled and does not extensively address shifting transportation modes. Councilor Brooks expressed her desire to see guidelines addressing mode shift included in the plan.

Engineer McCarthy spoke another policy proposal in the plan, which involves including high capacity transit plans. He explained staff have raised concerns about the modeling used in the plan, as it focuses solely on home-based trips within the region and doesn't account for trips to and from areas outside of the region. He pointed out that a significant portion of traffic comes from surrounding cities, which is not adequately captured in the current modeling. Engineer McCarthy presented the regional mobility policy, which considers freeways to be acceptable as long as speeds remain above 35 mph for more than four hours each day. He expressed staff's concerns with this policy, as it might not acknowledge issues with I-5 through Tualatin and could potentially lead to increased traffic diversion onto city streets, resulting in higher crash rates.

Councilor Brooks inquired about the percentage difference in commercial vehicle traffic and raised concerns related to the safety implications associated with that type of transportation.

Engineer McCarthy then asked if the Council intended to submit a comment letter based on the discussion. The Council reached a consensus to write a letter addressing the concerns discussed during the meeting.

Councilor Reyes sought clarification on whether this plan's inclusion affects the allocation of funds. Engineer McCarthy explained that for a project to be eligible for federal funding, it needs to be included in the regional transportation plan.

Councilor Gonzalez inquired whether this was an appropriate time to request specific projects to be included. Engineer McCarthy responded that the addition of projects typically comes from the city and county transportation plans.

Councilor Brooks emphasized the importance of considering the city's climate action goals and expressed support for corridors that benefit Tualatin. She also voiced her concerns about the apparent disconnection between building and transportation goals within the Metro organization.

Council President Pratt asked about the process for submitting projects to the RTP, how projects were considered, and if tolling-related projects will need to be added. Engineer McCarthy explained projects were submitted based on the existing transportation plan, and new projects related to tolling will indeed need to be included.

Council President Pratt asked about concerns related to how revenue sharing would be addressed. Engineer McCarthy acknowledged revenue sharing is a legitimate concern that should be addressed in the discussion.

2. Council Meeting Agenda Review, Communications, and Roundtable.

Councilor Sacco stated she attended the Council Committee on Advisory Appointments meeting, she thanked all who interviewed for the committee.

Councilor Sacco stated she met with the NW Cannabis Company, whom would like to expand cannabis operating hours in the city to match that of surrounding cities. She proposed the Council discuss the possibility of extending these operating hours at a future meeting. The Council reached a consensus to include a discussion on cannabis operating hours on an upcoming agenda.

Councilor Reyes stated she attended the Council Committee on Advisory Appointments meeting and National Night Out.

Councilor Gonzalez stated he attended the Washington County Coordinating Committee meeting.

Councilor Brooks stated she attended the Arts Advisory Committee meeting and the Climate Action Planning meeting.

Council President Pratt stated she attended the C4 meeting, the C4 strategy meeting, and the R1TAC meeting.

Adjournment

Council President Pratt adjourned the meeting at 7:02 p.m.

Sherilyn Lombos, City Manager

/ Nicole Morris, Recording Secretary

/ Frank Bubenik, Mayor



OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL MEETING FOR AUGUST 14, 2023

Present: Council President Valerie Pratt, Councilor Bridget Brooks, Councilor Maria Reyes, Councilor Christen Sacco, Councilor Octavio Gonzalez

Absent: Mayor Frank Bubenik, Councilor Cyndy Hillier

Call to Order

Council President Pratt called the meeting to order at 7:07 p.m.

Pledge of Allegiance

Announcements

Councilor Brooks commended the Tualatin Police Department for their exemplary response during a recent shooting incident. She specifically highlighted their dedication and bravery in extracting an injured Sheriff Deputy from the scene, recognizing their commitment to the department and the community.

1. New Employee Introductions- Police Officers Taylor Grimmett and CJ Hilgaertner

Police Chief Greg Pickering introduced Police Officers Taylor Grimmett and CJ Hilgaertner. The Council welcomed them.

2. New Employee Introduction- City Attorney Kevin McConnell

City Manager Sherilyn Lombos introduced City Attorney Kevin McConnell. The Council welcomed him.

Public Comment

None.

Consent Agenda

Motion to adopt the consent agenda made by Councilor Brooks, Seconded by Councilor Sacco. Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez
MOTION PASSED

1. Consideration of Approval of the Work Session and Regular Meeting Minutes of July 10, 2023
2. Consideration of Approval of a New Liquor License Application for Luxor Nails and Spa
3. Consideration of Approval of a New Liquor License Application for Tanaka
4. Consideration of Approval of a New Liquor License Application for Akira Sushi

5. Consideration of Approval of a New Liquor License Application for Izumi Japanese Steakhouse
6. Consideration of **Resolution No. 5715-23** Authorizing the City Manager to Execute an Intergovernmental Agreement (IGA) with Washington County (the County), Outlining the County's and City's Obligations as they Pertain to the County's Planned Ride Connection Shuttle Stop Improvements
7. Consideration of **Resolution No. 5717-23** Approving an Amendment to an Intergovernmental Agreement with Washington County Concerning Community Development Block Grants
8. Consideration of **Resolution No. 5718-23** Authorizing the City Manager to Sign an Agreement with Tigard-Tualatin School District, Washington County, and the City of Tigard related to Youth Library Services
9. Consideration of **Resolution No. 5719-23** Adopting the City of Tualatin Contingency and Reserve Policy

Public Hearings - Legislative or Other

1. Consideration of **Ordinance No. 1478-23** Approving the Building Fee Schedule

Building Official Suzanne Tyler presented the proposed increase in the building division fee schedule. She discussed the fees that would be impacted, provided details about the actual costs of the fees, and offered fee comparisons with other cities. Official Tyler explained that the fee adjustments aim to align the department's fees with the actual costs involved, while also keeping the fees low in comparison to neighboring cities. She stated this adjustment is will help to create necessary reserves and maintain the quality of services provided by the department. Official Tyler stated they have provided notice to the state and allowed for public comment on the city's website.

Official Tyler provided updates on questions raised during a previous meeting on July 10th, including issues related to staffing and permitting backlog. She explained the department is currently conducting a comprehensive review of its staffing and review processes. Once this review is complete and efficiencies are identified, the results will be shared with the Council. Official Tyler addressed permit backlog concerns, clarifying that delays often stem from missing information during the submittal process and that revisions at various stages can contribute to the timeline.

PUBLIC COMMENT

None.

COUNCIL QUESTIONS

Councilor Gonzalez inquired about the increased permit fees and who determines the list of projects that require a permit. Building Official Suzanne Tyler stated the list of fees is established upon a city's adoption of a building code, which is outlined in the state building code.

Councilor Reyes raised a question about whether the city pays the state a fee using the fees collected from permits. Official Tyler explained the state mandates a 12% state surcharge, which is collected by the city and then remitted to the state to cover administrative support.

Councilor Gonzalez sought information about permits for structural remodels in residential homes and their impact on the Real Market Value of the homes. He also asked if the city reports this information to the state to adjust the values. Official Tyler stated certain aspects of a home are reported, and the tax assessors' office uses this information to assess property taxes based on the adjusted values.

Motion for first reading by title only made by Councilor Brooks, Seconded by Councilor Sacco.
Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez

MOTION PASSED

Motion for second reading by title only made by Councilor Brooks, Seconded by Councilor Sacco.

Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez

MOTION PASSED

Motion to adopt Ordinance No. 1478-23 approving the building fee schedule made by Councilor Brooks, Seconded by Councilor Sacco.

Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez

MOTION PASSED

General Business

1. Consideration of Ordinance No. 1479-23 Change to Parking Permit Zone Request from the Residents on SW Blackfoot Drive and Osage Street

Police Chief Greg Pickering presented a permit parking zone on SW Blackfoot Drive and Osage Street during school hours. He stated the addition of this parking zone was requested by the residents in the area. Chief Pickering stated this amendment also extends the school hours to 4pm to cover when the high school releases.

PUBLIC COMMENT

None.

COUNCIL QUESTIONS

Councilor Sacco raised concerns about whether implementing the permit parking zone would truly solve the parking issues in the area or if it would just displace the problem to other neighborhoods. She also expressed concerns about the equity implications of the permit costs..

Councilor Brooks pointed out that the core parking issues around schools are under the jurisdiction of the school board and not within the Council's control. She noted that permit parking zones are the only mechanism the Council has to manage parking in such situations.

Councilor Reyes expressed concerns about potential inconsistency in approving permit parking zones when they have already approved similar zones in other areas.

Chief Pickering explained the school district has taken steps to address the parking problem, including expanding the parking lot and partnering with local churches for overflow parking.

Councilor Gonzalez inquired about the impact on police resources. Chief Pickering clarified that this permit parking program is complaint-driven and won't strain police resources. He mentioned the School Resource Officers work with students on parking and may issue warnings to students found parking in restricted areas.

Councilor Gonzalez asked how many permits each homeowner is allowed to obtain. Chief Pickering responded that homeowners can apply for as many permits as they need.

Councilor Sacco emphasized the need for a collaborative solution and expressed concerns about continually resorting to permit parking zones without addressing the root issues. She suggested partnering with the school district to find a solution.

Councilor Reyes asked about the partnerships with the church and if they charge parking fees. Chief Pickering stated he is unsure if there is a fee structure for parking there.

Councilor Brooks mentioned the school district offers free bus transportation to students to help address parking challenges.

Councilor Sacco stated she wants to make sure hardships are not created for those students who need to drive to school for alternate reasons.

Councilor Gonzalez expressed support for the permit parking zone.

Council President Pratt asked if the overflow parking arrangements at partner churches have sufficient capacity to accommodate all students. City Manager Lombos stated that recent improvements in the school parking lots have provided enough space for student parking, and the partnership with churches offers additional overflow parking options for those who choose not to purchase a permit.

Motion for first reading by title only made by Councilor Brooks, Seconded by Councilor Gonzalez.

Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez

MOTION PASSED

Motion for second reading by title only made by Councilor Brooks, Seconded by Councilor Gonzalez.

Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Sacco, Councilor Gonzalez

MOTION PASSED

Motion to adopt Ordinance No. 1479-23 change to parking permit zone request from the residents on SW Blackfoot Drive and Osage Street made by Councilor Brooks, Seconded by Councilor Gonzalez.

Voting Yea: Council President Pratt, Councilor Brooks, Councilor Reyes, Councilor Gonzalez

Voting Nay: Councilor Sacco

MOTION FAILED FOR LACK OF A UNANIMOUS VOTE

Council Communications

Councilor Brooks extended her heartfelt wishes to those affected by the tragic wildfire incident in Maui.

Council President Pratt proposed the addition of the city's logo to a letter outlining 'joint values on tolling and pricing congestion' that is being developed by the Clackamas County Coordinating Committee. The Council reached a consensus to support this initiative.

Councilor Sacco brought up a request from a member of the Library Advisory Committee to honor Banned Book Week. Councilor Gonzalez sought more details about the banned books before deciding on whether to support the request.

Adjournment

Council President Pratt adjourned the meeting at 8:12 p.m.

Sherilyn Lombos, City Manager

_____/ Nicole Morris, Recording Secretary

_____/ Frank Bubenik, Mayor



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Greg Pickering, Chief of Police

DATE: August 28, 2023

SUBJECT:

Consideration of **Resolution No. 5720-23** Authorizing the City Manager to Sign an Intergovernmental Agreement between the Tigard-Tualatin School District and the City of Tualatin Setting Forth Requirements for Participation in the School Resource Officer Program

EXECUTIVE SUMMARY:

The District has requested, and the City has agreed, that the City provide police officers who will act as school resource officers ("SRO"). SROs fulfill a vital role in promoting communication and cooperation between the school district and law enforcement to support safe school communities and contribute to the learning process.

FINANCIAL IMPLICATIONS:

According to the IGA, the City will pay the costs of selection, salary, benefits, vehicle, and equipment for a minimum of two (2) SROs and the District will provide funding to offset approximately one half of the costs of the most senior SRO including benefits and overtime for nine months of the year. The District's funding will not exceed \$79,000 for the period July 1, 2023 through June 30, 2024.

ATTACHMENTS:

-Intergovernmental Agreement between City of Tualatin and Tigard-Tualatin School District 23J
-Resolution No. 5720-23

RESOLUTION NO. 5720-23

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN
INTERGOVERNMENTAL AGREEMENT BETWEEN THE TIGARD-TUALATIN SCHOOL
DISTRICT NO. 23J AND THE CITY OF TUALATIN SETTING FORTH THE REQUIREMENTS
FOR PARTICIPATION IN THE SCHOOL RESOURCE OFFICER PROGRAM

WHEREAS, Oregon Revised Statutes ("ORS") 190.010 confers authority upon local governments to enter into agreements for the performance of any functions and activities that a party to the agreement, its officers or agencies have authority to perform; and

WHEREAS, The District has requested, and the City has agreed, that the City provide police officers ("Officer") who will act as school resource officers ("SRO"); and

WHEREAS, SROs fulfill a vital role in promoting communication and cooperation between the school district and law enforcement to support safe school communities and contribute to the learning process;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

Section 1. The City Manager is authorized to execute an Intergovernmental Agreement between the Tigard-Tualatin School District 23J and the City of Tualatin.

Section 2. This resolution is effective upon adoption.

ADOPTED by the City Council this 28th day of August, 2023.

CITY OF TUALATIN, OREGON

BY _____
Mayor

APPROVED AS TO FORM

ATTEST:

BY _____
City Attorney

BY _____
City Recorder

**INTERGOVERNMENTAL AGREEMENT
BETWEEN CITY OF TUALATIN
AND TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J**

THIS AGREEMENT (this "Agreement") is entered into and between the City of Tualatin ("City"), an Oregon municipal corporation, and Tigard – Tualatin School District No. 23J ("District"), a public school district in the State of Oregon, collectively referred to as the "Parties" and each a "Party."

RECITALS

Oregon Revised Statutes ("ORS") 190.010 confers authority upon local governments to enter into agreements for the performance of any functions and activities that a party to the agreement, its officers or agencies have authority to perform.

The District has requested, and the City has agreed, that the City provide police officers ("Officer") who will act as school resource officers ("SRO"). SROs fulfill a vital role in promoting communication and cooperation between the school district and law enforcement to support safe school communities and contribute to the learning process.

In consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. **Term.** This Agreement shall be effective upon execution by both parties, and shall expire on June 30, 2024 unless terminated earlier as provided in this Agreement.
2. **Scope of Work.** The City agrees to provide the services ("Work") further identified in the Scope of Work and Additional Terms and Conditions, attached hereto as Exhibit A and incorporated herein. Parties will meet prior to the start of each school year to discuss anticipated needs, within the Scope of Work, in the upcoming school year.
3. **Consideration.** The District agrees to pay City, from available and authorized funds, the amount set forth on the schedule attached hereto as Exhibit B for accomplishing the Work required by this Agreement.
4. **Payment.** Unless otherwise specified, the City shall submit monthly invoices for Work performed. The District shall pay the City following the District's review and approval of the invoice. City shall not submit invoices for, and the District will not pay, any amount in excess of the maximum compensation amount set forth in Exhibit B.

5. Representations and Warranties.

A. District Representations and Warranties. District represents and warrants to City that District has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of District enforceable in accordance with its terms.

B. City Representations and Warranties. City represents and warrants to District that City has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of City enforceable in accordance with its terms.

C. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

6. Termination.

A. Either the City or the District may terminate this Agreement at any time upon 90 days' written notice to the other Party.

B. Either the City or the District may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination however, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If, in the non-breaching Party's sole discretion, the breaching Party has not entirely cured the breach within 15 days of delivery of the notice to the breaching Party, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination.

C. The City or the District shall not be deemed to have waived any breach of this Agreement by the other Party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.

D. Either Party may terminate this Agreement in the event it fails to receive expenditure authority sufficient to allow the Party, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement, or if federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Work to be performed under this Agreement is prohibited or the Party is prohibited from paying for such Work from the planned funding source.

E. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

7. Indemnification. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the City agrees to indemnify, save harmless and defend the District, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property arising out of or resulting

E. **Certificate of Insurance.** Upon District request, City shall furnish to District a current certificate of insurance for each of the above coverages within 48 hours of District request. Each certificate must provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days prior written notice from City or its insurer to District. Each certificate shall also state the relevant deductible or retention level. For general liability coverage, the certificate shall also provide that District, its agents, officers, and employees are additional insureds with respect to City's services provided under this Contract. If requested by District, City shall also provide complete copies of insurance policies to District.

F. **Self-Insured Agencies.** If City is self-insured in full or in part, City shall submit proof of self-insurance coverage equal to or better than the insurance coverages required in this section.

9. **Notices; Contacts.** Legal notice provided under this Agreement shall be delivered personally, by email or by certified mail to the individuals identified below. Any communication or notice so addressed and mailed shall be deemed to be given upon receipt. Any communication or notice sent by electronic mail to an address indicated herein is deemed to be received two hours after the time sent (as recorded on the device from which the sender sent the email), unless the sender receives an automated message or other indication that the email has not been delivered. Any communication or notice by personal delivery shall be deemed to be given when actually delivered. Either Party may change the Party contact information, or the invoice or payment addresses by giving prior written notice thereof to the other Party at its then current notice address.

The City:

City of Tualatin
Attn: Chief of Police
8650 SW Tualatin Rd.
Tualatin, OR 97062

The District:

Tigard-Tualatin School District
Attn: Superintendent
6960 SW Sandburg St.
Tigard, OR 97062
sriekesmith@ttsd.k12.or.us

10. **Control of Personnel.** The City is the SRO's sole employer. Control of personnel, supervision, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the City. Allegations of misconduct shall be investigated in accordance with City's Policy and Procedures. The City will be responsible for liabilities for salaries, wages, any other compensation or benefits, injury, or sickness arising from performance of the law enforcement services provided by the SRO.

11. General Provisions.

A. Oregon Law and Forum. This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon and the ordinances of the City without giving effect to the conflict of law provisions thereof. Any claim between City and District that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Washington County for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the City or the District of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

B. Compliance with Applicable Law. Both Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be a part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.

C. Non-Exclusive Rights and Remedies. Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.

D. Access to Records. District and City shall retain, maintain, and keep accessible all records relevant to this Agreement (“Records”) for a minimum of six years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. District and City shall maintain all financial records in accordance with generally accepted accounting principles. The District and the city shall maintain other Records to the extent necessary to reflect actions taken and consistent with the applicable public records retention requirement. Subject to any requirements or limitations as described in Section 11.P of this Agreement, during this record retention period, District shall permit the City’s authorized representatives’ access to the Records at reasonable times and places for purposes of examining and copying. During this record retention period, City shall permit the District’s authorized representatives’ access to the Records at reasonable times and places for purposes of examining and copying.

E. Debt Limitation. This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

F. Severability. If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the

offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the Parties.

G. Integration, Amendment and Waiver. Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.

H. Interpretation. The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

I. Independent Contractor. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture, joint employer or any similar relationship, and each Party hereby specifically disclaims any such relationship.

J. No Third-Party Beneficiary. District and City are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

K. Counterparts. This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.

L. Survival. All provisions in Sections 5, 7, and 11 (A), (C), (D), (E), (F), (G), (I), (J), (L), (Q), and (R) shall survive the termination of this Agreement, together with all other rights and obligations herein which by their context are intended to survive.

M. Necessary Acts. Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.

N. Time Is of the Essence. District agrees that time is of the essence in the performance this Agreement.

O. Force Majeure. Neither District nor City shall be held responsible for delay or default caused by events outside of the District or City's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, District shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

P. FERPA. As required by the 20 USC 1232(g) (Family Educational Rights and Privacy Act, "FERPA"), and ORS 326.565, City shall not disclose any information or records regarding students or their families that City may learn or obtain in the course and scope of its performance of this Agreement. The Parties recognize that the Family Educational Rights and Privacy Act (FERPA) imposes strict penalties for improper disclosure or re-disclosure of confidential student information including but not limited to denial of access to personally identifiable information from education records for at least five years (34 CFR 99.33(e)). Consistent with the requirements of FERPA, personally identifiable information obtained by the Parties in the performance of this Agreement may not be re-disclosed to third parties without written consent of the students' parent/guardian, and must be used only for the purposes identified in this Agreement.

Q. No Attorney Fees. In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorney fees and expenses.

IN WITNESS HEREOF, the Parties have executed this Agreement by as of the dates set forth below.

City of Tualatin

Tigard – Tualatin School District No. 23J

By: _____
Name: _____
Its: _____
Date: _____

By: Susan R. Rieke-Smith, Ed.D.
Name: Susan Rieke-Smith, Ed.D.
Its: Superintendent
Date: July 3, 2023

102. 20. ~~W. W. C. Smith~~

2000 ft. elev.

EXHIBIT A **SCOPE OF SERVICES**

The purpose of this exhibit is to identify services provided by the City to the District and the responsibilities of each party related to School Resource Officers.

1. The Parties agree as follows:

- a. The Tualatin Police Department's School Resource Officer Program will strive to enhance public safety through community policing within the schools, including crime prevention, enforcement of laws on school grounds, education and role modeling.
- b. The City shall provide a minimum of two (2) School Resource Officers (SRO) to be assigned to service District schools within the city limits of Tualatin. All SROs shall be sworn employees of the Tualatin Police Department.
- c. The Tualatin SRO's primary assignments will be Tualatin High School, Hazelbrook Middle School, Byrom Elementary School, Bridgeport Elementary School, Tualatin Elementary School, and any future District school site that falls within the Tualatin Police Department jurisdiction.
- d. The SRO's schedule will be developed by a Tualatin Police Department supervisor to address the needs of the SRO unit and the schools they serve.
- e. The SRO will work in cooperation with all school personnel students, parents, and community members to accomplish the Tualatin Police Department's mission.
- f. The school principals and the Police supervisor of the SRO unit shall coordinate activities and meetings related to the SROs in the schools. The following priorities will guide the activities of the SRO:
 - i. Police presence, crime prevention and enforcement of laws. To create and maintain a feeling of safety and security for the benefit of all students and staff and to deter crime and violence on all school grounds through police presence and enforcement of the law.
 - ii. Education and positive contact. To create and maintain educational opportunities for all students and staff which in turn creates a positive image of law enforcement.
 - iii. Student and staff assistance. To become and remain a resource for all students and staff. To that end the SRO will be available for special event security as necessary.
- g. The District shall make every effort to provide the SROs with a private work area containing a desk, computer, and telephone within the High School and Middle School.
- h. As part of the ongoing partnership between the City and District, each agrees to allow the other the use of any facilities as available for meetings, training, community events or other use as agreed upon by the parties, subject to each entity's facilities use policies and procedures.
- i. The cost of specialized training shall be shared by mutual agreement between the City and the District on a case-by-case basis.
- j. All equipment supplied by the District shall remain the property of the District; all equipment supplied by the City shall remain the property of the City.
- k. At the direction of District, City will immediately remove any SRO from all District premises where District determines, in its sole discretion that removal of such employee would be in the best interests of District.

New Responsibilities of Each Party Identified during the Community Process

2. District responsibilities.

- a. Include SROs in building level and district level trainings for equity, trauma informed practices, culturally responsive leadership, and restorative practices
- b. Include school resource officers in collaboration efforts around psychological, social emotional well-being and physical health and safety for TTSD students, staff, and families.
- c. Participate in cross organizational training to better partner for school safety
- d. Include SROs in meetings around multi-systems of support and provide data about student outcomes and needs.
- e. Work with Tualatin Police Departments to introduce School Resource Officers (SRO) and help inform their role and the new structure and framework of partnership to staff, students, families, and community members.
 - i. This can be co-constructed with work group members throughout the year.
 - ii. Include community events quarterly at the district level that focuses on listening sessions, information sessions, and questions and answering sessions with broader Tigard-Tualatin Community.
 - iii. Create space for families locally to meet School Resource Officers.
 - iv. Administrators will have a plan to include SROs in certain staff meetings, community events, and conferences and beginning of the year introductions and onboarding events chosen by the district.
 - v. Work to help facilitate opportunities for relationship development across historically underserved communities including staff, students, and families.
 - vi. Facilitate spaces for critical conversations around historical and socio-political context locally and nationally.
 - vii. Include School Resource Officers in Broad Communication to the community.

3. City responsibilities.

- a. Provide information regarding Drug and Alcohol prevention.
- b. Provide information about evolution and reasoning for uniform, gear, and weapons.
- c. Provide information about rights of students and families when faced with legal situations.
- d. Provide summarized data about referrals and arrests and other pertinent information for community to know and understand annually.
- e. Provide information about how SROs keep school communities and local communities safe centered on culturally and community responsiveness stance
- f. Provide services in creating positive relationships with historically underserved communities including but not limited to students of color, students in foster care, and students with varying abilities.
- g. Provide data about prevention efforts including but not limited to data about community relationship development and builders, consultation time for incidence responses, partnership with administrators, special education

departments, student services department, and equity and inclusion department.

- h. Participate in 1-2 community events monthly directly related to serving, informing, and building relationships with historically underserved communities (i.e. affinity and alliance groups, students navigating housing insecurities, and leadership groups that work to prevent and educate about impacts of drug and alcohol).

4. Joint responsibilities.

- a. The SRO program shall be evaluated annually. As part of the continuous improvement plan as reviewed by an SRO Task Force (representative of stakeholders that will include city partners, student, families, and community partners).
- b. Including staff and student representatives shall be a part of the SRO selection process.
- c. Ongoing training in conjunction with school staff. This would be on relevant subjects such as the anti-racist policy, DEI initiatives.
- d. Work to create a framework for Restorative Justice and Incidence Response to ensure the concerted effort to effectively keep students out of the criminal justice system and foster positive relationships with students with intentional focus on those historically underserved.
- e. Create, develop, and monitor continuous improvement plans centered around District Priorities with an equity lens.
- f. Preserve safe spaces for students and families.

EXHIBIT B
COMPENSATION

1. The City shall pay the costs of selection, salary, benefits, vehicle, and equipment for a minimum of two (2) SROs. The District shall provide funding to offset approximately one half of the costs of the most senior SRO including benefits and overtime for nine months of the year. The District's funding shall not exceed \$79,000 for the period July 1, 2023 through June 30, 2024, unless otherwise agreed upon by both Parties.
2. The District shall reimburse the City for 100% of compensation and related payroll costs attributed to overtime paid to uniformed personnel attending District events such as board meeting on an on-call basis, in order to enhance public safety. The City shall itemize the overtime under this Agreement separately on the monthly invoice addressed in Section "4" of the Agreement. Fulfilment of overtime requests from the District are subject to officer availability at the City's discretion.



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Mike McCarthy, City Engineer

Bryce Donovan, Engineering Associate

DATE: August 28, 2023

SUBJECT:

Consideration of **Resolution No. 5722-23** Awarding a Contract for Construction of the 2022 Neighborhood Traffic Safety Projects, Phase 2.

RECOMMENDATION:

Staff recommends that Council approve the resolution awarding and allowing the City Manager to execute a contract with Brown Contracting, Inc. to construct the 2022 Neighborhood Traffic Safety Projects – Phase 2 in the amount of \$469,397.

EXECUTIVE SUMMARY:

This contract is part of the Tualatin Moving Forward program and will build new street lights and sidewalk, curb ramp, and crosswalk improvements along 67th and 68th Avenues north of Sagert Street in the Las Casitas neighborhood, and a new crosswalk with flashing lights across Sagert Street west of 68th Avenue.

As requested in previous conversations, staff is investigating the feasibility of adding street lights along the Sagert Street bridge, and recommends moving forward with this construction while the lights are being investigated.

The construction contract was advertised in the Daily Journal of Commerce on July 19 and 21, 2023 and in the Business Tribune on July 21 and 25, 2023. 3 bids were received before the bid period closed on August 10, 2023. Brown Contracting, Inc. submitted the lowest responsible bid for the project in the amount of \$469,397.

When this contract is signed, all of the Tualatin Moving Forward projects will be either under construction or already completed.

OUTCOMES OF DECISION:

Adopting the resolution and authorizing contract execution would allow construction of this project to proceed.

FINANCIAL IMPLICATIONS:

Funds for this project are available in the Transportation Fund.

ATTACHMENTS:

Resolution No. 5722-23 Awarding Contract

RESOLUTION NO. 5722-23

A RESOLUTION AWARDING A CONTRACT FOR CONSTRUCTION OF THE
2022 NEIGHBORHOOD TRAFFIC SAFETY PROJECTS – PHASE 2

WHEREAS, the above-referenced project was posted on July 19 and 21, 2023 in the *Daily Journal of Commerce* and on July 21 and 25, 2023 in the *Business Tribune* and the City requested competitive sealed bids as part of its capital improvement program;

WHEREAS, 3 bids were received prior to the close of the bid period on August 10, 2023;

WHEREAS, Brown Contracting, Inc. submitted the lowest responsible bid for the project in the amount of \$469,397; and

WHEREAS, there are funds budgeted for this project in the Transportation Fund.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

Section 1. Brown Contracting, Inc. is hereby awarded a contract for the 2022 Neighborhood Traffic Safety Projects – Phase 2;

Section 2. The City Manager is authorized to execute a contract with Brown Contracting, Inc. in the amount of \$469,397;

Section 3. The City Manager, or the City Manager's designee, is authorized to execute Change Orders totaling up to 10% of the original contract amount; and

Section 4. This resolution is effective upon adoption.

Adopted by the City Council this 28th day of August, 2023.

ATTEST:

BY _____
City Recorder

CITY OF TUALATIN, OREGON

BY _____
Mayor



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Ross Hoover, Parks and Recreation Director
Rich Mueller, Parks Planning and Development Manager

DATE: August 28, 2023

SUBJECT:

Consideration of **Resolution No. 5724-23** Authorizing Increasing Tualatin Community Park Sports Field Lighting Purchase and Replacement Change Order Authorization Amount.

RECOMMENDATION:

Staff recommends approval of Resolution No. 5724-23.

EXECUTIVE SUMMARY:

The voter approved parks bond includes replacing outdated sports field equipment due to condition issues as a priority. Tualatin Community Park sports field lighting replacement was recommended by the bond stakeholder committee, and supported by the Parks Advisory Committee. On June 26, 2023 Council authorized Resolution No. 5704-23 for the sports field lighting replacement project with Musco Sports Lighting, LLC under the terms and conditions of a Cooperative Procurement Agreement with King County Directors Association (KCDA).

The lighting equipment has been ordered and project is scheduled to begin the first part of October 2023. Both the City and Musco Sports Lighting, LLC reasonably assumed upon execution of the contract that the existing wiring and electrical panel box at the site were code compliant; however, upon further investigation electricians determined that the light pole wiring, conduit and electrical panel box are not code compliant and in need of replacement. Authorization to upgrade light pole wiring, conduit and electrical panel box as part of this sports field lighting replacement project will ensure community safety and code compliance. While the additional cost of this work is more than the ten percent allowance for change orders previously authorized by Resolution 5704-23, staff believes leveraging this existing contract can most efficiently accomplish these needed upgrades.

OUTCOMES OF DECISION:

Adopting the resolution and authorizing the change order authorization amount would allow construction of this work to proceed on schedule as part of the existing contract.

FINANCIAL IMPLICATIONS:

Funds for this project are available in the Park Projects Bond Fund.

ATTACHMENTS:

Resolution No. 5724-23

RESOLUTION NO. 5724-23

A RESOLUTION INCREASING TUALATIN COMMUNITY PARK SPORTS FIELD LIGHTING PURCHASE AND REPLACEMENT CHANGE ORDER AUTHORIZATION AMOUNT

WHEREAS, on June 26, 2023 Council Resolution 5704-23 authorized the City Manager to execute a contract with Musco Sports Lighting, LLC through a Cooperative Procurement Program in the amount of \$400,546 for the purchase and replacement of sports field lighting at Tualatin Community Park;

WHEREAS, Section 3 of Resolution 5704-23 authorized the City Manager to execute change orders totaling up to 10% of the original contract amount;

WHEREAS, the City and Musco Sports Lighting, LLC executed Contract No. 406 to purchase and replace the sports field lighting at Tualatin Community Park on June 29, 2023;

WHEREAS, both the City and Musco Sports Lighting, LLC reasonably assumed upon execution of Contract No. 406 that the wiring and electrical panel box at the site were code compliant; however, upon further investigation electricians determined that the light pole wiring, conduit and electrical panel box were not code compliant and in need of replacement;

WHEREAS, upgrading of the light pole wiring, conduit and electrical panel box as part of this sports field lighting replacement project will work to ensure community safety and code compliance;

WHEREAS, Musco Sports Lighting, LLC has determined that it will cost an additional \$105,190.00 to replace the light pole wiring, conduit and electrical panel box and submitted a Change Order Request reflecting the same;

WHEREAS, there are funds budgeted for this work in the Parks Bond Project Fund; and

WHEREAS, Musco Sports Lighting, LLC is scheduled to begin this work the first part of October 2023.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

Section 1. The City Manager or designee is authorized to execute Change Orders totaling up to 30% of the original contract amount authorized on June 26, 2023.

Section 2. The City Manager or designee is authorized to execute any and all documents necessary to effectuate change orders.

Section 3. This resolution is effective upon adoption.

Adopted by the City Council this 28 day of August, 2023.

CITY OF TUALATIN, OREGON

APPROVED AS TO FORM

BY _____
City Attorney

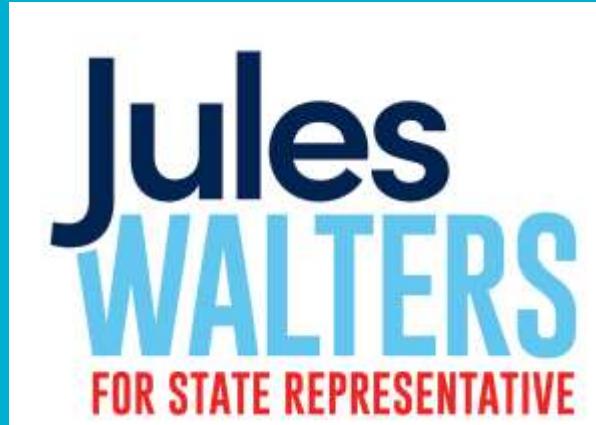
BY _____
Mayor
ATTEST:

BY _____
City Recorder

State Representative Jules Walters

House District 37

West Linn, Tualatin, Durham, River
Grove and Lake Grove



2023 Legislative Session Wrap Up

- My experience as a first term State Representative
 - House Wins: Housing / Behavioral Health & Addiction Services / Stronger Schools
- My Chief Sponsored Bill Wins
 - Tolling Moratorium and Task Force - HB 3614
 - Signed by Governor Tina Kotek by Executive Action
 - Recovery High Schools - HB 2767
 - Willamette Falls Locks, 150th Anniversary Commemoration - HCR 20
 - New law to establish sexual assault by fraudulent representation as a felony - SB 974

Upcoming Town Halls

Washington County

September 14th from 4pm - 5pm

Tualatin Public Library - Community Room
- 18878 SW Martinazzi Ave, 97062

Panel: Rep Jules Walters, Senate President
Rob Wagner, Mayor's Frank Bubenik and
Gery Schirado

Information and Constituent Q&A

Clackamas County

September 20th from 5pm - 6pm

West Linn Public Library - Community Room
- 1595 Burns St, 97068

Panel: Rep Jules Walters, Senate President
Rob Wagner, Mayor's Rory Bialostosky, Joe
Buck and Jeff Williams

Information and Constituent Q&A

I Want to Hear from You

1. What are issues you're hearing from constituents?
2. What are local business leaders needing from us? What about from teachers?
3. Do you have ideas for future legislation?
4. How can I better serve Washington County?

Follow my Legislative page,
Newsletter, and Socials for
news and updates:

[Oregon Legislature](#)

[Instagram](#)

[Facebook](#)

Thank you!!





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 HHPR 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

BASALT CREEK EMPLOYMENT (BCE) ZONE CODE PROJECT

Tualatin City Council – Legislative Hearing

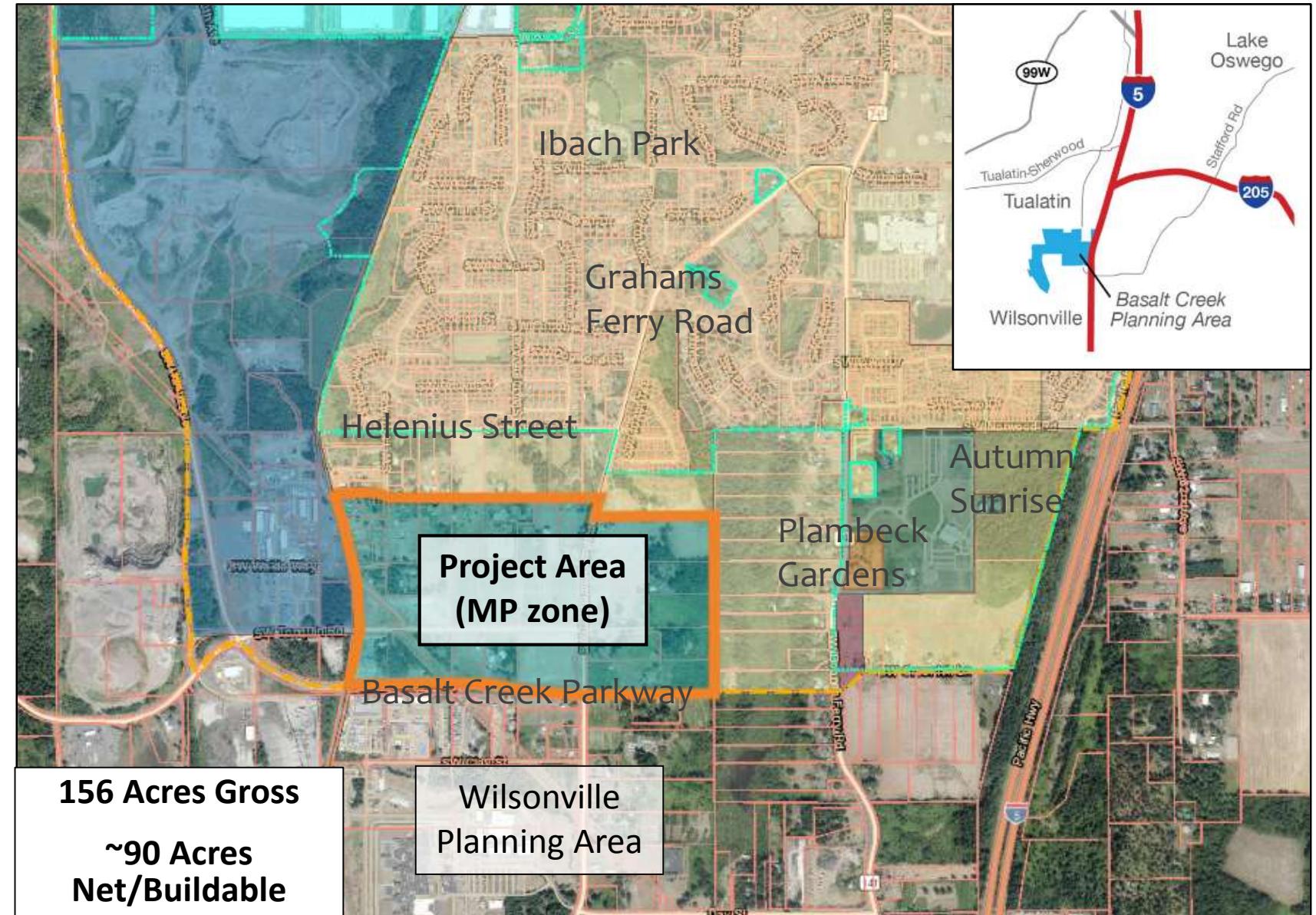
August 28, 2023



Discussion Topics

- Project Background & Goals
- MP Zone and Leveton Area Case Study
- Recap of Findings in Economic Opportunities Analysis
- Urban Renewal Goals & Revenue Considerations
- Public Outreach
- Overview of Basalt Creek Employment Zone Code
- Approval Criteria
- Planning Commission Recommendation

Project Background



Project Background

What is being proposed? The BCE zone is a new industrial zoning code for the Basalt Creek Area

Why is a new code needed? The existing MP zoning code allows a narrow set of uses that are not supported by current market trends

Why is this needed now? To act as a catalyst for development and tax base growth in Basalt Creek to meet urban renewal goals

How was the code created? By studying economic and market trends and incorporating Council, public, and stakeholder feedback

Manufacturing Park (MP) Zone Allowed Uses



Permitted uses are restrictive to encourage large-scale manufacturing & research facilities

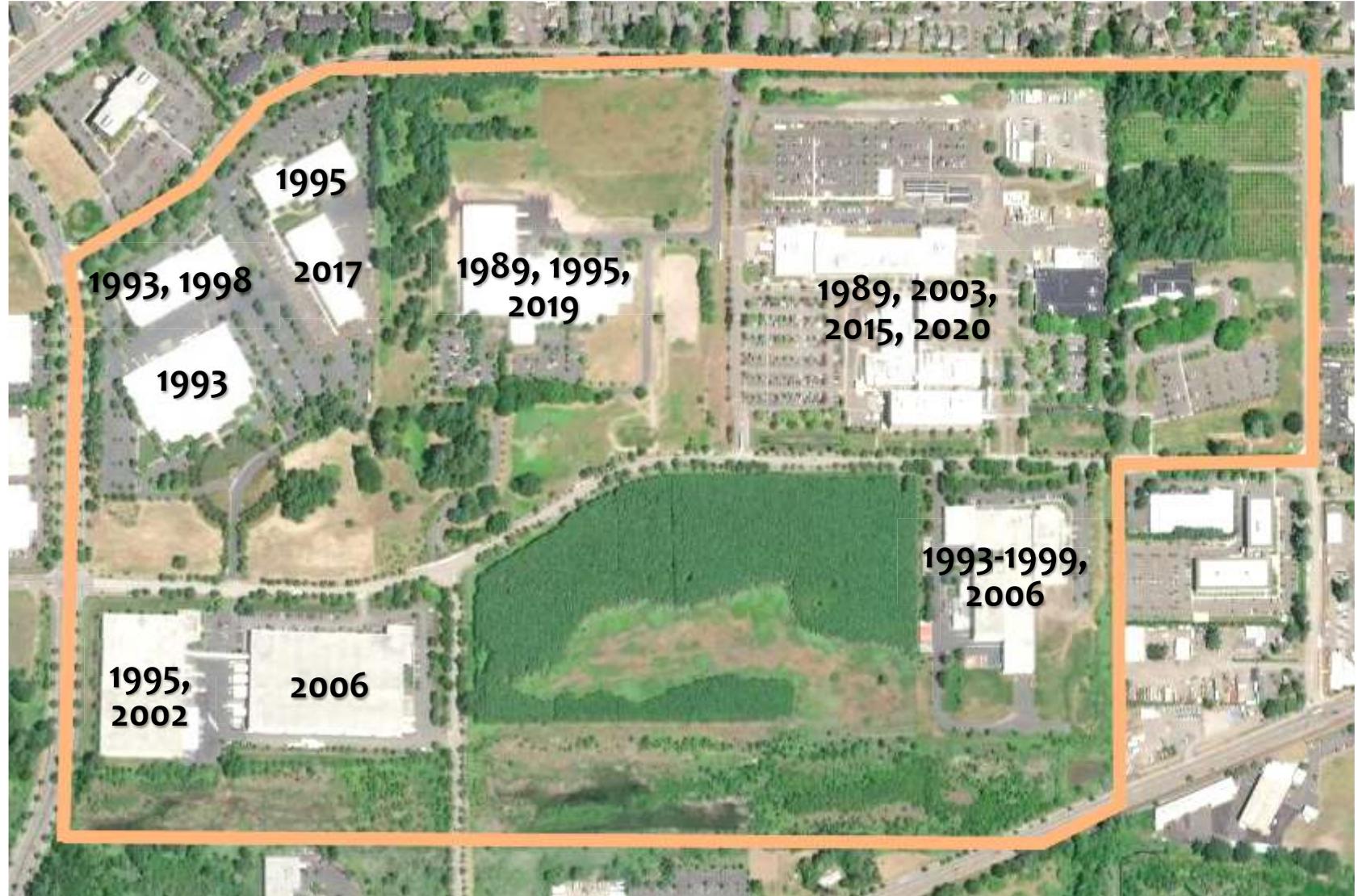
Table 62-1 Use Categories in the MP Zone

Industrial Use Categories		
Light Manufacturing	P (L)	<p>Permitted uses limited to:</p> <ul style="list-style-type: none">• Manufacture or assembly of electronic or optical instruments, equipment, devices; musical instruments; toys; and sporting goods.• Production of textiles or apparel; Printing, publishing, and lithography shops; and• Research and development laboratories. <i>Primary processing of organic materials, such as tanning of leather, is prohibited.</i>

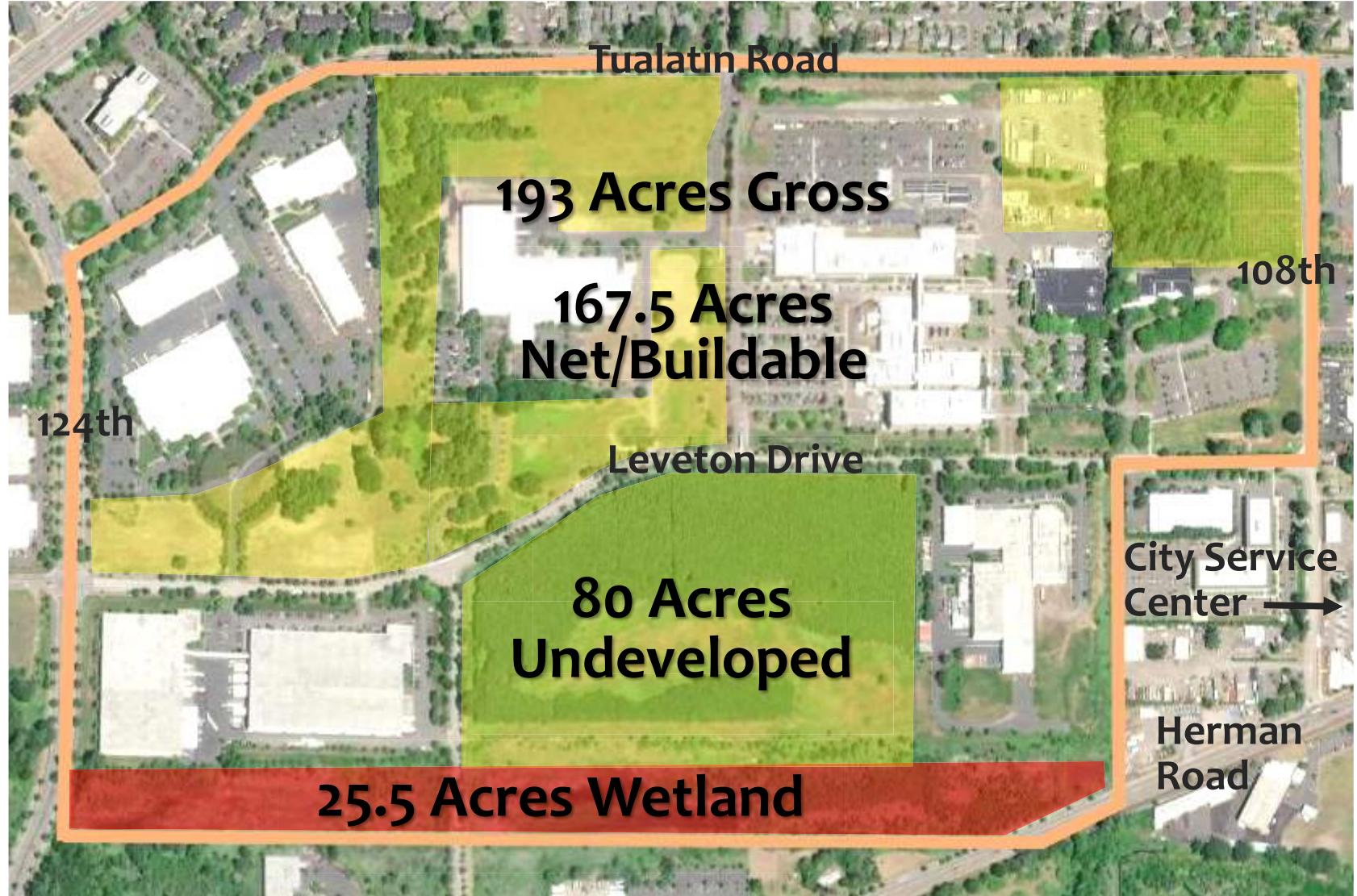
MP Zone Case Study: Leveton Area

- The MP zone was created in the late 1980s to support the Leveton urban renewal area
- It is nearly 50% undeveloped and has seen limited recent development despite being “shovel ready” (all public facilities improved)
- Although it was initially successful, there is no longer market demand for the type of development that is allowed
- The lessons learned from the MP zone have informed the need for a new zoning code to support the Basalt Creek urban renewal area.

MP Zone Case Study: Leveton Area



MP Zone Case Study: Leveton Area



Project Goals: Council Priorities



Limit warehouse uses



Encourage flex space



Incorporate commercial uses



Maintain landscaped feel

Economic Opportunities Analysis (2019)

Findings:

- Tualatin is forecast to grow by about 5,800 new industrial employees over the 2020–2040 period
- 1,897 new jobs are identified in the Basalt Creek area
- Industrial land should produce an average of 15 employees per net acre

Economic Opportunities Analysis (2019)

Why do industrial firms locate where they do?

- Skilled workforce
- Land availability
- Robust local infrastructure with affordable service
- Access to transportation routes
- Material availability & Industry clusters
- Innovative community

How does public policy affect these decisions?

Regulations protect a community's quality of life. However burdensome regulations, can be disincentives for businesses to locate in a community.

Straightforward regulations reduce the burden on businesses
and help them react quickly in a competitive marketplace.

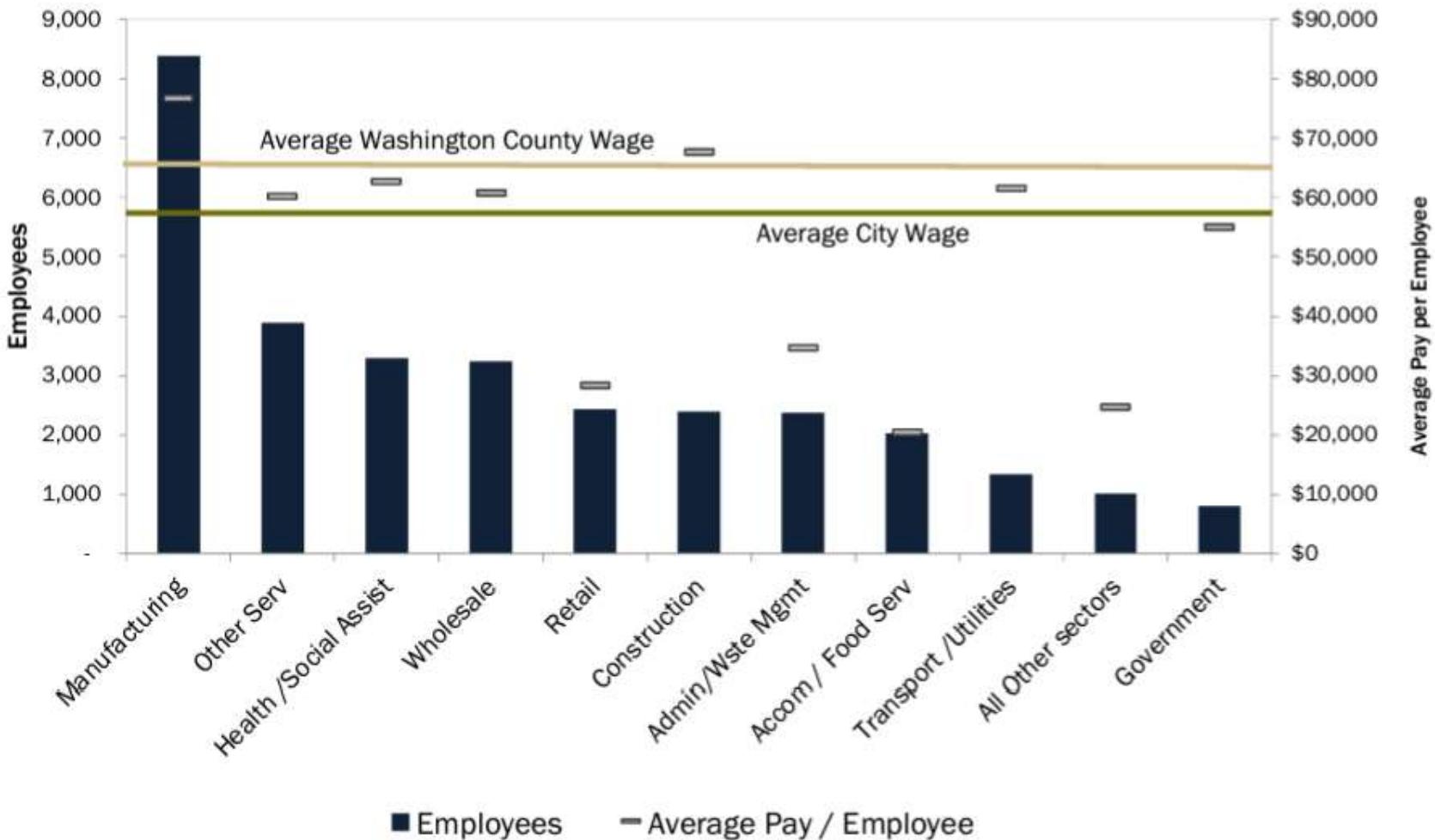
Economic Opportunities Analysis (2019)

Manufacturing & industrial businesses that are likely to locate in Tualatin will have a range of space needs:

- **Small-scale manufacturing spaces.** Businesses would be located in an industrial building with many other users.
- **Space in flex-service buildings.** Businesses locate in a building that includes other industrial businesses, as well as commercial businesses that prefer to locate in flex space buildings. Vacancy rates are exceptionally low compared to more traditional employment spaces.
- **Mid-sized manufacturing.** Businesses located in a building or site with a few other businesses. Projects are typically between 35,000 square feet (2-4 acre sites) and 118,000 square feet (8-10 acre sites).

Economic Opportunities Analysis (2019)

Exhibit 9. Covered Employment and Average Pay by Sector, Tualatin, 2017
Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2017.



Economic Opportunities Analysis (2019)

Automation Concerns:

- Automation is a long-running trend in employment
- The types of jobs being automated are broadening
- Lower-paying jobs are more likely to be automated (over the next 20+ years)
 - 80% of jobs paying less than \$20 per hour over
 - 30% of jobs paying \$20 to \$40 per hour

Southwest & Basalt Creek Development Area Plan (2021)

Urban Renewal Goals:

- Facilitate development and stimulate growth
- Provide new employment opportunities
- Increase area tax base
- Fund needed transportation and public utility infrastructure improvements

How to meet these goals:

- Creating development opportunities early in the urban renewal district's planning period will magnify future opportunity and total tax increment

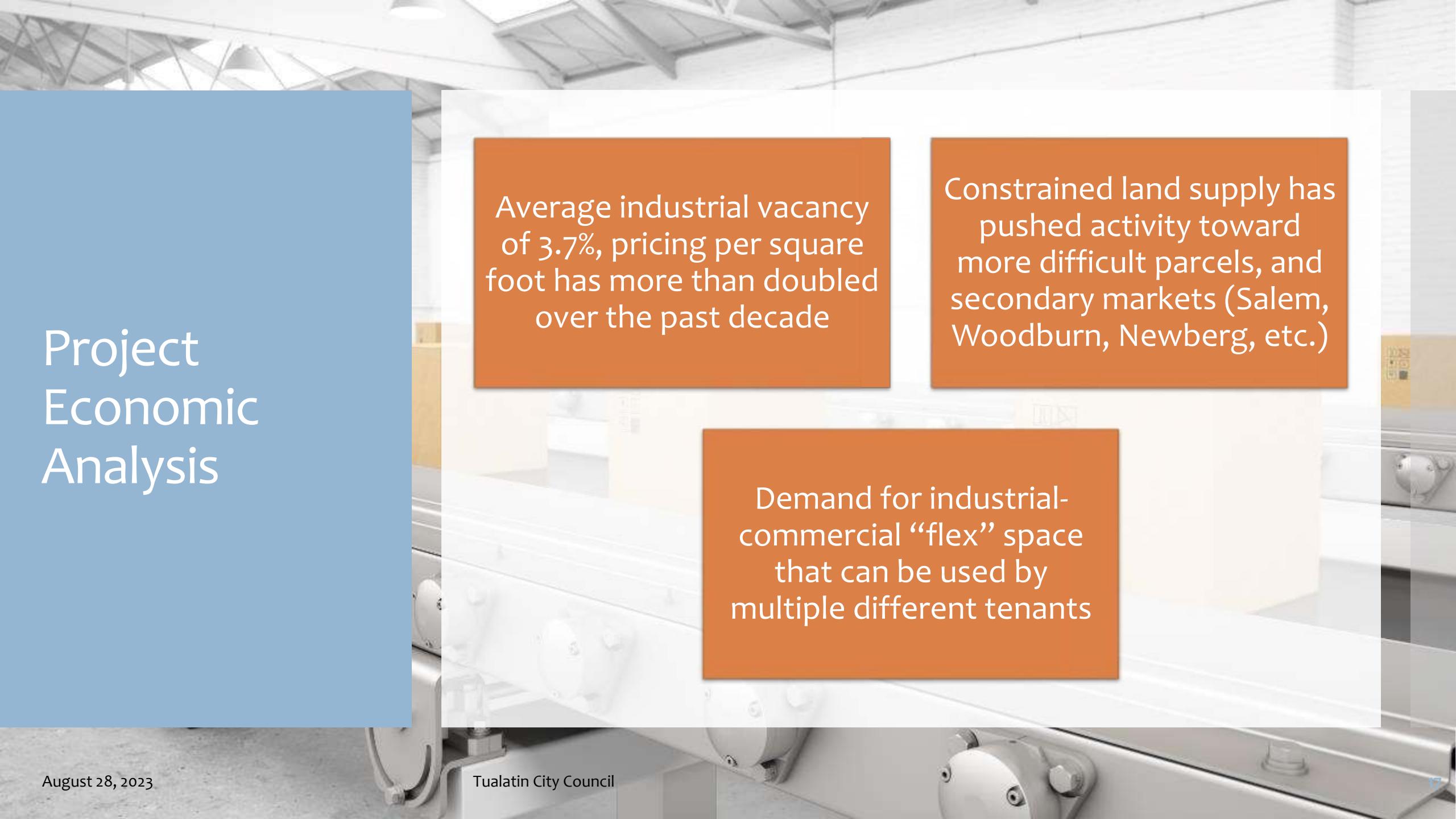
Urban Renewal Revenue Considerations

Forecasted Urban Renewal Revenues over 30 year period in Basalt Creek

Under MP zone	Under Proposed BCE zone
\$4.5 Million	\$58 Million

- The MP zone in Leveton has had little recent development and would likely be the same in Basalt Creek area
- The proposed BCE zone is projected to result in greater near-term development, resulting in more urban renewal revenue
- A limited development scenario creates uncertainty which potentially delays installation of infrastructure like sanitary sewer

Project Economic Analysis

A photograph of an industrial interior, likely a warehouse or factory. In the foreground, a metal conveyor belt with several white rectangular boxes is visible. The ceiling is made of white metal beams. The background is slightly blurred.

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

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

Demand for industrial-
commercial “flex” space
that can be used by
multiple different tenants

Public Outreach



Public Feedback

- Residents expressed the following concerns:
 - Road construction and maintenance should keep pace with increased industrial traffic;
 - Uses should be conducted in a completely enclosed building;
 - 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

Industrial Developer & Broker Feedback

- Flexible tenant space (“spec” development) has replaced owner-occupied, purpose-build development.
- Development driven by tenant model requires greater flexibility to ensure tenant occupancy and to secure capital for construction.
- Many tenants require on-site warehousing/wholesale sales to support operations.

Proposed BCE Zone: Guiding Principles

- **Council direction:** limit warehousing & distribution uses; support job density
- **Economic analysis:** industrial flex space is needed as opposed to owner/occupant buildings
- **Public feedback:** maintain a buffer between industrial and residential uses
- **Stakeholder and industry feedback:** flexibility is critical to support financial viability; some on-site warehousing & distribution is needed
- **Planning Commission direction:** incorporate design standards to ensure quality development

Summary of Amendments

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

- **Comprehensive Plan**
 - Ch. 4: Memorialize goals, policies, and strategic actions identified in Economic Opportunities Analysis 2019
 - Ch. 10: Basalt Creek Employment (BCE) district purpose statement
- **Municipal Code**
 - Ch. 9-10: Add Basalt Creek Employment (BCE) to locational standards for mobile food units
- **Development Code**
 - Ch. 31: Added definition for Mobile Food Unit
 - Ch. 38: Industrial sign standards for Basalt Creek Employment zone
 - Ch. 39: Define advanced manufacturing use; add mobile food unit development as a commercial use category
 - Ch. 62: Remove reference to Tonquin Loop Road in MP Chapter
 - Ch. 65: Establish BCE Zoning District uses and development standards
 - Ch. 73A: Establish BCE zone design standards
 - Ch. 73B: Establish BCE zone landscape standards

Summary of Amendments

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

- **TSP Figure 1 and Map 8-1:** Reclassify 112th Avenue and Tonquin Loop a Minor Collector / Major Collector respectively
- **Map 8-3:** Separate local (residential) road network from industrial road network in Basalt Creek
- **Map 8-4:** Amend consistent with Map 8-1
- **Map 10-1:** Rezone Manufacturing Park (MP) land to Basalt Creek Employment (BCE) in Basalt Creek Planning Area

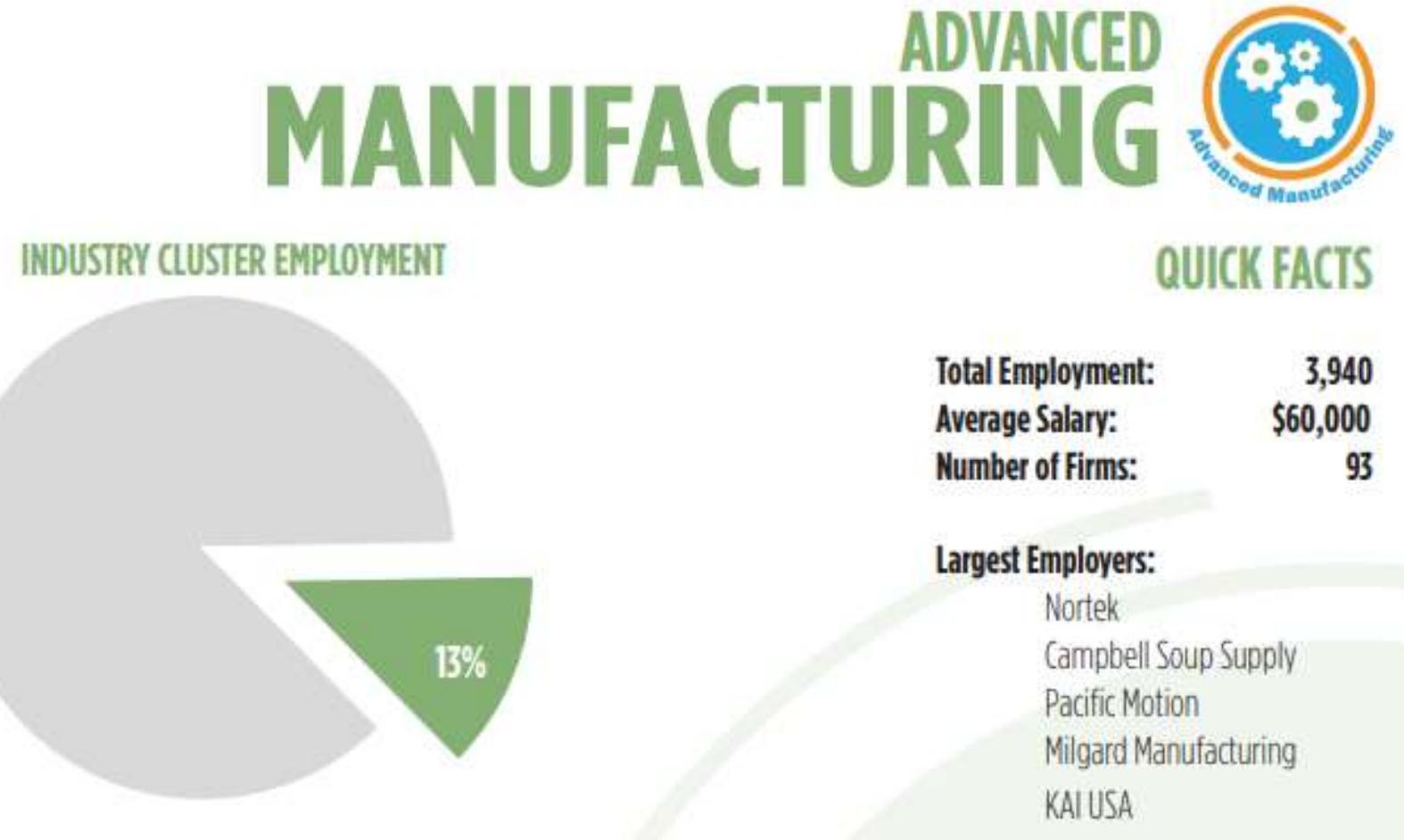


BCE Purpose Statement

The purpose of this district is [...] to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. [...] The emphasis of the zone is on providing a variety of manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.



Tualatin's Advanced Manufacturing Industry Cluster





Proposed Industrial Uses

INDUSTRIAL USE CATEGORIES		
Heavy Manufacturing	P (L)	<p>Permitted 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: [...] <p>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</p>
Light Manufacturing	P/C (L)	<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: Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials are prohibited.</p>
Warehouse and Freight Movement	P/C (L)	Permitted and Conditional uses limited subject to TDC 65.210(5).
Wholesale Sales	P (L)	<p>Permitted uses limited to:</p> <ul style="list-style-type: none">• Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers, subject to TDC 65.210(6).



Proposed Limitations on Certain Uses

TDC 65.210. Additional Limitations on Uses.

(5) ***Warehouse and Freight Movement.*** Warehouse and freight movement is allowed as specified below.

(a) ***Limited Use as Accessory to a Manufacturing Use.*** The use must be conducted wholly in conjunction with a permitted light and/or heavy manufacturing use on the same lot, parcel, or development site, and facilitate the storage and distribution of goods produced on-site.

(i) ***Maximum Size.*** The use must not exceed more than 50% of the gross floor area of the permitted light and/or heavy manufacturing use. A Conditional Use Permit is required for uses greater than 50% and up to 200% of the gross floor area of the permitted light and/or heavy manufacturing use.

(b) ***Other Limited Uses.*** A primary warehouse and freight movement use may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.

(6) ***Wholesale Sales.*** Wholesale sales is a permitted use as specified below.

(a) ***Limited Uses.*** A primary wholesale sales use is limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.



Proposed Limitations on Certain Uses



Additional Tools to Support Job Density

Recommendations under Economic Development Strategy (2019)	Priority
1.5a: Encourage and assist landowners to get their sites certified through the Business Oregon Certified Shovel Ready program.	Low
1.5b: Continue to work with landowners to ensure that development sites are listed on Business Oregon's prospector site.	Low
1.6b: Develop and implement a system to monitor the supply of industrial land every two years.	High
3.1a: Establish an Economic Development Commission to guide development of the economic development strategy.	Medium
3.3a: Continue to identify opportunities to support growth and retention of entrepreneurial businesses in Tualatin.	High
3.4a: Identify partnerships and incentive programs to grow, retain, and attract businesses with wages at or above the City's average wage of \$57,300.	Medium
3.5a: Evaluate the outcomes the City wants to achieve through offering economic development incentives and the incentives the City could offer.	Medium



Proposed Commercial Uses

COMMERCIAL USE CATEGORIES		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Permitted uses limited to eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Permitted uses limited subject to TDC 65.120(2).
Medical Office	P (L)	Permitted uses limited subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).
Other Educational and Vocational Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none">• Correspondence, trade, or vocational schools; and• Job training or related services subject to TDC 65.210(1).
Retail Sales and Services	P (L)	Permitted uses limited to: <ul style="list-style-type: none">• Child day care center permitted subject to TDC 34.200.• Retail Sales and Services uses without drive-up or drive-through facilities subject to TDC 65.210(1) and (4).



Psilocybin Uses

- A psilocybin clinic is treated like a medical office and would be allowed in any zone which allows this use, including the BCE zone
- Other psilocybin uses, like production or storage would be treated as manufacturing or warehousing and would be allowed any zone which allows these uses, including the BCE zone
- Off-site impacts are expected to be minimal
- State law:
 - Prohibits retailing
 - Requires a 1,000 ft buffer from schools & residential zones
 - Requires a land use compatibility statement



Proposed Landscape Buffer

Landscaping buffer standards adjacent to residential uses

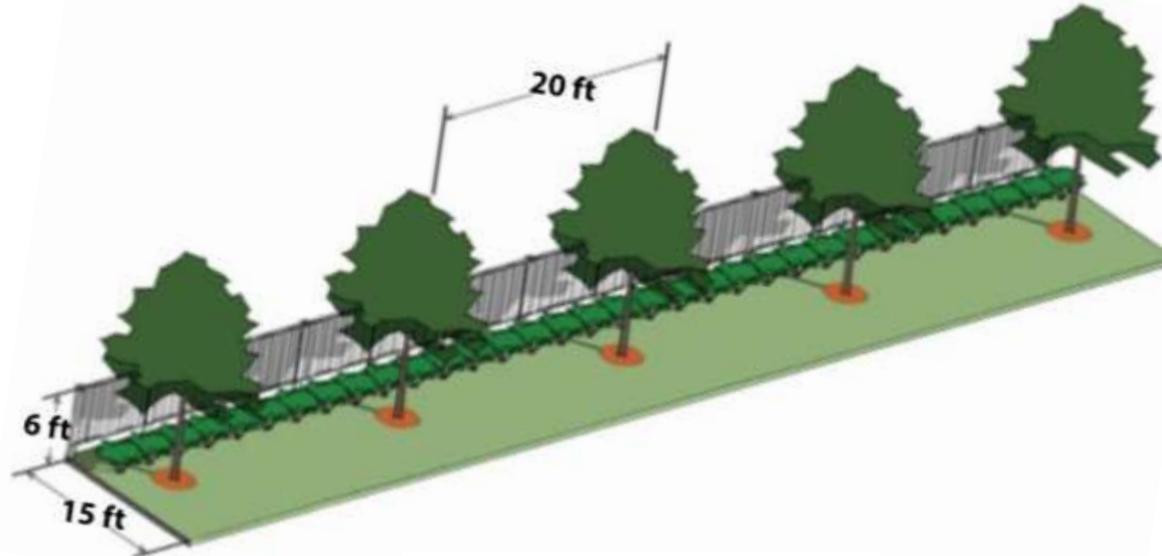


Table 73B-4
Landscaping and Screening

D	1	30	10 feet min/30 feet max spacing	Shrubs	Berm
	2	20		Shrubs	6 feet hedge
	3	15		Shrubs	6 feet fence
	4	10		Shrubs	6 feet wall



Proposed Building Design Standards

TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.

(3) *Building Design Standards.* BCE zone development must provide building design as follows:

(a) *Building Composition.* New buildings shall use massing characteristics and asymmetrical composition to avoid the monolithic expanse of frontages and roof lines and break up building sections using elements including variable planes, projections, bays, setbacks, canopies, awnings, and parapets, changes in the roof line, materials, color, or textures.

(b) *Primary Facades.* All facades that abut the public right of way and/ or a residential zone must be architecturally significant and give the appearance of high quality design. Exterior buildings materials must have a durability equivalent to that expected of contemporary office, flex and industrial buildings. Appropriate materials include, but are not limited to: masonry (e.g., brick or architectural block); glass; synthetic plaster; pre-cast concrete; or, stone.

(c) *Secondary Facades.* All facades that do not abut the public right of way and/ or a residential zone may include exterior building materials of lesser durability or appearance. Materials considered of lesser durability or appearance include, but are not limited to: metal panels/sheet metal, fiberglass panels, vinyl or aluminum siding, or wood shingles.

(d) *Exterior Colors.* The dominant exterior must have earth-tone shades, such as gray, tan, brown, rust, green, red, etc. The contrast between trim or mortar and the dominant exterior finish should be moderate.



Proposed Building Design Standards

(3) *Building Design Standards.* BCE zone development must provide building design as follows:

(e) *Upper Floor Appearance.* When buildings have two or more stories, the material used at the ground level must differ from that used at upper levels in order to create a clear distinction between the ground and upper levels. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered a story for the purposes of this provision.

(f) *Stepback.* Buildings greater than three (3) stories must be stepped back, resulting in no more than three (3) stories of façade being on the same vertical plan. Generally, the fourth (4th) story must be stepped back; however, the required stepback may occur at the third (3rd) floor if the developer prefers. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered with a single story that is more than 12 feet above grade at any point, every twelve feet shall be considered a story for the purposes of this provision. Required stepbacks must be a minimum of twelve (12) feet.

(g) *Enclosure or Screening of Mechanical Equipment.* Roof mounted mechanical equipment on flat roofed structures must be screened by parapet walls to the maximum degree possible. Site located mechanical equipment must be installed in below grade vaults where possible or screened by a site obscuring fence or landscaping. Other building mounted mechanical equipment must be screened from view to the maximum degree possible.



Proposed Building Design Standards



Approval Criteria for Amendments

PTA & PMA 22-0001 complies with:

- Oregon Statewide Planning Goals
- Oregon Administrative Rules
- Metro Code
- Tualatin Comprehensive Plan
- Tualatin Development Code

Transportation Planning Rule Evaluation

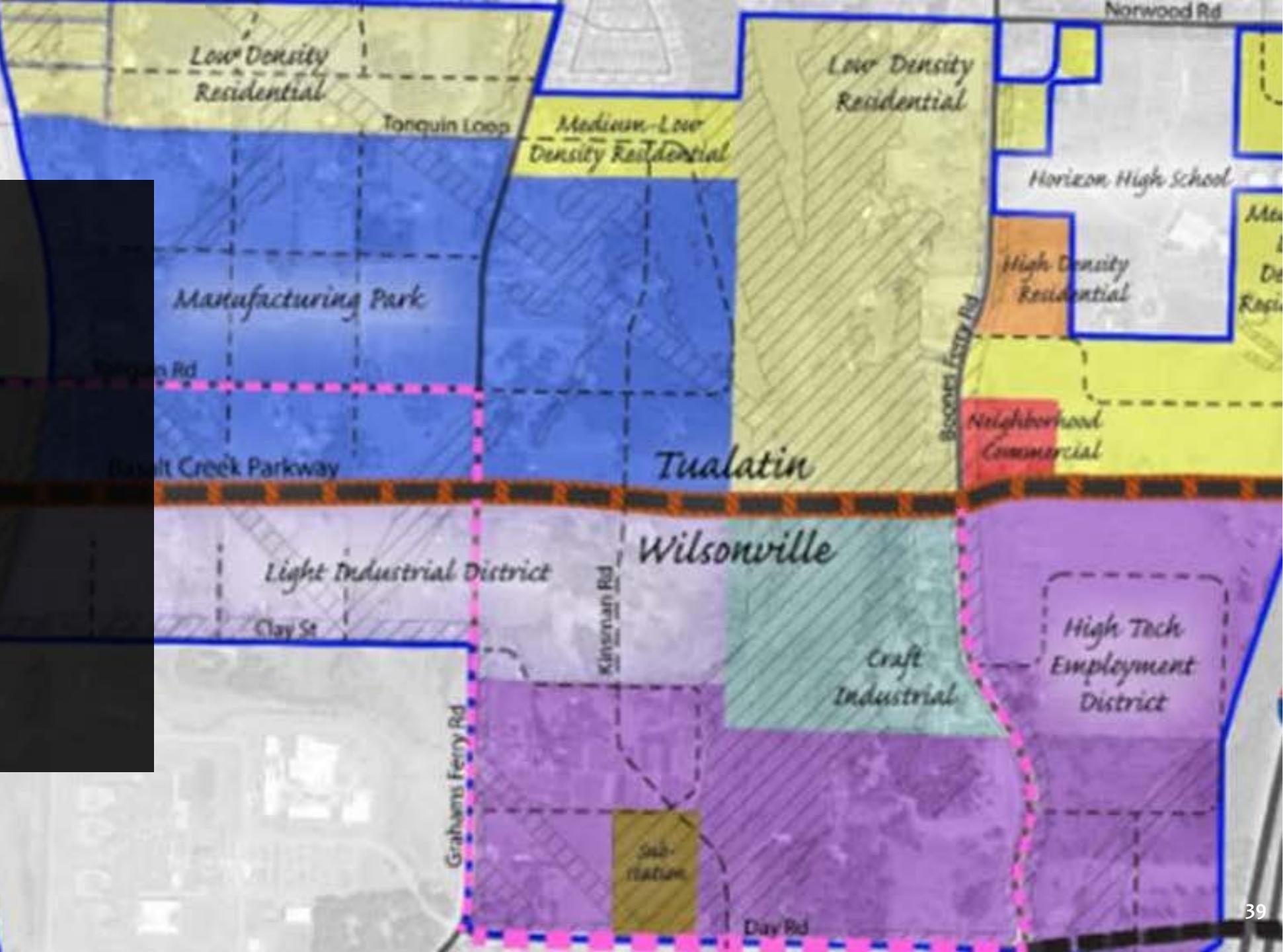
Oregon Administrative Rule (OAR) 660-012-0060: Transportation Planning Rule (TPR)

- Ensures that future land use and traffic is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond what is currently allowed.
- The proposed zone change would result in an estimated reasonable worst-case trip decrease of 50 daily trips and 64 PM peak hour trips.

Planning Commission Recommendation

- The Planning Commission unanimously recommended approval of proposed amendments, which would be implemented by Council adoption of Ordinance No. 1480-23.

Questions?



ORDINANCE NO. 1480-23

AN ORDINANCE RELATING TO LAND USE; AMENDING TUALATIN COMPREHENSIVE PLAN CHAPTERS 4 AND 10 AND MAPS 8-1, 8-3, 8-4, AND 10-1; AMENDING TUALATIN MUNICIPAL CODE TITLE 9-10; AMENDING AND CREATING NEW PROVISIONS IN TUALATIN DEVELOPMENT CODE CHAPTERS 31, 38, 39, 62, 65, 73A AND 73B; PTA 23-0002 AND PMA 23-0002.

WHEREAS, the Tualatin Development Code (TDC) establishes the land use and development requirements of the City;

WHEREAS, the City initiated Plan Text Amendment and Plan Map Amendment (PTA and PMA 22-0001 to establish the Basalt Creek Employment (BCE) Zoning District;

WHEREAS, the City provided notice of the proposed amendments to the Oregon Department of Land Conservation and Development, as provided in ORS 197.610;

WHEREAS, at the public hearing, the Council heard and considered the testimony and evidence presented by City staff, and those appearing at the public hearing, and approved PTA and PMA 22-0001; and

WHEREAS, the Council finds the changes provided by this Ordinance are in the public interest and the amendments conform to state, regional, and local requirements.

Section 1. The Comprehensive Plan is amended as follows. All other Chapters remain unchanged:

Comprehensive Plan Part II, Plan Implementation

Technical Memoranda		
BACKGROUND AND SUPPORTING DOCUMENTS ADOPTED AS PART OF THE COMPREHENSIVE PLAN		
Title	Year	Ordinance
Economic Opportunities Analysis	2019	1480-23
Housing Needs Analysis	2019	1450-20
Parks and Recreation Master Plan	2019	1427-19
Sewer Master Plan	2019	1427-19
Water Master Plan	2023	1476-23
Transportation System Plan (TSP)	2012	1354-13
Natural Resource Inventory and Local Wetlands Inventory	1995	979-97
Historic Resource Technical Study and Inventory	1993	844-91; 894-93
Tualatin Drainage Plan	1979	491-79
AREA-SPECIFIC CONCEPT PLANS		
Basalt Creek Concept Plan	2019	1418-19
Southwest Tualatin Concept Plan	2010	1321-11
Northwest Tualatin Concept Plan	2005	1191-05

Chapter 4 Economy, Commercial & Industrial Development

Purpose

The purpose of this chapter is to guide employment uses, planning, and development in Tualatin. Tualatin's Buildable Lands Inventory and Economic Opportunities Analysis provide a basis for understanding the current trends and projected demand for new commercial and industrial land.

GOAL 4.1 Encourage commercial development that provides employment opportunities, as well as access to goods and services for residents, employees, and the general community. Ensure an adequate supply of employment land that is available and serviceable as identified in the Economic Opportunities Analysis.

POLICY 4.1.1 LOCATION. Locate and design areas that allow commercial development in a manner that increases access to goods and services while minimizing traffic impacts, including the location of commercial services where accessible through transit and active transportation modes, the encouragement of mixed use development, and small neighborhood commercial nodes.

POLICY 4.1.2 CRITICAL SERVICES. Provide for the continued development of major medical services and other critical infrastructure within the City of Tualatin.

POLICY 4.1.3 DESIGN. Encourage functional and attractive commercial development through standards for site design and landscaping.

POLICY 4.1.4 MIXED USE. Encourage mixed use commercial and residential development.

POLICY 4.1.5 Plan for infrastructure development to support commercial and industrial development.

POLICY 4.1.6 Coordinate the City's Transportation System Plan with planning for employment and business growth.

Strategic Actions

- Evaluate potential opportunities to make more efficient use of commercial and industrial land.
- Evaluate the establishment of a program to assist landowners to get their sites certified through the Business Oregon Certified Shovel Ready program or other similar development program.
- Evaluate development of a civic center with a range of supportive and complementary uses.

GOAL 4.2: Encourage new industrial development Support business retention, growth, and attraction in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.

POLICY 4.2.1 Preserve and protect, with limited exceptions, the City's existing industrial land.

POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.

POLICY 4.2.3 Cooperate with Washington County, Metro, and the State of Oregon to study the methods available for providing transportation, water, and sewer services to growing industrial areas.

POLICY 4.2.4 Support growth of existing businesses, including growth and retention of entrepreneurial businesses, in Tualatin.

Strategic Actions

- Evaluate revision to the Economic Development Strategy to develop a clear vision for economic development, and create an action plan to implement the vision.
- Evaluate opportunities to revise City code and policy to attract or grow businesses with pay at or above Tualatin's average wage.
- Evaluate use of incentives to retain, grow, and attract businesses.
- Evaluate opportunities to support workforce development.

GOAL 4.3 Manage industrial impacts to the environment and other uses.

POLICY 4.3.1 Cooperate with the Department of Environmental Quality and Metro to meet applicable air quality standards.

POLICY 4.3.2 Protect residential, commercial, and sensitive industrial uses from the adverse environmental impacts of industrial use.

POLICY 4.3.3 Protect adjacent land uses from noise and adverse environmental impacts by adopting industrial noise and environmental impact standards.

POLICY 4.3.4 Protect environmentally sensitive areas, including the Hedges Creek Wetland and Tonquin Scablands from adverse impacts of adjacent development.

POLICY 4.3.5 Encourage industrial firms to use co-generation as a means to utilize waste heat from industrial processes and consider solar access when designing industrial facilities.

POLICY 4.3.6 Protect wooded and other natural areas by requiring their preservation in a natural state or by integrating the major trees into the design of the parking lots, buildings, Goals & Policies or more formal landscaping areas of an industrial development. If it is necessary to remove a portion or all of the trees, require mitigation.

POLICY 4.3.7 Administer specific and enforceable architectural and landscape design standards for industrial development.

POLICY 4.3.8 Provide truck routes for industrial traffic that provide for efficient movement of goods while protecting the quality of residential areas.

GOAL 4.4: Identify redevelopment opportunities.

POLICY 4.4.1 Support and encourage redevelopment of mixed-use development.

Strategic Actions

- Evaluate zoning districts within Tualatin for redevelopment for housing and employment uses.
- Evaluate revisions to the Tualatin Town Center Plan to focus on opportunities to support redevelopment.
- Evaluate revisions to the Tualatin Development Code to encourage redevelopment and intensification of uses in commercial and industrial areas.

Chapter 10 Land Use Designations & Zoning

Planning District Objectives

This section describes the purpose of each planning district.

INDUSTRIAL PLANNING DISTRICTS:

[...]

Basalt Creek Employment District (BCE)

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property to protect public health, safety and general welfare. The emphasis of the zone is on providing a variety of manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

Section 2. Tualatin Comprehensive Plan Maps are amended as set forth in Exhibit 3 which is attached and incorporated by reference.

Section 3. The Economic Opportunities Analysis, which is attached as Exhibit 2 and incorporated by reference, is adopted as a supporting technical document to the Tualatin Comprehensive Plan.

Section 4. Tualatin Municipal Code is amended as follows. All other Titles remain unchanged:

TITLE 9-10 - MOBILE FOOD UNIT REGULATIONS

TMC 9-10-010 - Purpose and Applicability.

- (1) The purpose of this Chapter is to permit mobile food units to operate on private property within the City and establish regulations to protect the health, safety, and welfare of the public.
- (2) The requirements of this Chapter do not apply to a mobile food unit that operates:
 - (a) As a vendor under an approved City event permit;
 - (b) Under a street closure permit granted by the City;
 - (c) On private property authorized by a Special Event Permit issued under TMC 5-5;
 - (d) On private property authorized by a Special Assembly permit issued under TMC 6-2;
 - (e) Under the authority of any other permit issued by the City where the City indicates approval of a mobile food unit;

- (f) At private catering events where the sale or distribution of food is not open to the public; or
- (g) A mobile food unit development.

[...]

TMC 9-10-050 - Location Standards.

- (1) Mobile food units are allowed to operate in the following planning districts:
 - (a) CO—Commercial Office—except a mobile food unit cannot operate in the CO planning district if the location of the mobile food unit is within 200 feet of the Central Commercial (CC) planning district;
 - (b) CR—Recreational Commercial;
 - (c) CG—General Commercial—that portion of the General Commercial Zone that abuts Highway 99W (Pacific Highway);
 - (d) MC—Medical Center;
 - (e) ML—Light Manufacturing;
 - (f) MG—General Manufacturing;
 - (g) MP—Manufacturing Park;
 - (h) MBP—Manufacturing Business Park;
 - (i) IN—Institutional; and
 - (j) BCE—Basalt Creek Employment.

Section 5. Tualatin Development Code (TDC) Chapter 31.060 – Definitions is amended as follows:

[...]

Mobile Food Unit. A vehicle that is self-propelled or that can be pulled or pushed down a sidewalk, street, highway, or water on which food is prepared, processed, or converted, or which is used in selling and dispensing food to the public. Mobile Food Units include, but are not limited to, food trucks, and food carts.

[...]

Section 6. TDC Chapter 38— Sign Regulations is amended as follows:

TDC 38.240. - Signs Permitted in the Light Manufacturing (ML), General Manufacturing (MG), and Manufacturing Park (MP), and Basalt Creek Employment (BCE) Planning Districts.

- (1) No sign must be permitted in the ML, MG, or MP, or BCE Planning Districts for permitted and conditional uses except the following:
 - (a) *Monument signs are permitted.* If used, the following standards apply:
 - (i) Location on Site: No greater than 100 feet from the frontage property line along the public street right-of-way.
 - (ii) Number: One per frontage on a public street right-of-way with a maximum of two and no more than one on each frontage.
 - (iii) Number of Sides: No more than two.
 - (iv) Height Above Grade: No higher than ten feet.
 - (v) Area: No more than 40 square feet.
 - (vi) Illumination: Indirect or internal.

- (vii) For schools for kindergarten through 12 in a ML Planning District, one sign may be an internally illuminated mechanical readerboard provided it is on the frontage of an arterial or collector street designated in the City's Transportation System Plan and Map 8-1 of the Comprehensive Plan and the readerboard portion is no more than 75 percent of the allowed sign face area.

(b) *Wall signs are permitted.* If used, the following standards apply:

- (i) Number: One on each owned or leased wall not to exceed two walls for each owned or leased space and not to exceed four elevations of each building.
- (ii) Number of Sides: No more than one.
- (iii) Height Above Grade: No higher than the height of the sign band.
- (iv) Height of Each Letter, Number, Symbol or Logo: No higher than four feet.
- (v) Area: No more than five percent of the wall's elevation provided that an area of at least 32 square feet is permitted and the maximum is 150 square feet.
- (vi) Illumination: Indirect or internal.
- (vii) In the MP District in place of one wall sign, one monument sign, in addition to the monument signs allowed in (a) above, is allowed, provided it is in the yard setback area abutting the wall where the wall sign would have been located, is within 100 feet of a primary public customer doorway in the wall where the wall sign would have been located and is at least 100 feet from any other monument sign.

(2) See TDC 38.110(5-17) for additional signage and if used, the standards of TDC 38.110(5-17) apply.

Section 7. TDC Chapter 39— Use Categories is amended as follows:

[...]

TDC 39.115 - Use Definitions.

The following words and phrases mean:

Advanced Manufacturing: The innovation of improved methods for manufacturing existing products, and the production of new products enabled by advanced technologies.

[...]

TDC 39.326 - Mobile Food Unit Development.

- (1) Characteristics. A site under common ownership containing two or more mobile food units which are sited for more than 24 hours at one time.
- (2) Examples of Uses.
 - Food cart pod with/ or without beverage service.
- (3) Exceptions.
 - Mobile food units authorized by a Special Event Permit (as issued under TMC 5-5) or Special Assembly Permit (as issued under TMC 6-2).

- Food service that is accessory to another use, (e.g., hotel, major entertainment venue), is regulated as part of the primary use.
- Catering or food preparation without on-site consumption is classified as Retail Sales and Services.

Section 8. TDC Chapter 62– Manufacturing Park (MP) Zone is amended as follows:

[...]

TDC 62.300. - Development Standards.

Development standards in the MP zone are listed in Table 62-2. Additional standards may apply to some uses and situations, see TDC 62.310.

Table 62-2
Development Standards in the MP Zone

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
LOT SIZE		
Minimum Lot Size North of SW Leveton Drive	40 acres	Minimum lot size and dimensions for conditional uses are set by City Council to accommodate the proposed use. Lots or remnant areas created by the location of public streets may be less than 40 acres if necessary to create a logical, safe network of streets in the district.
Minimum Lot Size South of SW Leveton Drive, and South on Tonquin Loop Road	5 acres	
LOT DIMENSIONS		
Minimum Lot Width	250 feet	Measured at the building line. When lot has frontage on public street, minimum lot width at the street is 250 feet. When lot has frontage on cul-de-sac street, minimum lot width at

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
		the street is 50 feet.
Infrastructure and Utilities Uses	—	As determined through the Subdivision, Partition, or Lot Line Adjustment process
Flag Lots	—	Must be sufficient to comply with minimum access requirements of TDC 73C.
MINIMUM SETBACKS		
Minimum Building Setback for Yards Adjacent to Streets or Alleys, North of SW Leveton Drive	100 feet	
Minimum Building Setback for Yards Adjacent to Streets or Alleys, south of SW Leveton Drive	60 feet	
Minimum Building Setback for Yards Adjacent to Residential District, south of Tonquin Loop Road	60 feet	

[...]

Section 9. TDC Chapter 65– Basalt Creek Employment (BCE) Zone is added as follows:

TDC 65.100. Purpose.

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property to protect public health, safety and general welfare. The emphasis of the zone is on providing a variety of manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

TDC 65.200. Use Categories.

(1) Use Categories. Table 65-1 lists use categories Permitted Outright (P) or Conditionally Permitted (C) in the BCE zone. Use categories may also be designated as Limited (L) and subject to the limitations listed in Table 65-1 and restrictions identified in TDC 65.210. Limitations may restrict the specific type of use, location, size, or other characteristics of the use category. Use categories which are not listed are prohibited within the zone, except for uses which are found by the City Manager or appointee to be of a similar character and to meet the purpose of this zone, as provided in TDC 31.070.

Table 65-1
Use Categories in the BCE Zone

<u>USE CATEGORY</u>	<u>STATUS</u>	<u>LIMITATIONS AND CODE REFERENCES</u>
RESIDENTIAL USE CATEGORIES		
<u>Household Living</u>	<u>C (L)</u>	<u>Conditional uses limited to a caretaker residence when necessary for security purposes.</u>
COMMERCIAL USE CATEGORIES		
<u>Commercial Recreation</u>	<u>P (L)</u>	<u>Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).</u>
<u>Eating and Drinking Establishments</u>	<u>P (L)</u>	<u>Permitted uses limited to eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).</u>
<u>Mobile Food Unit Development</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.120(2).</u>
<u>Medical Office</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.120(1).</u>
<u>Office</u>	<u>P (L)</u>	<u>Permitted uses limited subject to TDC 65.210(3).</u>
<u>Other Educational and Vocational Services</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> • <u>Correspondence, trade, or vocational schools; and</u> • <u>Job training or related services subject to TDC 65.210(1).</u>
<u>Retail Sales and Services</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> • <u>Child day care center permitted subject to TDC 34.200.</u> • <u>Retail Sales and Services uses without drive-up or drive-through facilities subject to TDC 65.210(1) and (4).</u>

INDUSTRIAL USE CATEGORIES

<u>Heavy Manufacturing</u>	P (L)	<p><u>Permitted uses limited to:</u></p> <ul style="list-style-type: none"> • <u>Casting or fabrication of metals, including electroplating;</u> • <u>Manufacture, assembly, processing, or packaging of the following types of products:</u> 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; ladders; lawnmowers; manufactured dwellings; marine pleasure craft; motor vehicles; paint; prefabricated building or structural members for buildings; sashes and doors; signs and display structures; refrigerators; rototillers; vending machines; washing machines; and windows; <p><u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u></p>
<u>Light Manufacturing</u>	P/C (L)	<p><u>Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited.</u></p> <p><u>All other uses Permitted outright except: Building, heating, plumbing and electrical contractor's offices, with on-site storage of equipment or materials are prohibited.</u></p>
<u>Warehouse and Freight Movement</u>	P/C (L)	<u>Permitted and Conditional uses limited subject to TDC 65.210(5).</u>
<u>Wholesale Sales</u>	P (L)	<p><u>Permitted uses limited to:</u></p> <ul style="list-style-type: none"> • <u>Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers, subject to TDC 65.210(6).</u>

INFRASTRUCTURE AND UTILITIES USE CATEGORIES

<u>Basic Utilities</u>	P	—
<u>Greenways and Natural Areas</u>	P	—
<u>Public Safety Facilities</u>	C (L)	<u>Conditional uses limited to a fire station.</u>

<u>Transportation Facilities</u>	<u>P</u>	<u>—</u>
<u>Wireless Communication Facility</u>	<u>P (L)</u>	<u>Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.</u>

TDC 65.210. Additional Limitations on Uses.

- (1) Commercial Recreation, Eating and Drinking Establishments, Medical Office, Vocational Services, and/or Retail Sales and Services. Except for Child Day Care Centers, permitted uses in these categories, as specified in Table 65-1, are subject to the following additional standards.
 - (a) Maximum Size. The use must not exceed 5,000 square feet for any individual use or a total of 20,000 square feet of uses on the site.
 - (b) Location Standard. The use or uses must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.
- (2) Mobile Food Unit Development. A mobile food unit development is a permitted use as specified below.
 - (a) Maximum Size. A mobile food unit development may contain up to ten mobile food units. Each mobile food unit must not exceed 200 square feet. The combination of mobile food units and additional structures accessory to or in support of the development must not exceed 20,000 square feet.
 - (b) Location Standard. One single mobile food unit development within the BCE district is allowed and must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.
 - (c) Outdoor Storage. All operations must be conducted within a structure or within an area that is screened from public view.
 - (d) Architectural Review Required. A mobile food unit development is subject to Architectural Review and Approval under TDC 33. Compliance with associated development standards is required.
- (3) Offices. Offices are a permitted use as specified below.
 - (a) Uses Accessory to an Industrial Use. Office uses accessory to a permitted light and/or heavy manufacturing use are permitted.
 - (b) Limited Uses. A primary office use must not exceed 20,000 square feet on the site.
- (4) Sale of Goods Produced On-Site. The retail sale of goods produced on-site is permitted, provided that the retail sale area does not exceed 5,000 square feet.
- (5) Warehouse and Freight Movement. Warehouse and freight movement is allowed as specified below.
 - (a) Limited Use as Accessory to a Manufacturing Use. The use must be conducted wholly in conjunction with a permitted light and/or heavy manufacturing use on the same lot, parcel, or development site, and facilitate the storage and distribution of goods produced on-site.
 - (i) Maximum Size. The use must not exceed more than 50% of the gross floor area of the permitted light and/or heavy manufacturing use. A Conditional Use Permit is required for uses greater than 50% and up to 200% of the gross floor area of the permitted light and/or heavy manufacturing use.
 - (b) Other Limited Uses. A primary warehouse and freight movement use may be permitted on

a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.

(6) Wholesale Sales. Wholesale sales is a permitted use as specified below.

(a) Limited Uses. A primary wholesale sales use is limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.

(7) Outdoor Uses. All uses must be conducted wholly within a completely enclosed building, except off-street parking and loading, Basic Utilities, Wireless Communication Facilities or as otherwise provided by this section.

TDC 65.300. Development Standards.

Development standards in the BCE zone are listed in Table 65-2. Additional standards may apply to some uses and situations, see TDC 65.310.

Table 65-2
Development Standards in the BCE Zone

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
LOT SIZE		
Minimum Lot Size	<u>2 acres</u>	
Minimum Lot Size for Standalone Commercial Uses	<u>10,000 square feet</u>	
LOT DIMENSIONS		
Flag Lots	=	Must be sufficient to comply with minimum access requirements of TDC 73C.
MINIMUM SETBACKS		
Minimum Building Setback for Yards Adjacent to Streets or Alleys	<u>30 feet</u>	
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	<u>10 feet</u>	
Minimum Building Setback for Yards Adjacent to Residential District	<u>30 feet</u>	
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	<u>10 feet</u>	No minimum setback if adjacent to railroad right-of-way or spur track.

<u>Parking and Circulation Areas Adjacent to Public Right-of-Way</u>	<u>20 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
<u>Parking and Circulation Areas Adjacent to Private Property Line</u>	<u>10 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
<u>Fences Adjacent to Public Right-of-Way</u>	<u>10 feet</u>	
<u>STRUCTURE HEIGHT</u>		
<u>Maximum Height</u>	<u>45 feet</u>	<u>For any structure within 100 feet of a residential zone (measured from property line or centerline of public right of way, if separated by a street) that entire structure must be limited to the maximum height of that residential zone.</u>

TDC 65.310. Additional Development Standards.

- (1) Spur Rail Tracks. Spur rail tracks are not permitted within 200 feet of an adjacent residential district.
- (2) Wetland Conservation Lots. Minimum lot size, width, or frontage requirement do not apply to wetland conservation lots.
- (3) Landscape Buffer Adjacent to Residential Uses. A landscaped area, meeting the Type D standard described in Table 73B-4, must be located along property lines abutting residential zones.
- (4) Fences Adjacent to Public Right-of-Way. Decorative fencing is encouraged. Open fencing (such as chain-link or slatted chain-link fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscape area that is planted with a hedge of narrow or broad leaf evergreen shrubs and which will form a four-foot high continuous screen within two years of planting.
- (5) Sound Barrier Construction. Sound barrier construction is required to mitigate the impact of noise associated with overhead doors and building mechanical equipment, including but not limited to heating, cooling, and ventilation equipment, compressors, waste evacuation systems, electrical transformers, and other motorized or powered machinery located on the exterior of a building. Sound barrier construction must conform to the following standards:
 - (a) Applicability. New construction, including additions or changes to existing facilities, must comply with the provisions of this section, as determined by the Architectural Review process. Where buildings or outdoor areas located on more than one parcel are all part of a single use as determined by the Architectural Review process, all of the parcels may be required to comply with the provisions of this section.
 - (b) Distance from Residential Use. Sound barriers must be used to intercept all straight-line lateral (direct line between two points) paths of 450 feet or less between a property within a residential planning district and:
 - (i) Any side edge of an overhead door or other doorway larger than 64 square feet, at a

minimum height of eight feet above the floor elevation of the doorway; or

(ii) Any building mechanical device at a minimum height equal to the height of the mechanical object to be screened.

(c) Exemption for Existing Structures. Where existing structures (on or off site) are located such that they will reflect sound away from residential areas and will function as a sound barrier, on-site sound barrier construction must not be required, except that at the time such structures are removed, sound barrier construction must be required.

(d) Design. Sound barriers must consist of masonry walls or earth berms located so as to reflect sound away from, rather than toward, noise sensitive properties. This may include masonry wing walls attached to a building, detached masonry walls (such as the perimeter of the site), earth berms, or combinations of the three. Wing walls must be at least as tall as the tallest overhead door they are designed to screen where they meet the building. The height of the wall may be reduced along a maximum incline formed by a horizontal distance twice the vertical change in height, or 26.5 degrees from horizontal.

Section 10. TDC Chapter 73A– Site Design Standards is amended as follows:

INDUSTRIAL DESIGN STANDARDS

TDC 73A.500. - Industrial Design Standards.

The following standards are minimum requirements for industrial development in all zones, except for the Basalt Creek Employment (BCE) zone, which has its own standards:

[...]

(6) Adjacent to Transit. Industrial development adjacent to transit must comply with the following:

(a) Development on a transit street designated illustrated on TDC Chapter 11 Comprehensive Plan Map 8-5 (Figure 11) must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and

(b) Development abutting major transit stops as designated in illustrated on TDC Chapter 11 Comprehensive Plan Map 8-5 (Figure 11) must:

(i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;

(ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;

(iii) Provide a transit passenger landing pad accessible to disabled persons;

(iv) Provide an easement or dedication for a passenger shelter as determined by the City; and

(v) Provide lighting at the major transit stop.

TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.

(1) Applicability. The Basalt Creek Employment (BCE) design standards apply to:

(a) New buildings in the Basalt Creek Employment (BCE) zone.

(b) Expansion or substantial exterior remodeling of existing non-residential development in the Basalt Creek Employment (BCE) zone which is greater than 50 percent of the building's gross floor area or alters any facade which abuts a public or private street frontage or property within a residential planning district by more than 50 percent.

(2) Exceptions: The City Manager may allow exceptions to these standards without the need to

obtain a formal variance pursuant to Chapter 33.120 provided at least one of the following circumstance is met:

- (a) The applicant demonstrates that the physical characteristics of the site or existing structure make compliance impractical (e.g., they include, but are not limited to, steep slopes, wetlands, other bodies of water, trees or other natural features of the site, buildings or other existing development, utility lines and easements, etc.); or
- (b) The applicant demonstrates that the alternative design is exceptional in the quality of detailing, appearance or materials and/or creates a positive unique relationship to other structures, views or open space in a manner that accomplishes the purpose of this section

(3) Building Design Standards. BCE zone development must provide building design as follows:

- (a) Building Composition. New buildings shall use massing characteristics and asymmetrical composition to avoid the monolithic expanse of frontages and roof lines and break up building sections using elements including variable planes, projections, bays, setbacks, canopies, awnings, and parapets, changes in the roof line, materials, color, or textures.
- (b) Primary Facades. All facades that abut the public right of way and/ or a residential zone must be architecturally significant and give the appearance of high quality design. Exterior buildings materials must have a durability equivalent to that expected of contemporary office, flex and industrial buildings. Appropriate materials include, but are not limited to: masonry (e.g., brick or architectural block); glass; synthetic plaster; pre-cast concrete; or, stone.
- (c) Secondary Facades. All facades that do not abut the public right of way and/ or a residential zone may include exterior building materials of lesser durability or appearance. Materials considered of lesser durability or appearance include, but are not limited to: metal panels/sheet metal, fiberglass panels, vinyl or aluminum siding, or wood shingles.
- (d) Exterior Colors. The dominant exterior must have earth-tone shades, such as gray, tan, brown, rust, green, red, etc. The contrast between trim or mortar and the dominant exterior finish should be moderate.
- (e) Upper Floor Appearance. When buildings have two or more stories, the material used at the ground level must differ from that used at upper levels in order to create a clear distinction between the ground and upper levels. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered a story for the purposes of this provision.
- (f) Stepback. Buildings greater than three (3) stories must be stepped back, resulting in no more than three (3) stories of façade being on the same vertical plan. Generally, the fourth (4th) story must be stepped back; however, the required stepback may occur at the third (3rd) floor if the developer prefers. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered a story for the purposes of this provision. Required stepbacks must be a minimum of twelve (12) feet.
- (g) Enclosure or Screening of Mechanical Equipment. Roof mounted mechanical equipment on flat roofed structures must be screened by parapet walls to the maximum degree possible. Site located mechanical equipment must be installed in below grade vaults where possible or screened by a site obscuring fence or landscaping. Other building mounted mechanical equipment must be screened from view to the maximum degree possible.

(4) Walkways. BCE zone development must provide walkways as follows:

- (a) Walkways must be a minimum of five feet in width;

- (b) Walkways must be constructed of asphalt, concrete, pervious concrete, pavers, or grasscrete. Gravel or bark chips are not acceptable;
- (c) Walkways must meet ADA standards applicable at time of construction or alteration;
- (d) Walkways must be provided between the main building entrances and other on-site buildings, accessways, and sidewalks along the public right-of-way;
- (e) Walkways through parking areas, drive aisles, and loading areas must be of a different appearance than the adjacent paved vehicular areas; and
- (f) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways and greenways where a bike or pedestrian path is designated.

(5) Accessways.

- (a) When Required. Accessways are required to be constructed when a BCE development is adjacent to any of the following:
 - (i) Residential property;
 - (ii) Commercial property;
 - (iii) Areas intended for public use, such as schools and parks; and
 - (iv) Collector or arterial streets where transit stops or bike lanes are provided or designated.
- (b) Design Standard. Accessways must meet the following design standards:
 - (i) Accessways must be a minimum of eight feet in width;
 - (ii) Public accessways must be constructed in accordance with the Public Works Construction Code;
 - (iii) Private accessways must be constructed of asphalt, concrete or a pervious surface such as pervious asphalt or concrete, pavers or grasscrete, but not gravel or woody material;
 - (iv) Accessways must meet ADA standards applicable at time of construction or alteration;
 - (v) Accessways must be provided as a connection between the development's walkway and bikeway circulation system;
 - (vi) Accessways may be gated for security purposes;
 - (vii) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways, and greenways where a bike or pedestrian path is designated; and
 - (viii) Must be constructed, owned and maintained by the property owner.
- (c) Exceptions. The Accessway standard does not apply to the following:
 - (i) Where a bridge or culvert would be necessary to span a designated greenway or wetland to provide a connection, the City may limit the number and location of accessways to reduce the impact on the greenway or wetland; and
 - (ii) Accessways to undeveloped parcels or undeveloped transit facilities need not be constructed at the time the subject property is developed. In such cases the applicant for development must enter into a written agreement with the City guaranteeing future performance by the applicant and any successors in interest of the property being developed to construct an accessway when the adjacent undeveloped parcel is developed. The agreement recorded is subject to the City's review and approval.

(6) Safety and Security. BCE development must provide safety and security features as follows:

- (a) Locate windows and provide lighting in a manner that enables tenants, employees, and police to watch over pedestrian, parking, and loading areas;
- (b) Locate windows and interior lighting to enable surveillance of interior activity from the

public right-of-way;

- (c) Locate, orient, and select exterior lighting to facilitate surveillance of on-site activities from the public right-of-way without shining into public rights-of-way or fish and wildlife habitat areas;
- (d) Provide an identification system which clearly locates buildings and their entries for patrons and emergency services; and
- (e) Above ground sewer or water pumping stations, pressure reading stations, water reservoirs, electrical substations, and above ground natural gas pumping stations must provide a minimum six foot tall security fence or wall.

(7) *Adjacent to Transit.* BCE development adjacent to transit must comply with the following:

- (a) Development on a transit street illustrated on Comprehensive Plan Map 8-5 must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and
- (b) Development abutting major transit stops as illustrated on Comprehensive Plan Map 8-5 must:
 - (i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;
 - (ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;
 - (iii) Provide a transit passenger landing pad accessible to disabled persons;
 - (iv) Provide an easement or dedication for a passenger shelter as determined by the City; and
 - (v) Provide lighting at the major transit stop.

INSTITUTIONAL DESIGN STANDARDS

TDC 73A.6700. - Institutional Design Standards.

The following standards are minimum requirements for institutional development in all zones:

[...]

Section 11. TDC Chapter 73B– Landscape Standards is amended as follows:

TDC 73B.020. - Landscape Area Standards Minimum Areas by Use and Zone.

The following are the minimum areas required to be landscaped for each use and zone:

Table 73B-1
Required Minimum Landscape Area

Zone	Minimum Area Requirement*	Minimum Area Requirement with dedication for a fish and wildlife habitat*
(1) RL, RML, RMH, RH and RH/HR zones—Permitted Uses	None	None
(2) RL, RML, RMH, RH and RH/HR zones—Conditional Uses, except	25 percent of the total area to be	20 percent of the total area to be developed

Zone	Minimum Area Requirement*	Minimum Area Requirement with dedication for a fish and wildlife habitat*
Small Lot Subdivisions	developed	
(3) CO, CR, CC, CG, ML, and MG zones except within the Core Area Parking District—All uses	15 percent of the total area to be developed	12.5 percent of the total area to be developed
(4) CO, CR, CC, CG, MUC, ML, and MG zones within the Core Area Parking District—All uses	10 percent of the total area to be developed	7.5 percent of the total area to be developed
(5) IN, CN, CO/MR, MC, and MP zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) <u>BCE zone</u> —All uses; Industrial Business Park Overlay District and MBP—must be approved through Industrial Master Plans	20 percent of the total area to be developed	Not applicable
<p>* For properties within the Hedges Creek Wetland Protection District which have signed the "Wetlands Mitigation Agreement," the improved or unimproved wetland buffer area may reduce the required landscaping to 12.5 percent as long as all other landscape requirements are met.</p>		

[...]

TDC 73B.050 - Additional Minimum Landscaping Requirements for all uses in the Mixed Use Commercial Zone.

- (1) *General.* In addition to requirements in TDC 73B.020, all uses within the Mixed-Use Commercial (MUC) zone, must comply with the following:
 - (a) All areas not occupied by buildings, parking spaces, driveways, drive aisles, pedestrian areas, or undisturbed natural areas must be landscaped:
 - (i) This standard does not apply to areas subject to the Hedges Creek Wetlands Mitigation Agreement.
 - (b) A landscape area may be occupied by utilities, screening, sidewalks, bikeways; and
 - (c) Landscape screening provisions are superseded by the vision clearance requirements of Figure 73B-24.
- (2) *Standards.* The matrices in Tables 73B-13 and 73B-24 must be used in calculating widths of landscape buffer areas, as well as screening improvements to be installed between proposed uses and abutting uses. Landscape buffers are not required between abutting uses that are

of a different type when the uses are separated by a street.

(a) Buffer. The minimum improvements within a buffer area must include landscaping and screening specified in Tables 73B-43 and 73B-24. Landscape improvements must meet the following specifications:

- (i) At least one row of trees must be planted. Deciduous trees must be a minimum of two-inch caliper at four feet in height and evergreen trees must be a minimum height of five feet high at the time of planting. Spacing for trees must be as follows:
 - (A) Small or narrow-stature trees, under 25 feet tall or less than 16 feet wide at maturity must be spaced not more than 15 feet apart;
 - (B) Medium-sized trees between 25 feet to 40 feet tall and with 16 feet to 35 feet wide branching at maturity must be spaced not more than 30 feet apart;
 - (C) Large trees, over 40 feet tall and with more than 35 feet wide branching at maturity, must be spaced not more than 30 feet apart.
- (ii) At least ten five-gallon shrubs or 20 one-gallon shrubs must be planted for each 1,000 square feet of required buffer area;
- (iii) The remaining area must be planted in lawn or other living ground cover.

(b) Screening. Where screening is specified in Tables 73B-43 and 73B-24, the following standards apply, in addition to those required for buffering:

- (i) The prescribed heights of required screening must be measured from the actual adjoining level of finished grade, except that where parking, loading, storage or similar areas are located above finished grade, the height of fences, walls or landscaping required to screen such areas or space must be measured from the level of such improvements. When the use to be screened is located downhill from the adjoining use, the prescribed heights of required fences, walls, or landscape screening must be measured from the actual grade of the adjoining property. In this case, fences and walls may exceed the permitted six foot height at the discretion of the City Manager, as a condition of approval. When steep grades make the installation of walls, fences, or landscaping to the required height impractical, a detailed landscape/screening plan must be submitted for approval;
- (ii) A hedge of narrow or broad leaf evergreen shrubs must be planted which will form a four-foot high continuous screen within two years of planting; or
- (iii) An earthen berm planted with narrow or broad leaf evergreen shrubs must be provided which will form a continuous screen of the height specified in Table 73B-24 within two years. The unplanted portion of the berm must be planted in lawn or other living ground cover; or
- (iv) A fence or wall of the height specified in Table 73B-24 must be constructed of materials commonly used in the construction of fences and walls such as wood, stone, rock or brick, or as determined in the Architectural Review process and provide a continuous sight obscuring screen.
 - (A) Walls must be a minimum of six inches thick.
 - (B) Fence or wall height may not exceed three feet in height in a required front yard or six feet in height in required front yards adjacent to designated arterial or collector streets.
 - (C) An evergreen hedge or other dense evergreen landscaping may satisfy a requirement for a sight-obscuring fence where required.
 - (D) An earthen berm and fence or wall combination must not exceed six-feet in height.

Table 73B-1
Required Landscape Buffer Between Uses

		Proposed Improvement				
		Residential	Commercial	Institutional	Parking Lots 4-50 spaces	Parking Lots 50+ spaces
Abutting	Residential	—	D	D	C	D
	Commercial	C	—	D	—	—
	Industrial	D	A	D	—	—
	Parking Lots	C	—	—	—	—
	Arterial Streets	A	—	A	—	—

Table 73B-2
Required Landscaping and Screening

	Options	Width (feet)	Trees (per linear feet of buffer)	Shrubs or Groundcover	Screening
A	—	10	—	Lawn/living groundcover	—
B	—	10	20 feet min/30 feet max spacing	Lawn/living groundcover	—
C	1	10	15 feet min/30 feet max spacing	Shrubs	4 feet hedges
	2	8		Shrubs	5 feet fence
	3	6		Shrubs	6 feet wall
D	1	20	10 feet min/20 feet max spacing	Shrubs	6 feet hedge
	2	15		Shrubs	6 feet fence
	3	10		Shrubs	6 feet wall

[...]

TDC 73B.080. - Minimum Landscaping Standards for All Zones.

The following are minimum standards for landscaping for all zones.

Table 73B-2
Minimum Landscape Standards

(1) Required Landscape Areas	<ul style="list-style-type: none">• Must be designed, constructed, installed, and maintained so that within three years the ground must be covered by living grass or other plant materials.• The foliage crown of trees cannot be used to meet this requirement.• A maximum of ten percent of the landscaped area may be covered with un-vegetated areas of bark chips, rock or stone.• Must be installed in accordance with the provisions of the American National Standards Institute ANSI A300 (Part 1) (Latest Edition).• Must be controlled by pruning, trimming, or otherwise so that:• It will not interfere with designated pedestrian or vehicular access; and• It will not constitute a traffic hazard because of reduced visibility.
(2) Fences	<ul style="list-style-type: none">• Landscape plans that include fences must integrate any fencing into the plan to guide wild animals toward animal crossings under, over, or around transportation corridors.
(3) Tree Preservation	<ul style="list-style-type: none">• Trees and other plant materials to be retained must be identified on the landscape plan and grading plan.• During construction:• Must provide above and below ground protection for existing trees and plant materials identified to remain;• Trees and plant materials identified for preservation must be protected by chain link or other sturdy fencing placed around the tree at the drip line;• If it is necessary to fence within the drip line, such fencing must be specified by a qualified arborist;• Top soil storage and construction material storage must not be located within the drip line of trees designated to be preserved;• Where site conditions make necessary a grading, building, paving, trenching, boring, digging, or other similar encroachment upon a preserved tree's drip-line area, such grading, paving, trenching, boring, digging, or similar encroachment must only be permitted under the direction of a qualified arborist. Such direction must assure that the health needs of trees within the preserved area can be met; and• Tree root ends must not remain exposed.

	<ul style="list-style-type: none"> • Landscaping under preserved trees must be compatible with the retention and health of the preserved tree. • When it is necessary for a preserved tree to be removed in accordance with TDC 33.110 (Tree Removal Permit) the landscaped area surrounding the tree or trees must be maintained and replanted with trees that relate to the present landscape plan, or if there is no landscape plan, then trees that are complementary with existing, landscape materials. Native trees are encouraged • 100 percent of the area preserved under any tree or group of trees (Except for impervious surface areas) retained in the landscape plan must apply directly to the percentage of landscaping required for a development
(4) Grading	<ul style="list-style-type: none"> • After completion of site grading, top-soil is to be restored to exposed cut and fill areas to provide a suitable base for seeding and planting. • All planting areas must be graded to provide positive drainage. • Soil, water, plant materials, mulch, or other materials must not be allowed to wash across roadways or walkways. • Impervious surface drainage must be directed away from pedestrian walkways, dwelling units, buildings, outdoor private and shared areas and landscape areas except where the landscape area is a water quality facility.
(5) Irrigation	<ul style="list-style-type: none"> • Landscaped areas must be irrigated with an automatic underground or drip irrigation system.
(6) Re-vegetation in Un-landscaped Areas	<ul style="list-style-type: none"> • Vegetation must be replanted in all areas where vegetation has been removed or damaged in areas not affected by the landscaping requirements and that are not to be occupied by structures or other improvements. • Plant materials must be watered at intervals sufficient to ensure survival and growth for a minimum of two growing seasons. • The use of native plant materials is encouraged to reduce irrigation and maintenance demands. • Disturbed soils should be amended to an original or higher level of porosity to regain infiltration and stormwater storage capacity.

Table 73B-3
Landscape Buffer Between Uses

<u>Existing/Abutting Districts</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Parking Lots</u> 4—50 spaces	<u>Parking Lots</u> 50+ spaces
<u>Residential</u>	—	D	D	C	D
<u>Commercial</u>	C	—	D	—	—
<u>Industrial</u>	D	A	—	—	—
<u>Parking Lots</u>	C	—	—	—	—
<u>Arterial Streets</u>	A	—	A	—	—

Table 73B-4
Landscaping and Screening

	<u>Options</u>	<u>Width (feet)</u>	<u>Trees (per linear feet of buffer)</u>	<u>Shrubs or Groundcover</u>	<u>Screening</u>
A	—	10	—	Lawn/living groundcover	—
B	—	10	20 feet min/30 feet max spacing	Lawn/living groundcover	—
C	1	10	15 feet min/30 feet max spacing	Shrubs	4 feet hedges
	2	8		Shrubs	5 feet fence
	3	6		Shrubs	6 feet wall
D	1	30	10 feet min/30 feet max spacing	Shrubs	Berm
	2	20		Shrubs	6 feet hedge
	3	15		Shrubs	6 feet fence
	4	10		Shrubs	6 feet wall

TDC 73B.090. - Minimum Standards Trees and Plants.

The following minimum standards apply to the types of landscaping required to be installed for all zones.

Table 73B-5
Minimum Standards for Trees and Plants

(1) Deciduous Shade Trees	<ul style="list-style-type: none">• One and on-half inch caliper measured six inches above ground;• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season;• Reach a mature height of 30 feet or more;• Cast moderate to dense shade in summer;• Live over 60 years;• Do well in urban environments, tolerant of pollution and heat, and resistant to drought;• Require little maintenance and mechanically strong;• Insect- and disease-resistant;• Require little pruning; and• Barren of fruit production.
(2) Deciduous Ornamental Trees	<ul style="list-style-type: none">• One and on-half inch caliper measured six inches above ground;• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species
(3) Coniferous Trees	<ul style="list-style-type: none">• Five feet in height above ground;• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species.
(4) Evergreen and Deciduous Shrubs	<ul style="list-style-type: none">• One to five gallon size;• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and• Side of shrub with best foliage must be oriented to public view.
(5) Groundcovers	<ul style="list-style-type: none">• Fully rooted;• Well branched or leafed;• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and

	<ul style="list-style-type: none"> English ivy (<i>Hedera helix</i>) is prohibited.
(6) Lawns	<ul style="list-style-type: none"> Consist of grasses, including sod, or seeds of acceptable mix within the local landscape industry; 100 percent coverage and weed free; and Healthy, disease-free, damage-free, characteristic of the species.

Section 12. Findings. The Council adopts the Findings and Analysis as set forth in Exhibit 1, which is attached and incorporated by reference.

Section 13. Severability. Each section of this ordinance, and any part thereof, is severable. If any part of this ordinance is held invalid by a court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect.

Section 14. Effective Date. As provided in the Tualatin Charter, this ordinance is effective 30 days from the date of adoption.

ADOPTED by the City Council this 28th day of August, 2023.

CITY OF TUALATIN, OREGON

BY _____
Mayor

APPROVED AS TO FORM

ATTEST:

BY _____
City Attorney

BY _____
City Recorder



ANALYSIS AND FINDINGS

BASALT CREEK EMPLOYMENT (BCE) ZONE

August 2023

Case #:	PTA/PMA 22-0001
Project:	Basalt Creek Employment (BCE) Zone Project
Procedure:	Type IV-B, Legislative

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I. INTRODUCTION

A. Applicable Criteria

Applicable Statewide Planning Goals; Oregon Administrative Rules Chapter 660, Divisions 9, 12, and 18; Tualatin Comprehensive Plan Chapters 4 and 10 and Tualatin Development Code Chapters 31 and 33.

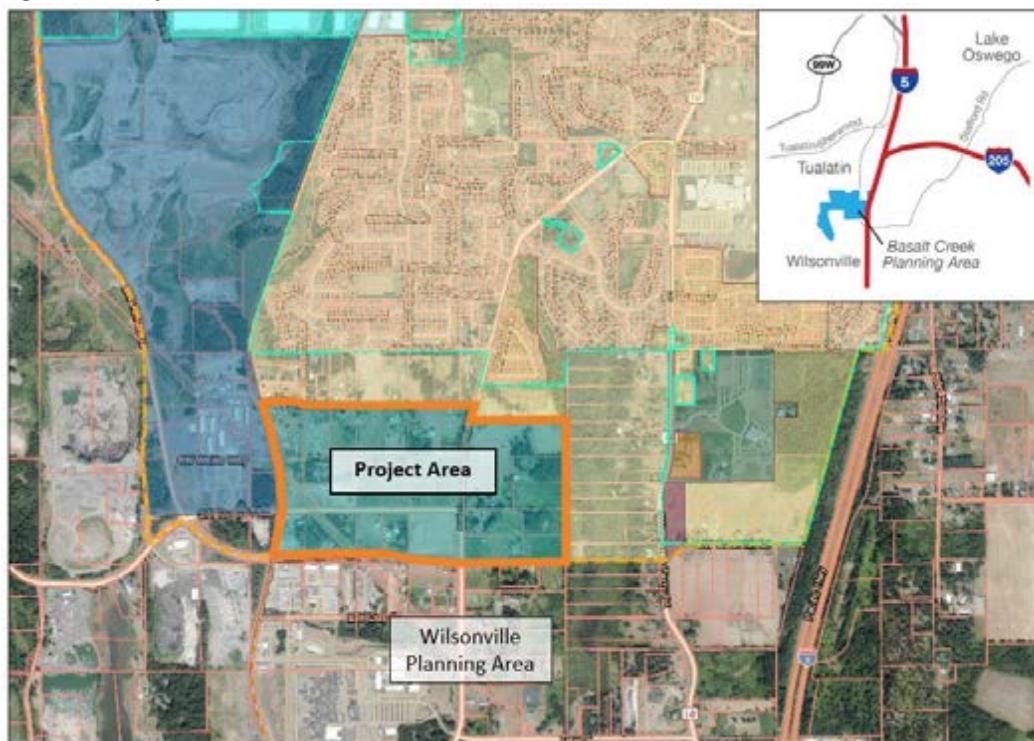
B. Project Description

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.

Plan Map Amendment (PMA) 22-0001 would be applied to land currently designated as Manufacturing Park (MP) within the Basalt Creek Planning Area.

Figure 1—Project Area



Plan Text Amendment (PTA) 22-0001 would add Chapter 65 to the Tualatin Development code in establishment of the Basalt Creek Employment (BCE) Zoning District. Additional amendments are proposed to Tualatin Comprehensive Plan Chapters 4 and 10; Tualatin Transportation System Plan Figure 1; Tualatin Municipal Code Chapter Title 9-10; and Tualatin Development Code Chapters 31, 38, 39, 73A, and 73B in support of the new zoning district.

Table 1—Comparison of Use Categories

Use	MP Zone (Ch. 62)	BCE Zone (Ch. 65)
Commercial parking	Permitted	Not permitted
Commercial Recreation	Permitted uses limited to a health or fitness facility as a limited use	Same; located on a parcel with a minimum of 200 feet of frontage on Graham's Ferry Road
Eating and Drinking Establishments	Permitted uses limited to a restaurant or deli as a limited use	Permitted as a limited use without drive-through facilities located on a parcel with a minimum of 200 feet of frontage on Graham's Ferry Road
Marijuana Facilities	Permitted subject to Ch. 80	Not permitted
Mobile Food Unit Development	Not permitted	Permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham's Ferry Road
Office	Permitted as a limited use	Same
Medical Office	Not permitted	Permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham's Ferry Road
Other Educational & Vocational Services	Permitted uses limited to: <ul style="list-style-type: none"> Correspondence, trade, or vocational school as a limited use; Job training or related services subject to as a limited use. 	Same
Retail Sales & Services	Permitted uses limited to: <ul style="list-style-type: none"> Sale of goods produced on-site as a limited use; Child day care center, as a limited use; Food or convenience store, mailing operations, reproduction or photocopying services, bank, and medical services as limited uses. 	<ul style="list-style-type: none"> Child day care center, as a limited use. All other Retail Sales and Services uses without drive-through facilities are permitted as a limited use located on a parcel with a minimum of 200 feet of frontage on Graham's Ferry Road
Heavy Manufacturing	Not permitted	Permitted uses limited to: <ul style="list-style-type: none"> Casting or fabrication of metals; Manufacture, assembly, processing, or packaging of products; Other similar advanced manufacturing uses.
Light Manufacturing	Permitted uses limited to: <ul style="list-style-type: none"> Manufacture or assembly of electronic or optical instruments, equipment, devices; musical instruments; toys; and sporting goods Production of textiles or apparel 	<ul style="list-style-type: none"> Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited. All other light manufacturing uses permitted except: building, heating, plumbing and electrical

	<ul style="list-style-type: none"> • Printing, publishing, and lithography shops • Research and development laboratories 	contractor's offices, with on-site storage of equipment or materials.
Warehouse and Freight Movement	Not permitted	Permitted as an accessory use or limited use.
Wholesale Sales	Not permitted	Permitted as a limited use and further limited to: sales of industrial products primarily sold wholesale to other industrial firms or industrial workers
Public Safety Facilities	Allowed as conditional uses, limited to fire station	Same

Table 2—Comparison of Development Standards

Standard	MP Zone (Ch. 62)	BCE Zone (Ch. 65)
Minimum Lot Size	5 acres	2 acres; or 10,000 square feet for standalone commercial uses
Minimum Lot Width	250 feet	None
Minimum Building Setback for Yards Adjacent to Streets or Alleys	60 feet	30 feet; or 10 feet for standalone commercial uses
Minimum Building Setback for Yards Adjacent to Residential District	60 feet	30 feet
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	0-50 feet, determined through Architectural Review process	10 feet
Minimum Setback for Parking and Circulation Areas Adjacent to Public Right-of-Way	50 feet	20 feet
Minimum Setback for Parking and Circulation Areas Adjacent to Private Property Line	5-25 feet, determined through Architectural Review process	10 feet
Fences from public right-of-way	50 feet	10 feet
Maximum Height	70 feet, with possibility of increase to 85 feet based on the ratio of setback to building height	45 feet
Maximum Height Adjacent to Residential District	28 feet, with possible increase based on a 45-degree plane from the setback line	Any structure within 100 feet of a residential zone (measured from property line or centerline of public

		right of way, if separated by a street) must be limited to the maximum height of that residential zone.
Landscape Percentage Required	25%	20%
Sound Barriers for Certain Equipment	Not required	Required, similar to standards found in TDC Chapters 60, 61, and 64

II. FINDINGS

A. Oregon Statewide Planning Goals

Goal 1 – Citizen Involvement

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Finding:

The proposed amendments are an update to Tualatin Development Code. In 2022, City Council directed staff to work on a legislative amendment of the Manufacturing Park (MP) code for the Basalt Creek area. These amendments were informed by the goals and policies included in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021). A consultant, HHPR, was also employed to assist staff with a code audit, public outreach, an economic analysis, a transportation planning rule analysis, and preparation of the code amendment. The proposed amendments have been reviewed by the Tualatin Planning Commission, which is the City's acknowledged Committee for Citizen Involvement (CCI), in compliance with Goal 1. The Tualatin Planning Commission also served as the community advisory committee during the phase of this project which included conceptual development of the code concepts which ultimately became the proposed amendments. The Planning Commission held multiple public meetings at which the public was able to comment on September 15, 2022, January 19, 2023, March 16, 2023, and June 15, 2023. In July of 2022 staff and the project consultant hosted a public webinar to share findings from the economic report and code audit, as well as get feedback for potential code concepts. Two work sessions were also held at the City Council.

Specific to the proposed amendments, The Tualatin Planning Commission held a public meeting on June 15, 2023 at which it recommended approval of the proposed amendments to City Council. The City Council hearing to consider the Planning Commission's recommendation and make a decision on the proposed amendment is tentatively scheduled for late summer and will be open to the public. Further, the City has followed its acknowledged public notice procedures for legislative Comprehensive Plan Amendments, found in TDC 32.250, which include publishing notice of the City Council hearing in the Tualatin Times, notice of the hearing to the Department of Land Conservation and Development at least 35 days prior to the first hearing, notice to affected government entities, and publicly posting notice of the hearing. Further, the City Council meeting schedule is made available on the internet, and notice of both the Planning Commission meeting and City Council hearing were provided to interested parties.

The proposed amendments conform to Goal 1.

Goal 2 – Land Use Planning

To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding:

The City of Tualatin's Comprehensive Plan and Development Code provide an acknowledged and established land use planning process and policy framework which serve as the basis for all decisions and actions related to land use, and include approval criteria to assure that an adequate factual base is provided for those decisions and actions. The proposed map and text amendments to the Tualatin Comprehensive Plan and Development Code have been processed in accordance with these procedures.

The proposed amendments conform to Goal 2.

Goal 5 – Open Spaces, Scenic and Historic Area, and Natural Resource
To protect natural resources and conserve scenic and historic areas and open spaces.

Finding:

Drainage, storm water and surface water runoff in Tualatin are addressed in the Tualatin Drainage Plan, the Surface Water Management Ordinance (SWM Ordinance) (Ord. No. 846- 91), the Northwest Tualatin Concept Plan 2005, the Southwest Tualatin Concept Plan 2010 and TDC Chapter 74, the objective of which includes compliance with Metro's Urban Growth Management Functional Plan (UGMFP) Title 3 and by extension, Goal 5. The surface water management policies and requirements in the SWM Ordinance were adopted by the City and other jurisdictions in the Tualatin River Basin to implement Clean Water Services requirements for control of sedimentation and water quality, which had been found by Metro to be consistent with Title 3, thus bringing Tualatin into conformance with Title 3 as well. Compliance with Title 13 is satisfied by Tualatin's participation in the Tualatin Basin Plan and previously adopted amendments to the Comprehensive Plan and Development Code (TDC Section 4.050 and Section 72.056). The conservation areas will be administered and protected by Clean Water Services. Future development in Tualatin must comply with Clean Water Services' Design and Construction Standards & Service Provider Letters (SPLs) for impacts in sensitive areas such as vegetated corridors surrounding streams and wetland habitat (TDC Chapters 33 and 36).

The proposed amendments conform to Goal 5.

Goal 6 – Air, Water and Land Resources Quality
To maintain and improve the quality of the air, water and land resources of the state.

Finding:

The Oregon Department of Environmental Quality (DEQ) regulates air, water, and land with Clean Water Act (CWA) Section 401 Water Quality, Water Quality Certificate, State 303(d) listed waters, Hazardous Wastes, Clean Air Act (CAA), and Section 402 NPDES Construction and Stormwater Permits. The Oregon Department of State Lands and the U.S. Army Corps of Engineers regulate jurisdictional wetlands and CWA Section 404 water of the state and the country respectively. Clean Water Services (CWS) coordinates storm water management, water quality, and stream enhancement projects throughout the city. Future development will still need to comply with these state, regional, and national regulations and protections for air, water, and land resources. Tualatin has an acknowledged Comprehensive Plan that complies with this goal. The PTA does not include proposed changes to TDC Chapter 63 (Industrial Uses and Utilities and Manufacturing Zones - Environmental Regulations).

The proposed amendments conform to Goal 6.

Goal 7 – Areas Subject to Natural Disasters and Hazards
To protect people and property from natural hazards.

Finding:

Tualatin has an acknowledged Comprehensive Plan that complies with this goal. These proposed amendments do not modify the City's natural hazards requirements, nor do they modify the existing goals and policies. The proposed amendments do not affect policies associated with Goal 7 established by the Comprehensive Plan. Approval of the proposed amendments will not eliminate the requirement for

future development to meet the requirements of the Chapters 70 and 72 of the Tualatin Development Code.

The proposed amendments conform to Goal 7.

Goal 8 – Recreation Needs

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding:

Tualatin's recreation needs, as well as those of the citizens of the state and visitors thereto, are addressed in the 2019 Tualatin Parks and Recreation Master Plan, the Comprehensive Plan, and also in Ordinance 1427-19. The proposed amendments do not affect policies associated with recreational needs.

The proposed amendments conform to Goal 8.

Goal 9 – Economy of the State

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Finding:

The proposed amendments provide updates to goals, policies, and strategic actions found in Chapter 4 (Economy, Commercial, and Industrial Development) of the Comprehensive Plan associated with Goal 9. These amendments incorporate the conclusions and recommendations found within the 2019 Tualatin Economic Opportunities Analysis and Economic Strategies into the Comprehensive Plan and further support the establishment of the Basalt Creek Employment (BCE) zone. The EOA studied the amount of land needed to accommodate future employment growth within Tualatin between 2020 and 2040 while evaluating the existing employment land supply. Ultimately the EOA concluded that Tualatin has a 74 acre deficit of industrial land and a 175 acre deficit of commercial land. These amendments identify policies and strategic actions that the City may implement in support of robust economic development.

The proposed amendments conform to Goal 9.

Goal 10 – Housing

To provide for the housing needs of citizens of the state.

Finding:

The proposed amendments do not affect policies related to housing.

The proposed amendments conform to Goal 10.

Goal 11 – Public Facilities and Services

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding:

The proposed amendments do not affect policies related to public facilities and services including water, sewer, and emergency services.

The proposed amendments conform to Goal 11.

Goal 12 – Transportation

To provide and encourage a safe, convenient and economic transportation system.

Finding:

The proposed amendments include changes related to transportation and to the Comprehensive Plan Functional Classification Plan (TSP Figure 1 and Comprehensive Plan Map 8-1), Local Street Plan (Comprehensive Plan Map 8-3), and Bicycle and Pedestrian Plan (Comprehensive Plan Map 8-4). Map 8-1 would reclassify Tonquin Loop and 112th Avenue from Local Streets to a Major Collector and Minor Collector, respectively. This change will limit driveway access of the adjacent residential areas to the nearest local streets identified on Map 8-3. The pedestrian and bicycle system will also be updated accordingly on Map 8-4. Findings for the Transportation Planning Rule under, OAR 660-012-0060 are included in Section B. of this document, but ultimately the establishment of the proposed zone change will not trigger a significant impact as determined by the TPR Analysis included as Exhibit 7.

The proposed amendments conform to Goal 12 and satisfy the applicable OAR requirements.

Goal 13 – Energy

To conserve energy.

Findings:

The proposed amendments do not include any changes that are related to or intended to impact Tualatin's land use regulations pertaining to energy consumption.

The proposed amendments conform to Goal 13.

B. Oregon Administrative Rules

660-012-0060

Plan and Land Use Regulation Amendments

(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

- (a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);**
- (b) Change standards implementing a functional classification system; or**
- (c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.**

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing

or planned transportation facility;

(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or
(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.

[...]

(9) Notwithstanding section (1) of this rule, a local government may find that an amendment to a zoning map does not significantly affect an existing or planned transportation facility if all of the following requirements are met.

(a) The proposed zoning is consistent with the existing comprehensive plan map designation and the amendment does not change the comprehensive plan map;
(b) The local government has an acknowledged TSP and the proposed zoning is consistent with the TSP; and
(c) The area subject to the zoning map amendment was not exempted from this rule at the time of an urban growth boundary amendment as permitted in OAR 660-024-0020(1)(d), or the area was exempted from this rule but the local government has a subsequently acknowledged TSP amendment that accounted for urbanization of the area.

[...]

Finding:

The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses. The definition of a significant effect varies by jurisdiction; however the Tualatin development code does not provide a definition for the term. Though the Oregon Highway Plan (OHP), qualifies a significant effect as a net increase of 400 daily trips.

A Transportation Planning Rule (TPR) analysis included in Exhibit 7, calculated the reasonable worst-case trip generation potential for the Basalt Creek Employment (BCE) zone using ITE rates. The area under consideration is 156.43 acres and is zoned Manufacturing Park (MP) which allows development of modern, large-scale specialized manufacturing land uses and research facilities as well as a limited amount of commercial services. Under the proposed Basalt Creek Employment (BCE) zoning, similar types of land uses are allowed as the Manufacturing Park (MP) zoning. However, this zoning expands industrial park uses as well as retail sales and services uses up to Metro's Title 4 limitations.

After evaluating the reasonable worst-case development potential of both the existing (MP) and proposed (BCE) zoning, the proposed zone change will result in a net decrease of 50 trips per day and 64 PM peak hour trips. Because the zone change results in a net decrease of vehicle trips, the proposed zone change is not expected to have a significant effect on the surrounding transportation system and the Transportation Planning Rule requirements are satisfied. The proposed amendments are consistent with these requirements.

660-018-0020

Notice of a Proposed Change to a Comprehensive Plan or Land Use Regulation

(1) Before a local government adopts a change to an acknowledged comprehensive plan or a land use regulation, unless circumstances described in OAR 660-018-0022 (Exemptions to Notice Requirements Under OAR 660-018-0020) apply, the local government shall submit the proposed change to the department, including the information described in section (2) of this rule. The local government must

submit the proposed change to the director at the department's Salem office at least 35 days before holding the first evidentiary hearing on adoption of the proposed change.

Finding:

The amendments propose a change to Tualatin's Comprehensive Plan and Land Use regulation will be noticed accordingly as shown. The proposed amendments are consistent with OAR 660-18-0020.

C. Metro Chapter 3.07, Urban Growth Management Functional Plan

The following Chapters and Titles of Metro Code are applicable to the proposed amendments:
Chapter 3.07, Urban Growth Management Functional Plan

Title 4 – Industrial and Other Employment Areas

3.07.430 Protection of Industrial Areas

(a) Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for retail commercial uses—such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:

- (1) Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and
- (2) Training facilities whose primary purpose is to provide training to meet industrial needs.

Finding:

The proposed amendments comply with Metro's charge to protect industrial lands. As shown in the Plan Text Amendments, included in Exhibit 4, permitted commercial uses within the Basalt Creek Employment zone will comply with the Metro size limitations of 5,000 square feet for an individual outlet or a total of 20,000 square feet for multiple outlets within a development project. Commercial uses are also limited to a locational standard along SW Grahams Ferry Road. No public use airports are located in Tualatin. Trade schools and training centers to support industrial needs will be subject to a conditional use permit. The proposed amendments are consistent with Title 4.

(b) Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for the uses described in subsection (a) to ensure that they do not interfere with the efficient movement of freight along Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the RTP. Such measures may include, but are not limited to, restrictions on access to freight routes and connectors, siting limitations and traffic thresholds. This subsection does not require cities and counties to include such measures to limit new other buildings or uses.

Finding:

The proposed amendments comply with Metro's charge to protect industrial lands. As shown in the Plan

Text Amendments, included in Exhibit 4, permitted commercial uses are limited to a locational standard along SW Grahams Ferry Road. The location of commercial uses will not be permitted along main roadway routes and connectors identified on the Regional Freight Network Map—that includes SW Boones Ferry Road or SW Basalt Creek Road, to minimize conflict with the movement of freight. The proposed amendments are consistent with Title 4.

(c) No city or county shall amend its land use regulations that apply to lands shown as Industrial Area on the Employment and Industrial Areas Map to authorize uses described in subsection (a) of this section that were not authorized prior to July 1, 2004.

Finding:

The proposed amendments will affect land designated Industrial Areas on the Metro Title 4 map. The subject area is presently designated Manufacturing Park (MP) which permitted restaurants, office, vocational, and retail sales and services with limitations under Ordinance 1049-00, which was adopted March 13, 2000. The proposed amendments are consistent with Title 4.

(d) Cities and counties may allow division of lots or parcels into smaller lots or parcels as follows:

(1) Lots or parcels smaller than 50 acres may be divided into any number of smaller lots or parcels.
(2) Lots or parcels 50 acres or larger may be divided into smaller lots and parcels pursuant to a master plan approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.

(3) Lots or parcels 50 acres or larger, including those created pursuant to paragraph (2) of this subsection, may be divided into any number of smaller lots or parcels pursuant to a master plan approved by the city or county so long as at least 40 percent of the area of the lot or parcel has been developed with industrial uses or uses accessory to industrial use, and no portion has been developed, or is proposed to be developed with uses described in subsection (a) of this section.

(4) Notwithstanding paragraphs (2) and (3) of this subsection, any lot or parcel may be divided into smaller lots or parcels or made subject to rights-of-way for the following purposes:

- (A) To provide public facilities and services;**
- (B) To separate a portion of a lot or parcel in order to protect a natural resource, to provide a public amenity, or to implement a remediation plan for a site identified by the Oregon Department of Environmental Quality pursuant to ORS 465.225;**
- (C) To separate a portion of a lot or parcel containing a nonconforming use from the remainder of the lot or parcel in order to render the remainder more practical for a permitted use; or**
- (D) To allow the creation of a lot solely for financing purposes when the created lot is part of a master planned development.**

Finding:

The subject area is composed of lots that range in size from 0.1-11.68 acres. The amendments include development standards requiring a minimum lot size of 2 acres for industrial development and 10,000 square feet for standalone commercial uses (subject to Title 4 limitations). The proposed amendments are consistent with Title 4.

E. Tualatin Development Code

Chapter 32: Procedures

TDC 32.010. - Purpose and Applicability.

(2) Applicability of Review Procedures. All land use and development permit applications and decisions, will be made by using the procedures contained in this Chapter. The procedure "type" assigned to each application governs the decision-making process for that permit or application. There are five types of permit/application procedures as described in subsections (a) through (e) below. Table 32-1 lists the City's land use and development applications and corresponding review procedure(s).

(e) Type IV-B Procedure (Legislative Review). The Type IV-B procedure is used to review proposals to amend the Tualatin Comprehensive Plan, the City's land use regulations, and large-scale changes to the Comprehensive Plan or Plan Maps, and involve the creation, revision, or implementation of broad public policy. Type IV-B reviews are first considered by the Planning Commission, which makes a recommendation to City Council. City Council makes the final decision on a legislative proposal through the enactment of an ordinance. Appeals of Type IV-B decisions are heard by the Land Use Board of Appeals (LUBA).

(3) Determination of Review Type. Unless specified in Table 32-1, the City Manager will determine whether a permit or application is processed as Type I, II, III, IV-A or IV-B based on the descriptions above. Questions regarding the appropriate procedure will be resolved in favor of the review type providing the widest notice and opportunity to participate. An applicant may choose to elevate a Type I or II application to a higher numbered review type, provided the applicant pays the appropriate fee for the selected review type.

Table 32-1—Applications Types and Review Procedures

Application/Action	Procedure Type	Decision Body*	Appeal Body*	Pre-Application Conference Required	Neighborhood/Developer Mtg Required	Applicable Code Chapter
Plan Amendments						
• Legislative Map or Text Amendments	IV-B	CC	LUBA	No	No	TDC 33.070

* City Council (CC); Planning Commission (PC); Architectural Review Board (ARB); City Manager or designee (CM); Land Use Board of Appeals (LUBA).

Finding:

The proposed application is a text and map amendment to the Tualatin Comprehensive Plan, Municipal Code, and Development Code. The proposed amendments are legislative in nature as they apply to broad areas of the City, as opposed to specific properties. The proposed application is being processed in accordance with the Type IV-B procedures. These criteria are met.

TDC 32.250. - Type IV-B (Legislative Decisions).

Type IV-B decisions are legislative land use decisions made by the City Council. Legislative land use proceedings include proposals to amend the Tualatin Comprehensive Plan and zoning maps, and involve the creation, revision, or implementation of broad public policy generally impacting more than one property owner or a large number of individual properties. The City Council may initiate its own legislative proposals at any time. Legislative requests are not subject to the 120-day review period under ORS 227.178. In most cases a public hearing is required. However, no public hearing is required in a legislative land use proceeding if the purpose of the amendment is to conform to new requirements in state land use statutes, Statewide Land Use Planning Goals, or administrative rules of the Oregon Land Conservation and Development Commission implementing state land use statutes or Statewide Land Use Planning Goals, if the Oregon Department of Land Conservation and Development confirms in writing that the only effect of the proposed change is to conform the City's Comprehensive Plan or land use regulations to the new state requirements. The Council may, in its discretion, hold a public hearing although one is not required.

(1) *Submittal Requirements—Type IV-B.* Legislative land use proceedings may be initiated by the City Council or City staff.

(2) *Notice of Public Hearing—Type IV-B.* Hearings on Legislative Land Use requests must conform to state land use laws (ORS 227.175), as follows:

(a) *DLCD Pre-Adoption Notice.* The City Manager will notify in writing the Oregon Department of Land Conservation and Development (DLCD) of legislative amendments (zone change, rezoning with annexation, or comprehensive plan amendment) in accordance with the minimum number of days required by ORS Chapter 197.

[...]

(c) *Other Public Notice.* In addition to any other notice required, at least 14 calendar days before the scheduled City Council public hearing date, the City must mail by regular first class mail Notice of a Public Hearing to the following individuals and agencies.

(i) Any affected governmental agency;

(ii) Any person who requests notice in writing;

(iii) For a zone change affecting a manufactured home or mobile home park, all mailing addresses within the park, in accordance with ORS 227.175;

(iv) Designated representatives of recognized Citizen Involvement Organizations;

(v) For an amendment which affects the transportation system, ODOT and Metro; and

(vi) For a plan amendment or land use regulation amendment that significantly impacts school capacity, the Tigard-Tualatin School District.

(d) At least 14 calendar days before the scheduled City Council public hearing date, public notice must be provided by publication in a newspaper of general circulation in the city.

(e) At least 14 calendar days before the scheduled City Council public hearing date, public notice must be posted in two public and conspicuous places within the City.

[...]

Finding:

As discussed in response to the previous criterion, the proposed amendments are legislative in nature and have been processed consistent with the Type IV-B requirements. The City Council has initiated the proposed amendments, and City staff will follow the appropriate notification procedures including DLCD notice, agency notice, newspaper notice, and posted notice. These criterion are met.

(4) Conduct of the Hearing—Type IV-B. A Type IV-B land use hearing will follow the City's legislative hearing procedures. There can be pre-hearing contact between citizens and the decision makers on legislative matters. "Ex parte contact" is not a concern.

(5) Notice of Adoption and Effective Date of a Type IV-B Decision.

(a) Notice of Adoption must be mailed to the applicant, all participants of record, and the Department of Land Conservation and Development within 20 business days after the City Council decision is filed with the City Manager. The City must also provide notice to all persons as required by other applicable laws.

(b) A Legislative Land Use decision, if approved, takes effect and becomes final as specified in the enacting ordinance or, if not approved, upon mailing of the Notice of Adoption to the applicant.

Finding:

The City Council public hearing to consider the Planning Commission's recommendation on the proposed amendments is tentatively scheduled for late summer, consistent with the above requirements. If adopted, a notice of adoption will be mailed and effective consistent with the above provisions. These criteria can be met.

Chapter 33: Applications and Approval Criteria

Section 33.070 Plan Amendments

[...]

(2) **Applicability.** [...] Legislative amendments may only be initiated by the City Council.

(3) **Procedure Type.**

(b) Map or text amendment applications which are legislative in nature are subject to Type IV-B Review in accordance with TDC Chapter 32.

Finding:

The proposed amendments are legislative in nature, in that they apply broadly across the City. The application has been processed consistent with the Type IV-B Review requirements in accordance with Chapter 32, which include publishing a newspaper notice at least 14 days prior to the City Council hearing, sending notice to the state DLCD (Exhibit 9). These criteria have been satisfied.

(5) Approval Criteria.

(a) **Granting the amendment is in the public interest.**

Finding:

In 2022, City Council directed staff to work on a legislative amendment of the Manufacturing Park (MP) code for the Basalt Creek area with the knowledge that uses permitted under the Manufacturing Park (MP) zoning are too restrictive, and as a result, industrial land that is eligible for annexation in the Basalt Creek area may not readily develop. These amendments were also guided by the goals and policies included in the adopted Basalt Creek Concept Plan (2019), the Economic Opportunities Analysis (2019), and the Southwest and Basalt Creek Development Area (2021). The draft code resulted from direction received from the City Council at work sessions held on March 23, 2022 and February 27, 2023, as well as feedback received from the community, industrial stakeholders, and the Planning Commission through a number of engagement opportunities which are summarized in Exhibit 5 and comments are included in Exhibit 6. Therefore, granting the proposed amendments is in the public interest as represented by Tualatin's City Council. This criterion is met.

(b) The public interest is best protected by granting the amendment at this time.

Finding:

The public interest is best protected by granting the amendment at this time. As discussed at the previous criterion, the amendment is in the public interest. The amendments also serve to satisfy existing Comprehensive Plan goals and policies around allowing commercial development in a manner that minimizes traffic impacts, as well as encouraging new industrial development in ways that strengthen the local tax base and employment. Commercial uses are permitted to serve nearby residents and industrial workers within an area of the city that is currently underserved by commercial uses. Other permitted uses have been selected to encourage the development of high wage and living wage jobs on industrially zoned land. Furthermore, design standards have been incorporated to encourage attractive industrial development that is compatible with the nearby residential areas. This criterion is met.

(c) The proposed amendment is in conformity with the applicable objectives of the Tualatin Community Plan.

Finding:

The proposed amendments are in conformity with the following applicable objectives of the Tualatin Comprehensive Plan:

- *POLICY 4.1.1 LOCATION. Locate and design areas that allow commercial development in a manner that increases access to goods and services while minimizing traffic impacts, including the location of commercial services where accessible through transit and active transportation modes, the encouragement of mixed use development, and small neighborhood commercial nodes.*
- *GOAL 4.2 Encourage new industrial development in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.*
- *POLICY 4.2.1 Preserve and protect, with limited exceptions, the City's existing industrial land.*
- *POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.*

The proposed amendments include an expansion of Comprehensive Plan, Chapter 4 goals and policies, as well as the addition of a zoning chapter (Chapter 65 Basalt Creek Employment) to the Development Code in support of findings identified in the 2019 Economic Opportunities Analysis (EOA) adopted by Resolution No. 5479-19 and in the 2019 Basalt Creek Concept Plan under Ordinance 1418-19. The proposed development code amendments are specifically designed to provide an environment conducive to the development and protection of employment uses within the Basalt Creek area, with an emphasis on advanced manufacturing, office, and incubator space. Commercial retail services are permitted limited uses. Limitations include a maximum size, not to exceed 5,000 square feet for an individual use, and a locational standard along the Grahams Ferry Road corridor to encourage a small neighborhood commercial node while protecting industrial land development. Therefore, the proposed amendments are in conformity with the Tualatin Comprehensive Plan and this criterion is met.

(d) The following factors were consciously considered:

- (i) The various characteristics of the areas in the City;**
- (ii) The suitability of the areas for particular land uses and improvements in the areas;**

Finding:

The proposed amendments will affect industrial zoned land specific to the Basalt Creek geographic area of the City. This area is also bordered by residential lands to the north and east, and the City of Wilsonville to the south. As highlighted in an economic assessment submitted as Exhibit 8, the subject area of the City is an industrial area of regional importance and has been subject to many planning efforts to include in Tualatin's Planning area. Industrial development in the Planning Area will benefit from several competitive advantages, including the area's immediate access to I-5, an important transportation route on the west coast. Additionally the industrial land in the Basalt Creek area is relatively undeveloped and has minimal slopes over 25% and minimal wetland impacts. Annexation of this land will be predicated on investor interest, and the expectation is that investors will finance the extension of services.

The proposed amendments aim to encourage job dense uses that are compatible with nearby residential land. These amendments ensure that all uses will be conducted within a completely enclosed building, limit uses that generate truck trips, include design standards for a pleasant public interface, and provide opportunities for a neighborhood commercial node. Therefore, the various characteristics of the areas of the City were consciously considered, as well as the suitability of areas for particular land uses was considered. These criterion are met.

(iii) Trends in land improvement and development;

Finding:

As described in the Economic Analysis submitted as Exhibit 8, the U.S. Bureau of Labor Statistics projects that total U.S. employment will grow from 153.5 million to 165.4 million over the 2020–30 decade, an increase of 11.9 million jobs. Portland metro area jobs in core industrial sectors account for about 30 percent of all private jobs in the tri-county region, and there are nearly twice the number of manufacturing jobs compared to transportation, warehousing, and utility jobs. Overall, market trends have demonstrated that need for research and development campuses, which is currently encouraged in the existing MP zone, is waning, while the need for flexible industrial development of the type permitted by the proposed amendments is strong.

Furthermore, the Basalt Creek Concept Plan, adopted under Ordinance 1418-19 identified roughly 92.95 buildable acres in the Manufacturing Park (MP) with an expectation to accommodate 1,897 new jobs. Additionally, the Economic Opportunities Analysis (EOA) adopted as Resolution 5479-19, identified a Citywide deficit of 74 acres of industrial land and recommended changes to zoning that encourage more efficient use of employment land, by specifically prohibiting new development that requires substantial amounts of land but results in little employment. The proposed amendments aim to accommodate recent market trends and the city's identified goal of job dense development by encouraging flexible industrial development that favors advanced manufacturing. Therefore, the proposed amendments have consciously considered trends in land improvement and development and this criterion is met.

(iv) Property values;

Finding:

The proposed amendments will have a positive impact on property values. The current market has little

demand for large-scale specialized manufacturing and research campuses, as allowed under the current Manufacturing Park (MP) zoning designation. Therefore it seems improbable that the industrial land will develop to reach full financial value in the near term. The proposed amendments expand and modernize allowed land uses that encourage employment dense development, while remaining flexible for changing market opportunities. The amendment also implements goals identified in the Southwest and Basalt Creek Development Area adopted under Ordinance No. 1458-21, including:

- *Encourage land development that provides high density employment opportunities. Encourage land development in ways that strengthen the local tax base and support Tualatin's employment lands as a major local and regional employment center.*
- *Facilitate development and redevelopment on sites in the area, stimulating growth, providing new employment opportunities and an increased tax base in the area.*

As an active urban renewal district is in place, the expectation is that public urban renewal investments will attract private development and increase property values. Therefore, the proposed amendments support property values, and this criterion is met

(v) The needs of economic enterprises and the future development of the area; needed right-of-way and access for and to particular sites in the area;

Finding:

The proposed amendments support the economic enterprises identified in both the Basalt Creek Concept Plan and the Economic Opportunities Analysis (EOA), specifically by changing zoning to encourage more efficient use of employment land. Additionally, needed right-of-way and access for and to particular sites in the area was consciously considered, although the proposed amendments are legislative in nature and not site specific; therefore this criterion is met.

(vi) Natural resources of the City and the protection and conservation of said resources;

(vii) Prospective requirements for the development of natural resources in the City;

Finding:

The proposed amendments do not impact natural resource protection nor application of requirements to future development, which would fully apply to any new development. Therefore, this criterion is met.

(viii) The public need for healthful, safe, esthetic surroundings and conditions;

Finding:

The proposed amendments do not impact regulations governing public need for healthful or safe, surroundings and conditions, as required for industrial uses under Chapter 63. The amendments do require that all uses be conducted within a completely enclosed building, as well as building design and landscape standards to encourage esthetic development. These factors were consciously considered and the criterion is met.

(e) If the amendment involves residential uses, then the appropriate school district or districts must be able to reasonably accommodate additional residential capacity by means determined by any affected school district.

Finding:

The amendments do not involve residential uses outside of a conditional caretaker residence for security purposes; therefore this criterion is not applicable.

(f) Granting the amendment is consistent with the applicable State of Oregon Planning Goals and applicable Oregon Administrative Rules, including compliance with the Transportation Planning Rule TPR (OAR 660-012-0060).

Finding:

Discussion of State of Oregon Planning Goals and applicable Oregon Administrative Rules is found in Sections II-A and B of these findings and find consistency. This criterion is met.

(g) Granting the amendment is consistent with the Metropolitan Service District's Urban Growth Management Functional Plan.

Finding:

The proposed amendments will remain consistent with the Metro Urban Growth Management Functional Plan, specifically Title 4 as discussed in Section II-C of these findings. Therefore, these requirements were consciously considered. This criterion is met.

(h) Granting the amendment is consistent with Level of Service F for the p.m. peak hour and E for the one-half hour before and after the p.m. peak hour for the Town Center 2040 Design Type (TDC Map 10-4), and E/E for the rest of the 2040 Design Types in the City's planning area.

Finding:

The area of the city that will be affected by these amendments is identified as Industrial Area (IA) on Map 10-4. As described in Section II-B, and in Exhibit 7 the reasonable worst-case trip generation of the proposed amendments is anticipated to result in a net decrease of 64 PM peak hour trips. Therefore, the proposal is a slight improvement of level of service for transportation facilities and the criterion is addressed.

(i) Granting the amendment is consistent with the objectives and policies regarding potable water, sanitary sewer, and surface water management pursuant to TDC 12.020, water management issues are adequately addressed during development or redevelopment anticipated to follow the granting of a plan amendment.

[...]

Finding:

The proposed changes do not impact objectives and policies regarding the above referenced utilities. These factors were consciously considered but this criterion is not applicable.

City of Tualatin

Economic Opportunities Analysis

December 2019

Prepared for:

City of Tualatin

FINAL REPORT

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Acknowledgments

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Executive Summary

This report presents an economic opportunities analysis (EOA) consistent with the requirements of Statewide Planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). Goal 9 describes the EOA as “an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located.”

The primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within Tualatin between 2020 and 2040, (2) evaluate the existing employment land supply within the City to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land.

How much buildable employment land does Tualatin currently have?

Exhibit 1 shows commercial and industrial land in Tualatin with development capacity (lands classified vacant or partially vacant). The results show that Tualatin has about 385 unconstrained buildable acres within its city limits and Basalt Creek.

Exhibit 1. Buildable Acres by Plan Designation and Zoning, Tualatin Planning Area, 2019

Source: Metro BLI, ECONorthwest Analysis. Note: The numbers in the table may not sum to the total as a result of rounding.

Generalized Plan Designation	Total buildable acres	Buildable acres on vacant lots	Buildable acres on partially vacant lots
Commercial			
Central Commercial	0	0	0
General Commercial	4	4	0
Medical Commercial	0	0	0
Neighborhood Commercial	0	0	0
Office Commercial	3	3	0
Recreational Commercial	0	0	0
Industrial			
General Manufacturing	99	99	0
Light Manufacturing	29	29	0
Manufacturing Business Park	85	85	0
Manufacturing Park	56	56	0
Mixed-Use Commercial Overlay Zone			
General Commercial	0	0	0
Central Tualatin Overlay Zone			
Central Commercial	0	0	0
General Commercial	0	0	0
Office Commercial	0	0	0
General Manufacturing	0	0	0
Light Manufacturing	0	0	0
Basalt Creek Planning Area			
Manufacturing Park	105	35	70
Neighborhood Commercial	4	4	0
Total	385	314	70

How much growth is Tualatin planning for?

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Tualatin needs an estimate of the amount of commercial and industrial land that will be needed over the 2020–2040 planning period. Exhibit 2 presents the forecast of employment growth by land use type in Tualatin from 2020 to 2040.

Tualatin's employment base was 40,478 employees in 2020. The forecast shows that by 2040, Tualatin will have 53,332 employees, an increase of 12,854 jobs over the planning period.

Exhibit 2. Forecast of Employment Growth by Land Use Type, Tualatin Planning Area, 2020–2040

Source: ECONorthwest. Note: The shaded percentages denote an assumption about the future share of employment (as a percent of total) by land use type. It assumes that the share of employment by land use type will remain the same.

Land Use Type	2020		2040		Change 2020 to 2040
	Employment	% of Total	Employment	% of Total	
Industrial	18,218	45%	24,004	45%	5,786
Retail Commercial	3,050	8%	4,018	8%	968
Office & Commercial Services	18,382	45%	24,219	45%	5,837
Government	829	2%	1,092	2%	263
Total	40,478	100%	53,332	100%	12,854

Tualatin will accommodate new government employees (263 employees) in Institutional Plan Designations. Therefore, the estimate of new employees (between 2020 and 2040) that will require commercial and industrial lands is 12,591 employees.

How much land will be required for employment?

The forecast for land needed to accommodate employment growth in Tualatin shows that the growth of 12,591 new employees will result in demand for about 677 gross acres of commercial and industrial employment lands.

Does Tualatin have enough land to accommodate employment growth?

Exhibit 3 shows that Tualatin has a deficit of suitable employment land to accommodate demand for commercial and industrial employment in the Tualatin Planning Area.

Exhibit 3. Comparison of the Capacity of Land with Employment Land Demand by Land Use Type, Tualatin Planning Area, 2020–2040

Source: ECONorthwest. Note: Employment demand requires an additional 42 gross acres on land in Residential Plan Designations and one gross acre on land in an institutional (public) Plan Designation.

General Plan Designation	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Deficit)
Industrial	374	448	(74)
Commercial (incl Retail and Office)	11	186	(175)

What types of business does Tualatin want to attract?

An analysis of growth industries in Tualatin should address two main questions: (1) Which industries are most likely to be attracted to Tualatin? and (2) Which industries best meet Tualatin's economic development goals? The selection of target industries is based on Tualatin's goals for economic development; economic conditions in Tualatin, Washington County, and the Portland Metro Region; and the city's competitive advantages.

Given the current employment base, which is composed of small and midsized businesses, it is reasonable to assume that much of the city's business growth will come from small and midsized businesses. This growth will either come from businesses already in Tualatin or new businesses that start or relocate to Tualatin from within the Portland Region or from outside of the region.

The industries identified as having potential for growth in Tualatin are:

- **Manufacturing.** Tualatin's manufacturing sector accounts for 27% of the city's employment base. A few examples of Tualatin's potential growth industries in manufacturing are:
 - *Advanced manufacturing.* This industry is an internally preferred grouping of five independent traded clusters: (1) Downstream Metal Products, (2) Lighting and Electrical Equipment, (3) Metalworking Technology, (4) Production Technology and Heavy Machinery, and (5) Upstream Metal Manufacturing.
 - *Food processing and manufacturing.* The Bureau of Labor Statistics describes this industry cluster as one that takes livestock and agricultural products (raw food materials) and transforms them into products for intermediate or final consumption (sold to wholesalers or retailers for distribution). Tualatin's food

processing and manufacturing cluster is its fastest growing industry (projected to grow 64% from 2017 to 2028).

- **Plastics.** Wages in the plastics industry cluster (comprising establishments that manufacture plastic materials and other plastic components/products) grew 14 % from 2012 to 2017. As the fourth most concentrated cluster in Tualatin (with an LQ of 5.21), this industry presents objective growth potential for lower-skilled workers.
- **Information technology and analytical systems.** This industry cluster includes establishments that work in computers, software, audio visual equipment, laboratory instruments, and medical apparatus development (e.g., standard and precision electronics like circuit boards and semiconductors).
- **Business services.** Business services establishments including corporate headquarters and other professional services (e.g., consulting, back office services, financial services/legal services, facilities support, computer services, etc.). In Tualatin, this industry is expected to see the largest growth in total jobs, and it had the largest growth in average wage.

What are the key conclusions from the EOA?

The conclusions about commercial and industrial land sufficiency in Tualatin are:

- **Tualatin has a deficit of land to accommodate new employment growth.** Tualatin has a deficit of about 74 acres of land in industrial Plan Designations and 175 acres of employment in commercial Plan Designations to accommodate employment. Tualatin will need to consider policies to increase the efficiency of employment land use within the City, such as policies to encourage denser employment development and redevelopment that results in higher-density development.
- **Tualatin has substantial redevelopment potential.** A majority of redevelopable lots are in industrial areas. For example, change of use (and redevelopment) of the gravel pit in the southwest area of the Manufacturing Business Park presents substantial redevelopment opportunities. The six tax lots in the gravel pit comprise 181 acres with about 47 constrained acres, mostly due to steep slopes and wetlands. When mining ceases in the gravel pit, which may or may not occur in the twenty-year planning period, the gravel pit may be redevelopable and available for new employment uses.
- **Tualatin's primary comparative advantages for economic development are its location along the I-5 corridor and proximity to urban and cultural amenities/services in the Portland Region, making Tualatin an attractive place for businesses to locate.** Tualatin has advantages through its access to the regional labor market and the region's growing labor force comprising diverse skill sets.
- **Tualatin will need to address transportation capacity issues to accommodate growth, particularly along regional connectors (roads and avenues).** Traffic congestion is a substantial issue in Tualatin and surrounding areas, making it difficult to commute to

Tualatin from other cities within the Portland Region and within Tualatin. Stakeholders are concerned that additional employment growth will make congestion substantially worse.

What are the key recommendations of the EOA?

Following are a summary of ECONorthwest's recommendations to Tualatin based on the analysis and conclusions in this report. The *Tualatin Economic Development Strategy* memorandum presents the full list of recommendations for Tualatin.

- **Ensure that Tualatin has enough land to accommodate expected employment growth and that land has infrastructure to support employment growth.** Tualatin should identify opportunities to support mixed-use development (especially development that includes commercial and residential uses) to accommodate employment growth, especially commercial employment growth. The City should identify opportunities to make more efficient use of employment land, such as limiting development of businesses that have large land requirements and have little employment (such as distribution). In addition, the City should work with landowners to get key employment sites certified as "shovel ready" to speed the development process.
- **Identify opportunities for redevelopment, especially mixed-use redevelopment.** The City has a substantial deficit of industrial and commercial land. The City may be able to address some or most of this deficit within the existing planning area (without a UGB expansion). To do so, the City should identify districts for redevelopment, such as mixed-use development. This planning includes revising the Tualatin Town Center Plan to focus on opportunities to support redevelopment, identify tools to support redevelopment, and identify areas appropriate for more intense industrial uses (e.g., redevelopment of the gravel pit in the southwest area of the city once mining activity has ceased).
- **Grow jobs and businesses in Tualatin by supporting business retention, growth, and attraction.** The first step in growing jobs and businesses in Tualatin is revising the economic development strategy, including developing a clear vision for economic development in Tualatin and creating an action plan to implement the vision. The revised strategy can build on the *Tualatin Economic Development Strategy* produced as part of this analysis, but the revised strategy should include a detailed action plan to implement the newly developed vision for economic development. In revising the strategy, the City should identify partnerships and incentive programs to grow, retain, and attract businesses and to support entrepreneurial businesses in Tualatin.
- **Ensure that the City connects planning for economic development with other community planning.** Throughout the project, stakeholders emphasized the need to coordinate economic development planning with housing, transportation planning, and other community planning. Updates to the Tualatin Transportation System Plan should be coordinated with planning for employment and business growth. A key approach to accommodating new commercial development is redevelopment that results in mixed-

use districts, providing opportunities for more housing affordable to people working at businesses in Tualatin and living closer to work (thus reducing transportation issues). In addition, stakeholders would like to see incorporation of services needed to meet daily needs of residents of neighborhoods without driving.

The *Tualatin Economic Development Strategy* memorandum presents more details about each of these topics and recommendations for specific actions to implement these recommendations.

1. Introduction

This report presents an economic opportunities analysis (EOA) for the City of Tualatin. The purpose of an EOA is to develop information as a basis for policies that capitalize on Tualatin opportunities and help address the City's challenges. The EOA includes technical analysis to address a range of questions that Tualatin faces in managing its commercial and industrial land. For example, the EOA includes an employment forecast that describes how much growth Tualatin should plan for over the 2020–2040 period and identifies the amount and type of employment land necessary to accommodate growth in Tualatin over that period. The EOA also includes an inventory of commercial and industrial land within Tualatin's Planning Area to provide information about the amount of land available to accommodate employment growth.

This EOA complies with the requirements of Statewide Planning Goal 9, the Goal 9 administrative rules (OAR 660 Division 9), and the court decisions that have interpreted them. Goal 9 requires cities to state objectives for economic development (OAR 660-009-0020[1][a]) and to identify the characteristics of sites needed to accommodate industrial and other employment uses (OAR 660-009-0025[1]) over the twenty-year planning period. This approach could be characterized as a *site-based* approach that projects land need based on the forecast for employment growth, the City's economic development objectives, and the specific needs of target industries.

Background

Tualatin last evaluated economic trends in a 2014 update to the City's Economic Development Strategic Plan. Around that same time, Greater Portland Inc. completed a five-year economic development strategy for the Portland Region (Greater Portland 2020), which defined emerging industry clusters and policies for economic development in the region. In 2018, Tualatin also completed a concept plan for the Basalt Creek Planning Area, which allocated substantial land as a Manufacturing Park and was expected to accommodate 1,897 new jobs.

The purpose of this project was to develop a factual base to provide the City with information about current economic conditions. This factual basis provides information necessary for updating the City's Economic Development Comprehensive Plan policies. This report identifies opportunities to meet the City's economic development objectives and develop comprehensive plan policies and implementation strategies that capitalize on the City's comparative advantages and address areas of economic weakness.

The EOA provides information that the City can use to identify and capitalize on its economic opportunities. It also provides information essential to addressing the City's challenges in managing economic development, such as a lack of commercial sites to support growth of businesses that require office space and a lack of policy direction to address these issues, as well as underutilized industrial and commercial land.

The EOA draws on information from numerous data sources, such as the Oregon Employment Department, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, and the U.S. Census.

Framework for an Economic Opportunities Analysis

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The analysis in this report is designed to conform to the requirements for an economic opportunities analysis (EOA) in OAR 660-009 as follows.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The EOA requires communities to (1) identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county, or local trends; (2) identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; (3) include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and (4) estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input-based process in conjunction with state agencies.
2. *Industrial and commercial development policies (OAR 660-009-0020)*. Cities are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types, and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area. Tualatin's draft economic development policies will be in the Tualatin Economic Development Strategy memorandum, which will accompany this report.
3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025)*. Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage, and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies and must designate serviceable land suitable to meet identified site needs.

Organization of this Report

This report is organized as follows:

- **Chapter 2.** Factors Affecting Future Economic Growth summarizes historic economic trends that affect current and future economic conditions in Tualatin as well as Tualatin's competitive advantages for economic development.
- **Chapter 3.** Employment Growth and Site Needs presents a forecast for employment growth in Tualatin and describes the City's target industries and site needs for potential growth in industries.
- **Chapter 4.** Buildable Lands Inventory presents a summary of the inventory of employment lands.
- **Chapter 5.** Land Sufficiency and Conclusions compares the supply of land demand for buildable lands and presents key concluding recommendations for Tualatin.

This report also includes two appendices:

- **Appendix A.** National, State, and Regional and Local Trends
- **Appendix B.** Buildable Lands Inventory Methodology

2. Factors Affecting Future Economic Growth

Tualatin exists as part of the economy of the Portland Region. While Portland is the economic center of the region, providing urban amenities (such as stores, medical services, or personal financial services) to residents, Tualatin also provides similar amenities to its residents and visitors.

This chapter describes the factors affecting economic growth in Tualatin within the context of national and regional economic trends. The analysis presents the City's competitive advantages for growing and attracting businesses, which forms the basis for identifying potential growth industries in Tualatin.

Factors that Affect Economic Development¹

The fundamental purpose of Goal 9 is to make sure that a local government plans for economic development. The planning literature provides many definitions of economic development, both broad and narrow. Broadly,

Economic development is the process of improving a community's well-being through job creation, business growth, and income growth (factors that are typical and reasonable focus of economic development policy), as well as through improvements to the wider social and natural environment that strengthen the economy.²

That definition acknowledges that a community's well-being depends in part on narrower measures of economic well-being (e.g., jobs and income) and on other aspects of quality of life (e.g., the social and natural environment). In practice, cities and regions trying to prepare an economic development strategy typically use a narrower definition of economic development; they take it to mean business development, job growth, and job opportunity. The assumptions are that:

- Business and job growth are contributors to and are consistent with economic development, increased income, and increased economic welfare. From the municipal point of view, investment and resulting increases in property tax are important outcomes of economic development.
- The evaluation of trade-offs and balancing of policies to decide whether such growth is likely to lead to overall gains in well-being (on average and across all citizens and

¹ The information in this section is based on previous Goal 9 studies conducted by ECONorthwest and the following publication: *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

² *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

businesses in a jurisdiction, and all aspects of well-being) is something that decision makers do after an economic strategy has been presented to them for consideration.

That logic is consistent with the tenet of the Oregon Land Use Planning program: all goals matter, no goal dominates, and the challenge is to find a balance of conservation and development that is acceptable to a local government and state. Goal 9 does not dominate, but it legitimizes and requires that a local government focus on the narrower view of economic development that focuses on economic variables.

In that context, a major part of local economic development policy is about local support for business development and job growth; that growth comes from the creation of new firms, the expansion of existing firms, and the relocation or retention of existing firms. Specifically, new small businesses are accounting for a larger share of the job growth in the United States.³ This shift toward a focus on entrepreneurship, innovation, and small businesses presents additional options for local support for economic development beyond firm attraction and retention. Thus, a key question for economic development policy is, *What are the factors that influence business and job growth, and what is the relative importance of each?* This document addresses that question in depth.

What factors matter?

Why do firms locate where they do? There is no single answer—different firms choose their locations for different reasons. Key determinants of a location decision are a firm's *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues—if demand for goods and services are held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often the most important factor of production. Other things equal, firms look at productivity—labor output per dollar. Productivity can decrease if certain types of labor are in short supply, which increases the costs by requiring either more pay to acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally.
- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and

³ According to the 2018 Small Business Profile from the U.S. Small Business Office of Advocacy, small businesses account for over 99 percent of total businesses in the United States, and their employees account for nearly 50% of American workers. <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf>

less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways.

- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product (either goods or services) to the market, and they rely on access to different modes of transportation to do this.
- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources (i.e., raw lumber) and others may need intermediate materials (i.e., dimensioned lumber).
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar. Entrepreneurial activity, even when unsuccessful, can offer information about the local market that other entrepreneurs can use in starting a new firm. Entrepreneurs are typically willing to take on more risk in uncertain markets, and a strengthened entrepreneurial environment can help to reduce that risk and uncertainty.⁴ Entrepreneurs also tend to have more mobility than larger firms and are more likely to locate in areas with a strong entrepreneurial environment.⁵ To some degree, local governments can promote the high quality of life in an area to attract entrepreneurs, in addition to adopting regulations with minimal barriers—or at least, clear guidelines—for new small businesses.

The supply, cost, and quality of any of these factors obviously depends on market factors such as conditions of supply and demand locally, nationally, and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain the quality of life. Overly burdensome regulations, however, can be disincentives for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Tax rates are not a primary location factor—they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The costs of these production factors are usually similar within a region. Therefore, differences in tax

⁴ Tessa Conroy and Stephan Weiler. "Local and Social: Entrepreneurs, Information Network Effects, and Economic Growth" (2017). https://redi.colostate.edu/wp-content/uploads/sites/50/2017/05/gender_gia_Jun2017-2.pdf

⁵ Emil E. Malizia and Edward J. Feser. *Understanding Local Economic Development*. (1999).

levels across communities within a region are more important in the location decision than are differences in tax levels between regions.

- **Financial incentives.** Governments can offer firms incentives to encourage growth. Most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may make it appear that a location decision is based entirely on a straightforward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development, however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known as industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.
- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region's quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical attachment to a place or set of amenities, without much regard for the cost of other factors of production.
- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping U.S. cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. In addition to innovations in research and development within firms or research institutions, firms may also draw on the innovative capacity of entrepreneurs in an area. These entrepreneurs may be former employees of the larger firm or businesses that relocated to an area because of the proximity to an industry cluster. Strong networks and communication between firms, research institutions, and entrepreneurs are key

components to leveraging innovative capacity in an area.⁶ Local governments are well-equipped to help foster these networks through supporting economic development tools such as small business assistance centers or incubation centers. Government can also be a key part of a community's innovative culture through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

How important are these factors?

To understand how changes in public policies affect local job growth, economists have attempted to identify the importance for firms of different locational factors. They have used statistical models, surveys, and case studies to examine detailed data on the key factors that enter the business location decision.

Economic theory says that firms locate where they can reduce the costs of their factors of production (assuming demand for products and any other factors are held constant). Firms locate in regions where they have access to inputs that meet their quality standards, at a relatively low cost. Because firms are different, the relative importance of different factors of production varies both across industries and, more importantly, across firms.

No empirical analysis can completely quantify firm location factors because numerous methodological problems make any analysis difficult. For example, some would argue simplistically that firms would prefer locating in a region with a low tax rate to reduce tax expenses. However, the real issue is the value provided by the community for the taxes collected. Because taxes fund public infrastructure that firms need, such as roads, water, and sewer systems, regions with low tax rates may end up with poor infrastructure, making it less attractive to firms. When competing jurisdictions have roughly comparable public services (type, cost, and quality) and quality of life, then tax rates (and tax breaks) can make a difference.

Further complicating any analysis is the fact that many researchers have used public expenditures as a proxy for infrastructure quality. But large expenditures on roads do not necessarily equal a quality road system. It is possible that the money has been spent ineffectively and the road system is in poor condition.

An important aspect of this discussion is that the business function at a location matters more than a firm's industry. A single company may have offices spread across cities with headquarters located in a cosmopolitan metropolitan area, the research and development divisions located near a concentration of universities, the back office in a suburban location, and manufacturing and distribution located in areas with cheap land and good interstate access.

The location decisions of businesses are primarily based on the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region. Most economic development strategies available to local

⁶ Nancey Green Leigh and Edward Blakely. *Planning Local Economic Development: Theory and Practice*. 2013.

governments, however, only indirectly affect the cost of these primary location factors. Local governments can most easily affect tax rates, public services, and regulatory policies.

Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest effect on the level and type of economic development in the community.

Local governments can provide support for new and existing small businesses through policies and programs that support entrepreneurship and innovation. The National League of Cities suggests strategies for local governments, including strong leadership from elected officials; better communication with entrepreneurs, especially regarding the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.⁷

Local governments in Oregon also play a central role in the provision of buildable land through the inclusion of lands in the Urban Growth Boundary, through the determination of plan designations and zoning, and through the provision of public services. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community—market conditions must create demand for this land, and local factors of production must be favorable for business activity. In the context of expected economic growth and the perception of a constrained land supply in Tualatin, the provision of buildable land has the potential to strongly influence the level and type of economic development in the City. The provision of buildable land is one of the most direct ways that Tualatin can affect the level and type of economic development in the community.

⁷ National League of Cities. “Supporting Entrepreneurs and Small Businesses.” (2012). <https://www.nlc.org/supporting-entrepreneurs-and-small-business>

Summary of the Effect of National, State, and Regional Trends on Economic Development in Tualatin

This section presents a summary and the implications of national, state, and regional economic trends on economic growth in Tualatin, which are presented in Appendix A. Employment growth in Tualatin is closely related to trends that affect economic growth in Washington County and the broader Portland region.

- **Recovery from the national recession.** Incomes grew faster in Washington County than Oregon since 2001, and the unemployment rate in Washington County was lower than the statewide average.
 - The unemployment rate in Washington County has declined since the recession, consistent with trends in the United States and Oregon. In 2018, the unemployment rate was 3.5% in Washington County, 4.2% in Oregon, and 3.9% in the United States. Comparatively, in 2009, unemployment was 9.5% in Washington County, 11.3% in Oregon, and 9.3% in the United States. As of 2018, the unemployment rate for Washington County is similar to its rate in 2000.
 - Employment has increased in Washington County since 2001, with a gain of about 66,799 employees between 2001 and 2018. The largest increases were in professional/business services and health care/social assistance, while the largest decreases were in wholesale trade and information. Tualatin accounts for about 11% of employment in Washington County.
- **Growth in manufacturing and healthcare / social assistance sectors.** Employment in manufacturing and the healthcare / social assistance sectors accounted for about 37% of employment in Tualatin in 2017. In 2007, employment in these industries accounted for about 36% of employment in Tualatin, an increase of about 3,299 employees between 2007 and 2017. Employment in both of these sectors support above average wages.

In Washington County, employment in manufacturing and the healthcare / social assistance sectors accounted for 23% of employment in 2017, down from 24% in 2007. While the overall share of employment decreased, total employment increased by about 9,809 employees between 2007 and 2017.

- **Availability of trained and skilled labor.** Availability of labor depends, in part, on population growth and in-migration. Tualatin's population increased by 4,344 people between 2000 and the 2013–2017 period, at an average growth rate of 1.0%. In comparison, Oregon's population also grew at an average rate of 1.0%, between 2000 and 2017, with 66% of population coming from in-migration.

The current labor force participation rate is another important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2013–

2017 American Community Survey, Tualatin had about 15,643 people in its labor force and Washington County had over 310,400. The labor force participation rate in Tualatin (73%) was higher than Washington County (69%) and the Portland Region (68%) in the 2013–2017 period. A higher concentration of older residents in an area or a mismatch of the types of jobs available in an area and the types of skills of the labor force can contribute to low labor force participation rates.

Businesses in Tualatin draw employees from across Washington County as well as Multnomah and Clackamas Counties. Relative to Washington County and the Portland Region, Tualatin residents have a slightly higher level of educational attainment.

- **Aging of the population.** Tualatin has a smaller percentage of residents 60 years and older relative to Washington County and the Portland Region. Tualatin's median age, which was 31.9 in 2000, increased to 38.2 by the 2013–2017 period. In comparison, Washington County's median age was 36.4 in the 2013–2017 period.

Washington County's population is expected to continue to age, with people 60 years and older forecast to grow from 20% of the population in 2020 to 24% of the population in 2040, consistent with Statewide trends. Tualatin may continue to attract midlife and older workers over the planning period. People in this age group may provide sources of skilled labor, as people continue to work until later in life. These skilled workers may provide opportunities to support business growth in Tualatin.
- **Increases in racial and ethnic diversity.** Overall, the nation and Oregon are becoming more racially and ethnically diverse. Between 2000 and 2013–2017, the Latinx population in Oregon increased from 8% to 13%, and the Latinx population in Tualatin increased from 12% to 16% in that same time. Growth in the Latinx community will continue to drive economic development in Oregon. The share of Oregon's non-Caucasian population increased from 13% to 15% and stayed static in Tualatin at 13%. Tualatin is less racially diverse but more ethnically diverse than Oregon.
- **Importance of small businesses in Oregon's economy.** Small business, those with 100 or fewer employees, account for 66% of private-sector employment in Oregon. The average size for a private business in Tualatin is 18 employees per business, compared to the State average of 11 employees per private business. Businesses with five or fewer employees in Tualatin account for 64% of private employment, and businesses with fewer than 20 employees account for 89% of private employment. Only 3% of private businesses in Tualatin have more than 100 employees, accounting for 39% of the jobs in Tualatin.
- **Increases in energy prices.** In 2018, lower energy prices decreased the costs of commuting. Over the long-term, if energy prices increase, these higher prices will likely affect the mode of commuting before affecting workers' willingness to commute. For example, commuters may choose to purchase a more energy-efficient car or carpool. Very large increases in energy prices may affect workers' willingness to commute, especially workers living the furthest from Tualatin or workers with lower-paying jobs. In addition, very large increases in energy prices may make shipping freight long

distances less economically feasible, resulting in a slowdown or reversal of offshore manufacturing, especially of large, bulky goods.

- **Increases in remote workers.** Working from home has increased in Oregon in both urban and rural areas. Firms that allow workers to work remotely cover a variety of industries, allowing their employees to continue working for that firm but enjoy the quality of life and amenities of the location that the workers prefer to live. While data on remote workers is difficult to obtain, about 6% of workers in Tualatin reported that they worked from home in the 2013–2017 period (according to Census data), up from 4.6% in 2000. In comparison, 6.0% of workers in Washington County worked from home in 2013–2017.

Employment Trends in Tualatin, Clackamas County, and Washington County

The economy of the nation changed substantially between 1980 and 2018. These changes affected the composition of Oregon's economy, including Tualatin's economy. At the national level, the most striking change was the shift from manufacturing employment to service-sector employment. The most important shift in Oregon during this period was the shift from a timber-based economy to a more diverse economy, with the greatest employment in services.

This section focuses on changes in the economy in Clackamas and Washington County since 2001 and in Tualatin since 2007.

Exhibit 4 shows covered employment in Washington County for 2001 and 2018.⁸ Employment increased by 66,799 jobs, at an average annual growth rate (AAGR) of 1.5% over this period. The sectors with the largest increases in numbers of employees were professional and business services, healthcare and social assistance, and accommodation and food services. The average annual wage for employment in Washington County in 2018 was about \$70,308.

⁸ Covered employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Exhibit 4. Covered Employment by Industry, Washington County, 2001 and 2018

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2001 and 2018.

Note: AAGR is Average Annual Growth Rate.

Sector	2001	2018	Change 2001 to 2018		
			Difference	Percent	AAGR
Natural Resources and Mining	3,607	3,090	-517	-14%	-0.9%
Construction	12,611	16,629	4,018	32%	1.6%
Manufacturing	50,872	51,028	156	0%	0.0%
Wholesale trade	14,476	13,131	-1,345	-9%	-0.6%
Retail trade	26,850	32,092	5,242	20%	1.1%
Trade, Transportation, and Utilities	4,501	5,253	752	17%	0.9%
Information	8,688	7,543	-1,145	-13%	-0.8%
Financial Activities	13,181	14,874	1,693	13%	0.7%
Professional and Business Services	34,275	54,220	19,945	58%	2.7%
Educational Services	3,598	5,723	2,125	59%	2.8%
Health care and social assistance	15,616	31,405	15,789	101%	4.2%
Arts, entertainment, and recreation	2,372	4,749	2,377	100%	4.2%
Accommodation and food services	14,253	22,691	8,438	59%	2.8%
Other Services	7,151	10,468	3,317	46%	2.3%
Unclassified	78	108	30	38%	1.9%
Government	16,517	22,441	5,924	36%	1.8%
Total	228,646	295,445	66,799	29%	1.5%

Exhibit 5 shows covered employment and average wage for the 10 largest industries in Washington County. Jobs in professional and business services, as well as manufacturing, each account for about 18% of the county's covered employment, and these sectors pay more per year than the County average (\$91,027 and \$113,297, respectively). Jobs in wholesale trade and information also pay more per year than the county average but account for a smaller share of covered employment in the county.

Exhibit 5. Covered Employment and Average Pay by Sector, 10 Largest Sectors Washington County, 2018

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2018. Note: Largest sectors are defined by number of employees.

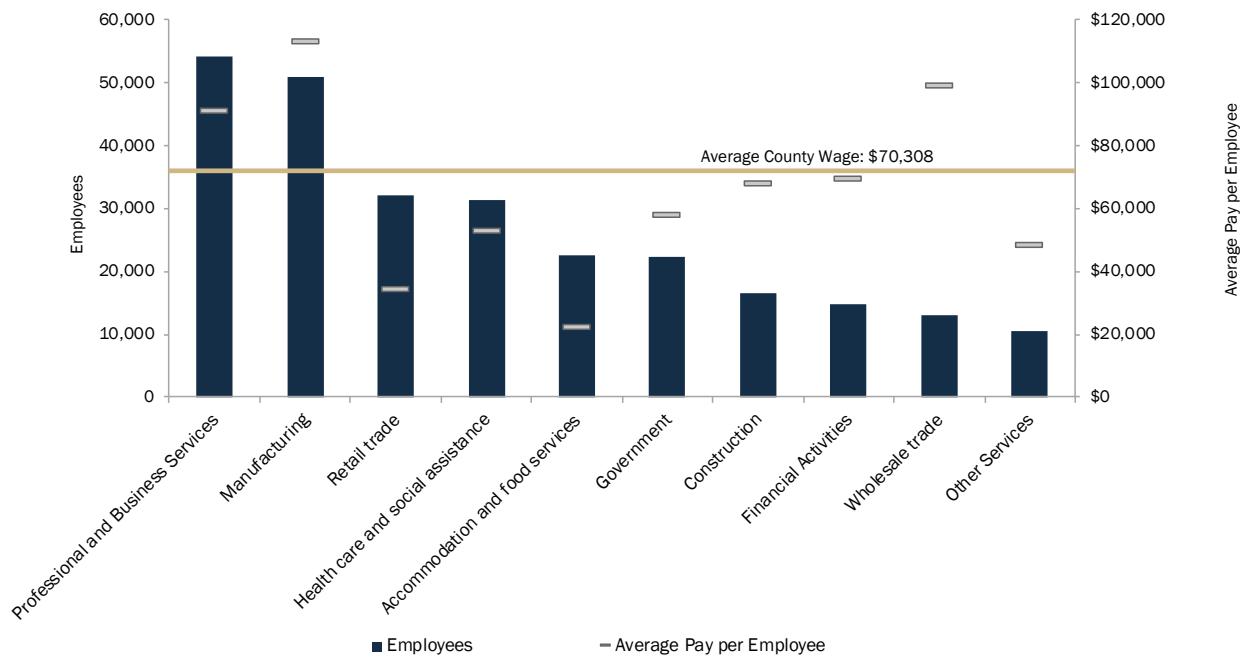


Exhibit 6 shows covered employment in Clackamas County for 2001 and 2018. Employment increased by 31,975 jobs, with an average annual growth rate (AAGR) of 1.3% over this period. The sectors with the largest increases in numbers of employees were health care and social assistance, professional and business services, accommodation and food services, and construction. The average annual wage for employment in Clackamas County in 2018 was about \$53,326.

Exhibit 6. Covered Employment by Industry, Clackamas County, 2001 and 2018

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2001 and 2018.

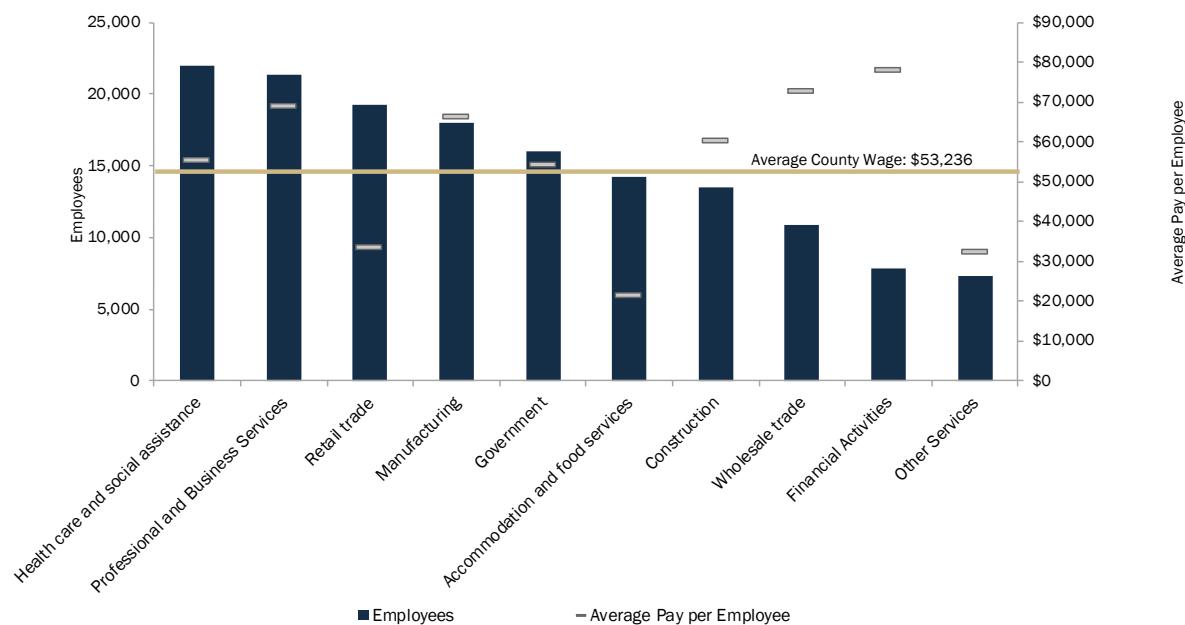
Note: AAGR is Average Annual Growth Rate.

Sector	2001	2018	Change 2001 to 2018		
			Difference	Percent	AAGR
Natural Resources and Mining	4,164	4,825	661	16%	0.9%
Construction	9,327	13,515	4,188	45%	2.2%
Manufacturing	18,172	18,026	-146	-1%	0.0%
Wholesale trade	10,391	10,875	484	5%	0.3%
Retail trade	17,628	19,224	1,596	9%	0.5%
Trade, Transportation, and Utilities	4,439	3,983	-456	-10%	-0.6%
Information	1,728	2,057	329	19%	1.0%
Financial Activities	8,294	7,874	-420	-5%	-0.3%
Professional and Business Services	13,301	21,339	8,038	60%	2.8%
Educational Services	1,112	2,111	999	90%	3.8%
Health care and social assistance	12,038	21,976	9,938	83%	3.6%
Arts, entertainment, and recreation	1,680	2,596	916	55%	2.6%
Accommodation and food services	9,832	14,242	4,410	45%	2.2%
Other Services	5,422	7,281	1,859	34%	1.7%
Unclassified	77	128	51	66%	3.0%
Government	16,497	16,025	-472	-3%	-0.2%
Total	134,102	166,077	31,975	24%	1.3%

Exhibit 7 shows covered employment and average wage for the 10 largest industries in Clackamas County. Jobs in health care and social assistance, as well as professional and business services, each account for about 13% of the county's covered employment, and these sectors pay more per year than the county average (\$55,217 and \$68,652, respectively).

Exhibit 7. Covered Employment and Average Pay by Sector, 10 Largest Sectors Clackamas County, 2018

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2018. Note: Largest sectors are defined by number of employees.



Employment in Tualatin accounts for about 11% of employment in Washington County. Exhibit 8 shows a summary of covered employment data for the Tualatin Planning Area in 2017. The sectors with the largest number of employees in Tualatin were manufacturing (27%), health care and social assistance (11%), and wholesale trade (10%). These sectors accounted for 14,897 jobs or 48% of Tualatin's employment.

Exhibit 8. Covered Employment and Average Pay by Sector, Tualatin Planning Area, 2017⁹

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2017.

Sector/Industry	Establishments	Employees	Payroll	Average Pay / Employee
Agriculture, Forestry, and Mining	7	162	\$9,551,473	\$58,960
Construction	142	2,384	\$161,457,609	\$67,726
Construction of Buildings	45	529	\$33,683,731	\$63,674
Heavy and Civil Engineering Construction	9	289	\$29,245,674	\$101,196
Specialty Trade Contractors	88	1,566	\$98,528,204	\$62,917
Manufacturing	150	8,371	\$641,666,664	\$76,654
Food, Beverage, and Apparel Manufacturing	22	856	\$90,298,572	\$105,489
Wood, Paper, and Other Material Product Manufacturing	34	1,191	\$66,438,149	\$55,784
Metal Manufacturing	38	1,520	\$77,992,172	\$51,311
Machinery Manufacturing	19	2,801	\$296,449,663	\$105,837
Computer and Electronic Product Manufacturing	10	506	\$30,635,840	\$60,545
Electrical Equipment, Appliance, and Component Manufacturing	6	514	\$36,321,867	\$70,665
Transportation Equipment Manufacturing	5	96	\$6,628,519	\$69,047
Furniture and Related Product Manufacturing	10	787	\$30,948,048	\$39,324
Miscellaneous Manufacturing	6	100	\$5,953,834	\$59,538
Wholesale Trade	262	3,235	\$196,579,720	\$60,767
Retail Trade	108	2,429	\$68,643,958	\$28,260
Building Material and Garden Equipment and Supplies Dealers	13	255	\$13,882,178	\$54,440
Food and Beverage Stores	8	454	\$12,722,710	\$28,024
Health and Personal Care Stores	11	199	\$7,360,231	\$36,986
Gasoline Stations	5	68	\$1,476,441	\$21,712
Clothing and Clothing Accessories Stores	35	448	\$8,657,769	\$19,325
Other Retailers	36	1,005	\$24,544,629	\$24,423
Transportation and Warehousing and Utilities	37	1,337	\$82,171,091	\$61,459
Information	39	195	\$18,180,409	\$93,233
Finance and Insurance	75	380	\$30,078,816	\$79,155
Real Estate and Rental and Leasing	74	294	\$15,317,961	\$52,102
Professional and Technical Services	175	1,044	\$69,192,933	\$66,277
Management of Companies	14	789	\$57,891,957	\$73,374
Administrative / Support; Waste Mngmt/ Remediation	101	2,366	\$81,771,708	\$34,561
Private Education Services	11	296	\$7,385,926	\$24,952
Health Care and Social Assistance	178	3,291	\$206,495,765	\$62,746
Health Care	143	2,535	\$185,684,497	\$73,248
Social Assistance	35	756	\$20,811,268	\$27,528
Arts, Entertainment, and Recreation	23	846	\$15,349,722	\$18,144
Accommodation and Food Services	103	2,017	\$41,014,523	\$20,334
Accommodation	5	97	\$2,320,012	\$23,918
Food Services and Drinking Places	98	1,920	\$38,694,511	\$20,153
Other Services	212	879	\$35,547,519	\$40,441
Government	14	787	\$43,330,609	\$55,058
Federal	3	74	\$4,661,596	\$62,995
State	3	94	\$6,666,134	\$70,916
Local	8	619	\$32,002,879	\$51,701
Educational Services	5	393	\$18,859,472	\$47,988
Total	1,725	31,102	\$1,781,628,363	\$57,283

⁹ The following sectors were combined due to confidentiality of QCEW data: utilities, transportation, and warehousing; manufacturing and wholesale trade; finance and insurance, real estate and rental and leasing; health care and social assistance and private education; arts, entertainment, and recreation and accommodation and food services.

Exhibit 9 shows the employment and average pay per employee for sectors in Tualatin. Average pay for all employees (\$57,283) is shown as a light brown line across the graph, and average pay for individual sectors are shown as short red lines. The exhibit shows that Tualatin's retail, administrative/waste management, and accommodations/food service sectors have below-average wages. The highest wages are in manufacturing (Exhibit 10).

Exhibit 9. Covered Employment and Average Pay by Sector, Tualatin, 2017

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2017.

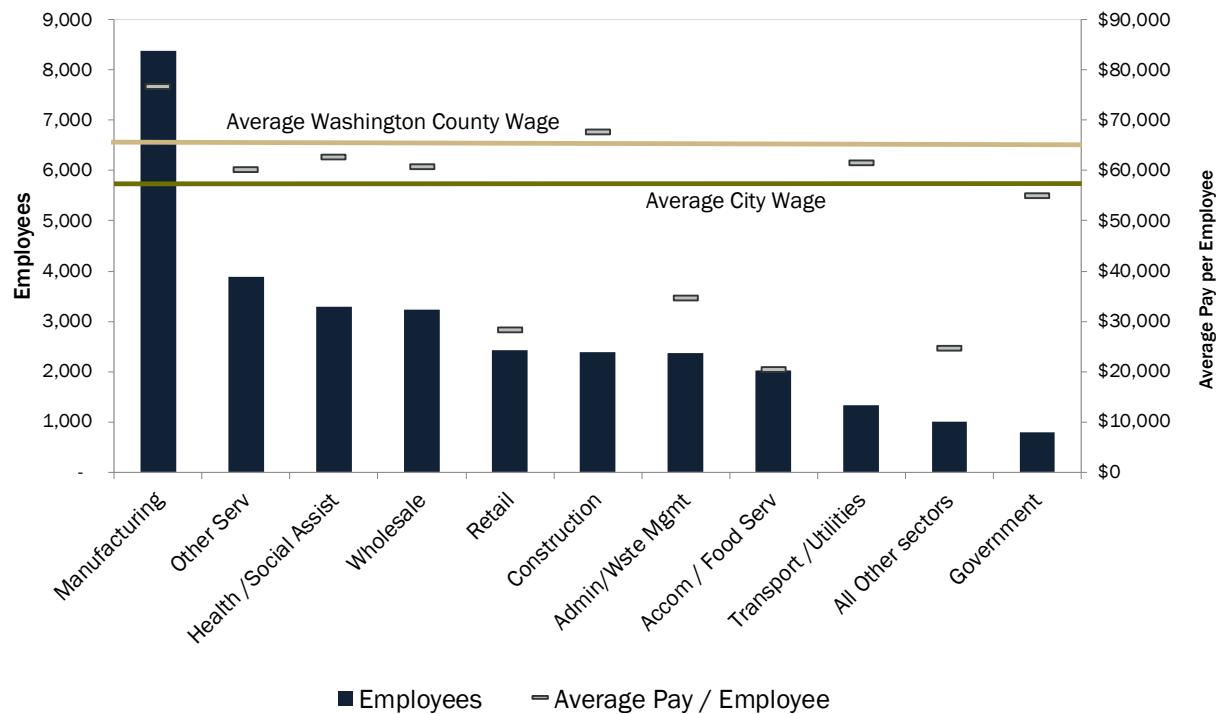


Exhibit 10. Covered Employment and Average Pay by Manufacturing Sub-Sector, Tualatin, 2017

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2017.

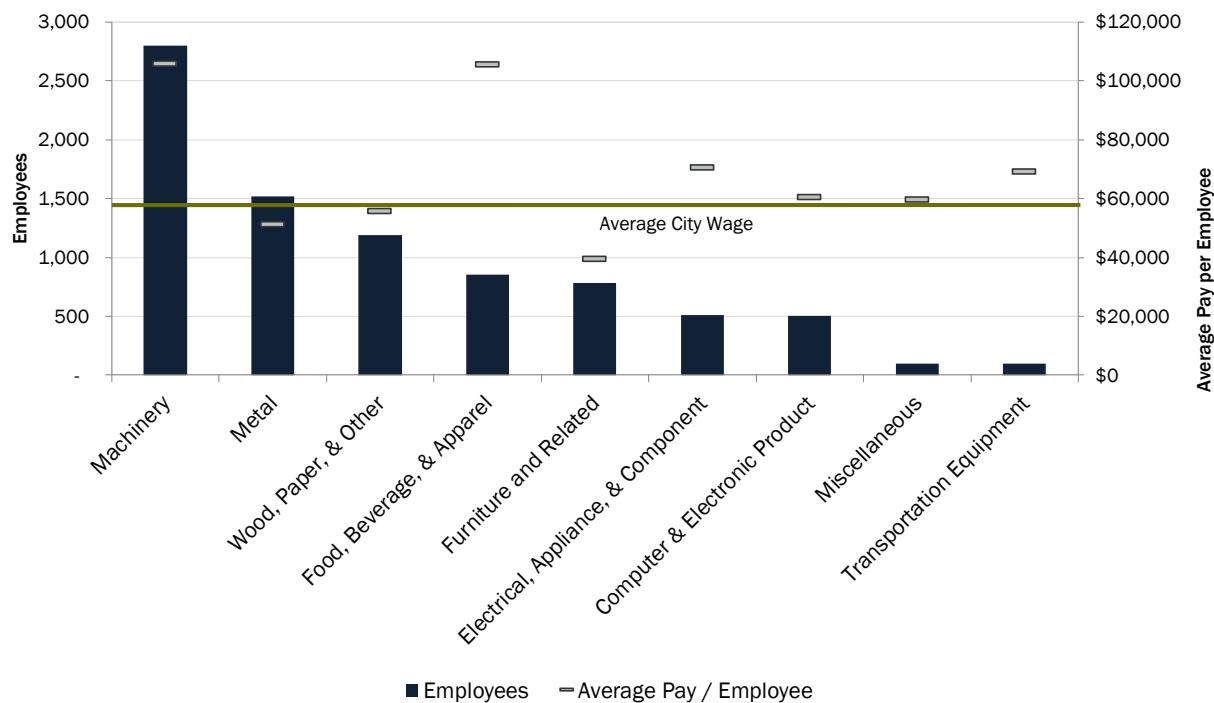


Exhibit 11 shows that employment in Tualatin grew by nearly 7,800 employees between 2007 and 2017 at an average annual growth rate of 2.9%. All sectors grew in employment, with three exceptions: (1) agriculture, forestry, and mining; (2) finance and insurance, and (3) private education services. The sectors with the largest growth were manufacturing, health care and social assistance, and administrative support/waste management and remediation services.

Exhibit 11. Change in Covered Employment, Tualatin, 2007-2017

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2007 and 2017. Note: AAGR is Average Annual Growth Rate.

Sector	Establishments		Employees		Change in Employment 2007-2017		
	2007	2017	2007	2017	Number	Percent	AAGR
Agriculture, Forestry, & Mining	5	7	199	162	(37)	-19%	-2%
Construction	145	142	1,707	2,384	677	40%	3%
Manufacturing	139	150	6,332	8,371	2,039	32%	3%
Wholesale Trade	213	262	2,909	3,235	326	11%	1%
Retail Trade	141	108	2,348	2,429	81	3%	0%
Transportation, Warehousing & Utilities	27	37	926	1,337	411	44%	4%
Information	20	39	87	195	108	124%	8%
Finance & Insurance	81	75	435	380	(55)	-13%	-1%
Real Estate, Rental, & Leasing	59	74	258	294	36	14%	1%
Professional & Technical Services	112	175	581	1,044	463	80%	6%
Management of Companies	14	14	574	789	215	37%	3%
Admin. & Support / Waste Mgmt & Remediation Serv.	83	101	1,400	2,366	966	69%	5%
Private Education Services	16	11	299	296	(3)	-1%	0%
Health Care & Social Assistance	141	178	2,031	3,291	1,260	62%	5%
Arts, Entertainment, & Recreation	10	23	490	846	356	73%	6%
Accommodation & Food Services	92	103	1,352	2,017	665	49%	4%
Other Services	163	212	655	879	224	34%	3%
Government	13	14	743	787	44	6%	1%
Total Non-Farm Employment	1,474	1,725	23,326	31,102	7,776	33%	2.9%

Outlook for Growth in Washington County

Exhibit 12 shows the Oregon Employment Department's forecast for employment growth by industry for the Portland Region (Clackamas, Multnomah, and Washington Counties) over the 2017–2027 period. Employment in the region is forecast to grow at an average annual growth rate of 1.2%.

The sectors that will lead employment in the region for the 10-year period are: professional and business services (adding 28,100 jobs); private education and health services (adding 27,300 jobs); trade, transportation, and utilities (adding 21,400); and leisure and hospitality (adding 13,800 jobs). In sum, these sectors are expected to add 90,600 new jobs or about 74% of employment growth in the Portland Region. As of 2017, Washington County accounts for about 36% of employment in these three counties (the Portland Region), and Tualatin accounts for about 10% of the County's employment.

Exhibit 12. Regional Employment Projections, Portland Region (Clackamas, Multnomah, and Washington County), 2017 and 2027

Source: Oregon Employment Department. Employment Projections by Industry 2017–2027. Note: AAGR is average annual growth rate.

Industry Sector	2017	2027	Change 2017 - 2027		
			Number	Percent	AAGR
Total private	856,800	971,800	115,000	13%	1.3%
Natural resources and mining	9,800	10,600	800	8%	0.8%
Mining and logging	700	700	0	0%	0.0%
Construction	50,500	59,100	8,600	17%	1.6%
Manufacturing	101,100	106,000	4,900	5%	0.5%
Durable goods	76,300	79,200	2,900	4%	0.4%
Nondurable goods	24,800	26,700	1,900	8%	0.7%
Trade, transportation, and utilities	176,900	198,300	21,400	12%	1.1%
Wholesale trade	48,000	51,800	3,800	8%	0.8%
Retail trade	95,000	104,900	9,900	10%	1.0%
Transportation, warehousing, and utilities	33,900	41,600	7,700	23%	2.1%
Information	21,700	24,300	2,600	12%	1.1%
Financial activities	60,000	63,400	3,400	6%	0.6%
Professional and business services	155,500	183,600	28,100	18%	1.7%
Private educational and health services	140,800	168,100	27,300	19%	1.8%
Health care and social assistance	118,000	141,500	23,500	20%	1.8%
Leisure and hospitality	101,100	114,900	13,800	14%	1.3%
Arts, entertainment, and recreation	14,800	17,200	2,400	16%	1.5%
Accommodation and food services	86,300	97,800	11,500	13%	1.3%
Other services and private households	39,400	43,500	4,100	10%	1.0%
Government	114,100	122,000	7,900	7%	0.7%
Federal government	14,200	14,900	700	5%	0.5%
State government	7,600	8,200	600	8%	0.8%
Local government	92,300	98,900	6,600	7%	0.7%
Local education	47,200	51,500	4,300	9%	0.9%
Total payroll employment	970,900	1,093,800	122,900	13%	1.2%

Infrastructure Capacity

This section outlines details about Tualatin's infrastructure capacity (including water, wastewater, stormwater, and transportation and transit infrastructure). Findings derive from an interview conducted with the Tualatin Public Works Department.

Water

Tualatin purchases its water from the City of Portland. Tualatin's water system, which extends past Bridgeport Village, is City-owned (and water becomes City-owned once it enters city limits). Its water supply derives from the Bull Run Watershed and Columbia South Shore Well Field. In the summer months, Tualatin uses about 10m gallons of water per day, and in the winter months, Tualatin uses about 4.4m gallons of water per day. The maximum water delivery to Tualatin is 14.1m gallons per day. Tualatin's 10-year water contract expires in 2026.

While Tualatin is closer to capacity in the summer, its water system currently accommodates all existing needs. From an economic development perspective, however, some types of businesses that use significant amounts of water (i.e., 1m gallons of water per day) may not locate in Tualatin because of the available water in the city. For example, Business Oregon was pursuing potential sites for a business looking to locate somewhere in the Greater Portland area—where they could access about 2m gallons of water per day. Tualatin turned this opportunity down.

Currently, Tualatin is helping to pay for a water treatment plant (expected delivery is 2026) that serves the Portland region. In addition, Tualatin is updating its Water Master Plan (expected delivery is summer 2019), developing its Water Emergency Supply Plan (expected delivery is fall 2019), and developing its Water Supply Strategy (expected delivery spring 2020).

On the horizon, Tualatin does not have big plans to expand its system per its Water Master Plan update. Core strategic priorities, per its Water Supply Strategy, are to find ways to access water from other water supplies. The City's water systems are in good repair. The most significant upgrade to water infrastructure is in Basalt Creek, which may need an additional reservoir depending on how fast the sub-area builds out.

Wastewater

Tualatin's wastewater collection system is serviced by Clean Water Services. Clean Water Services treats the wastewater and manages several of Tualatin's pump stations, which are City-owned. Its effluent discharge is typically 2.4m gallons per day (dry peak) and 4 million gallons per day (wet peak). While Tualatin has some issues with inflow to manhole lids, it does not have significant issues with infiltration.

Tualatin is not concerned about its water treatment capacity, as Clean Water Services is continuously improving and expanding its facilities. It is likely that as Basalt Creek grows, however, Tualatin will need to replace its piping and add five new pump stations. Despite growing population and jobs, Tualatin is not concerned with future wastewater capacity.

Tualatin recently finished an update to their Sewer Master Plan (which went to council in August 2019).

Stormwater

Tualatin staff do not think that stormwater management or treatment is a barrier to supporting new business growth. As new development occurs, developers are required to address stormwater issues on a property by property basis.

Transportation Services

This analysis looked at connections and capacity to I-5, regional connectors, and local roadways. Transportation access is both a significant advantage for economic development (because Tualatin is located directly on I-5) and a significant disadvantage because of increasing congestion on I-5 and other major roads.

- **Connection and capacity to I-5.** ODOT finished an auxiliary lanes project last year, which made a notable difference in easing capacity and reducing congestion (particularly from Carmen to Nyberg and the 205 on-ramps). I-5's (regional) pinch points are the Rose Quarter and Boones Bridge. Generally speaking, congestion issues around I-5 are less about Tualatin's interchanges and ramps and more about regional conditions on I-5.
- **Regional connector roads.** Over the last decade and longer, major roads connecting Tualatin to nearby cities have become increasingly congested. Major regional connectors include Tualatin Sherwood Road, Boones Ferry Road N-S, Hwy 99 W, Borland Road E-W, and 124th Avenue. The following provides more information:
 - *Tualatin Sherwood Road.* Washington County plans to complete a road widening project in 2023. The project will widen Tualatin Sherwood Road from three lanes to five lanes. It will include bicycle facilities.
 - *124th Avenue.* New improvements on this road are currently being underused. The City's long-term plan is to implement more signage to direct vehicles onto this currently underutilized roadway (offsetting traffic on other roadways). This road was built with three lanes but was planned for five lanes, allowing for future expansions of the road. Because few people know about (or use) this road, not much traffic exists. It is likely that as this road becomes more used, traffic pressure on Boones Ferry and Tualatin Sherwood Road will be relieved somewhat.
 - *Boones Ferry Road N-S.* Despite congestion near Tualatin Sherwood Road, the City has no plans for expansion at this time.
 - *Highway 99 W.* As this connector is located toward the north portion of Tualatin, this connector is not as extensive of an issue for traffic within the City of Tualatin. The City is, however, looking to develop a funding plan to improve Sherwood through King City and Tigard.

- *65th Avenue.* Running north to south, this road is becoming a bypass to get around 205 and I-5. While it is not considered a regional connector, it is a road likely to be looked at in the next Transportation System Plan update.
- *Mary Borland Road.* Tualatin recently took possession of Borland Road from Washington County. From Lake Oswego to Stafford, the City plans to make pavement improvements and conduct maintenance to make it a more pleasant place to drive. While there are no current plans for expansion, the City will likely address this piece of the network in their next Transportation System Plan update.
- **Local roadways.** Tualatin's road network is well-built and fairly new. As new development occurs, developers will be required to pay for transportation improvements that will support upgrading local and other roads. Tualatin is working to complete a cyclist pathway across I-5 and is working to increase multimodal pathways to T-S road (developed as part of the T-S Road widening project; expected delivery 2023). A \$20 million general obligation bond passed last year to implement transportation capital projects to improve safety and relieve congestion at key intersections and locations.

Transit

Tualatin has three Tri-Met bus routes that serve the community (the 76, 96, and 97 routes) and the WES commuter rail that connects Tualatin to Beaverton. In addition, Ride Connection, which is funded through a Tri-met grant, offers two fixed, on-call lines that serve the business community on a regular schedule. Development of a 12-mile TriMet MAX line (the Southwest Corridor) between southwest Portland and Bridgeport Village in Tualatin is also on the horizon. To date, the City has not participated in discussions about implementing a local transit agency.

Tualatin's Strengths, Weaknesses, Opportunities, and Threats

OAR 660-009-0015(4) requires that cities conduct an assessment of community economic development potential, as part of the EOA. This assessment considers market factors, infrastructure and public facility availability and access, labor, proximity to suppliers and other necessary business services, regulations, and access to job training. The local factors that form Tualatin's competitive advantage are summarized in the subsections below.

Strengths

- **Location.** Tualatin is located in Washington County, about 13 miles south of Portland and about 36 miles north of Salem, along the I-5 corridor. Tualatin is located about midway between Hillsboro and Gresham. Other nearby and relatively large cities include Tigard, Lake Oswego, and Wilsonville. These locational aspects allow both goods and workers to move in and out of Tualatin relatively efficiently. Tualatin's location is an advantage, especially for freight transportation and households composed of workers that commute to different cities for work.

Due to Tualatin's prime location along the I-5 corridor, about 93% of employees who work in Tualatin commute into Tualatin from other areas. This reality is advantageous for Tualatin, as they can attract workers (at a range of skill sets) from around the region.

- **Availability of transportation.** All firms are heavily dependent upon surface transportation for efficient movement of goods, customers, and workers. Access to an adequate highway and arterial roadway network is needed for all industries. Close proximity to a highway or arterial roadway is critical for firms that generate a large volume of truck or auto trips and firms that rely on visibility from passing traffic to help generate business.

Businesses and residents in Tualatin have access to a variety of modes of transportation: automotive (I-5, 99W, and local roads), commuter train (West Side Express Service [WES]), light rail (Metropolitan Area Express [MAX] connection to WES at Lombard); bus (TriMet lines 76, 96, and 97), and air (Portland International Airport and Hillsboro Airport). These options provide options for residents and workers in Tualatin to commute in and out of the city, though traffic congestion is a growing concern. Additionally, Tualatin's easy access to I-5 is an advantage for attracting many types of businesses, such as warehouse and distribution or manufacturers that need close access to I-5 for heavy freight

- **Quality of life.** Tualatin residents' value the City's many urban services and amenities available to residents while maintaining a small-town character. Tualatin residents and workers have access to numerous local businesses, a high-quality school system, access to retail shopping opportunities, and an expansive parks system (which includes 90 park sites, 60 miles of trails, and 1,500 acres of natural area). Tualatin also provides access to medical care services through the Kaiser Permanente Tualatin Medical Office, Legacy Meridian Park Medical Center, Providence Bridgeport, and other medical and dental

offices. Tualatin is also a relatively safe community; in 2018, criminal citations, traffic citations, total arrests, and traffic crashes (activities) each amounted to less than 0.1 activity per capita.¹⁰

- **Support for local businesses.** Successful local economic development is often a result of effective collaboration among governments, business owners, and community members. To support new and existing small businesses in Tualatin, the City and Chamber of Commerce have developed a small business toolkit. The toolkit helps business owners with permitting their business in Tualatin.¹¹
- **Existing businesses.** Tualatin has several key sectors (e.g., manufacturing, health care, social assistance), which present key opportunities for the creation of local clusters. These sectors may build off of regional clusters on the westside of the metro region. Tualatin also has many small businesses in a range of industries, including those listed above. Tualatin's existing businesses provide a base to build upon and expand.
- **Access to workers.** Tualatin pulls workers from across the Portland metropolitan area. The types of jobs available at businesses in Tualatin range from highly skilled professional and technical service jobs to service-sector jobs, such as retail services. These jobs require a range of educational background or specialized training.
- **Access to education and training.** Tualatin is also close to higher education facilities, including Clackamas Community College in Wilsonville, Portland Community College (Sylvania), Portland State University, Lewis and Clark, Oregon Institute of Technology, and Reed College. Businesses in Tualatin are able to attract workers from these schools.
- **Infrastructure capacity.** Tualatin has plans for expansion of water, wastewater, and stormwater systems to meet business needs as the city grows. The City recently updated its plans (and planning is ongoing) to address growing demands in the Basalt Creek subarea.

Weaknesses

- **Traffic congestion.** Tualatin's location along the I-5 corridor within the southern part of the Portland region results in significant congestion within the city, particularly during peak travel hours. Addressing these congestion issues will require addressing regional congestion issues on I-5, as well as expansion of connector roads with neighboring cities, as described in the section above. Part of the resolution of traffic congestion issues is increases in public transit and expansion of bicycling and pedestrian facilities.
- **Limited access to transit.** Tualatin residents and commuters have access to TriMet bus lines 76, 96, and 97; the WES commuter rail line; and the Tualatin Shuttle operated by

¹⁰ City of Tualatin. (2018). Tualatin Police Annual Report.

https://www.tualatinoregon.gov/sites/default/files/fileattachments/police/page/4885/2018_annual_report.pdf

¹¹ Tualatin's Small Business Toolkit:

www.tualatinoregon.gov/sites/default/files/fileattachments/economic_development/page/4725/small_business_toolkit_final_draft_webpdf.pdf

Ride Connection. These alternative modes of transportation are important but do not meet the scale of the community's public transportation needs. More public transit routes that are more convenient and accessible is desired by the community to reduce congestion and to allow employees to get to work more efficiently.

- **Commuting trends.** While employee commuting trends in Tualatin have their advantages (ability to attract a workforce from across the region), they also present disadvantages. As Tualatin's population grows and as employment in Tualatin grows, it is likely that the number of employees commuting in and out of Tualatin will grow too. Commuting increases road congestion, and with limited access to transit to alleviate this problem, Tualatin's transportation infrastructure will become overloaded.
- **Affordable housing for workers.** A significant concern among Tualatin leaders and community members is the lack of affordable and available housing for people who work at businesses in Tualatin. The cost of housing does not align with the existing salaries of the workforce, which may prevent households from living and working in Tualatin.
- **Need for Replacement Workers.** The population across the region is aging, prompting a need for replacement workers. As workers in Tualatin retire, the need for skilled, educated workers will increase. This trend is consistent with workforce issues common to Oregon's cities.
- **Downtown area that looks dated and has limited draw for residents and visitors.** A perception that Tualatin lacks urban design standards, architectural variety, and amenities in close proximity has resulted in many community members feeling that Tualatin looks dated. Specifically, community members note a need for a refined downtown center to draw visitors to Tualatin from I-5. Potential improvements to the physical appearance of the built environment in the city include increases to allowed building heights in specific areas, more mixed-use development, and improved connectivity to increase walkability.
- **Availability of high-wage jobs.** The average wage in Tualatin is \$57,283, while the average wage in Washington County is \$70,308. The largest sector of employment in Tualatin is in manufacturing industries, which pay higher-than-average wages. Tualatin also has many service-sector jobs, which tend to provide lower-than-average wages. Tualatin's location and cluster of manufacturing industries may help to attract more businesses with high wages, which may allow more workers in Tualatin to afford to also live in the city.
- **Retention of businesses.** Tualatin's Business Outreach Survey uncovered several issues that may make keeping businesses in Tualatin difficult. Issues include a poor perception of public safety (issues around the interstate and rail line and the perception of rising crime), the lack of transportation and freight access, inconvenient public transit,

perceived slowness on part of the City to modify the Development Code,¹² and lack of incentives for development. In addition, businesses cited a mismatch between business needs and workforce skill sets.

Opportunities

- **Public transportation.** Tualatin may work with Tri-Met to expand public transportation to promote connectivity, reduce reliance on cars, and reduce congestion, and to encourage alternative modes of transportation. While local jurisdictions are not mandated to offer transit services, public transit is essential to the households that need it to access services or to get to work. Connections to the Southwest Corridor transit line will be key to connecting Tualatin within the Portland region. Local transit will be necessary to allow riders to get from the Southwest Corridor station to employment centers in Tualatin.
- **Improvements to regional connectors.** Regional transportation corridors, connecting Tualatin to nearby cities, are congested. Plans for road expansions, as well as road expansions completed in the recent past, may improve existing conditions and support further growth.
- **Redevelopment and infill development.** Community members noted the lack of a downtown center of Tualatin to draw visitors. Along with improvements to the physical appearance and urban form of commercial areas in Tualatin, the City can continue to attract small businesses to locate in Tualatin, especially those that would attract visitors and residents to a core area. One potential area for this type of development would be the redevelopment of the Tualatin Commons, to create a more pedestrian-oriented center.
- **Small business retention and growth.** Issues with business retention have created vacant storefronts. The City could develop and promote initiatives that encourage use of currently vacant storefronts through continued support for small businesses and entrepreneurs.

Threats

- **Environmental and climate change risks.** Environmental factors, including climate change, can threaten the success of a variety of industries that rely on key infrastructure that may not be adapted to growing environmental pressures (e.g., flooding, seismic hazards, or powerful storms). The risk of these natural hazards is likely to increase as a result of climate change.¹³ Forest fires and urban heat islands also cause poor air quality, which can decrease quality of life for residents and impact their health.
- **Potential for decline in the State and national economies.** Changes in the State and national economies are beyond local control and directly affect Tualatin's economy.

¹² Tualatin updated its Development Code in 2018 through a project known as the Tualatin Development Code Improvement Project (TDCIP) Phase 1.

¹³ Oregon Climate Change Research Institute. *Fourth Oregon Climate Assessment Report*. January 2019.

National recessions generally have a greater effect on Oregon, with higher job losses and longer recovery periods than the national average.

Summary of Tualatin's Competitive and Comparative Advantages

The prior sections presented Tualatin's strengths, weaknesses, opportunities, and threats for economic development. Based on this, Tualatin's competitive and comparative advantages are:

- **Location.** Tualatin is located along a major transportation corridor (the I-5 corridor) and is 13 miles from downtown Portland. While Tualatin is not an especially large city, it is in close proximity to all of the urban amenities and services one would expect in a large metropolitan area. Residents of Tualatin have access to cultural activities such as concerts and events (like the West Coast Giant Pumpkin Regatta) at the Tualatin Commons and museums, markets, and concert halls in Portland. Residents also have access to outdoor recreational activities such as many park amenities offered by the City and the Tualatin River National Wildlife Refuge in Sherwood. These locational aspects are attractive to businesses who prioritize quality of life for their employees.
Additionally, most of Tualatin's workers commute to the city from other areas. Businesses that need access to or want to attract customers across the Portland Region may locate in Tualatin. Tualatin's location will impact the area's future economic development.
- **Regional Labor Market.** The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available but the quality, skills, and experience of available workers. Businesses in Tualatin have access to workers in Tualatin and from neighboring communities. Businesses need access to reliable skilled workers, both with and without higher education. The multitude of higher education institutions located in and around the Portland Metro area means that Tualatin has sufficient access to skilled workers.
- **Existing Businesses.** Tualatin's existing businesses provide an opportunity for development of new businesses within the city. The existing business base is an advantage for economic development in numerous ways—as a source of future economic expansion, for attracting skilled workers, and for provision of goods and services to other businesses in Tualatin.
- **Ongoing Planning Projects.** The City is revising its Comprehensive Plan (the Tualatin 2040 process), which will result in ongoing planning work that is necessary to support economic growth. This work may include revisions to the City's economic development strategy, additional planning for housing to provide more opportunities for workers to live in Tualatin, updating the Transportation System Plan, ongoing planning for transit services, area planning for redevelopment that may result from this EOA and the housing needs analysis project, and other ongoing planning projects.

Target Industries

The characteristics of Tualatin will affect the types of businesses most likely to locate in the city. Tualatin's attributes that may attract firms are Tualatin's access to industrial land, access to workers, and its location along the I-5 corridor.

Tualatin's industry concentrations with a potential competitive advantage are defined in Exhibit 13. Tualatin has categorized its existing businesses into four main categories based on the analysis of location quotients (i.e., highly specialized industries), differential shift (i.e., competitive advantage compared to the national level), and critical concentration (i.e., at least five establishments in a defined cluster). These four categories are Growing Base, Emerging Clusters, Mature Clusters, and Transformation Clusters. Exhibit 13 and Exhibit 14 list the specific industries by each category.

Exhibit 13. Concentration of Industries and Employment, Tualatin, 2017

Source: City of Tualatin, Economic Development Department using data from EMSI and Oregon Department of Employment (QECW data). Note: Not pictured is Food Processing and Manufacturing, with an LQ of 2.73 and DS 142%. Automotive is also not displayed, with an LQ of 0.51 and DS of -62%.

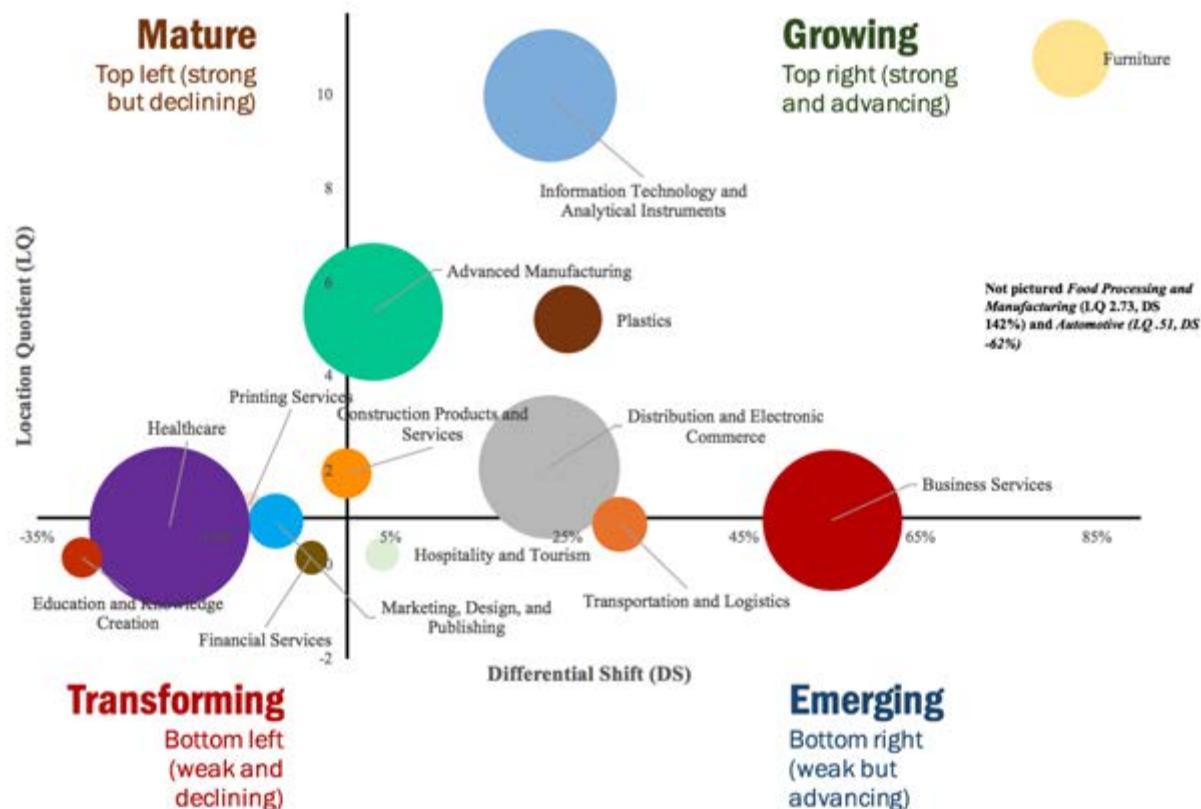


Exhibit 14. Industries Ranked Based on Differential Shift and Location Quotient

Source: City of Tualatin, Economic Development department using EMSI data (2018).

Rank	Cluster	Location Quotient (LQ)	Cluster Employment, 2017	Number of Establishments, 2016	Differential Shift (DS)
GROWING BASE					
1	Food Processing and Manufacturing	2.73	564	6	142%
2	Furniture	10.79	776	6	82%
3	Plastics	5.21	587	10	25%
4	Information Technology and Analytical Instruments	9.99	2,270	37	23%
5	Distribution and Electronic Commerce	2.08	2,535	193	23%
6	Advanced Manufacturing	5.38	2,433	46	3%
EMERGING CLUSTERS					
7	Business Services	0.96	2,506	131	55%
8	Transportation and Logistics	0.88	378	16	31%
9	Hospitality and Tourism	0.22	144	8	4%
MATURE CLUSTERS					
10	Construction Products and Services	1.96	331	7	-0.4%
11	Printing Services	1.26	110	11	-11%
TRANSFORMATION CLUSTERS					
12	Financial Services	0.17	141	35	-4%
13	Marketing, Design, and Publishing	0.93	385	28	-8%
14	Healthcare	0.82	3,279	153	-20%
15	Education and Knowledge Creation	0.16	199	16	-30%

The potential growth industries in Tualatin will draw from existing industry concentration in the City, Washington County, and the Portland Region, along with the City's economic development policies that align with changing or emerging industries and result in employment growth in Tualatin. Tualatin may also have opportunities for employment growth in industries without a concentration of employment or a high location quotient.

Potential Growth Industries

An analysis of growth industries in Tualatin should address two main questions: (1) Which industries are most likely to be attracted to Tualatin? and (2) Which industries best meet Tualatin's economic development goals? The selection of target industries is based on Tualatin's goals for economic development, economic conditions in Tualatin and Washington County, and the City's competitive advantages.

Given the current employment base, which is composed of small and mid-sized businesses, it is reasonable to assume that much of the city's business growth will come from small and mid-sized businesses. This growth will either come from businesses already in Tualatin or new businesses that start or relocate to Tualatin from within the Portland Region or from outside of the region.

The industries identified as having potential for growth in Tualatin are outlined below. This section primarily draws from the City of Tualatin's cluster analysis and reports developed for the Portland Region.

- **Manufacturing.** Tualatin's manufacturing sector accounts for 27% of the city's employment base. Greater Portland, Inc. (GPI) described Portland as a hot spot for manufacturing growth for key sub-clusters (footwear, apparel, knives, and sporting; machinery; and medical devices).¹⁴ Tualatin's potential growth industries in manufacturing are:
 - *Advanced manufacturing.* This industry is an internally preferred grouping of five independent traded clusters: (1) downstream metal products, (2) lighting and electrical equipment, (3) metalworking technology, (4) production technology and heavy machinery, and (5) upstream metal manufacturing. In a report by the U.S. Subcommittee on Advanced Manufacturing, this industry is challenged by "a shortage of Americans with the science, technology, engineering, and mathematics knowledge and technical skills needed for advanced manufacturing jobs."¹⁵ Tualatin has a larger share of highly educated residents compared to Washington County and the Portland Region, alleviating some concerns related to not having sufficient levels of skilled workers.

Greater Portland Global (GPG), in its latest Investment Plan,¹⁶ states that "[t]he region is rich with firms in legacy industries such as metals manufacturing and wood processing that use advanced processes and possess a highly skilled labor pool, [motor vehicle manufacturing, and computers and electronics]." While GPG indicates that there is "a limited economic development role to play,"

¹⁴ Greater Portland, Inc. (n.d.). Regional Trends in Greater Portland's Target Clusters. Greater Portland 2020.

¹⁵ The United States Subcommittee on Advanced Manufacturing. *Strategy for American Leadership in Advanced Manufacturing*. Office of the President, Committee on Technology of the National Science and Technology Council.

¹⁶ Greater Portland Global. (n.d.). *Global Trade and Investment Plan*. Global Cities Initiative, A Joint Project of Brookings and JPMorgan Chase.

Tualatin has substantial access to labor talent and may continue to support expansions of existing advanced metals manufacturing, family-owned operations, and wood products manufacturing.

- *Food processing and manufacturing.* The Bureau of Labor Statistics describes this industry cluster as one that takes livestock and agricultural products (raw food materials) and transforms them into products for intermediate or final consumption (sold to wholesalers or retailers for distribution). Tualatin's food processing and manufacturing cluster is its fastest growing industry (projected to grow 64% from 2017 to 2028). GPG cites the region's food processing sector as an established sector, requiring support in the form of industrial lands readiness and continued recruitment.
- *Furniture.* The furniture industry cluster comprises establishments that manufacture furniture, cabinets, shelving, and manufactured homes using products made of wood, metal, plastic, or textiles. While the furniture cluster provides the lowest annual wage of \$38,911 per year (almost \$19,000 less than the city average), it is the most concentrated cluster in Tualatin (with an LQ of 10.79).
- *Plastics.* Wages in the plastics industry cluster (comprising establishments that manufacture plastic materials and other plastic components/products) grew 14% from 2012 to 2017. As the fourth most concentrated cluster in Tualatin (with an LQ of 5.21), this industry presents objective growth potential for lower-skilled workers.
- *Consumer products.* Per a 2019 discussion with GPI, the consumer products sector was described as an important industry target for Oregon, particularly for food and beverage products but also apparel, outdoor wear, and footwear, as well as health and beauty products, home accessories, and pet products. Consumer products consists of convenience, shopping, specialty, or unsought products (e.g., final goods). BuiltOregon, purposed to make Oregon the leader in consumer product innovation and development, launched the United States first nonprofit consumer product accelerator in Oregon. Tualatin may support efforts to connect consumer product businesses with BuiltOregon to encourage growth in its manufacturing target industries (e.g., advanced manufacturing, food processing, furniture manufacturing, etc.).
- **Information technology and analytical systems.** This industry cluster comprises establishments that work in computers, software, audio visual equipment, laboratory instruments, and medical apparatus development (e.g., standard and precision electronics like circuit boards and semiconductors). As of 2017, employees working in this industry cluster maintain an average wage of \$109,832 (about \$52,000 above the city's average)—representing the highest average-waged industry in Tualatin. Tualatin's information technology and analytical system industry has, however, grown slower (17%) than the nation.

- **Business services.** Business services establishments, including corporate headquarters and other professional services (e.g., consulting, back office services, financial services/legal services, facilities support, computer services, etc.). In Tualatin, this industry is expected to see the largest growth in total jobs and had the largest growth in average wage.

3. Employment Growth and Site Needs

Goal 9 requires cities to prepare an estimate of the amount of commercial and industrial land that will be needed over a 20-year planning period. The estimate of employment land need and site characteristics for Tualatin is based on expected employment growth and the types of firms that are likely to locate in Tualatin over the 20-year period. This section presents an employment forecast and analysis of target industries that build from recent economic trends.

Forecast of Employment Growth and Commercial and Industrial Land Demand

Demand for industrial and non-retail commercial land will be driven by the expansion and relocation of existing businesses and by the growth of new businesses in Tualatin. This employment land demand is driven by local growth independent of broader economic opportunities, including the growth of target industries.

The employment projections in this section build off of Tualatin's existing employment base, assuming future growth is similar to the Portland Region's long-term historical employment growth rates. The employment forecast does not take into account a major change in employment that could result from the location (or relocation) of one or more large employers in the community during the planning period. Such a major change in the community's employment would exceed the growth anticipated by the city's employment forecast and its implied land needs (for employment, housing, parks, and other uses). Major economic events, such as the successful recruitment of a very large employer, are difficult to include in a study of this nature. The implications, however, are relatively predictable—more demand for land (of all types) and public services.

Projecting demand for industrial and non-retail commercial land has four major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Tualatin presented in Exhibit 8. Covered employment does not include all workers, so we adjust covered employment to reflect total employment in the city.
2. **Project total employment.** The projection of total employment considers forecasts and factors that may affect employment growth in Tualatin over the 20-year planning period.
3. **Allocate employment.** This step involves allocating types of employment to different land use types.
4. **Estimate land demand.** This step estimates general employment land demand based on employment growth and assumptions about future employment densities.

The remainder of this section follows this outline to estimate employment growth and commercial and industrial land demand for Tualatin.

Employment Base for Projection

The purpose of the employment projection is to model future employment land need for general employment growth. The forecast of employment growth in Tualatin starts with a base of employment growth on which to build the forecast.

Exhibit 15 shows ECONorthwest's estimate of total employment in Tualatin in 2017. Tualatin had an estimated 38,838 total employees in 2017.

To develop the figures, ECONorthwest started with estimated covered employment in Tualatin using confidential Quarterly Census of Employment and Wages (QCEW) data provided by the Oregon Employment Department. Based on this information, Tualatin had about 31,102 covered employees in 2017.

Covered employment, however, does not include all workers in an economy. Most notably, covered employment does not include sole proprietors. Analysis of data shows that covered employment reported by the Oregon Employment Department for Washington County is only about 77% of total employment reported by the U.S. Department of Commerce.¹⁷ We evaluated this ratio for each industrial sector for Washington County and used the resulting ratios to determine the number of noncovered employees. This allowed us to determine the total employment in Tualatin.

¹⁷ **Covered employment** includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Total employment includes all workers based on data from the U.S. Department of Commerce. Total employment includes all covered employees, plus sole proprietors and other noncovered workers.

Exhibit 15. Estimated Total Employment by Sector, Tualatin Planning Area, 2017

Source: 2017 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) data provided by the Oregon Employment Department.

Sector	Covered Employment	Estimated Total Employment	Covered % of Total
Agriculture, Forestry, & Mining	162	162	100%
Construction	2,384	3,018	79%
Manufacturing	8,371	8,761	96%
Wholesale Trade	3,235	3,805	85%
Retail Trade	2,429	2,926	83%
Transportation, Warehousing & Utilities	1,337	1,734	77%
Information	195	235	83%
Finance & Insurance	380	675	56%
Real Estate, Rental, & Leasing	294	1,175	25%
Professional & Technical Services	1,044	1,821	57%
Management of Companies	789	827	95%
Admin. & Support / Waste Mgmt & Remediation Serv.	2,366	2,942	80%
Private Education Services	296	552	54%
Health Care & Social Assistance	3,291	4,019	82%
Arts, Entertainment, & Recreation	846	1,658	51%
Accommodation & Food Services	2,017	2,201	92%
Other Services	879	1,532	57%
Government	787	795	99%
Total Non-Farm Employment	31,102	38,838	77%

Exhibit 16 shows that industrial employment (i.e., manufacturing, warehousing, or construction) is predominantly located in Industrial Plan Designations, with small amounts of employment located in commercial Plan Designations (such as contractors and delivery or transportation logistics services) and in residential Plan Designations (such as contractors, plumbers, electricians, contractors, and delivery or transportation logistics services).

In contrast, about one-fifth of commercial employment (i.e., retail, health care, financial services, and other commercial uses) are located in industrial Plan Designations (such as gas stations, auto body shops, storage facilities, and professional or technical-service businesses) and 12% are located in residential Plan Designations (such as financial institutions, property management or real estate offices, cafes, restaurants, and professional or technical-service businesses).

In the future, it is reasonable to expect that employment in Tualatin will continue to mix within existing Plan Designations, with substantial amounts of commercial employment locating in industrial and residential Plan Designations. Existing commercial and industrial employment in residential Plan Designations (Exhibit 16) consists of construction businesses, some wholesale and retail, as well as financial and real estate businesses.

Exhibit 16. Location of Employment by Plan Designation, Tualatin Planning Area, 2017

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wage, summarized by ECONorthwest. Note: Data is organized by 2-digit NAICS and only includes employment at businesses with private ownership.

General Plan Designation	Industrial employment		Commercial employment		Total	
	Employees	Percent	Employees	Percent	Employees	Percent
Industrial	13,985	94%	3,090	20%	17,075	56%
Commercial	547	4%	10,352	67%	10,899	36%
Residential	382	3%	1,881	12%	2,263	7%
Institutional	-	0%	78	1%	78	0%
Total	14,914	100%	15,401	100%	30,315	100%

Employment Projection

The employment forecast covers the 2020–2040 period, requiring an estimate of total employment for Tualatin in 2020. Tualatin does not have an existing employment forecast, and there is no required method for employment forecasting. OAR 660-024-0040(9) sets out some optional “safe harbors” that allow a city to determine employment land need.

ECONorthwest modeled four scenarios of employment growth. The employment growth assumption and basis for the scenarios are outlined below and in Exhibit 17:

- **Metro’s Household Growth Rate for Tualatin:** The growth rate of 0.44% based on Tualatin’s household growth forecast for the 2020–2040 period. This rate is consistent with the household forecast used in Tualatin’s Housing Needs Analysis (2020–2040). Use of this growth rate is consistent with the safe harbor in OAR 660-024-0040(9)(a).
- **OED’s Employment Growth Rate for the Tri-County Region:** The growth rate of 1.2% based on Oregon Employment Departments’ (OEDs’) forecast for employment growth for the Portland Region (Clackamas County, Multnomah County, and Washington County). Use of this growth rate is consistent with the safe harbor in OAR 660-024-0040(9)(a).
- **Metro’s Employment Growth Rate for Tualatin:** The growth rate of 1.4% based on Metro’s employment forecast for Tualatin for the 2015–2040 period.
- **Tualatin’s Historic Employment Growth Rate:** The growth rate of 2.9% based on Tualatin’s employment growth for the 2007–2017 period.

Exhibit 17. Employment Growth Scenarios, Tualatin Planning Area, 2020–2040

Source: (1) Metro's 2040 Household Distributed Forecast, July 12, 2016. Metro's 2040 TAZ Forecast for households, November 6, 2015. Calculations by ECONorthwest. (2) State of Oregon Employment Department, Employment Projections by Industry, 2017–2027. (3) Metro's 2040 Employment Distributed Forecast, July 12, 2016. (4) Bureau of Labor Statistics, Quarterly Census of Employment and Wage, 2007 and 2017. Note: "HH" is household and "Emp." is employment.

Year	Total Employment Scenarios			
	Metro's HH Growth for Tualatin	OED's Emp. Growth for Tri-County Region	Metro's Emp. Growth for Tualatin	Historic Emp. Growth for Tualatin
2020	39,355	40,252	40,478	42,339
2040	42,985	51,089	53,332	75,272
Change 2020 to 2040				
Employees	3,630	10,837	12,854	32,933
Percent	9%	27%	32%	78%
AAGR	0.44%	1.20%	1.39%	2.92%

Tualatin is assuming that the City will grow at the rate forecast by Metro, 1.4% average annual growth rate. This assumption is based on the fact that Tualatin grew at a substantially faster rate over the 2007–2017 period (2.9% average annual growth rate), as well as Tualatin's key comparative advantages, such as the city's location along I-5 and its land base of industrial land.

Exhibit 18 shows employment growth for Tualatin between 2020 and 2040, based on the assumption that the City will grow at an average annual growth rate of 1.4%. Tualatin will have 53,332 employees by 2040, which is an increase of 12,854 employees (32%) between 2020 and 2040.

Tualatin is forecast to have 12,854 new employees over the 20-year period.

Exhibit 18. Forecast of Employment Growth, Tualatin Planning Area, 2020–2040

Source: ECONorthwest.

Year	Total Employment
2020	40,478
2040	53,332
Change in Employees (2020 to 2040)	
Employees	12,854
Percent	32%
AAGR	1.39%

Allocate Employment to Different Land Use Types

The next step in forecasting employment is to allocate future employment to broad categories of land use. Firms wanting to expand or locate in Tualatin will look for a variety of site characteristics, depending on the industry and specific circumstances. We grouped employment into four broad categories of land use based on North American Industrial Classification System (NAICS): industrial, retail commercial, office and commercial services, and government.

Exhibit 19 shows the expected share of employment by land use type in 2020 and the forecast of employment growth by land use type in 2040 in Tualatin. For each land use type, we assumed that the share of total employment will stay the same.

Exhibit 19. Forecast of Employment Growth by Land Use Type, Tualatin Planning Area, 2020–2040

Source: ECONorthwest. Note: The shaded percentages denote an assumption about the future share of employment (as a percent of total) by land use type. It assumes that the share of employment by land use type will remain the same.

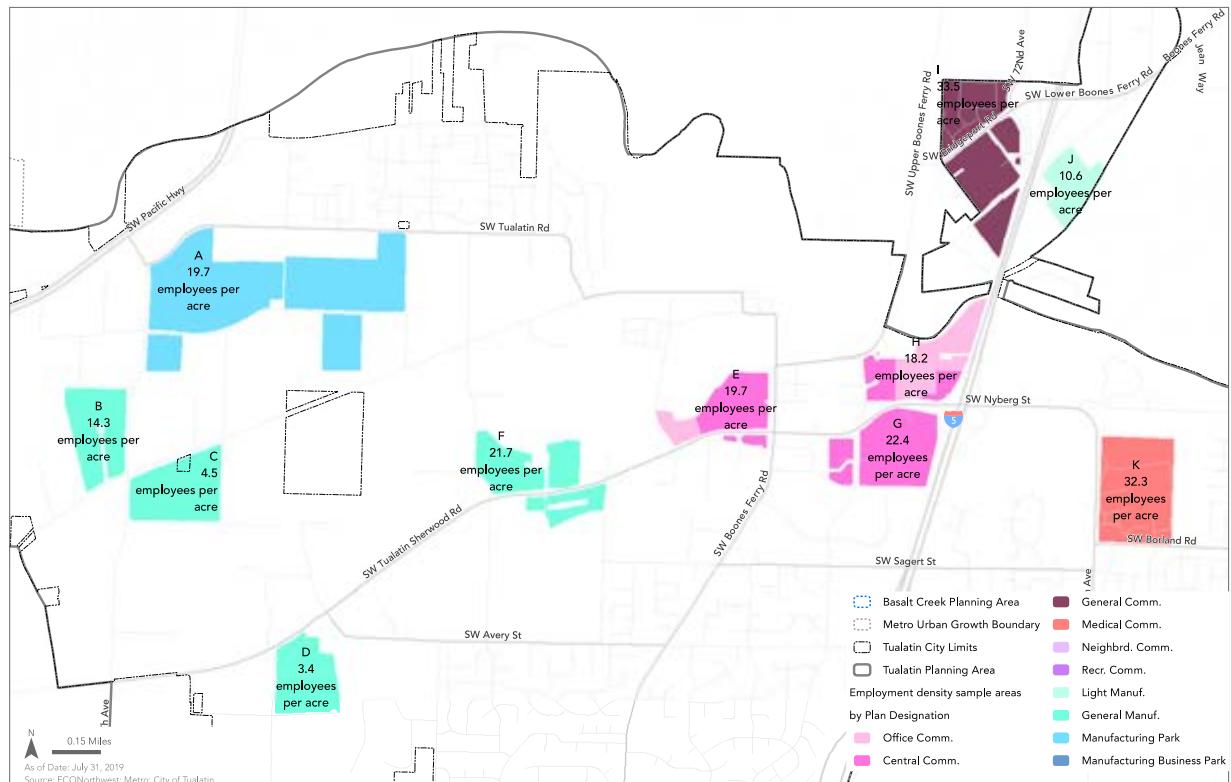
Land Use Type	2020		2040		Change 2020 to 2040
	Employment	% of Total	Employment	% of Total	
Industrial	18,218	45%	24,004	45%	5,786
Retail Commercial	3,050	8%	4,018	8%	968
Office & Commercial Services	18,382	45%	24,219	45%	5,837
Government	829	2%	1,092	2%	263
Total	40,478	100%	53,332	100%	12,854

Estimate of Demand for Commercial and Industrial Land

Converting from employment growth to land need (in acres) requires assumptions about future employment densities. Employees per acre is a measure of employment density based on the ratio of the number of employees per acre of employment land that is developed for employment uses. Exhibit 20 displays sample sites that informed ECONorthwest's analysis of employment densities for businesses and sites in Tualatin based on existing employment. Results of the employment density analysis are summarized in Exhibit 21.

Exhibit 20. Employment Densities in Tualatin, Tualatin Sample Sites, 2019

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wage, 2017; analysis by ECONorthwest.



Based on a sampling of sites in Tualatin, industrial areas average about 15 employees per acre (EPA) and commercial areas average about 27 EPA.

Exhibit 21. Summary of Employment Average Employment Densities, Tualatin Planning Area, 2018

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wage; summarized by ECONorthwest. Note1: Area names (A through K) correspond to areas mapped in Exhibit 20. Note2: "EPA" is employees per acre.

Land Use Type/ Area Name on Map	Type of Use	Average density (EPA)
Industrial		15
A	Manufacturing Park	20
B	General Manufacturing	14
C	General Manufacturing	5
D	General Manufacturing	3
F	General Manufacturing	22
J	Light Manufacturing	11
Commercial and Retail		27
E	Office/Central Commercial	20
G	Central Commercial	22
H	Office/Central Commercial	18
I	General Commercial	34
K	Medical Commercial	32

Exhibit 22 shows demand for vacant (including partially vacant) land in Tualatin over the 20-year period. ECONorthwest uses two assumptions in Exhibit 22: (1) employment density and (2) net-to-gross conversion factor.

- **Employment density.** Exhibit 22 displays the density assumptions as net employees per acre (EPA) for use in the analysis of employment land demand. It assumes industrial will have an average of 15 EPA, retail commercial will have an average of 25 EPA, and office commercial will have an average of 40 EPA.

These employment densities are consistent with Tualatin's historic densities and employment densities in Oregon cities of a similar size as Tualatin. Some types of employment will have higher employment densities (e.g., a multistory office building), and some will have lower employment densities (e.g., a convenience store with a large parking lot).

This analysis assumes 15 EPA for industrial uses, as it is consistent with the EPA weighted average of industrial sample sites. This analysis assumes 25 EPA for retail, as it is consistent with the weighted average of sample site G, H, and I. This analysis assumes 40 EPA for office based on the assumption that Tualatin will encourage more two and three-story office buildings over the 20-year planning period (meaning we assume a higher employment density than historical).

- **Conversion from net-to-gross acres.** The data about employment density is in *net* acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment, including public right-of-way, is to convert from *net* to *gross* acres based on assumptions about the amount of land needed for public right-of-way.¹⁸ A net-to-gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

Based on empirical evaluation of Tualatin's existing net-to-gross ratios, ECONorthwest uses a net-to-gross conversion factor of 9% for industrial and 27% for commercial.

Using these assumptions, the forecast for growth is 12,854 new employees. Exhibit 22 displays and accounts for 12,591 new employees, as government employees (263 employees) were deducted from the analysis of land demand. Tualatin will accommodate new government employees in institutional Plan Designations. The 12,591 new employees will result in the following demand for employment land: 424 gross acres of industrial land, 53 gross acres of retail commercial land, and 200 gross acres of office and commercial services land.

Exhibit 22. Demand for Land to Accommodate Employment Growth, Tualatin Planning Area, 2020–2040

Source: ECONorthwest.

Land Use Type	New Emp. on Vacant Land	Employees per Acre (Net Acres)	Land Demand (Net Acres)	Land Demand (Gross Acres)
Industrial	5,786	15	386	424
Retail Commercial	968	25	39	53
Office & Commercial Services	5,837	40	146	200
Total	12,591	-	570	677

Exhibit 23 shows land demand by general Plan Designation based on the existing distribution of employment in Exhibit 16. For example, Exhibit 23 assumes that 94% of growth in industrial employment (demand for 424 acres shown in Exhibit 22) will occur in industrial Plan Designations, with 4% in commercial Plan Designations and 3% in residential Plan Designations.

¹⁸ OAR 660-024-0010(6) uses the following definition of net buildable acre. "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

Exhibit 23. Demand for Land to Accommodate Employment Growth by Generalized Plan Designation, Tualatin Planning Area, 2020–2040

Source: ECONorthwest.

Land Use Type	General Plan Designation				Total (Acre)
	Industrial	Commercial	Residential	Institutional	
Industrial	397	16	11	-	424
Retail, Office, & Com Services	51	170	31	1	253
Total (Acres)	448	186	42	1	677

Site Needs for Potential Growth Industries

OAR 660-009-0015(2) requires the EOA to “identify the number of sites by type reasonably expected to be needed to accommodate the expected [20-year] employment growth based on the site characteristics typical of expected uses.” The Goal 9 rule does not specify how jurisdictions conduct and organize this analysis.

The rule, OAR 660-009-0015(2), does state that “[i]ndustrial or other employment uses with compatible site characteristics may be grouped together into common site categories.” The rule suggests, but does not require, that the city “examine existing firms in the planning area to identify the types of sites that may be needed.” For example, site types can be described by (1) plan designation (e.g., heavy or light industrial), (2) general size categories that are defined locally (e.g., small, medium, or large sites), or (3) industry or use (e.g., manufacturing sites or distribution sites). For purposes of the EOA, Tualatin groups its future employment uses into categories based on their need for land with a particular plan designation (i.e., industrial or commercial) and by their need for sites of a particular size.

Based on the forecast of employment growth in Exhibit 19 and the average business size of business in Tualatin in 2017 (using analysis of Quarterly Census of Employment and Wage data), employment growth in Tualatin will require:

- **Industrial** employment will grow by 5,785 employees, with 5,785 employees requiring buildable land. The average site of industrial employers in Tualatin in 2017 was 26 employees per business. At that average size, Tualatin will need 223 industrial sites. Exhibit 29 (in Chapter 4) shows that Tualatin has 697 sites for industrial development (with a total of 374 buildable acres of land). The majority of these sites (626 sites) are smaller than 0.5 acres. Tualatin has seven industrial sites between 10 and 20 acres and 2 industrial sites larger than 20 acres. These sites provide a range of sizes that may be needed by future industrial businesses in Tualatin.
- **Commercial** employment will grow by 6,805 employees, with 6,805 employees requiring buildable land. The average site of commercial employers in Tualatin in 2017 was 13 employees per business. At that average size, Tualatin will need 511 commercial sites. Exhibit 29 (in Chapter 4) shows that Tualatin has 149 sites for commercial development (with a total of 10.5 buildable acres of land). The majority of these sites (143 sites) are smaller than 0.5 acres. Tualatin has four commercial sites between 0.5 and 1 acre, one

commercial site between 1 and 2 acres, and one commercial site between 2 and 5 acres. Limited available sites will affect commercial development in Tualatin.

The potential growth industries described in the prior section are a mixture of business sizes, from small businesses to larger businesses. For the most part, Tualatin's potential growth industries need relatively flat sites, especially for industrial or manufacturing businesses with access to arterial roads to connect with I-5 or key employment centers in Beaverton, Hillsboro, and Portland.

Manufacturing and other industrial businesses that are likely to locate in Tualatin will have a range of space needs:

- **Small-scale manufacturing spaces.** Businesses would be located in an industrial building with many other users.
- **Space in flex-service buildings.** These businesses may locate in a building that includes other industrial businesses, as well as commercial businesses that prefer to locate in flex space buildings. Per a 2019 discussion with GPI, we find that vacancy rates in flex-service buildings are exceptionally low compared to more traditional employment spaces.
- **Mid-sized manufacturing.** Businesses would be located potentially in a building with a few other businesses. Between 2015 and 2019, Greater Portland Inc. (GPI) reported manufacturing projects in its pipeline that requested an average square footage between 35,000 square feet (approximately two to four-acre sites) and 118,000 square feet (approximately eight to 10-acre sites).¹⁹ Average space needs (per square foot) have increased each year, between 2015 and 2019.

Retail, office, and commercial service businesses have a range of space needs ranging from:

- **Small- or mid-sized space.** Between 2015 and 2019, on average, GPI reported office projects seeking sites that range from about 14,045 square feet to about 39,000.
- **Space in a building dominated by one firm or in a building with many other businesses.** Some commercial employment will locate in a newly constructed building with other commercial businesses of all types. This could potentially be with other commercial (or light industrial) uses in the building. Other businesses may require or desire their own space.
- **Land for construction of a building designed for the firm.** However, in the case where the business needs to build a building, they are typically seeking existing space rather than land to build a new facility.

¹⁹ Greater Portland Inc. (May 2019). "Almost Mid-Year Pipeline Analysis."

Overall, of the businesses included in GPI's 2019 pipeline analysis—both office and manufacturing projects consistently requested existing space over “greenfield” space for their facility. In 2019, about 33% requested either greenfield space, up from 21% in 2017.

4. Buildable Lands Inventory

This chapter provides a summary of the commercial and industrial buildable lands inventory (BLI) for the Tualatin Planning Area. The buildable lands inventory analysis complies with Statewide Planning Goal 9 policies that govern planning for employment uses. The detailed methodology used to complete the buildable lands inventory completed is presented in Appendix B.

The analysis established the employment land base (parcels or portions of parcels with appropriate zoning), classified parcels by buildable status, identified/deducted environmental constraints, and summarized total buildable area by Plan Designation.

Definitions

ECONorthwest developed the buildable lands inventory with a tax lot database from Metro Regional Land Information Systems (RLIS). Maps produced for the buildable lands inventory used a combination of GIS data based on the Metro BLI for the 2018 Urban Growth Report, adopted maps, and used visual verification to verify the accuracy of Metro data. The tax lot database is current as of 2016, accounting for changes and development updates through April 2019. The inventory builds from the database to estimate buildable land per Plan Designations that allow employment uses. The following definitions were used to identify buildable land for inclusion in the inventory:

- *Vacant land.* Tax lots designated as vacant by Metro based on the following criteria: (1) fully vacant based on Metro aerial photo; (2) tax lots with less than 2,000 square feet developed and the developed area is less than 10% of lot; and (3) lots 95% or more vacant from GIS vacant land inventory.
- *Partially vacant land.* Tax lots located on land designated for employment uses but have an existing single-family structure. These lots are assumed to likely develop with an employment use within the planning period.
- *Potentially redevelopable land.* Lots determined to have redevelopment capacity based on Metro's threshold price methodology. This method identifies lots that meet size and price thresholds based on location in the Metro UGB and Plan Designation. The methods use property value thresholds where it is economically viable for a lot to redevelop. For example, if the unconstrained area of tax lot in a central commercial Plan Designation is greater than 0.249 acres, and the real market value per square foot is below \$12, then the unconstrained acreage is considered as potentially redevelopable.
- *Public or exempt land.* Lands in public or semi-public ownership are considered unavailable for commercial or industrial development. This includes lands in federal, state, county, or city ownership as well as lands owned by churches and

other semi-public organizations and properties with conservation easements. These lands are identified using Metro's definitions and categories.

- *Developed land.* Lands not classified as vacant, partially vacant, or public/exempt are considered developed. Developed land includes lots with redevelopment capacity, which are also included in BLI. The capacity of developed but redevelopable lots is based on Metro's estimates.

Development Constraints

Consistent with state guidance on buildable lands inventories, ECONorthwest deducted the following constraints from the buildable lands inventory and classified those portions of tax lots that fall within the following areas as constrained, unbuildable land:

- *Lands within floodplains.* Flood insurance rate maps from the Federal Emergency Management Agency (FEMA) were used to identify lands in floodways and 100-year floodplains, as well as lands identified in Metro's Title 3 Stream and Floodplain Protection Plan.
- *Land within natural resource protection areas.* The Locally Significant Wetlands shapefile was used to identify areas within wetlands. Riparian corridors and other natural resource areas identified in Tualatin's Natural Resource Protection Overlay District were all considered undevelopable. These areas are consistent with chapter 72 of the City's Development Code.
- *Land with slopes over 15%.* Lands with slopes over 15% are considered unsuitable for commercial or industrial development.

Buildable Lands Inventory Results

Land Base

Exhibit 24 shows commercial and industrial land in Tualatin by classification (development status). The results show that the Tualatin Planning Area has 2,731 total acres in commercial or industrial Plan Designations. Of these 2,731 acres, about 1,534 acres (56%) are classified as developed or public (or exempt) and do not have development capacity, about 683 acres (25%) are on lots classified as potentially redevelopable, and the remaining 514 acres (19%) are vacant or partially vacant and have development capacity (not including development constraints).

Exhibit 24. Commercial and Industrial Acres by Classification and Plan Designation, Tualatin Planning Area, 2019

Source: Metro BLI, ECONorthwest Analysis. Note: The numbers in the table may not sum to the total as a result of rounding.

Generalized Plan Designation	Vacant	Partially Vacant	Developed	Public or Exempt	Potentially Redevelopable	Total Acres	Percent of Total
Commercial							
Central Commercial	-	-	0	4	-	4	0%
General Commercial	4	-	125	3	3	134	5%
Medical Commercial	-	-	-	46	-	46	2%
Neighborhood Commercial	-	-	-	-	-	-	0%
Office Commercial	3	-	53	19	3	78	3%
Recreational Commercial	-	-	9	-	-	9	0%
Industrial							
General Manufacturing	184	-	569	97	264	1,114	41%
Light Manufacturing	35	-	214	54	43	346	13%
Manufacturing Business Park	107	-	3	1	260	372	14%
Manufacturing Park	60	-	40	27	89	216	8%
Mixed-Use Commercial Overlay Zone							
General Commercial	-	-	25	-	-	25	1%
Central Tualatin Overlay Zone							
Central Commercial	3	-	95	50	5	153	6%
General Commercial	-	-	7	0	-	7	0%
Office Commercial	-	-	23	-	-	23	1%
General Manufacturing	-	-	33	-	-	33	1%
Light Manufacturing	-	-	17	-	-	17	1%
Basalt Creek Planning Area							
Manufacturing Park	36	78	2	19	15	150	5%
Neighborhood Commercial	4	1	-	-	-	4	0%
Total	436	78	1,215	319	683	2,731	100%

Exhibit 25 shows land in all commercial and industrial Plan Designations by development and constraint status. After development constraints have been applied, about 63% of Tualatin's total employment land (1,714 acres) has no development capacity (i.e., committed), 23% (632 acres) is constrained, and 14% (385 acres) is unconstrained and buildable.

Exhibit 25. Commercial and Industrial Land by Comprehensive Plan Designation and Constraint Status, Tualatin Planning Area, 2019

Source: Metro BLI, ECONorthwest Analysis. Note: The numbers in the table may not sum to the total as a result of rounding.

Generalized Plan Designation	Total acres	Committed acres	Constrained acres	Buildable acres
Commercial				
Central Commercial	4	0	4	0
General Commercial	134	117	13	4
Medical Commercial	46	43	3	0
Neighborhood Commercial	0	0	0	0
Office Commercial	78	63	12	3
Recreational Commercial	9	2	6	0
Industrial				
General Manufacturing	1,114	694	321	99
Light Manufacturing	346	283	34	29
Manufacturing Business Park	372	211	76	85
Manufacturing Park	216	129	31	56
Mixed-Use Commercial Overlay Zone				
General Commercial	25	20	5	0
Central Tualatin Overlay Zone				
Central Commercial	153	45	108	0
General Commercial	7	2	5	0
Office Commercial	23	18	4	0
General Manufacturing	33	28	6	0
Light Manufacturing	17	17	0	0
Basalt Creek Planning Area				
Manufacturing Park	150	41	4	105
Neighborhood Commercial	4	0	0	4
Total	2,731	1,714	632	385

Vacant Buildable Land

Exhibit 26 shows buildable acres (e.g., acres in tax lots after constraints are deducted) for vacant and partially vacant land by Plan Designation. Of Tualatin's 385 unconstrained buildable commercial or industrial acres, about 82% of the land is in tax lots classified as vacant, and 18% is in tax lots classified as partially vacant. About 28% of Tualatin's buildable commercial and industrial land is located in the Basalt Creek Planning Area.

Exhibit 26. Buildable Acres in Vacant and Partially Vacant Tax Lots by Plan Designation and Zoning, Tualatin Planning Area, 2019

Source: Metro BLI, ECONorthwest Analysis. Note: The numbers in the table may not sum to the total as a result of rounding.

Generalized Plan Designation	Total buildable acres	Buildable acres on vacant lots	Buildable acres on partially vacant lots
Commercial			
Central Commercial	0	0	0
General Commercial	4	4	0
Medical Commercial	0	0	0
Neighborhood Commercial	0	0	0
Office Commercial	3	3	0
Recreational Commercial	0	0	0
Industrial			
General Manufacturing	99	99	0
Light Manufacturing	29	29	0
Manufacturing Business Park	85	85	0
Manufacturing Park	56	56	0
Mixed-Use Commercial Overlay Zone			
General Commercial	0	0	0
Central Tualatin Overlay Zone			
Central Commercial	0	0	0
General Commercial	0	0	0
Office Commercial	0	0	0
General Manufacturing	0	0	0
Light Manufacturing	0	0	0
Basalt Creek Planning Area			
Manufacturing Park	105	35	70
Neighborhood Commercial	4	4	0
Total	385	314	70

Exhibit 27 and Exhibit 28 (upcoming pages) show the results of Tualatin's commercial and industrial BLI.

Exhibit 27. Commercial and Industrial Land by Development Status with Constraints, Tualatin Planning Area, 2019

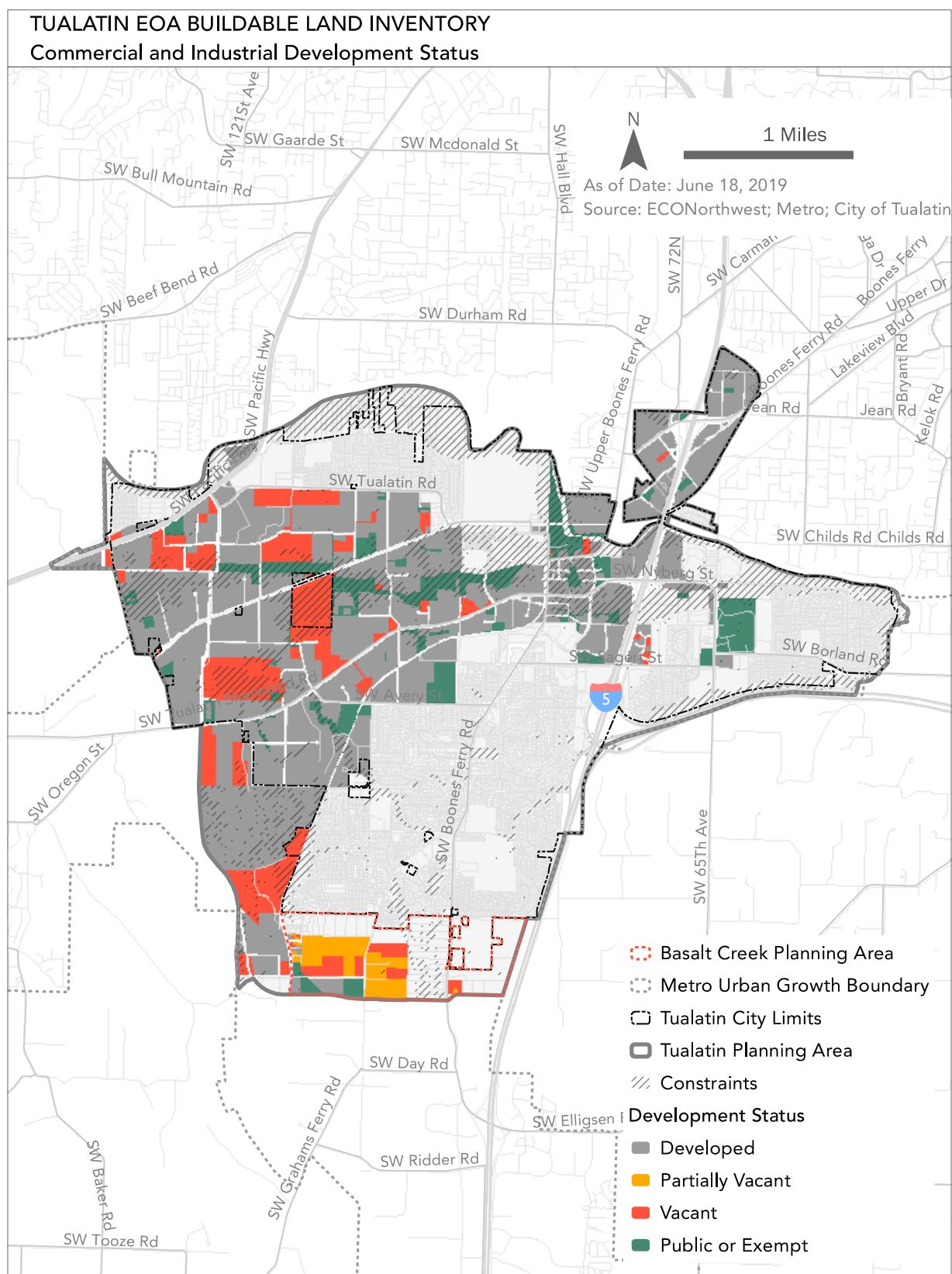


Exhibit 28. Unconstrained Vacant and Partially Vacant Commercial and Industrial Land, Tualatin Planning Area, 2019

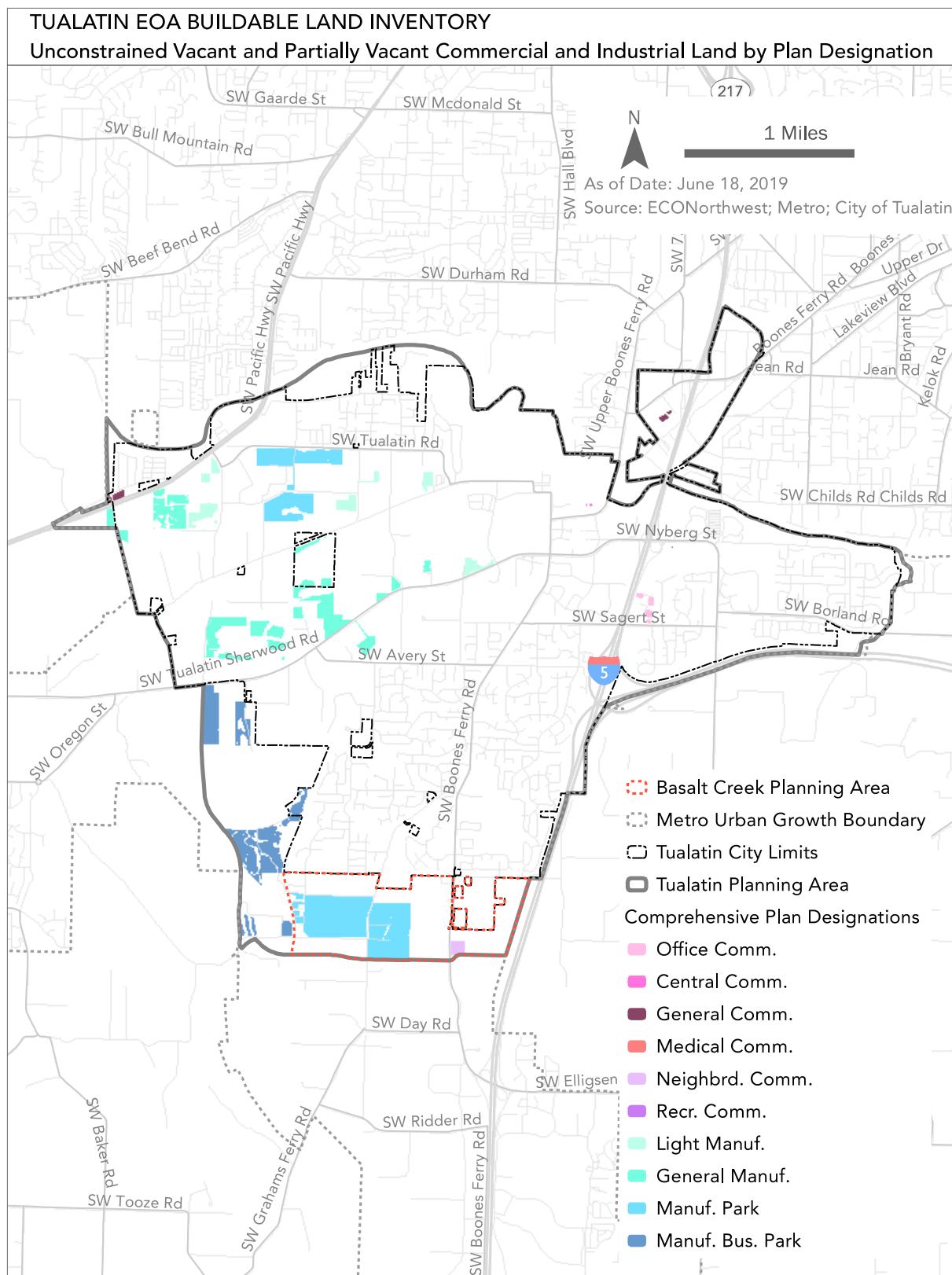


Exhibit 29 shows the size of lots by Plan Designations for buildable employment land. Tualatin has:

- 24 lots that are smaller than 0.5 acres (with 4.7 acres of land),
- 9 lots between 0.5 and 1 acres (6.3 acres of land),
- 13 lots between 1 and 2 acres (19.6 acres of land),
- 35 lots between 2 and 5 acres in size (132 acres of land),
- 11 lots between 5 and 10 acres in size (81 acres of land),
- 7 lots between 10 and 20 acres in size (95.5 acres of land), and
- 2 lots 20 acres or more in size (45.3 acres of land).

Exhibit 29. Lot Size by Plan Designation, Buildable Acres, Tualatin Planning Area, 2019

Source: ECONorthwest analysis of data from Metro.

	Buildable acres in taxlots						
	<0.5 acres	0.5-1 acres	1-2 acres	2-5 acres	5-10 acres	10-20 acres	20+ acres
Buildable acres on tax lots							
Commercial							
General Commercial	0.4	1.5	1.9	0.0	0.0	0.0	0.0
Office Commercial	1.7	1.1	0.0	0.0	0.0	0.0	0.0
Industrial							
General Manufacturing	0.1	2.8	2.8	36.5	17.6	39.8	0.0
Light Manufacturing	0.0	0.0	9.7	13.3	5.8	0.0	0.0
Manufacturing Business Park	0.0	0.0	4.1	19.4	27.5	13.1	20.9
Manufacturing Park	0.0	0.0	0.0	0.0	0.0	31.5	24.4
Basalt Creek Planning Area							
Manufacturing Park	2.3	0.9	1.2	59.1	30.2	11.2	0.0
Neighborhood Commercial	0.3	0.0	0.0	3.7	0.0	0.0	0.0
Acreage subtotal	4.7	6.3	19.6	132.0	81.0	95.5	45.3
Number of taxlots with buildable acreage							
Commercial							
General Commercial	2	2	1	0	0	0	0
Office Commercial	5	2	0	0	0	0	0
Industrial							
General Manufacturing	3	4	2	10	2	3	0
Light Manufacturing	0	0	6	4	1	0	0
Manufacturing Business Park	1	0	3	6	4	1	1
Manufacturing Park	0	0	0	0	0	2	1
Basalt Creek Planning Area							
Manufacturing Park	12	1	1	14	4	1	0
Neighborhood Commercial	1	0	0	1	0	0	0
Tax lot count subtotal	24	9	13	35	11	7	2

Redevelopment Potential

Over the 20-year study period a portion of developed lots are likely to redevelop within new buildings. To account for the development capacity on these developed lots, Metro identifies a subset of developed lots as “redevelopable.” Metro has created two “filters” to identify lots with the potential to redevelop.

- **Threshold Method.** This method identifies lots that meet size and price thresholds based on location in the Metro UGB and Plan Designation. The method uses property value thresholds where it is economically viable for a lot to redevelop. For example, if the *unconstrained* area of a tax lot in a central commercial Plan Designation is greater than 0.249 acres, and the real market value per square foot is below \$12, then the unconstrained acreage is considered as potentially redevelopable.²⁰
- **Historic Probability Method.** This method determines the probably of a lot redeveloped based on a statistical analysis of lots that historically redeveloped within the region. The probability for each lot is multiplied by the total zoned capacity of the lot to determine the likely future capacity.

For the Tualatin BLI, ECONorthwest proposes to use redevelopable acreage identified based on the threshold method, a recommendation that is based on discussion with Metro staff. Exhibit 30Exhibit 11 shows the estimate of potentially redevelopable acreage by Plan Designation.

²⁰ “Appendix 2: Buildable Land Inventory.” Oregon Metro. Urban Growth Report 2018.

https://www.oregonmetro.gov/sites/default/files/2018/12/03/Appendix2-BuildableLandsInventory_12032018.pdf

Exhibit 30. Estimate of Potentially Redevelopable Land by Plan Designation, Tualatin Planning Area, 2019

Source: Metro BLI, using 2016 data to calculate redevelopment potential.

Generalized Plan Designation	Potentially Redevelopable Acres
Commercial	
Central Commercial	0
General Commercial	3
Medical Commercial	0
Neighborhood Commercial	0
Office Commercial	1
Recreational Commercial	0
Industrial	
General Manufacturing	135
Light Manufacturing	37
Manufacturing Business Park	71
Manufacturing Park	36
Mixed-Use Commercial Overlay Zone	
General Commercial	0
Central Tualatin Overlay Zone	
Central Commercial	0
General Commercial	0
Office Commercial	0
General Manufacturing	0
Light Manufacturing	0
Basalt Creek Planning Area	
Manufacturing Park	15
Neighborhood Commercial	0
Total	297

The analysis of redevelopment in Exhibit 30/Exhibit 11 is based on analysis of existing land values (i.e., the threshold method). In considering likely commercial and industrial redevelopment that may occur over the next 20 years, stakeholders discussed the possibility of change of use (and redevelopment) of the gravel pit in the southwest area of the city, zoned Manufacturing Business Park. This area is classified as “committed” in the buildable lands inventory. The six tax lots in the gravel pit are a total size of 181 acres with about 47 constrained acres, mostly due to steep slopes and wetlands. When mining ceases in the gravel pit, which may or may not occur in the 20-year planning period, the gravel pit may be redevelopment and available for new employment uses.

5. Land Sufficiency and Conclusions

This chapter presents conclusions about Tualatin's employment land sufficiency for the 2020–2040 period. The chapter then concludes with a discussion about Tualatin's land base and its ability to accommodate growth over the next 20 years, as well as recommendations for the City to consider, ensuring it meets its economic growth needs throughout the planning period.

Land Sufficiency

Exhibit 31 shows commercial and industrial land sufficiency within the Tualatin Planning Area. It shows:

- **Capacity of Land** (supply) within the Tualatin Planning Area (see Exhibit 26). Exhibit 31 shows that Tualatin has 374 gross acres of industrial land and 11 gross acres of commercial land.
- **Demand for Commercial and Industrial Land** in the Tualatin Planning Area (see Exhibit 22 and Exhibit 23). Exhibit 31 shows Tualatin will need a total of 448 gross acres for industrial uses and 186 gross acres for commercial uses (including retail and office) over the 2020–2040 period.

Exhibit 31 shows that Tualatin has:

- A 74-acre deficit of industrial land in the Tualatin Planning Area.
- A 175-acre deficit of commercial land (including retail and office) in the Tualatin Planning Area.

Exhibit 31. Comparison of the Capacity of Land with Employment Land Demand by Land Use Type, Tualatin Planning Area, 2020–2040

Source: ECONorthwest. Note: Employment demand requires an additional 42 gross acres on land in residential Plan Designations and one gross acre on land in an institutional (public) Plan Designation.

General Plan Designation	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Deficit)
Industrial	374	448	(74)
Commercial (incl Retail and Office)	11	186	(175)

Conclusions and Recommendations

The conclusions about commercial and industrial land sufficiency in Tualatin are:

- **Tualatin is expected to have job growth in commercial and industrial sectors over the 20-year period.** Tualatin is forecast to grow by about 12,591 new employees (excluding new government employees) over the 2020–2040 period, with about 5,800 new industrial employees and 6,800 new employees in retail, office, and commercial services, with the remaining employees in government.
- **Tualatin has a deficit of land to accommodate new employment growth.** Tualatin has a deficit of about 74 acres of land in industrial Plan Designations and 175 acres of employment in commercial Plan Designations to accommodate employment. Tualatin will need to consider policies to increase the efficiency of employment land use within the city, such as policies to encourage denser employment development and redevelopment that results in higher-density development.
- **Tualatin has substantial redevelopment potential.** A majority of redevelopable lots are in industrial areas. For example, change of use (and redevelopment) of the gravel pit in the southwest area of the Manufacturing Business Park presents substantial redevelopment opportunities. The six tax lots in the gravel pit are a total size of 181 acres with about 47 constrained acres, mostly due to steep slopes and wetlands. When mining ceases in the gravel pit, which may or may not occur in the 20-year planning period, the gravel pit may be redevelopable and available for new employment uses.
- **Tualatin's primary comparative advantages for economic development are its location along the I-5 corridor and proximity to urban and cultural amenities/services in the Portland Region, making Tualatin an attractive place for businesses to locate.** Tualatin has advantages through its access to the regional labor market and the region's growing labor force comprising diverse skill sets.
- **Tualatin will need to address transportation capacity issues to accommodate growth, particularly along regional connectors (roads and avenues).** Traffic congestion is a substantial issue in Tualatin and surrounding areas, making it difficult to commute to Tualatin from other cities within the Portland Region and within Tualatin. Stakeholders are concerned that additional employment growth will make congestion substantially worse.
- **New employment will require additional urban infrastructure.** Growth in Basalt Creek will prompt the need for new pipes, pump stations, and potentially another reservoir to accommodate water and wastewater capacity demands in the sub-area. If Tualatin wishes to accommodate businesses that are more water-intensive, Tualatin will need to look to new or additional water supplies.

Following is a summary of ECONorthwest's recommendations to Tualatin based on the analysis and conclusions in this report. The *Tualatin Economic Development Strategy* memorandum presents the full list of recommendations for Tualatin.

- **Ensure that Tualatin has enough land to accommodate expected employment growth and that land has infrastructure to support employment growth.** Tualatin should identify opportunities to support mixed-use development (especially development that includes commercial and residential uses) to accommodate employment growth, especially commercial employment growth. The City should identify opportunities to make more efficient use of employment land, such as limiting development of businesses that have large land requirements and little employment (such as distribution). In addition, the City should work with landowners to get key employment sites certified as “shovel ready” to speed the development process.
- **Identify opportunities for redevelopment, especially mixed-use redevelopment.** The City has a substantial deficit of industrial and commercial land. The City may be able to address some or most of this deficit within the existing planning area (without a UGB expansion). To do so, the City should identify districts for redevelopment, such as mixed-use development. This planning includes revising the Tualatin Town Center Plan to focus on opportunities to support redevelopment, identify tools to support redevelopment, and identify areas appropriate for more intense industrial uses (e.g., redevelopment of the gravel pit in the southwest area of the city once mining activity has ceased).
- **Grow jobs and businesses in Tualatin by supporting business retention, growth, and attraction.** The first step in growing jobs and businesses in Tualatin is revising the economic development strategy, including developing a clear vision for economic development in Tualatin, and creating an action plan to implement the vision. The revised strategy can build on the *Tualatin Economic Development Strategy* produced as part of this analysis, but the revised strategy should include a detailed action plan to implement the newly developed vision for economic development. In revising the strategy, the City should identify partnerships and incentive programs to grow, retain, and attract businesses as well as support entrepreneurial businesses in Tualatin.
- **Ensure that the City connects planning for economic development with other community planning.** Throughout the project, stakeholders emphasized the need to coordinate economic development planning with housing, transportation planning, and other community planning. Updates to the Tualatin Transportation System Plan should be coordinated with planning for employment and business growth. A key approach to accommodating new commercial development is redevelopment that results in mixed-use districts, providing opportunities for more housing affordable to people working at businesses in Tualatin and living closer to work (thus reducing transportation issues). In addition, stakeholders would like to see the incorporation of services needed to meet daily needs of residents of neighborhoods without driving.

The *Tualatin Economic Development Strategy* memorandum presents more details about each of these topics and recommendations for specific actions to implement these recommendations.

Appendix A. National, State, and Regional and Local Trends

National Trends

Economic development in Tualatin over the next 20 years will occur in the context of long-run national trends. The most important of these trends include:

- **Economic growth will continue at a moderate pace.** Analysis from the Congressional Budget Office (CBO) predicts real GDP to grow by 3.1% in 2018 and 2.4% in 2019, while settling just under 2% growth for the rest of the decade (through 2028), assuming current laws remain intact.²¹

The unemployment rate is expected to decrease to 3.6% by the end of 2018 and fall to 3.4% in 2019. Thereafter, the CBO predicts the unemployment rate will rise to 3.8% in 2020 and approach 4.8% through the end of the forecast period (2028).²²

As demand for labor increases and market competition for workers pushes the growth of hourly wage compensation, the CBO projects that “the increase in labor compensation, [will dampen] demand for labor, slowing employment growth and, by 2020, diminishing the positive employment gaps.”²³

- **The aging of the Baby Boomer generation accompanied by increases in life expectancy.** As the Baby Boomer generation continues to retire, the number of Social Security recipients is expected to increase from 61 million in 2017 to over 86 million in 2035, a 41% increase. However, due to lower-birth rate replacement generations, the number of covered workers is only expected to increase 9% over the same time period, from 174 million to almost 190 million in 2035. Currently, there are 35 Social Security beneficiaries per 100 covered workers in 2014, but by 2035, there will be 46 beneficiaries per 100 covered workers. This will increase the percent of the federal budget dedicated to Social Security and Medicare.²⁴

Baby Boomers are expecting to work longer than previous generations. An increasing proportion of people in their early- to mid-50s expect to work full-time after age 65. In 2004, about 40% of these workers expect to work full-time after age 65, compared with

²¹ Congressional Budget Office. *An Update to the Economic Outlook: 2018 to 2028*. August 2018. Retrieved from: <https://www.cbo.gov/system/files?file=2018-08/54318-EconomicOutlook-Aug2018-update.pdf>.

²² *Ibid.*

²³ *Ibid.*

²⁴ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2015, the *2018 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, June 5, 2018. Retrieved from: <https://www.ssa.gov/oact/tr/2018/tr2018.pdf>.

about 30% in 1992.²⁵ This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2.9% of the workforce in 2000 to 4.1% of the workforce in 2010. In 2017, this share reached 5.5%, or a 90% increase over the 2000–2017 period. Over the same seventeen-year period, workers 45 to 64 years increased by about 7%.²⁶

- **The population identifying as Latinx will continue to grow and be an important driver in the economy.** The U.S. Census projects that by about 2040, the Latinx population will account for one-quarter of the nation's population. The share of Latinx population in the western United States is likely to be higher. The Latinx population currently accounts for about 16% of Tualatin's population. In addition, the Latinx population is generally younger than the U.S. average, with many Latinx individuals belonging to the Millennial generation.
- **Need for replacement workers.** The need for workers to replace retiring Baby Boomers will outpace job growth. According to the Bureau of Labor Statistics, total employment in the United States will grow by about 11.5 million jobs over 2016 to 2026. Annually, they estimate there will be 18.7 million occupational openings over the same period. This exhibits the need for employees over the next decade, as the quantity of openings per year is large relative to expected employment growth. About 71% of annual job openings are in occupations that do not require postsecondary education.²⁷
- **The importance of education as a determinant of wages and household income.** According to the Bureau of Labor Statistics, a majority of the fastest growing occupations will require an academic degree, and on average, they will yield higher incomes than occupations that do not require an academic degree. The fastest-growing occupations requiring an academic degree will be registered nurses, software developers, general and operations managers, accountants and auditors, market research analysts and marketing specialists, and management analysts. Occupations that do not require an academic degree (e.g., retail salespeople, food preparation workers, and home care aides) will grow, accounting for approximately 71% of all new jobs by 2026. These occupations typically have lower pay than occupations requiring an academic degree.²⁸

The national median income for people over the age of 25 in 2017 was about \$47,164. Workers without a high school diploma earned \$20,124 less than the median income, and workers with a high school diploma earned \$10,140 less than the median income. Workers with some college earned \$6,916 less than median income, and workers with a bachelor's degree earned \$13,832 more than median. Workers in Oregon experience the

²⁵ "The Health and Retirement Study," 2007, National Institute of Aging, National Institutes of Health, U.S. Department of Health and Human Services.

²⁶ Analysis of 2000 Decennial Census data, 2010 U.S. Census American Community Survey, 1-Year Estimates, and 2017 U.S. Census American Community Survey, 1-Year Estimates, for the table Sex by Age by Employment Status for the Population 16 Years and Over.

²⁷ "Occupational Employment Projections to 2016–2026," Bureau of Labor Statistics, 2018.

²⁸ "Occupational Employment Projections to 2016–2026," Bureau of Labor Statistics, 2018.

same patterns as the nation, but pay is generally lower in Oregon than the national average.²⁹

- **Increases in labor productivity.** Productivity, as measured by output per hour of labor input, increased in most sectors between 2000 and 2010, peaking in 2007. However, productivity increases were interrupted by the recession. After productivity decreases from 2007 to 2009, many industries saw large productivity increases from 2009 to 2010. Industries with the fastest productivity growth were information technology-related industries. These include wireless telecommunications carriers, computer and peripheral equipment manufacturing, electronics and appliance stores, and commercial equipment manufacturing wholesalers.³⁰

Since the end of the recession (or 2010), labor productivity has increased across a handful of large sectors but has also decreased in others. In wholesale trade, productivity—measured in output per hour—increased by 19% over 2009 to 2017. Retail trade gained even more productivity over this period at 25%. Food services, however, have remained stagnant since 2009, fluctuating over the nine-year period and shrinking by 0.01% over this time frame. Additionally, the Bureau of Labor Statistics reports that multifactor productivity in manufacturing has been slowing down 0.3% per year over the 2004–2016 period. Much of this, they note, is due to slowdown in semiconductors, other electrical component manufacturing, and computer and peripheral equipment manufacturing.³¹

- **The importance of entrepreneurship and growth in small businesses.** According to the 2018 Small Business Profile from the US Small Business Office of Advocacy, small businesses account for over 99% of total businesses in the United States, and their employees account for nearly 50% of American workers.³² The National League of Cities suggests ways that local governments can attract entrepreneurs and increase the number of small businesses, including strong leadership from elected officials; better communication with entrepreneurs, especially about the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.³³

²⁹ Bureau of Labor Statistics, Employment Projections, March 2018. http://www.bls.gov/emp/ep_chart_001.htm

³⁰ Brill, Michael R. and Samuel T. Rowe, "Industry Labor Productivity Trends from 2000 to 2010." Bureau of Labor Statistics, *Spotlight on Statistics*, March 2013.

³¹ Michael Brill, Brian Chanksy, and Jennifer Kim. "Multifactor productivity slowdown in U.S. manufacturing," *Monthly Labor Review*, U.S. Bureau of Labor Statistics, July 2018. Retrieved from: <https://www.bls.gov/opub/mlr/2018/article/multifactor-productivity-slowdown-in-us-manufacturing.htm>.

³² U.S. Small Business Office of Advocacy. 2018 Small Business Profile. <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf>

³³ National League of Cities, "Supporting Entrepreneurs and Small Businesses" (2012). <https://www.nlc.org/supporting-entrepreneurs-and-small-business>

- **Increases in automation across sectors.** Automation is a long-running trend in employment, with increases in automation (and corresponding increases in productivity) over the last century and longer. The pace of automation is increasing, and the types of jobs likely to be automated over the next 20 years (or longer) is broadening. Lower-paying jobs are more likely to be automated, with potential for automation of more than 80% of jobs paying less than \$20 per hour over the next 20 years. About 30% of jobs paying \$20 to \$40 per hour and 4% of jobs paying \$40 or more are at risk of being automated over the next 20 years.³⁴

Low- to middle-skilled jobs that require interpersonal interaction, flexibility, adaptability, and problem solving will likely persist into the future, as will occupations in technologically lagging sectors (e.g., production of restaurant meals, cleaning services, hair care, security/protective services, and personal fitness).³⁵ This includes occupations such as recreational therapists; first-line supervisors of mechanics, installers, and repairers; emergency management directors; mental health and substance abuse social workers; audiologists; occupational therapists; orthotists and prosthetists; health-care social workers; oral and maxillofacial surgeons; and first-line supervisors of firefighting and prevention workers. Occupations in the service and agricultural or manufacturing industry are most at risk of automation because of the manual-task nature of the work.^{36,37,38} This includes occupations such as telemarketers; title examiners, abstractors, and searchers; hand sewers; mathematical technicians; insurance underwriters; watch repairers; cargo and freight agents; tax preparers; photographic process workers and processing machine operators; and accounts clerks.³⁹
- **Consolidation of Retail.** Historical shift in retail businesses, starting in the early 1960s, was the movement from one-off mom-and-pop shops toward superstores and the clustering of retail into centers or hubs. Notably, we still see this trend persist. For example, in 1997, the 50 largest retail firms accounted for about 26% of retail sales, and by 2007, they accounted for about 33%.⁴⁰ The more recent shift began in the late 1990s, where technological advances have provided consumers with the option to buy goods through e-commerce channels. The trend toward e-commerce has become increasingly

³⁴ Executive Office of the President. (2016). Artificial Intelligence, Automation, and the Economy.

³⁵ Autor, David H. (2015). Why Are There Still So Many Jobs? The History and Future of Workplace Automation. *Journal of Economic Perspectives*, Volume 29, Number 3, Summer 2015, Pages 3–30.

³⁶ Frey, Carl Benedikt and Osborne, Michael A. (2013). The Future of Employment: How Susceptible Are Jobs to Computerisation? Oxford Martin School, University of Oxford.

³⁷ Otekhile, Cathy-Austin and Zeleny, Milan. (2016). Self Service Technologies: A Cause of Unemployment. *International Journal of Entrepreneurial Knowledge*. Issue 1, Volume 4. DOI: 10.1515/ijek-2016-0005.

³⁸ PwC. (n.d.). Will robots really steal our jobs? An international analysis of the potential long-term impact of automation.

³⁹ Frey, Carl Benedikt and Osborne, Michael A. (2013). The Future of Employment: How Susceptible Are Jobs to Computerisation? Oxford Martin School, University of Oxford.

⁴⁰ Hortaçsu, Ali and Syverson, Chad. (2015). The Ongoing Evolution of U.S. Retail: A Format Tug-of-War. *Journal of Economic Perspectives*, Volume 29, Number 4, Fall 2015, Pages 89–112.

preferential to Millennials and Generation Xers, who are easier to reach online and are more responsive to digital ads than older generations.⁴¹ Since 2000, e-commerce sales have grown from 0.9% to 6.4% (2014) and are forecast to reach 12% by 2020. It is reasonable to expect this trend to continue. With it has come closures of retail stores. By 2027, for example, an estimated 15% of about 1,050 U.S. malls in smaller markets will close, impacting local employment levels, local government revenue streams (tax dollars), and neighborhood character.

While it is unclear what impact e-commerce will have on employment and brick-and-mortar retail, it seems probable that e-commerce sales will continue to grow, shifting business away from some types of retail. Over the next decades, communities must begin considering how to redevelop and reuse retail buildings in shopping centers, along corridors, and in urban centers.

The types of retail and related services that remain will likely be sales of goods that people prefer to purchase in person or that are difficult to ship and return (e.g., large furniture), specialty goods, groceries and personal goods that maybe needed immediately, restaurants, and experiences (e.g., entertainment or social experiences).

- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. High-quality natural resources continue to be important in some states, especially in the western United States. Increases in the population and in household incomes, plus changes in tastes and preferences, have dramatically increased demand for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.⁴²
- **Continued increase in demand for energy.** Energy prices are forecast to increase over the planning period. While energy use per capita is expected to decrease through 2050, total energy consumption will increase with rising population. Energy consumption is expected to grow primarily from industrial (0.9%) and, to a lesser extent, commercial users (0.4%). Residential consumption is forecast to stagnate (0.0%), and transportation will slightly decrease (-0.1%). This decrease in energy consumption for transportation is primarily due to increased federal standards and increased technology for energy efficiency in vehicles. Going forward through the projection period, potential changes in federal laws (such as decreases in car emissions) leave energy demand somewhat uncertain.

⁴¹ Pew Research Center (2010b). Generations 2010. Retrieved Online at:
<http://www.pewinternet.org/Reports/2010/Generations-2010.aspx>

⁴² For a more thorough discussion of relevant research, see Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273–297.

Energy consumption by type of fuel is expected to change over the planning period. In 2050, the United States will be continuing to shift from crude oil toward natural gas and renewables. For example, from 2017 to 2050, the Energy Information Administration projects that the United States' overall energy consumption will average a 0.4% annual growth rate, while consumption of renewable sources will grow by 1.4% per year. With increases in energy efficiency, strong domestic production of energy, and relatively flat demand for energy by some industries, the United States will be able to be a net exporter of energy over the 2017–2050 period. Demand for electricity is expected to increase, albeit slowly, over the 2017–2050 period as the population grows and economic activity increases.⁴³

- **Impact of rising energy prices on commuting patterns.** As energy prices increase over the planning period, energy consumption for transportation will decrease. These increasing energy prices may decrease willingness to commute long distances, though with expected increases in fuel economy, it could be that people commute further while consuming less energy.⁴⁴ Over 2019 to 2035, the U.S. Energy Information Administration estimates that the decline in transportation energy consumption, a result of increasing fuel economy, will more than offset the total growth in vehicle miles traveled (VMT). VMT for passenger vehicles is forecast to increase through 2050.
- **Potential impacts of global climate change.** The consensus among the scientific community that global climate change is occurring expounds important ecological, social, and economic consequences over the next decades and beyond.⁴⁵ Extensive research shows that Oregon and other western states already have experienced noticeable changes in climate and predicts that more change will occur in the future.⁴⁶

In the Pacific Northwest, climate change is likely to (1) increase average annual temperatures, (2) increase the number and duration of heat waves, (3) increase the amount of precipitation falling as rain during the year, (4) increase the intensity of rainfall events, (5) increase sea level, (6) increase wildfire frequency, and (7) increase

⁴³ Energy Information Administration, 2018, *Annual Energy Outlook 2018 with Projections to 2050*, U.S. Department of Energy, February 2018. <https://www.eia.gov/outlooks/aeo/pdf/AEO2018.pdf>. Note, the cited growth rates are shown in the Executive Summary and can be viewed here: <https://www.eia.gov/outlooks/aeo/data/browser/#/id=2-AEO2018&cases=ref2018&sourcekey=0>.

⁴⁴ Energy Information Administration, 2018, *Annual Energy Outlook 2018 with Projections to 2050*, U.S. Department of Energy, February 2018.

⁴⁵ U.S. Global Change Research Program. *National Climate Assessment*. 2018. <https://nca2018.globalchange.gov/>

⁴⁶ Oregon Global Warming Commission. *2018 Biennial Report to the Legislature*. 2018. <https://www.keeporegoncool.org/reports/>

forest vulnerability to tree disease.⁴⁷ These changes are also likely to reduce winter snowpack and shift the timing of spring runoff earlier in the year.⁴⁸

These anticipated changes point toward some of the ways that climate change is likely to impact ecological systems and the goods and services they provide. There is considerable uncertainty about how long it would take for some of the impacts to materialize and the magnitude of the associated economic consequences. Assuming climate change proceeds as today's models predict, however, some of the potential economic impacts of climate change in the Pacific Northwest will likely include:⁴⁹

- *Potential impact on agriculture and forestry.* Climate change may impact Oregon's agriculture through changes in growing season, temperature ranges, and water availability.⁵⁰ Climate change may impact Oregon's forestry through an increase in wildfires, a decrease in the rate of tree growth, a change in the mix of tree species, and increases in diseases and pests that damage trees.⁵¹
- *Potential impact on tourism and recreation.* Impacts on tourism and recreation may range from (1) decreases in snow-based recreation if snow-pack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,⁵² (3) negative impacts on availability of summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows, and (4) negative impacts on the availability of water for domestic and business uses.

⁴⁷ U.S. Global Change Research Program. *National Climate Assessment*. "Chapter 24: Northwest." 2018. <https://nca2018.globalchange.gov/chapter/24/>

⁴⁸ Mote, P., E. Salathe, V. Duliere, and E. Jump. 2008. *Scenarios of Future Climate for the Pacific Northwest*. Climate Impacts Group, University of Washington. March. Retrieved June 16, 2009, from <http://cses.washington.edu/db/pdf/moteetal2008scenarios628.pdf>; Littell, J.S., M. McGuire Elsner, L.C. Whitely Binder, and A.K. Snover (eds). 2009. "The Washington Climate Change Impacts Assessment: Evaluating Washington's Future in a Changing Climate - Executive Summary." In the *Washington Climate Change Impacts Assessment: Evaluating Washington's Future in a Changing Climate*, Climate Impacts Group, University of Washington. Retrieved June 16, 2009, from www.cses.washington.edu/db/pdf/wacciaexecsummary638.pdf; Madsen, T. and E. Figdor. 2007. *When it Rains, it Pours: Global Warming and the Rising Frequency of Extreme Precipitation in the United States*. Environment America Research & Policy Center and Frontier Group.; and Mote, P.W. 2006. "Climate-driven variability and trends in mountain snowpack in western North America." *Journal of Climate* 19(23): 6209–6220.

⁴⁹ The issue of global climate change is complex, and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

⁵⁰ "The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

⁵¹ "Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

⁵² "The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment," Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times, these trends may run counter to the long-term trends described above. A recent example is the downturn in economic activity in 2008 and 2009 following declines in the housing market and the mortgage banking crisis. The result of the economic downturn was decreases in employment related to the housing market, such as construction and real estate. As these industries recover, they will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

State Trends

Short-Term Trends

According to the Oregon Office of Economic Analysis (OEA), the Oregon economy “continues to hit the sweet spot.”⁵³ They also report, “job gains are enough to match population growth and absorb the workers coming back into the labor market. Wages are rising faster than in the typical state, as are household incomes.”⁵⁴ Though they note recent growth is slower than growth experienced several years ago.

Wages in Oregon continue to remain below the national average, but they are at their highest since the early 1980s. The OEA reports that new Oregon Employment Department research “shows that median hourly wage increases for Oregon workers since 2014 has been 3.1 percent annually for the past three years.”⁵⁵ These wage increases are “substantially stronger for the Oregonians who have been continually employed over the last three years.”⁵⁶

By the end of 2018, the OEA forecasts 41,700 jobs will be added to Oregon’s economy. This is an approximate 2.2% annual growth in total nonfarm employment relative to 2017 levels.⁵⁷ The leisure and hospitality, construction, professional and business services, and health services industries are forecast to account for well over half of the total job growth in Oregon for 2018. Oregon continues to have an advantage in job growth compared to other states, due to its industrial sector and in-migration flow of young workers in search of jobs.

The housing market continues to recover as Oregon’s economy improves. Oregon is seeing an increase in household formation rates, which is good for the housing market, as this will “help drive up demand for new houses.”⁵⁸ Though younger Oregonians are tending to live at home

⁵³ Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 2.

⁵⁴ *Ibid*, page 2.

⁵⁵ *Ibid*, page 5.

⁵⁶ *Ibid*, page 5.

⁵⁷ *Ibid*, page 13.

⁵⁸ *Ibid*, page 13.

with their parents longer, the aging Millennial generation (from their early 20s to mid-to-late 30s) and the state's increase in migration will drive demand for homes in the coming years. Housing starts in 2018 are on track to just under 22,000 units annually. This is "driven in large part by a decline in multifamily permit activity."⁵⁹ Through 2020, the OEA forecasts moderate to strong housing growth. Beyond this time frame, the OEA forecasts an average growth of 24,000 units per year to satisfy the demand for Oregon's growing population and to make up for the under development of housing post-recession.⁶⁰

The Oregon Index of Leading Indicators (OILI) has grown quite rapidly since January 2017. The leading indicators showing improvement are consumer sentiment, industrial production, initial claims, the manufacturing purchasing managers index (PMI), new incorporations, semiconductor billings, and withholdings. The indicators that are slowing include air freight and the Oregon Dollar Index, and the indicators not improving include help wanted ads and housing permits.⁶¹

Oregon's economic health is dependent on the export market. The value of Oregon exports in 2017 was \$21.9 billion. The countries that Oregon exports the most to are China (18% of total Oregon exports), Canada (11%), Malaysia (11%), South Korea (9%), Japan (8%), and Vietnam (7%).⁶² With straining trade relations overseas, specifically with China, Oregon exports are left potentially vulnerable, as China is a top destination for Oregon exports.⁶³ An economic slowdown across many parts of Asia will have a spillover effect on the Oregon economy. Furthermore, with the United States' withdrawal from the Trans-Pacific Partnership in January 2017, it is unclear how much Pacific Northwest trade will be impacted in the years to come.

Long-Term Trends

State, regional, and local trends will also affect economic development in Tualatin over the next 20 years. The most important of these trends includes continued in-migration from other states, distribution of population and employment across the state, and change in the types of industries in Oregon.

- **Continued in-migration from other states.** Oregon will continue to experience in-migration (more people moving to Oregon than from Oregon) from other states, especially California and Washington. From 1990 to 2017, Oregon's population increased by about 1.3 million, 66% of which was from people moving into Oregon (net migration). The average annual increase in population from net migration over the same time period was just over 33,200. During the early to mid-1990s, Oregon's net migration

⁵⁹ *Ibid*, page 13.

⁶⁰ *Ibid*, page 13.

⁶¹ *Ibid*, page 10.

⁶² U.S. Census Bureau. State Exports from Oregon, 2014–2017. Retrieved from: <https://www.census.gov/foreign-trade/statistics/state/data/or.html>.

⁶³ Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 14.

was highest, reaching over 60,000 in 1991, with another smaller peak of almost 42,100 in 2006. In 2017, net migration reached just over 56,800 persons. Oregon has not seen negative net migration since the early to mid-1980s.⁶⁴ Oregon's population has continued to get more ethnically and racially diverse, with Latinx populations growing from 8% of the population in 2000 to 13% of the population in 2013–2017. The nonwhite population grew from 13% of the population to 15% of the population over the same period. The share of Latinx population increased in Tualatin from 2000 to 2013–2017 while the share of the nonwhite population stayed the same.

- **Forecast of job growth.** Total nonfarm employment is expected to increase from 1.91 million in 2018 to just over 1.99 million in 2022, an increase of 80,000 jobs. The industries with the largest growth are forecast to be professional and business services, health services, and retail, accounting for 61% of employment growth.⁶⁵
- **Continued importance of manufacturing to Oregon's economy.** Oregon's exports totaled \$19.4 billion in 2008, nearly doubling since 2000, and reached almost \$22 billion in 2017. The majority of Oregon exports go to countries along the Pacific Rim, with China, Canada, Malaysia, South Korea, and Japan as top destinations. Oregon's largest exports are tied to high-tech and mining industries, as well as agricultural products.⁶⁶ Manufacturing employment is concentrated in five counties in the Willamette Valley or Portland area: Washington, Multnomah, Lane, Clackamas, and Marion Counties.⁶⁷
- **Shift in manufacturing from natural resource-based to high-tech and other manufacturing industries.** Since 1970, Oregon has been transitioning away from reliance on traditional resource-extraction industries. A significant indicator of this transition is the shift within Oregon's manufacturing sector, with a decline in the level of employment in the lumber and wood products industry and the concurrent growth of employment in other manufacturing industries, such as high-tech manufacturing (industrial machinery, electronic equipment, and instruments), transportation equipment manufacturing, and printing and publishing.⁶⁸
- **Income.** Oregon's income and wages are below that of a typical state. However, mainly due to the wage growth over the last two to three years, Oregon wages are at their highest point relative to other states since the recession in the early 1980s. In 2017, the

⁶⁴ Portland State University Population Research Center. 2017 Annual Population Report Tables. April 2017. Retrieved from: <https://www.pdx.edu/prc/population-reports-estimates>.

⁶⁵ Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 38.

⁶⁶ U.S. Census Bureau. State Exports from Oregon, 2014-2017. Retrieved from: <https://www.census.gov/foreign-trade/statistics/state/data/or.html>.

⁶⁷ Oregon Employment Department. *Employment and Wages by Industry (QCEW)*. 2017 Geographic Profile, Manufacturing (31–33). Retrieved from: qualityinfo.org.

⁶⁸ Although Oregon's economy has diversified since the 1970s, natural resource-based manufacturing accounts for about 38% of employment in manufacturing in Oregon in 2017, with the most employment in food manufacturing (nearly 30,000) and wood product manufacturing (nearly 23,000) (QCEW).

average annual wage in Oregon was \$51,117 and the median household income was \$60,212 (compared to national average wages of \$53,621 in 2017 and the national household income of \$60,336).⁶⁹ Total personal income (all classes of income minus Social Security contributions and adjusted for inflation) in Oregon is expected to increase by 22%, from \$202.2 billion in 2018 to \$247.5 billion in 2022.⁷⁰ Per capita income is expected to increase by 16% over the same time period, from \$48,000 (thousands of dollars) in 2018 to \$55,800 in 2022 (in nominal dollars).⁷¹

- **Small businesses continue to account for a large share of employment in Oregon.** While small firms played a large part in Oregon's expansion between 2003 and 2007, they also suffered disproportionately in the recession and its aftermath (64% of the net jobs lost between 2008 and 2010 was from small businesses).

In 2017 small businesses (those with 100 or fewer employees) accounted for 95% of all businesses and 66% of all private-sector employment in Oregon. Said differently, most businesses in Oregon are small (in fact, 78% of all businesses have fewer than 10 employees), but the largest share of Oregon's employers work for large businesses.

The average annualized payroll per employee for small businesses was \$37,149 in 2015, which is considerably less than that for large businesses (\$54,329) and the statewide average for all businesses (\$47,278).⁷² Younger workers are important to continue growth of small businesses across the nation. More than one-third of Millennials (those born between 1980 and 1999) are self-employed, with approximately one-half to two-thirds interested in becoming an entrepreneur. Furthermore, in 2011, about 160,000 start-up companies were created each month; 29% of these companies were founded by people between 20 and 34 years of age.⁷³

- **Entrepreneurship in Oregon.** The creation of new businesses is vital to Oregon's economy, as their formations generate new jobs and advance new ideas and innovations into markets. They also can produce more efficient products and services to better serve local communities. According to the Kauffman Index, Oregon ranked thirteenth in the country in 2017 for its start-up activity, a measurement comprised of three statistics: rate

⁶⁹ Average annual wages are for "all industries," which includes private and public employers. Oregon Quarterly Census of Employment and Wages, 2017. Retrieved from: <https://www.qualityinfo.org>; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2017; Total, U.S. Census American Community Survey 1-Year Estimates, 2017, Table B19013.

⁷⁰ Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 39.

⁷¹ *Ibid*, page 39.

⁷² U.S. Census Bureau, 2015 Statistics of U.S. Businesses, Annual Data, Enterprise Employment Size, U.S. and States. <https://www.census.gov/data/tables/2015/econ/susb/2015-susb-annual.html>.

⁷³ Cooper, Rich, Michael Hendrix, Andrea Bitely. (2012). "The Millennial Generation Research Review." Washington, DC: The National Chamber Foundation. Retrieved from:

<https://www.uschamberfoundation.org/sites/default/files/article/foundation/MillennialGeneration.pdf>.

of new entrepreneurs, opportunity share of new entrepreneurs, and start-up density.⁷⁴ This ranking is higher than its 2016 position at spot fifteen. Oregon's rate of new entrepreneurs (the percent of adults that became an entrepreneur in a given month) was in steady decline post-recession, but since 2013, it has gradually recovered to about 0.34% in 2016. This rate is still well below Oregon's pre-recession peak of 0.43% in 2000, but its recent growth broadly exhibits that business ownership and formation is increasing.

Moreover, in 2018, the Oregon Office of Economic Analysis reported that new business applications in Oregon are increasing. They do, however, simultaneously note that start-up businesses "are a smaller share of all firms than in the past."⁷⁵ Though this measurement of economic activity does not constitute a full understanding of how well entrepreneurship is performing, it does provide an encouraging signal.

Regional and Local Trends

Throughout this section, Tualatin is compared to Washington County, the Portland region, and the State of Oregon. These comparisons provide context for changes in Tualatin's socioeconomic characteristics.

Availability of Labor

A skilled and educated populace can attract well-paying businesses and employers and spur the benefits that follow from a growing economy. Key trends that will affect the workforce in Tualatin over the next 20 years include growth in its overall population, growth in the senior population, and commuting trends.

Growing Population

Population growth in Oregon tends to follow economic cycles. Oregon's population grew from about 2.8 million people in 1990 to 4.0 million people in the 2013–2017 period, an increase of almost 1.2 million people, at an average annual rate of 1.3%. Oregon's growth rate slowed to 1.0% annual growth between 2000 and 2017.

Tualatin's population increased over the 1990 to 2013–2017 period, by 12,122 residents. Washington County's population also grew over the same time, by 260,517 residents, at a similar rate of growth as Tualatin.

⁷⁴ Kauffman Foundation. *The Kauffman Index, Oregon*. Retrieved from: <https://www.kauffman.org/kauffman-index/profile?loc=41&name=oregon&breakdowns=growth|overall,startup-activity|overall,main-street|overall>.

⁷⁵ Lehner, Josh. (August 2018). "Start-Ups, R&D, and Productivity." Salem, OR: Oregon Office of Economic Analysis. Retrieved from: [https://oregneconomicanalysis.com/2015/03/13/start-ups-and-new-business-formation/](https://oregoneconomicanalysis.com/2015/03/13/start-ups-and-new-business-formation/).

Exhibit 32. Population Growth, Tualatin, Washington County, Portland Region, Oregon, U.S., 1990, 2000, 2010, 2017

Source: US Decennial Census 1990, 2000, 2010. ACS 2013–2017 5-year estimate.

					Change 1990 to 2013-2017		
	1990	2000	2010	2013-2017	Number	Percent	Growth Rate
U.S.	248,709,873	281,421,906	308,745,538	321,004,407	72,294,534	29%	0.9%
Oregon	2,842,321	3,421,399	3,831,074	4,025,127	1,182,806	42%	1.3%
Portland Region	1,174,291	1,444,219	1,641,036	1,760,492	586,201	50%	1.5%
Washington County	311,554	445,342	529,710	572,071	260,517	84%	2.3%
Tualatin	15,013	22,791	26,054	27,135	12,122	81%	2.2%

Age Distribution

The number of people aged 65 and older in the United States is expected to increase by nearly three-quarters by 2050, while the number of people under age 65 will only grow by 16%. The economic effects of this demographic change include the slowing of labor force growth, the need for workers to replace retirees, and the aging of the workforce for seniors that continue working after age 65, as well as an increase in the demand for health-care services and an increase in the percent of the federal budget dedicated to Social Security and Medicare.⁷⁶

Between 2000 and the 2013–2017 period, Tualatin grew older on average (6.3 years).

This increase suggests Tualatin attracted more workers in their later adult lives.

Exhibit 33. Median Age, Tualatin, Washington County, Clackamas County, Multnomah County, 2000 to 2013–2017

Source: U.S. Census Bureau, 2000 Decennial Census, Table P013; American Community Survey 2013–2017 5-year estimates, Table B01002.

2000	31.9	33.0	37.5	34.9
	Tualatin	Washington County	Clackamas County	Multnomah County
2013–17	38.2	36.4	41.4	36.8
	Tualatin	Washington County	Clackamas County	Multnomah County

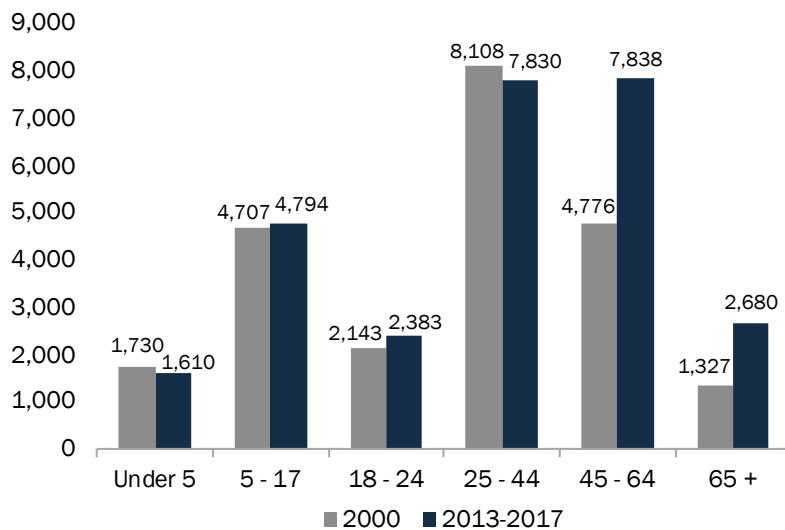
⁷⁶ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2017, the 2017 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, July 13, 2017. *The Budget and Economic Outlook: Fiscal Years 2018 to 2028*, April 2018.

Over 2000 to 2013-2017, Tualatin's largest population increase was for those between 45 and 64 years of age.

This age group grew by 3,062 people between 2000 and 2013-2017.

Exhibit 34. Population Change by Age Group, Tualatin, 2000 and 2013-2017

Source: U.S. Census Bureau, 2000 Summary File; American Community Survey, 2013-2017, 5-year estimates, Table B01001.

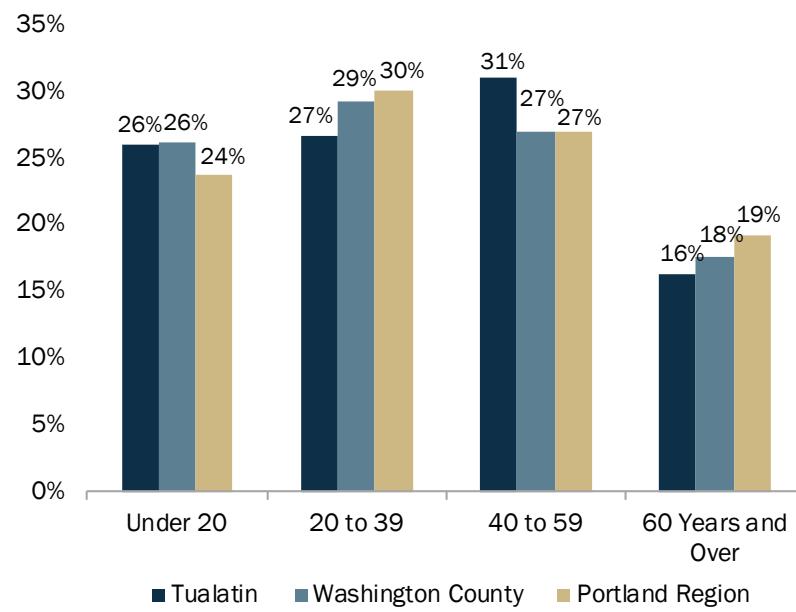


Compared to Washington County and the Portland Region, Tualatin had a slightly larger proportion of adults aged 40 to 59.

During the 2013-2017 period, 58% of Tualatin residents were between 20 and 59 years of age.

Exhibit 35. Population Distribution by Age, Tualatin, Washington County, Portland Region, 2013-2017

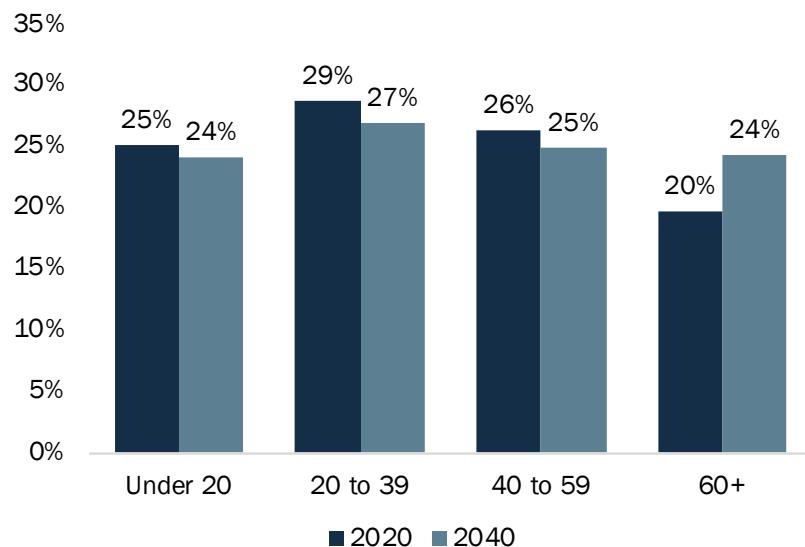
Source: U.S. Census Bureau, American Community Survey, 2013-2017 5-year estimate, Table B01001.



From 2020 to 2040, the share of residents 60 years and older in Washington County is forecast to grow while other age cohorts are forecast to decline proportionately.

Exhibit 36. Population Growth by Age Group, Washington County, 2020 and 2040

Source: Portland State University, Population Research Center, Washington County Forecast, June 2017.



Income

Income and wages affect business decisions for locating in a city. Areas with higher wages may be less attractive for industries that rely on low-wage workers. In the 2013–2017 period, Tualatin's median household income (\$72,580) was similar to Washington County's median (\$74,033). In 2017 (inflation adjusted to 2018 \$), average wages at businesses in Tualatin (\$58,429) were below the County's average (\$70,310, 2018).

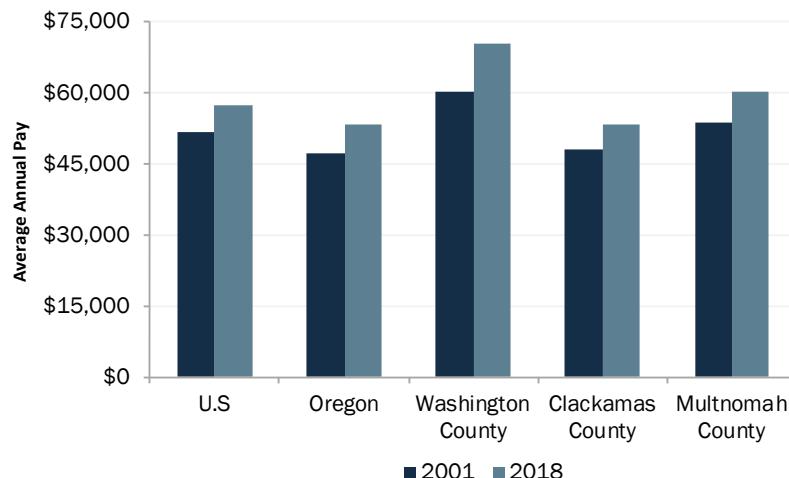
Adjusting for inflation, between 2000 and 2018, Washington County's average wages increased, as did the average wages of other counties in the Portland region, Oregon, and the nation. When adjusted for inflation, average annual wages grew by 17% in Washington County and 13% in Oregon.

From 2000 to 2018, average annual wages increased in Washington County, as did the average wages of other counties in the Portland Region, Oregon, and the nation.

In 2018, the average annual wage was \$70,310 in Washington County, compared to 53,058 in Oregon.

Exhibit 37. Average Annual Wage (Inflation-Adjusted 2018 \$), Covered Employment, Washington County, Clackamas County, Multnomah County, Oregon, U.S., 2001 to 2018,

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages.



Over the 2013–2017 period, the median household income (MHI) in Tualatin was below Washington County's MHI, comparable to Multnomah County's MHI and above Clackamas County's MHI.

Exhibit 38. Median Household Income (MHI),⁷⁷ 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B19013.

\$72,580

Tualatin

\$74,033

Washington County

\$60,369

Clackamas County

\$72,408

Multnomah County

⁷⁷ The Census calculated household income based on the income of all individuals 15 years old and over in the household, whether they were related or not.

Tualatin median family income during the 2013–2017 period, similar to the median household income and above the median family incomes of Washington County, Clackamas County, and Multnomah County.

During the 2013–2017 period, 48% of Tualatin households earned over \$75,000 annually, comparable to Washington County.

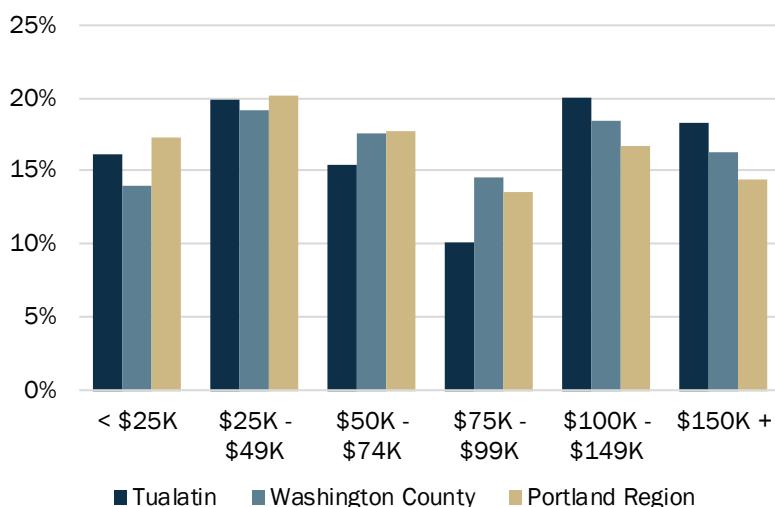
Exhibit 39. Median Family Income,⁷⁸ 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B19113.

\$95,656	\$85,993
Tualatin	Washington County
\$87,858	\$76,557
Clackamas County	Multnomah County

Exhibit 40. Household Income by Income Group, Tualatin, Washington County, Portland Region, 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B19001.



⁷⁸ The Census calculated family income based on the income of the head of household, as identified in the response to the Census forms, and income of all individuals 15 years old and over in the household who are related to the head of household by birth, marriage, or adoption.

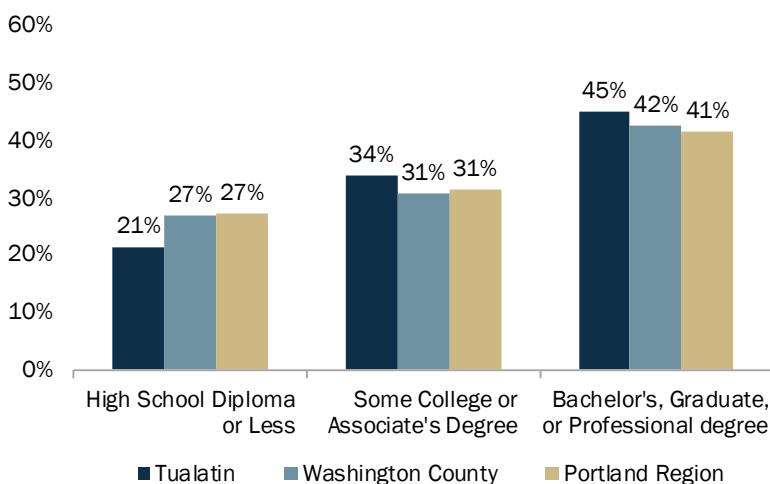
Educational Attainment

The availability of trained, educated workers affects the quality of labor in a community. Educational attainment is an important labor force factor because firms need to be able to find educated workers.

The share of residents, 25 years and older, with a bachelor's degree (or higher) is slightly larger in Tualatin than Washington County and the Portland Region.

Exhibit 41. Educational Attainment for the Population 25 Years and Over, Tualatin, Washington County, and the Portland Region, 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B15003.



Race and Ethnicity

Tualatin, like Oregon overall, is becoming more ethnically diverse (while racial diversity has remained about the same). The Latinx community increased in Tualatin between 2000 and 2013–2017, from 12% of the total population to 16%. The non-Caucasian share of the population stayed the same,⁷⁹ from 2000 to 2013–2017 at 13% of the population. The Latinx community in Washington County also increased from 11% to 16%, while the non-Caucasian population increased from 18% to 23% between 2000 and 2013–2017.

Exhibit 42 and Exhibit 43 show the change in the share of Latinx and non-Caucasian populations in Tualatin, compared to Washington County and the Portland Region, between 2000 and 2013–2017.

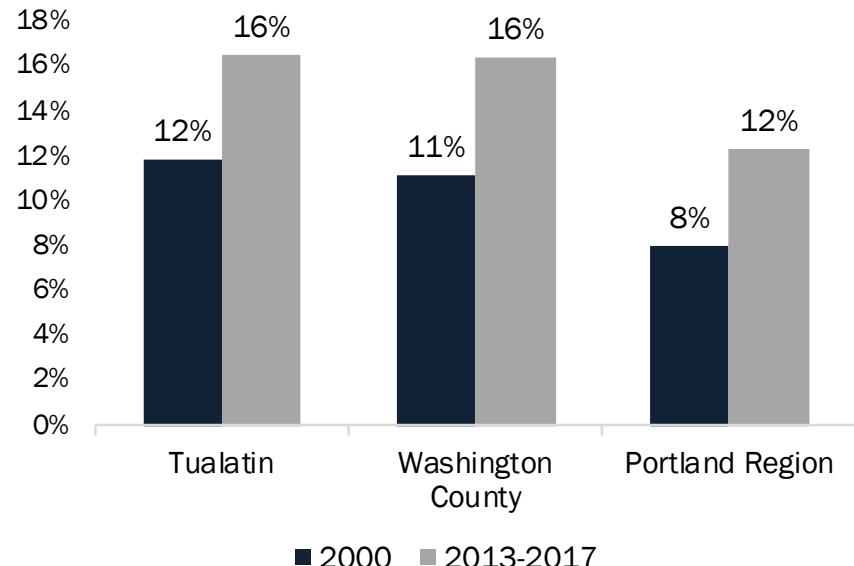
⁷⁹ The non-Caucasian population is defined as the share of the population that identifies as another race other than “white alone” according to Census definitions.

Tualatin's Latinx population increased between 2000 and 2013–2017 from 12% to 16%.

Tualatin and Washington County are more ethnically diverse than the Portland Region.

Exhibit 42. Latinx Population as a Percent of the Total Population, Tualatin, Washington County, and Oregon, 2000 and 2013–2017

Source: U.S. Census Bureau, 2000 Decennial Census Table P008, 2013–2017 ACS Table B03002.

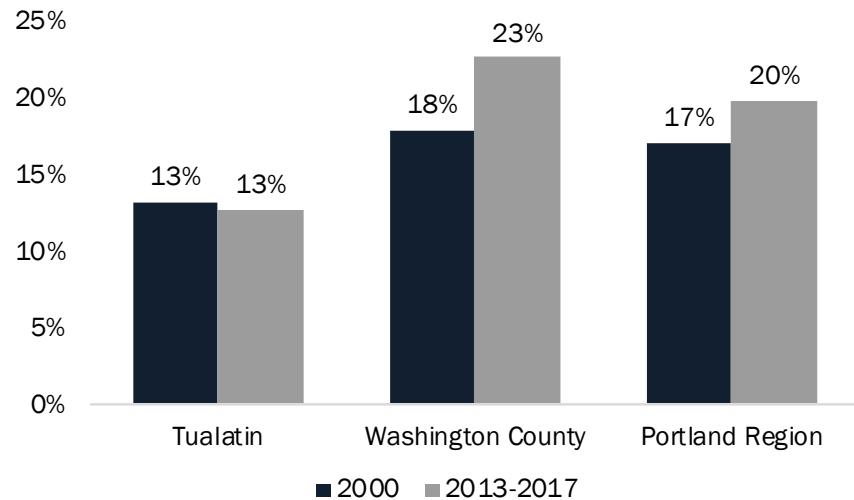


The non-Caucasian population in Tualatin stayed the same (at 13%) between 2000 and 2013–2017.

Tualatin is less racially diverse than Washington County and the Portland Region.

Exhibit 43. Non-Caucasian Population as a Percent of the Total Population, Tualatin, Washington County, and Oregon, 2000 and 2013–2017

Source: U.S. Census Bureau, 2000 Decennial Census Table P007, 2013–2017 ACS Table B02001.



Labor Force Participation and Unemployment

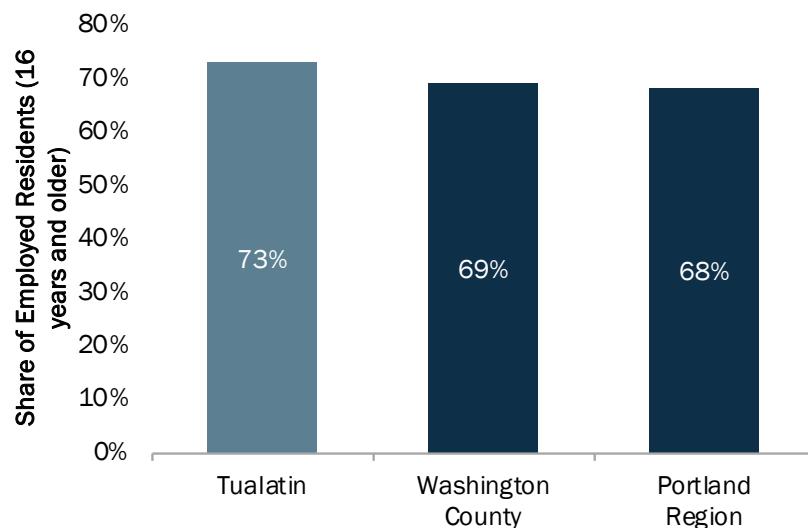
The current labor force participation rate is an important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2013–2017 American Community Survey, Washington County had more than 310,426 people in its labor force and Tualatin had 15,643 people in its labor force.

In 2017, the Oregon Office of Economic Analysis reported that 64% of job vacancies were difficult to fill. The most common reason for difficulty in filling jobs included a lack of applications (30% of employers' difficulties), lack of qualified candidates (17%), unfavorable working conditions (14%), a lack of soft skills (11%), and a lack of work experience (9%).⁸⁰ These statistics indicate a mismatch between the types of jobs that employers are demanding and the skills that potential employees can provide.

Tualatin has a higher labor participation rate than Washington County and the Portland Region.

Exhibit 44. Labor Force Participation Rate, Tualatin, Washington County, Portland Region, 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B23001.

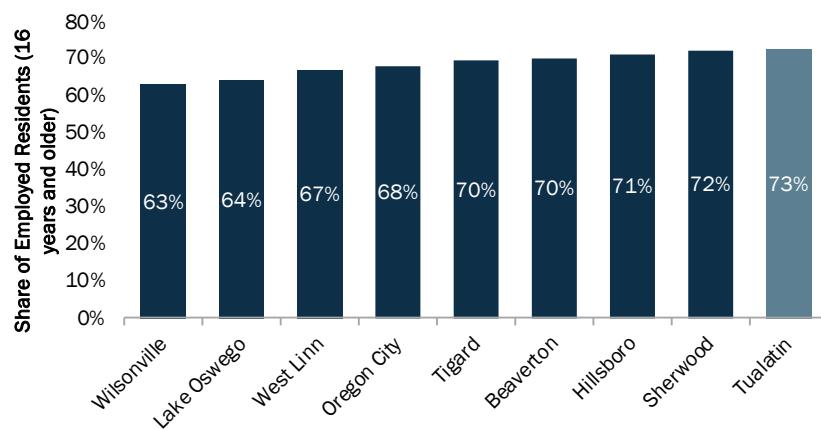


⁸⁰ Oregon's Current Workforce Gaps: Difficult-to-fill Job Openings, Oregon Job Vacancy Survey, Oregon Employment Department, June 2018.

Compared to neighboring cities, Tualatin has the highest labor force participation rate.

Exhibit 45. Labor Force Participation Rate, Tualatin and comparison cities, 2013–2017

Source: U.S. Census Bureau, American Community Survey 2013–2017 5-year estimates, Table B23001.

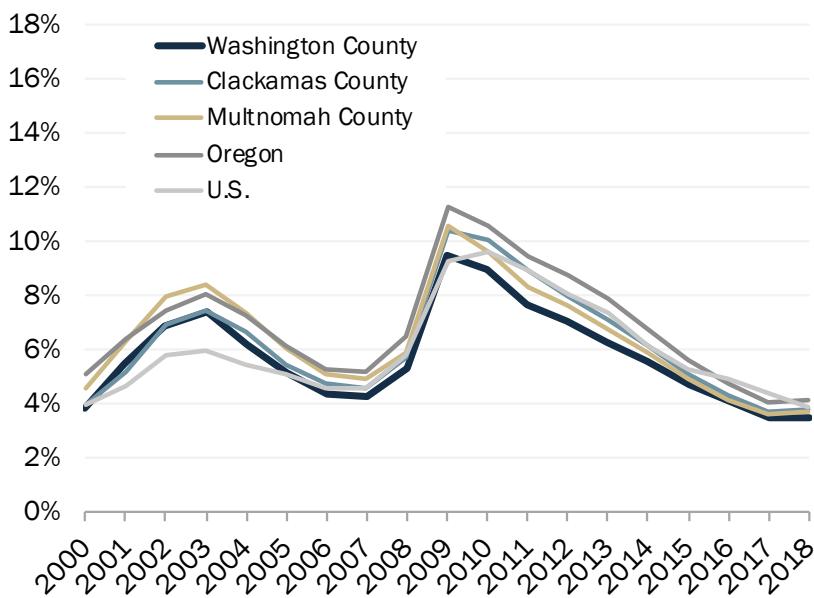


Alongside other counties in the Portland Region, Oregon, and the U.S., the unemployment rate in Washington County has declined since the Great Recession.

In general, Washington County's unemployment rate is below that of other regions.

Exhibit 46. Unemployment Rate, Washington County, Clackamas County, Multnomah County, Oregon, U.S., 2000–2018

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Labor Force Statistics.



Commuting Patterns

Commuting plays an important role in Tualatin's economy because employers in these areas are able to access workers living in cities across Washington County and the broader Portland Region.

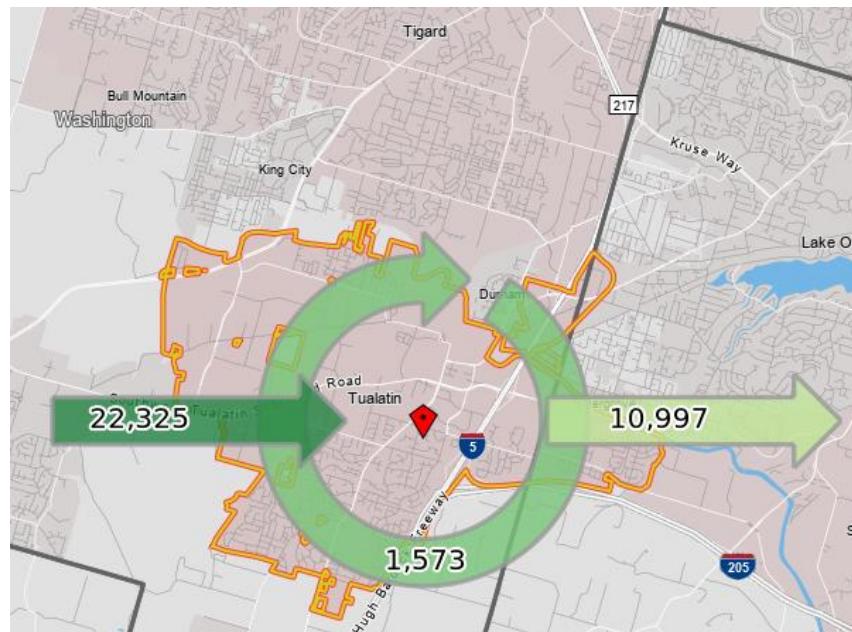
Exhibit 47 shows commuting flows of employees. Of the employees who work in Tualatin (about 23,898 persons), 93% commute into Tualatin from other areas. Of the employees who live in Tualatin (about 12,570 persons), 87% of people commute out of Tualatin to work in other areas.

Tualatin is part of an interconnected regional economy.

More than 22,000 people commute into Tualatin for work, and nearly 11,000 people living in Tualatin commute out of the city for work.

Exhibit 47. Commuting Flows, Tualatin, 2015

Source: U.S. Census Bureau, Census on the Map.



About 7% of people who work at businesses located in Tualatin also live in Tualatin.

The remainder commute from Portland and other parts of the Region.

About 27% of Tualatin residents work in Portland.

About 13% of Tualatin residents live and work in Tualatin.

Exhibit 48. Places Where Workers at Businesses in Tualatin Live, 2015

Source: U.S. Census Bureau, Census On the Map.

15%	7%	6%	5%	4%
Portland	Tualatin	Tigard	Beaverton	Hillsboro

Exhibit 49. Places Where Tualatin Residents were Employed, 2015

Source: U.S. Census Bureau, Census On the Map.

27%	13%	9%	7%	6%
Portland	Tualatin	Tigard	Beaverton	Wilsonville

Exhibit 50. Commuting Patterns of Employees Living in Respective Communities, Tualatin and Comparison Cities in the Portland Region, 2015

Source: U.S. Census Bureau, Census On the Map.

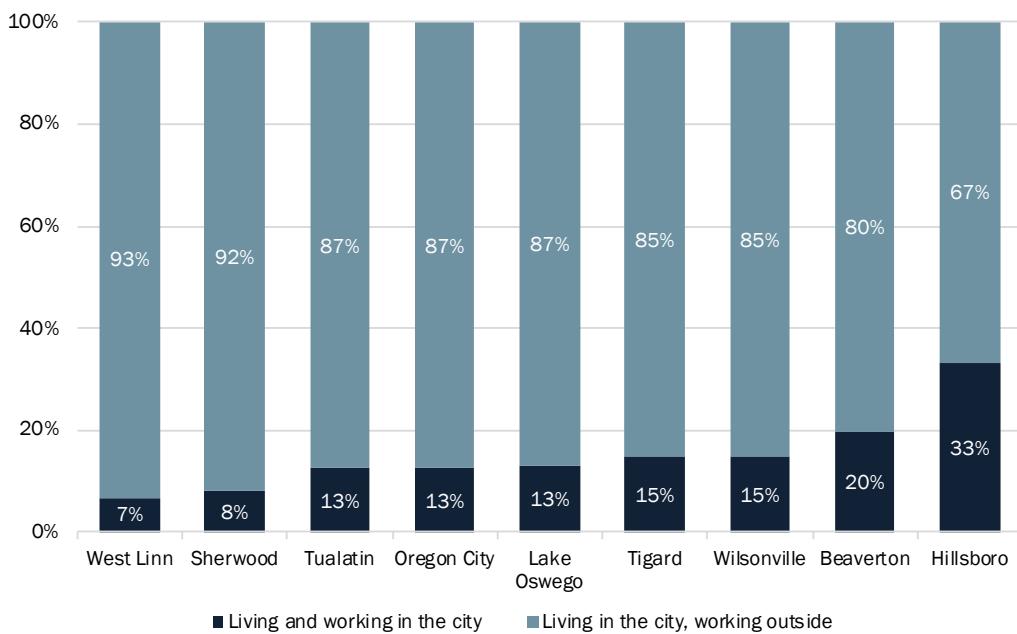
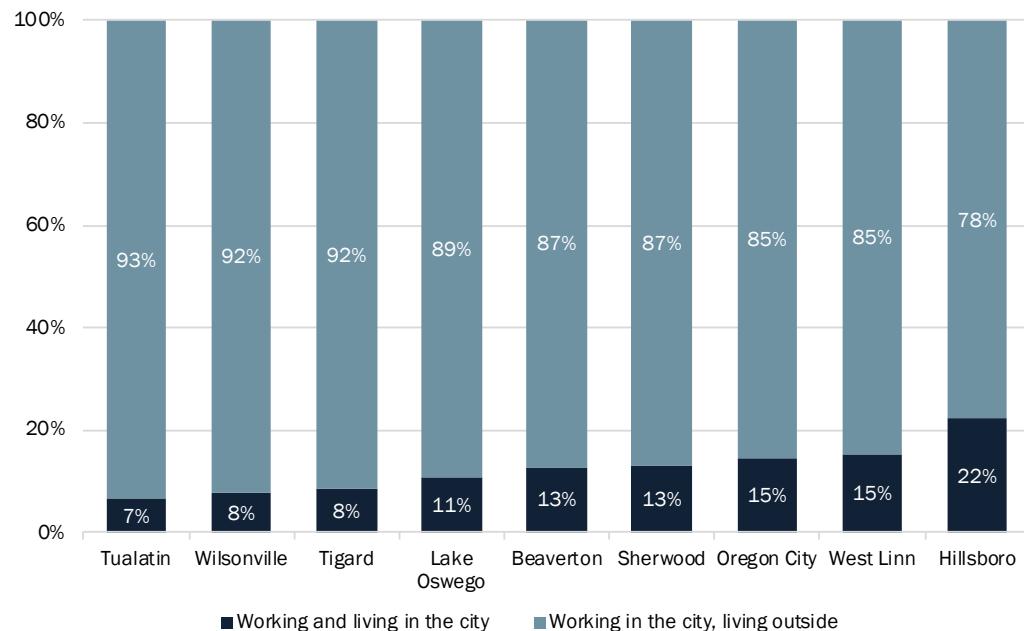


Exhibit 51. Commuting Patterns of Employees Working in Respective Communities, Tualatin and Comparison Cities in the Portland Region, 2015

Source: U.S. Census Bureau, Census On the Map.

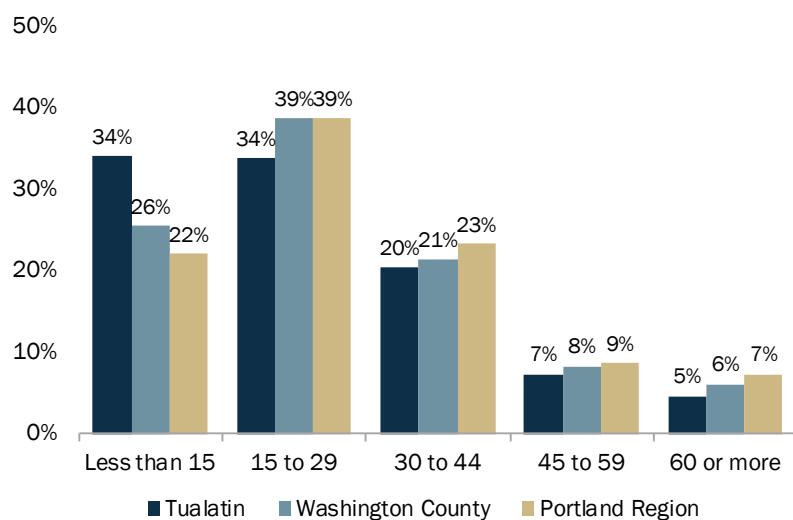


During the 2013–2017 period, about 34% of Tualatin residents had a commute of less than 15 minutes, compared to 26% of residents in Washington County and 22% of residents in the Portland Region.

Most of Tualatin residents (68%) have a commute time that takes less than 30 minutes.

Exhibit 52. Commute Time by Place of Residence, Tualatin, Washington County, and Portland Region, 2013–2017

Source: U.S. Census Bureau, 2013–2017 ACS 5-year estimate, Table B08303.



Over the 2000 to 2013–2017 period, the share of workers that worked from home increased slightly.

Exhibit 53. Percent of Workers Working from Home, Tualatin, 2000 and 2013–2017

Source: U.S. Census Bureau, 2000 Decennial Census Summary File 3 estimates, Table P030; 2013–2017 ACS 5-year estimate, Table B08303.

2000: 4.6%

2013–2017: 6.8%

Tourism in the Portland Region and Washington County

Longwoods International provides regional statistics on travel. The following information is from Longwoods International's 2017 Regional Visitor Report for the Portland Region.⁸¹ Broadly, travelers to the Portland Region accounted for:

- 10.9 million overnight trips in 2017, or 32% of all Oregon overnight travel that year.
- The primary market areas for travelers over 2016 and 2017 were Oregon, Washington, and California: 28% of the visitors to the Portland Region came from Oregon, 26% came from Washington, and 20% came from California.
- About 48% of visitors stayed two or fewer nights over 2016 and 2017 in the Portland Region, 37% stayed three to six nights, and 15% stayed 7 or more nights. The average nights spent in the Portland Region were four days.
- The average per person expenditures on overnight trips in 2017 ranged from \$16 on transportation at destination to \$66 per night on lodging.
- About 63% of visits to the Portland Region over 2016 and 2017 were via personally owned automobiles, 22% were by rental car, and 18% were via an online taxi service (such as Lyft or Uber).
- Over 2016 and 2017, visitors tended to be younger- or middle-aged adults, with the average age being about 43.7. Those aged 25 to 44 comprised 43% of overnight visits, 30% were between 45 and 64, and 14% were 65 or older. About 66% of visitors graduated college or completed a post-graduate education. Additionally, 35% of visitors earned less than \$50,000 in household income, 41% earned between \$50,000 and \$99,999, and 24% earned more than \$100,000. The average household income for Portland Region visitors was about \$70,440.

Washington County's direct travel spending increased 103% from 2000 to 2017.

The Portland Region's direct travel spending increased by 89% over the same period.

Exhibit 54. Direct Travel Spending (\$ millions), 2000 and 2017

Source: Dean Runyan Associates, Oregon Travel Impacts, 1992–2017.

	2000:	\$2,700	\$410
		Portland Region	Washington County
	2017:	\$5,100	\$833
		Portland Region	Washington County

⁸¹ Travel Oregon. "Portland Oregon Overnight Travel Study: 2017," Longwoods International, October 2018. Retrieved from: <https://industry.traveloregon.com/wp-content/uploads/2018/10/OR-2017-Portland-Region-Visitor-Report.pdf>.

Washington County's lodging tax receipts increased 243% over 2006 to 2017.

Exhibit 55. Lodging Tax Receipts (\$ millions), 2006 and 2017

Source: Dean Runyan Associates, Oregon Travel Impacts, 1992–2017.

2006: **\$4,900**
Washington County

2017: **\$16,800**
Washington County

Washington County's largest visitor spending for purchased commodities is food services.

Exhibit 56. Largest Visitor Spending Categories (\$ millions), Washington County, 2018

Source: Dean Runyan Associates, Oregon Travel Impacts, 1992–2017.

\$236.5 Food Services	\$137.1 Accommodations	\$105.1 Retail Sales
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Washington County's largest employment generated by travel spending is in the accommodations and food services industry.

Exhibit 57. Largest Industry Employment Generated by Travel Spending, Washington County, 2018

Source: Dean Runyan Associates, Oregon Travel Impacts, 1992–2017.

5,940 jobs Accommodations and Food Services	1,190 jobs Arts, Entertainment, and Recreation	290 jobs Ground Tran.
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Appendix B. Buildable Lands Inventory

Oregon Administrative Rules provide guidance on conducting employment land BLIs:

OAR 660-009-0005:

- (1) "*Developed Land*" means non-vacant land that is likely to be redeveloped during the planning period.
- (2) "*Development Constraints*" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.
- (11) "*Site Characteristics*" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.
- (12) "*Suitable*" means serviceable land designated for industrial or other employment use that provides, or can be expected to provide the appropriate site characteristics for the proposed use.
- (13) "*Total Land Supply*" means the supply of land estimated to be adequate to accommodate industrial and other employment uses for a 20-year planning period. Total land supply includes the short-term supply of land as well as the remaining supply of lands considered suitable and serviceable for the industrial or other employment uses identified in a comprehensive plan. Total land supply includes both vacant and developed land.
- (14) "*Vacant Land*" means a lot or parcel:

- (a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or
- (b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.

Unlike with residential lands, the rules for employment lands include the concept of "suitability," which can be affected by factors other than the physical attributes of land. (See OAR 660-009-0005 [11] and [12] above.) The BLI methods do not fully address the suitability factors, rather, they more narrowly assess whether a parcel is buildable based solely on attributes of the land.

The methods used for conducting the Tualatin commercial and industrial BLI is consistent with Oregon statutes. However, the methods used for inventorying land within the city are based on the BLI completed by Metro for the 2018 Urban Growth Report (UGR). Metro is required to complete a BLI for land within the regional UGB every six years, and the agency updated the BLI (based on 2016 data) in January 2018. The methods used for inventorying Tualatin lands attempt to be consistent with Metro's results while also accounting for new development since 2016 and other local conditions, such as unique environmental constraints.

Overview of the Methodology

The BLI for Tualatin is based on the data and methods used by Metro. In addition, ECONorthwest's approach updated Metro's results to account for new development (the Metro 2018 UGR is based on 2016 data) and other potential local conditions, such as unique environmental constraints.

Study Area

The BLI for Tualatin includes all commercial and industrial land designated in the Comprehensive Plans within city limits and designated planning areas (referred to as Tualatin Planning Area). ECONorthwest used Metro's BLI, which used the 2016 RLIS tax lot database, as the basis for the BLI. We worked with City staff to identify new developments or changes since 2016 to reflect Tualatin's commercial and industrial land base in 2019.

Inventory Steps

The BLI consisted of several steps:

1. Generating UGB "land base"
2. Classifying land by development status
3. Identifying constraints
4. Verifying inventory results
5. Tabulating and mapping results

Step 1: Generate "Land Base"

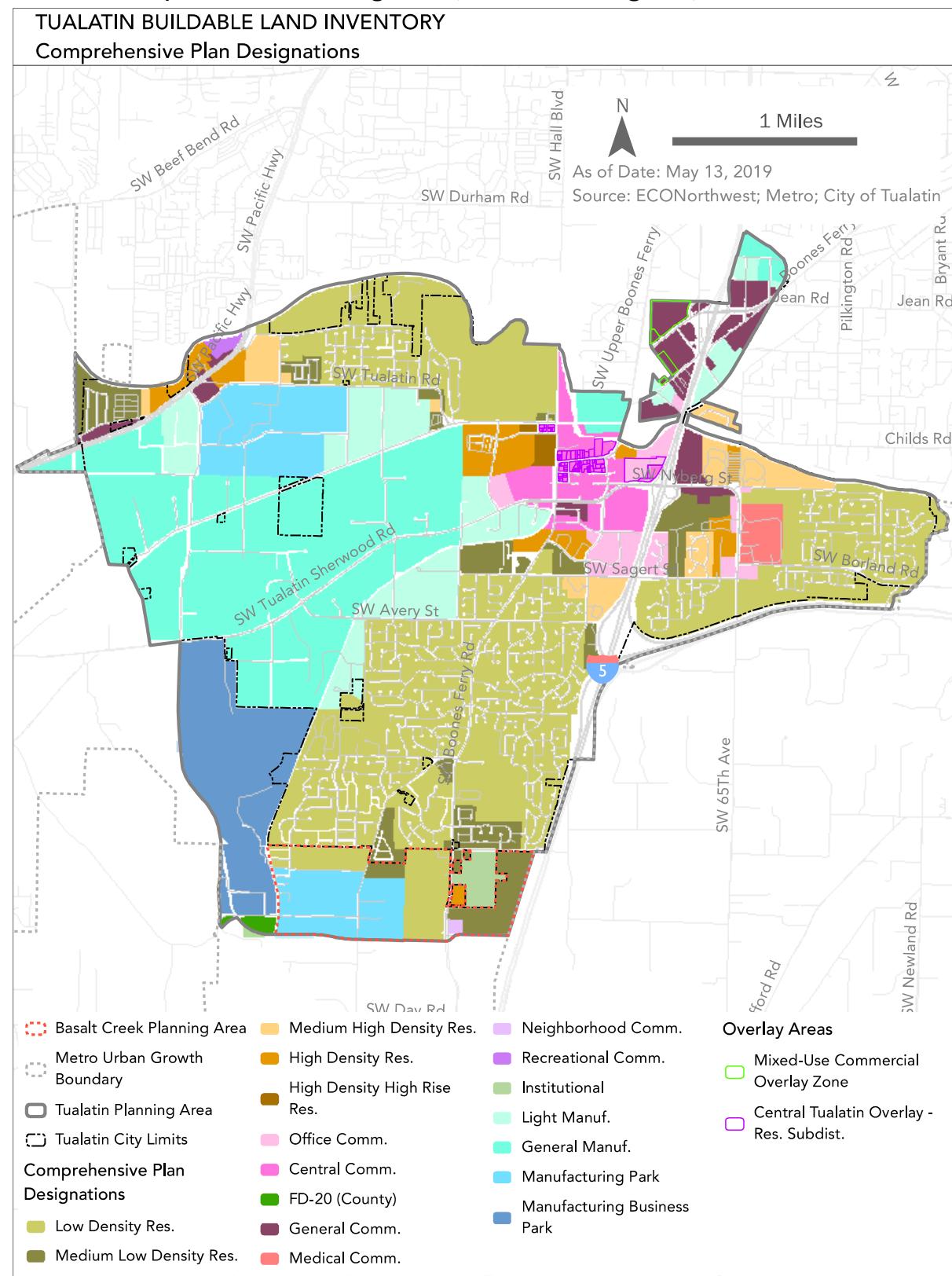
Per Goal 9, this involves selecting all of the tax lots with employment plan designations. Based on information provided by City staff, ECONorthwest included the following Plan Designations in the BLI:

- Office Commercial
- Central Commercial
- General Commercial
- Medical Commercial
- Neighborhood Commercial
- Recreational Commercial

- Light Manufacturing
- General Manufacturing
- Manufacturing Park
- Manufacturing Business Park

Exhibit 58 shows Comprehensive Plan designations for the City of Tualatin.

Exhibit 58. Comprehensive Plan Designations, Tualatin Planning Area, 2019



Step 2: Classify Lands

In this step, ECONorthwest classified each tax lot with a plan designation that allows employment uses into one of four mutually exclusive categories based on development status:

- Vacant
- Partially Vacant
- Potentially Redevelopable
- Public or Exempt
- Developed

ECONorthwest used the classification determined through Metro's model: vacant, ignore, and developed. In addition, ECONorthwest included a new classification for partially vacant and potentially redevelopable lots. The definitions for each classification are listed below.

Development Status	Definition	Statutory Authority
Vacant	Tax lots designated as vacant by Metro based on the following criteria: <ol style="list-style-type: none">1) Fully vacant based on Metro aerial photo2) Tax lots with less than 2,000 square feet developed AND developed area is less than 10% of lot3) Lots 95% or more vacant from GIS vacant land inventory	OAR 660-009-005(14)
Partially Vacant	Lots with an existing single-family dwelling but have been redesignated for commercial or industrial use (e.g., lots in the Basalt Creek Planning Area). These lots are assumed to redevelop in the planning period.	No statutory definition
Potentially Redevelopable	Lots determined to have redevelopment capacity based on Metro's Threshold Price methodology.	No statutory definition
Ignore (Public or Exempt uses)	Lots in public or semi-public ownership are considered unavailable for commercial or industrial development. This includes lands in Federal, State, County, or City ownership, as well as lands owned by churches and other semi-public organizations and properties with conservation easements. These lands are identified using the Metro's definitions and categories.	No statutory definition
Developed	Lots not classified as vacant, potentially redevelopable, or public/exempt are considered developed. Developed land includes lots with redevelopment capacity, which are also included in BLI. The capacity of developed but redevelopable lots is based on Metro's estimates.	OAR 660-009-005(1)

Step 3: Identify Constraints

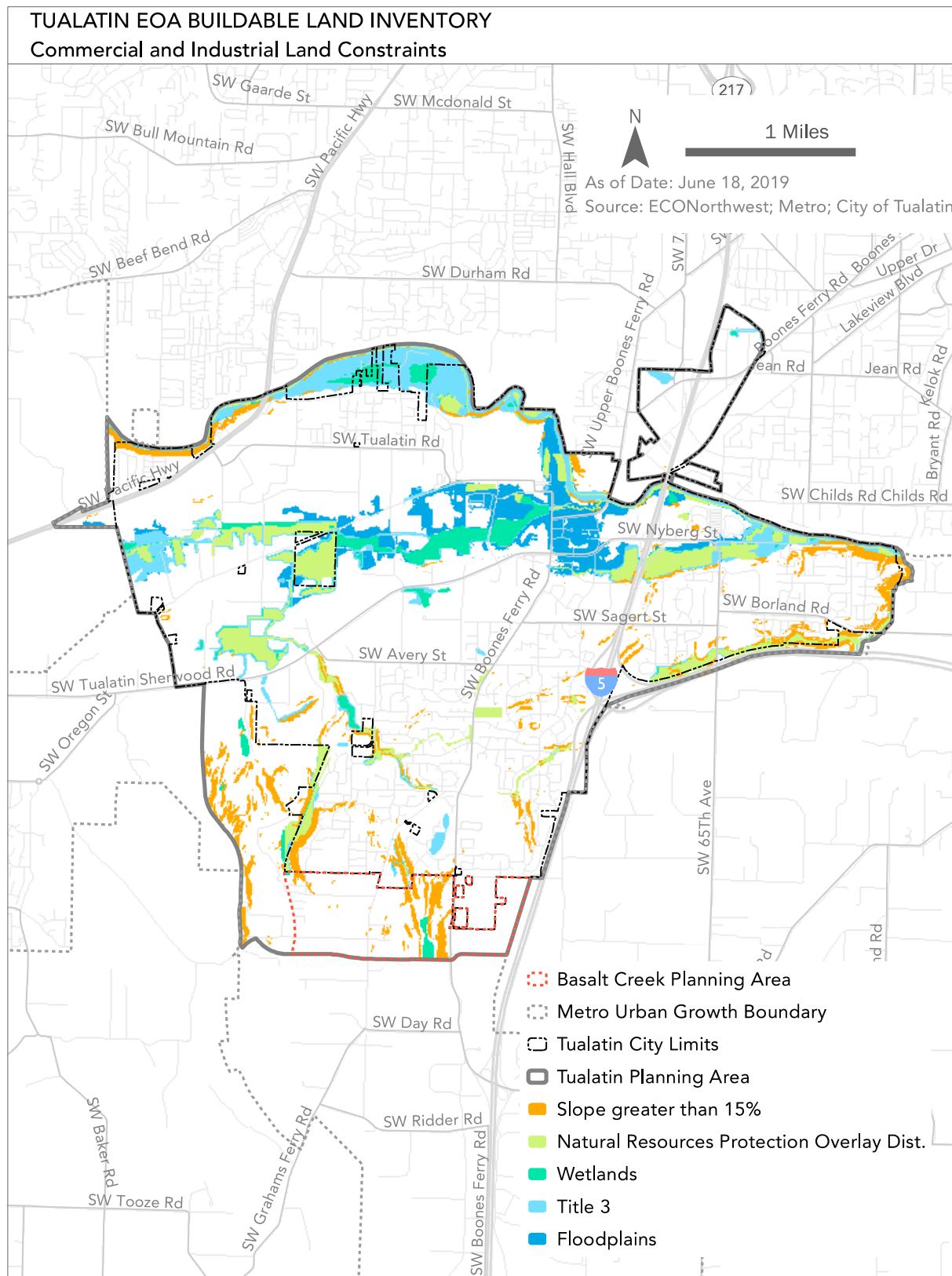
Consistent with OAR 660-008-0005(2) guidance on buildable lands inventories, ECONorthwest deducted certain lands with development constraints from vacant lands. We used some of the constraints established in Metro's methodology with modifications to fit local considerations in Tualatin. These constraints are summarized in the table below.

Constraint	Statutory Authority	Threshold
Goal 5 Natural Resource Constraints		
Natural Resources Protection Overlay District	OAR 660-008-0005(2)	Areas in the NRPOD
Riparian Corridors	OAR 660-015-0000(5)	Areas protected by the Stream and Floodplain Plan
Wetlands	OAR 660-008-0005(2)	Areas in wetlands
Natural Hazard Constraints		
100-Year Floodplain	OAR 660-008-0005(2)	Lands within FEMA FIRM 100-year floodplain
Steep Slopes	OAR 660-008-0005(2)	Slopes greater than 15%

The lack of access to water, sewer, power, road or other key infrastructure cannot be considered a prohibitive constraint unless it is an extreme condition. This is because tax lots that are currently unserviced could potentially become serviced over the 20-year planning period.

Exhibit 59 maps the development constraints used for the commercial and industrial BLI.

Exhibit 59. Development Constraints, Tualatin Planning Area, 2019



Step 4: Verification

ECONorthwest used a multi-step verification process. The first verification step included a “rapid visual assessment” of land classifications using GIS and recent aerial photos. The rapid visual assessment involved reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the rapid visual assessment methodology. The second round of verification involved City staff verifying the rapid visual assessment output. ECONorthwest amended the BLI based on City staff review and comments, particularly related to vacant land developed since 2016.

Step 5: Tabulation and Mapping

The results are presented in tabular and map format. The Tualatin Commercial and Industrial BLI includes all employment land designated in the Comprehensive Plan within the Tualatin Planning Area. From a practical perspective, this means that ECONorthwest inventoried all lands within tax lots identified by Metro that fall within the Tualatin Planning Area. The inventory then builds from the tax lot-level database to estimates of buildable land by plan designation.

DATE: December 4, 2019
TO: Tualatin Project Advisory Committees
CC: Karen Perl Fox, Steve Koper, and Jonathan Taylor
FROM: Beth Goodman and Sadie DiNatale, ECONorthwest
SUBJECT: FINAL: TUALATIN ECONOMIC DEVELOPMENT STRATEGY

The City of Tualatin contracted ECONorthwest to develop an Economic Opportunities Analysis and an Economic Development Strategy for Tualatin. The Economic Opportunities Analysis (EOA) will determine whether the City of Tualatin has enough land to accommodate twenty years of commercial and industrial job growth. The EOA will provide the basis for an update to the City's Comprehensive Plan Economic Element, as well as development of an action plan to implement the economic development policies (i.e., the Economic Development Strategy).

The EOA uses a planning period of 2020–2040. Tualatin is planning for growth of about 12,800 new jobs within the Tualatin planning area over the twenty-year planning period. The preliminary results of the EOA show that Tualatin has a deficit of land designated for employment in the Commercial and Industrial Comprehensive Plan Designations.

A key objective of the EOA and accompanying Economic Development Strategy is to identify options for changes to the City's Comprehensive Plan and land use regulations needed to address commercial and industrial land needs. This memorandum presents an economic development strategy for Tualatin, based on the results of the EOA and discussions with the Community Advisory Committee (CAC) and Technical Advisory Committee (TAC). The economic development strategy presents a comprehensive package of interrelated policy changes that the CAC recommends the City address.

This Economic Development Strategy focuses on land use tools to ensure there is adequate land planned and zoned to provide opportunities for employment growth on sites with a variety of characteristics (e.g., site sizes, locations, visibility, and other characteristics).

Through the technical analysis of the EOA and input from the CAC and TAC, the City identified four strategic priorities to address issues identified in the EOA. The strategic priorities are: (1) ensuring an adequate supply of land that is available and serviceable; (2) identifying redevelopment opportunities; (3) supporting business retention, growth, and attraction; and (4) ensuring there are connections between planning for economic development and other community planning. Strategic priorities are described in greater detail in the section below.

Appendix A presents the full text of Tualatin's existing Comprehensive Plan policies for commercial and industrial development. Appendix B presents the information about economic development tools commonly used in other cities in Oregon.

Tualatin's Economic Development Strategy

Tualatin's Economic Development Strategy is organized around four broad strategic priorities: (1) ensure an adequate supply of land that is available and serviceable; (2) identify redevelopment opportunities; (3) support business retention, growth, and attraction; and (4) ensure there are connections between planning for economic development and other planning (such as transportation planning, water and wastewater planning, and economic development planning). 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.

The Tualatin CAC convened seven times between March 2019 and September 2019. The CAC discussed economic development at the meetings in June, August, and September. The Tualatin TAC met four times between April 2019 and September 2019 and discussed economic development at the June, August, and September meetings (while some meetings included discussions of other topics, as well). The CAC and TAC provided input on the development of the Economic Development Strategy through discussions at meetings and opportunities for input on written documents.

The recommendations from the CAC in this strategy consider key findings from the EOA, such as the following examples. The City has a long-term deficit of commercial and industrial land for growth over the 2020 to 2040 period. This document presents a comprehensive strategy that provides a variety of policies to support business retention, growth, and attraction in Tualatin.

Many of the actions described in the Tualatin Economic Development Strategy will require legislative amendments to the City's Comprehensive Plan and/or Development Code. These actions will be subject to standard notification and hearing procedures. After the economic opportunities analysis is completed, the Planning Commission and City Council will prioritize the actions suggested in this memorandum, along with other actions suggested for Tualatin in 2040. Implementation of high priority actions will begin in 2020, based on City Council direction.

Summary of Actions

The table below summarizes the strategies, actions, and recommendations made by the CAC. The priority shown in the table is based on discussions with the CAC about the actions they view as being in need of prompt attention. Low-priority actions represent actions that the CAC thinks are important but that may be executed later on in the Tualatin 2040 process. At some level, all of the actions in this strategy are a high priority for the CAC.

Strategy, Action, and Recommendations	Priority
Strategy 1: Ensure an adequate supply of land that is available and serviceable.	
Action 1.1. Evaluate opportunities to increase mixed-use development. <ul style="list-style-type: none">▪ Recommendation 1.1a: Identify opportunities to rezone industrial or commercial land for mixed-use that includes commercial and residential uses.▪ Recommendation 1.1b: Evaluate opportunities to develop an employment zone that allows for greater mixture of industrial and commercial uses, limiting retail commercial uses.	High
Action 1.2. Identify opportunities to make more efficient use of industrial land. <ul style="list-style-type: none">▪ Recommendation 1.2a: Prohibit new development that require substantial amounts of land but result in little employment.▪ Recommendation 1.2b: Evaluate reducing or eliminating the minimum lot size from 20,000 square feet.	Medium
Action 1.3. Identify opportunities to make more efficient use of commercial land. <ul style="list-style-type: none">▪ Recommendation 1.3a: Evaluate reducing or eliminating the minimum lot size from 10,000 square feet in commercial zones and allow additional development standards to determine minimum lot size.▪ Recommendation 1.3b: Evaluate increasing building height limits in commercial development centers, including for retail development.	High
Action 1.4. Plan for infrastructure development to support commercial and industrial development. <ul style="list-style-type: none">▪ Recommendation 1.4a: Prioritize infrastructure projects, especially transportation projects that are necessary to support employment growth, with the goal of managing and reducing congestion resulting from new growth.▪ Recommendation 1.4b: Seek support from regional partners for development and improvement of transportation infrastructure that serves employment centers in Tualatin.▪ Recommendation 1.4c: Identify opportunities to increase transit service between Tualatin and other cities within the Portland region.▪ Recommendation 1.4d: Identify options to extend transit service within Tualatin to employment centers.	Low
Action 1.5. Work with landowners ensure land is development-ready and certified as shovel ready by Business Oregon. <ul style="list-style-type: none">▪ Recommendation 1.5a: Encourage and assist landowners to get their sites certified through the Business Oregon Certified Shovel Ready program.▪ Recommendation 1.5b: Continue to work with landowners to ensure that development sites are listed on Business Oregon's prospector site.	Low

Strategy, Action, and Recommendations	Priority
Action 1.6. Plan for long-term development in Tualatin through 2040 and beyond. <ul style="list-style-type: none"> ▪ Recommendation 1.6a: Actively work with Metro staff to ensure that Tualatin's population and employment forecasts are planned for similar growth rates and to coordinate Tualatin's planning with regional plans. ▪ Recommendation 1.6b: Develop and implement a system to monitor the supply of commercial and industrial land every two years. ▪ Recommendation 1.6c: Reevaluate Tualatin's economic opportunities and land sufficiency every three years. 	High
Strategy 2: Identify redevelopment opportunities.	
Action 2.1. Identify districts within Tualatin with opportunities for redevelopment for housing and employment uses. <ul style="list-style-type: none"> ▪ Recommendation 2.1a: Initiate a process to identify opportunities for redevelopment of mixed-use districts and initiate an area planning process to guide redevelopment. 	Low
Action 2.2. Revise the Tualatin Town Center Plan to focus on opportunities to support redevelopment. <ul style="list-style-type: none"> ▪ Recommendation 2.2a: Develop a community vision and planning for the Town Center, with a focus on redevelopment to support development of housing and employment uses. ▪ Recommendation 2.2b: Evaluate opportunities to redevelop City-owned properties to create catalytic projects that include a mix of housing and retail and office uses. 	High
Action 2.3. Identify opportunities to redevelop and intensify uses in industrial areas. <ul style="list-style-type: none"> ▪ Recommendation 2.3a: Identify opportunities for industrial redevelopment and work with property owners to support redevelopment, which may require changes to zoning to allow different types of industrial buildings (i.e., vertical buildings) or infrastructure investments to provide additional urban services. 	Medium
Action 2.4. Develop policies to support redevelopment and mixed-use development. <ul style="list-style-type: none"> ▪ Recommendation 2.4a: Evaluate the redevelopment potential of publicly owned properties, such as parking lots. ▪ Recommendation 2.4b: Continue to evaluate establishing new urban renewal districts to support development of commercial, industrial, and residential businesses, especially mixed-use districts. 	High
Strategy 3: Support business retention, growth, and attraction.	
Action 3.1. Revise the Economic Development Strategy, develop a clear vision for economic development, and create an action plan to implement the vision. <ul style="list-style-type: none"> ▪ Recommendation 3.1a: Establish an Economic Development Commission to guide development of the economic development strategy. ▪ Recommendation 3.1b: Develop an action-oriented five-year economic development action plan that includes a community vision. 	Medium
Action 3.2 Support growth of existing businesses in Tualatin. <ul style="list-style-type: none"> ▪ Recommendation 3.2a: Continue to identify opportunities to support existing businesses in Tualatin, through working with partners such as the Tualatin Chamber of Commerce to identify and resolve issues that are barriers to the businesses growing and staying in Tualatin. 	Low
Action 3.3. Support growth of and retain entrepreneurial businesses in Tualatin. <ul style="list-style-type: none"> ▪ Recommendation 3.3a: Continue to identify opportunities to support growth and retention of entrepreneurial businesses in Tualatin. 	High

Strategy, Action, and Recommendations	Priority
Action 3.4. Identify opportunities to attract or grow businesses with pay at or above Tualatin's average wage. <ul style="list-style-type: none"> ▪ Recommendation 3.4a: Identify partnerships and incentive programs to grow, retain, and attract businesses with wages at or above the City's average wage of \$57,300. 	Medium
Action 3.5. Evaluate use of incentives to retain, grow, and attract businesses. <ul style="list-style-type: none"> ▪ Recommendation 3.5a: Evaluate the outcomes the City wants to achieve through offering economic development incentives and the incentives the City could offer. 	Medium
Action 3.6. Ensure that Tualatin has sufficient staff capacity to implement the economic development priorities set by the City Council. <ul style="list-style-type: none"> ▪ Recommendation 3.6a: Council should work with the City Manager, Community Development Director, and Economic Development Manager to determine whether the City will need to add staff to implement the policies in the Economic Development Strategy. ▪ Recommendation 3.6b: City staff should work with City Council members and stakeholders to ensure they understand economic development processes and tools/policies to support economic development. 	Low
Strategy 4: Ensure there are connections between planning for economic development and other community planning.	
Action 4.1. Ensure that updates to the Transportation System Plan coordinate with planning for employment and business growth. <ul style="list-style-type: none"> ▪ Recommendation 4.1a: Evaluate opportunities to decrease dependence on automotive transportation in areas planned for mixed-use and commercial development, such as increased focus on development in walkable and bikeable areas and increases in transit service (amount and frequency of transit, as well as increased destinations for transit). ▪ Recommendation 4.1b: Evaluate opportunities to expand transit and improve transportation connectivity (both capacity and access on I-5 and regional connector roads) for freight and automobiles between Tualatin and other cities within the Portland region. ▪ Recommendation 4.1c: Evaluate opportunities to expand transit and improve transportation connectivity within Tualatin, particularly from the future Southwest Corridor station in Bridgeport to the Tualatin's Town Center and vital services and out to the neighborhoods. ▪ Recommendation 4.1d: Evaluate opportunities for planning transit-oriented development, as transit becomes more available in Tualatin, consistent for redevelopment planning. ▪ Recommendation 4.1e: Develop a bicycle and pedestrian plan for Tualatin to increase these types of connectivity within Tualatin. 	High
Action 4.2. Coordinate planning for economic development planning with housing planning. <ul style="list-style-type: none"> ▪ Recommendation 4.2a: Ensure the City plans for housing that is affordable to people who work at businesses in Tualatin. 	Low
Action 4.3. Develop a design and planning framework for "ten-minute neighborhoods" that include a mixture of uses. <ul style="list-style-type: none"> ▪ Recommendation 4.3a: Develop a framework for mixed-use neighborhoods that include the elements that residents need for day-to-day life. 	Medium
Action 4.4. Identify opportunities to support workforce development. <ul style="list-style-type: none"> ▪ Recommendation 4.4a: Work with businesses and partners in education to ensure there are workforce training opportunities in Tualatin. 	Medium
Action 4.5. Evaluate development of a civic center with a range of uses. <ul style="list-style-type: none"> ▪ Recommendation 4.5a: Evaluate development of a civic center with a range of uses in Tualatin. 	Low

Strategy 1: Ensure an Adequate Supply of Land that is Available and Serviceable

This strategy is about ensuring an adequate land supply, which includes a twenty-year supply and a pipeline of serviced land that is available for immediate development (referred to as a “short-term” supply of employment land). Employment land supply should include sites with a variety of characteristics (e.g., site sizes, locations, visibility, and other characteristics). Efficient use of Tualatin’s employment land is key to ensuring that Tualatin has adequate opportunities to grow from 2020 to 2040, and beyond. In the Portland region, the average size of new development sites for employment is generally between 5 and 15 acres in size.

Issue Statement

Tualatin’s forecast for commercial and industrial employment growth and land demand shows that Tualatin has a deficit of land (74 gross acres) in Industrial Plan Designations and a deficit (175 acres) in Commercial Plan Designations (including retail, office, and other commercial services).

Tualatin is part of the Metro Urban Growth Boundary (UGB) and cannot expand its planning area on its own. Tualatin can, however, increase land use efficiency within its planning area through changing zoning standards (e.g., limiting uses with lower employment density), allowing and encouraging more mixed-use development, and planning for redevelopment (see Strategy 2). This is a common issue and opportunity in Tualatin for both housing and economic development, which provides an opportunity for the City to develop solutions for both.

Tualatin needs land that is vacant but also has urban services that support commercial and industrial development, such as municipal water services, sewer and wastewater services, stormwater management systems, and transportation connections with adequate capacity to accommodate growth. Tualatin can monitor growth to ensure that the City has enough land in the short-term land supply (available for development within one year of application for a building permit) and shovel-ready land (available for development within 180 days of application for a building permit). Tualatin can work with Metro and other regional partners on future expansions of the Metro UGB to accommodate additional employment land development in Tualatin.

Goal

Ensure that sufficient land is designated so that the supply is adequate for commercial and industrial development. Maintain an adequate short-term supply of suitable, shovel-ready commercial and industrial land to respond to economic development opportunities as they arise.

“Short-term supply” means suitable land that is ready for construction usually within one year of an application for a building permit or request for service extension.

Recommended Actions

Action 1.1: Evaluate opportunities to increase mixed-use development.

Tualatin has a deficit of industrial land (74 gross acres) and commercial land (175 gross acres). In addition, Tualatin has a deficit of residential land in the Medium High Density Residential designation (about 7 gross acres of land) and in the High Density / High-Rise Residential designation (about 4 gross acres of land). One way to address these land deficits is to allow and encourage mixed-use development.

Tualatin can identify additional opportunities for development of commercial and residential mixed-use development (consistent with recommendation Action 1.2 in the Housing Strategy). In identifying opportunities for mixed-use, the City should coordinate planning for new mixed-use areas with Action 5.1 in the Housing Strategy, to identify three to four areas within Tualatin for redevelopment as mixed-use areas (Action 2.1 addresses need for redevelopment). The mixed-use areas could serve multiple purposes in Tualatin; they could function as places to live and/or work, as destinations for residents in other parts of Tualatin, or as recreational experiences for visitors. In addition, feedback from the CAC shows that the community wants rezoning and redevelopment to promote the opportunities for commercial and industrial development, especially mixed-use development.

In addition, Tualatin could develop an employment zone that allows for a greater mixture of industrial and commercial uses, limiting retail commercial uses. Areas for this type of employment zone might include Basalt Creek or the Leveton area. These mixed-use zones should allow for greater density in the form of taller buildings, smaller lot sizes, and other opportunities for increased development capacity.

Recommendation 1.1a: Identify opportunities to rezone industrial or commercial land for mixed-use that includes commercial and residential uses. The City should exclude industrial sanctuary land (i.e., land in the Southwest Tualatin Concept Plan area) from this evaluation, as this land has been identified as regionally significant industrial areas.

Recommendation 1.1b: Evaluate opportunities to develop an employment zone that allows for greater mixture of industrial and commercial uses, limiting retail commercial uses.

Action 1.2: Identify opportunities to make more efficient use of industrial land.

Tualatin has a deficit of 74 acres of industrial land. One way to make the most efficient use of industrial land in Tualatin is changing the zoning ordinance to focus uses on key target industries and allow for denser development.

The City should consider no longer allowing development of new businesses that require substantial amounts of land but result in little employment and have low employment densities. Such uses include warehouse and distribution, vehicle storage, or self-storage units. Existing businesses of these types should be allowed to continue to operate.

The City should consider reducing or eliminating the minimum lot size from 20,000 square feet, especially in areas that have existing small lots already. These standards may be necessary in regionally significant industrial areas (RSIA).

Recommendation 1.2a: Prohibit new development that requires substantial amounts of land but results in little employment and has low employment densities, such as warehouse and distribution.

Recommendation 1.2b: Evaluate reducing or eliminating the minimum lot size from 20,000 square feet, especially in areas that have existing small lots.

Action 1.3: Identify opportunities to make more efficient use of commercial land.

Tualatin has a deficit of 175 acres of commercial land. One way to make the most efficient use of industrial land in Tualatin is by changing the zoning code to make more efficient use of commercial areas. For example, Tualatin could reduce or eliminate the minimum lot size to 10,000 square feet (from the three-acre minimum lot size the Mid-Rise Office Commercial zone). Tualatin could also increase building height limits to allow taller buildings in key commercial development centers (currently most commercial zones allow 35 to 45 feet, with the Mid-Rise Office Commercial zone allowing buildings as tall as 75 feet).

In addition, promoting mixtures of uses (consistent with Action 1.1) that integrate employment and housing can help promote efficient use of land. The large deficit of commercial land, however, will require rezoning land for new commercial uses or redeveloping existing land to allow new commercial uses (consistent with Action 2.1).

Recommendation 1.3a: Evaluate reducing or eliminating the minimum lot size from 10,000 square feet in commercial zones. Allow additional development standards, such as requirements for parking and circulation or setbacks, to determine minimum lot size.

Recommendation 1.3b: Evaluate increasing building height limits in commercial development centers, including for retail development.

Action 1.4. Plan for infrastructure development to support commercial and industrial development.

The City already coordinates land use planning with the Capital Improvement Plan to ensure that infrastructure is available to support commercial and industrial development, especially in newly urbanizing areas and areas identified as high priority for development. Some types of infrastructure development, especially transportation and transit infrastructure, have lagged behind growth in Tualatin and in the broader region, resulting in automotive congestion and insufficient transit service, as discussed in Strategy 4 and in Strategy 6 of the Housing Strategy.

Recommendation 1.4a: Prioritize infrastructure projects, especially transportation projects that are necessary to support employment growth, with the goal of managing and reducing congestion resulting from new growth.

Recommendation 1.4b: Seek regional support for development and improvement of transportation infrastructure by working with Washington County, Metro, adjacent communities, and ODOT, to advocate for and support improvements to key regional transportation facilities that serve employment areas in Tualatin.

Recommendation 1.4c: Identify opportunities to increase transit service between Tualatin and other cities within the Portland region (such as the ongoing planning for the Southwest Corridor) and transit within Tualatin.

Recommendation 1.4d: Identify options to extend transit service to employment centers to expand transportation options for workers in Tualatin, such as a local bus service like Wilsonville's SMART.

Action 1.5: Work with landowners ensure land is development-ready and certified as shovel ready by Business Oregon.

The *Regional Industrial Site Readiness Inventory (2017 update)* identifies large sites (those over 25 buildable acres) and their development-ready status across the Portland Metro Region. The report categorizes sites within the Portland Metro Region based on site size (focusing on sites with 25 or more net buildable acres), development-ready status (based on the status of urban infrastructure provision and brownfield remediation status), and the willingness of the owner to sell or develop the site.

Tier 1 sites are those with at least 25 net buildable acres that are development ready within 180 days (6 months) and have an owner who is willing to sell or develop the site. Tualatin has no Tier 1 sites. There are four sites in Tualatin that qualify for Tier 2 or Tier 3 status, identified as being ready for development between 7 to 30 months (for Tier 2 sites) and more than 30 months (for Tier 3 sites).

In addition, the *Regional Industrial Site Readiness Inventory* also identifies four sites in Tualatin that are smaller than 25 buildable acres. While these smaller sites are not part of the inventory of Tier 1 through Tier 3 sites, they play an important role in providing opportunities for business development in Tualatin. Many of the inquiries to Greater Portland Inc. for development sites for new businesses are for sites smaller than 25 acres.

For areas with existing or planned infrastructure (consistent with Action 1.4), the City can encourage and assist landowners in getting their sites certified as shovel-ready through the Business Oregon Certified Shovel Ready program. A site is shovel-ready if it is specifically zoned for industrial or traded-sector uses, has the infrastructure necessary to support development (or can have it within 180 days), and is available for development within 180 days or less.

Shovel-ready sites and other development sites can be listed on Business Oregon's Oregon Prospector website to market sites to potential developers and businesses. The Oregon Prospector website reports information about site location, size, access to infrastructure, and

other characteristics that developers need to know prior to making locational decisions. There is one site in Tualatin currently listed on Oregon Prospector.

Recommendation 1.5a: Encourage and assist landowners in getting their sites certified through the Business Oregon Certified Shovel Ready program. The economic developer should work directly with the local landowners on the certification process.

Recommendation 1.5b: Continue to work with landowners to ensure that development sites are listed on Business Oregon's Oregon Prospector website.

Action 1.6. Plan for long-term development in Tualatin through 2040 and beyond.

The Economic Opportunity Analysis plans for the 2020 to 2040 period. It shows that employment will continue to grow in Tualatin at a substantially faster pace than households over the next twenty years. One of the key issues discussed through the Economic Opportunity Analysis and Housing Needs Analysis is the existing and likely future imbalance of employment and housing, where people who work at businesses in Tualatin have limited opportunities to live in Tualatin.

A key part of long-range planning is working with Metro on regional planning for housing and employment in and around Tualatin. The City would be well-served by having information to share with Metro about new development, the City's planning efforts to provide opportunities for people to work and live in Tualatin, and economic development plans.

Recommendation 1.6a: Actively work with Metro staff on upcoming Regional Growth Management reports to ensure that Tualatin's population and employment forecasts are planned for similar growth rates and to coordinate Tualatin's planning with regional plans.

Recommendation 1.6b: Develop and implement a system to monitor the supply of commercial and industrial land every two years. This includes monitoring employment development (through permits) as well as land consumption (e.g., development on vacant or redevelopable lands). The reports resulting from growth monitoring can be used in working with Metro to better understand Tualatin's opportunities for growth and characterize needs for expansion to accommodate employment growth.

Recommendation 1.6c: Reevaluate Tualatin's economic opportunities and land sufficiency every three years.

Strategy 2: Identify Redevelopment Opportunities

This strategy focuses on actions that are intended to identify redevelopment opportunities in areas where employment growth would be appropriate.

Issue Statement

Tualatin has a deficit of industrial and commercial land that comprises 74 and 175 gross acres, respectively. Some of this deficit could be accommodated through redevelopment of existing areas within Tualatin, where there are opportunities to increase the intensity of land uses. Redevelopment opportunities may also provide opportunities for the development of mixed-use areas that are more walkable, have frequently accessed amenities (e.g., schools, medical facilities, parks, retail, restaurants, and other services), have access to transit, and accommodate new housing, consistent with the actions in Strategy 4.

Redevelopment may require actions from other strategies, such as increasing allowable densities, rezoning, land assembly, tax abatement programs to support employment growth development, and funding support such as urban renewal or local improvement district.

Goal

Redevelop selected areas of Tualatin to create vibrant mixed-use districts that include new employment and housing opportunities.

Recommended Actions

Action 2.1. Identify districts within Tualatin with opportunities for redevelopment for housing and employment uses.

This action is consistent with the Housing Strategy Action 5.1. Tualatin has deficits of land for development of commercial uses, as well as for development of multifamily housing to accommodate new housing in the Medium High Density and High Density / High-Rise Plan Designations.

The City should identify three to four areas within Tualatin for redevelopment into mixed-use areas, with a mixture of higher-density housing and employment uses such as retail, office, and commercial services. For example, some areas that may be appropriate for redevelopment include the Commons, areas near key transit stops, and the area west of 6th Street/east of 90th Street/north of Sagert Street. In selecting areas ripe for redevelopment, the City should consider whether economic conditions support redevelopment, landowner attitudes to redevelopment, and set criteria for selecting redevelopment areas based on considerations such as transportation and transit connections and proximity to existing employment centers.

The City should engage the community in developing a vision for redeveloping the selected areas. The planning to implement this vision could be achieved through a redevelopment plan that shows how the property will be redeveloped into a vibrant area with a mixture of uses, connections with Tualatin's automotive and pedestrian/bicycle transportation networks, and a variety of housing types. The redevelopment plans should include working with landowners to

ensure they are supportive of redevelopment plans, as well as stakeholder and citizen involvement and input into the vision for the district and development of the redevelopment plans.

The City should consider opportunities to support redevelopment, such as use or urban renewal (Action 2.4) to address infrastructure deficiencies, as well as approaches to overcome barriers to redevelopment.

Recommendation 2.1a: Initiate a process to identify opportunities for redevelopment of mixed-use districts and initiate an area planning process to guide redevelopment.

Action 2.2: Revise the Tualatin Town Center Plan to focus on opportunities to support redevelopment.

The Tualatin Town Center Plan was intended to guide development in Tualatin's downtown area, which is centered around the Lake of the Commons and includes about 364 acres of land. The existing Town Center Plan was developed in the mid-2000s and was not adopted.

An update of the Town Center Plan could focus on opportunities for redevelopment, including identifying changes to zoning necessary to allow and encourage development of both housing and employment uses. The update should include development of a community vision for the future of Town Center to guide changes to zoning and other policy, as well as City investments in Town Center.

In conjunction with the update to the Tualatin Town Center Plan, the Tualatin Development Commission could act as developer for redevelopment of City-owned properties (such as surface parking lots) to create catalytic projects that include a mix of housing (both market-rate and affordable housing) and retail and office uses.

Recommendation 2.2a: Develop a community vision and planning for Town Center, with a focus on redevelopment to support development of housing and employment uses.

Recommendation 2.2b: Evaluate opportunities to redevelop City-owned properties to create catalytic projects that include a mix of housing (both market-rate and affordable housing) and retail and office uses.

Action 2.3: Identify opportunities to redevelop and intensify uses in industrial areas.

Redevelopment often focuses on commercial and residential redevelopment. Industrial redevelopment (where industrial land is redeveloped for new industrial uses) is less common in smaller cities like Tualatin because the costs of redevelopment often exceed the value of land for new industrial uses or rents are not high enough to support industrial redevelopment. In the Portland region, however, redevelopment is occurring in industrial areas, possibly as a result of the higher achievable rents and desirability of locations in Portland and other industrial centers.

There may be opportunities for industrial redevelopment for new industrial uses in Tualatin over the twenty-year planning period. These opportunities may include sites with excellent access to I-5 or other regional roads, where redevelopment costs are lower (i.e., brownfield remediation is not required), or at Tigard Sand and Gravel's gravel mine, once the company is done with mining operations.

Recommendation 2.3a: Identify opportunities for industrial redevelopment and work with property owners to support redevelopment, which may require changes to zoning to allow different types of industrial buildings (i.e., vertical buildings) or infrastructure investments to provide additional urban services. This action is consistent with Action 1.2.

Action 2.4: Develop policies to support redevelopment and mixed-use development.

The costs of redevelopment and of mixed-use development can make these types of development financially infeasible or at least very difficult. Given the deficit of land for commercial and industrial development, Tualatin will need to support redevelopment. Supporting mixed-use development is key to accommodating the need for higher-density multifamily housing and providing opportunities for people to live and work in Tualatin. The City should evaluate opportunities to support redevelopment and mixed-use development within Tualatin. Some examples include:

- Use publicly owned properties, such as parking lots, to assemble land for development of catalytic projects that support additional development and further other community objectives, such as housing affordable to workers with incomes of about \$50,000 (about 60% of the median family income, based on the Housing Needs Analysis) or a business incubator or shared workspace to support growth of small businesses.
- Assist with assembly of land to support redevelopment that includes multiple properties.
- Continue to evaluate establishing new urban renewal districts, consistent with Action 4.2 in the Housing Strategy. For economic development purposes, urban renewal is often used for projects to improve districts (i.e., street beautification or façade programs), providing low-interest loans to businesses (i.e., loans to support expansion of businesses that provide jobs at or above the City average), or infrastructure improvements needed to support commercial or industrial development.

Recommendation 2.4a: Evaluate the redevelopment potential of publicly owned properties, such as parking lots.

Recommendation 2.4b: Continue to evaluate establishing new urban renewal districts to support the development of commercial, industrial, and residential businesses, especially mixed-use districts.

Strategy 3: Support Business Retention, Growth, and Attraction

Economic development generally occurs through three broad approaches: retention of existing businesses, growth of existing and small businesses (such as entrepreneurs), and attraction of new businesses from outside of the City. This strategy describes economic development efforts to support growth of economic activity and employment.

Issue Statement

The main focus of economic development is retaining and growing businesses. These businesses both provide employment for people living in Tualatin and the surrounding region and pay property taxes that help balance the City's tax base. Generally speaking, the costs to serve residential lands is often greater than the cost to serve employment lands, because residents use more services (such as schools, police, fire, governance and leadership, infrastructure maintenance, etc.) at a higher rate than employment. As the City works to balance development of housing and employment, the City should consider the long-term fiscal health and sustainability of the City by encouraging continued employment growth while also encouraging additional residential growth to provide opportunities for people to live and work in Tualatin.

This strategy is about actions that support retention and expansion of existing businesses, growth and creation of entrepreneurial businesses, and attraction of new businesses that align with Tualatin's values as a community. The types of businesses the City wants to attract most are non-polluting businesses with wages at or above the Washington County average, focusing on growth of businesses that have sufficient wages for their workers to afford to live and work in Tualatin.

Goal

Support business growth in Tualatin to diversify and expand commercial and industrial development in order to provide employment opportunities with levels of pay that allows workers to live in Tualatin, as well as supporting the City's tax base.

Recommended Actions

Action 3.1: Revise the economic development strategy, develop a clear vision for economic development, and create an action plan to implement the vision.

Tualatin has an existing economic development strategy, last updated in 2014. The City plans to update the Economic Development Strategy, based on the City's new Economic Opportunities Analysis. Discussions with stakeholders suggest it is important that updating the Economic Development Strategy include development of a clear vision for economic development, as the starting place for the Economic Development Strategy. **The vision should identify community aspirations for economic development and the City's role in economic development.**

The revised document should be an action-oriented five-year economic development action plan that includes a community vision for economic growth in Tualatin. The factual basis for the Action Plan is the information gathered about on local and regional economic trends

gathered through the Economic Opportunity Analysis, from policies and objectives established for the Comprehensive Plan (this document) and with feedback and input from stakeholders. The Action Plan would present detailed actions for executing the economic development policies based on the priorities established by the Tualatin City Council.

Development of this strategy could be guided by an Economic Development Committee composed of elected and appointed officials, business owners and managers in Tualatin, people involved in economic development in Tualatin (i.e., the Tualatin Chamber of Commerce) and the Portland region, and residents of Tualatin.

Recommendation 3.1a: Establish an Economic Development Commission to guide development of the economic development strategy.

Recommendation 3.1b: Develop an action-oriented five-year economic development action plan that includes a community vision for economic growth in Tualatin.

Action 3.2: Support growth of existing businesses in Tualatin.

Business retention is a key part of successful economic development. Working with partners such as the Tualatin Chamber of Commerce and the Tualatin Commercial Citizen Involvement Organization, the City should continue to reach out to businesses in Tualatin to identify and resolve issues related to growing their business and remaining in Tualatin. Issues that businesses in Tualatin have already identified include difficulties retaining workforce (given potentially long commutes and difficulty in finding qualified workers), increasing concerns about transportation and freight access and congestion, and a lack of incentives to support development. Issues related to transportation (commuting and freight access) are discussed in Action 4.1 and incentives to support development are discussed in Action 3.5. This document does not propose actions related to workforce quality, but this is likely an issue that would be addressed in the Economic Development Action Plan in Action 3.1b.

City staff can also support existing businesses by sharing technical resources, maintaining open communications with local businesspeople, and providing available staff support for economic development projects initiated by the business community.

Recommendation 3.2a: Continue to identify opportunities to support existing businesses in Tualatin through working with partners such as the Tualatin Chamber of Commerce to identify and resolve issues that are barriers to the businesses growing and staying in Tualatin.

Action 3.3: Support growth of and retain entrepreneurial businesses in Tualatin.

Small businesses, many of which are entrepreneurial, account for the majority of businesses in Tualatin. Businesses with five or fewer employees in Tualatin account for 64% of private employment and businesses with fewer than twenty employees account for 89% of private employment. The City should identify opportunities to support small and entrepreneurial businesses to grow and retain them in Tualatin. Some approaches to this include:

- Form partnerships with organizations that assist entrepreneurial businesses, such as Tualatin Chamber of Commerce, Tualatin Commercial Citizen Involvement Organization, Westside Economic Alliance, Greater Portland Inc., Business Oregon, and Federal agencies such as the Economic Development Administration. These partnerships can help Tualatin identify resources to assist businesses and find solutions.
- Identify opportunities to support growth of small businesses and entrepreneurs, such as business incubators or buildings with co-working space for small businesses.
- Support and encourage home-based businesses and identify barriers in the City's policies to growth of home-based businesses.
- Support or organize community events that involve local businesses, such as revitalization of the farmer's market or organizing events like Portland's Sunday Parkway.

[Recommendation 3.3a: Continue to identify opportunities to support growth and retention of entrepreneurial businesses in Tualatin.](#)

Action 3.4: Identify opportunities to attract or grow businesses with pay at or above Tualatin's average wage.

Tualatin's average wage was \$57,300 in 2017, compared with the Washington County average of \$70,300 in 2018. One of the areas of significant concern in development of the Economic Opportunities Analysis and Housing Needs Analysis was ensuring that workers in Tualatin can afford to both live and work in Tualatin. A worker earning the average wage in Tualatin can afford rents of about \$1,400 per month, which is above the average multifamily rent of \$1,200 in 2018. Affording the median housing sale price in Tualatin (about \$480,000 as of February 2019) requires a household income between \$120,000 and \$160,000, which will most frequently require a household with two full-time workers.

Attracting businesses that pay wages at or above the City's average wage will require deliberate effort on the City's part, such as developing incentive programs that attract or retain businesses (e.g., low-interest loans, fee waivers, and other incentives). The City will need to work with organizations that support business growth, retention, and attraction, such as Tualatin Chamber of Commerce, Tualatin Commercial Citizen Involvement Organization, Westside Economic Alliance, Greater Portland Inc., Business Oregon, and federal agencies (e.g., the Economic Development Administration). These partnership may include marketing Tualatin to attract new businesses.

Examples of these businesses that often pay above average wages include those identified as target industries in Tualatin's Economic Opportunities Analysis, such as advanced manufacturing, food processing, plastics manufacturing, information technology and analytical systems, and business services.

Recommendation 3.4a: Identify partnerships and incentive programs to grow, retain, and attract businesses with wages at or above the City's average wage of \$57,300.

Action 3.5: Evaluate use of incentives to retain, grow, and attract businesses.

Cities often offer incentives to retain, grow, and attract businesses. In addition to having businesses stay in the community, cities use incentives to achieve goals such as attracting higher paying jobs, increasing the diversity of jobs or businesses, attracting businesses that pay high property taxes (such as manufacturers or data centers), or other desirable attributes. In Action 3.4, this memorandum identifies a goal of attracting businesses with higher paying jobs. Through the development of the Economic Development Action Plan (Action 3.1), the City may identify other business attributes or economic development goals it wants to achieve through offering incentives.

The City should evaluate use of incentives to achieve these goals, such as:

- Expedited entitlement and permitting process (e.g., 66-day review process for industrial projects).
- Financial assistance for business expansion or attraction, such as low-interest loans or grants.
- Public/private partnerships to support redevelopment of mixed-use development.
- Assist with assembly of land to support redevelopment that includes multiple properties.
- Property tax exemption, such as the Strategic Investment Program, which grants a fifteen-year property tax exemption for large capital-intensive facilities.
- Systems development charge (SDC) financing opportunities (consistent with Action 3.5 in the Housing Strategy).
- Development of or participation in a business incubator, shared workspace, start-up accelerators, or other forms of business mentoring.
- Work with partners (such as Tualatin Chamber of Commerce, Westside Economic Alliance, Greater Portland Inc., and Business Oregon) to market Tualatin's businesses and their product, across the state, nationally, and internationally.
- Street improvements and beautification.

Recommendation 3.5a: Evaluate the outcomes the City wants to achieve through offering economic development incentives and the incentives the City could offer. This evaluation should be part of the development of the Economic Development Action Plan in Action 3.1.

Action 3.6. Ensure that Tualatin has sufficient staff capacity to implement the economic development priorities set by the City Council.

The Economic Development Strategy presented in this memorandum, and especially the actions presented in Strategy 2 and Strategy 3, will take substantial staff time to evaluate and implement. The City may need additional staffing to implement the Economic Development Strategy.

Recommendation 3.6a: As the City Council allocates resources toward economic development efforts and sets priorities for implementation of the Economic Development Strategy, the Council should work with the City Manager, Community Development Director, and Economic Development Manager to determine whether the City will need to add staff to implement the policies in the Economic Development Strategy.

Recommendation 3.6b: City staff should work with City Council members and stakeholders to ensure they understand economic development processes and tools/policies to support economic development.

Strategy 4: Ensure there are Connections between Planning for Economic Development and Other Community Planning

This strategy focuses on actions that are intended to ensure coordination between planning for economic development and other community planning, such as housing, transportation planning, or other urban infrastructure planning (such as water or wastewater systems), and natural resources and parks planning.

Issue Statement

Discussions of economic development lead to discussions of transportation issues in Tualatin and a desire to ensure a job-housing balance in Tualatin. Transportation issues include heavy congestion on Tualatin's roadways, including access to I-5, arterial roads connecting Tualatin within the region, and local roadways. In addition, Tualatin is not well served with transit. Tualatin is served with the West Side Express Service (WES) train and two TriMet bus lines. The Max line is expected to extend to Bridgeport Village.

In addition, Tualatin has more employees than residents. Between 2007 and 2017, the population grew by about 0.35% per year, compared with employment growth of 2.9% per year. The forecast for population growth over the next twenty years is substantially lower than employment growth, with a household growth forecast of about 0.4% per year and an employment forecast growth about 1.4% per year. The Housing Needs Analysis shows that Tualatin has opportunities for residential growth beyond the forecast for growth. Success in housing development as a part of redevelopment and mixed-use development (Strategy 2) will further increase the amount of housing that could be developed in Tualatin beyond the forecast for new growth.

Jobs with at least average wages pay enough to live in rental housing in Tualatin. The average wage for employment in Tualatin in 2017 was over \$57,000, which is sufficient to afford a monthly rent of about \$1,425. The average multifamily rent in Tualatin was nearly \$1,200 in 2017. As a result, a person earning around the average wage can afford rent of about \$1,425 and the average multifamily rent in Tualatin.

However, the average sale price for a unit in Tualatin in early 2019 was \$480,000, which would require a wage between \$120,000 and \$160,000 to afford homeownership. None of the industries in Tualatin have an average pay this high, and only one-quarter of households in Tualatin and Washington County have household incomes high enough to afford the average sale price. As a result, people who work in Tualatin can own a newly purchased home in Tualatin if they have substantially higher-than-average wages or if there is more than one worker per household, which is common with an average of 1.4 jobs per household in Tualatin.

Reasons for working in Tualatin and living outside the city likely extend beyond housing affordability. People choose to commute for a variety of reasons: preference for another community, family and friends living in another community, choosing a location that allows the other worker(s) in the household an easier commute, long-term homeownership in another community, and other reasons.

The result of so much commuting is congestion on Tualatin's roads and the region's highways. Planning for new employment growth will require coordination with transportation planning. It will also require coordination with water, waste-water, and storm-water planning. Through this project and the Housing Needs Analysis, it requires coordination with planning for housing and neighborhood growth.

Goal

Ensure that Tualatin develops as a walkable and complete community with a range of amenities that are easily accessible to people who live in Tualatin.

Recommended Actions

Action 4.1. Ensure that updates to the Transportation System Plan coordinate with planning for employment and business growth.

The next update to the Tualatin Transportation System Plan (TSP) should coordinate planning for employment and business growth with transportation planning, providing opportunities for more intensive employment development (or redevelopment) where there is sufficient capacity for automotive and transit capacity. The redevelopment areas (Action 2.1) should be planned for in areas where there is higher capacity for freight access, automotive and transit access, and with connections to pedestrian and bicycle trails.

The update to the TSP should ensure there are additional opportunities to decrease dependence on automotive transportation, such as increased focus on development in walkable and bikeable areas and increases in transit service (amount and frequency of transit, as well as increased destinations for transit). The TSP update should also identify opportunities to address

capacity issues on Tualatin's roads to ease congestion and make traveling by car within Tualatin and to areas outside of Tualatin easier. This action and the recommendations below are consistent with those in the Housing Strategy Action 6.1.

Recommendation 4.1a: Evaluate opportunities to decrease dependence on automotive transportation in areas planned for mixed-use and commercial development, such as increased focus on development in walkable and bikeable areas and increases in transit service (amount and frequency of transit, as well as increased destinations for transit).

Recommendation 4.1b: Evaluate opportunities to expand transit and improve transportation connectivity (both capacity and access on I-5 and regional connector roads) for freight and automobiles between Tualatin and other cities within the Portland region.

Recommendation 4.1c: Evaluate opportunities to expand transit and improve transportation connectivity within Tualatin, particularly from the future Southwest Corridor station in Bridgeport to the Tualatin's Town Center and vital services and out to the neighborhoods.

Recommendation 4.1d: Evaluate opportunities for planning transit-oriented development, as transit becomes more available in Tualatin, consistent for redevelopment planning.

Recommendation 4.1e: Develop a bicycle and pedestrian plan for Tualatin to increase these types of connectivity within Tualatin.

Action 4.2. Coordinate planning for economic development planning with housing planning.
Tualatin has a job-housing imbalance, with more jobs than residents in Tualatin. The other strategies in this memorandum are intended to support development of housing that is affordable to people who work at businesses in Tualatin (the average wage was \$57,300 in 2017), such as Action 3.4. This action and the recommendation below are consistent with those in the Housing Strategy Action 6.2.

Recommendation 4.2a: Ensure the City plans for housing that is affordable to people who work at businesses in Tualatin.

Action 4.3. Develop a design and planning framework for “ten-minute neighborhoods” that include a mixture of uses.

The City should develop a framework for development of mixed-use neighborhoods that results in neighborhoods where residents have easy, convenient access to many of the places and services they use daily without relying heavily on a car. The framework would include the following elements: walkable neighborhoods with access to transit, nearby parks (i.e., within one-quarter mile), neighborhood retail and restaurants, and nearby schools. The neighborhood would have higher concentrations of people and would be complete with the sidewalks, bike lanes, and bus routes that support a variety of transportation options. The design of the neighborhood should integrate design standards that promote public safety. In larger cities, these are referred to as “twenty-minute neighborhoods,” but given Tualatin’s smaller size, the scale might be more like ten-minute neighborhoods. This action and the recommendation below are consistent with those in the Housing Strategy Action 6.2.

Recommendation 4.3a: Develop a framework for mixed-use neighborhoods that includes the elements that residents need for day-to-day life.

Action 4.4. Identify opportunities to support workforce development.

Ability to attract and retain qualified and trained workers is one of the key barriers to development identified by existing businesses in Tualatin. These partners could include Tualatin High School, Portland Community College, Portland State University, and WorkSource Oregon. The City could play a convening role to work with businesses to understand their workforce training needs, then work with these partners to offer classes in Tualatin to provide this training. This training could be offered in existing facilities (such as at the high school) or in newly built facilities that are part of one or more mixed-use areas.

Recommendation 4.4a: Work with businesses and partners in education to ensure there are workforce training opportunities in Tualatin, identifying opportunities to integrate workforce training in mixed-use areas.

Action 4.5. Evaluate development of a civic center with a range of uses.

Evaluate development of a civic center with a range of uses, include a performing arts center, convention center, historic museum, welcome center for visitors, and other uses to enhance life and business in Tualatin.

Recommendation 4.5a: Evaluate development of a civic center with a range of uses in Tualatin.

Appendix A: Tualatin's Existing Comprehensive Plan Policies

Section 4.050 General Growth Objectives.

The following are general objectives used as a guide to formulate the Plan. The objectives are positive statements to describe the Plan's intent to:

- (1) Provide a plan that will accommodate a population range of 22,000 to 29,000 people.
- (2) Cooperate with the Metropolitan Service District to reach regional consensus on population growth projections within the Tualatin area.
- (3) Conform to Metropolitan Service District (Metro) procedures for initiating amendments to the Metro Urban Growth Boundary.
- (4) Provide a plan that will create an environment for the orderly and efficient transition from rural to urban land uses.
- (5) Convert agricultural land only if needed for urban uses.
- (6) Arrange the various land uses so as to minimize land use conflicts and maximize the use of public facilities as growth occurs.
- (7) Prepare a balanced plan meeting, as closely as possible, the specific objectives and assumptions of each individual plan element.
- (8) Define the urban growth boundary.
- (9) Prepare a plan providing a variety of living and working environments.
- (10) Encourage the highest quality physical design for future development.
- (11) Coordinate development plans with regional, state, and federal agencies to assure consistency with statutes, rules, and standards concerning air, noise, water quality, and solid waste. Cooperate with the U.S. Fish and Wildlife Service to minimize adverse impacts to the Tualatin River National Wildlife Refuge from development in adjacent areas of Tualatin.
- (12) Adopt measures protecting life and property from natural hazards such as flooding, high groundwater, weak foundation soils and steep slopes.
- (13) Develop regulations to control sedimentation of creeks and streams caused by erosion during development of property.
- (14) Develop a separate growth program that controls the rate of community growth and is acceptable to the Land Conservation and Development Commission.
- (15) Arrange the various land uses in a manner that is energy efficient.

- (16) Encourage energy conservation by arranging land uses in a manner compatible with public transportation objectives.
- (17) Maintain for as long a period as possible a physical separation of non-urban land around the City so as to maintain its physical and emotional identity within urban areas of the region.
- (18) Fully develop the industrial area located in Washington County west of the City only when adequate transportation facilities are available and the area has been annexed to the City and served with water and sewer services.
- (19) Cooperate with Washington County to study the methods available for providing transportation, water and sewer service to the industrial area west of the City, designating this area as a special study area.
- (20) Initiate annexation of property within the Urban Growth Boundary planned for residential development only when petitioned to do so by owners of the affected property, including cases involving unincorporated "islands" of property surrounded by land annexed previously.
- (21) Territories to be annexed shall be in the Metro Urban Growth Boundary.
- (22) Address Metro's Urban Growth Management Functional Plan, Title 13, Nature in Neighborhoods, through the conservation, protection and restoration of fish and wildlife habitat, including Metro's Regionally Significant Fish and Wildlife Habitat, through the Tualatin Basin Natural Resource Coordinating Committee and the Tualatin Basin Program.
 - (a) Support and implement the elements of the Tualatin Basin Program to:
 - (i) Develop and adopt local policies and regulations to implement the provisions of the Tualatin Basin Program.
 - (ii) Adopt low impact development (LID) provisions to reduce environmental impacts of new development and remove barriers to their utilization.
 - (iii) Coordinate with Clean Water Services (CWS) to implement their Healthy Streams Action Plan and other programs such as their Stormwater Management Plan and Design and Construction Standards.
 - (iv) Coordinate with CWS, Metro and others to develop and support the funding, voluntary and educational components of the Tualatin Basin Program.

- (v) Coordinate with CWS, Metro and others to develop and support the monitoring and adaptive management components of the Tualatin Basin Program.
- (b) Continue active participation in the Tualatin Basin Natural Resources Coordinating Committee and the Steering Committee to support and implement the Tualatin Basin Program.
- (c) Coordinate with CWS and Metro to update Metro's Regionally Significant Fish and Wildlife Habitat Inventory Map. Changes to the Inventory Map will be ongoing as on-site inventories are conducted as part of private and public construction projects.
- (d) Support and implement provisions allowing public access to planned public facilities.

Section 6.030 Objectives.

The following are general objectives used to guide the development of this Plan:

- (1) Encourage commercial development.
- (2) Provide increased employment opportunities.
- (3) Provide shopping opportunities for surrounding communities.
- (4) Locate and design commercial areas to minimize traffic congestion and maximize access.
- (5) Continue to utilize specific and enforceable architectural and landscape design standards for commercial development.
- (6) Encourage developers to consider solar access when designing commercial development projects.
- (7) Provide for limited and carefully designed neighborhood commercial centers.
- (8) Provide for the continued development of major medical services facilities in the City of Tualatin, especially at the Meridian Park Hospital site. The Medical Center Planning District shall be applied only to a property, or a group of contiguous properties, of no less than 25 acres and shall have frontage on an arterial as designated in TDC Chapter 11, Tualatin Community Plan.
- (9) To work with the applicable jurisdictions and agencies to develop the Durham Quarry Site and Durham Quarry Area with high quality development. It is appropriate to apply an overlay district on the Durham Quarry Site and Durham Quarry Area to allow mixed commercial/residential uses. It is appropriate to enter into an intergovernmental

agreement with the City of Tigard and Washington County to allow the City of Tualatin to review and decide land use applications and building permit applications for the portion of the Durham Quarry Site in the City of Tigard.

Section 7.030 Objectives.

The following are general objectives used to guide development of the Plan and that should guide implementation of the Plan's recommendations:

- (1) Encourage new industrial development.
- (2) Provide increased local employment opportunity, moving from 12 percent local employment to 25 percent, while at the same time making the City, and in particular the Western Industrial District, a major regional employment center.
- (3) Improve the financial capability of the City, through an increase in the tax base and the use of creative financing tools.
- (4) Preserve and protect, with limited exceptions, the City's existing industrial land.
- (5) Cooperate with Washington County, Metro, and the State of Oregon to study the methods available for providing transportation, water, and sewer services to the Western Industrial District.
- (6) Fully develop the Western Industrial District and the Southwest Tualatin Concept Plan Area (SWCP), providing full transportation, sewer, and water services prior to or as development occurs.
- (7) Improve traffic access to the Western Industrial District and SWCP area from the Interstate 5 freeway and State Highway 99W through regional improvements identified in the 2035 Regional Transportation Plan.
- (8) Cooperate with the Department of Environmental Quality and Metro to meet applicable air quality standards by 1987.
- (9) Construct a north/south major arterial street between Tualatin Road and Tualatin-Sherwood Road and SW Tonquin Road in the 124th Avenue alignment to serve the industrial area.
- (10) Rebuild the Tualatin Road/Pacific Highway intersection to allow for substantially greater traffic flows.
- (11) Provide truck routes for industrial traffic that provide for efficient movement of goods while protecting the quality of residential areas.
- (12) Protect residential, commercial, and sensitive industrial uses from the adverse environmental impacts of industrial use.

- (13) Protect adjacent land uses from noise impacts by adopting industrial noise standards.
- (14) Continue to protect the Hedges Creek Wetland and Tonquin Scablands from adverse impacts of adjacent development.
- (15) Continue to administer specific and enforceable architectural and landscape design standards for industrial development.
- (16) Encourage industrial firms to use co-generation as a means to utilize waste heat from industrial processes and consider solar access when designing industrial facilities.
- (17) Protect wooded areas identified on the Natural Features Map found in the Technical Memorandum by requiring their preservation in a natural state or by integrating the major trees into the design of the parking lots, buildings, or more formal landscaping areas of an industrial development. If it is necessary to remove a portion or all of the trees, the replacement landscape features shall be subject to approval through the Architectural Review process.

Appendix B: Potential Economic Development Actions

This appendix presents potential economic development actions that cities take to increase economic activities. The purpose of this appendix is to provide information and ideas to Tualatin staff and stakeholders, as they develop economic development policies and actions to implement those policies. This appendix is not intended to be adopted into the Tualatin Comprehensive Plan.

A wide range of economic development policies and actions are available to cities for influencing the level and type of economic development. It is useful to make a distinction between economic development policies, which are typically adopted by ordinance into local comprehensive land use plans, and a local economic development strategy. While policies and economic development strategies should be aiming to achieve the same outcomes, they are not the same thing. The key differences are: (1) economic development strategies are typically presented in the form of a strategic plan that covers a five-year time horizon while policies use the longer 20-year horizon in most comprehensive plans; (2) strategies are more broad reaching and may identify actions that extend outside the capacity of local government while policies focus on land use and infrastructure; and (3) strategies are more agile in the sense that they provide a framework rather than legal guidance.

While many of the actions identified in this appendix could be included either as policies or strategies, the focus is primarily on policies and actions that implement those policies.

Local economic development policy usually has a fundamental goal of supporting businesses that align with a jurisdiction's long-term vision for the community.¹ Economic development broadly focuses on three strategies: (1) business recruitment; (2) business retention and expansion (BRE); and (3) innovation and entrepreneurship. Historically, many cities focused on recruitment as their foundational strategy; however, many cities and economic development are rethinking this approach and local governments are increasingly implementing policies that focus on support for entrepreneurs, especially those starting new businesses.²

Recent research on the effectiveness of local economic development efforts support this focus on innovation and entrepreneurship to attract new, young businesses. Providing support for institutions and firms where innovation happens allows for businesses to grow and new businesses to form as industries evolve. Local jurisdictions can specifically provide support for accelerators and incubators, especially those that provide connections between research

¹ Based on Leigh and Blakley's definition for sustainable economic development as follows, "Local economic development is achieved when a community's standard of living can be preserved and increased through a process of human and physical development that is based on principles of equity and sustainability. There are three essential elements in this definition, detailed below: First economic development establishes a minimum standard of living for all and increases the standard over time. Second, economic development reduces inequality. Third, economic development promotes and encourages sustainable resource use and production." Leigh, N. and Blakeley, E. *Planning Local Economic Development: Theory and Practice*. 2013.

² Kauffman Foundation. "Entrepreneurship's Role in Economic Development." Entrepreneurship Policy Digest. June 2014.

institutions, established firms, and entrepreneurs. Entrepreneurs are also increasingly mobile with improved access to high-speed internet. Local jurisdictions can promote quality of life and access to amenities as a way to attract these new businesses.³ Moreover, every start up is also a BRE opportunity.

Economic development is also about collaboration and identifying partnerships that can make the most of the resources available for economic development activities. Local jurisdictions should focus on their role in economic development, as there are factors that the jurisdiction can and cannot control. As identified in a 2017 University of Oregon report on the “Perceptions and Needs of Economic Development Programs in Oregon,” organizations and jurisdictions involved in economic development activity supported the importance of coordination between entities, but that implementation of coordinating efforts is difficult due to lack of capacity, unbalanced effort, or trust issues.⁴ To help overcome these barriers to coordinating economic development efforts, a key component to developing local economic development policies is identifying which policies and actions that the City is well-suited to be a lead partner, and those better suited for a partner organization to lead. It is important to develop policies and actions that identify other organizations as the lead partner. Successful implementation of these policies and actions will depend on an understanding of an organization’s capacity and access to resources.

The focus of the actions listed in this Appendix is primarily on the City’s role: what resources can the City commit to economic development and what roles are most appropriate for the City. Following are foundational assumptions about the City’s role:

- The City plays a limited role in economic and business development.
- The City is one of several organizations that provide and maintain infrastructure.
- The City has limited staff and financial resources that can be invested in appropriate economic development activities.
- The City has an obligation to adopt an economic development strategy, policies to manage employment lands, and maintain a 20-year supply of commercial and industrial sites under Goal 9 and OAR 660-009.
- The City could be an ideal organization to coordinate BRE and entrepreneurship activities or to house staff that are coordinating BRE and entrepreneurship activities.

The policy and action examples provided in this appendix are organized by broad policy categories, with cross-references to the factors of production that influence business location and expansion. The factors of production are discussed in detail the EOA document. While it is important to understand how the factors of production influence economic development

³ Leigh, N. and Blakeley, E. *Planning Local Economic Development: Theory and Practice*. 2013.

⁴ University of Oregon, Department of Planning, Public Policy & Management, Community Services Center. “Perceptions and Needs of Economic Development Programs in Oregon.” Final Report. December 2017.

activity, it is more useful to group policies and actions in broad categories such as, Land Use, Public Facilities, Business Assistance, etc.

The effectiveness of any individual actions or combination of actions depends on local circumstances and desired outcomes. Local strategies should be customized not only to meet locally defined objectives, but also to recognize economic opportunities and limitations (as defined in the Economic Opportunity Analysis). Positive outcomes are not guaranteed: even good programs can result in limited or modest results. It is important to remember that effective economic development requires a long-term view—immediate results are not guaranteed. Thus, maintaining a focus on implementation is essential.

Economic development is a team activity—no single entity can implement all the activities that are necessary for a robust economic development program. Many municipal economic development strategies include actions that rely on other entities to implement. For example, many municipal strategies we have reviewed include strategies and actions around workforce development. Workforce development is not a municipal service, so cities must coordinate with external entities for this function. The main points here are (1) be deliberate about policies / strategies /actions that rely on external partners, and (2) if these are included in the plan, be sure that resources are committed to execute them—understanding that coordination is time-consuming and challenging.

Table B-1 identifies a range of potential economic development strategies that the Tualatin could consider implementing. These strategies range from those closely associated with the basic functions of government (provision of buildable land and public services) to those sometimes viewed as outside the primary functions of government (such as financial incentives and business assistance). The primary action categories in Table B-1 are Land Use, Public Facilities, Business Assistance, Workforce, and Other. As stated above, it is important for Tualatin to identify the policies and actions they are well-suited to lead, and where collaboration with, and leadership from, partner organizations is necessary. Table B-1 also includes suggestions for potential partners and whether Tualatin should take on a lead or support role.

Table B-1. Potential economic development actions

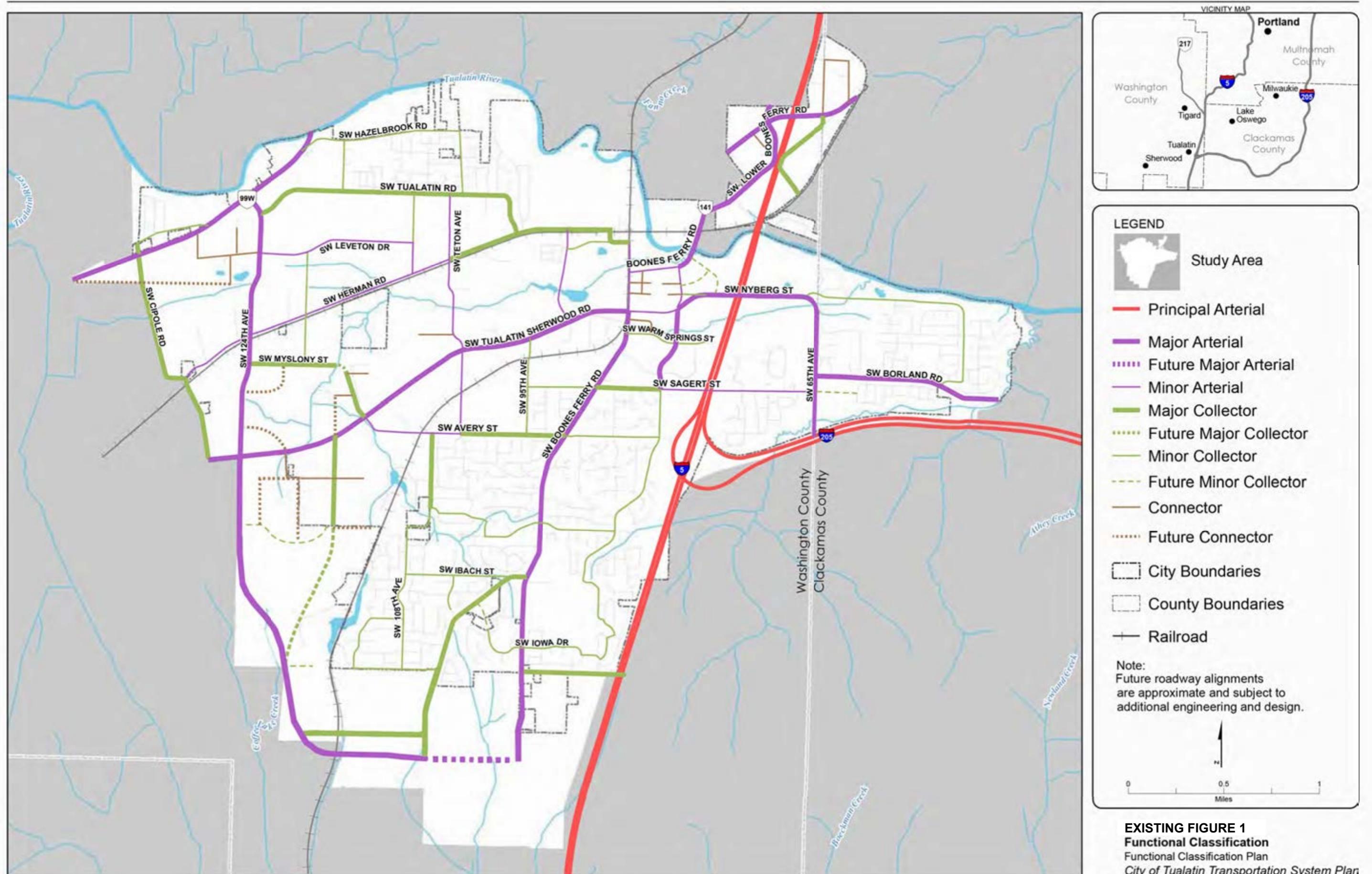
Category/Policy Examples	Description and Examples	Potential Partners	City Lead or Support Role	Relevant Factors of Production
Land Use	Policies regarding the amount and location of available land and allowed uses.			
Provide adequate supply of development sites to of land	Provide an adequate supply to accommodate anticipated employment growth with the public and private services, sizes, zoning, and other characteristics needed by firms likely to locate in Tualatin.	County, adjacent cities, State, landowners, and key stakeholders	Lead	Land, infrastructure
Zoning Code	Conduct an audit of the city's zoning code and a review of other development regulations to ensure that the area but outside of regulations support the goals of economic development	County, if they manage land within the city's planning	Lead	Land, Regulation
Increase the efficiency of the permitting process and simplify city land-use policies	Take actions to reduce costs and time for development permits. Adopt development codes and land use plans that are clear and concise.	County, if they assist with the permitting or building inspection process	Lead	Regulation, taxes, financial incentives
Public Facilities	Policies regarding the level and quality of public and private infrastructure and services.			
Provide adequate infrastructure to support employment growth	Provide adequate public services (i.e. roads, transportation, water, and sewer) and take action to assure adequate private utilities (i.e. electricity and communications) are provided to existing businesses and development sites. One way to pay for adequate infrastructure is through use of urban renewal, shown in the table below.	Public works department, special service districts, utilities, State and Federal partners who may provide grants, developers and landowners	Lead	Local infrastructure, Access to markets, suitable land to serve
Focused public investment	Provide public and private infrastructure to identified development or redevelopment sites.	Public works department, special service districts, utilities, State and Federal partners who may provide grants, developers and landowners	Lead	Regulation, taxes
Communications infrastructure	Actions to provide high-speed communication infrastructure, such as developing a local fiber optic network.	Communication utilities and public works department	Lead/Support	Local infrastructure, Access to markets

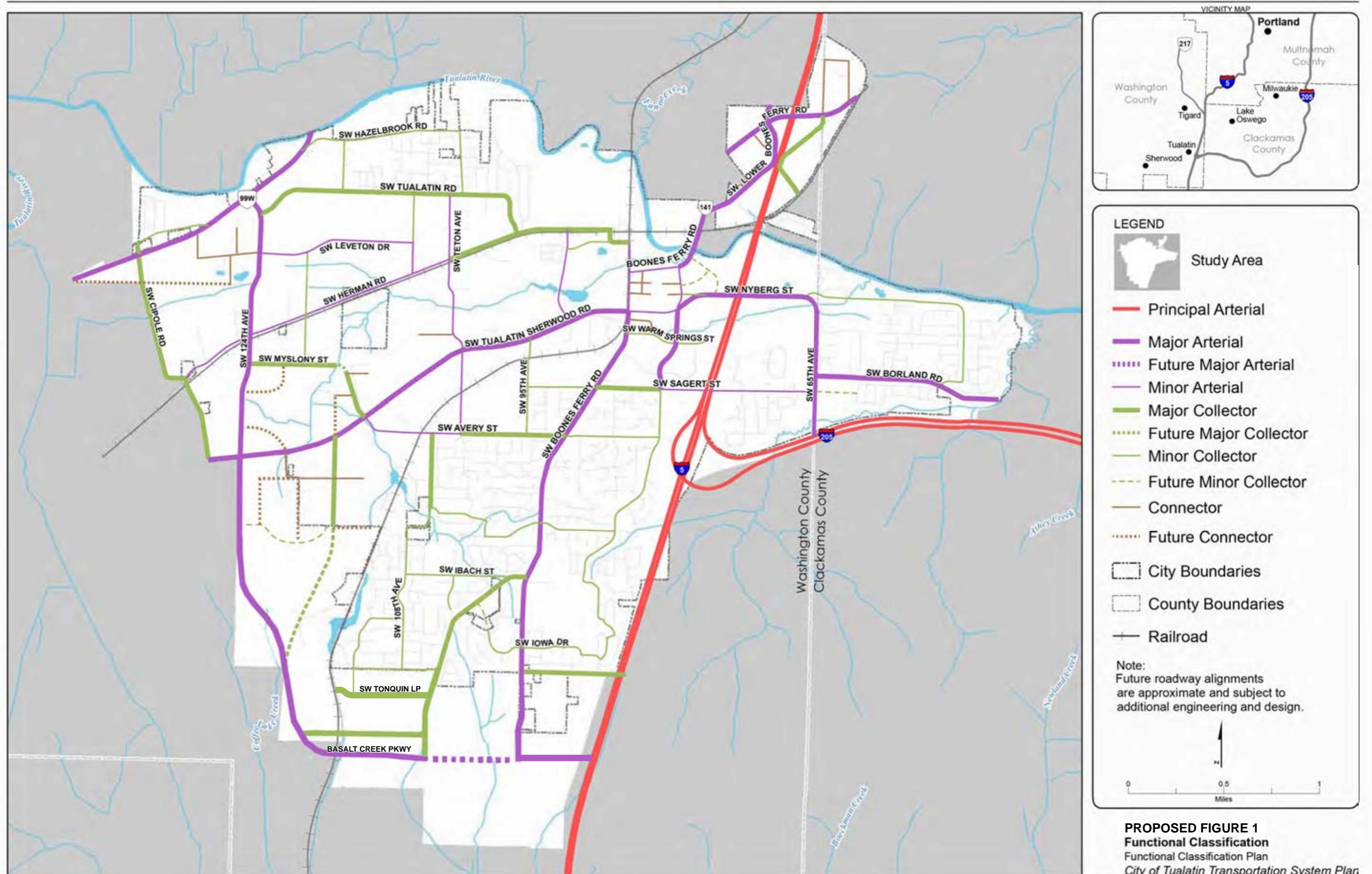
Category/Policy Examples	Description and Examples	Potential Partners	City Lead or Support Role	Relevant Factors of Production
Business Assistance	Policies to assist existing businesses and attract new businesses.			
Business retention and growth	<p>Targeted assistance to businesses facing financial difficulty or thinking of moving out of the community. Assistance would vary depending on a given business' problems and could range from business loans to upgrades in infrastructure to assistance in finding a new location within the community.</p> <p>An agent of the City of Tualatin should be direction involved in BRE efforts to highlight the city's issues and provide accountability.</p>	Chamber of Commerce, Business Oregon, Regional ED Corporation	Support	Local infrastructure, Access to markets, Materials, Regulation, Taxes, Financial incentives, Industry clusters
Recruitment and marketing	<p>Establish a program to market the community as a location for business in general, and target relocating firms to diversify and strengthen the local economy. Take steps to provide readily available development sites, an efficient permitting process, well-trained workforce, and perception of high quality of life.</p>	Chamber of Commerce, Business Oregon, Regional ED Corporation	Support	Labor, Land, Local infrastructure, Regulation, Taxes, Industry clusters, Quality of life
Development districts (enterprise zones, renewal districts, etc.)	<p>Establish districts with tax abatements, loans, assist with infrastructure, reduced regulation, or other incentives available to businesses in the district that meet specified criteria and help achieve community goals.</p> <p>Business Oregon can play a secondary role</p>	Taxing districts, special districts, and the county	Lead	Local infrastructure, Regulation, Taxes, Financial incentives, Quality of life
Business clusters	<p>Help develop business clusters through business recruitment and business retention policies. Encourage siting of businesses to provide shared services to the business clusters, businesses that support the prison and hospital and agricultural industry, including retail and commercial services.</p> <p>Because clusters are regional, regional institutions such as GPI, the Columbia-Willamette Workforce Collaborative, and the Technology Association of Oregon should lead this approach.</p>	Business Oregon, Educational/research institutions	Support	Industry clusters, Innovative capacity

Category/Policy Examples	Description and Examples	Potential Partners	City Lead or Support Role	Relevant Factors of Production
Public/private partnerships	Make public land or facilities available, public lease commitment in proposed development, provide parking, and other support services.	Developers, businesses, and landowners	Lead and/or Support	Land, Financial incentives
Financial assistance	Tax abatement, waivers, loans, grants, and financing for firms meeting specified criteria. Can be targeted as desired to support goal such as recruitment, retention, expansion, family-wage jobs, or sustainable industry.	County, special service districts, other taxing districts	Lead	Regulation, Taxes, Financial incentives
Business incubators	Help develop low-cost space for use by new and expanding firms with shared office services, access to equipment, networking opportunities, and business development information. Designate land for live-work opportunities.	Education/research institutions, Chamber of Commerce, Small Business Administration (Federal)	Support	Entrepreneurship, Innovative capacity, Access to markets
Business/start-up accelerators	Provide similar services and opportunities as a business incubator but using a specific timeframe for businesses to meet certain benchmarks. Help connect businesses with funding at the end of the period of the program to continue product development.	Education/research institutions, Chamber of Commerce, Small Business Administration (Federal)	Support	Entrepreneurship, Innovative capacity, Access to markets
Mentoring and advice	Provide low-cost mentors and advice for local small businesses in the area of management, marketing, accounting, financing, and other business skills.	Chamber of Commerce, local businesses, and other potential mentors	Support	Entrepreneurship, Innovative capacity
Export promotion	Assist businesses in identifying and expanding into new products and export markets; represent local firms at trade shows and missions.	State, Chamber of Commerce, regional economic development partners	Support	Entrepreneurship, Innovative capacity, Access to markets

Category/Policy Examples	Description and Examples	Potential Partners	City Lead or Support Role	Relevant Factors of Production
Workforce	Policies to improve the quality of the workforce available to local firms.			
Job training	Create opportunities for training in general or implement training programs for specific jobs or specific population groups (i.e. dislocated workers).	School districts, education/research institutions, businesses	Support	Labor
Job access	Provide transit/shuttle service to bring workers to job sites.	Businesses, transit agency	Lead	Labor, Local infrastructure
Jobs/housing balance	Make land available for a variety of low-cost housing types for lower income households, ranging from single-family housing types to multifamily housing.	Developers, landowners, businesses, affordable housing	Support Lead, if urban renewal or other tools are at the City's disposal	Land, Labor, Quality of life
Other				
Regional collaboration	Coordinate economic development efforts with the County, the State, and local jurisdictions, utilities, and agencies so that clear and consistent policies and objectives are developed.	Regional economic development partners, county, nearby cities, Business Oregon	Lead initiation of the coordination, participatory in the coordination process	Innovative capacity
Quality of life	Maintain and enhance quality of life through good schools, cultural programs, recreational opportunities, adequate health care facilities, affordable housing, and other neighborhood protection, and stakeholders environmental amenities.	School district, recreational districts, hospitals and medical providers, affordable housing providers, and other	Lead on city programs, support on other programs	Local infrastructure, Labor, Land, Quality of life

Source: ECONorthwest.





LEGEND

- Study Area
- Principal Arterial
- Major Arterial
- Future Major Arterial
- Minor Arterial
- Major Collector
- Future Major Collector
- Minor Collector
- Future Minor Collector
- Connector
- Future Connector
- City Boundaries
- County Boundaries
- Railroad

Note:
Future roadway alignments are approximate and subject to additional engineering and design.

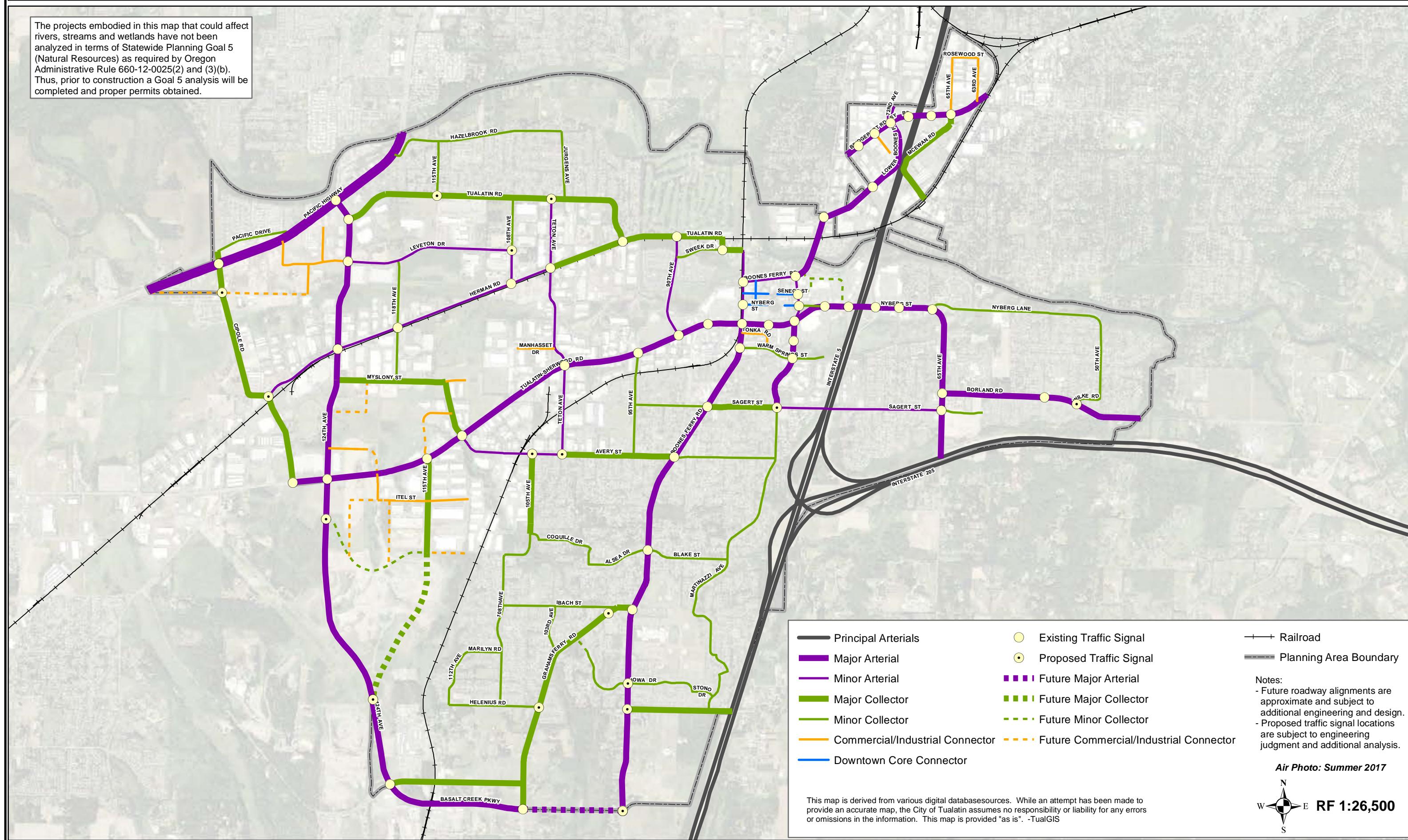


PROPOSED FIGURE 1
Functional Classification
Functional Classification Plan
City of Tualatin Transportation System Plan

CH2MHILL.

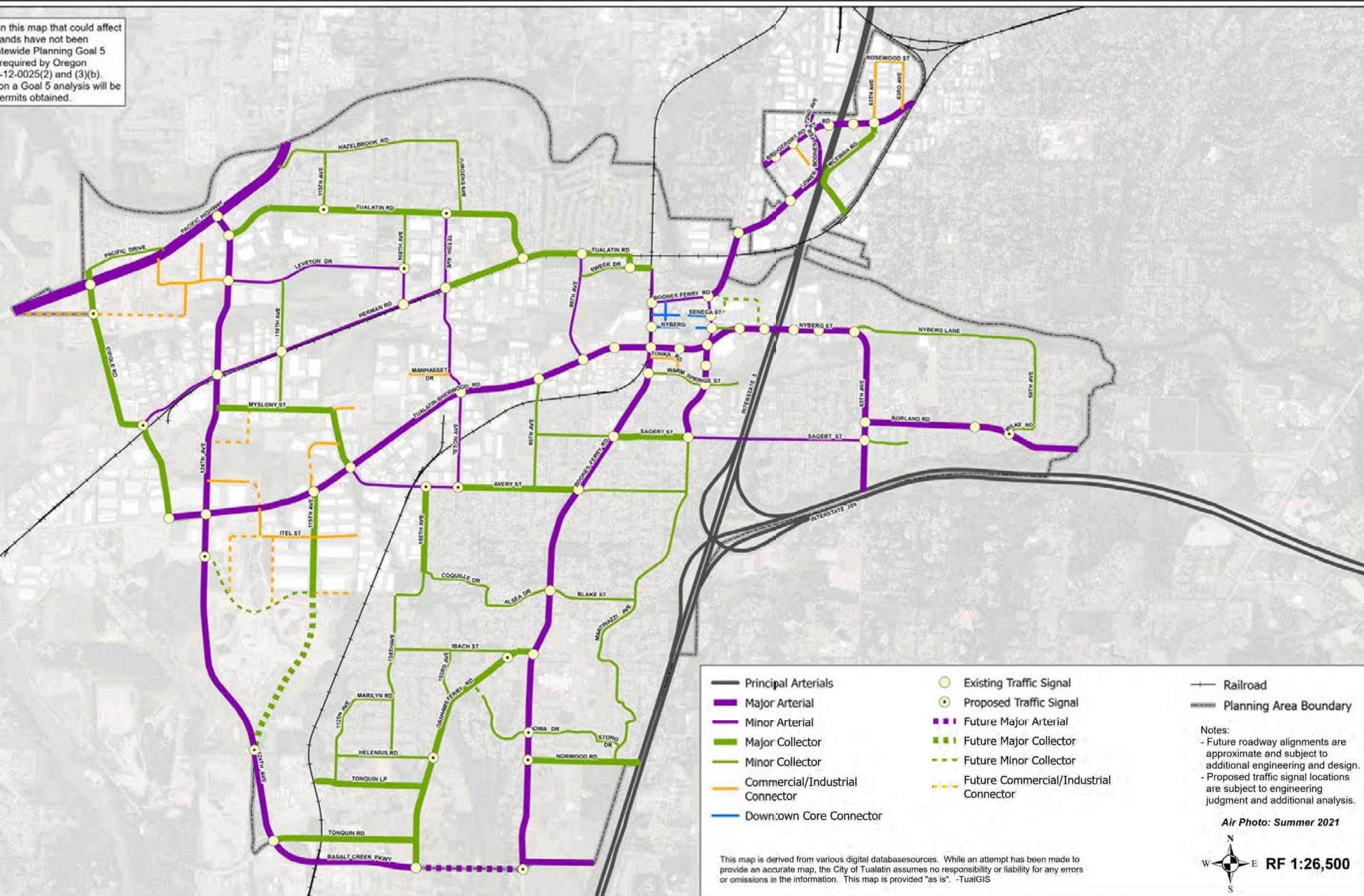
Map 8-1: EXISTING Functional Classification and Traffic Signal Plan

The projects embodied in this map that could affect rivers, streams and wetlands have not been analyzed in terms of Statewide Planning Goal 5 (Natural Resources) as required by Oregon Administrative Rule 660-12-0025(2) and (3)(b). Thus, prior to construction a Goal 5 analysis will be completed and proper permits obtained.



Map 8-1: PROPOSED Functional Classification and Traffic Signal Plan

The projects embodied in this map that could affect rivers, streams and wetlands have not been analyzed in terms of Statewide Planning Goal 5 (Natural Resources) as required by Oregon Administrative Rule 660-12-0025(2) and (3)(b). Thus, prior to construction a Goal 5 analysis will be completed and proper permits obtained.



Map 8-3: EXISTING Local Street Plan

----- Local Street Connections

— Planning Area Boundary

Air Photo: Summer 2011

7 Note: Future roadway alignments are approximate and subject to additional engineering and design

This map is derived from various digital databasesources. While an attempt has been made to provide an accurate map, the City of Tualatin assumes no responsibility or liability for any errors or omissions in the information. This map is provided "as is". -TualanGIS

TUALGIS

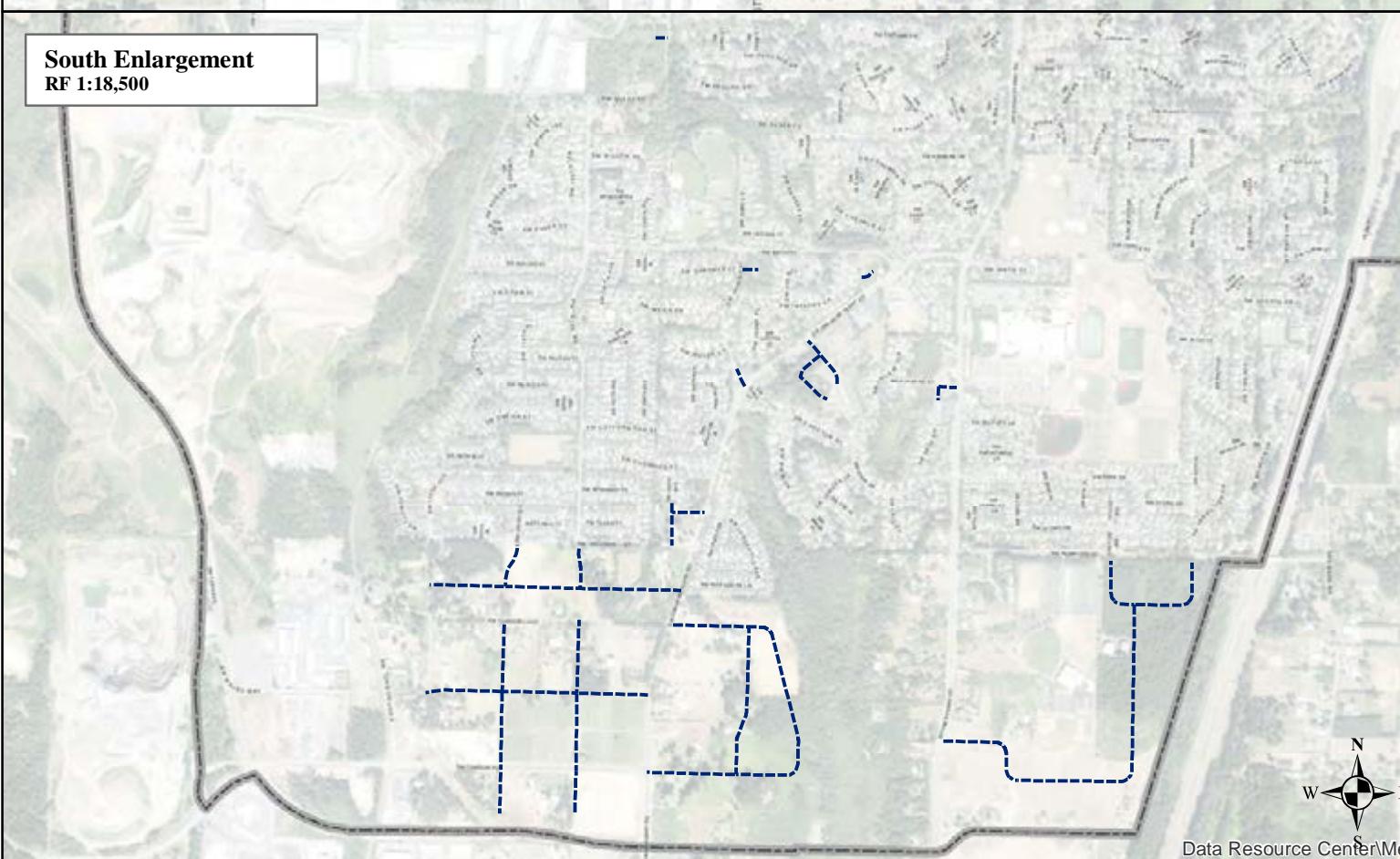
Northwest Enlargement

RF 1:8,000



South Enlargement

RF 1:18,500



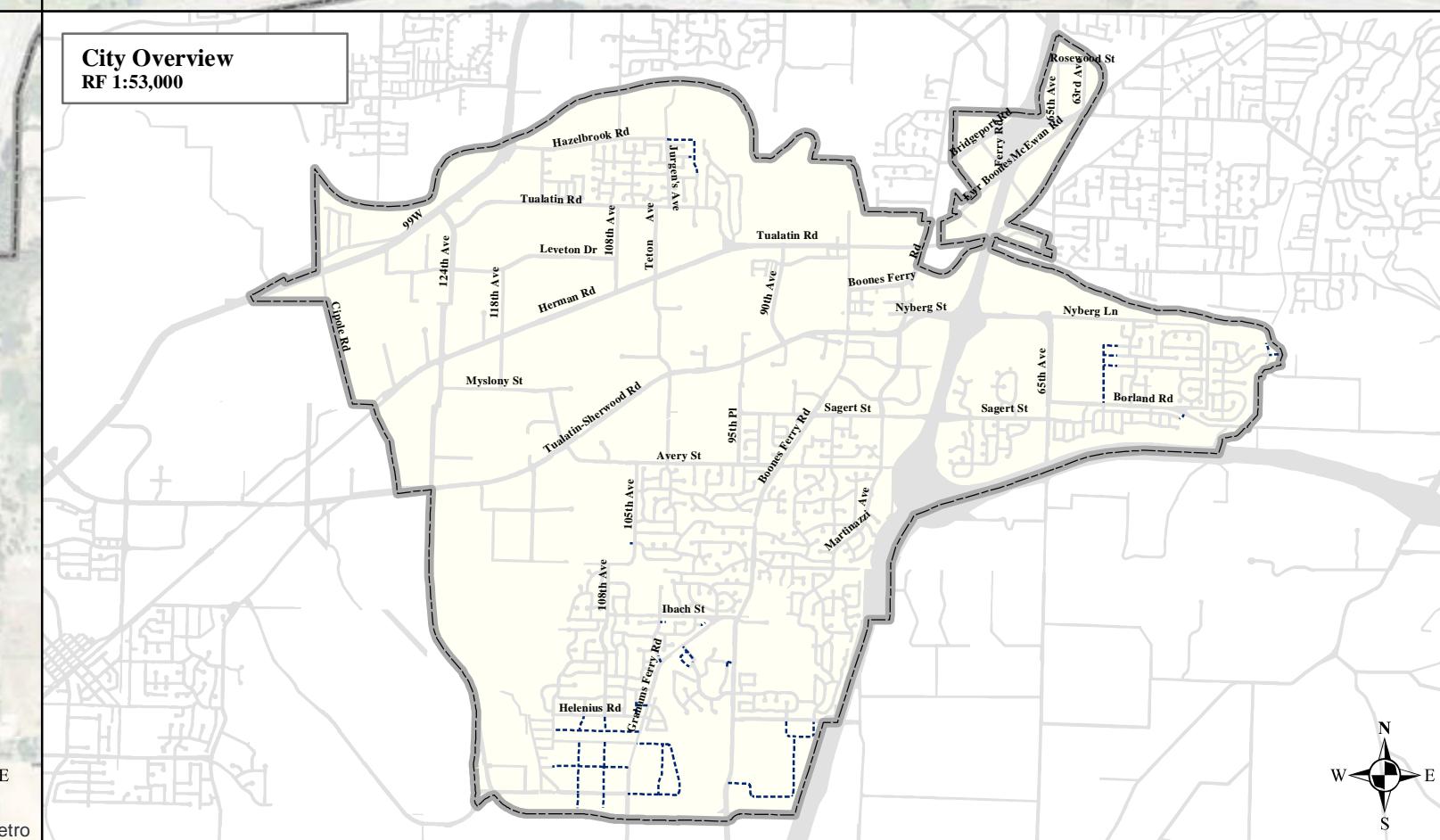
East Enlargement
RF 1:9,000

RF 1:9,0



City Overview

RF 1:5



Map 8-3: PROPOSED Local Street Plan

— Planning Area Boundary

----- PROPOSED Local Street Plan

Air Photo: Summer 2022

Note:
Future roadway alignments are
approximate and subject to
additional engineering and design

This map is derived from various digital databasesources. While an attempt has been made to provide an accurate map, the City of Tualatin assumes no responsibility or liability for any errors or omissions in the information. This map is provided "as is" - TualatInGIS

TUALGIS

Northwest Enlargement

RF 1:8,000

Data Resource Center\Metri

South Enlargement

RF 1:18,500

South Enlargement
RF 1:18,500

N
W
S
E

Data Resource Center Metro

— Data Resource Center\Metra

East Enlargement

RF 1:9,00

Data Resource Center/Metro

City Overview

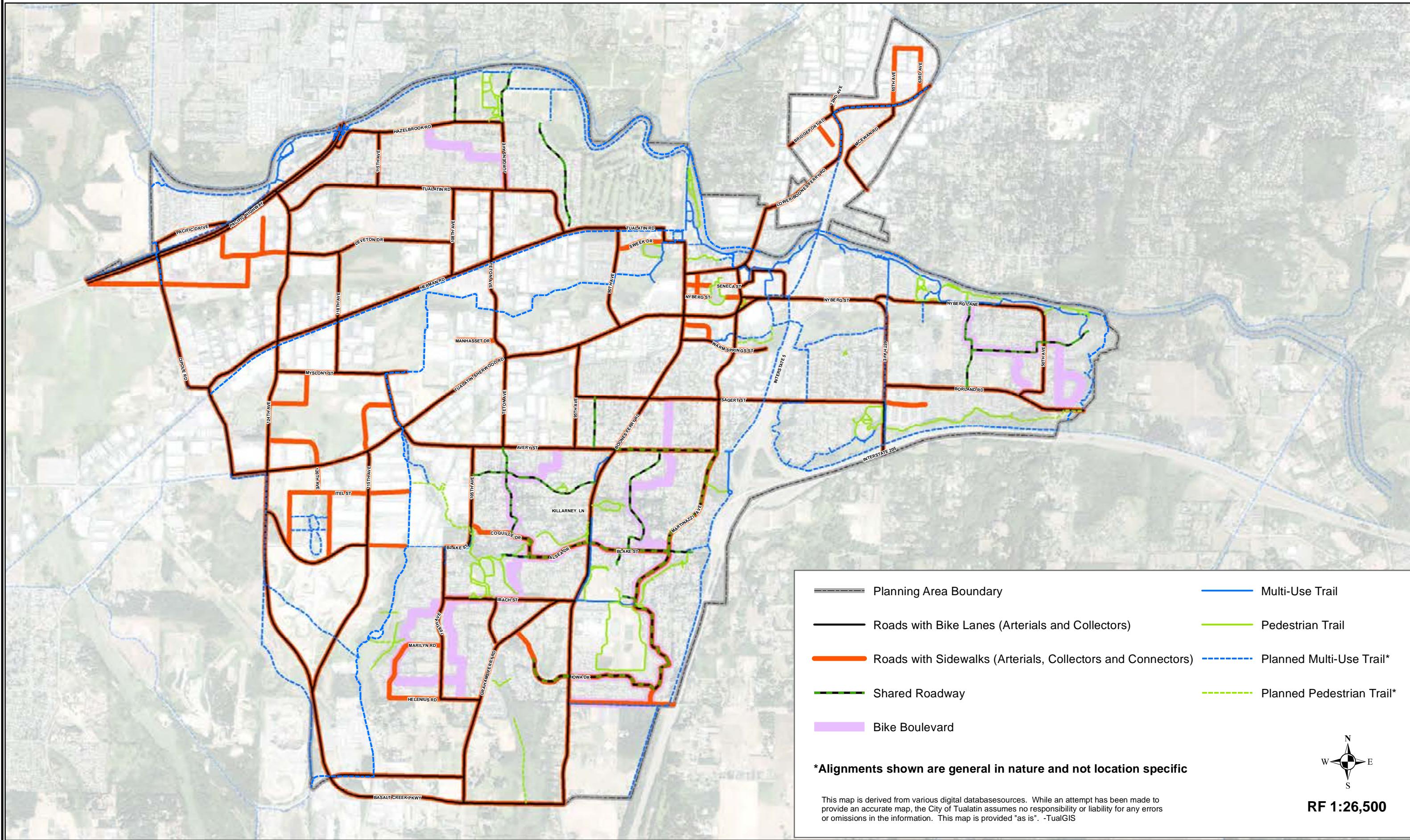
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City Overview
RF 1:53,000

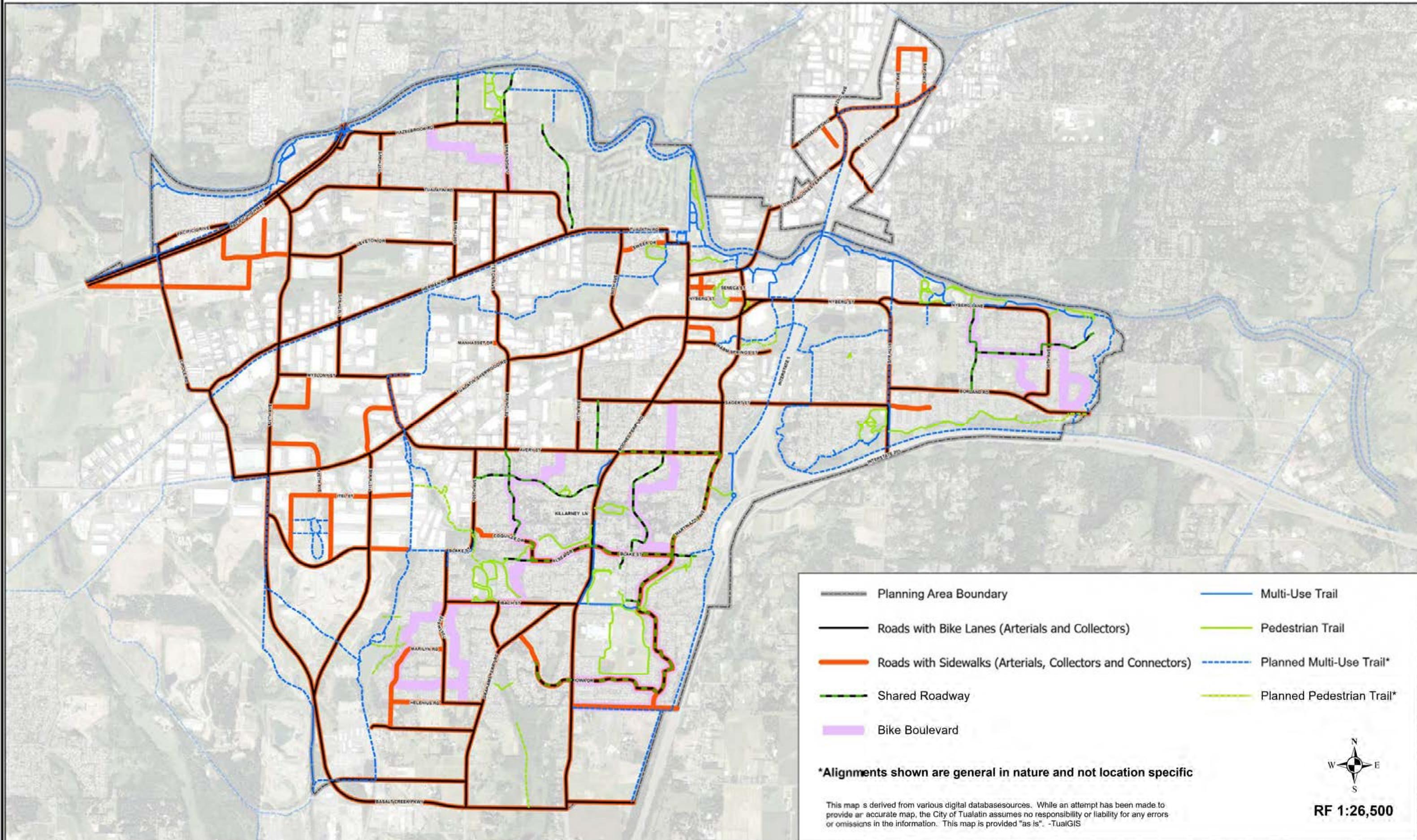
N
W
E
S

A small icon of a compass rose, with the letter 'W' indicating the West direction.

Map 8-4: EXISTING Bicycle and Pedestrian Plan



Map 8-4: PROPOSED Bicycle and Pedestrian Plan



**EXISTING
Comprehensive Plan Map
-Planning Districts-
Map 10-1**

NOTES:

1. All plan designation boundaries are intended to follow property lines, center lines of streets, or can be scaled pursuant to the scale of this map. If mapping errors occur, the City Council shall be the sole arbitration body to decide the location of boundaries.
2. Specific requirements for each Planning District are found within the Tualatin Development Code.
3. The Wetland Protection District and the Greenway and Riverbank Protection District boundaries are described in the Tualatin Development Code. Maps of the districts are available from the Planning Department.
4. Properties within the Tualatin Urban Renewal Area boundary are subject to the Tualatin Urban Renewal Plan which may contain specifications and requirements that are more restrictive than those found within the Planning District standards.

- Planning Area Boundary
- City Boundary
- In Planning Area/
Outside of City
- Manufactured Dwelling
Park Permitted



RF 1:38,000

Effective: March 30, 2022

Residential		DU/Acre
RL	Low Density	1-6.4
RML	Medium-Low Density	7-10
RMH	Medium-High Density	11-15
RH	High Density	16-25
RH/HR	High Density/High Rise	26-30

Commercial		Manufacturing
Office	ML Light	
Neighborhood	MG General	
Central	MP Park	
General	MBP Business Park	
Recreational		
Mixed Use		
Medical		

Institutional
IN Institutional

**PROPOSED
Comprehensive Plan Map
-Planning Districts-
Map 10-1**

NOTES:

1. All plan designation boundaries are intended to follow property lines, center lines of streets, or can be scaled pursuant to the scale of this map. If mapping errors occur, the City Council shall be the sole arbitration body to decide the location of boundaries.

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4. Properties within the Tualatin Urban Renewal Area boundary are subject to the Tualatin Urban Renewal Plan which may contain specifications and requirements that are more restrictive than those found within the Planning District standards.

- Planning Area Boundary
- City Boundary
- In Planning Area/
Outside of City
- Manufactured Dwelling
Park Permitted



RF 1:38,000

Effective: TBD

Residential

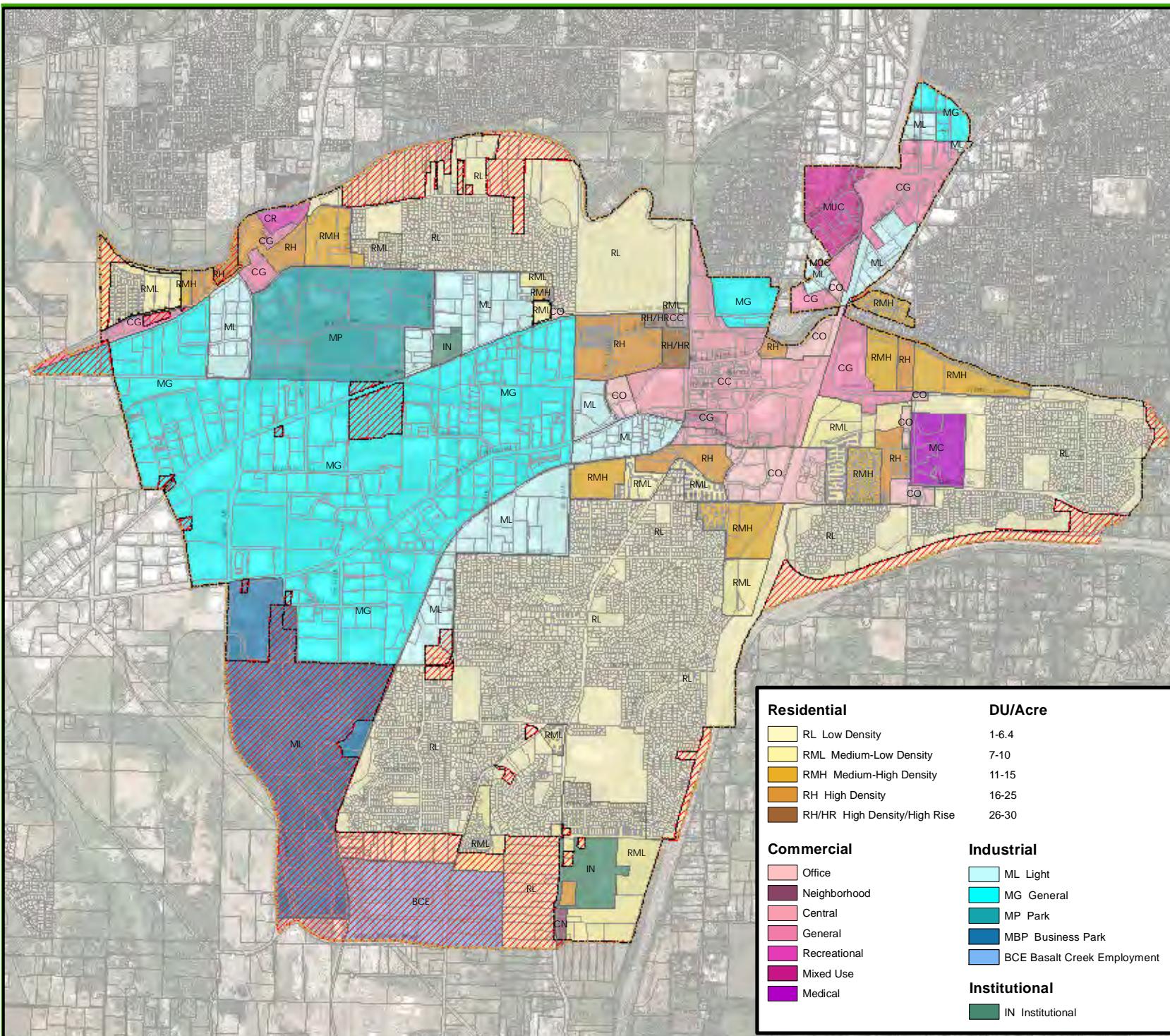
	DU/Acre
RL Low Density	1-6.4
RML Medium-Low Density	7-10
RMH Medium-High Density	11-15
RH High Density	16-25
RH/HR High Density/High Rise	26-30

Commercial

Office	ML Light
Neighborhood	MG General
Central	MP Park
General	MBP Business Park
Recreational	BCE Basalt Creek Employment
Mixed Use	
Medical	

Industrial

IN Institutional	
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- TUALATIN COMPREHENSIVE PLAN
PART II – ABOUT THE COMPREHENSIVE PLAN

Plan Implementation

Technical Memoranda		
BACKGROUND AND SUPPORTING DOCUMENTS ADOPTED AS PART OF THE COMPREHENSIVE PLAN		
Title	Year	Ordinance
<i>Economic Opportunities Analysis</i>	<u>2019</u>	<u>1480-23</u>
<i>Housing Needs Analysis</i>	<u>2019</u>	<u>1450-20</u>
<i>Parks and Recreation Master Plan</i>	<u>2019</u>	<u>1427-19</u>
<i>Sewer Master Plan</i>	<u>2019</u>	<u>1427-19</u>
<i>Water Master Plan</i>	<u>2023</u>	<u>1476-23</u>
<i>Transportation System Plan (TSP)</i>	<u>2012</u>	<u>1354-13</u>
<i>Natural Resource Inventory and Local Wetlands Inventory</i>	<u>1995</u>	<u>979-97</u>
<i>Historic Resource Technical Study and Inventory</i>	<u>1993</u>	<u>844-91; 894-93</u>
<i>Tualatin Drainage Plan</i>	<u>1979</u>	<u>491-79</u>
AREA-SPECIFIC CONCEPT PLANS		
<i>Basalt Creek Concept Plan</i>	<u>2019</u>	<u>1418-19</u>
<i>Southwest Tualatin Concept Plan</i>	<u>2010</u>	<u>1321-11</u>
<i>Northwest Tualatin Concept Plan</i>	<u>2005</u>	<u>1191-05</u>

Purpose

The purpose of this chapter is to guide employment uses, planning, and development in Tualatin. Tualatin's Buildable Lands Inventory and Economic Opportunities Analysis provide a basis for understanding the current trends and projected demand for new commercial and industrial land.

GOAL 4.1 ~~Encourage commercial development that provides employment opportunities, as well as access to goods and services for residents, employees, and the general community. Ensure an adequate supply of employment land that is available and serviceable as identified in the Economic Opportunities Analysis.~~

POLICY 4.1.1 LOCATION. Locate and design areas that allow commercial development in a manner that increases access to goods and services while minimizing traffic impacts, including the location of commercial services where accessible through transit and active transportation modes, the encouragement of mixed use development, and small neighborhood commercial nodes.

POLICY 4.1.2 CRITICAL SERVICES. Provide for the continued development of major medical services and other critical infrastructure within the City of Tualatin.

POLICY 4.1.3 DESIGN. Encourage functional and attractive commercial development through standards for site design and landscaping.

POLICY 4.1.4 MIXED USE. Encourage mixed use commercial and residential development.

POLICY 4.1.5 Plan for infrastructure development to support commercial and industrial development.

POLICY 4.1.6 Coordinate the City's Transportation System Plan with planning for employment and business growth.

Strategic Actions

- Evaluate potential opportunities to make more efficient use of commercial and industrial land.
- Evaluate the establishment of a program to assist landowners to get their sites certified through the Business Oregon Certified Shovel Ready program or other similar development program.
- Evaluate development of a civic center with a range of supportive and complementary uses.

GOAL 4.2: ~~Encourage new industrial development~~ Support business retention, growth, and attraction in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.

POLICY 4.2.1 Preserve and protect, with limited exceptions, the City's existing industrial land.

POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.

POLICY 4.2.3 Cooperate with Washington County, Metro, and the State of Oregon to study the methods available for providing transportation, water, and sewer services to growing industrial areas.

POLICY 4.2.4 Support growth of existing businesses, including growth and retention of entrepreneurial businesses, in Tualatin.

Strategic Actions

- Evaluate revision to the Economic Development Strategy to develop a clear vision for economic development, and create an action plan to implement the vision.
- Evaluate opportunities to revise City code and policy to attract or grow businesses with pay at or above Tualatin's average wage.
- Evaluate use of incentives to retain, grow, and attract businesses.
- Evaluate opportunities to support workforce development.

GOAL 4.3 Manage industrial impacts to the environment and other uses.

POLICY 4.3.1 Cooperate with the Department of Environmental Quality and Metro to meet applicable air quality standards.

POLICY 4.3.2 Protect residential, commercial, and sensitive industrial uses from the adverse environmental impacts of industrial use.

POLICY 4.3.3 Protect adjacent land uses from noise and adverse environmental impacts by adopting industrial noise and environmental impact standards.

POLICY 4.3.4 Protect environmentally sensitive areas, including the Hedges Creek Wetland and Tonquin Scablands from adverse impacts of adjacent development.

POLICY 4.3.5 Encourage industrial firms to use co-generation as a means to utilize waste heat from industrial processes and consider solar access when designing industrial facilities.

POLICY 4.3.6 Protect wooded and other natural areas by requiring their preservation in a natural state or by integrating the major trees into the design of the parking lots, buildings, Goals & Policies or more formal landscaping areas of an industrial development. If it is necessary to remove a portion or all of the trees, require mitigation.

POLICY 4.3.7 Administer specific and enforceable architectural and landscape design standards for industrial development.

POLICY 4.3.8 Provide truck routes for industrial traffic that provide for efficient movement of goods while protecting the quality of residential areas.

GOAL 4.4: Identify redevelopment opportunities.

POLICY 4.4.1 Support and encourage redevelopment of mixed-use development.

Strategic Actions

- Evaluate zoning districts within Tualatin for redevelopment for housing and employment uses.
- Evaluate revisions to the Tualatin Town Center Plan to focus on opportunities to support redevelopment.
- Evaluate revisions to the Tualatin Development Code to encourage redevelopment and intensification of uses in commercial and industrial areas.

Planning District Objectives

This section describes the purpose of each planning district.

INDUSTRIAL PLANNING DISTRICTS:

[...]

Basalt Creek Employment District (BCE)

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property to protect public health, safety and general welfare. The emphasis of the zone is on providing a variety of manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

TITLE 9-10 - MOBILE FOOD UNIT REGULATIONS

TMC 9-10-010 - Purpose and Applicability.

- (1) The purpose of this Chapter is to permit mobile food units to operate on private property within the City and establish regulations to protect the health, safety, and welfare of the public.
- (2) The requirements of this Chapter do not apply to a mobile food unit that operates:
 - (a) As a vendor under an approved City event permit;
 - (b) Under a street closure permit granted by the City;
 - (c) On private property authorized by a Special Event Permit issued under TMC 5-5;
 - (d) On private property authorized by a Special Assembly permit issued under TMC 6-2;
 - (e) Under the authority of any other permit issued by the City where the City indicates approval of a mobile food unit;
 - (f) At private catering events where the sale or distribution of food is not open to the public; or
- (g) A mobile food unit development.

[...]

TMC 9-10-050 - Location Standards.

- (1) Mobile food units are allowed to operate in the following planning districts:
 - (a) CO—Commercial Office—except a mobile food unit cannot operate in the CO planning district if the location of the mobile food unit is within 200 feet of the Central Commercial (CC) planning district;
 - (b) CR—Recreational Commercial;
 - (c) CG—General Commercial—that portion of the General Commercial Zone that abuts Highway 99W (Pacific Highway);
 - (d) MC—Medical Center;
 - (e) ML—Light Manufacturing;
 - (f) MG—General Manufacturing;
 - (g) MP—Manufacturing Park;
 - (h) MBP—Manufacturing Business Park;
 - (i) IN—Institutional; and
 - (j) BCE—Basalt Creek Employment.

TDC 31.060. - Definitions.

[...]

Mobile Food Unit. A vehicle that is self-propelled or that can be pulled or pushed down a sidewalk, street, highway, or water on which food is prepared, processed, or converted, or which is used in selling and dispensing food to the public. Mobile Food Units include, but are not limited to, food trucks, and food carts.

[...]

TDC 38.240. - Signs Permitted in the Light Manufacturing (ML), General Manufacturing (MG), and Manufacturing Park (MP), and Basalt Creek Employment (BCE) Planning Districts.

(1) No sign must be permitted in the ML, MG, or MP, or BCE Planning Districts for permitted and conditional uses except the following:

(a) *Monument signs are permitted.* If used, the following standards apply:

- (i) Location on Site: No greater than 100 feet from the frontage property line along the public street right-of-way.
- (ii) Number: One per frontage on a public street right-of-way with a maximum of two and no more than one on each frontage.
- (iii) Number of Sides: No more than two.
- (iv) Height Above Grade: No higher than ten feet.
- (v) Area: No more than 40 square feet.
- (vi) Illumination: Indirect or internal.
- (vii) For schools for kindergarten through 12 in a ML Planning District, one sign may be an internally illuminated mechanical readerboard provided it is on the frontage of an arterial or collector street designated in the City's Transportation System Plan and Map 8-1 of the Comprehensive Plan and the readerboard portion is no more than 75 percent of the allowed sign face area.

(b) *Wall signs are permitted.* If used, the following standards apply:

- (i) Number: One on each owned or leased wall not to exceed two walls for each owned or leased space and not to exceed four elevations of each building.
- (ii) Number of Sides: No more than one.
- (iii) Height Above Grade: No higher than the height of the sign band.
- (iv) Height of Each Letter, Number, Symbol or Logo: No higher than four feet.
- (v) Area: No more than five percent of the wall's elevation provided that an area of at least 32 square feet is permitted and the maximum is 150 square feet.
- (vi) Illumination: Indirect or internal.
- (vii) In the MP District in place of one wall sign, one monument sign, in addition to the monument signs allowed in (a) above, is allowed, provided it is in the yard setback area abutting the wall where the wall sign would have been located, is within 100 feet of a primary public customer doorway in the wall where the wall sign would have been located and is at least 100 feet from any other monument sign.

- THE DEVELOPMENT CODE OF THE CITY OF TUALATIN, OREGON
CHAPTER 38 SIGN REGULATIONS

(2) See TDC 38.110(5-17) for additional signage and if used, the standards of TDC 38.110(5-17) apply.

COMMERCIAL USE CATEGORIES

[...]

TDC 39.115 - Use Definitions.

The following words and phrases mean:

Advanced Manufacturing: The innovation of improved methods for manufacturing existing products, and the production of new products enabled by advanced technologies.

[...]

TDC 39.326 - Mobile Food Unit Development.

(1) Characteristics. A site under common ownership containing two or more mobile food units which are sited for more than 24 hours at one time.

(2) Examples of Uses.

- Food cart pod with/ or without beverage service.

(3) Exceptions.

- Mobile food units authorized by a Special Event Permit (as issued under TMC 5-5) or Special Assembly Permit (as issued under TMC 6-2).
- Food service that is accessory to another use, (e.g., hotel, major entertainment venue), is regulated as part of the primary use.
- Catering or food preparation without on-site consumption is classified as Retail Sales and Services.

TDC 62.300. - Development Standards.

Development standards in the MP zone are listed in Table 62-2. Additional standards may apply to some uses and situations, see TDC 62.310.

Table 62-2
Development Standards in the MP Zone

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
LOT SIZE		
Minimum Lot Size North of SW Leveton Drive	40 acres	Minimum lot size and dimensions for conditional uses are set by City Council to accommodate the proposed use. Lots or remnant areas created by the location of public streets may be less than 40 acres if necessary to create a logical, safe network of streets in the district.
Minimum Lot Size South of SW Leveton Drive, and South on Tonquin Loop Road	5 acres	
LOT DIMENSIONS		
Minimum Lot Width	250 feet	Measured at the building line. When lot has frontage on public street, minimum lot width at the street is 250 feet. When lot has frontage on cul-de-sac street, minimum lot width at the street is 50 feet.
Infrastructure and Utilities Uses	—	As determined through the Subdivision, Partition, or Lot Line Adjustment process
Flag Lots	—	Must be sufficient to comply with minimum access requirements of TDC 73C .

STANDARD	REQUIREMENT	LIMITATIONS AND CODE REFERENCES
MINIMUM SETBACKS		
Minimum Building Setback for Yards Adjacent to Streets or Alleys, North of SW Leveton Drive	100 feet	
Minimum Building Setback for Yards Adjacent to Streets or Alleys, south of SW Leveton Drive	60 feet	
Minimum Building Setback for Yards Adjacent to Residential District, south of Tonquin Loop Road	60 feet	

[...]

TDC 65.100. Purpose.

The purpose of this district is to implement the goals of the Basalt Creek Concept Plan, to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property to protect public health, safety and general welfare. The emphasis of the zone is on providing a variety of manufacturing, office, and incubator space for established and emerging businesses, typically in a flex-space development pattern. Commercial uses are allowed but limited in intensity to maintain adequate employment development opportunities.

TDC 65.200. Use Categories.

(1) Use Categories. Table 65-1 lists use categories Permitted Outright (P) or Conditionally Permitted (C) in the BCE zone. Use categories may also be designated as Limited (L) and subject to the limitations listed in Table 65-1 and restrictions identified in TDC 65.210. Limitations may restrict the specific type of use, location, size, or other characteristics of the use category. Use categories which are not listed are prohibited within the zone, except for uses which are found by the City Manager or appointee to be of a similar character and to meet the purpose of this zone, as provided in TDC 31.070.

Table 65-1
Use Categories in the BCE Zone

<u>USE CATEGORY</u>	<u>STATUS</u>	<u>LIMITATIONS AND CODE REFERENCES</u>
RESIDENTIAL USE CATEGORIES		
Household Living	C (L)	Conditional uses limited to a caretaker residence when necessary for security purposes.
COMMERCIAL USE CATEGORIES		
Commercial Recreation	P (L)	Permitted uses limited to a health or fitness facility subject to TDC 65.210(1).
Eating and Drinking Establishments	P (L)	Permitted uses limited to eating and drinking establishments without drive-up or drive-through facilities subject to TDC 65.210(1).
Mobile Food Unit Development	P (L)	Permitted uses limited subject to TDC 65.120(2).
Medical Office	P (L)	Permitted uses limited subject to TDC 65.120(1).
Office	P (L)	Permitted uses limited subject to TDC 65.210(3).

<u>Other Educational and Vocational Services</u>	P (L)	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> • <u>Correspondence, trade, or vocational schools; and</u> • <u>Job training or related services subject to TDC 65.210(1).</u>
<u>Retail Sales and Services</u>	P (L)	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> • <u>Child day care center permitted subject to TDC 34.200.</u> • <u>Retail Sales and Services uses without drive-up or drive-through facilities subject to TDC 65.210(1) and (4).</u>
INDUSTRIAL USE CATEGORIES		
<u>Heavy Manufacturing</u>	P (L)	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"> • <u>Casting or fabrication of metals, including electroplating;</u> • <u>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; ladders; lawnmowers; manufactured dwellings; marine pleasure craft; motor vehicles; paint; prefabricated building or structural members for buildings; sashes and doors; signs and display structures; refrigerators; rototillers; vending machines; washing machines; and windows;</u> <p><u>Other similar advanced manufacturing uses as determined by application of TDC 31.070.</u></p>
<u>Light Manufacturing</u>	P/C (L)	<u>Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited.</u> <p><u>All other uses Permitted outright except: Building, heating, plumbing and electrical</u></p>

		<u>contractor's offices, with on-site storage of equipment or materials are prohibited.</u>
<u>Warehouse and Freight Movement</u>	<u>P/C (L)</u>	<u>Permitted and Conditional uses limited subject to TDC 65.210(5).</u>
<u>Wholesale Sales</u>	<u>P (L)</u>	<u>Permitted uses limited to:</u> <ul style="list-style-type: none"><u>Sales of industrial products primarily sold wholesale to other industrial firms or industrial workers, subject to TDC 65.210(6).</u>
INFRASTRUCTURE AND UTILITIES USE CATEGORIES		
<u>Basic Utilities</u>	<u>P</u>	<u>—</u>
<u>Greenways and Natural Areas</u>	<u>P</u>	<u>—</u>
<u>Public Safety Facilities</u>	<u>C (L)</u>	<u>Conditional uses limited to a fire station.</u>
<u>Transportation Facilities</u>	<u>P</u>	<u>—</u>
<u>Wireless Communication Facility</u>	<u>P (L)</u>	<u>Subject to maximum height and minimum setback standards defined by TDC Chapter 73F.</u>

TDC 65.210. Additional Limitations on Uses.

- (1) Commercial Recreation, Eating and Drinking Establishments, Medical Office, Vocational Services, and/or Retail Sales and Services. Except for Child Day Care Centers, permitted uses in these categories, as specified in Table 65-1, are subject to the following additional standards.
 - (a) Maximum Size. The use must not exceed 5,000 square feet for any individual use or a total of 20,000 square feet of uses on the site.
 - (b) Location Standard. The use or uses must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.
- (2) Mobile Food Unit Development. A mobile food unit development is a permitted use as specified below.
 - (a) Maximum Size. A mobile food unit development may contain up to ten mobile food units. Each mobile food unit must not exceed 200 square feet. The combination of mobile food units and additional structures accessory to or in support of the development must not exceed 20,000 square feet.
 - (b) Location Standard. One single mobile food unit development within the BCE district is allowed and must be located on a lot, parcel or development site that has at least 150 feet of frontage on SW Graham's Ferry Road.

(c) *Outdoor Storage.* All operations must be conducted within a structure or within an area that is screened from public view.

(d) *Architectural Review Required.* A mobile food unit development is subject to Architectural Review and Approval under TDC 33. Compliance with associated development standards is required.

(3) *Offices.* Offices are a permitted use as specified below.

(a) *Use as Accessory to an Industrial Use.* Office uses accessory to a permitted light and/or heavy manufacturing use are permitted.

(b) *Limited Uses.* A primary office use must not exceed 20,000 square feet on the site.

(4) *Sale of Goods Produced On-Site.* The retail sale of goods produced on-site is permitted, provided that the retail sale area does not exceed 5,000 square feet.

(5) *Warehouse and Freight Movement.* Warehouse and freight movement is allowed as specified below.

(a) *Limited Use as Accessory to a Manufacturing Use.* The use must be conducted wholly in conjunction with a permitted light and/or heavy manufacturing use on the same lot, parcel, or development site, and facilitate the storage and distribution of goods produced on-site.

(i) *Maximum Size.* The use must not exceed more than 50% of the gross floor area of the permitted light and/or heavy manufacturing use. A Conditional Use Permit is required for uses greater than 50% and up to 200% of the gross floor area of the permitted light and/or heavy manufacturing use.

(b) *Other Limited Uses.* A primary warehouse and freight movement use may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.

(6) *Wholesale Sales.* Wholesale sales is a permitted use as specified below.

(a) *Limited Uses.* A primary wholesale sales use is limited to the sales of industrial products primarily sold wholesale to other industrial firms or industrial workers may be permitted on a site that includes a light and/or heavy manufacturing use comprising a minimum of 30% of the total building square footage on the site. No single building may exceed 150,000 square feet in size.

(7) *Outdoor Uses.* All uses must be conducted wholly within a completely enclosed building, except off-street parking and loading, Basic Utilities, Wireless Communication Facilities or as otherwise provided by this section.

TDC 65.300. Development Standards.

Development standards in the BCE zone are listed in Table 65-2. Additional standards may apply to some uses and situations, see TDC 65.310.

Table 65-2
Development Standards in the BCE Zone

<u>STANDARD</u>	<u>REQUIREMENT</u>	<u>LIMITATIONS AND CODE REFERENCES</u>
<u>LOT SIZE</u>		
Minimum Lot Size	<u>2 acres</u>	
Minimum Lot Size for Standalone Commercial Uses	<u>10,000 square feet</u>	
<u>LOT DIMENSIONS</u>		
Flag Lots	<u>—</u>	<u>Must be sufficient to comply with minimum access requirements of TDC 73C.</u>
<u>MINIMUM SETBACKS</u>		
Minimum Building Setback for Yards Adjacent to Streets or Alleys	<u>30 feet</u>	
Minimum Building Setback for Yards Adjacent to Streets or Alleys for Commercial Uses	<u>10 feet</u>	
Minimum Building Setback for Yards Adjacent to Residential District	<u>30 feet</u>	
Minimum Setback for Side and Rear Yards not Adjacent to Streets or Alleys	<u>10 feet</u>	<u>No minimum setback if adjacent to railroad right-of-way or spur track.</u>
Parking and Circulation Areas Adjacent to Public Right-of-Way	<u>20 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
Parking and Circulation Areas Adjacent to Private Property Line	<u>10 feet</u>	<u>No minimum setback required adjacent to joint access approach in accordance with TDC 73C.</u>
Fences Adjacent to Public Right-of-Way	<u>10 feet</u>	
<u>STRUCTURE HEIGHT</u>		

<u>Maximum Height</u>	<u>45 feet</u>	<u>For any structure within 100 feet of a residential zone (measured from property line or centerline of public right of way, if separated by a street) that entire structure must be limited to the maximum height of that residential zone.</u>
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TDC 65.310. Additional Development Standards.

- (1) *Spur Rail Tracks.* Spur rail tracks are not permitted within 200 feet of an adjacent residential district.
- (2) *Wetland Conservation Lots.* Minimum lot size, width, or frontage requirement do not apply to wetland conservation lots.
- (3) *Landscape Buffer Adjacent to Residential Uses.* A landscaped area, meeting the Type D standard described in Table 73B-4, must be located along property lines abutting residential zones.
- (4) *Fences Adjacent to Public Right-of-Way.* Decorative fencing is encouraged. Open fencing (such as chain-link or slatted chain-link fencing) must be screened from public-right-of-way by a minimum 10-foot-wide landscape area that is planted with a hedge of narrow or broad leaf evergreen shrubs and which will form a four-foot high continuous screen within two years of planting.
- (5) *Sound Barrier Construction.* Sound barrier construction is required to mitigate the impact of noise associated with overhead doors and building mechanical equipment, including but not limited to heating, cooling, and ventilation equipment, compressors, waste evacuation systems, electrical transformers, and other motorized or powered machinery located on the exterior of a building. Sound barrier construction must conform to the following standards:
 - (a) *Applicability.* New construction, including additions or changes to existing facilities, must comply with the provisions of this section, as determined by the Architectural Review process. Where buildings or outdoor areas located on more than one parcel are all part of a single use as determined by the Architectural Review process, all of the parcels may be required to comply with the provisions of this section.
 - (b) *Distance from Residential Use.* Sound barriers must be used to intercept all straight-line lateral (direct line between two points) paths of 450 feet or less between a property within a residential planning district and:
 - (i) Any side edge of an overhead door or other doorway larger than 64 square feet, at a minimum height of eight feet above the floor elevation of the doorway; or

(ii) Any building mechanical device at a minimum height equal to the height of the mechanical object to be screened.

(c) Exemption for Existing Structures. Where existing structures (on or off site) are located such that they will reflect sound away from residential areas and will function as a sound barrier, on-site sound barrier construction must not be required, except that at the time such structures are removed, sound barrier construction must be required.

(d) Design. Sound barriers must consist of masonry walls or earth berms located so as to reflect sound away from, rather than toward, noise sensitive properties. This may include masonry wing walls attached to a building, detached masonry walls (such as the perimeter of the site), earth berms, or combinations of the three. Wing walls must be at least as tall as the tallest overhead door they are designed to screen where they meet the building. The height of the wall may be reduced along a maximum incline formed by a horizontal distance twice the vertical change in height, or 26.5 degrees from horizontal.

INDUSTRIAL DESIGN STANDARDS

TDC 73A.500. - Industrial Design Standards.

The following standards are minimum requirements for industrial development in all zones, except for the Basalt Creek Employment (BCE) zone, which has its own standards:

[...]

(6) *Adjacent to Transit.* Industrial development adjacent to transit must comply with the following:

- (a) Development on a transit street ~~designated illustrated on TDC Chapter 11 Comprehensive Plan Map 8-5 (Figure 11)~~ must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and
- (b) Development abutting major transit stops as ~~designated in illustrated on TDC Chapter 11 Comprehensive Plan Map 8-5 (Figure 11)~~ must:
 - (i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;
 - (ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;
 - (iii) Provide a transit passenger landing pad accessible to disabled persons;
 - (iv) Provide an easement or dedication for a passenger shelter as determined by the City; and
 - (v) Provide lighting at the major transit stop.

TDC 73A.600 – Basalt Creek Employment (BCE) Design Standards.

(1) *Applicability.* The Basalt Creek Employment (BCE) design standards apply to:

- (a) New buildings in the Basalt Creek Employment (BCE) zone.
- (b) Expansion or substantial exterior remodeling of existing non-residential development in the Basalt Creek Employment (BCE) zone which is greater than 50 percent of the building's gross floor area or alters any facade which abuts a public or private street frontage or property within a residential planning district by more than 50 percent.

(2) *Exceptions:* The City Manager may allow exceptions to these standards without the need to obtain a formal variance pursuant to Chapter 33.120 provided at least one of the following circumstance is met:

- (a) The applicant demonstrates that the physical characteristics of the site or existing structure make compliance impractical (e.g., they include, but are not limited to,

steep slopes, wetlands, other bodies of water, trees or other natural features of the site, buildings or other existing development, utility lines and easements, etc.); or

(b) The applicant demonstrates that the alternative design is exceptional in the quality of detailing, appearance or materials and/or creates a positive unique relationship to other structures, views or open space in a manner that accomplishes the purpose of this section

(3) *Building Design Standards.* BCE zone development must provide building design as follows:

(a) *Building Composition.* New buildings shall use massing characteristics and asymmetrical composition to avoid the monolithic expanse of frontages and roof lines and break up building sections using elements including variable planes, projections, bays, setbacks, canopies, awnings, and parapets, changes in the roof line, materials, color, or textures.

(b) *Primary Facades.* All facades that abut the public right of way and/ or a residential zone must be architecturally significant and give the appearance of high quality design. Exterior buildings materials must have a durability equivalent to that expected of contemporary office, flex and industrial buildings. Appropriate materials include, but are not limited to: masonry (e.g., brick or architectural block); glass; synthetic plaster; pre-cast concrete; or, stone.

(c) *Secondary Facades.* All facades that do not abut the public right of way and/ or a residential zone may include exterior building materials of lesser durability or appearance. Materials considered of lesser durability or appearance include, but are not limited to: metal panels/sheet metal, fiberglass panels, vinyl or aluminum siding, or wood shingles.

(d) *Exterior Colors.* The dominant exterior must have earth-tone shades, such as gray, tan, brown, rust, green, red, etc. The contrast between trim or mortar and the dominant exterior finish should be moderate.

(e) *Upper Floor Appearance.* When buildings have two or more stories, the material used at the ground level must differ from that used at upper levels in order to create a clear distinction between the ground and upper levels. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered a story for the purposes of this provision.

(f) *Stepback.* Buildings greater than three (3) stories must be stepped back, resulting in no more than three (3) stories of façade being on the same vertical plan. Generally, the fourth (4th) story must be stepped back; however, the required stepback may occur at the third (3rd) floor if the developer prefers. For buildings in excess of 12 feet in height, each whole increment of 12 feet shall be considered with a single story that is more than 12 feet above grade at any point, every twelve feet shall be considered a story for the purposes of this provision. Required stepbacks must be a minimum of twelve (12) feet.

(g) Enclosure or Screening of Mechanical Equipment. Roof mounted mechanical equipment on flat roofed structures must be screened by parapet walls to the maximum degree possible. Site located mechanical equipment must be installed in below grade vaults where possible or screened by a site obscuring fence or landscaping. Other building mounted mechanical equipment must be screened from view to the maximum degree possible.

(4) Walkways. BCE zone development must provide walkways as follows:

- (a) Walkways must be a minimum of five feet in width;
- (b) Walkways must be constructed of asphalt, concrete, pervious concrete, pavers, or grasscrete. Gravel or bark chips are not acceptable;
- (c) Walkways must meet ADA standards applicable at time of construction or alteration;
- (d) Walkways must be provided between the main building entrances and other on-site buildings, accessways, and sidewalks along the public right-of-way;
- (e) Walkways through parking areas, drive aisles, and loading areas must be of a different appearance than the adjacent paved vehicular areas; and
- (f) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways and greenways where a bike or pedestrian path is designated.

(5) Accessways.

(a) When Required. Accessways are required to be constructed when a BCE development is adjacent to any of the following:

- (i) Residential property;
- (ii) Commercial property;
- (iii) Areas intended for public use, such as schools and parks; and
- (iv) Collector or arterial streets where transit stops or bike lanes are provided or designated.

(b) Design Standard. Accessways must meet the following design standards:

- (i) Accessways must be a minimum of eight feet in width;
- (ii) Public accessways must be constructed in accordance with the Public Works Construction Code;
- (iii) Private accessways must be constructed of asphalt, concrete or a pervious surface such as pervious asphalt or concrete, pavers or grasscrete, but not gravel or woody material;
- (iv) Accessways must meet ADA standards applicable at time of construction or alteration;

- (v) Accessways must be provided as a connection between the development's walkway and bikeway circulation system;
- (vi) Accessways may be gated for security purposes;
- (vii) Outdoor Recreation Access Routes must be provided between the development's walkway and bikeway circulation system and parks, bikeways, and greenways where a bike or pedestrian path is designated; and
- (viii) Must be constructed, owned and maintained by the property owner.

(c) Exceptions. The Accessway standard does not apply to the following:

- (i) Where a bridge or culvert would be necessary to span a designated greenway or wetland to provide a connection, the City may limit the number and location of accessways to reduce the impact on the greenway or wetland; and
- (ii) Accessways to undeveloped parcels or undeveloped transit facilities need not be constructed at the time the subject property is developed. In such cases the applicant for development must enter into a written agreement with the City guaranteeing future performance by the applicant and any successors in interest of the property being developed to construct an accessway when the adjacent undeveloped parcel is developed. The agreement recorded is subject to the City's review and approval.

(6) Safety and Security. BCE development must provide safety and security features as follows:

- (a) Locate windows and provide lighting in a manner that enables tenants, employees, and police to watch over pedestrian, parking, and loading areas;
- (b) Locate windows and interior lighting to enable surveillance of interior activity from the public right-of-way;
- (c) Locate, orient, and select exterior lighting to facilitate surveillance of on-site activities from the public right-of-way without shining into public rights-of-way or fish and wildlife habitat areas;
- (d) Provide an identification system which clearly locates buildings and their entries for patrons and emergency services; and
- (e) Above ground sewer or water pumping stations, pressure reading stations, water reservoirs, electrical substations, and above ground natural gas pumping stations must provide a minimum six foot tall security fence or wall.

(7) Adjacent to Transit. BCE development adjacent to transit must comply with the following:

- (a) Development on a transit street illustrated on Comprehensive Plan Map 8-5 must provide either a transit stop pad on-site, or an on-site or public sidewalk connection to a transit stop along the subject property's frontage on the transit street; and

(b) Development abutting major transit stops as illustrated on Comprehensive Plan Map 8-5 must:

- (i) Locate any portion of a building within 20 feet of the major transit stop or provide a pedestrian plaza at the transit stop;
- (ii) Provide a reasonably direct pedestrian connection between the major transit stop and a building entrance on the site;
- (iii) Provide a transit passenger landing pad accessible to disabled persons;
- (iv) Provide an easement or dedication for a passenger shelter as determined by the City; and
- (v) Provide lighting at the major transit stop.

INSTITUTIONAL DESIGN STANDARDS

TDC 73A.6700. - Institutional Design Standards.

The following standards are minimum requirements for institutional development in all zones:

[...]

TDC 73B.020. - Landscape Area Standards Minimum Areas by Use and Zone.

The following are the minimum areas required to be landscaped for each use and zone:

Table 73B-1
Required Minimum Landscape Area

Zone	Minimum Area Requirement*	Minimum Area Requirement with dedication for a fish and wildlife habitat*
(1) RL, RML, RMH, RH and RH/HR zones—Permitted Uses	None	None
(2) RL, RML, RMH, RH and RH/HR zones—Conditional Uses, except Small Lot Subdivisions	25 percent of the total area to be developed	20 percent of the total area to be developed
(3) CO, CR, CC, CG, ML, and MG zones except within the Core Area Parking District—All uses	15 percent of the total area to be developed	12.5 percent of the total area to be developed
(4) CO, CR, CC, CG, MUC, ML, and MG zones within the Core Area Parking District—All uses	10 percent of the total area to be developed	7.5 percent of the total area to be developed
(5) IN, CN, CO/MR, MC, and MP zones—All uses	25 percent of the total area to be developed	22.5 percent of the total area to be developed
(6) BCE zone—All uses; Industrial Business Park Overlay District and MBP—must be approved through Industrial Master Plans	20 percent of the total area to be developed	Not applicable

* For properties within the Hedges Creek Wetland Protection District which have signed the "Wetlands Mitigation Agreement," the improved or unimproved wetland buffer area may reduce the required landscaping to 12.5 percent as long as all other landscape requirements are met.

[...]

TDC 73B.050 - Additional Minimum Landscaping Requirements for all uses in the Mixed Use Commercial Zone.

- (1) *General.* In addition to requirements in TDC 73B.020, all uses within the Mixed-Use Commercial (MUC) zone, must comply with the following:
 - (a) All areas not occupied by buildings, parking spaces, driveways, drive aisles, pedestrian areas, or undisturbed natural areas must be landscaped:

- (i) This standard does not apply to areas subject to the Hedges Creek Wetlands Mitigation Agreement.
- (b) A landscape area may be occupied by utilities, screening, sidewalks, bikeways; and
- (c) Landscape screening provisions are superseded by the vision clearance requirements of Figure 73B-24.

(2) *Standards.* The matrices in Tables 73B-13 and 73B-24 must be used in calculating widths of landscape buffer areas, as well as screening improvements to be installed between proposed uses and abutting uses. Landscape buffers are not required between abutting uses that are of a different type when the uses are separated by a street.

- (a) *Buffer.* The minimum improvements within a buffer area must include landscaping and screening specified in Tables 73B-13 and 73B-24. Landscape improvements must meet the following specifications:
 - (i) At least one row of trees must be planted. Deciduous trees must be a minimum of two-inch caliper at four feet in height and evergreen trees must be a minimum height of five feet high at the time of planting. Spacing for trees must be as follows:
 - (A) Small or narrow-stature trees, under 25 feet tall or less than 16 feet wide at maturity must be spaced not more than 15 feet apart;
 - (B) Medium-sized trees between 25 feet to 40 feet tall and with 16 feet to 35 feet wide branching at maturity must be spaced not more than 30 feet apart;
 - (C) Large trees, over 40 feet tall and with more than 35 feet wide branching at maturity, must be spaced not more than 30 feet apart.
 - (ii) At least ten five-gallon shrubs or 20 one-gallon shrubs must be planted for each 1,000 square feet of required buffer area;
 - (iii) The remaining area must be planted in lawn or other living ground cover.
- (b) *Screening.* Where screening is specified in Tables 73B-13 and 73B-24, the following standards apply, in addition to those required for buffering:
 - (i) The prescribed heights of required screening must be measured from the actual adjoining level of finished grade, except that where parking, loading, storage or similar areas are located above finished grade, the height of fences, walls or landscaping required to screen such areas or space must be measured from the level of such improvements. When the use to be screened is located downhill from the adjoining use, the prescribed heights of required fences, walls, or landscape screening must be measured from the actual grade of the adjoining property. In this case, fences and walls may exceed the permitted six foot height at the discretion of the City Manager, as a condition of approval. When steep grades

make the installation of walls, fences, or landscaping to the required height impractical, a detailed landscape/screening plan must be submitted for approval;

- (ii) A hedge of narrow or broad leaf evergreen shrubs must be planted which will form a four-foot high continuous screen within two years of planting; or
- (iii) An earthen berm planted with narrow or broad leaf evergreen shrubs must be provided which will form a continuous screen of the height specified in Table 73B-24 within two years. The unplanted portion of the berm must be planted in lawn or other living ground cover; or
- (iv) A fence or wall of the height specified in Table 73B-24 must be constructed of materials commonly used in the construction of fences and walls such as wood, stone, rock or brick, or as determined in the Architectural Review process and provide a continuous sight obscuring screen.
 - (A) Walls must be a minimum of six inches thick.
 - (B) Fence or wall height may not exceed three feet in height in a required front yard or six feet in height in required front yards adjacent to designated arterial or collector streets.
 - (C) An evergreen hedge or other dense evergreen landscaping may satisfy a requirement for a sight-obscuring fence where required.
 - (D) An earthen berm and fence or wall combination must not exceed six-feet in height.

- THE DEVELOPMENT CODE OF THE CITY OF TUALATIN, OREGON
CHAPTER 73B – LANDSCAPING STANDARDS

Table 73B-1
Required Landscape Buffer Between Uses

		Proposed Improvement				
		Residential	Commercial	Institutional	Parking Lots 4—50 spaces	Parking Lots 50+ spaces
Abutting	Residential	—	B	B	C	D
	Commercial	C	—	B	—	—
	Industrial	B	A	B	—	—
	Parking Lots	C	—	—	—	—
	Arterial Streets	A	—	A	—	—

Table 73B-2
Required Landscaping and Screening

	Options	Width (feet)	Trees (per linear feet of buffer)	Shrubs or Groundcover	Screening
A	—	10	—	Lawn/living groundcover	—
B	—	10	20 feet min/30 feet max spacing	Lawn/living groundcover	—
C	1	10	15 feet min/30 feet max spacing	Shrubs	4 feet hedges
	2	8		Shrubs	5 feet fence
	3	6		Shrubs	6 feet wall
D	1	20	10 feet min/20 feet max spacing	Shrubs	6 feet hedge
	2	15		Shrubs	6 feet fence
	3	10		Shrubs	6 feet wall

[...]

TDC 73B.080. - Minimum Landscaping Standards for All Zones.

The following are minimum standards for landscaping for all zones.

Table 73B-2
Minimum Landscape Standards

(1) Required Landscape Areas	<ul style="list-style-type: none">Must be designed, constructed, installed, and maintained so that within three years the ground must be covered by living grass or other plant materials.The foliage crown of trees cannot be used to meet this requirement.A maximum of ten percent of the landscaped area may be covered with un-vegetated areas of bark chips, rock or stone.Must be installed in accordance with the provisions of the American National Standards Institute ANSI A300 (Part 1) (Latest Edition).Must be controlled by pruning, trimming, or otherwise so that:It will not interfere with designated pedestrian or vehicular access; andIt will not constitute a traffic hazard because of reduced visibility.
(2) Fences	<ul style="list-style-type: none">Landscape plans that include fences must integrate any fencing into the plan to guide wild animals toward animal crossings under, over, or around transportation corridors.
(3) Tree Preservation	<ul style="list-style-type: none">Trees and other plant materials to be retained must be identified on the landscape plan and grading plan.During construction:Must provide above and below ground protection for existing trees and plant materials identified to remain;Trees and plant materials identified for preservation must be protected by chain link or other sturdy fencing placed around the tree at the drip line;If it is necessary to fence within the drip line, such fencing must be specified by a qualified arborist;Top soil storage and construction material storage must not be located within the drip line of trees designated to be preserved;Where site conditions make necessary a grading, building, paving, trenching, boring, digging, or other similar encroachment upon a preserved tree's drip-line area, such grading, paving, trenching, boring, digging, or similar encroachment must only be permitted under the direction of a qualified arborist. Such direction must assure that the health needs of trees within the preserved area can be met; andTree root ends must not remain exposed.Landscaping under preserved trees must be compatible with the retention and health of the preserved tree.When it is necessary for a preserved tree to be removed in accordance with TDC 33.110 (Tree Removal Permit) the landscaped area surrounding the tree or trees must be maintained and replanted with trees that relate to the present landscape plan, or if there is no landscape plan, then trees that are complementary with existing, landscape materials. Native trees are encouraged

	<ul style="list-style-type: none"> 100 percent of the area preserved under any tree or group of trees (Except for impervious surface areas) retained in the landscape plan must apply directly to the percentage of landscaping required for a development
(4) Grading	<ul style="list-style-type: none"> After completion of site grading, top-soil is to be restored to exposed cut and fill areas to provide a suitable base for seeding and planting. All planting areas must be graded to provide positive drainage. Soil, water, plant materials, mulch, or other materials must not be allowed to wash across roadways or walkways. Impervious surface drainage must be directed away from pedestrian walkways, dwelling units, buildings, outdoor private and shared areas and landscape areas except where the landscape area is a water quality facility.
(5) Irrigation	<ul style="list-style-type: none"> Landscaped areas must be irrigated with an automatic underground or drip irrigation system.
(6) Re-vegetation in Un-landscaped Areas	<ul style="list-style-type: none"> Vegetation must be replanted in all areas where vegetation has been removed or damaged in areas not affected by the landscaping requirements and that are not to be occupied by structures or other improvements. Plant materials must be watered at intervals sufficient to ensure survival and growth for a minimum of two growing seasons. The use of native plant materials is encouraged to reduce irrigation and maintenance demands. Disturbed soils should be amended to an original or higher level of porosity to regain infiltration and stormwater storage capacity.

Table 73B-3
Landscape Buffer Between Uses

<u>Existing/Abutting Districts</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Parking Lots 4–50 spaces</u>	<u>Parking Lots 50+ spaces</u>
<u>Residential</u>	—	D	D	C	D
<u>Commercial</u>	C	—	D	—	—
<u>Industrial</u>	D	A	—	—	—
<u>Parking Lots</u>	C	—	—	—	—
<u>Arterial Streets</u>	A	—	A	—	—

Table 73B-4
Landscaping and Screening

	<u>Options</u>	<u>Width (feet)</u>	<u>Trees (per linear feet of buffer)</u>	<u>Shrubs or Groundcover</u>	<u>Screening</u>
A	—	<u>10</u>	—	<u>Lawn/living groundcover</u>	—
B	—	<u>10</u>	<u>20 feet min/30 feet max spacing</u>	<u>Lawn/living groundcover</u>	—
C	<u>1</u>	<u>10</u>	<u>15 feet min/30 feet max spacing</u>	<u>Shrubs</u>	<u>4 feet hedges</u>
	<u>2</u>	<u>8</u>		<u>Shrubs</u>	<u>5 feet fence</u>
	<u>3</u>	<u>6</u>		<u>Shrubs</u>	<u>6 feet wall</u>
D	<u>1</u>	<u>30</u>	<u>10 feet min/30 feet max spacing</u>	<u>Shrubs</u>	<u>Berm</u>
	<u>2</u>	<u>20</u>		<u>Shrubs</u>	<u>6 feet hedge</u>
	<u>3</u>	<u>15</u>		<u>Shrubs</u>	<u>6 feet fence</u>
	<u>4</u>	<u>10</u>		<u>Shrubs</u>	<u>6 feet wall</u>

TDC 73B.090. - Minimum Standards Trees and Plants.

The following minimum standards apply to the types of landscaping required to be installed for all zones.

Table 73B-5
Minimum Standards for Trees and Plants

(1) Deciduous Shade Trees	<ul style="list-style-type: none"> • One and one-half inch caliper measured six inches above ground; • Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; • Reach a mature height of 30 feet or more; • Cast moderate to dense shade in summer; • Live over 60 years; • Do well in urban environments, tolerant of pollution and heat, and resistant to drought; • Require little maintenance and mechanically strong; • Insect- and disease-resistant; • Require little pruning; and • Barren of fruit production.
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- THE DEVELOPMENT CODE OF THE CITY OF TUALATIN, OREGON
CHAPTER 73B – LANDSCAPING STANDARDS

(2) Deciduous Ornamental Trees	<ul style="list-style-type: none">• One and on-half inch caliper measured six inches above ground;• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species
(3) Coniferous Trees	<ul style="list-style-type: none">• Five feet in height above ground;• Balled and burlapped; bare root trees will be acceptable to plant during their dormant season; and• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species.
(4) Evergreen and Deciduous Shrubs	<ul style="list-style-type: none">• One to five gallon size;• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and• Side of shrub with best foliage must be oriented to public view.
(5) Groundcovers	<ul style="list-style-type: none">• Fully rooted;• Well branched or leafed;• Healthy, disease-free, damage-free, well-branched stock, characteristic of the species; and• English ivy (<i>Hedera helix</i>) is prohibited.
(6) Lawns	<ul style="list-style-type: none">• Consist of grasses, including sod, or seeds of acceptable mix within the local landscape industry;• 100 percent coverage and weed free; and• Healthy, disease-free, damage-free, characteristic of the species.

BASALT CREEK INDUSTRIAL CODE PROJECT

EXHIBIT 3: PUBLIC OUTREACH SUMMARY

The project has included the following public outreach opportunities:

- July 27: Virtual Open House Webinar
- September 25: Planning Commission Meeting
 - Staff presented PTA/PMA 22-000, and the Planning Commission made a motion to forward a recommendation of approval of the draft code and map amendments to City Council with minor amendments.
- September 29: Stakeholder Discussion
 - Stakeholders shared that draft code presented to Planning Commission is too aspirational. They feel that limiting uses, like warehousing and freight movement and wholesale sales, will preclude standard flex-space development.
- October 28: Stakeholder Discussion with City Manager & Economic Development Program Manager
 - Stakeholders reiterated their thoughts.
- November 9: Discussion with Citizen Involvement Organizations (CIOs)
 - Staff discussed including a food cart pod as a permitted use. Citizen group shared concerns of traffic impacts, particular that of last mile delivery fleets or large trucks.
- December 12: Continued Stakeholder Discussion
 - Staff took stakeholder feedback into consideration and presented a revised code (Exhibit A3: Scenario B) that expanded permitted uses to include Heavy Manufacturing, Warehouse and Freight Movement, and Wholesale Sales with use limitations. Stakeholders continue to share concerns that amendments would restrict development of their products.
- January 5 : Discussion with the Chamber, Stakeholders, and Business Community
 - Stakeholders share continued dissatisfaction over project and seek Chamber support. Staff shares that the project aims to balance council direction and goals, with feedback received from the stakeholder groups. A driving purpose of the development code is to discourage what the community views as undesirable development, as opposed to relying on the market to provide desirable development without code limitations. Staff feels that the project offers greater flexibility for industrial uses over current code and continue to work with stakeholders on various code scenarios.
- January 19: Planning Commission Meeting
 - Staff returned to the Planning Commission to provide an update based on stakeholder feedback that the draft code that flexibility to accommodate market needs. In response, staff worked collaborative with the stakeholders to craft four code scenarios for the Commission to review and make a recommendation to Council on. These code scenarios ranged from highly

aspirational and potentially restrictive to being more flexible while ensuring some level of desired development.

- The Commission made a motion to approve a two-part recommendation to Council:
 - If Council favors limiting warehouses, then approve Scenario A1 (Exhibit A1).
 - If Council is open to expand uses that encourage flex space, then approve Scenario C (Exhibit A2).
- February 2: Continued Discussion with the Chamber, Stakeholders, and Business Community
 - Staff returns with an update on the project discussion with the Planning Commission, and ask the business community for their continued support of the project.
- March 16: Planning Commission Meeting
 - Staff returned to the Planning Commission to confirm the direction of the text and map amendment based a Council work session discussion held on February 27, 2023.
- June 15: Planning Commission Meeting
 - The Planning Commission made a unanimous recommendation in support of PTA 22-0001 and PMA 22-0001.
- August 9: Architectural Review Board Meeting
 - The Architectural Review Board previewed and commented on development standards contained within PTA 22-0001.

From: [MICHELLE FELLERS](#)
To: [Ext - Planning](#)
Subject: Basalt Creek Employment Zone
Date: Sunday, August 27, 2023 1:48:29 PM

To: Tualatin City Council,
My wife and I are in full support of the proposed changes.
Regards,
Rich and Shelley Fellers
23750 S.W. Grahams Ferry
Sherwood, OR 97140

Sent from my iPhone

From: [G Lucini](#)
To: [Council](#); [Frank Bubenik](#); [Bridget Brooks](#); [Valerie Pratt](#); [Maria Reyes](#); [Christen Sacco](#); [Cyndy Hillier](#); [Octavio Gonzalez](#); [Erin Engman](#); [Ext - Planning](#)
Cc: [John Lucini](#)
Subject: Citizen Comments Proposed Ord# 1480-23--- For 8-28-23 City Council HEARING ITEM #1 For the Public Record
Date: Sunday, August 27, 2023 10:21:06 PM
Attachments: [45f7063-3b50-40b0-aad1-3b8a6d28f8a4.png](#)
[Identification-.png](#)
[Concept.png](#)
[suitable.png](#)
[image.png](#)
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FOR THE PUBLIC RECORD

TO: The City of Tualatin City Council- Collectively and Individually,

City of Tualatin Planning Department – Erin Engman

FROM: John and Grace Lucini

8-27-2023

RE: 8-28-2023 CITY OF TUALATIN CITY COUNCIL PUBLIC HEARING ITEM #1

CONSIDERATION ORDINANCE NO. 1480-23 Amending the Tualatin Comprehensive Plan; Amending the Tualatin Municipal Code; and Amending and Creating New Provisions in the Tualatin Development Code to Create the Basalt Creek Employment Zoning District

Please accept these Citizen Concerns as our written testimony for your consideration when deliberating if the City of Tualatin should adopt multiple changes to the City's Transportation Plan

One of the foremost Oregon Statewide Land Use Planning Goals which the City should ensure compliance to within this Land Use Planning Process:

[Goal 2: Land Use Planning OAR 660-015-0000\(2\) Goal PART I – PLANNING: To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.](#)

All land use plans shall include identification of issues and problems, inventories and other factual information for each applicable statewide planning goal, evaluation of alternative courses of action and ultimate policy choices, taking into consideration social, economic, energy and environmental needs. The required information shall be contained in the plan document or in supporting documents.

As a lay person reviewing the multiple elements of proposed Ord. 1480-23, there several easily identifiable proposed Land Use Actions producing negative outcomes. The ordinance and its supporting documents- as posted for the Hearing's Information Packet did not provide adequate identification of these problems or provided adequate fact-based evaluation of alternative courses.

The City's required "FINDINGS" review of the multiple proposed Land Use Actions also did not adequately document significant negative outcomes- which should have become apparent as part of an effective review of all relevant State Land Use Planning Goals- many of which specifically address evaluation of coordination and integration of multiple facets of Land Use Planning.

There are significant concerns as to the adequacy of the City's Land Use Planning and review process for this proposed ordinance. This is noteworthy, as the City of Tualatin has been planning and adopting Land Use Planning Actions for the urbanization of the Basalt Creek Area while reliant upon some outdated, incomplete and/or inaccurate Governing Documents needed for effective Land Use Planning for the Basalt Creek Area.

THE PROPOSED CHANGES TO THE CITY'S TRANSPORTATION PLAN -WHEN COMPARED AGAINST SEVERAL NEGATIVE OUTCOMES- DOES NOT PROVIDE SUFFICIENT JUSTIFICATION FOR THE PROPOSED TRANSPORTATION CHANGES -OTHER THAN TO MAXIMIZE THE PROFITABILITY OF THE DISTRICT DEVELOPERS.

We have submitted 4 requests to the City and the City of Tualatin City Council.

We then provided a review of the easily identifiable negative outcomes of the proposed ordinance – which includes evaluations of compliance to relevant Land Use Planning Requirements

Lastly, we again present the same repeated comments which have been submitted since 2016- as to the need for need of complete, fact-based appropriate clear, standardized information assessments/analysis appropriately codified within the City's Governing Document needed for effective Land Use Planning, evaluation for Adoption and for reliance upon during the implementation of proposed Land Use Actions impacting the Basalt Creek Area.

Please see issues regarding stormwater management planning for the Basalt Creek Area and need for clear standardize codification of goal #5 natural resources identified within the city's natural resources maps 72-1 (NRPO) and/or 72-3- which multiple city codes intended to require and ensure the protection of citizens, property and natural resources include specific

citations to these two adopted and governing documents.

We are also providing a notification of failure to receive appropriate mailed notice of 8-28-23 hearing for the proposed ordinance 1480-23- as affected property owners of land which abuts the eastern border of the proposed employment district.

As the City FINDINGS for the proposed Ordinance # 1480-23 indicates compliance to the State's Land Use Planning Goal #1 for Citizen Involvement- we are informing the City of Tualatin we did NOT receive appropriate Notice of the 8-28-2023 Hearing before the City of Tualatin City Council for the proposed ordinance. As the eastern border of the proposed Employment District directly abuts the western border of our residential property- we are within the required 500-foot Notice requirement as "affected persons" for a proposed major Land Use Action impacting multiple properties and owners and which is seeking changes to multiple Governing Documents affecting our property.

Reviewing Exhibit, A Affidavit of Mailing included with the proposed ordinance for the 2-28-23 Hearing, it should be noted not only our names are missing from the document identifying those who were mailed Notice of the Hearing, but there are several of my neighbors along Boones Ferry Road- whose names are not included.- Please see attachment.

Having submitted prior written comments to the City, the Tualatin Planning Commission, and the Tualatin City Council on 1-21-23 regarding this same proposed Land Use Action- it is surprising we were not properly Noticed, but then we also did not receive a response from either the Planning Commission (the City's identified entity which the City states fulfills the State's Goal #1 Citizen Involvement Requirements) nor did we receive a reply from the City or Council

There are numerous concerns as to the City of Tualatin's compliance to the State's Goal 1 Citizen Involvement program's requirements. This appears to be a long term historically systemic issue.

Goal #1 states:

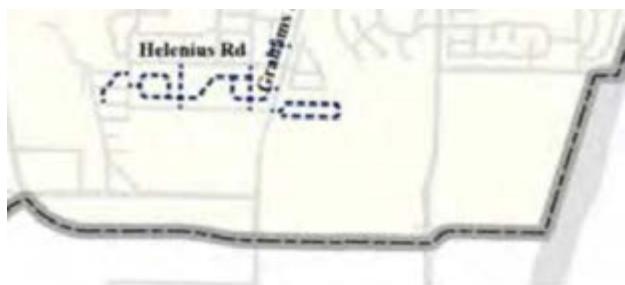
If the governing body wishes to assume the responsibility for development as well as adoption and implementation of the citizen involvement program or to assign such responsibilities to a planning commission, a letter shall be submitted to the Land Conservation and Development Commission for the state Citizen Involvement Advisory Committee's review and recommendation stating the rational for selecting this option, as well as indicating the mechanism to be used for an evaluation of the citizen involvement program. If the planning commission is to be used in lieu of an independent CCI, its member shall be selected by an open, well publicized public process.

On 3-2-20 I submitted a Public Records Request to the City of Tualatin asking for the required letter requesting the authorization of the City's Planning Department to assume the responsibilities of the City's designated CCI. The City did not produce either the Letter from the City of Tualatin to LCDC, nor the LCDC's letter response.

As residents of unincorporated Washington County we have no elected representation within the City of Tualatin's Land Use Planning process. We are also denied membership in the City's stated "Citizen Involvement Programs" known as CIO- as we are not residents of the City.

THE COMPLIANCE TO OREGON STATEWIDE LAND USE MULTIPLE PLANNING GOALS #1 FOR PROPOSED ORDINANCE #1480-23 HAVE NOT BEEN MET.

**PROPOSED CHANGES TO MAP 8-3
CAUSE SIGNIFICANT TO MULTIPLE NEGATIVE LAND USE GOALS IMPACTS**



EXISTING MAP 8-3 INDICATING CURRENTLY PLANNED LOCAL STREETS

-BASALT CREEK AREA



1. WE REQUEST THE CITY TO RE-EVALUATE LAND USE PLANNING PRIORITIES FOR DEVELOPMENT OF THE BASALT CREEK AREA

- TO INCREASE THE IMPORTANCE RANKING OF PLANNING FOR SAFETY FOR
 - FREIGHT AND LOCAL RESIDENTIAL DRIVERS,
 - PEDESTRIANS AND
 - BICYCLISTS
 - OVER POTENTIAL INCREASED FINANCIAL BENEFITS TO DEVELOPERS

- The proposed ordinance increases concentration and co-mingling freight and local residential traffic, pedestrians and bicyclists onto fewer roads within the southern portion of The City/Basalt Creek Area- generating multiple traffic and safety concerns reduces the
- The proposed ordinance eliminates multiple planned roads in the southern Basalt Creek Area, which are replaced by significantly enlarged private industrial and /manufacturing buildings and parking lots than currently planned.
- Eliminating multiple short road segments or multiple routes throughout the southern Basalt Creek Area increases probability of trespass cut through of the large private industrial and manufacturing parking lots which creates multiple safety issues for tenants, vehicles, drivers, pedestrians and/or bicyclists.

2. WE REQUEST THE CURRENTLY PLANNED LOCATIONS AND CONFIGURATION OF PUBLIC ROADS BE RETAINED THROUGHOUT CENTRAL AND SOUTHERN BASALT CREEK –

TO RETAIN A HIGHER LEVEL OF COMPLIANCE TO MULTIPLE STATE LAND USE GOALS- AS COMPARED TO THE MULTIPLE LAND USE ACTION WITHIN PROPOSED ORD 1480-23 INCLUDING:

Goal 12: Transportation OAR 660-015-0000(12); Goal 14: Urbanization OAR 660-015-0000(14); Goal 11: Public Facilities and Services OAR 660-015-0000(11); Goal 10: Housing OAR 660-015-0000(10); Goal 8: Recreational Needs OAR 660-015-0000(8) and Goal 2: Land Use Planning OAR 660-015-0000(2).

- Effectively provides multiple modes of transportation with the creation of sidewalks and bike lanes with the development of multiple public roads.
- Provides for multiple interconnections within the southern portion of the city and Basalt Creek
- Provides multiple options to re-route freight and local residential vehicles to alternative or less congested roads during commute or business hours.
- Provides multiple route options facilitates the speed and flow of freight traffic attempting to access decreased number of local public roads or the regional freight route- the Basalt Creek Parkway
- Continues effective planning for integration of access points to multiple routes for multiple modes of transportation to future public recreational activities – including the trailhead for the Tonquin Ice Trail and other future recreational facilities including parks and trails within the entire southern portion of Tualatin and to surrounding communities.

3. WE REQUEST THE SPECIFIC RETENTION OF THE CURRENTLY PLANNED ROAD WEST SIDE OF THE BASALT CREEK CANYON –

- TO PROVIDE THE ONLY VEHICULAR ACCESS TO THE WESTERN BORDER OF THE CITY'S NEWLY PURCHASED 13+ ACRES FUTURE RECREATIONAL PARK AND NATURAL AREA

- Necessary for vehicular access for future construction on city lands west of the Basalt Creek Canyon
- Necessary for access by vehicles for maintenance, and other public services to the City's lands west of the Basalt Creek Canyon
- Necessary for access by vehicles by the Public in the future to the City's park lands west of the Basalt Creek Canyon
- Necessary for future provision of City Services-including water, future construction and future public access
- To continue to provide effective and timely provision of police and emergency services within the central Basalt Creek Area west of the Basalt Creek Canyon which include challenging areas to monitor, and which contain attractive nuisances.
 - Including the canyon's steep slopes and the waters within the canyon's wetlands
 - Including the western portion of the City's future park
- Continue to provide multiple access points to the planned future pedestrian trail to run north-south along the eastern edge of the proposed Employment District- it is unclear if this planned north-south future pedestrian trail is incorporated into the proposed ordinance.
- To continue to provide visual access from a public road -east towards the City's future park and natural areas-
- And for continued provision of public safety throughout the eastern and central Basalt Creek Area- unencumbered by landscaping and berms surrounding the large parking lots and borders of the proposed Employment District

**IDENTIFICATION OF CURRENTLY PLANNED ROAD WEST OF BASALT CREEK CANYON
WILL PROVIDE THE ONLY VEHICULAR ACCESS
TO THE CITY'S FUTURE PARK LAND WEST OF THE BASALT CREEK CANYON**



4. WE PROVIDE A 2nd SPECIFIC REQUEST FOR THE RETENTION OF THE CURRENTLY PLANNED ROAD WEST SIDE OF THE BASALT CREEK CANYON –

- TO CONTINUE TO PROVIDE THE ONLY VEHICULAR ACCESS TO THE WESTERN BORDER OF CURRENTLY ZONED AND BUILDABLE RESIDENTIAL ACREAGE WEST OF THE BASALT CREEK

CANYON FOR FUTURE HOUSING NEEDS

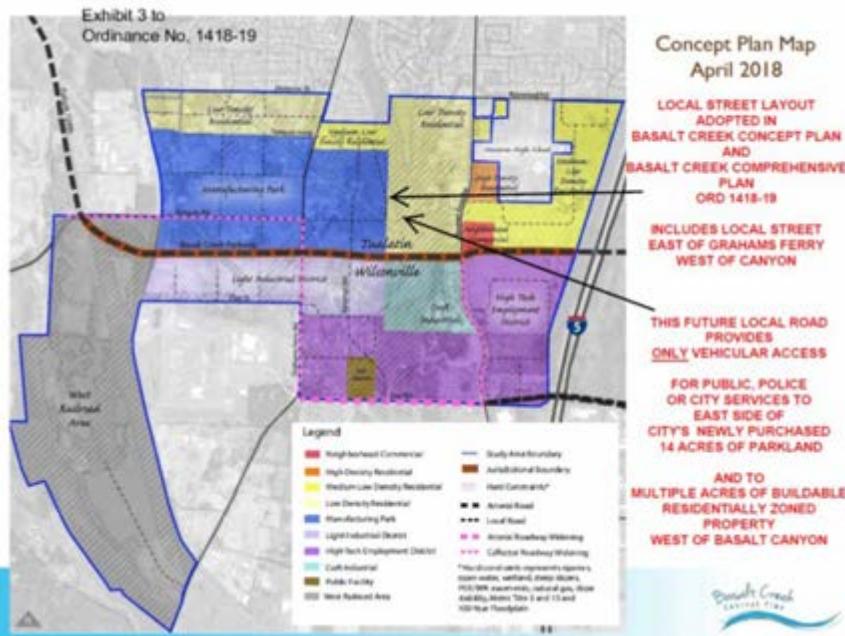
- This is a redundant request for the retention of this currently planned road west of The Basalt Creek Canyon- as this currently planned road provides multiple functions/uses to address multiple types of transportation needs for multiple entities.
- This road will allow additional residential development in the Basalt Creek Area- which helps address available housing needs.

However, the proposed ordinance DOES negatively impact and change current existing City Documents and eliminates the ONLY vehicular access to currently zone residential acreage west of the Basalt Creek Area which are identified as suitable for development (as included within the documents for Ordinance 1418-19- the Basalt Creek Comprehensive Plan). This land is currently undeveloped.

The elimination of the currently planned loop of roads which run east of SW Grahams Ferry Road towards the western side of the Basalt Creek Canyon (near the City's newly acquired Park Lands- will virtually eliminate any residential development on this acreage.

- The proposed road change is not compliant with Statewide GOAL 14 URBANIZATION" [OAR 660-007-0000](#) to " ensure the efficient use of residential land within the regional UGB
- The proposed road change is not compliant with Statewide Goal 10: Housing [OAR 660-015-0000\(10\)](#) Goal To provide for the housing needs of citizens of the state.
- The proposed ordinance conflicts with attempts to meet city, regional, and state current and future residential housing needs.

THE FOLLOWING TWO MAPS IDENTIFY
THE LOCATION OF RESIDENTIALLY ZONED LANDS WEST OF THE BASALT CREEK CANYON
WITH ACREAGE SUITABLE FOR BUILDING
AND THE CURRENTLY PLANNED ROAD WHICH PROVIDES THE ONLY VEHICULAR
ACCESS WHICH WOULD ALLOW FUTURE DEVELOPMENT



THE BLACK ARROW IDENTIFIES LOCATION OF RESIDENTIALLY ZONED BUILDABLE ACREAGE
WEST OF THE BASALT CREEK CANYON
AND EAST OF THE PROPOSED EMPLOYMENT DISTRICT



THE CITY'S REVIEW AND "FINDINGS" AS TO COMPLIANCE TO OREGON STATEWIDE GOAL #10 STATES:

Goal 12 Transportation

To provide and encourage a safe, convenient and economic transportation system.

Finding:

The proposed amendments include changes related to transportation and to the Comprehensive Plan Functional Classification Plan (TSP Figure 1 and Comprehensive Plan Map 8-1), Local Street Plan (Comprehensive Plan Map 8-3), and Bicycle and Pedestrian Plan (Comprehensive Plan Map 8-4). Map 8-1 would reclassify Tonquin Loop and 112th Avenue from Local Streets to a Major Collector and Minor Collector, respectively. This change will limit driveway access of the adjacent residential areas to the nearest local streets identified on Map 8-3. The pedestrian and bicycle system will also be updated accordingly on Map 8-4. Findings for the Transportation Planning Rule under, OAR 660-012-0060 are included in Section B. of this document, but ultimately the establishment of the proposed. The proposed changes to the currently adopted Transportation Plan within the Basalt Creek Area

However, the City did not acknowledge nor include review impact of proposed ordinance #1480-23 changes upon of all relevant and important Goal 12 Transportation elements (OAR) 660-012-0000 which also include:

- (1d) Provide for affordable, accessible and convenient transit, pedestrian, and bicycle access and circulation, with improved connectivity to destinations people want to reach, such as education facilities, workplaces, services, shopping, places of worship, parks, open spaces, and community centers.
- (n) Encourage changes to comprehensive plans to be supported by adequate planned transportation facilities for all modes.

(1h) Facilitate the safe flow of freight, goods, and services within regions and throughout the state through a variety of modes including road, air, rail, and marine transportation.
(i) Protect the functions of existing and planned transportation facilities, corridors, and sites

THE PROPOSED ORDINANCE #1480-23 SEEKS CHANGES TO THE EXISTING TRANSPORTATION PLAN WHICH HAVE MULTIPLE NEGATIVE IMPACTS ON MULTIPLE LAND USE GOALS

EXPECTED OUTCOMES ARE IDENTIFIED SHOULD PROPOSED ORDINANCE #1480-23 BE IMPLEMENTED AS COMPARED TO THE EXPECTED OUTCOMES OF IMPLEMENTATION OF CURRENT TRANSPORTATION PLAN:

EXPECTED OUTCOME ORDINANCE #1480-23

- Eliminates several currently planned Public roads throughout the majority of the southern Basalt Creek Area

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000

EXPECTED OUTCOME ORDINANCE #1480-23

- Co-mingles and concentrates both freight and local residential traffic onto fewer roads in the southern portion of the City of Tualatin with residentially zoned Land Uses to the north and east-potentially decreasing the flow of traffic especially during business and/or commute hours.

- Any additional congestion on the remaining Public roads in the Basalt Creek Area negatively impacts the speed and flow of freight traffic locally and timely access to the regional freight corridor – the Basalt Creek Parkway.

- increased vehicular traffic onto fewer roads- increases traffic safety concerns due to divergent types and speeds of vehicles.

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000

EXPECTED OUTCOME ORDINANCE #1480-23

- Negatively impacts both vehicular and non-vehicular transportation routes- with decreased roads in the southern portion of the Basalt Creek Area, the related sidewalks and bike lanes are eliminated within the southern portion of the Basalt Creek Area and negatively eliminates multiple planned modes of transportation.

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000

EXPECTED OUTCOME ORDINANCE #1480-23

- Significantly reduces inter-connectivity of currently planned Public roads, and Public pedestrian and bicycle route in southern and central Basalt Creek Area

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000

EXPECTED OUTCOME ORDINANCE #1480-23

- Eliminates and negatively impacts multiple routes to access local recreational opportunities by vehicles, pedestrians and/or bicyclists.
 - Including the proposed trailhead for the Tonquin Ice Trail off Tonquin in southern Basalt Creek Area
 - eliminates all vehicular access to the entire west side of the City's newly acquired future parks lands- necessary for maintenance, Public Safety and Public access.

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000; Goal 8: Recreational Needs OAR 660-015-0000(8); Goal 14: Urbanization OAR 660-015-0000(14)

EXPECTED OUTCOME ORDINANCE #1480-23

- Encourages trespass onto private industrial and manufacturing lands- by vehicles, pedestrians and bicyclists seeking to find alternative, less congested or shorter routes throughout the southern Basalt Creek Area- and through parking lots not designed or intended for Public throughways- creating safety and legal problems.

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000

EXPECTED OUTCOME ORDINANCE #1480-23

- Eliminates currently planned vehicular access on the eastern border to buildable residentially zoned lands on the eastern border of proposed changes and west of the Basalt Creek Canyon
- Conflicts with attempts to meet City, Regional, and State current and future residential housing needs.

CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000; 660-007-0000 GOAL 14 URBANIZATION to "ensure

the efficient use of residential land within the regional UGB"; Goal 10: Housing OAR 660-015-0000(10)

EXPECTED OUT COME ORDINANCE #1480-23

- Disproportionally shifts impacts of currently planned roads within the southern portion of the Basalt Creek Area north into planned residentially zoned lands- increasing future residential development costs which results in higher home acquisition costs.
 - The elimination of multiple roads planned within southern Basalt Creek Area will increase the number of developable lands within the proposed Ordinance -BUT the proposed offset to place more roads to the north into residentially zones lands will reduce the amount of residential land for development
 - The elimination of multiple roads planned within southern Basalt Creek Area will decrease construction costs of multiple roads currently plan of lands within the proposed Ordinance But the proposed offset to place more roads to the north into residentially zones lands will increase the cost residential land for development due to increased number of roads.
 - The proposed ordinance conflicts with attempts to meet city, regional, and state current and future residential housing needs.

CONFLICTS WITH CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000; Goal 10: Housing OAR 660-015-0000(10); GOAL 14 URBANIZATION OAR 660-007-0000 to "ensure the efficient use of residential land within the regional UGB)

EXPECTED OUT COME ORDINANCE #1480-23

- The proposed Ordinance specifically codifies several new roads- with specific locations and configurations on residentially zoned lands - outside of the lands directly involved within the proposed Ordinance.
 - The proposed Ordinance places an undue Land Use Planning encumbrances on multiple acres of residentially zoned lands- which are not within the proposed "Employment District."

CONFLICTS WITH CONFLICTS WITH Goal 12 Transportation elements (OAR) 660-012-0000; Goal 10: Housing OAR 660-015-0000(10); GOAL 14 URBANIZATION OAR 660-007-0000 to "ensure the efficient use of residential land within the regional UGB)

- Ineffective or poor Land Use decisions made using Inaccurate, or incomplete facts within the City's Land Use Governing Documents of the City may cause ineffective or poor Land Use Planning- places Citizens, property and Natural Resources the City is required to protect at risk from stormwater erosion, flooding, negative impacts to the steep slopes of the Basalt Creek Canyon which have identified locations of land instability to land slide hazards. The are other potential negative outcomes of pollution of water which may negatively impact the 14+ acres of wetlands within the Basalt Creek Canyon.

The proposed ordinance is not compliant with City of Tualatin's
TDC 72.010. - Purpose.

(1)To identify and protect by preservation and conservation the designated significant natural resources and Other Natural Areas. The designated significant natural resources are greenways and natural areas, which include the riparian areas and scenic areas of the Tualatin River and certain creeks and drainage swales, wetlands, upland forests, meadows, fish and wildlife resources, and the geologic features of the Tonquin Scablands. Significant Natural Resources are identified on the Significant Natural Resource List and Map TDC 72.013 and Map 72-3, TDC. The significant natural resources designated for protection are shown on Map 72-1.

(2)To provide sufficient area for stormwater runoff to reduce flood hazards and enhance water quality.

(3)To provide public access to scenic and riparian areas, where appropriate, by designating pedestrian and bicycle path locations.

(4)To provide specific design standards for development adjacent to, and within, greenways and natural areas in order to preserve and conserve them, and provide mechanisms for the granting of easements or dedications for Greenways, and Natural Areas while allowing reasonable economic development of property adjacent to the greenways and natural areas.

(Ord. 635-84, § 30, 6-11-84; Ord. 933-94, § 31, 11-28-94; Ord. 947-95, § 5, 7-24-95; Ord. 979-97, § 30, 7-14-97; Ord. 1427-19, § 32, 11-25-19) EMPHASIS ADDED

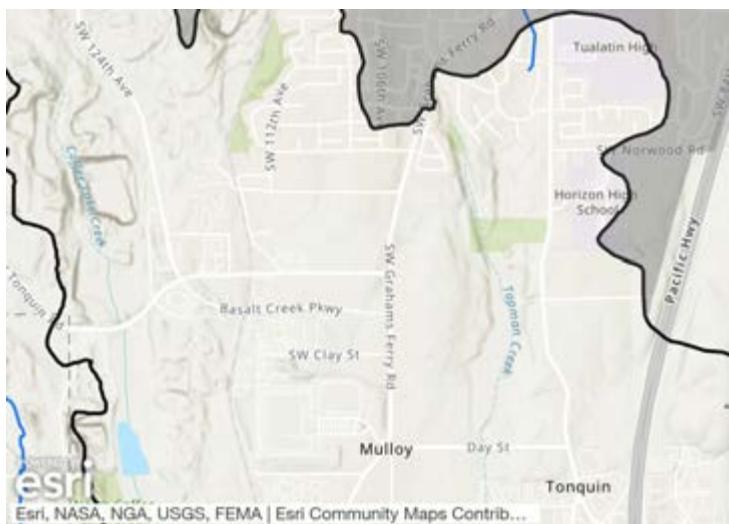
Due to incomplete, inadequate assessment, documentations or codification various Goal 5 and/or Title 13 Natural Resources known to exist within the Basalt Creek Area are not included with the City's adopted and Governing Documents 72-1 or 72-3. Lacking accurate identification or codification of these resources in 72-1 or 72-3, per TDC 72.010 multiple natural resources in the Basalt Creek Area are not provided the protections the City is required to provide.

- The City has adopted specific Development Codes TDC and Municipal Codes TMC intended to provide protections of Natural Resources the City is required to protect. Multiple City Codes include specific citations to Map 72-1, "NRPO" or 72-3 to identify the actual locations of the various Natural Resources which should be protected within the -City's Land Use -Planning Jurisdiction.
Please see attached list of some of the City Codes which only provide protections to the information contained within Natural Resources Maps 72-1 or 72-3.

It is unclear what Evaluation Criteria and fact based assessments were utilized to determine the City's **FINDING**: "The proposed amendments conform to Goal 5.

The City did not provide sufficient fact based information to imply that ALL of the multiple proposed Land Use actions contained within the proposed Ordinance # 1480-23 - impacting virtually every quadrant of the North, East, South and Central portions of the Basalt Creek Area will protect and conserve the multiple Natural Resources known to exist within the Basalt Creek Area.

- Compliance to various City Codes which state compliance to Stormwater Management, Water Quality, Protection of Natural Resources based upon the compliance to the Tualatin Drainage Plan or the Tualatin River Basin Plan- should realize the majority of the lands in the Basalt Creek Area are NOT within the Tualatin Watershed- but are within the Willamette River Shed.



- The Tualatin Basin Drainage Plan does not include the Willamette Watershed within the scope of the document.
- The 2007 Tualatin Basin Goal 5 Program Implementation Report Final Report on Functional Plan Title 13 compliance- specifically and repeatedly states, *"Each Basin jurisdiction is responsible for drafting and adopting local comprehensive plan and/or development code amendments necessary for implementation of habitat friendly practices".*
- The City of Tualatin submitted as a supporting document Exhibit 6 for inclusion in Ord 1418-19 the Basalt Creek Comprehensive Plan

Exhibit 6 to Ord 1418-19 is a December 5, 2006
Letter from Metro

RE: "CITY OF TUALATIN TITLE 13 AND TUALATIN

The Metro letter s

The Metro letter specifically states, "This compliance review by Metro is a review only of whether the amendments Tualatin is proposing are consistent with the UGMFP, and is not a review of whether the proposed changes are in the best interest of the community."

amendments Tualatin is proposing are consistent with the OCMR 1, and is not a review of whether Tualatin has complied, or will comply, with the other requirements of Option 5 and the Tualatin Basin Program.”

The Metro letter also identified additional actions still needed to be taken by the City of Tualatin to satisfy Metro's review.

- The multiple proposed changes to the City of Tualatin's Comprehensive Plan, changes to Land Use Designations, changes to the City's Transportation Plan and City maps, impacting approximately 150 acres, impacting multiple property owners directly is a major Plan change.
- With the proposed post-acknowledgement plan changes /amendments, the City has the opportunity to address and correct inaccurate, outdated, incomplete, or absent Land Use Planning Documents, City Codes and other Governing Documents which are necessary in the effective Land Use Planning, processing and reviewing, and later implementation of Land Use Actions for the City's urbanization of the Basalt Creek Area.
- Yet, the City has known since 2004 of the need to have current, complete and accurate Land Use Planning documents and assessment tools for the effective urbanization of the Basalt Creek Area in order to produce positive outcomes and a healthy community.
- The City of Tualatin has yet to adopt a Stormwater Management Plan (as required by the State (LCDC Chapter 660 Division 11 PUBLIC FACILITIES PLANNING OAR 660-011-0000 Including but not limited to: OAR 66-011-0005 #7 C STORM SEWER) an integral document needed for effective Land Use Planning and review of proposed Land Use Actions. Lacking the use of this required Governing Document applicable to the Basalt Creek Area as part of the review and assessment of compliance of this proposed ordinance does not provide complete fact-based information upon which the Governing Body is reliant upon to make informed decisions.

Respectfully submitted,
 John and Grace Lucini
 23677 SW Boones Ferry Road
 Tualatin OR 97062

ATTACHMENTS



AFFIDAVIT OF MAILING

STATE OF OREGON) | 18
 COUNTY OF WASHINGTON)

I, Shirley Hagenman being first duly sworn, deposes and say:
 that on the 14 day of August, I served upon the persons shown on Exhibit A, attached hereto and by this reference incorporated herein, a copy of a Notice of hearing and application for a Variance as set forth in Exhibit B, all as required by law and by this reference incorporated herein, by mailing to them a true and correct copy of the original herein. I further certify that the addresses reflect information obtained from the relevant party or agency, and that said envelopes were placed in the United States Mail at Tualatin, Oregon, prepared to receive postage administered by city itself.

Dated this 14 of August 2023.


 Signature

SUBSCRIBED AND SWORN to before me this

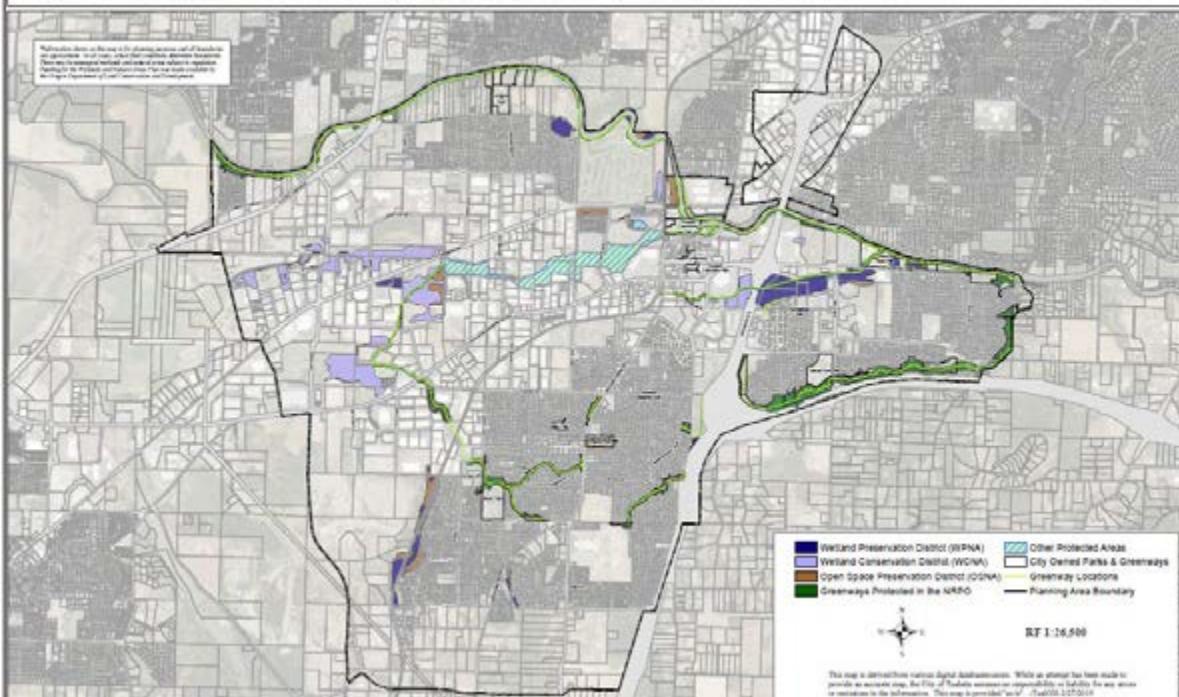

 Aug. 14th 2023


 Notary Public for Oregon
 My commission expires 8/30/24

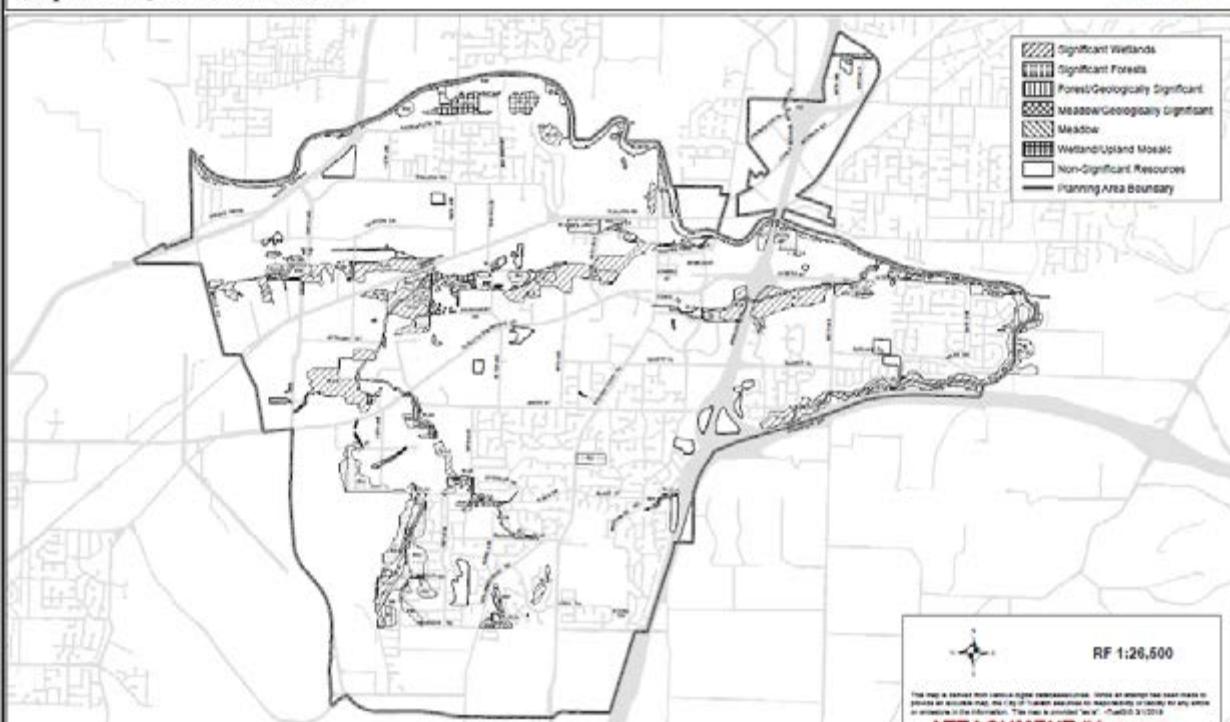
Table A.

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UNITED STATES OF AMERICA 1000 NE HOLIDAY ST PORTLAND, OR 97232	UNITED STATES OF AMERICA 1000 NE HOLIDAY ST PORTLAND, OR 97232	TRUX MONIQUE J & BUTLER AUDREY R REV TRUST PO BOX 242 TUALATIN, OR 97062
SHERWOOD GRAHAM HARRY INVESTOR LLC 2300 TALWAG RD 218 K206 WEST Linn, OR 97068	SCHNEIDER PROPERTIES LLC 1121 SW SALMON ST STE 300 PORTLAND, OR 97204	SCHNEIDER PROPERTIES LLC 1121 SW SALMON ST STE 300 PORTLAND, OR 97204
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LESTER & SHERMAN W & SHERMAN LAW LLC 2000 SW GRAHAM, MAIL BOX MAIL BOX 0204 97140	LESTER & SHERMAN LAW LLC 11150 SW TONQUIN LN 100 F MAIL BOX 0204 97140	LEY PROPERTIES LLC 4025 SW EVANS ST PORTLAND, OR 97209
LC JAMES NEAL & LC CHRISTINE NEAL 11340 SW TONQUIN LOOP SHERWOOD, OR 97140	LC JAMES NEAL 11340 SW TONQUIN LOOP SHERWOOD, OR 97140	LC JAMES NEAL 11340 SW TONQUIN LOOP SHERWOOD, OR 97140
HOUSTON HOWARD W JR FAMILY TRUST PO BOX 343 OREGON CITY 97044	GERITZULA GEMMA K & GERITZULA SUSANNE & GEMMA HUCH ET AL 777 AVENUE 10 MAIL BOX 0204 97140	HOLOZ C REV TRUST 2800 SW GRAHAM, MAIL BOX SHERWOOD, OR 97140
PELLEZ RICHARD B & PELLEZ MICHELLE E 13015 SW 30 RD OREGON CITY 97042	CHILDREN OF L & CHILD HANNAH /& POWELL KOT T ET AL 2810 SW GRAHAM, MAIL BOX MAIL BOX 0204 97140	BONIN EDWARD A 640 SW SPRAY PL BULLHEAD CITY, AZ 86442
BONIN EDWARD A 640 SW SPRAY PL BULLHEAD CITY, AZ 86442	BONIN EDWARD A & BONIN REILLY I 1120 SW TONQUIN LOOP SHERWOOD, OR 97140	BONIN EDWARD A 640 SW SPRAY PL BULLHEAD CITY, AZ 86442
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Map 72-1: Natural Resources Protection Overlay District (NRPO) and Greenway Locations



Map 72-3: Significant Natural Resources





August 21, 2023

RE: Please Support Planning Commission's Recommended BCE zone code

Dear Tualatin City Council,

As the CEO of the Tualatin Chamber of Commerce, it is my job to be in touch with our business community regularly. It is also our mission and my responsibility to make sure that I understand their needs and advocate for their desires.

On many occasions I have had discussions with our Industrial area businesses about how they will need to relocate to Sherwood and other nearby locales where they have more opportunity to lease space in flexible industrial use buildings for their businesses to operate as they outgrow their buildings in Tualatin. This is very upsetting and disappointing to me and my Board of Directors. We believe in our city and want to see it flourish, not be reduced, or stagnate. We are concerned when some of our most successful businesses talk about being forced to look at other cities for their needs because our codes prohibit them from being able to stay as they need to expand.

At the request of one of our long-standing members, the Business Advocacy Council at the Chamber convened meetings throughout 2023 to discuss the Basalt Creek employment zone codes that were limiting and restrictive to businesses. We invited the city planning department and numerous stakeholders, to join in the dialogue. Every effort was made to have a fair and intelligent discussion about the best way to develop Basalt Creek for the highest good of all concerned. I believe we have made a fair, intelligent, and sensible case for why the change in codes as recommended by Planning Commission is the best plan for Basalt Creek and will serve the people, the businesses, and the city in the most prosperous and equitable way. The recommended change in the code by Planning Commission will allow more flexibility for industrial uses and will bring more and better business to Tualatin and allow our established businesses to stay and grow in Tualatin. I also believe...actually, I know, that this investment in Tualatin will serve the people and the city for many years in the future. The Board of Directors, the Business Advocacy Council, and the CEO of the Tualatin Chamber of Commerce respectfully request that you pass the code as recommended by Planning Commission for the Basalt Creek Employment zone.

Respectfully,

A handwritten signature in black ink that reads "Anneleah Jaxen".

Anneleah Jaxen, CEO



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

RE: Support of the Planning Commission's Recommended Code for Basalt Creek Employment Zone (BCE)

Dear Councilors,

Thank you allowing me to submit this testimony as a stakeholder in support of the Planning Commission's code update allowing for more flexible industrial space in the Basalt Creek Employment area. 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, 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 and Lake Oswego, as well as having both Washington and Clackamas counties as 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 supports the Planning Commission's recommended code update of the Basalt Creek Employment zone for the Basalt Creek industrial area. The recommended code will allow more flexibility in allowed uses, specifically allowing for wholesale uses and warehouse uses in addition to manufacturing uses. 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 economy 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 wholesale uses. As identified in both the City's traffic study and the stakeholders' traffic study, with the mix of industrial uses,

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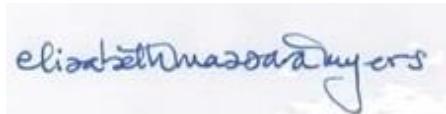
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Harsch Investment Properties
Evan Bernstein
Pacific NW Properties
Jeff Borlaug
Felton Properties, Inc.
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Councilor Edward Kimmi
City of Beaverton
Mayor Steve Callaway
City of Hillsboro
Mayor Heidi Lueb
City of Tigard
Mayor Frank Bubenik
City of Tualatin

traffic is actually reduced. Additionally, city code already has provisions for setbacks, screening, landscaping and other similar issues raised.

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.

We request your support of the Planning Commission's recommended code.

Thank you for the opportunity to provide this testimony.

A handwritten signature in blue ink that reads "elizabeth mazzara myers". The signature is fluid and cursive, with "elizabeth" and "mazzara" on the first line and "myers" on the second line.

Elizabeth Mazzara Myers, Executive Director

From: [Steve Koper](#)
To: [Luxhoj, Cindy](#); [Erin Engman](#)
Cc: [Bateschell, Miranda](#)
Subject: RE: RE: Basalt Creek Industrial Code Project
Date: Tuesday, January 17, 2023 12:17:30 PM
Attachments: [image001.png](#)

Hi Cindy,

Please see below for responses. We appreciate your comments; we'll share them with our Planning Commission and City Council. We plan to meet with our City Council at the end of February. We'd be happy to set up a meeting to provide you with an update on the project before we go through to adoption if there's interest in that.

Best,

-Steve

Steve Koper, AICP

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

From: Luxhoj, Cindy <luxhoj@ci.wilsonville.or.us>
Sent: Tuesday, January 17, 2023 10:58 AM
To: [Erin Engman](#) <eeengman@tualatin.gov>
Cc: Steve Koper <skoper@tualatin.gov>; Bateschell, Miranda <bateschell@ci.wilsonville.or.us>
Subject: RE: RE: Basalt Creek Industrial Code Project

Hi Erin,

I hope your year is off to a great start!

Thank you for sending the announcement about the Planning Commission meeting this Thursday about the Basalt Creek Employment (BCE) Zoning District. Will the meeting be recorded and available for viewing afterward? I'm on vacation this Thursday and Friday, but would like to watch the recording next week if possible.

After the open house last July, I sent you a few questions, which I've listed below. You were going to think about them and get back to me, but I don't recall hearing from you. I looked through the Planning Commission packet and made some notes/revisions to my questions, but I'd appreciate confirmation from you or any additional information you think would be helpful:

- Have you considered a form-based code for this area, such as Wilsonville has in the Coffee Creek Industrial Area, as a means to making the area more human scale and pedestrian/bicyclist friendly?

- o *Notes:*

- *The scenarios appear use-based rather than form-based. Is this accurate?*

RESPONSE: Yes.

- *It looks as though commercial and retail uses, as well as a mobile food unit, are being allowed on SW Grahams Ferry Road. Is this correct? Was this anticipated in the Basalt Creek Concept Plan for this area? If not, how are changes in trip generation/transportation impact being addressed?*

RESPONSE: Employment dense uses were envisioned in the Concept Plan. The MP zoning code, as applied, has limits on commercial uses greater than what is allowed under Metro's Title 4 for employment areas. The draft code expands the code to allow commercial uses up to those limits, but allows only some of those uses in the Grahams Ferry Corridor.

- What about a combination of zones, with lower intensity manufacturing/warehousing/distribution next to residential areas and more intense use to the south and west near the Basalt Creek Parkway?

- o *Notes:*

- *It doesn't appear this is the case; however, it looks like landscaping and variation in setbacks are used to provide buffering and separation. Is this accurate or is there gradation in intensity that I'm not seeing?*

RESPONSE: Yes.

- Where in the analysis is trip generation considered? Manufacturing Park was the assumed use with 725 trips (7.80 trips per acre; Table 5 of the BC Concept Plan). If a different zone is applied to this area, how will that affect trip generation and will Tualatin still be within their assumed portion of trips?

- o *Notes:*

- *I see that a Transportation Planning Rule Evaluation was completed in November 2022, and there is mention of the Transportation Refinement Plan (on page 3) in the evaluation report. However, I don't see discussion of how a change to the new zoning will affect the trip calculation/analysis in the Transportation Refinement Plan. Could you provide more information about this?*

RESPONSE: The 2012 Transportation Refinement Plan was part of the Concept Plan. The Concept Plan identified zoning designations that would apply in the Basalt Creek Planning Area. The TPR analysis for the Comprehensive Plan Amendments was based on planning horizon for allowed uses for the zoning designations identified in the Concept Plan. The TPR analysis for this project will compare reasonable worst case development scenarios for the planning horizon for the existing MP zone with reasonable worst case development scenarios for the planning horizon for the proposed Basalt Creek Employment (BCE) zone. Our draft analysis concludes that the proposed BCE zone would have a slight reduction in total trips over the planning horizon. I don't know what the numbers in Table 5 refer to but they don't seem to represent the planning period given they are so small. For example, the multifamily zoning (RH) which allows 25 du/ac and was recently approved for 116 units says 42 trips, that is below the built year daily PM peak hour trips for that use...

I'm still interested in your responses.

Please let me know if you have questions or need clarification.

Thangs again,

Cindy Luxhoj AICP

Associate Planner

City of Wilsonville

503.570.1572

luxhoj@ci.wilsonville.or.us

www.ci.wilsonville.or.us

Facebook.com/CityofWilsonville



29799 SW Town Center Loop East, Wilsonville, OR 97070

The Community Development Department has implemented a new online application and payment system. You can now apply and pay for most applications online. You can register for and access the new system for application and payment at <https://www.ci.wilsonville.or.us/Online-Portal>. If there are additional questions, please reach out to City staff.

Disclosure Notice: Messages to and from this e-mail address may be subject to the Oregon Public Records Law.

From: Luxhoj, Cindy <luxhoj@ci.wilsonville.or.us>

Sent: Thursday, July 28, 2022 5:00 PM

To: eengman@tualatin.gov

Cc: skoper@tualatin.gov; Bateschell, Miranda <bateschell@ci.wilsonville.or.us>

Subject: RE: Basalt Creek Industrial Code Project

Hi Erin,

Here are some links to Coffee Creek standards:

- Planned Development Industrial – Regionally Significant Industrial Area Zone is [Section 4.135.5 of the Code](#)
- Coffee Creek Industrial Design Overlay District is [Section 4.134 of the Code](#)
- [Coffee Creek Industrial Design Overlay District Pattern Book](#)
- [Web page](#) with other Final Adoption Documents for the Coffee Creek Industrial Area Form-Based Code

There are two approved projects in the Coffee Creek DOD and one more in completeness review.

Here are links to the project pages for the two approved projects:

- [Black Creek Group Industrial Project](#)
- [Coffee Creek Logistics Center](#)

Please let me know if you have questions or I can provide any other information.

Thanks,
Cindy Luxhoj AICP

Associate Planner
City of Wilsonville
503.570.1572
luxhoj@ci.wilsonville.or.us
www.ci.wilsonville.or.us
Facebook.com/CityofWilsonville



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From: Erin Engman
Sent: Thursday, July 28, 2022 4:21 PM
To: Luxhoj, Cindy
Cc: Steve Koper
Subject: RE: Basalt Creek Industrial Code Project

[This email originated outside of the City of Wilsonville]

Hi Cindy-

It was good to see you at the open house last night! And thanks for reaching out with your questions, which I have added to our comment record.

I'd like to spend some time on your questions, and will follow up with you soon. I'll also take a look at the Coffee Creek area that you mentioned. Do you have particular form-based standards that have worked well or developed examples to share?

I'm also happy to set up a follow-up conversation. I hope your summer is going well.

Erin Engman
Senior Planner
City of Tualatin | Planning Division
503.691.3024 | www.tualatinoregon.gov

From: Luxhoj, Cindy <luxhoj@ci.wilsonville.or.us>
Sent: Wednesday, July 27, 2022 6:36 PM
To: Erin Engman <eengman@tualatin.gov>
Subject: Basalt Creek Industrial Code Project

Hi Erin,

I'm following up on tonight's open house.

I had some questions, but hesitated to ask. I thought they might be too specific or technical for the audience and that it would be best to email you directly.

Here are some that came to mind during the presentation:

- Have you considered a form-based code for this area, such as Wilsonville has in the Coffee Creek Industrial Area, as a means to making the area more human scale and pedestrian/bicyclist friendly?
- What about a combination of zones, with lower intensity manufacturing/warehousing/distribution next to residential areas and more intense use to the south and west near the Basalt Creek Parkway?
- Where in the analysis is trip generation considered? Manufacturing Park was the assumed use with 725 trips (7.80 trips per acre; Table 5 of the BC Concept Plan). If a different zone is applied to this area, how will that affect trip generation and will Tualatin still be within their assumed portion of trips?

Thanks,

Cindy Luxhoj AICP

Associate Planner

City of Wilsonville

503.570.1572

luxhoj@ci.wilsonville.or.us

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From: [Tim N.](#)
To: [Ext - Planning](#)
Subject: Follow up - Planning Commission Meeting 1/19/23
Date: Thursday, January 19, 2023 8:33:53 PM

Hello,

I just wanted to write and thank the planning commission for the thoughtful considerations for the Basalt Creek Employment zone. I greatly appreciated the discussions regarding the pros and cons of the potential scenarios.

To represent the concerns of the current Byrom CIO residents, the main concerns are traffic, noise, and pollution. Traffic concerns could be partially alleviated by road enhancement projects being completed at a more rapid timeline than proposed in the Basalt Creek Master Plan. When considering industrial traffic, there is also additional concern on the quality of our roads. With more frequent heavy truck traffic, it will be important for the city to also consider the increased cost and frequency of road upkeep and repaving. Regarding noise and pollution, I believe residents will minimally impacted SO LONG AS the final decision sets high standards for outdoor noise, environmental standards, light pollution, the designation of heavy or light industrial does not matter. I believe it was referenced that LAM Research park was created with above-the-norm environmental and noise standards, and that sounds like a great model to follow. I also believe residents would be in great support of requirements that ensured all manufacturing occurred in an enclosed building, to further effectively manage environmental and noise impacts. In terms of environment, as Tualatin is the City of Trees, I believe residents would strongly support the comments regarding having 60 - 85 foot landscaped greenspace setbacks and quality fencing, especially if these greenspaces included requirements for heavy vegetation and tree plantings, as well as sidewalk space and trails.

In terms of what would seem to be of best benefit to Tualatin, manufacturing space seems more desirable than warehouse space. Ideal manufacturing employers stand a greater chance at higher numbers of employees, compensated at a rate that affords them to also become comfortable as residents of Tualatin. I believe ideally, this plan should encourage individuals who want to work, and live, in Tualatin.

Overall, scenario A or 1A seem ideal for current and future residents, possibly scenario B with modifications, so long as the above thoughts are incorporated.

Lastly, I would like to reiterate my comments on adding more commercial space into the basalt creek master plan. To be of the greatest benefit to current residents, new residents, and new employees in the Basalt Creek Employment Zone, the plan needs to incorporate commercial space. All these individuals would benefit from a grocery and restaurants locally, otherwise they would need to commute. I strongly believe in creating local, walkable communities, and incorporating commercial space, as recommended by city council last fall, would greatly enhance the quality of life of residents and employees, and could help attract employers to the area.

Again, I greatly appreciated the thoughtful discussion. I appreciated the planning commission expressing awareness of the concerns of residents, and I look forward to further discussion with the planning commission!

-Tim Neary
Byrom CIO Interim President

From: [G Lucini](#)
To: [Erin Engman](#); [Council](#); [Frank Bubenik](#); [Maria Reyes](#); [Christen Sacco](#); [Bridget Brooks](#); [Cyndy Hillier](#); [Octavio Gonzalez](#); [Valerie Pratt](#); [Ext - Planning](#)
Subject: PROPOSED CHANGES TO BASALT CREEK EMPLOYMENT ZONING DISTRICT PTA 22-0001 AND PMA 22-0001
Date: Saturday, January 21, 2023 2:42:30 PM

DATE 1-21-2023

FOR THE PUBLIC RECORDTO:

RE: Tualatin Planning Commission Meeting 1-19-2023 Agenda Item:

**CONSIDERATION OF PROPOSED CHANGES TO BASALT CREEK EMPLOYMENT
ZONING DISTRICT
PTA 22-0001 AND PMA 22-0001**

The need for thoughtful, well-planned development in the Basalt Creek Area should be the primary concern of the City of Tualatin to obtain long term success for the City, local communities, and for the provision of quality of life to all citizens. The Land Use Process should be transparent, should be based upon facts, and the municipality should seek engagement of all Citizens in all phases as part of Citizen Involvement in proposing a major Land Use Change impacting significantly large numbers of acres and various communities.

1. A Land Use Planning process concern became apparent during the Tualatin Planning Commission Meeting (TPC) on 1-19-23 regarding Commission's recommendations to be submitted to the City Council. During the Public Meeting of the TPC, despite the efforts of the Commission Chair, the Commission members were unable to successfully generate a clearly stated recommendation to submit to the Tualatin City Council regarding the various proposed Code changes for the Basalt Creek Area. The Chair commented he would call each member after the meeting to determine the recommendation the Commission would forward to the City Council- "if it is legal".

A clearly stated recommendation from the Commission to be presented to the City Council- was not proposed / voted upon prior to the closing of the agenda item during this Public Meeting of the Planning Commission. Yet it appears the Planning Commission's recommendations on the proposed Land Use changes are intended to be presented to the City Council on 2-27-23.

These actions raise significant concerns regarding this decision-making process, Public Transparency, and determination of the recommendations of the Planning Commission to be forwarded to the City Council for the Council's consideration and guidance-being conducted outside of a Public Meeting.

It should be noted, the City Council will be the Decision-Making Body regarding the adoption of any of the proposals, and the Planning Commissions recommendations are an integral part in the direction and ultimate outcome in this policy making process.

2. There are substantial questions as to the need for immediate Land Use Actions, or zoning changes to be taken to jumpstart economic stimulus and development in the Basalt Creek Area due to existing conditions.

The City of Tualatin has known of the difficulties for industrial development within the Basalt Creek Area for many years. It should not be a surprise that development within the Basalt Creek industrial area would be a relatively slow process.

- The zoning designations identified in the Basalt Creek Concept Plan were extensively debated for years prior to adoption. The zoning designations adopted during the Basalt Creek Concept Planning- were not "aspirational" as stated by City staff and also stated on a City slide presentation during the 1-19-23 Planning Commission Meeting. The zoning designations adopted as part of the Basalt Creek

Concept Plan and restated in the City of Tualatin Basalt Creek Comprehensive Plan are legally binding Land Use Planning Documents.

- The City has had knowledge for many years of multiple constraints and limitations for development in the Basalt Creek Area as identified in the Basalt Creek Concept Plan. In addition, during the City of Tualatin Basalt Creek Concept Planning process and adoption, multiple property owners provided testimony to the City of Tualatin as to the constraints and limitations of industrial development within the Basalt Creek Area would delay development in the Basalt Creek Area, and consequently requested the “Tualatin Sub Area” be zoned for residential. The City of Tualatin even brought these issues to a Metro Hearing.

3. Statements expressed on 1-19-23 about the financial impact to the Basalt Creek Urban Renewal Bond --if the proposed Land Use changes are not enacted--should be questioned.

- The City of Tualatin’s SW Basalt Creek SW Industrial Urban Renewal Bond is a **30-year bond**. The bond is less than 2 years into the 30-year life of the bond.
- During the drafting of this Urban Renewal Bond, when questioned by the Basalt Creek Urban Renewal Bond Task Force, the City staff responded that the forecasting for economic success of the bond did include assessments of impacts occurring from economic and business changes during 2019 to 2022.
- When drafting the Urban Renewal Bond for the Southwest and Basalt Creek Area, the City was provided information that development may not be early or rapid in the Basalt Creek Area. The City’s Basalt Creek Urban Renewal Bond Task Force identified multiple factors which may hamper development in the Basalt Creek Area including:
 - a. Basalt Creek geology, topography would be difficult and would increase construction costs.
 - b. Basalt Creek Area lacks proximity to existing City infrastructure and would be dependent on development and connectivity from the north.
 - c. Development in the southern portion of the Basalt Creek Area by the City of Wilsonville would generate from the south and may be later to develop along their northern border with Tualatin.
 - d. The Task Force also discussed the City’s lack of an adopted State mandated Stormwater Management Plan (SWMP) for the Basalt Creek Area. A well written SWMP is used as a significant part of Land Use Planning and development to ensure the effective provision of this Public Service in a timely manner (OAR 660-011-0000). Yet, the City has not yet adopted a SWMP for the Basalt Creek Area, which inhibits the ability to effectively evaluate and determine potential negative impacts of development or changes to Land Use Codes in the Basalt Creek Area, nor effectively evaluate and plan coordinated and integrated stormwater infrastructure, effectively budget for major stormwater projects for the Basalt Creek Area, nor integrate the Stormwater Plan into effective planning to prevent Natural Hazards from flooding or landslides within an area with steep Canyon slopes.
 - e. The Urban Renewal Task Force also discussed the City’s requirements to protect and conserve various Natural Resources in the Basalt Creek Area, yet the City’s adopted Natural Resource Maps - Maps 72-1 and 72-3 Significant Natural Resource Map and the City’s Map of Protected Natural Resources contain inadequate clear standardized memorialization of Goal #5 Resources which exists in the Basalt Creek Area. For example, these maps even lack identification of 14+ acres of wetlands within the Basalt Creek Canyon which

is a major constraint for Land Use Planning in the Basalt Creek Area.

Inadequate documentation within the City's adopted Natural Resource Maps has significant ramifications for safe and effective Land Use and development due to potential stormwater flooding, erosion control issues, derogation of tree canopy in wetlands & water quality concerns locally and downstream within the Willamette Basin. As City Codes reference these maps for development and enforcement – the lack of inclusion and memorialization of multiple Natural Resources known to exist in the Basalt Creek Area within City's Natural Resource/Protection Maps 72-1 and 72-3 should be of significant concern.

4. While the City should be responsive to the needs of local businesses, it should not be the goal of a local municipality to modify existing Land Use Plans to ensure the speculative investments of developers will be able to turn a profit in a short time span.

Requests to change land use designations to benefit a large developer should not nullify years of prior Land Use Planning at the possible expense of potential negative impacts to quality-of-life elements for local employees and/or residents- including traffic congestion, noise pollution, light pollution, air pollution, impacts upon Natural Resources, or noxious odors from enclosed buildings generated by a manufacturing business.

- A large developer and their equally large Engineering and Consulting Firm should have known of the existing zoning and developmental/construction limitations through appropriate due diligence prior to purchase. Apparently, many of the properties within the Snitzer development proposal were purchased within the last year or two, when the existing Land Use designations were already adopted.
- During the Planning Commission Meeting, the Snitzer development consultant commented their proposal:
 - *Would have minimal negative traffic impact to the local residents-*
- yet did not address the traffic impacts to SW Boones Ferry Road nor into the at the I-5 and Elligsen Road (exit #286) interchange from their proposed Land Use changes.
 - and made comments regarding traffic flow in the Basalt Creek Area which assumed the proposed Washington County Basalt Creek Parkway Extension would be completed and functional. This proposed major Washington County transportation project is not fully designed nor is this project fully funded.
 - *Would have minimal negative impacts to Natural Resources due to the distance from the Basalt Creek Canyon Area*
- yet the scope of the proposed Land Use changes extend east of Grahams Ferry Road with land in close proximity to the Basalt Creek Canyon where high valued habitat and wetlands may be downstream.
 - the consultant did not provide information as to the extent of grading and removal of rock, soil and habitat would need to be removed on land east of SW Grahams Ferry Road to achieve building plats with grades appropriate for proposed Land Use Changes.

5. As resident property owners adjacent to the Basalt Creek Industrial area, we only recently learned of the proposed Land Use Changes through other citizens. The City's presentation to the Planning Commission on 1-19-23 included multiple comments about inclusion of Stakeholders within this Land Use process and identified various prior meetings with Stakeholders. It is unknown how or when the City selected the members to represent the Stakeholder Group. The members or composition of the Stakeholder

group was not identified during the 1-19-23 presentation, nor is it clear the proportion of developers vs. Basalt Creek property owners who actually live on the surrounding lands within the Stakeholder Group. The large numbers of acres within the scope of the proposals are significant, and should be considered a major Land Use Action and for which the City's outreach and Citizen Involvement should be representatively large.

If the City's intent was to be inclusive within Public Outreach and to effectively meet the State's required Citizen Involvement goals, as property owners directly adjacent to the proposed Land Use changes, we were not contacted for input, nor notified of Public Meetings regarding the potential land use changes to the adjacent to our property. The list of Public Notice of addresses the City sent Notices of Public Meetings regarding the proposed Land Use Changes (which was included within the Informational Packet for this meeting) did not include property owners off of SW Boones Ferry Road- although many of these properties, like ours borders on the eastern edge of the lands which would undergo Land Use Changes. Our properties being adjacent properties--are obviously within feet of the lands under consideration for these proposed Land Use changes which may result in indirect impacts to our properties.

The City has our contact information. We have been very active in seeking and participating in Citizen Involvement opportunities in the development of any and all Land Use projects within the Basalt Creek Area being conducted by the City.

This is not the first-time local Basalt Creek residential property owners in the unincorporated Washington County, who are not absentee landlords but actually live on their property and may feel the impact of the proposed Land Use Actions. We have been marginalized from participation in all phases of proposed Land Use Actions impacting the Basalt Creek area... The City and the Planning Commission has been notified for years that the City's existing Citizen Involvement Program for Land Use Actions----, excludes Washington County Basalt Creek property owners from membership within the City's "CIO's" which is the City's stated "Citizen Involvement Program" (Oregon Land Use Planning Goal #1 for Citizen Involvement OAR 660-015-0000(1) .

As the City of Tualatin also states the Tualatin Planning Commission is the City's identified "CCI" and fulfills the Goals #1 Requirements per OAR 660-015-0000(1), there is concern that the Tualatin Planning Commission during the 1-19-23 meeting did not seek information on the types of Public Outreach being conducted, or inquire as to the composition of the Stakeholder Group the City has selected to utilize and engage in the development of proposed Land Use Code Changes--- to ensure all citizens are encouraged and able to participate in all phases of the development of Land Use Actions in the Basalt Creek Area.

Prior to entertaining the desires of various developers to reduce planned Land Use limitations in order they may more easily and quickly develop their financial speculations, the City of Tualatin should focus on their responsibilities to develop and ensure effective Land Use Planning in the Basalt Creek Area.

The City of Tualatin has already become a property owner of over 7 acres identified for future park and Natural Area adjacent to the lands included in the proposed Land Use Changes for future park use directly adjacent to the lands under consideration for Code Changes. The City has indicated the goal to obtain additional lands within the Central Basalt Creek Area for more park uses.

Rather than make large Land Use Changes in the Basalt Creek Area a few years after adopting the Basalt Creek Comprehensive Plan, it would seem it would be in the best interests of the City, Citizens and the environment to ensure the City has fully and

conscientiously completed mandated assessments and analysis of the Basalt Creek Area which assist in the effective evaluation and successful planning of future development in the Basalt Creek Area (i.e. #3d and #3e listed above).... leading to effective comprehensive Land Use Planning for the Basalt Creek to generate successful short- and long-term outcomes to benefit all.

Due to the lack of a direct email address to the Tualatin Planning Commission, we request the Planning Department forward this submission to the members of the Planning Commission.

Respectfully submitted,
John and Grace Lucini

From: [Chris McReynolds](#)
To: [Erin Engman](#)
Cc: [Steve Koper](#)
Subject: Re: No High Rise Zone on Norwood; BCE Project
Date: Monday, January 23, 2023 10:54:03 AM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image.png](#)
[image.png](#)
[image.png](#)

Erin,

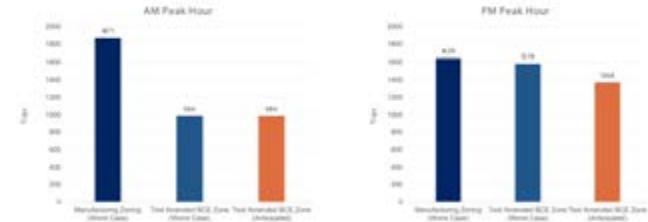
I also echo the City of Wilsonville's planning department sentiments and questions.

The provided traffic impact study by the stakeholder is all speculation. The stakeholder also indicated the percentages of use/zones would vary. In general truck traffic is also much different than conventional vehicles as you already know and will cause a compounding issue to the existing traffic problems.

Stakeholder speculation is based on the use of "Flex" space that is not really clearly defined. They cannot determine that trip generation will be lower than an MP zone based on their assumptions.

Transportation Review of Flex Industrial

- » Transportation Impacts
- » Peak Hour Trip Comparison of Scenario C



If you take the peak trip traffic shown here this would exceed Tualatin allotment per Cindy's statements.

This trip distribution is speculative.

Transportation Review of Flex Industrial

- » Transportation Impacts
- » Trip Distribution



I agree with Cindy's comments.

From: Luxhoj, Cindy <luxhoj@ci.wilsonville.or.us>
Sent: Wednesday, July 27, 2022 6:36 PM
To: Erin Engman <engman@tualatin.gov>
Subject: Basalt Creek Industrial Code Project

Hi Erin,
I'm following up on tonight's open house.

I had some questions, but hesitated to ask. I thought they might be too specific or technical for the audience and that it would be best to email you directly.

Here are some that came to mind during the presentation:

- Have you considered a form-based code for this area, such as Wilsonville has in the Coffee Creek Industrial Area, as a means to making the area more human scale and pedestrian/bicyclist friendly?
- What about a combination of zones, with lower intensity manufacturing/warehousing/distribution next to residential areas and more intense use to the south and west near the Basalt Creek Parkway?
- Where in the analysis is trip generation considered? Manufacturing Park was the assumed use with 725 trips (7.80 trips per acre; Table 5 of the BC Concept Plan). If a different zone is applied to this area, how will that affect trip generation and will Tualatin still be within their assumed portion of trips?

Thanks,
Cindy Luxhoj AICP
Associate Planner
City of Wilsonville
503.570.1572
luxhoj@ci.wilsonville.or.us
www.ci.wilsonville.or.us
Facebook.com/CityofWilsonville

Thanks,

-Chris

On Mon, Jan 23, 2023 at 10:26 AM Erin Engman <engman@tualatin.gov> wrote:

Hi Chris-

Thank you for your testimony and follow up comments.

Hope you had a good weekend,

Erin Engman

Senior Planner

City of Tualatin | Planning Division

503.691.3024 | www.tualatinoregon.gov

From: Chris McReynolds <chris.mcreynolds1@gmail.com>
Sent: Friday, January 20, 2023 7:16 AM
To: Steve Koper <skoper@tualatin.gov>
Cc: Sherilyn Lombos <slombos@tualatin.gov>; Ext - Planning <Planning@tualatin.gov>; Catherine Holland <tualatincio@gmail.com>; Nicole J. Morris <NMorris@tualatin.gov>; Megan George <mgeorge@tualatin.gov>; Keith Leonard <kleonard@tualatin.gov>; Betsy Ruef <bruef@tualatin.gov>; Teresa Ridgley <tridgley@tualatin.gov>; Frank Bubenik <fbubenik@tualatin.gov>; Maria Reyes <mreyes@tualatin.gov>; Christen Sacco <csacco@tualatin.gov>; Bridget Brooks <bbrooks@tualatin.gov>; Cyndy Hillier <chillier@tualatin.gov>; Nancy Grimes <ngrimes@tualatin.gov>; Valerie Pratt <vpratt@tualatin.gov>; Kim McMillan <kmcmillan@tualatin.gov>; Madeleine Nelson <mnelson@tualatin.gov>; Erin Engman <engman@tualatin.gov>; Cody Field <cfield@tualatin.gov>; Octavio Gonzalez <ogonzalez@tualatin.gov>; Holly Goodman <holly@tualatinlife.com>; mike@tualatinlife.com; mmiller@pamplinmedia.com; amesh@wweek.com
Subject: Re: No High Rise Zone on Norwood

Dear Tualatin Planning Department Members, Planning Commission, City Council Members, and Mayor Frank Bubenik;

After attending the planning commission meeting yesterday regarding the land use changes for the Basalt Creek MP zone, it saddens me to see that when a developer flashes money, individuals in the planning department gush at the first opportunity and are willing to change code language to make it happen. I hope the commission and council really think about my testimony on record. As commissioner Bachhuber mentioned, why accept the first development plan? The land is extremely valuable. During the meeting the commission even indicated the immense challenges with traffic, environment and local residents.

I also want to remind everyone of all the housing projects that have already been approved. Please slow down and address the obvious concerns we all see in this city. Please do not white wash them for bullying developers. There will always be an opportunity. The Basalt Creek Urban renewal plan is a 20-year plan, not a today plan...

Council, please do not let developers do the same on Norwood Rd. Do not let them bully you into a zone change just because they have money. As I said before, do not let developers run our city.

Say no to a plan/text amendment change on Norwood Rd.

Sincerely,

-Chris McReynolds





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.

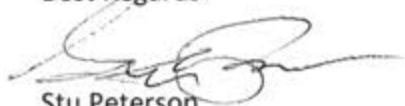
In addition, new road and signal improvements will allow the city to focus Urban Renewal dollars on other projects in areas that will not be financeable by private development. Further the development of the area will be done sooner and the realization of tax dollars business licenses, etc. will increase 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 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



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 wholesale 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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City of Tualatin

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 black ink that reads "elizabeth mazzara myers." The signature is fluid and cursive, with "elizabeth" and "mazzara" on the first line and "myers" on the second line.

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	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. 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)	<p>Permitted uses limited to:</p> <ul style="list-style-type: none">• Sales of industrial hand tools, industrial supplies such as safety equipment and welding equipment,• Sale, service and rental of construction and industrial equipment to contractors and industrial firms <p>Conditional use required for wholesale sales of building materials and supplies</p>
-----------------	---------	--

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.
Light Manufacturing	P (L)/C	Conditional uses limited to trade and industrial school or training center. Truck driving schools are prohibited All other uses Permitted outright except: <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).

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.* 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

TRANSPORTATION PLANNING RULE EVALUATION

DATE: November 29, 2022

TO: Chris Green | HHPR Inc.

FROM: Jenna Bogert, P.E. | DKS Associates
Scott Mansur, P.E., PTOE | DKS Associates

SUBJECT: Tualatin Basalt Creek Area
Transportation Planning Rule Evaluation

P22057-000

This memorandum presents the findings of an evaluation of potential traffic impacts associated with the proposed zone change for the 156.43-acre Basalt Creek Planning Area in Tualatin, Oregon. The City desires to update the Manufacturing Park (MP) Zoning District to be consistent with the City's Basalt Creek Concept Plan. The desired zoning is Basalt Creek Employment (BCE).

The proposed zone change must be in accordance with Oregon Administrative Rule (OAR) 660-012-0060, the Transportation Planning Rule (TPR). The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses.

The definition of a significant effect varies by jurisdiction; however, no such definition is provided in the City of Tualatin code currently. According to the Oregon Highway Plan (OHP),¹ a net increase of 400 daily trips qualifies as a significant effect. While the OHP is not applicable to city streets, it provides a reasonable estimate of a significant effect for TPR analysis purposes.

This memorandum documents the expected trip generation of the reasonable worst-case development potential under the existing and proposed zoning, and whether the proposed zone change will create a significant effect on the transportation system.

¹ Action 1F.5, Oregon Highway Plan, Oregon Department of Transportation, Amended May 2015.

EXISTING ZONING (MP) TRIP GENERATION

Under the existing Manufacturing Park (MP) zoning there are several permitted land uses,² including the ones listed below. The MP zone allows development of modern, large-scale specialized manufacturing land uses and research facilities as well as a limited amount of commercial services.

- Manufacturing and assembly facilities
- Restaurants or delis
- Health or fitness facilities
- Trade or vocational school
- Child daycare
- Fire station
- Office
- Convenience store

For the purposes of identifying the reasonable worst case trip generation for the existing MP zoning, only the highest trip generation land uses were considered. A summary of the trip generation rates for different land uses permitted under the existing MP are presented in Table 1.

TABLE 1: TRIP GENERATION RATES FOR PERMITTED LAND USES UNDER MP ZONING

LAND USE (ITE CODE)	UNITS ^A	WEEKDAY TRIP GENERATION RATES ^B	
		DAILY	PM PEAK HOUR
MANUFACTURING (140)	KSF	4.75	0.74
HEALTH OR FITNESS CLUB (492)	KSF	31.10 ^C	3.11
TRADE/VOCATIONAL SCHOOL (540)	KSF	10.84 ^D	1.44
DAYCARE (565)	KSF	47.62	11.12
MEDICAL CLINIC (630)	KSF	37.60	3.69
OFFICE (710)	KSF	10.84	1.44
DRIVE-IN BANK (912)	KSF	100.35	21.01
FAST FOOD RESTAURANT WITH DRIVE-THROUGH WINDOW (934)	KSF	467.48	33.03
CONVENIENCE STORE (851)	KSF	762.28	49.11

^A KSF = 1,000 square-feet

^B Trip generation rates are from the Institute of Transportation Engineers Trip Generation Manual, 11th Edition.

^C Daily trip generation rate for Health or Fitness Club (492) is not provided in the ITE Manual. Rate shown in table is 10 times the PM peak hour rate.

^D Daily trip generation rate for Trade/Vocational School (540) is not provided in the ITE Manual. Rate shown in table is the same as "Office" (710).

² A list of permitted land uses for MP zoning can be found in the Tualatin Development Code, Chapter 62.

Based on size of 156.43-acre area, we have assumed that manufacturing space, fitness club, trade/vocational school, daycare, medical clinic, office, drive-in bank, fast food restaurants, and convenience store could be accommodated. Table 2 presents the daily and peak hour trip generation for the reasonable worst-case development scenario under MP zoning. As shown, the area would generate up to 20,466 weekday daily trips and 2,450 p.m. peak hour trips.

TABLE 2: REASONABLE WORST-CASE TRIP GENERATION FOR MP ZONING

LAND USE (ITE CODE)	SIZE	AVERAGE WEEKDAY TRIP GENERATION	
		DAILY	PM PEAK HOUR
MANUFACTURING (140)	2,185 KSF	10,379	1,617
HEALTH OR FITNESS CLUB (492)	5 KSF	160	16
TRADE/VOCATIONAL SCHOOL (540)	10 KSF	108	14
DAYCARE (565)	5 KSF	238	56
MEDICAL CLINIC (630)	10 KSF	376	37
OFFICE (710)	20 KSF	217	29
DRIVE-IN BANK (912)	5 KSF	502	105
FAST FOOD RESTAURANT WITH DRIVE-THROUGH WINDOW (934)	2 x 5 KSF	4,675	330
CONVENIENCE STORE (851)	5 KSF	3,811	246
TOTAL TRIPS GENERATED		20,466	2,450

PROPOSED ZONING (BCE) TRIP GENERATION

Under the proposed Basalt Creek Employment (BCE) zoning, similar types of land uses are allowed as the Manufacturing Park (MP) zoning. However, this zoning also includes all retail sales and services, medical office, and prohibits drive-through establishments. For the purposes of identifying the reasonable worst case trip generation for the proposed BCE zoning, only the reasonable highest trip generation land uses were considered. A summary of the trip generation rates for different land uses permitted under the proposed BCE are presented in Table 3.

TABLE 3: TRIP GENERATION RATES FOR PERMITTED LAND USES UNDER BCE ZONING

LAND USE (ITE CODE)	UNITS ^A	WEEKDAY TRIP GENERATION RATES ^B	
		DAILY	PM PEAK HOUR
INDUSTRIAL PARK (130)	KSF	3.37	0.34
MANUFACTURING (140)	KSF	4.75	0.74
WAREHOUSING (150)	KSF	1.71	0.18
HEALTH OR FITNESS CLUB (492)	KSF	31.10 ^C	3.11
TRADE/VOCATIONAL SCHOOL (540)	KSF	10.84 ^D	1.44
DAYCARE (565)	KSF	47.62	11.12
OFFICE (710)	KSF	10.84	1.44
MEDICAL-DENTAL OFFICE (720)	KSF	36.00	3.93
STRIP RETAIL (822)	KSF	54.45	6.59
FOOD CART POD (926)	Food Cart	17.86 ^E	6.16
FAST FOOD RESTAURANT, NO DRIVE-THROUGH WINDOW (933)	KSF	450.49	33.21
COFFEE SHOP, NO DRIVE-THROUGH WINDOW (936)	KSF	438.01	32.29

^A KSF = 1,000 square-feet

^B Trip generation rates are from the Institute of Transportation Engineers Trip Generation Manual, 11th Edition.

^C Daily trip generation rate for Health or Fitness Club (492) is not provided in the ITE Manual. Rate shown in table is 10 times the PM peak hour rate.

^D Daily trip generation rate for Trade/Vocational School (540) is not provided in the ITE Manual. Rate shown in table is the same as "Office" (710).

^E Daily trip generation rate for Food Cart Pod (926) is not provided in the ITE Manual. Therefore, collected trip data from the Food Truck Pod on State Street in Salem was used to estimate daily trips.

^F Daily trip generation rate for Coffee Shop (936) is not provided in the ITE Manual. Rate shown in table is the PM peak hour rate multiplied by the ratio of the fast-food daily rate to the PM peak hour rate.

Based on size of 156.43-acre area, the reasonable worst-case development includes an industrial park, manufacturing facility, warehousing, fitness club, trade/vocational school, daycare, office, medical office, strip retail, and food and drink establishments.

Per the City zoning code for Basalt Creek Employment (BCE), the commercial and retail land uses (eating and drinking establishments, medical office, etc.) are limited to 5,000 square feet for an individual use or a total of 20,000 square feet for multiple uses on a site. They must also be located on a parcel that has frontage along Grahams Ferry Road. Because of these restrictions, the

size of existing parcels along Grahams Ferry Road, and the County's access spacing standards for Grahams Ferry Road, the reasonable amount of expected commercial and retail development in this area is limited.

Table 4 presents the daily and peak hour trip generation for the reasonable worst-case development scenario under BCE zoning. As shown, the area would generate 20,416 weekday daily trips and 2,386 p.m. peak hour trips.

TABLE 4: REASONABLE WORST-CASE TRIP GENERATION FOR PROPOSED BCE ZONING

LAND USE (ITE CODE)	SIZE	AVERAGE WEEKDAY TRIP GENERATION	
		DAILY	PM PEAK HOUR
INDUSTRIAL PARK (130)	215.5 KSF	726	73
MANUFACTURING (140)	1,696 KSF	8,056	1,255
WAREHOUSING (150)	244.5 KSF	418	44
HEALTH OR FITNESS CLUB (492)	5 KSF	160	16
TRADE/VOCATIONAL SCHOOL (540)	5 KSF	54	7
DAYCARE (565)	8 KSF	381	89
OFFICE (710)	10 KSF	108	14
MEDICAL-DENTAL OFFICE (720)	10 KSF	360	39
STRIP RETAIL (822)	20 KSF	1,089	132
FOOD CART POD (926)	10 Carts	179	62
FAST FOOD RESTAURANTS, NO DRIVE-THROUGH WINDOW (933)	2 x 5 KSF	4,505	332
COFFEE SHOP, NO DRIVE-THROUGH WINDOW (936)	2 x 5 KSF	4,380	323
TOTAL TRIPS GENERATED		20,416	2,386

COMPARISON OF TRIP GENERATION

The previous sections show the reasonable worst-case development potential of the property under the existing zoning and the proposed zoning. As shown in the table below, a net decrease of 50 weekday daily trips and 64 PM peak hour trips would result from the zone change.

TABLE 5: COMPARISON OF NET NEW TRIP GENERATION

ZONING SCENARIO	AVERAGE WEEKDAY TRIP GENERATION	
	DAILY	PM PEAK HOUR
<i>Proposed (BCE Zoning) Trips (Table 4)</i>	20,416	2,386
<i>Existing (MP Zoning) Trips (Table 2)</i>	20,466	2,450
NET DIFFERENCE (PROPOSED – EXISTING)	-50	-64

TRANSPORTATION PLANNING RULE FINDINGS

After evaluating the reasonable worst-case development potential of both the existing (MP) and proposed (BCE) zoning, the proposed zone change will result in a net decrease of 50 trips per day and 64 PM peak hour trips. Because the zone change results in a net decrease of vehicle trips, the proposed zone change is not expected to have a significant effect on the surrounding transportation system and the Transportation Planning Rule requirements are satisfied.

SUMMARY AND RECOMMENDATION

The proposed zone change for the 156.43-acre property in Tualatin, Oregon, consists of rezoning from Manufacturing Park (MP) to a new zone, Basalt Creek Employment (BCE), and would result in an estimated reasonable worst-case trip **decrease of 50 daily trips and 64 PM peak hour trips**.

The requirements of Oregon Administrative Rule (OAR) 660-012-0060, the Transportation Planning Rule (TPR), must be met for proposed changes in land use zoning. The intent of the TPR (OAR 660-12-0060) is to ensure that future land use and traffic growth is consistent with transportation system planning and does not create a significant effect on the surrounding transportation system beyond currently allowed uses.

Based on the reasonable worst-case trip generation evaluation, it can be concluded that the proposed zone change will not significantly impact and would cause “no further degradation” to the City of Tualatin transportation system. Therefore, this application complies with TPR requirements.

Please let me know if you have any questions or comments.

Basalt Creek MP Zone Update

Economic Analysis

Date September 2022
To Chris Green, HHPR
From Chris Zahas, AICP, Leland Consulting Group
Sam Brookham, Leland Consulting Group

Introduction

This memorandum provides an economic assessment of market-based development and employment opportunities in Tualatin's Basalt Creek area and the lots zoned Manufacturing Park specifically.

Basalt Creek is an industrial area of regional importance. Employment in industrial real estate, the focus of this memorandum, is primarily limited to the following industries: manufacturing, warehousing and transportation, wholesale trade, and construction. As Basalt Creek is part of the broader market and is impacted by macroeconomic trends, this memorandum includes summaries of the industrial market and employment trends at the national, regional, and submarket levels. The memorandum also includes case studies and a high level assessment of industrial land availability.

This information will be used to inform implementation recommendations to enhance development prospects and create jobs in Basalt Creek.

The memorandum is organized as follows:

Introduction.....	1
National Real Estate Context.....	5
Regional Market Assessment.....	7
Case Studies	16
Conclusion and Recommendations.....	20

Methodology

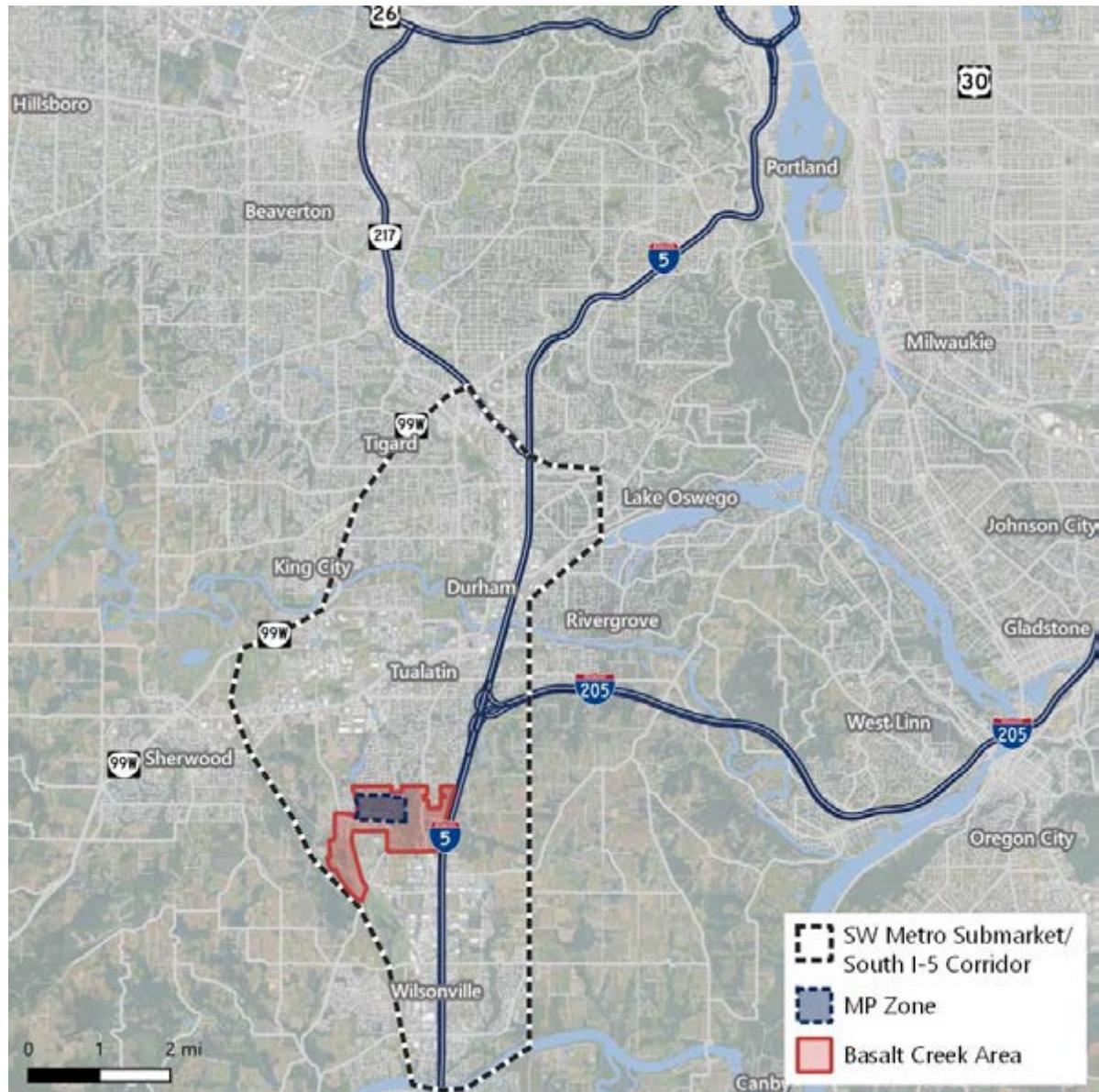
This memo summarizes Leland Consulting Group's (LCG's) analysis of economic data and industry trends in the Portland metro region and the southwest I-5 corridor submarket (the submarket). Methods include an assessment of real estate market dynamics (construction and absorption trends, vacancy rates, rental rates, land values, building costs, etc.), a high-level evaluation of buildable industrial land in the submarket, and case study research of comparable zoning codes and employment areas.

Additionally, LCG conducted interviews with local and regional stakeholders, including local agency partners such as neighboring city staff, county staff, and economic development agency staff, and key private sector stakeholders in the industrial development community such as landowners, developers, and brokers. These interviews provided valuable insights regarding barriers to future development and opportunities for industrial and employment growth.

Basalt Creek Area Overview

This section briefly summarizes the Basalt Creek area, including relevant previous/current planning efforts and the physical characteristics of the area. Tualatin is part of the South I-5 Corridor submarket—sometimes called the Southwest Metro submarket by brokers and others in the development community, collectively called the “submarket” in this memo—is considered one of the most diverse industrial submarkets in the state of Oregon. The map below shows the submarket boundaries and the location of the MP Zone within Basalt Creek.

Figure 1. Basalt Creek Location and I-5 South Submarket Boundary



Planning Efforts and Vision

The Basalt Creek area has been subject to many planning efforts relating to transportation, infrastructure, funding, and economic development. Together, these documents lay out a vision for the area. Below is a list of relevant information extracted from these planning efforts.

The 2018 **Basalt Creek Concept Plan** identifies preferred land uses across the area, recommends high-level designs for transportation and infrastructure systems to support future development, and sets specific action items and implementation measures. Action items and implementation measures are intended to ensure that the zoning and/or development code is updated to enable development in the Planning Area. Generally, annexation is predicated on investor interest, and the expectation is that investors will finance the extension of services.

The market analysis completed as part of the Concept Plan found that existing industry clusters for Tualatin and Wilsonville are expected to continue and provide significant business and job growth in the future. These industry clusters include advanced manufacturing, corporate and professional services, health care and related fields, and other specific industrial clusters such as food processing and light manufacturing.

Employment development in the Planning Area will benefit from several competitive advantages. A major feature and competitive advantage of this "Southwest Metro" employment cluster in general, and the Basalt Creek Planning Area in particular, is its immediate access to I-5, the west coast's most important transportation route.

The Manufacturing Park totals 93 acres and is expected to generate 1,897 jobs at 20 jobs per acre of land or approximately 640 jobs per square foot of development (at a standard floor area ratio of 0.3).

The **Transportation Refinement Plan** (2013) establishes a major transportation connection from Tualatin-Sherwood Rd to I-5 in North Wilsonville through the Basalt Creek planning area. This connection was identified as a regional transportation priority to connect and provide access to existing and future hubs of industrial land use.

The City's **Economic Development Strategy** identified five target industry clusters, including advanced manufacturing; health care and related businesses; corporate and business services; food processing, distribution, and wholesale; and wood, paper, printing, and related businesses.

Physical Characteristics of the Area

The area of Basalt Creek that is currently zoned Manufacturing Park is relatively free of development impediments compared to the rest of the Basalt Creek area, where approximately 35 percent (207 acres) of the total land area is constrained. The Land Capacity Analysis in the Basalt Creek Concept Plan Existing Conditions Report outlined some specific considerations, which are listed below.

- **Steep Slopes.** Industrial developments are particularly sensitive to topography due to the prevalence of larger building footprints and the transportation and storage needs. Steep slopes can require significant grading to accommodate these construction and transportation needs which can be prohibitively expensive (largely due to the lower asset value of industrial property). There are several areas of steep slopes (greater than 25%) throughout Basalt Creek. In the MP-zoned area, slopes greater than 25% are relatively limited, but slopes greater than 10% are primarily prevalent in the area east of Grahams Ferry Road. Developers looking to build in this area will likely need greater flexibility to accommodate topographical challenges. The area west of Grahams Ferry Road is relatively flat and, therefore, will not pose similar development challenges.
- **Manmade/Other Constraints.** Utility easements for both PGE and BPA are in the area, creating undevelopable corridors throughout Basalt Creek. While these easements primarily impact the rest of the Basalt Creek area, they also impact the northeast and southwest corners of the MP-zoned area.
- **Existing land uses.** The majority of land within the MP-zoned area is vacant, i.e., free of existing buildings. Some smaller buildings exist in the west and south sections of the area. LCG does not consider these existing

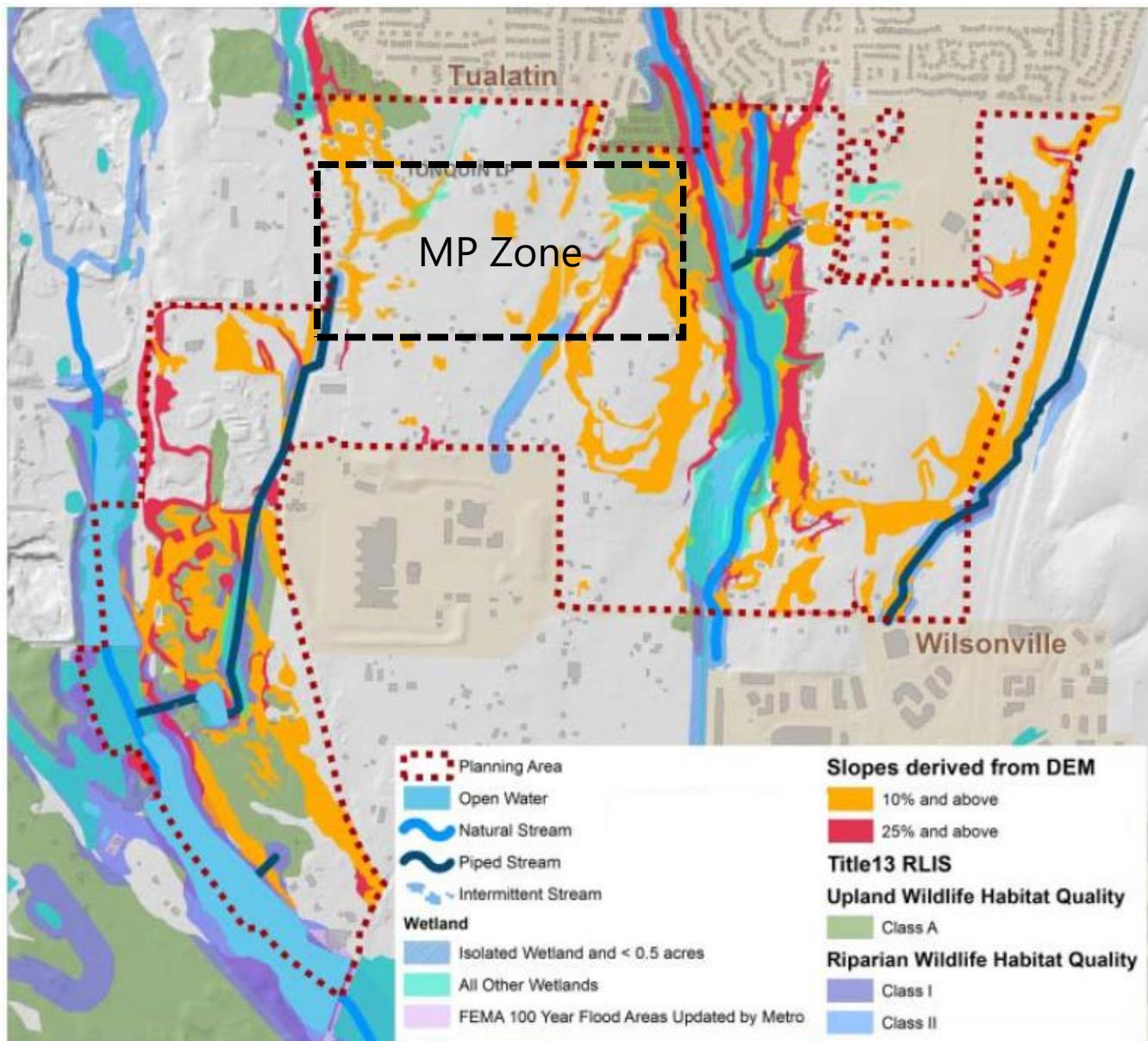
properties impeded to redevelopment due to the recently heightened economics and market pricing of industrial development.

- **Wetlands.** There is a limited number of wetlands, streams, or other bodies of water of significance that impact the MP-zoned area.

Together, these constraints pose little threat to the developability of the MP-zoned area in Basalt Creek. Stakeholders interviewed for this project—including those with land holdings in the area—agree with this statement, citing the need to work with existing constraints given the dearth of industrial land available elsewhere in the Portland region.

The development constraints map below is from the Basalt Creek Concept Plan Existing Conditions Report (2014).

Figure 2. Map of Development Constraints (excluding roads) in the Basalt Creek Planning Area



Source: Fregonese Associates, RLIS 2014 (from the Basalt Creek Existing Conditions Report)

National Real Estate Context

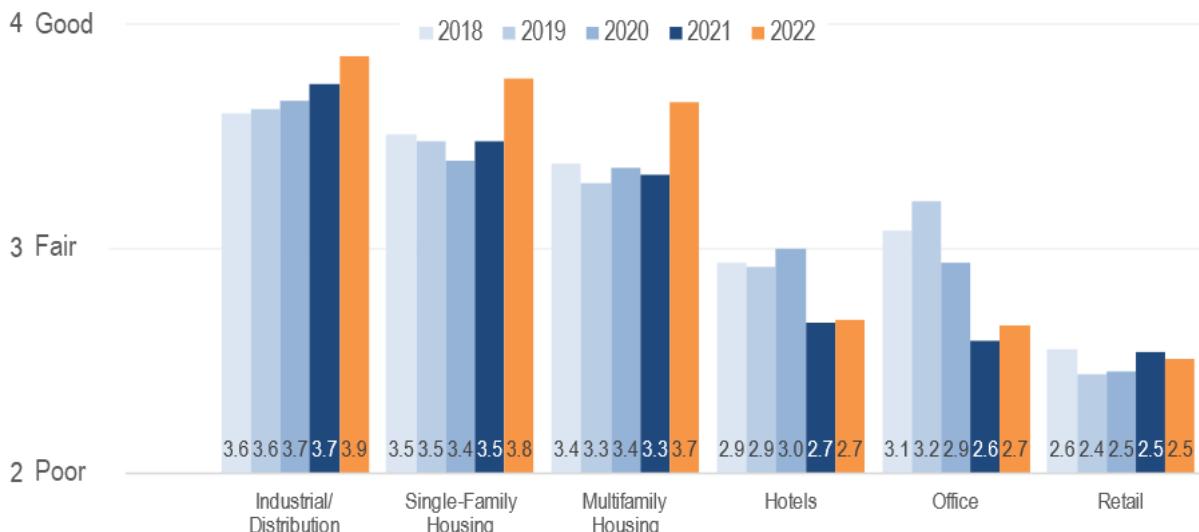
The industrial sector is tied to macroeconomic employment trends more than any other sector. It is therefore important to understand the dynamics impacting nationwide industrial real estate and employment trends.

The Urban Land Institute (ULI) releases an annual report called *Emerging Trends* which highlights real estate trends, prospects, and considerations at the national level and across every major market in the country. The information contained in the report is based on extensive market research and comprehensive surveys of real estate professionals throughout the country.

ULI offers a range of insights into commercial and industrial real estate from the perspective of both developers and investors. For the past five years, ULI has identified the industrial sector as the top-performing sector. This has only intensified since the beginning of the COVID-19 pandemic with the growth of ecommerce, which amplified the need for resilient supply chains, which, in turn, has propelled the demand for logistics real estate. According to ULI, demand for industrial space has been deep and diverse across a range of industries. Robust demand, acute scarcity of supply, and rising replacement costs have accelerated rents across the board, reaching historic double digits in many markets while vacancy rates have fallen to record lows.

The following chart shows development prospects for the six primary real estate classes and how these prospects have changed over the past five years. Industrial and distribution are the only real estate classes whose prospects have increased each year since 2018 while also maintaining the ascendency relative to other development types, reflecting the strength of the market and the fact that most industrial users remained open throughout the pandemic (as there is no virtual substitute for physical product creation and fulfillment).

Figure 3. Development Prospects by Development Type



Source: ULI

Figure 4 below shows ULI's survey respondents' recommendations to either buy, hold, or sell industrial property. As the real estate market is cyclical—often lasting 10 to 20 or more years—these recommendations help demonstrate the likely investment trends in the industrial sector moving forward.

Recommendations to purchase property reflect industry expectations that the market fundamentals (pricing, demand, etc.) for industrial property will continue to improve (i.e., there is strong evidence of a positive return on the initial investment) or that the future is likely to pose greater challenges for buyers (e.g., high interest rates). Conversely, recommendations to sell property reflect industry expectations that certain industrial asset classes are

Figure 5. Prospects for Commercial Subsectors in 2020 (Pre-Pandemic) and 2022



Source: Emerging Trends 2022

Figure 4. ULI Recommendations by Industrial Type



Source: Emerging Trends 2022 (Note: Based on U.S. respondents

either at peak market value or in a cycle of continued decline. Recommendations to hold property are more nuanced and depend on things like the timing and cost of the initial acquisition, the terms, operating expenses and revenues, etc.

Buying fulfillment centers and warehouses in the industrial and logistics sector in the United States in 2022 was highly recommended by industry experts. Approximately 55 percent of experts recommended buying fulfillment centers, while only 19 percent recommended holding. On the other hand, manufacturing centers were the most recommended to be held in 2022 according to almost 54 percent of industry expert respondents.

For Basalt Creek, the ULI survey suggests that in the near term developers are more likely to invest in new fulfillment and warehousing projects than manufacturing. As there is no existing manufacturing-based property in Basalt Creek, strong recommendations to "hold" property are irrelevant in this case.

Similarly, ULI offers insights into investment prospects for various subsectors. The chart at left shows prospects for 2020 (pre-pandemic) and 2022. Fulfillment again tops the list as ecommerce continues to grow, with warehousing close behind for similar reasons. It is important to note here that while Emerging Trends survey respondents generally agree that industrial is a top investment prospect, there is a significant proportion of respondents who feel that warehouse and fulfillment are overpriced compared with other industrial property types, suggesting that there may be a correction in favor of other industrial development types such as manufacturing. As more investment is made in these subsectors, it will become increasingly important for developers to be selective on location to both avoid the risk posed by the potential oversupply of new space and achieve a positive return on investment.

Other industrial subsectors (warehouse, R&D, flex, manufacturing) remain in the top half and each has improved since 2020. The manufacturing subsector has arguably seen the largest improvements over the past two years, likely due to efforts to ramp up the production of domestic manufacturing to counter the impacts of global supply chain issues. **As federal and state efforts continue to focus on increasing domestic productivity, investment and development prospects for manufacturing will likely continue to rise.**

Employment Outlook

According to the U.S. Bureau of Labor Statistics, total U.S. employment is projected to grow from 153.5 million to 165.4 million over the 2020–30 decade, an increase of 11.9 million jobs. This increase reflects an annual growth rate of 0.7 percent, which is higher than recent cycles and accounts for recovery from low base-year employment in 2020 due to the COVID-19 pandemic and its associated recession.

For industrial sectors, including manufacturing, transportation, and warehousing, the existing numbers and projections are mixed. While the manufacturing sector as a whole is projected to have some recovery-driven employment growth, it also contains 11 of the 20 industries projected to have the most rapid employment declines, and annual manufacturing employment growth is just 0.15 percent. Factors contributing to the loss of manufacturing jobs include continued global competition and the adoption of productivity-enhancing technologies such as robotics. Conversely, occupations related to transportation and warehousing are projected to grow by 1.10 percent annually over the next year, largely due to the trends outlined in the previous section.

As ecommerce continues to drive demand for last-mile facilities and fulfillment, there appears to be no decline in the growth of warehousing and transportation jobs. Conversely, the events of 2020 and 2021 have fueled stronger automation and other cost-saving actions from employers, likely resulting in heightened productivity and fewer workers. Finally, the accelerated digital transformation of both business and consumer activities makes it easier to eliminate routine jobs.

While these are macro-level trends and ultimately have little bearing on near-term development prospects in Basalt Creek, long-term local economic opportunities and trends will generally align with what is happening across the nation. For example, the increasing automation of the manufacturing sector will impact job creation and densities, which the City should take into account when establishing its goals for the area. Finally, as mentioned above, some of these weaknesses in job growth in the manufacturing sector may be offset by an increasing push for “onshoring” of manufacturing, particularly computer chip manufacturing, to alleviate severe supply chain issues that have impacted many industries.

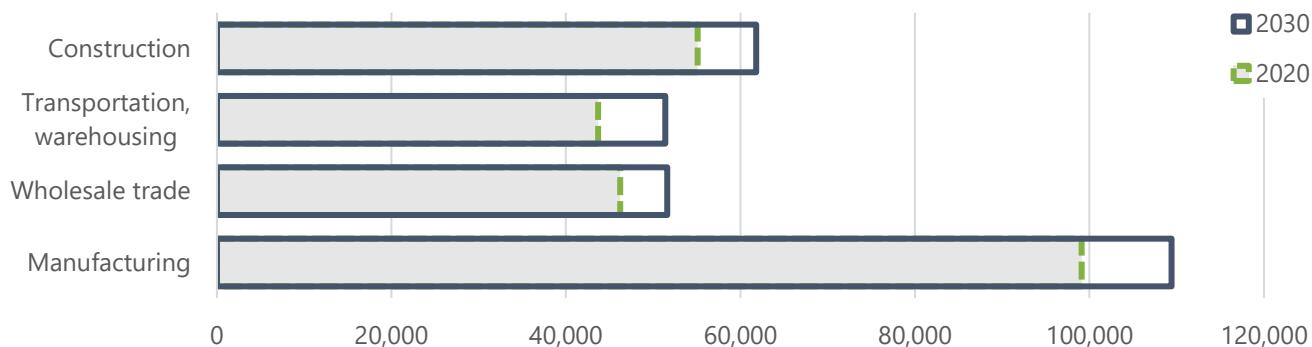
Regional Market Assessment

Given the aforementioned connection between Basalt Creek opportunities and the regional market, this section provides a more granular assessment of industrial trends in the Portland region.

Employment Projections

Portland metro area jobs in core industrial sectors account for about 30 percent of all private jobs in the tri-county region. There are about twice the number of manufacturing jobs as transportation, warehousing, and utility jobs (as well as twice the number of wholesale trade jobs). This is roughly in line with national trends. However, in contrast to the nation, where manufacturing jobs are projected to grow by 0.15 percent annually, manufacturing jobs in the Portland metropolitan area are projected to grow by 0.99 percent annually through 2030. Transportation and warehousing jobs are similarly projected to grow rapidly at 1.64 percent annually, and wholesale trade jobs are projected to grow at 1.11 percent annually.

Figure 6. Industrial Jobs, 2020 (Existing) and 2030 (Projected), Tri-County Region



Source: Oregon Employment Security Department

Market Dynamics

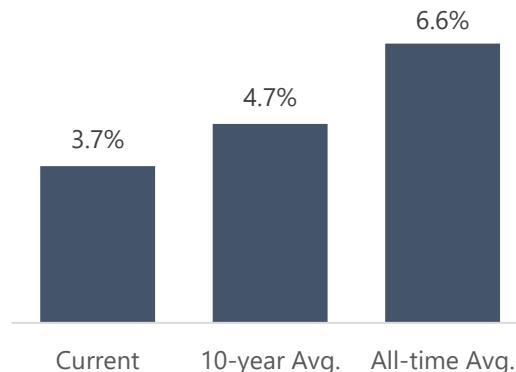
This section provides information about the regional industrial market in order to understand how activity might impact future development in the Tualatin market and the Basalt Creek area specifically.

The Portland metro area has remained an attractive market for new and expanding industrial businesses and has experienced significant demand for industrial warehouse, distribution, and logistics space, largely driven by ecommerce growth. Manufacturing also remains an attractive industry—in keeping with the national trends and development prospects outlined above—especially as the focus increases on the domestic production of goods amid global supply chain issues and technological advances in automation improve productivity (which in turn helps alleviate labor shortages).

Moving forward, the regional economy will continue to support manufacturing and warehousing-oriented real estate as ecommerce growth continues, third-party logistics facilities grow to respond to this heightened demand, and an increasing number of tech employers congregate in the Silicon Forest. This bullish outlook is reflected by strong market fundamentals, which include strong recent leasing activity, high rent and price growth, and historically low vacancy rates that indicate near-term demand for new development. Additional highlights are listed below.

- New leasing over the past year totaled 9.4 million square feet, about 50 percent more than the 6.7 million square feet of new leasing activity recorded in 2020.
- The average industrial vacancy in the metro region now stands at 3.7 percent, significantly lower than the historical average of 6.6 percent and lower than the 10-year annual average of 4.7 percent.
- Pricing has more than doubled over the past decade and continues to rise. Portland's industrial assets have increased from a historical high of around \$65 per square foot in 2010 to \$169 per square foot today.
- Cap rates have compressed below 6.0 percent, signaling that developers are willing to take more risks to deliver industrial products to market.
- Annual rent growth over the past three years has exceeded 8.0 percent, significantly higher than the 10-year average of 5.2 percent.

Figure 7. Metro Industrial Vacancy



Source: CoStar

As noted above, these market trends demonstrate strong regional demand for continuing industrial development. However, land supply remains critically low in the Portland metro area, resulting in a highly competitive market that has led to rapidly increasing land pricing, building pricing, and lease rates.

These land supply constraints and elevated costs now appear to be impacting construction starts. Despite strong demand fundamentals, only 1.4 million square feet of industrial space was developed in the last year in the Portland metro area, compared to an annual 10-year average of 2.5 million square feet. Additionally, developers are now developing parcels that require more time and money due to issues such as zoning constraints, utility service issues, and topography challenges—parcels that were previously considered “undevelopable” because of the cost of development.

Recent trends also suggest that industrial users are willing to look further afield if land is not available or becomes too difficult or expensive to develop. Secondary markets like Salem, Woodburn, and Newberg—which have historically experienced minimal land sale activity, especially for speculative industrial projects—are now experiencing boosts in industrial activity.

The table below shows industrial development trends for the I-5 South submarket and these secondary markets to the south of the Portland metro area.

Table 1. Projects Built in Various I-5 Submarkets (SW Metro and South), 2010 to Present

Status and Location	Number of Buildings	Total Building Square Feet	Average Building Size (Sq. Ft.)
Built in the past 10 years	121	7,183,050	59,364
Canby	9	892,476	99,164
Newberg	2	167,069	83,535
Salem	38	2,373,534	62,461
Portland I-5 South	54	2,958,085	54,779
Woodburn	18	791,886	43,994
Under Construction	10	6,232,225	623,223
Salem	1	50,000	50,000
Portland I-5 South	6	1,235,173	205,862
Woodburn	3	4,947,052	1,649,017
Final Planning	1	168,610	168,610
Portland I-5 South	1	168,610	168,610
Proposed	29	8,521,187	293,834
Canby	4	1,789,000	447,250
Newberg	4	2,387,670	596,918
Salem	7	3,166,330	452,333
Portland I-5 South	12	848,805	70,734
Woodburn	2	329,382	164,691
Grand Total	161	22,105,072	137,299

Source: CoStar

Key takeaways from the table above include:

- In the past 10 years, the Portland I-5 South/SW Metro submarket has seen the most industrial development (about three million square feet) compared to other submarkets to the south. In the rest of the Portland metro, industrial development has concentrated in Portland (9.7 million square feet), Hillsboro (8.2 million), Gresham (2.2 million), and Troutdale (1.8 million).
- Recent I-5 South submarket projects have been among the smallest on average (55,000 square feet), with only Woodburn having a lower average building size (44,000 square feet). Projects in the pipeline are significantly larger on average, reflecting some of the shifting market trends described in earlier pages.
- The project pipeline is dominated by markets to the south of the Portland metro, with 4.9 million square feet under construction in Woodburn and more than 7.5 million square feet proposed in Canby, Newberg, Salem, and Woodburn. Proposed projects in the I-5 South submarket account for just 10 percent of proposed projects. In the rest of the Portland metro, comparatively, there is currently 1.7 million square feet under construction (1.2 million in Hillsboro) and 4.2 million square feet proposed (2.1 million in Portland, 400,000 in Hillsboro, 820,000 in Gresham, and 880,000 in Clackamas), showing this phenomenon is not limited to the Southwest Portland metro area.

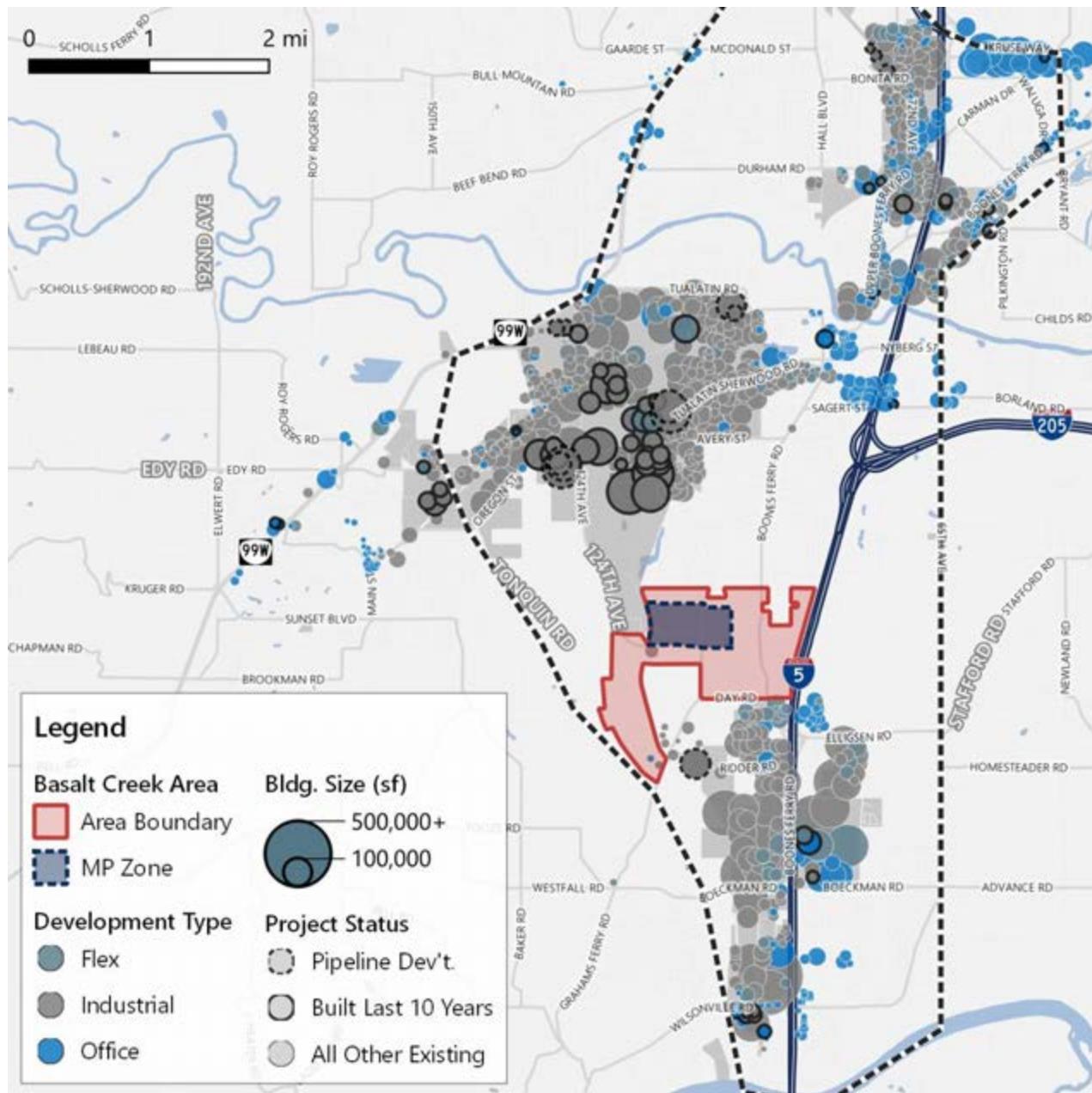
This information raises an important consideration for the City of Tualatin: if the zoning and site conditions of the land in Basalt Creek remain too narrowly focused or challenging, developers may simply choose to invest elsewhere, and the land may remain vacant for many years.

Submarket Development

The South I-5 Corridor submarket has historically accounted for approximately 10 to 25 percent of the metro's industrial construction and absorption in any given year and is a particularly attractive submarket for speculative industrial development. As a light industrial manufacturing submarket historically, Tualatin has now become one of the major industrial nodes within the metro with a wide range of industrial developments and tenants that are more in keeping with greater regional and national trends.

The following map shows industrial development in and near the South I-5 Corridor submarket. New development in the past 10 years, as well as proposed projects, are concentrated in Tualatin and Sherwood Tualatin Sherwood Road.

Figure 8. Submarket Development



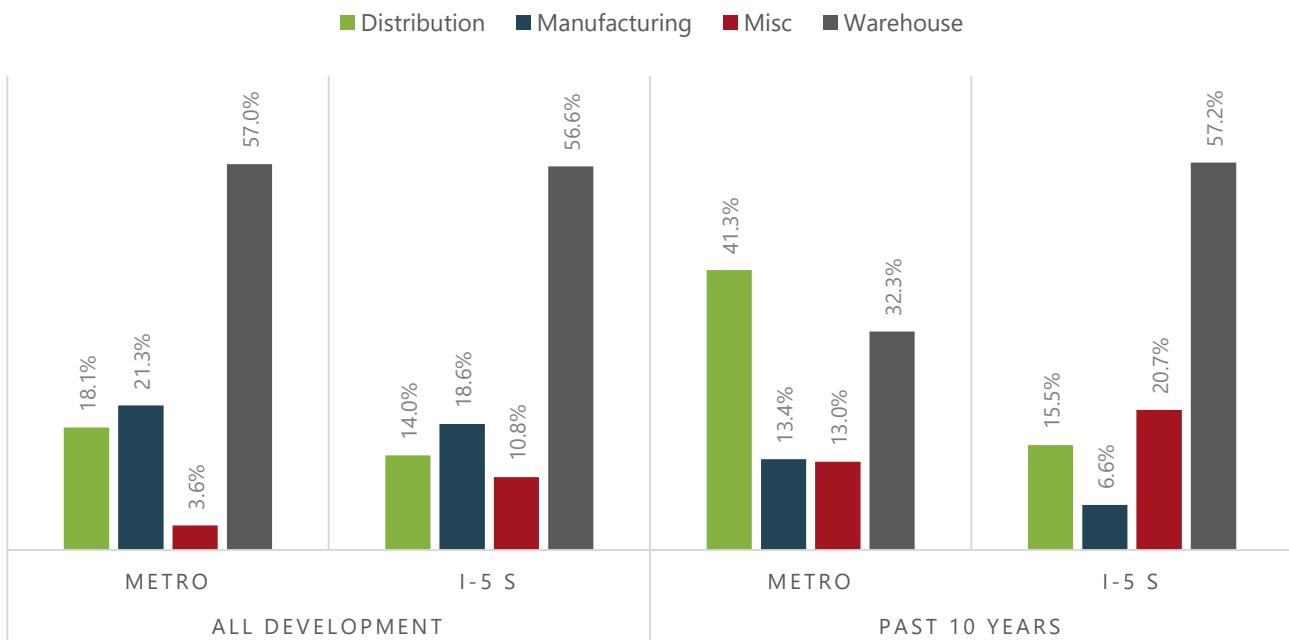
Source: CoStar

The following chart compares the proportion of distribution, manufacturing, warehousing, and "misc." (all other, including multitenant and flex space) industrial development built throughout the Portland metropolitan area and the I-5 South Submarket. The key takeaways are as follows.

- Historically, the development patterns in the I-5 South Submarket have generally aligned with those throughout the Portland metropolitan area.
- Over the past 10 years, distribution (which includes fulfillment) has accounted for a much higher share of industrial development in the metro area and a slightly higher share in the I-5 South submarket.
- Manufacturing (i.e., buildings exclusively used for manufacturing uses) has accounted for significantly less development in recent years, which appears a broader market trend felt throughout the country.

- Manufacturing has accounted for less than seven percent of all industrial development over the past 10 years in the I-5 South submarket, down from almost 19 percent historically. However, "misc." industrial development has now accounted for more than a fifth of all development over the past 10 years, almost doubling the historical share. This miscellaneous development is difficult to categorize because it includes multitenant and flex industrial space that caters to a wide variety of tenants. The submarket has been an attractive location for this type of speculative development given its locational advantages, historical land availability, and market diversity.

Figure 9. Industrial Development Trends by Use and Location (Percent of Development)



Source: CoStar

The I-5 South Corridor submarket has historically accounted for about 12 percent of all industrial development. While this capture rate has not changed over the past 10 years, the land use types that have concentrated in the submarket have changed significantly—as also shown in the chart above.

Table 2. Industrial Development (Total Square Feet of Building Space) by Use and Location

	All Development		Past 10 Years		I-5 S. Capture Rates	
	Metro	I-5 S	Metro	I-5 S	All Dev't.	Past 10 Yrs.
Distribution	46,597,095	4,472,509	13,032,246	553,045	10%	4%
Manufacturing	55,002,968	5,948,605	4,227,418	237,110	11%	6%
Warehouse	146,905,599	18,087,597	10,177,002	2,040,681	37%	18%
Flex/Other/Misc.	9,379,278	3,437,708	4,108,882	737,695	12%	20%
Total	257,884,940	31,946,419	31,545,548	3,568,531	12%	11%

Source: CoStar

Industrial development characteristics in the submarket over the past 10 years are detailed below. The purpose of documenting the characteristics of these developments is to highlight different features and development patterns that are likely in the Basalt Creek area.

While zoning and development standards vary greatly for each of these, the core characteristics are relatively similar. The ranges described below reflect the 25th and 75th percentiles for several development features.

- Building sizes typically vary from 25,000 to 90,000 square feet (the 25th and 75th percentile), with a median of 42,500 square feet. Developments over the past few years have trended larger (35,000 to 140,000, with a median of 70,000) as warehousing and distribution uses emerged as a top industrial use.
- Buildings typically have ceiling heights of 19 to 30 feet, with between four and 18 loading docks. New development tends to have higher ceilings (24- to 32-foot ceilings) and more loading docks (six to 25)
- Site sizes vary from 2.1 to 9.4 acres, with a median of 4.1 acres.
- FARs vary from 0.2 to 0.4, which is typical for general industrial uses.

Below are a series of development images and site plans for a selection of recently built and under construction projects in the submarket. These projects are relatively typical for the submarket.

T-S Corporate Park, Tonquin Employment Area, Sherwood



Myslony Business Park, Phelan Development, Tualatin



Hedges Creek Business Park, Tualatin



Majestic Tualatin Business Center, Tualatin



Source: CoStar

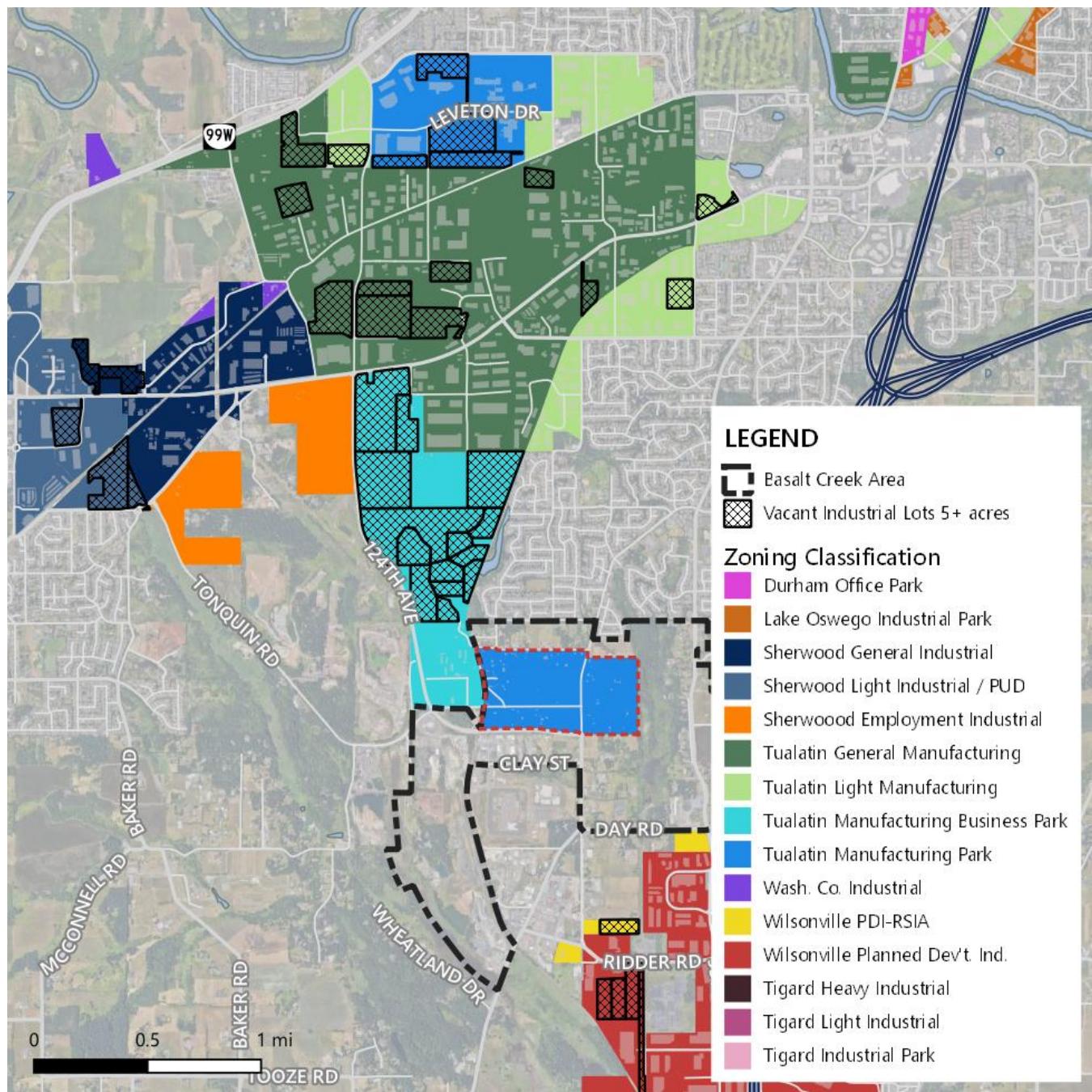
Industrial Land Availability

Basalt Creek will compete for industrial investment with other areas not only nearby but regionwide and beyond (including Salem, Woodburn, and other similar areas). Stakeholders interviewed for this project consistently noted the increasing difficulties in finding sites in the Portland area, especially large, contiguous, shovel-ready sites. As high-

quality industrial sites become increasingly scarce in the Portland region, industrially-zoned land costs and rental rates for existing industrial space have surged.

The following map shows industrial zoning in the southwest metro area overlayed with vacant sites larger than five acres. This analysis does not consider whether development impediments exist on these vacant sites (e.g., wetlands, steep slopes, etc.), therefore it does not necessarily mean these sites can be feasibly developed.

Buildable Industrial Lands, South I-5 Corridor



Source: Leland Consulting Group

Key takeaways from this assessment are listed below.

- There are 1,400 industrially zoned parcels (within existing city limits) shown on this map, and only 45 sites (three percent of the total) are vacant and larger than five acres.
- Those 45 sites translate to 640 vacant acres (14 percent of more than 3,900 acres).
- Of those 45 sites, 17 are in the City of Tualatin (totaling 279 acres).
- Approximately 191 of the existing vacant industrial land is in Tualatin's Manufacturing Business Park zone and is currently occupied by Tigard Sand and Gravel, an existing business using the land as a quarry. Much of this land will be challenging to redevelop due to steep slopes and infrastructure requirements. Thus, the development of this land will be over the long term and should not be included in any inventory of buildable land.

This information demonstrates the importance of Tualatin's industrial land to both the South I-5 Corridor submarket and the region. Given the dearth of buildable land throughout the region, Basalt Creek is a regionally significant industrial development opportunity. However, as recent development trends have shown, limited land availability throughout the Portland metro area is not enough to attract development to Basalt Creek or any other area with buildable industrial land. The regulations attached to that land must allow market-driven uses and support speculative new investment.

Case Studies

A key discussion point during interviews with public and private stakeholders was whether there are examples in the Portland metropolitan area of industrial districts that could illustrate successful implementation, including ones with specific zoning codes. This section summarizes research on some of the model zones highlighted by stakeholders as well as a case study of the Tonquin Employment Area (zoned Industrial Employment – EI) in Sherwood.

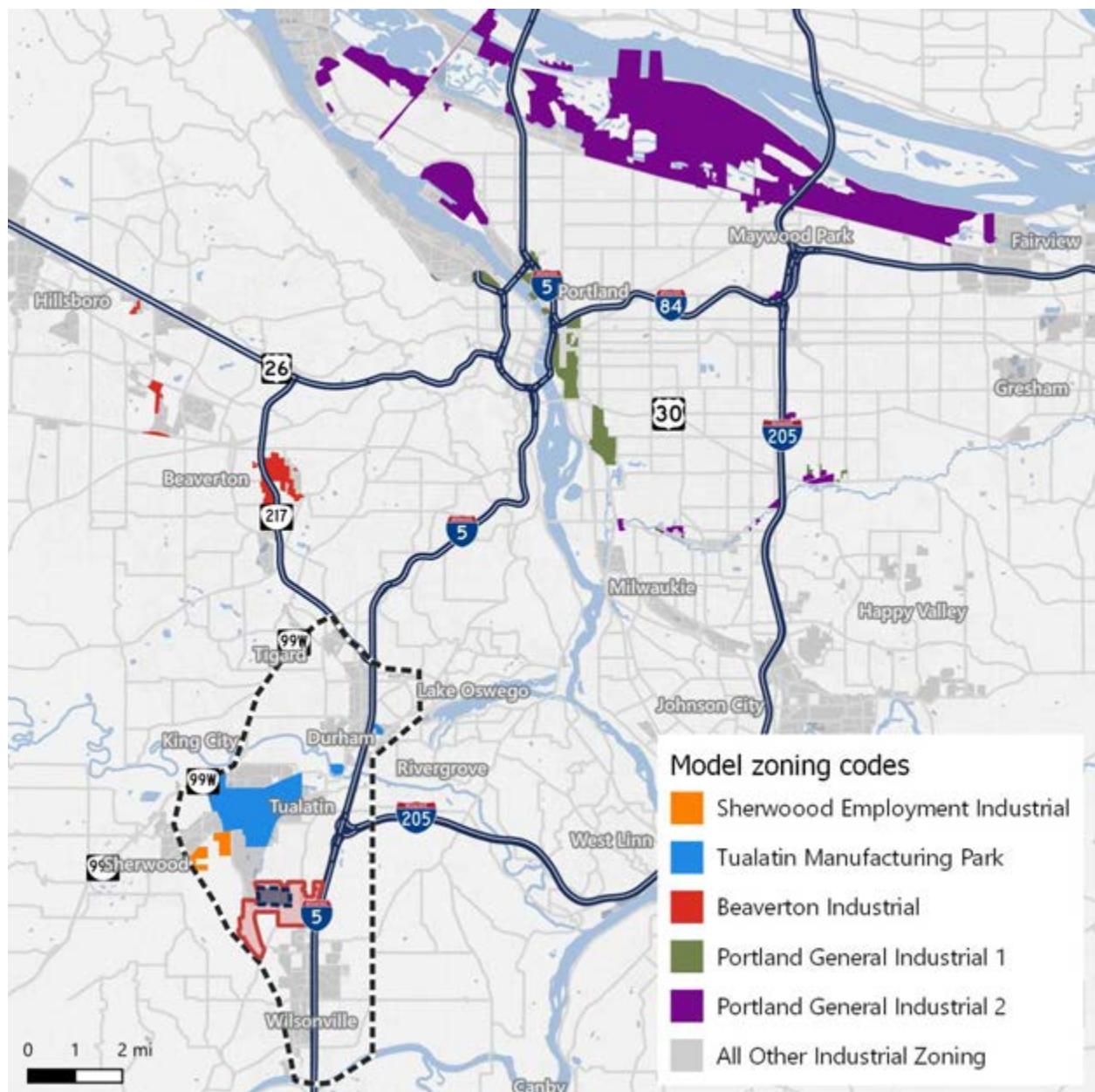
Model Industrial Zones

Several industrial zones throughout the Portland metropolitan area were identified by stakeholders as potential "model" zones. Model zones are those considered supportive of industrial development in keeping with economic trends and market dynamics. Model zones include:

- Sherwood Employment Industrial (EI) Zone,
- Tualatin General Manufacturing (MG) Zone,
- Portland General Industrial (IG1, IG2) Zones, and
- Beaverton Industrial (IND) Zone.

These zones are shown in the map below and the primary characteristics of each are summarized in the table that follows.

Figure 10. Model Zone Locations



Source: Metro RLIS, Leland Consulting Group

Table 3. Zone Comparison

Zone	Allowed Uses	Development Standards	Notable Restrictions
Sherwood Industrial Employment EI	Manufacturing, distribution, warehousing, and storage (preferred: Clean Technology; Technology and Advanced Manufacturing; Outdoor Gear and Active Wear) Distribution and warehousing up to 150,000 square feet, provided product(s) are stored within an enclosed building.	Min 3 acre lots accommodating Large and medium-sized parcels for industrial campuses and other industrial sites that can accommodate a variety of industrial companies and related businesses. Setback: 20 feet (front), none rear or side. Bldg. height max: 50ft Landscaping standards vary greatly	Retail and commercial uses are allowed only when directly supporting area employers and employees. Distribution and warehousing uses greater than 150,000 square feet require a conditional uses permit.
Tualatin General Manufacturing MG	Light and heavy manufacturing, warehouse and freight movement (P/C), wholesale sales (P/C)	Min lot size: 20k sf Setbacks: 30-50 feet (front), 0-50 feet (side) Bldg. height max: 60ft Landscaping: 15% min of the total area	Conditional use required for warehousing of bldg. materials/suppliers; other warehousing uses permitted. Commercial uses are restricted to 20,000-60,000 sq. ft.
Portland General Industrial 1 IG1	Manufacturing, warehouse and freight movement, wholesale sales, industrial services, railroad yards, parks	Smaller lots, high building coverages No max bldg. height, bldg. coverage, or FAR restrictions Setbacks: 0 feet except next to R Zones Landscaping: no requirement	Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.
Portland General Industrial 2 IG2	Manufacturing, warehouse and freight movement, wholesale sales, industrial service, railroad yards, parks	Larger lots, irregular/ large block pattern, less developed No max bldg. height or FAR restrictions Setbacks: 25ft (front); none elsewhere except next to R Zones Landscaping: 15%	Commercial uses are limited to 20,000 sq. ft. or sq. ft. of the site area, whichever is less.
Beaverton Industrial IND	Manufacturing, distribution, industrial uses, and uses requiring processing, fabrication, and storage, including outdoor storage areas, heavy equipment, and other uses not compatible in an Office Industrial area.	No min/max requirements for lot size, FAR, lot dimensions Setbacks: 35 ft (front), 10 ft (side), 0 ft (rear); 75 feet from a residential zone Bldg. height max: 45ft Landscaping: 15% min of the total area	Very few restrictions related to industrial uses Individual retail businesses are restricted to 5,000 sq. ft.

Stakeholders in the development community suggested that codes to avoid include Wilsonville's PDI zone, which is seen as an extreme example of use restrictions and design overlays. One stakeholder highlighted the example of DWFritz, which approached Wilsonville around 2019 for a potential 80,000 square foot development but instead chose the Tonquin area because of the restrictions. DWFritz now employs 120 people.

Tualatin: Tonquin Employment Area

Given its proximity to Basalt Creek, the timing of development (i.e., greenfield development following a UGB expansion), and site conditions (especially limited infrastructure), Sherwood's Tonquin Employment Area (TEA) is an appropriate comparison for Tualatin's Basalt Creek Manufacturing Park Zone. The TEA was brought into the Urban Growth Boundary by Metro in 2004 and the City of Sherwood completed a concept plan for the area in 2010.

The Plan included draft policies and implementation measures that support the growth of employment in the area, including a new Employment Industrial (EI) zoning district that regulates development in the Tonquin Employment Area. The EI zone was originally aimed at supporting high-tech manufacturing and traded sector job growth. However, the TEA remained largely unincorporated and undeveloped for many years following the plan's adoption in 2010.

Stakeholders interviewed for this project highlighted the challenges of developing in the TEA following the concept plan and UGB activity, citing a narrowly defined set of allowed uses in the zoning code, site constraints, and relatively restrictive development standards as reasons for the lack of initial development in the area.

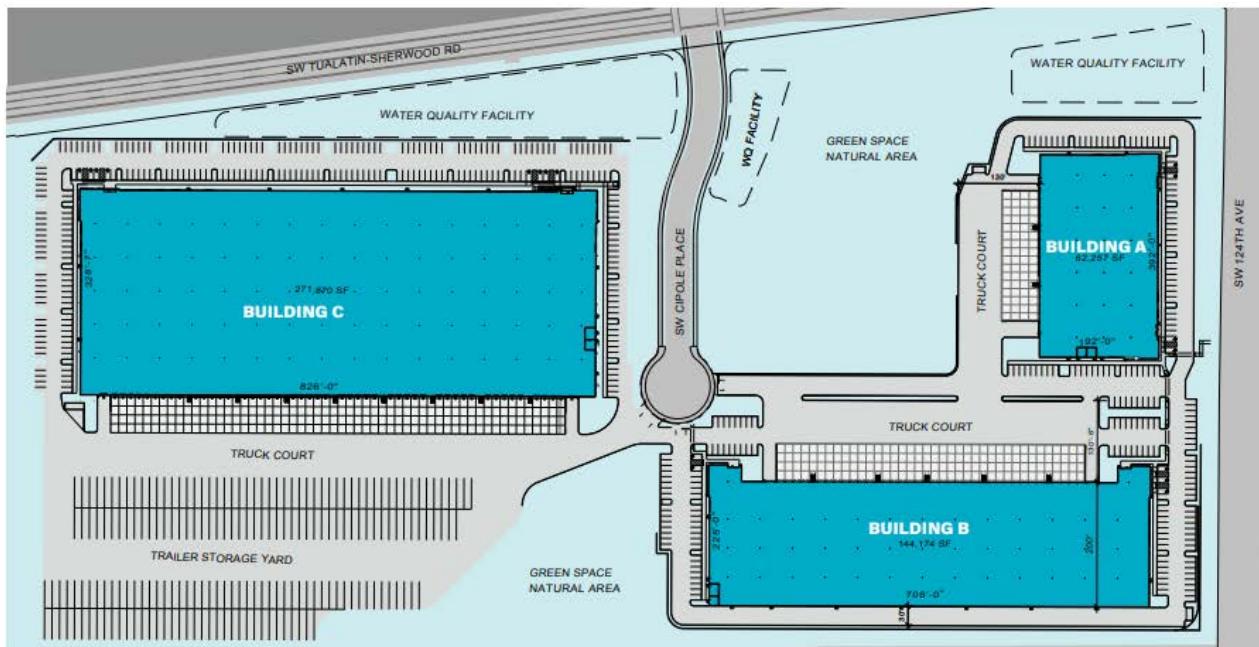
In 2014, the City of Sherwood embarked on an implementation plan that focused on infrastructure and financial tools and refined the focus of the EI Zone on "mid-size manufacturing and flex space." One of the main recommendations that came out of this process included expanding the allowed uses in the EI zone to attract more investment. Stakeholders cited this added flexibility to the EI zone as instrumental in facilitating the recent wave of new investment activity in the TEA.

In addition to broadening the uses, the City of Sherwood implemented additional restrictions (including size limitations) that balanced their goals with the opportunities in the market. The building size limitations were intended to mitigate the risk of getting undesirable uses, such as large distribution and fulfillment-type warehousing uses that may not achieve the target industry job growth envisioned in the 2010 Concept Plan. Warehousing uses below 150,000 square feet are allowed by right, while warehousing uses above 150,000 square feet require a conditional use permit.

Trammell Crowe recently underwent the conditional use permit process for a proposed building that exceeded the 150,000 square foot threshold in the T-S Corporate Park. According to staff, there was little pushback regarding the overall size of the building from the planning commission at the time, as commissioners are generally more focused on design standards, landscaping, and the style of development. If a developer cannot meet the baseline design standards, they can go through a discretionary process that incorporates additional standards relating to wages and jobs. City staff has acknowledged the challenges of enforcing criteria relating to jobs, density, and wages, and that this approach balances market realities with long-term economic goals.

Several industrial buildings totaling 535,000 square feet are now in various phases of planning and development at the T-S Corporate Park—the first project since the creation of the concept plan in 2010 (the site plan is presented below). Other projects are in the early stages of planning in the TEA, per the City, including plans for multiple multi-tenant flex industrial buildings (that also include distribution and manufacturing uses) totaling 900,000 square feet on 60 acres. Between these prospects and additional interest in new development in the TEA, there is reason to believe that most of the 200 acres of usable land in the TEA will be accounted for soon.

Figure 11. T-S Corporate Park Site Plan, Tonquin Employment Area, Sherwood



	BUILDING AREA (SF)	CLEAR HEIGHT	DOCK DOORS	DRIVE-IN DOORS	TRAILER PARKING	PARKING SPACES	DELIVERY DATE
BUILDING A	62,257	30'	14	2	-	87	July 2021
BUILDING B	144,174	34'	33	2	-	127	Nov 2021
BUILDING C	271,870	36'	50	2	191	303	April 2022

Source: Macadam Forbes

Conclusion and Recommendations

Overview. The City of Tualatin is poised to capture a significant share of industrial-focused employment growth over the next 20 years. Land supply is critically constrained. Land value has increased five times over since 2018 as a result and it is becoming increasingly difficult to develop in the Portland metro; many industrial users are now seeking industrial land outside of the Portland metro in places like Ridgefield and Salem. Demand for industrial space is at an all-time high, especially for warehousing, distribution, and logistics; however, these uses are not consistent with the existing Manufacturing Park zone in place in Basalt Creek, nor do they reflect the desires of the City of Tualatin as outlined in the 2018 Concept Plan.

Target Uses. Manufacturing buildings—the primary use currently allowed in the MP zone—have accounted for less than seven percent of all industrial development over the past 10 years in the I-5 South submarket (down from almost 19 percent historically). Meanwhile, warehouse and distribution buildings have continued to make up the largest share of new development, and multitenant and flex industrial buildings have accounted for more than one-fifth of recent investment (up two-fold from historical averages).

Demand for multi-tenant flex industrial buildings will continue to grow in the future. These buildings tend to be smaller, speculative developments (no more than 150,000 square feet) that cater to a wide variety of tenants—including tech, manufacturers, suppliers, wholesalers, services, contractors, as well as traditional distribution and warehousing tenants—

house relatively job-dense tenants from a broad market spectrum, and are well suited to the I-5 submarket given its locational advantages, historical land availability, and market diversity. These developments have also been in zones that allow warehousing and distribution. For example, most of the new tenants in the T-S Corporate Park are manufacturing-based companies but the zoning code also allowed warehousing and distribution space that allowed developers to build more speculative developments that could cater to the broadest spectrum of the market as possible.

Model Zones. The assessment of select industrial zones throughout the Portland metropolitan area found that the most suitable or "model" zones (per feedback from stakeholders) are generally less restrictive than the Manufacturing Park zone in Basalt Creek relative to the types of allowed uses, development standards (e.g., heights, setbacks, etc.), and landscaping requirements (typically no more than 15 percent of the total land area).

Development Feasibility. Given that Basalt Creek is undeveloped, lacks infrastructure, and requires annexation into the City of Tualatin, there are several challenges related to feasibility a developer must address before proceeding with any development. These challenges add a level of complexity and cost to the development that is further exacerbated by the narrowly defined list of allowed uses and some of the development standards in the existing Manufacturing Park zone.

While industrial land is highly constrained in the market, the City should not assume that developers will conform to existing standards simply because there is available land, as demonstrated by the increasing industrial development activity in historically secondary markets like Woodburn, Salem, and Newberg where there is more regulatory flexibility. Without revisions to the code and or other development standards, available land in Basalt Creek may stay vacant indefinitely, as developers may be reluctant to take on the risk of development in a zone that excludes vast segments of the market.

Recommended Actions. Specific actions to address the barriers and leverage regional opportunities described in this memorandum include:

- Expand the allowed use table to be more inclusive of other industrial uses and to be better aligned with market demand that includes flex, distribution, manufacturing, and warehouse space. Allowed uses should reflect the economic diversity of the South I-5 Corridor market. The industrial market is dynamic and moves quickly, so flexibility in the zoning code is critical to mitigate risk and attract investment over the long term.
- Revise development standards to reflect some of the model zones outlined in this memorandum. Landscaping requirements should total no more than 15 percent of the total land area, and setbacks should be reduced while continuing to provide additional buffers between industrial and residential areas with larger setbacks.
- In conjunction with expanding allowed uses, consider adding some restrictions—such as maximum building sizes—to maintain some control over future uses and likely tenants.

From: [DLCD Plan Amendments](#)
To: [Erin Engman](#)
Subject: Confirmation of PAPA Online submittal to DLCD
Date: Wednesday, July 26, 2023 12:33:40 PM



Tualatin

Your notice of a proposed change to a comprehensive plan or land use regulation has been received by the Oregon Department of Land Conservation and Development.

Local File #: PTA and PMA 22-0001

DLCD File #: [003-23](#)

Proposal Received: 7/26/2023

First Evidentiary Hearing: 8/28/2023

Submitted by: eengman

If you have any questions about this notice, please reply or send an email to plan.amendments@dlcd.oregon.gov.

From: [EASTMAN Elliott * DLCD](#)
To: [Erin Engman](#)
Cc: [GROSULAK-MCCORD Karen * DLCD](#)
Subject: RE: PAPA_PR Report a Problem
Date: Wednesday, July 26, 2023 2:17:18 PM

Erin,

I am glad that it worked out, I have backdated the submittal to your original attempt of Monday 7/24/23.

Thank you for your time.

Respectfully,



Elliott Eastman

Department Support and Reception | Director's Office
Oregon Department of Land Conservation and Development
635 Capitol Street NE, Suite 150 | Salem, OR 97301-2540
Direct: 503-934-0000 | Cell: 971-600-8861 | Main: 503-373-0050
My Office hours on Mondays & Tuesdays are: 8:00 AM – 3:30 PM
elliott.eastman@dlcd.oregon.gov | www.oregon.gov/LCD

**NOTICE OF HEARING
CITY OF TUALATIN, OREGON**

NOTICE IS HEREBY GIVEN that a public hearing will be held before the City of Tualatin City Council at 7:00 p.m., Monday, August 28, 2023, streamed online and accessible at the Tualatin Service Center (10699 SW Herman Road, Tualatin, OR 97062).

You are invited to attend and participate in the public hearing. Under consideration is Plan Text and Plan Map Amendment (PTA/PMA 22-0001). The scope of the amendments include:

- Adoption of Chapter 65 Basalt Creek Employment (BCE) to establish a new zoning district within the Tualatin Development Code;
- Application of BCE zone to land designated Manufacturing Park (MP) in the Basalt Creek Planning Area on Map 10-1; and
- Amendments to Tualatin Comprehensive Plan Chapters 4 and 10, Tualatin Municipal Code Chapter Title 9-10, Tualatin Development Code Chapters 31, 38, 39, 62, 73A, and 73B in support of the Basalt Creek Employment zone.

The purpose of the BCE district is to implement the goals of the Basalt Creek Concept Plan; specifically to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. The zone permits a variety of light manufacturing, office, and incubator space, and encourages a low-rise, flex-space development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities.

The public is invited to comment by e-mail, writing or by testifying at the hearing. Written comments can be made by email to planning@tualatin.gov or submitted at the hearing. Failure to raise an issue at the hearing or in writing or to provide sufficient specificity to afford the City Council an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals (LUBA). Legislative hearings begin with the Mayor opening the hearing, presentation of the staff report, public testimony, questions of staff or anyone who testified by Council, after which the Mayor closes the public hearing, and Council may then deliberate to a decision and a motion would be made to either approve, deny, or continue the public hearing. The time of individual testimony may be limited.

For those who would prefer to make verbal comment at the hearing, there are two options:

- **Zoom teleconference.** Instructions on how to provide comment will be provided during the meeting itself.
 - Full instructions and a current link are available at: <https://www.tualatinoregon.gov/citycouncil/council-meetings>

· Attend in person at the Tualatin Service Center at 10699 SW Herman Road, Tualatin, Oregon

To view application materials visit: <https://www.tualatinoregon.gov/planning/basalt-creek-employment-zone-project>

A staff report will be available seven days prior to the public hearing. This meeting and any materials being considered can be made accessible upon request.

To grant the amendment, Council must find the proposal meets the applicable criteria of the Oregon Statewide Planning Goals, Oregon Administrative Rules, Metro Code, and the Tualatin Comprehensive Plan and Development Code, including Tualatin Development Code Section 33.070.

CITY OF TUALATIN, OREGON
Published August 10, 2023.

TT297908

From: [Erin Engman](#)
To: ["planning@sherwoodoregon.gov"](#); ["neamtzu@ci.wilsonville.or.us"](#); ["kenken@clackamas.us"](#); ["naomi_vogel@co.washington.or.us"](#); ["theresa_cherniak@co.washington.or.us"](#); ["deqinfo@deq.state.or.us"](#); ["landusenotifications@oregonmetro.gov"](#); ["ODOT_R1_DevRev@odot.oregon.gov"](#); ["baldwinb@trimet.org"](#); ["LUComments@cleanwaterservices.org"](#); ["alex.mcgladrey@tvfr.com"](#); ["KHerrod@republicservices.com"](#); ["trose1@ttsd.k12.or.us"](#); ["gbennett@sherwood.k12.or.us"](#); ["info@theintertwine.org"](#); ["Anneleah@tualatinchamber.com"](#); ["OR_METRO.ENGINEERING@ZIPPLY.COM"](#); ["tod.shattuck@pgn.com"](#); ["brandon.fleming@pgn.com"](#); ["kenneth.spencer@pgn.com"](#); ["david.underwood@pgn.com"](#); ["richard.girard@nwnatural.com"](#); ["icrawford@wcca.com"](#)
Cc: [Ext - Planning](#); [Kim McMillan](#); [Mike McCarthy](#); [Tony Doran](#); [Hayden Ausland](#); [Terrance Leahy](#); [Sherilyn Lombos](#); [Don Hudson](#); [Rich Mueller](#); [Tom Steiger](#); [Martin Loring](#); [Tom Scott](#); [Rachel Sykes](#); [Nic Westendorf](#)
Subject: Notice of Hearing: PTA / PMA 22-0001 Basalt Creek Employment Zone
Date: Monday, August 14, 2023 8:38:00 AM



NOTICE OF HEARING AND OPPORTUNITY TO COMMENT

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raise an issue at the hearing or in writing or to provide sufficient specificity to afford the City Council an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals (LUBA). Legislative hearings begin with the Mayor opening the hearing, presentation of the staff report, public testimony, questions of staff or anyone who testified by Council, after which the Mayor closes the public hearing, and Council may then deliberate to a decision and a motion would be made to either *approve*, *deny*, or *continue* the public hearing. The time of individual testimony may be limited.

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To grant the amendment, Council must find the proposal meets the applicable criteria of the Oregon Statewide Planning Goals, Oregon Administrative Rules, Metro Code, and the Tualatin Comprehensive Plan and Development Code, including Tualatin Development Code Section 33.070.

Erin Engman, AICP

Senior Planner
City of Tualatin | Planning Division
503.691.3024 | www.tualatinoregon.gov

From: [Erin Engman](#)
To: riverparkcio@gmail.com; jasuwi7@gmail.com; christine@newmountaingroup.com; dan@danhardyproperties.com; katepinamonti@hotmail.com; cynamartz12@gmail.com; daniel@bachhuber.co; cio.east.west@gmail.com; doug_ulmer@comcast.net; keenanwoods7@gmail.com; keenanwoods7@gmail.com; dana476@gmail.com; mcrowell248@comcast.net; tualatinmidwestcio@gmail.com; dikkusan@live.com; tmpgarden@comcast.net; snoelluwcwle@yahoo.com; [MartinazziWoodsCIO@gmail.com](mailto>MartinazziWoodsCIO@gmail.com); solson.1827@gmail.com; delmoore@frontier.com; jamison.l.shields@gmail.com; ClaudiaSterling68@gmail.com; abuschert@gmail.com; roydloop@gmail.com; Tualatinibachcio@gmail.com; Parsons.Patricia@outlook.com; afbohn@gmail.com; edkcnw@comcast.net; rwcleanrooms@gmail.com; byromcio@gmail.com; timneary@gmail.com; jujuheir@aol.com; kapaluapro@aol.com; katzmari22@gmail.com; mwestenhaver@hotmail.com; tualatincommercialcio@gmail.com; tualatincommercialcio@gmail.com; scottm@capacitycommercial.com; scottm@capacitycommercial.com; robertekellogg@yahoo.com; christine@newmountaingroup.com; sonvanybergrygh@gmail.com
Cc: Megan George; tualatincio@gmail.com; Steve Koper
Subject: Notice of Hearing: PTA / PMA 22-0001 Basalt Creek Employment Zone
Date: Monday, August 14, 2023 8:47:00 AM



NOTICE OF HEARING AND OPPORTUNITY TO COMMENT

NOTICE IS HEREBY GIVEN that a public hearing will be held before the Tualatin City Council at 7:00 p.m., Monday August 28, 2023, at the Tualatin Service Center.

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Erin Engman, AICP

Senior Planner
City of Tualatin | Planning Division
503.691.3024 | www.tualatinoregon.gov

From: [Erin Engman](#)
To: [rhys@macadamforbes.com](#); [bcandau@phelandevco.com](#); [marissa@houlbergdevelopment.com](#); [RyanS@SchnitzerProperties.com](#); [MimiD@aks-eng.com](#); [stu@macadamforbes.com](#); [susancnoack@hotmail.com](#); [chris.mcreynolds1@gmail.com](#); [joelaugee@gmail.com](#); [whohasthecarkeys@gmail.com](#); [skparr1@frontier.com](#); [mistykjemperud@gmail.com](#)
Cc: [Steve Koper](#)
Subject: Notice of Hearing: PTA / PMA 22-0001 Basalt Creek Employment Zone
Date: Monday, August 14, 2023 8:44:00 AM



NOTICE OF HEARING AND OPPORTUNITY TO COMMENT

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public testimony, questions of staff or anyone who testified by Council, after which the Mayor closes the public hearing, and Council may then deliberate to a decision and a motion would be made to either *approve*, *deny*, or *continue* the public hearing. The time of individual testimony may be limited.

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To view application materials visit: <https://www.tualatinoregon.gov/planning/basalt-creek-employment-zone-project>. A staff report will be available seven days prior to the public hearing and published at: www.tualatinoregon.gov/meetings. This meeting and any materials being considered can be made accessible upon request.

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Erin Engman, AICP

Senior Planner
City of Tualatin | Planning Division
503.691.3024 | www.tualatinoregon.gov



AFFIDAVIT OF MAILING

STATE OF OREGON)

} ss

COUNTY OF WASHINGTON)

I, Lindsey Hagerman being first duly sworn, depose and say:

That on the 14 day of August, I served upon the persons shown on Exhibit A, attached hereto and by this reference incorporated herein, a copy of a Notice of Hearing/Application/Decision marked Exhibit B, attached hereto and by this reference incorporated herein, by mailing to them a true and correct copy of the original hereof. I further certify that the addresses reflect information received from the relevant party or agency, and that said envelopes were placed in the United States Mail at Tualatin, Oregon, prepared to receive postage administered by city staff.

Dated this 14 of, August 2023

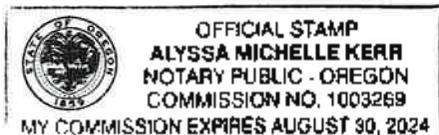
Lindsey Hagerman
Signature

SUBSCRIBED AND SWORN to before me this

August 14th 2023

Lindsey Hagerman
Notary Public for Oregon

My commission expires: 8/30/24



RE: PTA AND PMA 22-0001

WOODBURN INDUSTRIAL CAPITAL GROUP LLC PO BOX 1060 WOODBURN,OR 97071	WOODBURN INDUSTRIAL CAPITAL GROUP LLC PO BOX 1060 WOODBURN,OR 97071	WOODBURN INDUSTRIAL CAPITAL GROUP LLC PO BOX 1060 WOODBURN,OR 97071
WASHINGTON COUNTY 1400 SW WALNUT ST MS 18 HILLSBORO,OR 97123	WASHINGTON COUNTY 1400 SW WALNUT ST MS 18 HILLSBORO,OR 97123	WASHINGTON COUNTY 1400 SW WALNUT ST MS 18 HILLSBORO,OR 97123
WASHINGTON COUNTY 1400 SW WALNUT ST MS 18 HILLSBORO,OR 97123	WALDO RONALD M TRUST 10965 SW TONQUIN LOOP SHERWOOD,OR 97140	VANAUSTEN PATRICIA MARIE & VANAUSTEN CARL VICTOR 16100 SW HIGHPOINT DR SHERWOOD,OR 97140
UNITED STATES OF AMERICA 1002 NE HOLLADAY ST PORTLAND,OR 97232	UNITED STATES OF AMERICA 1002 NE HOLLADAY ST PORTLAND,OR 97232	TYLER MONIQUE J & BUTLER AUDREY B REV TRUST PO BOX 242 TUALATIN,OR 97062
SHERWOOD GRAHAMS FERRY INVESTORS LLC 22400 SALAMO RD STE #106 WEST LINN,OR 97068	SCHNITZER PROPERTIES LLC 1121 SW SALMON ST STE 500 PORTLAND,OR 97205	SCHNITZER PROPERTIES LLC 1121 SW SALMON ST STE 500 PORTLAND,OR 97205
SCHNITZER PROPERTIES LLC 1121 SW SALMON ST FL 5TH STE 500 PORTLAND,OR 97205	SCHNITZER PROPERTIES LLC 1121 SW SALMON ST FL 5TH STE 500 PORTLAND,OR 97205	SCHNITZER PROPERTIES LLC 1121 SW SALMON ST FL 5TH STE 500 PORTLAND,OR 97205
SCHNITZER PROPERTIES LLC 1121 SW SALMON ST FL 5TH STE 500 PORTLAND,OR 97205	SCHNITZER PROPERTIES LLC 1121 SW SALMON ST FL 5TH STE 500 PORTLAND,OR 97205	PARR STEVEN M & PARR KATHRYN E 10650 SW TONQUIN LOOP SHERWOOD,OR 97140
OREGON STATE OF DEPT OF TRANSPORTATION 4040 FAIRVIEW INDUSTRIAL DR SE MS #2 SALEM,OR 97302	OLSON DALE G 11330 SW TONQUIN LOOP SHERWOOD,OR 97140	OLSON DALE G 11330 SW TONQUIN LOOP SHERWOOD,OR 97140
OAKES LARRY M 732 N S LOW RD SEAL ROCK,OR 97376	MCLEOD ESTELLA L 13400 NW FIRCREST RD CARLTON,OR 97111	MCLEOD ESTELLA L 13400 NW FIRCREST RD CARLTON,OR 97111
MCGUIRE BROS LLC 947 SE MARKET ST PORTLAND,OR 97214	LITERA JIRI 9287 SW SWEET DR TUALATIN,OR 97062	LITERA JIRI 9287 SW SWEET DR TUALATIN,OR 97062

LEITGEB SHERMAN W & LEITGEB LARK L 23200 SW GRAHAMS FERRY RD SHERWOOD,OR 97140	LEGGETT ALBERT SCOT 11150 SW TONQUIN LOOP SHERWOOD,OR 97140	KCV PROPERTIES LLC 4825 SW EVANS ST PORTLAND,OR 97219
ICE JAMES NEAL & ICE CHRISTINE MARIE 11348 SW TONQUIN LOOP SHERWOOD,OR 97140	ICE JAMES NEAL 11348 SW TONQUIN LOOP SHERWOOD,OR 97140	ICE JAMES NEAL 11348 SW TONQUIN LOOP SHERWOOD,OR 97140
HOUSTON HOWARD W JR FAMILY TRUST PO BOX 343 ODELL,OR 97044	GERTTULA DEBRA KAY & GERTTULA SUZANNE & GREENWAIT JUDY ET AL 770 AVENUE S SEASIDE,OR 97138	FOX LOIS C REV TRUST 23550 SW GRAHAMS FERRY RD SHERWOOD,OR 97140
FELLERS RICHARD R & FELLERS MICHELLE E 15065 S KIRK RD OREGON CITY,OR 97045	CHILDS THOMAS L & CHILDS HANNAH J & POWELL SCOTT D ET AL 23470 SW GRAHAMS FERRY RD SHERWOOD,OR 97140	BOWEN EDWARD A 640 SEA SPRAY PL BULLHEAD CITY,AZ 86442
BOWEN EDWARD A 640 SEA SPRAY PL BULLHEAD CITY,AZ 86442	BEWLEY ROY W JR & BEWLEY KELLEY J 11290 SW TONQUIN LOOP SHERWOOD,OR 97140	BASALT INDUSTRIAL LLC & A R VIAL ASSOCIATES PC 13170 SW WALL ST PORTLAND,OR 97223
ANDERSON STEPHEN & ANDERSON BORGNY 8590 SW MIAMI ST WILSONVILLE,OR 97070	ANDERSON STEPHEN & BORGNY FAM TRUST 8590 SW MIAMI ST WILSONVILLE,OR 97070	ANDERSON STEPHEN FRANK & ANDERSON BORGNY ANN 8590 SW MIAMI ST WILSONVILLE,OR 97070
ANDERSON STEPHEN & BORGNY FAM TRUST 8590 SW MIAMI ST WILSONVILLE,OR 97070	ANDERSON STEPHEN & ANDERSON BORGNY 8590 SW MIAMI ST WILSONVILLE,OR 97070	



NOTICE OF PUBLIC HEARING AND OPPORTUNITY TO COMMENT CASE FILE: PTA and PMA 22-0001— Basalt Creek Employment Zone (BCE)

Exhibit B.

NOTICE IS HEREBY GIVEN that a public hearing for Plan Text and Plan Map Amendment (PTA and PMA) 22-0001 will be heard by Tualatin City Council on:

Monday, August 28, 2023 at 7 pm
Location: Tualatin Service Center
10699 SW Herman Road, Tualatin, OR 97062

PTA and PMA 22-0001 Basalt Creek Employment Zone

The City of Tualatin proposes amendments to the Tualatin Comprehensive Plan and Development Code to establish a new zoning district- Basalt Creek Employment (BCE). This zone will be applied to land designated Manufacturing Park (MP) in the Basalt Creek Planning Area.

To view the application materials, visit:

www.tualatinoregon.gov/planning/basalt-creek-employment-zone-project

Comments and questions may be submitted to:

engman@tualatin.gov

Planning Division
Attn: Erin Engman

The purpose of the BCE zoning district: is to implement the goals of the Basalt Creek Concept Plan; specifically to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. The zone permits a variety of manufacturing, office, and incubator space use, typically in a flex-space development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities.



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Planning Division
Attn: Erin Engman

The purpose of the BCE zoning district: is to implement the goals of the Basalt Creek Concept Plan; specifically to provide an environment conducive to the development and protection of employment uses that contribute to the local economy and support nearby residential uses. The zone permits a variety of manufacturing, office, and incubator space use, typically in a flex-space development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities.



- The public is invited to comment by e-mail, writing, or by testifying at the hearing. Written comments can be made by email to planning@tualatin.gov or submitted at the hearing. Failure to raise an issue at the hearing or in writing or to provide sufficient specificity to afford the City Council an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals (LUBA). Legislative hearings begin with the Mayor opening the hearing, presentation of the sta

report, public testimony, questions of staff or anyone who testifies by Council, after which the Mayor closes the public hearing, and Council may then deliberate to a decision and a motion would be made to either *approve*, *deny*, or *continue* the public hearing. The time of individual testimony may be limited.

- For those who would prefer to make verbal comment at the hearing, there are two options:
 - **Zoom teleconference.** Instructions on how to provide comment will be provided during the meeting itself. Full instructions and a current link are available at: <http://www.tualatinoregon.gov/citycouncil/council-meetings>
 - **Attend in person at the Tualatin Service Center.** City staff will be in attendance and available to answer any questions.
- **A copy of the staff report and findings** will be available one week before the hearing at: <http://www.tualatinoregon.gov/citycouncil>.
- **To grant the amendment**, Council must find the proposal meets the applicable criteria of the Oregon Statewide Planning Goals, Oregon Administrative Rules, Metro Code, and the Tualatin Comprehensive Plan and Development Code, including Tualatin Development Code Section 33.070.

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**CITY OF TUALATIN
Staff Report**

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Greg Pickering – Chief of Police

DATE: August 1, 2023

SUBJECT:

Consideration of **Ordinance No. 1479-23** Amending Tualatin Municipal Code 8-1-252 to Extend the Hours of Prohibited Parking and Adding Additional Streets (SW Blackfoot Drive and Osage Street)

EXECUTIVE SUMMARY:

At the June 26th City Council work session the Council received information on the addition of a permit parking zone along SW Blackfoot Drive and SW Osage Street at the request of residents in the area. The Council directed staff to draft an ordinance for consideration.

Tualatin Municipal Code Ordinance Number 8-1-252 related to Residential Parking Zones would be modified to include the following if adopted tonight:

- The addition of the word “scheduled” in front of school day
- Changing of the hours of enforcement of school parking zones to 8:00 a.m. to 4:00 p.m.
- The addition of SW Blackfoot Drive and SW Osage Street as streets with school day zones

ATTACHMENTS:

TMC 8-1-252 Residential Parking Zones (with changes.)

ORDINANCE NO. 1479-23

AN ORDINANCE RELATING TO PARKING; AMENDING TUALATIN MUNICIPAL CODE 8-1-252 TO EXTEND THE HOURS OF PROHIBITED PARKING AND TO ADD ADDITIONAL STREETS.

WHEREAS, the City Council has authority to adopt parking regulations for City rights-of-way;

WHEREAS, Residential Parking Zones reduce or prevent congestion and hazardous traffic conditions in certain residential areas, and protects residents from unreasonable burdens in gaining access to property;

WHEREAS, there is a need to extend the prohibited parking hours until 4:00 p.m. for parking on public streets except by residential permit;

WHEREAS, there is a need is to establish Residential Parking Zones on SW Blackfoot Drive, west of SW Martinazzi to SW Osage Street, and SW Osage Street, west of SW Martinazzi to the east of Byrom Elementary School property; and

WHEREAS, the City of Tualatin wishes to adopt the Ordinance to amend Residential Parking Zones.

THE CITY OF TUALATIN ORDAINS AS FOLLOWS:

Section 1. Tualatin Municipal Code Chapter 8-1-252 Residential Parking Zones is amended as follows:

TMC 8-1-252 Residential Parking Zones.

- (1) The City Council establishes the following residential parking zones for the purpose of prohibiting parking on public streets except by residential permit:
 - (a) School Day Zones. On scheduled school days between 8:00 a.m. and 4:00 p.m. in the following locations:
 - (i) Waterford Subdivision, which includes the following streets within the zone: SW 94th Terrace, SW 93rd Terrace, SW Palouse Lane, and SW Skokomish Lane; and
 - (ii) Moccasin Run Subdivision, which includes the following streets within the zone: SW Ibach Court.
 - (iii) SW Alabama Street, east of SW Chilkat Terrace and west of SW Boones Ferry Road.
 - (iv) SW Blackfoot Drive, west of SW Martinazzi to SW Osage Street.
 - (V) SW Osage Street, west of SW Martinazzi to the east of Byrom Elementary School property.

- (b) General Residential Zones. During all hours of every day, the area bounded on the north by SW Hazelbrook Road, on the south by Tualatin Road, on the east by SW 112th Avenue, and on the west by SW 115th Avenue, which includes the following streets within the zone:
 - (i) SW 115th Avenue, between Tualatin Road and Hazelbrook Road;
 - (ii) the south side of SW Hazelbrook Road, east of SW 115th Avenue and west of Hazelbrook Middle School Property;
 - (iii) SW Elmers Court, east of SW 115th Avenue;
 - (iv) SW Roberts Court, east of SW 115th Avenue; and
 - (v) SW Kalispell Street, east of SW 115th Avenue and west of SW 112th Avenue.
- (2) Only those vehicles displaying a valid parking permit may park within the particular zone established in subsection (1) of this section. Persons who reside within the parking zone may obtain a permit for that zone from the City Manager under subsection (3) of this section.
- (3) The City Manager shall establish procedures and standards for the issuance of permanent and temporary permits that will allow residents and their guests to park their vehicles within residential parking zones during the restricted hours. At a minimum, the City Manager shall establish rules that establish the criteria for issuance, surrender and revocation of permits, evidence of proof of residence and vehicle ownership, terms of the permit, standards for display of the permit, and allow for the issuance of temporary permits to residents for the parking of nonresident vehicles for temporary periods upon a showing of reasonable need for such permits.
- (4) The City Manager shall cause official signs for residential parking zones to be installed and maintained. The signs shall clearly identify the parking restrictions for nonresidents and the exception to those restrictions for permit holders within the residential parking zones.
- (5) It is unlawful and a violation for any person to sell, transfer, purchase, or otherwise acquire for value any permit issued by the City of Tualatin. Notwithstanding TMC 8-1-360 and in addition to any criminal penalties that may apply, A violation of this subsection is punishable by a fine of not less than \$500.00.

ADOPTED by the City Council this 14th day of August, 2023.

CITY OF TUALATIN, OREGON

BY _____
Mayor

APPROVED AS TO FORM

BY _____
City Attorney

ATTEST:

BY _____
City Recorder



CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Jerianne Thompson, Library Director / Equity & Inclusion Officer
Betsy Rodriguez Ruef, Community Engagement Coordinator

DATE: 8/28/23

SUBJECT:

Recommendation of Selected Applicants for the Tualatin Inclusion, Diversity, Equity, and Access (I.D.E.A.) Advisory Committee

RECOMMENDATION:

Staff recommends the City Council approve the recommendations from the Council Committee on Advisory Appointments (CCAA).

EXECUTIVE SUMMARY:

The CCAA met and interviewed community members interested in participating on the I.D.E.A. Advisory Committee. The Committee recommends appointment of the following individuals:

Individuals	Board	Term
Angelica Butler	I.D.E.A. Advisory Committee	Term Expiring 11/1/25
BJ Park	I.D.E.A. Advisory Committee	Term Expiring 11/1/25
Chris Paul	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Destini Barajas	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Erinn Stimson	I.D.E.A. Advisory Committee	Term Expiring 11/1/25
Gerry Preston	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Jasmine Wilder	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Kolini Fusitua	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Rebekah Morgan	I.D.E.A. Advisory Committee	Term Expiring 11/1/25
Valerie Holt	I.D.E.A. Advisory Committee	Term Expiring 11/1/26
Wing Shan Winnie Lo	I.D.E.A. Advisory Committee	Term Expiring 11/1/25
Yuthika Pandey	I.D.E.A. Advisory Committee - student	Term Expiring 11/1/24

BACKGROUND:

On April 10, 2023, the City Council adopted Ordinance No. 1473-23 creating the I.D.E.A. Advisory Committee. Section 1 of the ordinance states that *the IDEA Committee is established and created to act in an advisory capacity about how the City may build and strengthen relationships with the community as well as lower barriers to public participation in City government.*

Section 2 of the ordinance states that *in appointing members to the committee, the City Council shall seek to appoint members from a diversity of backgrounds, including cultural diversity, and*

experiences so that as many viewpoints as possible may be provided in furtherance of the committee's work. Recruitment efforts should include specific outreach to members of the BIPOC [Black, Indigenous, and People of Color] and LGBTQIA+ communities, the aging population, persons with differing abilities, and other underrepresented groups to achieve this goal.

The Council's commitment to fostering diversity and inclusion is reflected in its dedication to selecting committee members who bring a broad spectrum of perspectives to the table, as outlined in the ordinance. This work supports the City Council's vision of Tualatin as an inclusive community that promotes equity, diversity, and access in creating a meaningful quality of life for everyone, and being a connected, informed, and civically engaged community that embraces our City's diversity. Councilors emphasized the importance of ensuring representation from underrepresented communities and different economic backgrounds.

After a robust recruitment process, the CCAA conducted interviews with 20 applicants on August 8 and 9, 2023. Section 2 of the ordinance states that *the committee shall consist of nine to thirteen members who shall be appointed for three-year terms or until their successors are appointed... Of the initial members who are appointed, term lengths shall be staggered as determined by the City Council.* As can be seen in the table above, the CCAA is recommending 12 members be appointed at this time with staggering terms. The applicants recommended for appointment include individuals who are persons of color (including Asian, Latin American, and Pacific Islander), people who are LGBTQIA+, older adults, persons with differing abilities, immigrants, parents, renters, and people who have experienced homelessness. Ten are Tualatin residents from throughout the city, and two reside outside of Tualatin (including one student, who attends Tualatin High School).

According to the establishing ordinance, the City Council also needs to appoint a member of the Council as an ex officio member of committee.