CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
ORDINANCE NO. 15-16

AN ORDINANCE APPROVING A COMPREHENSIVE PLAN MAP AMENDMENT (CPA2015-00004) AND ZONE MAP AMENDMENT (ZON2015-00005) FOR THE 42.6-ACRE FIELDS TRUST PROPERTY LOCATED AT THE SOUTHWEST CORNER OF SW HUNZIKER ROAD & SW WALL STREET, TO AMEND THE COMPREHENSIVE PLAN MAP FROM 37.4 ACRES OF LIGHT INDUSTRIAL (IL), 3.1 ACRES OF PROFESSIONAL COMMERCIAL (CP), AND 2.1 ACRES OF LOW DENSITY RESIDENTIAL (L) TO 18.3 ACRES OF LIGHT INDUSTRIAL (IL) AND 24.2 ACRES OF MIXED USE EMPLOYMENT (MUE). THE PROPOSAL WOULD ALSO AMEND THE ZONING MAP FROM 37.4 ACRES OF INDUSTRIAL PARK (I-P), 3.1 ACRES OF PROFESSIONAL/ADMINISTRATIVE COMMERCIAL (C-P), AND 2.1 ACRES OF LOW-DENSITY RESIDENTIAL (R-3.5) TO 18.3 ACRES OF I-P AND 24.2 ACRES OF MUE. SUBJECT TO CONDITIONS OF APPROVAL 1) APPLYING THE PLANNED DEVELOPMENT OVERLAY ZONE, 2) PRESERVERING EMPLOYMENT CAPACITY, 3) IMPOSING A TRIP CAP, AND 4) ENSURING A 50-FOOT FORESTED BUFFER. THE SUBJECT PROPERTY AS OF THE DATE OF THIS ORDINANCE IS WASHINGTON COUNTY TAX ASSESSOR'S MAP AND TAX LOTS 2S1010001100, 2S101CA00100, 2S101CA00800, AND 2S101DB00400.

WHEREAS, Section 18.380.030.A of the City of Tigard Community Development Code requires quasi-judicial zoning map amendments to be undertaken by means of a Type III-PC procedure, as governed by Section 18.390.050, using standards of approval contained in Subsection 18.380.030.B; and

WHEREAS, Section 18.380.030.A.2 of the City of Tigard Community Development Code requires the Planning Commission make a recommendation to the council on an application for a comprehensive plan map amendment; and

WHEREAS, Section 18.380.030.B.1 of the City of Tigard Community Development Code requires demonstration of compliance with all applicable comprehensive plan policies and map designations; and

WHEREAS, Section 18.380.030.B.2 of the Tigard Development Community Development Code requires demonstration of compliance with all applicable standards of any provision of this code or other applicable implementing ordinances; and

WHEREAS, Section 18.380.030.B.3 of the City of Tigard Community Development Code requires evidence of change in the neighborhood or community, or a mistake or inconsistency in the comprehensive plan or zoning map as it relates to the property which is the subject of the development application; and

WHEREAS, pursuant to Section 18.390.060.G of the Tigard Development Code, a recommendation by the Planning Commission, and a decision by the council, shall be based on consideration of Statewide Planning Goals and guidelines adopted under Oregon Revised Statues; any federal or state statutes or regulations found applicable; and any applicable Metro regulations; and

WHEREAS, the Tigard Planning Commission held a public hearing on August 17, 2015, and recommended approval of CPA2014-00004/ZON2015-00005 by motion passed unanimously; and

WHEREAS, the Tigard City Council held a public hearing on October 13, 2015, to consider the request for a quasi-judicial comprehensive plan and zone map amendment and determined that the amendments will not adversely affect the health, safety and welfare of the city and meet all applicable review criteria.

NOW, THEREFORE, THE CITY OF TIGARD ORDAINS AS FOLLOWS:

SECTION 1: Comprehensive Plan Amendment (CPA2015-00004) and Zone Change (ZON2015-00005) are hereby approved by the City Council, subject to the conditions of approval in the Planning Commission Recommendation to Council dated August 24, 2015.

SECTION 2: The attached findings in the August 24, 2015 Planning Commission Recommendation are hereby adopted in explanation of the council's decision **(Exhibit "A")**.

SECTION 3: This ordinance shall be effective 30 days after its passage by the Council, signature by the Mayor, and posting by the City Recorder.

PASSED: By majority vote of all Council members present after being read by number and title only, this 27th day of October, 2015.

Carol A Krager

Carol Krager, City Recorder

APPROVED: By Tigard City Council this 27th day of October, 2015.

John Cook

John Cook, Mayor

Approved as to form:

Timothy V. Ramis

City Attorney

10-27-2015

Date

PLANNING COMMISSION RECOMMENDATION TO CITY COUNCIL FOR THE CITY OF TIGARD, OREGON

SECTION I. APPLICATION SUMMARY

FILE NAME: **FIELDS TRUST PLAN AMENDMENT AND ZONE CHANGE**

FILE NOS.: **Comprehensive Plan Amendment** **CPA2015-00004**
Zone Change Amendment ZON2015-00005

PROPOSAL: The Fred W. Fields Trust proposes to amend the comprehensive plan map from 37.4 acres of Light Industrial (IL), 3.1 acres of Professional Commercial (CP), and 2.1 acres of Low Density Residential (L) to 18.3 acres of Light Industrial (IL) and 24.2 acres of Mixed Use Employment (MUE). The proposal would also amend the zoning map from 37.4 acres of Industrial Park (I-P), 3.1 acres of Professional/Administrative Commercial (C-P), and 2.1 acres of Low-Density Residential (R-3.5) to 18.3 acres of I-P and 24.2 acres of MUE.

APPLICANT Fred W. Fields Revocable Living Trust
c/o Miller Nash Graham & Dunn LLP
Attention: Kelly Hossaini
111 SW 5th Ave, #3400
Portland, OR 97204

OWNER: Fred W. Fields Revocable Living Trust

LOCATION: Southwest corner of SW Hunziker Road & SW Wall Street; WCTM and Tax Lots 2S1010001100, 2S101CA00100, 2S101DB00300, and 2S101DB00400.

CURRENT ZONE/ COMP. PLAN DESIGNATION:

I-P: industrial park district. The I-P zoning district provides appropriate locations for combining light manufacturing, office and small-scale commercial uses, e.g., restaurants, personal services and fitness centers, in a campus-like setting. Only those light industrial uses with no off-site impacts, e.g., noise, glare, odor, vibration, are permitted in the I-P zone. In addition to mandatory site development review, design and development standards in the I-P zone have been adopted to insure that developments will be well-integrated, attractively landscaped, and pedestrian-friendly.

C-P: professional/administrative commercial district. The C-P zoning district is designed to accommodate civic and business/professional services and compatible support services, e.g., convenience retail and personal services, restaurants, in close proximity to residential areas and major transportation facilities. Within the Tigard Triangle and Bull Mountain Road District, residential uses at a minimum density of 32 units/net acre, i.e., equivalent to the R-40 zoning district, are permitted in conjunction with a commercial development. Heliports, medical centers, religious institutions and utilities are permitted conditionally. Developments in the C-P zoning district are intended to serve as a buffer between residential areas and more-intensive commercial and industrial areas.

R-3.5: low-density residential district. The R-3.5 zoning district is designed to accommodate detached single-family homes with or without accessory residential units at a minimum lot size of 10,000 square feet. Duplexes are permitted conditionally. Some civic and institutional uses are also permitted conditionally.

PROPOSED ZONE/ COMP. PLAN DESIGNATION: MUE: mixed-use employment. The MUE zoning district is designed to apply to a majority of the land within the Tigard Triangle, a regional mixed-use employment district bounded by Pacific Highway (Hwy. 99), Highway 217 and I-5. This zoning district permits a wide range of uses including major retail goods and services, business/professional offices, civic uses and housing; the latter includes multi-family housing at a maximum density of 25 units/acre, equivalent to the R-25 zoning district. A wide range of uses, including but not limited to community recreation facilities, medical centers, schools, utilities and transit-related park-and-ride lots, are permitted conditionally. Although it is recognized that the automobile will accommodate the vast majority of trips to and within the Triangle, it is still important to (1) support alternative modes of transportation to the greatest extent possible; and (2) encourage a mix of uses to facilitate intra-district pedestrian and transit trips even for those who drive. The zone may be applied elsewhere in the city through the legislative process.

APPLICABLE REVIEW CRITERIA: Community Development Code Chapters: 18.380; Comprehensive Plan Goals 1, 2, 9 and 10; Statewide Planning Goals 1, 2, 9 and 10; Oregon Administrative Rule 660, Division 9; the Oregon State Transportation Planning Rule (TPR) 660-012-0060; and Metro Title 4.

SECTION II. PLANNING COMMISSION RECOMMENDATION

The Planning Commission recommends **APPROVAL** to City Council of the proposed Comprehensive Plan Amendment and Zone Change subject to the Findings in Section IV of this Staff Report and the following recommended conditions of approval.

Amendments by the Planning Commission to the conditions of approval recommended in the staff report are indicated in ***bold italic,*** *below.*

CONDITIONS OF APPROVAL

1. The planned development overlay zone shall be applied concurrently with the proposed MUE zone.

2. Future development within the MUE zone shall include a minimum of 280 non-retail jobs to preserve employment land capacity consistent with the city's amended 2011 EOA.

3. The site shall be limited to a maximum of ***630*** a.m. peak hour trips and ***630*** p.m. peak hour trips. If the applicant or future property owners wish to allow for more trips, a Comprehensive Plan Amendment (CPA) with Transportation Planning Rule OAR 660-012-0060 analysis will be required to determine whether the limit can be revised or removed. The trip cap shall be implemented as a condition of approval on subsequent land use permits for proposed development and will be listed as a condition of approval in the ordinance adopting the zone change, if approved by the City Council.

4. The applicant shall record an easement, restrictive covenant or similar instrument on the subject property that is acceptable to the city to ensure a 50-foot wide ***forested*** buffer is maintained along the eastern property boundary abutting the Rolling Hills subdivision.

SECTION III. BACKGROUND INFORMATION

Planning Commission Hearing and Deliberation

The Planning Commission held a hearing on July 20, 2015 to consider the request and take public testimony. The record was left open until August 3rd for additional testimony, and until August 10th for rebuttal testimony. All testimony was posted to the city's website for interested parties to review. The Commission continued the hearing to August 17, 2015 for deliberation.

Neighborhood Testimony

The Rolling Hills community testified, with some thirty comment letters, to a peaceful enclave, an oasis, where two generations of families have enjoyed a wonderful quality of life; where, as the traffic around them has grown intolerable, they have been able to preserve calm streets that foster close social ties among each other. Their testimony addressed four basic issues aimed at protecting the quality of life of the Rolling Hills neighborhood.

1) Identifying that traffic in the surrounding area currently exceeds the capacity of the street network;

2) Requesting closure of Varns Street at the Fields property to limit traffic through the neighborhood.

3) Supporting an historic 50-foot forested buffer along the full length of the neighborhood.

4) Requesting less intense zoning adjacent to the northern part of the neighborhood at 76th and Crestview.

The commission supported the 50-foot forested buffer, as recommended through condition #4, but found that the transportation-related issues and compatibility of adjacent uses would more appropriately be addressed at the time of development application under a planned development review procedure, as recommended through condition of approval #1.

Transportation Planning Rule Compliance

ODOT provided testimony addressing the assumptions underlying the applicant's evidence submitted to satisfy the Transportation Planning Rule requirement for zone changes. General agreement was reached on the amount of development that would represent a reasonable worst case scenario with a 0.30 Floor Area Ratio. However, a difference remains with respect to the number of trips generated as determined by the type of development anticipated. Where ODOT prefers the Business Park land use type, the city agrees with the applicant that using the Office Park land use type better reflects the slope constraint on the site that underlies the proposed zone change. The city supports the August 3rd MacKenzie Memo recommendation for a trip cap of 630 AM and 630 PM peak hour trips be applied to the 24.56 acres subject to the zone change, as recommended through condition of approval #3.

Jobs Capacity Maintained

Recommended condition of approval #2 requires future development within the MUE zone to include a minimum of 280 non-retail jobs to preserve employment land capacity consistent with the city's amended 2011 EOA. This condition is supported by the applicant and was not an issue during the Commission hearing.

Site History

The 42.5-acre property that is the subject of this application was owned by Fred W. Fields for many years before his death in 2011. It is presently owned by the Fred W. Fields Trust. The current zoning designations on the property have been in effect for several decades. The industrially zoned portion of the property was nominally used as part of the Coe Manufacturing facility, located at 7930 SW Hunziker Road, directly across Wall Street. Although this property was never fully developed, in the late 1960s a rail spur was constructed along the western edge of the property abutting Wall Street. Beginning in the early 1950s, the southwestern end of the industrially zoned portion of the property was used as a brick-making facility. Remnants of that facility still exist, including a concrete foundation. In 2012, the Trust had an on-site horizontal mine shaft, which was used for clay removal, filled in for safety reasons. A single family home existed on the residentially zoned portion of the property, but was demolished in 2012. There have been no other uses of the property during the last 70 or so years.

City of Tigard/Fields Trust Cooperation

The City has worked with Fred Fields over the years with respect to land use issues including acquisition of property for the Library in the early 2000s and acquisition, with Metro, of adjacent property to the east for natural resource conservation. This application is the outcome of efforts between the Fields Trust and the city to unlock the development potential of adjacent upland property, which has remained undeveloped in the heart of the city. The central problem has been a mismatch between the existing Industrial Park zoning designation and the slopes on the subject site being unsuitable for industrial development as outlined in Attachment 2 of the application: Fields Property Development Analysis and Opportunity Study, dated February 13, 2014. The applicant's narrative describes this cooperative effort in detail.

In February 2014, the results of the Development Analysis were shared with the City's Planning Commission and City Council. Both bodies gave the Trust and staff feedback on the Development Analysis, and expressed support for the overall direction recommended by that analysis. Both bodies anticipated a follow-up application from the Trust requesting a comprehensive plan map amendment and zone change consistent with the Development Analysis recommendations.

Infrastructure Finance Plan

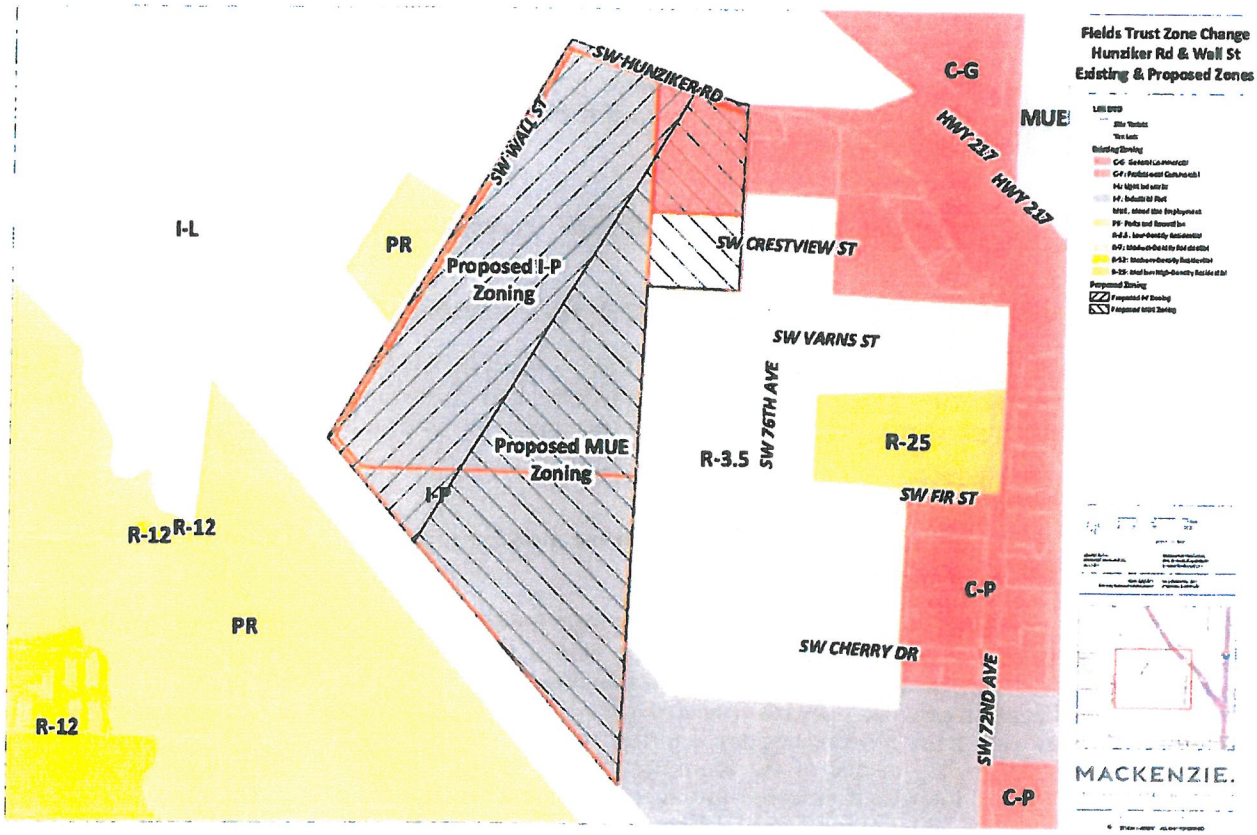
As a follow-up to the Development Analysis, the City applied for and received a grant from the Department of Land Conservation and Development (DLCD) to prepare an infrastructure finance plan for the Fields Trust property, as well as the surrounding Wall Street/Hunziker Road industrial area to the west and north. The purpose of the study was to quantify the need for and appropriate size of public infrastructure in the area, with the hope of ultimately spurring economic development. The infrastructure study recognized that not only would the Fields Trust property need significant infrastructure investment, much of the adjacent industrial property - especially to the west of Wall Street - is substantially underdeveloped and would also benefit from public infrastructure investment. The infrastructure plan was completed late last year and continues to inform the City's actions regarding the Wall Street/Hunziker Road area, as well as the Trust's planning for its property.

Economic Opportunities Analysis Amendment

In March 2015, the City Council adopted an amendment to its 2011 Economic Opportunities Analysis (EOA) acknowledging that slope was not taken into account as a factor in determining the suitability of vacant or redevelopable land in the city for industrial uses. Both state law and Metro allow slope to be a limiting factor in the designation of industrial land. (See OAR 660-009-0015(3)(a)(B) and Metro's 2009 Urban Growth Report.) This omission resulted in an overstatement of available and suitable industrial land in Tigard, resulting in a deficit of industrial land supply. The amendment allows industrially zoned properties with significant slope, like the Fields Trust property, to be rezoned for more feasible uses and highlights the need, under an efficient land needs scenario, to consider job density in employment land development and redevelopment.

Site Information and Proposal Description

The proposal is to amend the comprehensive plan map from 37.4 acres of Light Industrial (IL), 3.1 acres of Professional Commercial (CP), and 2.1 acres of Low Density Residential to 18.3 acres of Light Industrial and 24.2 acres of Mixed Use Employment (MUE). The proposal would also amend the zoning map from 37.4 acres of Industrial Park (I-P), 3.1 acres of Professional/Administrative Commercial (C-P), and 2.1 acres of Low-Density Residential (R-3.5) to 18.3 acres of I-P and 24.2 acres of MUE. The application is required to meet approval criteria set forth in the Tigard Municipal Code (TMC or Municipal Code) Title 18 Community Development Code. The application is submitted in response to site slopes and other constraints which make the eastern portion of the site unsuitable for industrial uses. No development plans accompany this land use application and no specific development plans exist for the majority of the portion of the property subject to the comprehensive plan map amendment and zone change. The proposed amendment and zone change is shown in the applicant's figure below.



Vicinity Information

The site is located south of Hunziker Road and east of Wall Street. The low density residential Rolling Hills neighborhood borders the subject site to the east. A railroad switching yard abuts the site on the southwest with a private rail spur running across the subject property adjacent and parallel to Wall Street. Red Rock Creek flows parallel to Wall Street to the west of Charter Mechanical and the city's Potso Dog Park located across Wall Street from the subject site. The Hunziker Industrial Core area extends further to the west from Red Rock Creek to SW Hall Blvd between Hwy 217 and the railroad.

SECTION IV. APPLICABLE REVIEW CRITERIA AND FINDINGS

TIGARD DEVELOPMENT CODE CHAPTER 18.380:

18.380.030 Quasi-Judicial Amendments and Procedures to this Title and Map
Quasi-judicial zoning map amendments shall be undertaken by means of a Type III-PC procedure, as governed by Section 18.390.050, using standards of approval contained in Subsection B below.

A. The Commission shall make a recommendation to the Council on a zone change application which also involves a concurrent application for a comprehensive plan map amendment. The Council shall decide the applications on the record as provided by Section 18.390.

The proposed zone change application to change the zoning on the subject site from I-P, C-P, and R-3.5

to MUE also involves a comprehensive plan map amendment from Industrial Park, Professional Commercial and Low Density Residential to Mixed Use Employment. Therefore, the Planning Commission shall make a recommendation to Council on the proposed zone change application and comprehensive plan map amendment.

B. Standards for making quasi-judicial decisions. A recommendation or a decision to approve, approve with conditions or to deny an application for a quasi-judicial amendment shall be based on all of the following standards:

18.380.030. B.1
Demonstration of compliance with all applicable comprehensive plan policies and map designations;

APPLICABLE CITY OF TIGARD COMPREHENSIVE PLAN POLICIES

The City has an acknowledged Comprehensive Plan consistent with the statewide planning goals. Therefore, consistency with the applicable Comprehensive Plan goals and policies as addressed in this section of the staff report constitute consistency with the applicable statewide planning goals.

CITIZEN INVOLVEMENT

Goal 1.1 Provide citizens, affected agencies and other jurisdictions the opportunity to participate in all phases of the planning process.

The applicant's representative sent out notices to surrounding property owners and neighborhood representatives, posted a sign on the property, and held a neighborhood meeting on May 6, 2015 in accordance with the City of Tigard's neighborhood meeting notification process (Application, Attachment 5); as noted in the summary, the primary concerns raised at the meeting were connection to Varns Street and potential removal of the 50-foot vegetated buffer required by the City under previous land use rules. In addition, the City mailed notice of the Planning Commission hearing to property owners within 500 feet of the subject site, interested citizens, and agencies, published notice of the hearing, and posted the site pursuant to TDC 18.390.050 for Type III Procedures. These parties have the opportunity to attend the Planning Commission hearing and provide testimony.

FINDING: As shown in the analysis above, the proposed comprehensive plan and zone change is consistent with the applicable Citizen Involvement Goal.

LAND USE PLANNING

Goal 2.1 Maintain an up-to-date Comprehensive Plan, implementing regulations and action plans as the legislative foundation of Tigard's land use planning program.

Policy 3. The City shall coordinate the adoption, amendment, and implementation of its land use program with other potentially affected jurisdictions and agencies.

Notice and request for comments for the proposed zone change were sent to Department of Land Conservation and Development (DLCD), Metro, Washington County and Oregon Department of Transportation (ODOT). ODOT and Metro submitted comments on the proposal, which are included in the findings of this report, below. This policy is met.

Policy 5. The City shall promote intense urban level development in Metro-designated Centers and Corridors, and employment and industrial areas.

As shown in the applicant's materials 37.4 acres of subject property is included on Metro's Title 4 Industrial and Other Employment Areas map (January 2014) as a designated Industrial Area. Of this amount, 17.9 acres would remain in the current I-P zone and 19.4 acres would be changed from Industrial Area to Employment Area by virtue of a zone change to MUE. Given the unsuitability of the eastern portion of the property for industrial uses, changing the comprehensive plan and zoning to MUE will enable the City to promote a more intense urban development of the site. This policy is met.

Policy 6. The City shall promote the development and maintenance of a range of land use types which are of sufficient economic value to fund needed services and advance the community's social and fiscal stability.

As stated in the applicant's narrative, the rationale for the map amendments is to allow for a range of development opportunities on the up-hill portion of the site that would offset the considerable development costs associated with site grading and public improvement requirements necessary to lead to industrial uses on the flatter, western portion. Ordinance 15-06 amended the comprehensive plan to account for the slope constraints on approximately 17 acres of the site that hamper the ability to construct large-footprint industrial buildings. The industrial uses, by themselves, would not provide sufficient economic value to fund needed public facilities and services. The costs of developing this constrained parcel to accommodate industrial activities undermine the potential economic value of the parcel itself as currently zoned, and have led to it remaining vacant. In combination with the remaining I-P land, the proposed rezoning to MUE provides a range of land use types which are of sufficient economic value to fund needed public facilities and services for the site and advance the City's social and fiscal stability. This policy is met.

Policy 7. The City's regulatory land use maps and development code shall implement the Comprehensive Plan by providing for needed urban land uses including:
A. Residential;
B. Commercial and office employment including business parks;
C. Mixed use;
D. Industrial;
E. Overlay districts where natural resource protections or special planning and regulatory tools are warranted; and
F. Public services.

Overall, the site would provide 18.3 acres of industrial land and 24.2 acres of mixed use employment land. This application would change the plan designation of approximately 19.4 acres from IP to MUE. The need for industrial land is established in the city's 2011 EOA which indicates that under the Efficient Land Need Scenario, the City's 20-year demand for vacant industrial is 48 acres and the 20-year supply is 50 acres. Although this action would decrease the industrial land area, there would be no net loss of acreage designated for employment since the MUE designation accommodates a variety of employment types some of which are also allowed in the IP zone, such as office use.

The simultaneous designation of 2.1 acres from R-3.5 to MUE would further enhance opportunities for employment-related development by enlarging the supply of employment lands. In the context of the City's overall supply of residential land, a reduction of 2.1 acres of low density residential is minimal compared to the increase in residential capacity permitted in the MUE at 25 units per acre.

The proposed MUE zone permits a number of residential, civic, commercial, and industrial uses not currently permitted in the C-P zone. Where no residential or industrial uses are permitted in the C-P zone, the MUE permits multifamily residential (R-25), light industrial, research and development, and some warehouse/freight movement. Civic uses are expanded in the MUE to include colleges, schools, and community recreation. Commercial uses such as commercial lodging, eating drinking establishments and sales oriented retail, where limited to a percentage of permitted uses in the C-P, are permitted outright in the MUE.

On balance the proposal would provide a wider range of uses under the MUE zone suitable for a sloped site, while limiting several uses currently permitted in the IP zone, such as industrial services and wholesale sales. The City's regulatory land use maps and development code will continue to implement the Comprehensive Plan by providing for needed urban land uses. This policy is met.

Policy 14. Applicants shall bear the burden of proof to demonstrate that land use applications are consistent with applicable criteria and requirements of the Development Code, the Comprehensive Plan, and when necessary, those of the state and other agencies.

The applicant's narrative provides evidence that the application substantially complies with applicable criteria of the Statewide Planning Goals, Oregon Administrative Rules, Metro regulations, the Tigard Comprehensive Plan, and the Tigard Community Development Code. This policy is met.

Policy 15. In addition to other Comprehensive Plan goals and policies deemed applicable, amendments to Tigard's Comprehensive Plan/Zone Map shall be subject to the following specific criteria:

A. Transportation and other public facilities and services shall be available, or committed to be made available, and of sufficient capacity to serve the land uses allowed by the proposed map designation.

Analysis of transportation impacts and public facility infrastructure (Application, Attachments 3 and 4) indicates that the site would have access to infrastructure with sufficient capacity to accommodate development of the site under existing zoning or proposed zoning, and future development of the site would improve both Hunziker Road and Wall Street. The Transportation Planning Rule analysis (Attachment 3) demonstrates that the PM peak trips for uses allowed in the existing and proposed zoning designations are similar; therefore, imposing a trip cap based on anticipated trip generation allowed in the current zoning will ensure the amendment has no significant impact on transportation facilities. As conditioned, this policy is met.

B. Development of land uses allowed by the new designation shall not negatively affect existing or planned transportation or other public facilities and services.

As noted above, the applicant requests that the city condition the approval of the requested zone change with a trip cap that does not exceed the total number of automobile trips associated with the most intense use, a medical/dental office. With a condition of approval implementing a trip cap on the subject site, this policy is met.

C. The new land use designation shall fulfill a proven community need such as provision of needed commercial goods and services, employment, housing, public and community services, etc. in the particular location, versus other appropriately designated and developable properties;

The applicant's Development Analysis and Opportunity Study demonstrates that, due to slope constraints, the eastern portion of the subject property is constrained for large footprint industrial type development. The proposed alternative zone, MUE, permits multi-family residential development, which has been the focus of developer and real estate market interest in the site. The applicant has shown that the physically constrained portion of the property is more suitable for residential or office development than industrial. This policy is met.

D. Demonstration that there is an inadequate amount of developable, appropriately designated, land for the land uses that would be allowed by the new designation;

The proposal is for a change in comprehensive plan designation and zoning for land that is physically constrained and not appropriate for its existing industrial designation. Given that the current industrial designation is not appropriate for the site another more suitable designation is required. Under this action this criterion does not apply since MUE is an appropriate replacement designation but it is not necessarily related to whether there is an inadequate amount of MUE designation in other areas. This criterion does not apply.

E. Demonstration that land uses allowed in the proposed designation could be developed in compliance with all applicable regulations and the purposes of any overlay district would be fulfilled.

The applicant states uses allowed in the MUE zone can be arranged and clustered to fit into the site topography rather than requiring mass grading to create the large, flat sites that would be necessary for industrial uses. Subsequent Planned Development, Conditional Use and/or Site Development Reviews would ensure development would comply with all applicable development code regulations. The subject site is not currently designated with any overlay zones such as historic (HD) or planned development (PD). This policy is met.

F. Land uses permitted by the proposed designation would be compatible, or capable of being made compatible, with environmental conditions and surrounding land uses.

The applicant's Development Analysis and Opportunity Study identifies site constraints that any development would need to address. Constraints include slope and configuration of site, slope of Hunziker, Wall Street TSP classification and rail spur, wetlands, trees, limited access, and noise from the railroad switching yard. Surrounding land uses include low density sing-family attached and detached residential and industrial uses. The range of uses permitted in the MUE zone would require Conditional Use and/or Site Development Review to ensure development would comply with all applicable development code regulations and be compatible with surrounding land uses.

However, the complexity of the site characteristics including environmental conditions and surrounding land uses suggests a process that provides flexibility in site design to maximize the opportunities and mitigate for the constraints of the site and surrounding land uses. Use of the Planned Development overlay zone is the be the best way to ensure permitted uses in the MUE zone are compatible, or are capable of being made compatible, with environmental conditions and surrounding land uses. This is demonstrated through the purpose statement of the Planned Development section of the Development Code:

18.350.010 Purpose
A. The purposes of the planned development overlay zone are:
1. To provide a means for property development that is consistent with Tigard's Comprehensive Plan through the application of flexible standards which consider and mitigate for the potential impacts to the city; and
2. To provide such added benefits as increased natural areas or open space in the city, alternative building designs, walkable communities, preservation of significant natural resources, aesthetic appeal, and other types of assets that contribute to the larger community in lieu of strict adherence to many of the rules of the Tigard Community Development Code; and
3. To achieve unique neighborhoods (by varying the housing styles through architectural accents, use of open space, innovative transportation facilities) which will retain their character and city benefits, while respecting the characteristics of existing neighborhoods through appropriate buffering and lot size transitioning; and
4. To preserve to the greatest extent possible the existing landscape features and amenities (trees, water resources, ravines, etc.) through the use of a planning procedure (site design and analysis, presentation of alternatives, conceptual review, then detailed review) that can relate the type and design of a development to a particular site; and
5. To consider an amount of development on a site, within the limits of density requirements, which will balance the interests of the owner, developer, neighbors, and the city; and
6. To provide a means to better relate the built environment to the natural environment through sustainable and innovative building and public facility construction methods and materials.

A planned development overlay on the proposed MUE zone would best ensure development's compatibility with site conditions. With a condition requiring the PD overlay, this policy is met.

G. Demonstration that the amendment does not detract from the viability of the City's natural systems.

The subject site contains jurisdictional wetlands in the northwest area of the site, steep slopes along the southern edge of the site, and lower value significant habitat designation on the uplands portion of the site The applicant has proposed accepting a condition of approval on the zone change requiring a 50-foot forested buffer along the eastern boundary of the site, which would support the habitat values of the site. Staff suggests that the applicant alternatively provide the buffer by recording a buffer easement on the lot line-adjusted parcel containing the boundary. As identified in the planned development purposes above, the planned development standards are designed to balance environmental resource protection with context sensitive site design. This policy is met.

Policy 16. The City may condition the approval of a Plan/Zoning map amendment to assure the development of a definite land use(s) and per specific design /development requirements.

The applicant has determined that due to extraordinary development costs, the flatter western portion of the site (which would continue to maintain I-P zoning) is only likely to develop if the steeper eastern portion can also be developed with some mix of employment and/or residential use. Knowing that staff is interested in ensuring job capacity on the subject site, the applicant respectfully requests that the City allow any permitted use in the MUE zone rather than restricting the site to a specific land use. The applicant cites the importance of flexibility in response to ever-changing market conditions in support of this request.

Staff finds, consistent with findings in the amended 2011 EOA, that slope constraints reduce the subject site's suitability for some large-footprint industrial uses, but that there is potential for employment use of slope-constrained sites. The city's limited inventory of buildable lands highlights the need to consider job density in employment land development and redevelopment within an efficient land needs scenario. Although the city supports opening the development potential of the whole site with the proposed zone change to MUE of the slope constrained portion of the site, it also must protect its employment capacity, which can best be managed through the planned development review process.

Therefore, staff recommends a condition of approval to ensure the area of the subject property zoned MUE provides a minimum of 280 non-retail jobs to preserve employment land capacity and application of the PD overlay to provide a deliberate process that balances the interests of the owner, developer, neighbors, and the city.

FINDING: As shown in the analysis above, the applicable Land Use policies have been met. Staff recommends the Planning Commission recommend to City Council a condition of approval requiring a definite land use (employment, 280 non-retail jobs) and a Planned Development Overlay be applied to allow for specific design/development requirements in order to meet the applicable Land Use policies.

ECONOMIC DEVELOPMENT

Goal 9.1: Develop and maintain a strong, diversified, and sustainable local economy.

Policy 3. The City's land use and other regulatory practices shall be flexible and adaptive to promote economic development opportunities, provided that required infrastructure is made available.

The applicant states that industrial development by itself is not able to economically offset the high cost of on-site grading costs, public improvements to abutting streets, and utility extensions. MUE rates of return would allow the high infrastructure costs associated with the development of this property to be financed by the development itself. The intent of the proposed comprehensive plan amendment and zone change is to create flexibility that generates job-creating development in the City. This policy is met.

Policy 5. The City shall promote well-designed and efficient development and redevelopment of vacant and underutilized industrial and commercial lands.

The applicant states that under the current zoning, the site has remained undeveloped for many years due to the development constraints outlined in Section II of the Fields Property Development Analysis. The proposal would respond to market conditions by allowing a mix of uses on the eastern portion while preserving the western portion for industrial employers. The proposed zone change would allow a more efficient use of employment land than the current underutilized condition.

Well designed and efficient development can be assured through the deliberative planned development process that provides flexibility in site design and such added benefits as increased natural areas or open space in the city, alternative building designs, walkable communities, preservation of significant natural resources, aesthetic appeal, and other types of assets that contribute to the larger community in lieu of strict adherence to many of the rules of the Tigard Community Development Code. This policy is met.

Policy 6. The City shall promote actions that result in greater, more efficient, utilization of its Metro-designated Employment and Industrial Areas.

Metro's Title 4 Industrial and Other Employment Areas map (January 2014) shows the I-P-zoned parcels of the subject site (totaling 37.4 acres) as Industrial Areas. The proposed zone change affecting the site would convert approximately 19.4 acres of land from I-P to MUE. The evidence in the application shows that despite relatively high demand for light industrial land and low supply, this site has not developed for light industrial use and is unlikely to do so in the future because of its unsuitable site characteristics and development constraints. The applicant states that the MUE zoning on the eastern portion allows the site to be developed with some combination of employment and multifamily workforce housing use and allows the site to be developed in a more flexible way. Development allowed under the MUE zone will help create a stronger, more diversified, and sustainable development on this site, which in turn will help

the local economy. Provided the MUE zone is indeed developed with mixed uses, including employment, the re-zone will promote greater, more efficient, utilization of Metro-designated employment and industrial lands. This policy is met.

Policy 7. The City shall limit the development of retail and service land uses in Metro-designated industrial areas to preserve the potential of these lands for industrial jobs.

The proposed zone change affecting the site would convert approximately 19.4 acres of land from I-P to MUE. In accordance with Metro Title 4, Section 3.07.430, Tigard's Community Development Code limits the size and scope of commercial retail uses within the I-P zone (Table 18.530.1, Note 2). In accordance with Metro Title 4, Section 3.07.440, Tigard's Community Development Code limits the size and scope of commercial retail uses within the MUE zone (Table 18.520.1, Note 22). Approval of the proposed comprehensive map amendment would functionally convert 19.4 acres of the site into a Title 4 Employment Area from a Title 4 Industrial Area, where commercial retail uses are restricted, consistent with the purpose of Title 4 to protect a supply of sites for employment. This policy is met.

Policy 12. The City shall assure economic development promotes other community qualities, such as livability and environmental quality that are necessary for a sustainable economic future.

The proposed MUE rezone should unlock the development potential of the site. The city can assure economic development promotes other community qualities, such as livability and environmental quality by placing a PD overlay over the MUE zone to provide such added benefits through the planned development process as increased natural areas or open space in the city, alternative building designs, walkable communities, preservation of significant natural resources, aesthetic appeal, and other types of assets that contribute to the larger community in lieu of strict adherence to many of the rules of the Tigard Community Development Code. This policy is met.

Goal 9.3: Make Tigard a prosperous and desirable place to live and do business.

Policy 1. The City shall focus a significant portion of future employment growth and high-density housing development in its Metro-designated Town Center (Downtown); Regional Center (Washington Square); High Capacity Transit Corridor (Hwy 99W); and the Tigard Triangle.

The subject site is located outside of the listed plan districts. The disposition of employment and housing uses across the site should acknowledge the direction of this policy and can best be considered with the planned development process. This policy is met.

FINDING: As show in the analysis above, the applicable Economic Development policies are substantially met with application of a condition of approval requiring a PD overlay and a minimum threshold of employment use within the proposed MUE zone.

HOUSING

Goal 10.1: Provide opportunities for a variety of housing types to meet the diverse housing needs of current and future City residents.

Policy 5. The City shall provide for high and medium density housing in the areas such as town centers (Downtown), regional centers (Washington Square), and along transit corridors where employment opportunities, commercial services, transit, and other public services necessary to support higher population densities are either present or planned for in the future (SW Pacific Hwy).

The proposed zoning designation, MUE, permits "medium high-density" housing at 25 units/acre as an outright use. There appears to be market support for multi-family housing at this location (Fields Development Analysis II.2). Multi-family residential use on the subject property has been a key expectation for development in the proposed MUE zone. However, the subject site is not located in a town center, regional center or along a transit corridor. Currently, the site does not provide ready access to employment opportunities, commercial services, transit, or other public services necessary to support higher population densities. However, the hope is that the rezone will catalyze the transformation of the area where some of these opportunities and services will become available. The MUE zone allows commercial uses and staff recommends a condition of approval requiring a minimum job density for the

proposed MUE zoned area. In addition, the city's Public Infrastructure Finance Strategy is likely to lead to improved street connectivity in the area, and the Southwest Corridor Plan includes new access across 217 connecting SW Beveland with Wall Street, potentially with high-capacity transit service. Staff further recommends a condition requiring application of the PD overlay concurrently with the MUE zone. Planned Development Review for future development will create the best opportunity to consider an amount of development on a site, within the limits of density requirements, which will balance the interests of the owner, developer, neighbors, and the city. As conditioned, this policy is met.

Goal 10.2: Maintain a high level of residential livability.

Policy 6. The City shall promote innovative and well-designed housing development through application of planned developments and community design standards for multi-family housing.

The proposed zoning designation, MUE, permits "medium high-density" housing at 25 units/acre as an outright use. There appears to be market support for multi-family housing at this location (Fields Development Analysis II.2). Multi-family residential use on the subject property has been a key expectation for development in the proposed MUE zone. Staff recommends a condition of approval requiring application of the PD overlay concurrently with the MUE zone. Planned Development Review for future development will provide such added benefits as increased natural areas or open space in the city, alternative building designs, walkable communities, preservation of significant natural resources, aesthetic appeal, and other types of assets that contribute to the larger community in lieu of strict adherence to many of the rules of the Tigard Community Development Code. In addition a planned development process can help achieve unique neighborhoods (by varying the housing styles through architectural accents, use of open space, innovative transportation facilities) which will retain their character and city benefits, while respecting the characteristics of existing neighborhoods through appropriate buffering and lot size transitioning. With the PD overlay, the proposed MUE zone will promote innovative and well-designed housing development. As conditioned, this policy is met.

Policy 7. The City shall insure that residential densities are appropriately related to locational characteristics and site conditions such as the presence of natural hazards and natural resources, availability of public facilities and services, and existing land use patterns.

The proposed MUE zone allows for multifamily residential construction at a density of 25 units/acre. The subject site is distinguished by the hillside location with views out to the west, the presence of a mature stand of trees that characterizes the hill from views elsewhere in the city, and limited access to the transportation network and other services to support higher density residential development. As described above, there are transportation and access improvements being planned for the area. The applicant has offered to provide a 50-foot vegetated buffer along the eastern site boundary to protect the existing trees and adjoining low-density residential neighborhood. The range of uses allowed in the MUE zone is more compatible with the adjoining residential use than the existing I-P zoning due to reduced likelihood of noise-generating uses and associated traffic impacts. With the PD overlay required as a condition of approval, the proposed MUE zone can promote innovative and well-designed housing development. As conditioned, this policy is met.

Policy 8. The City shall require measures to mitigate the adverse impacts from differing, or more intense, land uses on residential living environments, such as:
A. orderly transitions from one residential density to another;
B. protection of existing vegetation, natural resources and provision of open space areas; and
C. installation of landscaping and effective buffering and screening.

The applicant has offered to provide a 50-foot vegetated buffer along the eastern site boundary to protect the existing trees and adjoining low-density residential neighborhood. The range of uses allowed in the MUE zone is more compatible with the adjoining residential use than the existing I-P zoning due to reduced likelihood of noise-generating uses and associated traffic impacts. With the PD overlay required as a condition of approval, the proposed MUE zone can promote innovative and well-designed housing development. As conditioned, this policy is met.

9. The City shall require infill development to be designed to address compatibility with existing neighborhoods.

The applicant has offered to provide a 50-foot vegetated buffer along the eastern site boundary to protect the existing trees and adjoining low-density Rolling Hills residential neighborhood. The range of uses allowed in the MUE zone is more compatible with the adjoining residential use than the existing I-P zoning due to reduced likelihood of noise-generating uses and associated traffic impacts. With the PD overlay required as a condition of approval, development in the MUE zone can support unique neighborhoods (by varying the housing styles through architectural accents, use of open space, innovative transportation facilities) which will retain their character and city benefits, while respecting the characteristics of existing neighborhoods through appropriate buffering. As conditioned, this policy is met.

FINDING: As shown in the analysis above, the applicable Housing policies, as supported by the recommended condition of approval requiring the PD overlay zone, can be met.

18.380.030.B.2
Demonstration of compliance with all applicable standards of any provision of this code or other applicable implementing ordinance; and

FINDING: For the purposes of the proposed comprehensive plan amendment and zone change, the applicant has satisfactorily addressed the applicable Sections of TDC Chapter 18.380, Zoning Map and Text Amendments. The standards of TDC Chapter 18.390.050 for Type III-PC procedures are applicable to this proposal, as identified in 18.380.030. The applicant has submitted an Impact Statement as required under 18.390.050.B.e. The public facilities impact study is included as Attachment 4 to the application. The applicant concurs with the requirement to dedicate right-of-way along Hunziker Road and Wall Street in conjunction with future development. Because no development is being proposed as part of this application, no right-of-way dedication is warranted at this time. Anticipated uses include multifamily residential and office. Any proposed development must meet all of the applicable Tigard Development Code standards in effect at the time an application is submitted. As shown in the analysis above, the proposed comprehensive map and zone change amendment complies with the applicable standards of the Tigard Development Code.

18.380.030.B.3
Evidence of change in the neighborhood or community or a mistake or inconsistency in the comprehensive plan or zoning map as it relates to the property which is the subject of the development application.

FINDING: In March of 2015 the City adopted a Post Acknowledgment Plan Amendment to the City of Tigard's 2011 Economic Opportunities Analysis (Ord 15-06), which 1) acknowledges that slope was not applied as a development constraint factor in the Inventory of Suitable Sites (Land Supply), 2) applies slope as a suitability constraint for properties currently zoned industrial (I-P, I-L, and I-H), and 3) qualifies the Assessment of Potential with respect to slope constraints. The slopes on the subject property represent the majority of the lands addressed by the EOA amendment. The EOA amendment provides evidence of a mistake in the comprehensive plan in support of the proposal comprehensive plan and zone change from I-P to MUE. The proposal meets this standard for zone changes.

18.380.030.C Conditions of approval. A quasi-judicial decision may be for denial, approval, or approval with conditions as provided by Section 18.390.050. A legislative decision may be approved or denied.

FINDING: The land use action requested is quasi-judicial as it is limited to specific parcels and does not apply generally across the city. Therefore, the Planning Commission recommendation to Council may be for denial, approval, or approval with conditions. Staff has prepared proposed recommended conditions of approval for the Commission's consideration.

APPLICABLE STATE AND METRO REGULATIONS

OREGON ADMINISTRATIVE RULES

Economic Development
OAR 660 Division 9 – Economic Development
660-009-0010 Application
(4) For a post-acknowledgement plan amendment under OAR chapter 660, division 18, that changes the plan designation of land in excess of two acres within an existing urban growth boundary from an industrial use designation to a non-industrial use designation, or another employment use designation to any other use designation, a city or county must address all applicable planning requirements, and:
(a) Demonstrate that the proposed amendment is consistent with its most recent economic opportunities analysis and the parts of its acknowledged comprehensive plan which address the requirements of this division; or
(b) Amend its comprehensive plan to incorporate the proposed amendment, consistent with the requirements of this division; or
(c) Adopt a combination of the above, consistent with the requirements of this division.

FINDING: The City's 2011 EOA compares demand and supply of employment lands to evaluate the land inventory over a 20-year period. The Analysis indicates that under the Efficient Land Need Scenario, the City's 20-year demand for vacant employment land is 126 acres (48 acres industrial and 78 acres commercial) and the 20-year supply is 136 acres (50 acres industrial and 86 acres commercial). This application would change the plan designation of approximately 19.4 acres from IL to MUE. Although this action would decrease the area of land with an industrial designation, there would be no net loss of acreage designated for employment use since the MUE designation accommodates a variety of employment types. The simultaneous redesignation of two acres from Low Density Residential to MUE would further enhance opportunities for employment-related development by enlarging the supply of employment lands. Overall, the site would provide 18.3 acres of industrial land and 24.2 acres of mixed use employment land.

The City of Tigard's EOA indicates that the City has a surplus of two acres of industrial land; however, Ordinance 15-06 recognized that the City is "now potentially in deficit for industrial zoned vacant land." The proposed zone change affecting the site would deplete the two-acre surplus by converting approximately 19.4 acres of land from I-P to MUE; however, this depletion would be partially offset by converting 0.4 acres from C-P to I-P. Taken together, the proposed zone change would need to compensate for the jobs associated with a net reduction of 17 acres of industrial land. While there is no guarantee that the site would produce jobs under the existing zoning (as evidenced by the current lack of development), for the purposes of comparison, employment density assumptions from the EOA have been used to quantify the number of jobs that could be expected on 17 industrial acres.

Based on 16.5 industrial jobs per acre (derived from the 794 jobs on 48 industrial acres identified in the EOA), 17 acres of industrial land would lead to an employment level of approximately 280 jobs. Approval of the zone change could therefore decrease the City's employment potential by 280 jobs unless these jobs can be accommodated elsewhere. The proposed MUE zone permits a variety of employment uses, including office uses, which are also allowed in the I-P zone. To the extent the proposed MUE zone preserves the ability to create jobs on the subject site, jobs capacity will not be decreased. To ensure preservation of jobs capacity, staff recommends a condition of approval that requires 280 non-retail jobs be accommodated on the MUE-zoned portion of the site.

Analysis of Tigard's Comprehensive Plan economic policies, as addressed above in this report, supports the recommended jobs capacity requirement.

Transportation Planning Rule
OAR 660 Division 12 – Transportation Planning

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.
[...]
(4) Determinations under sections (1)–(3) of this rule shall be coordinated with affected transportation facility and service providers and other affected local governments.

FINDING: TPR compliance is demonstrated in Attachment 3 of the application. This analysis examined the "reasonable worst case" scenario for both the existing and proposed zoning (note that this scenario assesses high traffic generators allowed under the zoning, regardless of whether those uses are likely to be built). Attachment 3 analyzes the trip generation potential of the entire 42.5-acre site as well as the 24.6 acres proposed to receive new zoning. Figure 3 and Figure 6 depict the existing and proposed zoning, respectively, illustrating that the zone change area is primarily proposed to be zoned MUE except for a triangular area near Hunziker Road proposed to be zoned I-P. Development of the eastern portion of the site (the proposed zone change area) with housing and office uses under the current zoning would generate on the order of 784 PM peak hour trips. In the zone change area, if the MUE zone were entirely multifamily housing and the I-P zone office park, trip generation would be 455 PM peak hour trips (a reduction of 329 trips). In the zone change area, if the MUE zone and I-P zone were entirely office use, trip generation would be 715 PM peak hour trips (a reduction of 69 trips). In the zone change area, if the MUE zone and I-P zone were a combination of general office and medical-dental office use, trip generation would be 856 PM peak hour trips (an increase of 72 trips). To ensure that the comprehensive plan amendment and zone change does not significantly affect the transportation network, the applicant proposes a trip cap based on anticipated trip generation allowed in the current zoning. As conditioned, this regulation is met.

METRO REGULATIONS

Urban Growth Management Functional Plan
Title 4 – Industrial and Other Employment Areas
3.07.410 Purpose and Intent
3.07.420 Protection of Regionally Significant Industrial Areas
3.07.430 Protection of Industrial Areas
3.07.440 Protection of Employment Areas
3.07.450 Employment and Industrial Areas Map

FINDING: Metro's Title 4 *Industrial and Other Employment Areas* map (January 2014) shows the I-P-zoned parcels of the subject site (totaling 37.4 acres) as Industrial Areas. The proposed zone change affecting the site would convert approximately 19.4 acres of land from I-P to MUE. In accordance with Section 3.07.430, Tigard's Community Development Code limits the size and scope of commercial retail uses within the I-P zone (Table 18.530.1, Note 2). In accordance with Section 3.07.440, Tigard's Community Development Code limits the size and scope of commercial retail uses within the MUE zone (Table 18.520.1, Note 22). Approval of the proposed comprehensive map amendment would functionally convert 19.4 acres of the site into a Title 4 Employment Area from a Title 4 Industrial Area, where commercial retail uses are restricted, consistent with the purpose of Title 4 to protect a supply of sites for employment. This regulation is met.

Section 3.07.450 allows the City to amend the use of lands on the *Industrial and Other Employment Areas* map based on satisfaction of a number of criteria. With the exception of a transportation impact analysis addressing regional freight movement for criteria #4, this site complies with those standards since the property is 1) not surrounded by RSIA or Industrial Area land; 2) the change would increase rather than decrease the acreage devoted potentially to employment uses; 3) the site is not designated as RSIA; 5) the zone change would not lead to retail or cultural uses that compete with Central City or Regional or Town Centers; and 6) the property designated Industrial Area subject to the amendment is less than 20 acres (namely, 19.4 acres). In addition, as described in Ord 15-06, the eastern portion of the site is not suitable for industrial uses due to topographic constraints. Therefore, a Title 4 map amendment from industrial to employment would be indicated, if supported by a transportation impact analysis.

SECTION V. OUTSIDE AGENCY AND ADDITIONAL CITY STAFF COMMENTS

LCDC, ODOT, Metro, and Washington County were notified and requested to comment on the subject proposal. Of these agencies, ODOT and Metro provided comment.

Oregon Department of Transportation (ODOT) commented verbally on the proposal taking issue with the assumptions of the TPR analysis with respect to existing use trip generation. As of the publish date of this report, written comments have not been received. Condition 3 has been imposed to account for ODOT's concern and to allow for a revised TPR analysis.

Metro commented on the proposal whose comments are included in the findings in this staff report.

The City of Tigard's Public Works Department reviewed the proposal and commented that they have no objections to the proposal.

The City of Tigard's Development Review Engineer reviewed and accepted the TPR analysis prepared by MacKenzie dated May 11, 2015.

SECTION VI. STAFF ANALYSIS

ANALYSIS:

Zone Change Request

The proposed Mixed Use Employment Comprehensive Plan designation of the eastern portion of the site will allow development types which can better accommodate slope constraints while also reducing potential conflicts between uses on the subject property and abutting residential development. The proposed zone change, primarily from I-P to MUE, has the potential to increase economic development in Tigard by properly accounting for development economics applicable to the different portions of the site.

Outstanding Issues

Planned Development Overlay Zone
The complexity of the subject site's characteristics (Fields Property Development Analysis and Opportunity Study) including environmental conditions and surrounding land uses suggests a process that provides flexibility in site design to maximize the opportunities and mitigate for the constraints of the site and surrounding land uses. Use of the Planned Development overlay zone is the best way to ensure permitted uses and development design in the MUE zone are compatible with existing development and include the required employment capacity. (Condition 1)

Protect Employment Capacity
The applicant cites the importance of maintaining flexibility in response to ever-changing market conditions to support a request that the City allow any permitted use in the MUE zone rather than restricting the site to a specific land use. However, the city wishes to ensure employment capacity is maintained within mixed use zones and recommends requiring as a condition of approval a minimum job density on the proposed MUE portion of the site. (Condition 2)

Transportation Planning Rule compliance
The applicant proposes limiting trip generation of future uses permitted in the MUE zone to that allowed under the existing zoning, as shown in the Mackenzie TPR analysis dated May 11, 2015 (or as amended), to avoid a significant effect finding. The city will require a trip cap to limit future development to existing trip generation rates. Transportation analyses required with new development applications must be consistent with the trip cap limitation. (Condition 3)

Rolling Hills Buffer
The applicant proposes accepting a condition of approval of the zone change requiring a 50-foot buffer between the proposed MUE zone and the existing R-3.5-zoned Rolling Hills development to the east. The buffer was an artifact of the previous Comprehensive Plan, which is no longer in effect, to buffer potentially allowed industrial uses from the existing residential uses. However, the applicant's willingness to accept a condition acknowledges that a buffer remains important to the livability of the Rolling Hills neighborhood even with more intense commercial uses permitted under the MUE zone. (Condition 4)

In lieu of a condition of approval with this zone change, the Fields Trust may otherwise record in advance of the Council hearing an easement, restrictive covenant or similar instrument to ensure a 50-foot wide forested buffer is placed on the subject property for the benefit of the city.

Metro's Title 4 compliance
The city will request an amendment of Metro's Title 4 map for the MUE zoned portion of the site from industrial to employment based on the suitability analysis of the subject site contained in the city's amended 2011 EOA.

SECTION VII. PLANNING COMMISSION CONCLUSION AND RECOMMENDATION

CONCLUSION:
Based on the foregoing findings and analysis, the Planning Commission finds that the proposed comprehensive plan map and zone change amendments are consistent with applicable provisions of the Tigard Comprehensive Plan, Tigard Development Code, statewide planning goals and the Transportation Planning Rule, and provides evidence of a mistake in the comprehensive plan (City of Tigard 2011 Economic Opportunities Analysis (EOA) as it relates to the property which is the subject of the development application. To ensure consistency, the Planning Commission recommends certain conditions of approval.

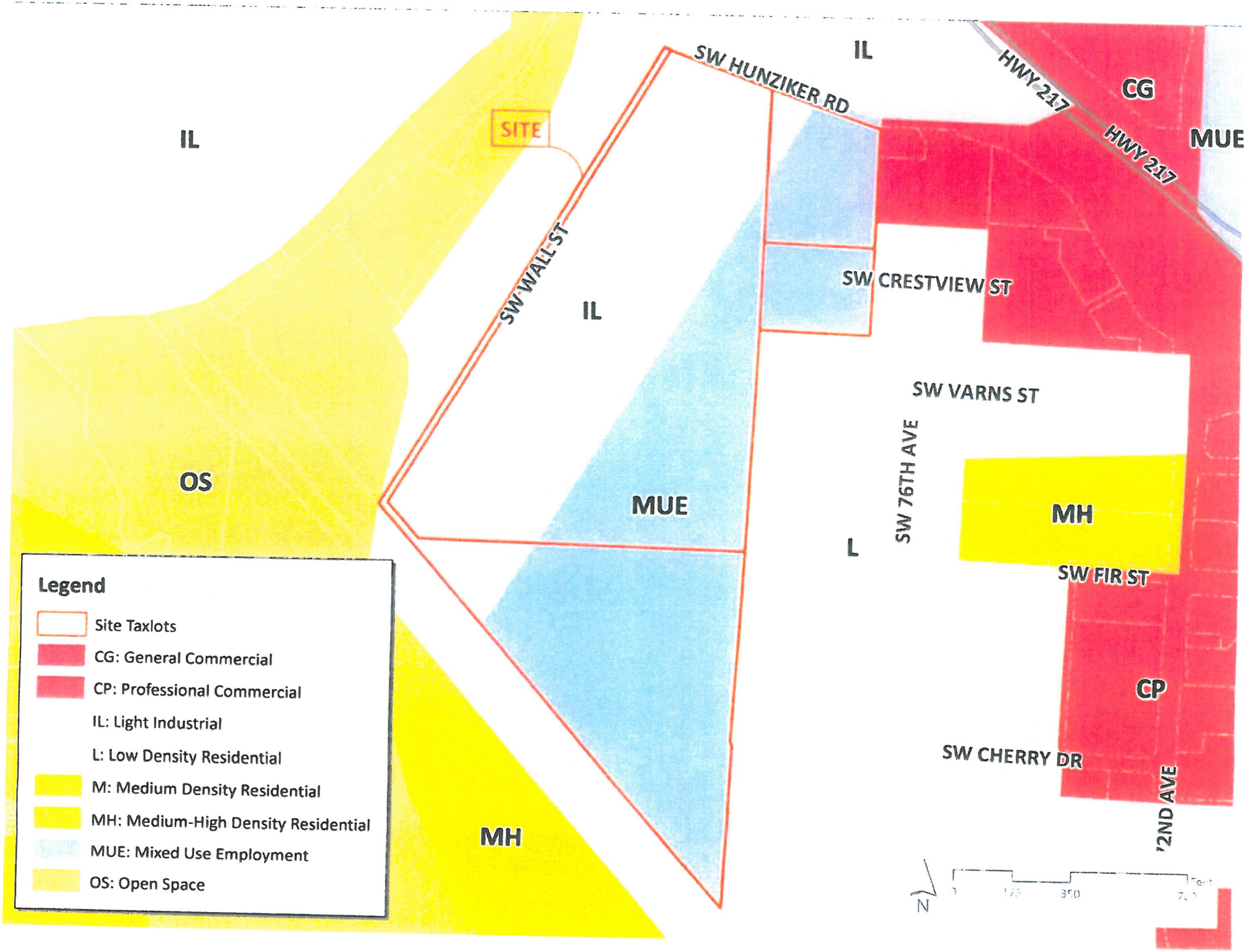
RECOMMENDATION:
The Planning Commission recommends to City Council approval of the proposed comprehensive plan map and zone change amendments with recommended conditions of approval and any others conditions the Council deems appropriate through the public hearing process.

PASSED: THE 17TH DAY OF AUGUST, 2015 BY THE CITY OF TIGARD PLANNING COMMISSION.

Jason Rogers, Planning Commission President
Dated this 21 day of August, 2015.

Exhibits

A. Proposed Comprehensive Plan Designation
B. Proposed Zoning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Legend
Site Taxlots
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MH: Medium-High Density Residential
MUE: Mixed Use Employment
OS: Open Space
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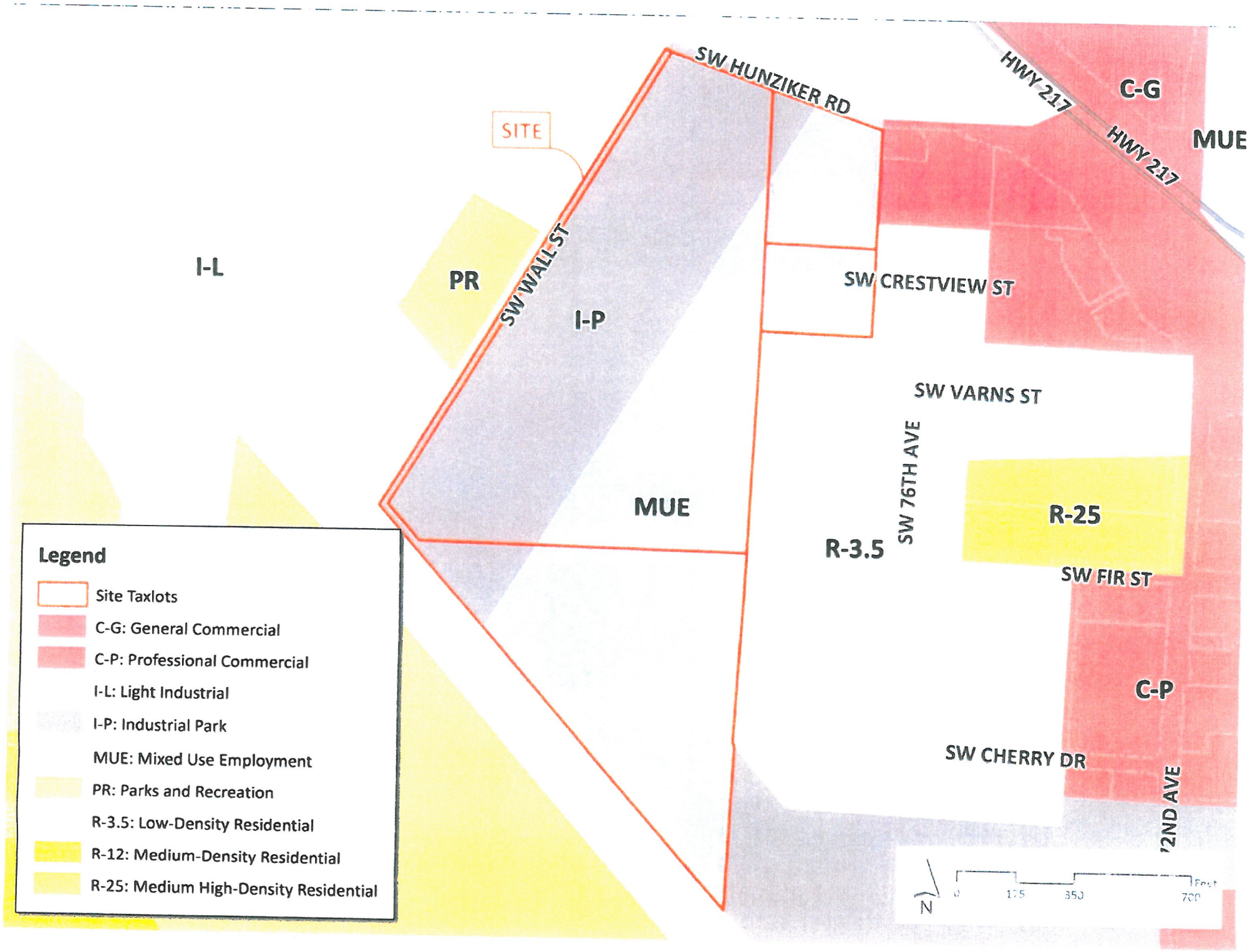
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MUE
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C-G: General Commercial
C-P: Professional Commercial
I-L: Light Industrial
I-P: Industrial Park
MUE: Mixed Use Employment
PR: Parks and Recreation
R-3.5: Low-Density Residential
R-12: Medium-Density Residential
R-25: Medium High-Density Residential