

**STAFF REPORT**  
**Proposed JW Underground (Winters) Plan Map Amendment**

HEARING DATE: January 11, 2021

REPORT DATE: December 31, 2020

TO: Gresham Planning Commission

FROM: Ricardo Banuelos, Associate Planner

FILE NUMBER: PMA 20-26000240

PROPOSAL: The proposal is for a Plan Map Amendment from Transit Low Density Residential (TLDR) to Heavy Industrial (HI) for a 1.22-acre northern portion of a lot of record consisting of Tax Lots 00500 and 01400 Section 1S3E05BD.

APPLICANT: John and Marcella Winters

REPRESENTATIVE: Tracy Brown, Tracy Brown Planning Consultants, LLC

LEGAL DESCRIPTION: Section 1S3E05BD Tax Lots 00500 and 01400

LOCATION: SE 190<sup>TH</sup> Avenue (JW Underground Gravel Pit)

- EXHIBITS: A. Vicinity Map
- B. Applicant's Narrative

**RECOMMENDATION:** Staff recommends that the Planning Commission recommend approval of this Plan Map Amendment to the City Council.

## **I. BACKGROUND INFORMATION**

### **A. DESCRIPTION OF PROPOSAL AND HISTORY**

The proposal would change 1.22 acres from the current land use designation of Transit Low Density Residential (TLDR) to Heavy Industrial (HI). The TLDR designation primarily allows single-family detached and attached dwellings, duplexes, and institutional uses under the Special Use Review. The HI designation generally allows for industrial type uses, limited commercial uses and certain institutional uses under the Special Use Review.

The property is located east of SE 190<sup>th</sup> Avenue with no address. It is currently developed with a gravel quarry that is in the process of reclamation. Uses also include dirt spoils dumping, and concrete and asphalt recycling. The site is bordered by HI designated properties to the east, west and south which are also developed with a reclaimed gravel quarry pit. Transit Low Density Residential (TLDR) designated properties border the site to the north and are developed with single-family detached residences and duplexes.

When annexed in June of 1987 (BC 2285), the site assumed zoning of Heavy Industrial (HI). The site was split zoned HI and TLDR in 1998 as part of a comprehensive planning effort for the Rockwood area. The reason for the split zoning is unclear from that project's records and no justification for it is described. The subject site is not designated by Metro as a Regionally Significant Industrial Area (RSIA) in the Title 4, Industrial and Other Employment Areas map published October 2014.

The applicant has pointed out that the proposed change in designation is being pursued to better align the zoning with the historic and current heavy industrial gravel quarry use.

### **B. EXECUTIVE SUMMARY**

The proposed amendment of 1.22 acres to a Heavy Industrial (HI) designation meets all four of the City's criteria for Plan Map amendment.

It is evident that the site was mistakenly zoned TLDR in 1998 and is better suited for the proposed HI designation. The property is primarily surrounded by heavy industrial gravel quarry operations and reclamation activities, with the exception of single-family residential uses to the north, and apartments in the northwest vicinity. The proposal promotes the City's industrial and economic development land use policies by increasing industrial lands inventory in an area already devoted to an industrial use that is well served by existing water, sewer, and transportation infrastructure. The gravel quarry is currently being reclaimed and will be a candidate for redevelopment upon completion. This 52.3-acre site is identified in the Regional Industrial Site Readiness Inventory (2017), Appendix 8 of the 2018 UGR, as a Tier 3 site (Site ID 122). The 1.22-acre portion of that site proposed for the zone change is also located within the City's Enterprise Zone. Public facilities have sufficient capacity to serve the

proposed heavy industrial designation and will only require standard utility mainline service laterals. The vehicle trip generation report finds that changing the permitted uses on the subject property from single family residential (TLDR) to industrial (HI) is expected to reduce the volume of vehicle trips generated by the site.

## II. APPLICABLE COMMUNITY DEVELOPMENT CODE PROCEDURES

- |    |                      |   |
|----|----------------------|---|
| A. | Section 11.0204      | Type III Procedures                       |
| B. | Section 11.0101      | Development Permit Application            |
| C. | Section 11.0213-0214 | Referral and Review of Development Permit |
| D. | Section 12.0000      | Community Development Plan Map Amendments |

## III. APPLICABLE COMMUNITY DEVELOPMENT PLAN POLICIES

- |    |                |                                  |
|----|----------------|----------------------------------|
| A. | Section 10.014 | Land Use Planning                |
| B. | Section 10.313 | Industrial Land Use              |
| C. | Section 10.320 | Transportation Systems           |
| D. | Section 10.330 | Public Facilities and Services   |
| E. | Section 10.331 | Water Service                    |
| F. | Section 10.332 | Wastewater System                |
| G. | Section 10.333 | Stormwater Drainage Management   |
| H. | Section 10.335 | Fire and Police Protection       |
| I. | Section 10.411 | School Services                  |
| J. | Section 10.414 | Economic Development             |
| K. | Section 10.600 | Residential Land Use and Housing |

## IV. FINDINGS

The proposed Plan Map Amendment is consistent with all applicable criteria and policies of the Gresham Community Development Code (zoning regulations) and the Community Development Plan (comprehensive plan) as indicated in the applicant's findings, except as superseded by staff findings below. The findings also document compliance with Oregon Statewide Planning Goals and Metro Urban Growth Management Functional Plan (UGMFP) regulations.

### A. COMMUNITY DEVELOPMENT CODE PROCEDURES

- 1. Section 11.0101 - Development Permit Application.** Staff has reviewed this application and finds that it includes the information needed to fully address the Plan Map Amendment criteria.
- 2. Section 11.0204 - Type III Procedures.** This proposal will be considered by both the Planning Commission and the City Council at public hearings in accordance with provisions of this section. The City Council will act on a recommendation from the Planning Commission.

3. **Section 11.0500 - Referral and Review of Development Permit Application.** This application has been routed to affected city, county, special purpose districts, regional, and state agencies for review and comment. The application was submitted on August 18, 2020 and deemed complete on October 27, 2020.
4. **Section 12.0000 - Community Development Plan Map Amendments.** This proposal will be evaluated according to the Type III procedures and approval criteria contained in this section. Certain criteria outlined in this section of the Code must be addressed in order for an evaluation of the appropriateness of the request to be conducted. An applicant must demonstrate that:
  - a. *The proposed designation is consistent with the applicable policies and implementation strategies of the City's Community Development Plan. The applicant must demonstrate that the proposed designation complies with the appropriate locational criteria identified in the Community Development Plan.*

**Finding:** Section (IV)(B) of this staff report summarizes the applicant's findings and provides staff findings based on the applicant's submittal with regards to how the plan map amendment complies with Community Development Plan policies.

**Conclusion:** Based on the applicant's submittal staff finds the proposal is consistent with the applicable policies of the City's Community Development Plan, and therefore is consistent with Criteria 1 for Plan Map amendments.

- b. *The proposed designation will not negatively impact existing or planned public facilities and services.*

**Finding:** The applicant submitted a Transportation Planning Rule and Transportation Impact Analysis, prepared by Michael T. Ard, Professional Engineer (OR 54983PE), concluding that there will be no negative impact on existing or planned transportation infrastructure. The analysis was based on an initial proposal that included tax lot 1600 (0.92 acres), also zoned TLDR. The general conclusion that trip generation is reduced when comparing single-family residential to the most likely industrial uses is maintained. The extent of the reduction will be less than what is modeled due to the reduction of 0.92 acres from the proposed zone change. The trip generation analysis forecasts a net decrease in trip generation by 13 morning peak hour trips, 20 evening peak hour trips, and 106 average weekday trips. Transportation planning staff notes a correction in the modeling but continues to find a net reduction in trips will result from the proposal.

The applicant submitted a Public Facilities Analysis prepared by Tyler Henderson, EI, to evaluate the zone change's implications on the City's sanitary sewer, stormwater, and domestic water facilities and services. The report models a reduction in daily wastewater flow (gallons/day/acre) from 3,520 to

384 as a result of the proposal to change the zone to HI for both Tax Lots 501 and 1600.

The evaluation for stormwater management identified Hydrologic Group B soils for Tax Lot 501. This soil is favorable for on-site stormwater management and infiltration.

The domestic water analysis concludes that the existing Rockwood PUD water system has capacity to supply the site with adequate domestic water and fire flow, assuming buildout to HI.

Comments from the City's Department of Environmental Services, Development Engineering Section, indicate the proposed HI designation is not expected to negatively impact public facilities. Development of the site will be subject to review of applicable design criteria and the public works standards. This aligns with the applicant's analysis that concludes that the proposed zone change will not negatively impact existing or planned public facilities and services.

**Conclusion:** Based on these findings, the proposed HI designation is not expected to have negative impacts on existing or planned public facilities and services, and therefore is consistent with Criteria 2 for Plan Map amendments.

*c. In addition, the proponent shall demonstrate compliance with one of the following criteria:*

*(i) A mistake was made in the current designation. The applicant must identify a specific error made during the adoption process of the Community Development Plan that, if it had been brought to the attention of the council, would have influenced the council's decision of the appropriate designation,*

*Or,*

*(ii) The site is suitable for the proposed designation and there is a lack of appropriately designated alternative sites within the vicinity. The size of the vicinity will be determined on a case-by-case basis since the impacts of a proposed land use designation and its potential use vary. The factors in determining suitability are parcel size and location.*

The applicant asserts compliance with criteria (c)(i). Additionally, a public need analysis was submitted to support the zone change petition under criteria (c)(ii). The report was prepared by Johnson Economics, an Urban Planning Policy consultant firm with expertise in residential, commercial, and industrial market analysis and demographic trend analysis. The analysis affirms that the property is better suited to support industrial uses.

A review of the City's records found no definitive reasoning for the rezoning from HI to TLDR in 1998 of a property with a historical and active use as a gravel quarry. The gravel quarry use continued after 1998 and continues to this day as a quarry reclamation site. The site currently has an enterprise zone designation

to subsidize and encourage industrial and commercial development. Tax lot 501 is and has been part of a legal lot of record with Tax Lot 1400 to the south. They have been sold together over the past few decades. Tax lot 1400 is also a historic gravel quarry currently in reclamation.

Additionally, the public needs analysis explains that while there is currently adequate overall industrial lands capacity in the City and the region, the proposed addition of 1.22 acres of industrial HI land is beneficial on two counts:

1. Positively contributes to improving the balance of jobs to households ratio, 1:2.95 compared to the region's 1:2.1
2. Introduces additional HI designated land which, at 89 percent developed, is far closer to being maxed out than General Industrial (GI) or the other City's industrial designations (e.g. RTI-SW, IND-SW)

**Conclusion:** Based on these findings and those of the applicant's Public Needs Analysis and other application narratives, the site was mistakenly zoned HI in 1998 and is better suited for the proposed HI designation. The application is consistent with Criteria 3 (c)(i) for Plan Map amendments.

*(d) The proposed designation is consistent with the Metro Urban Growth Management Functional Plan (UGMFP).*

The applicant's findings on pages 16 through 20 document the proposal's consistency with Title 1, Title 4, Title 7, and Title 8 of the Metro Urban Growth Management Functional Plan (UGMFP) published December 13, 2018.

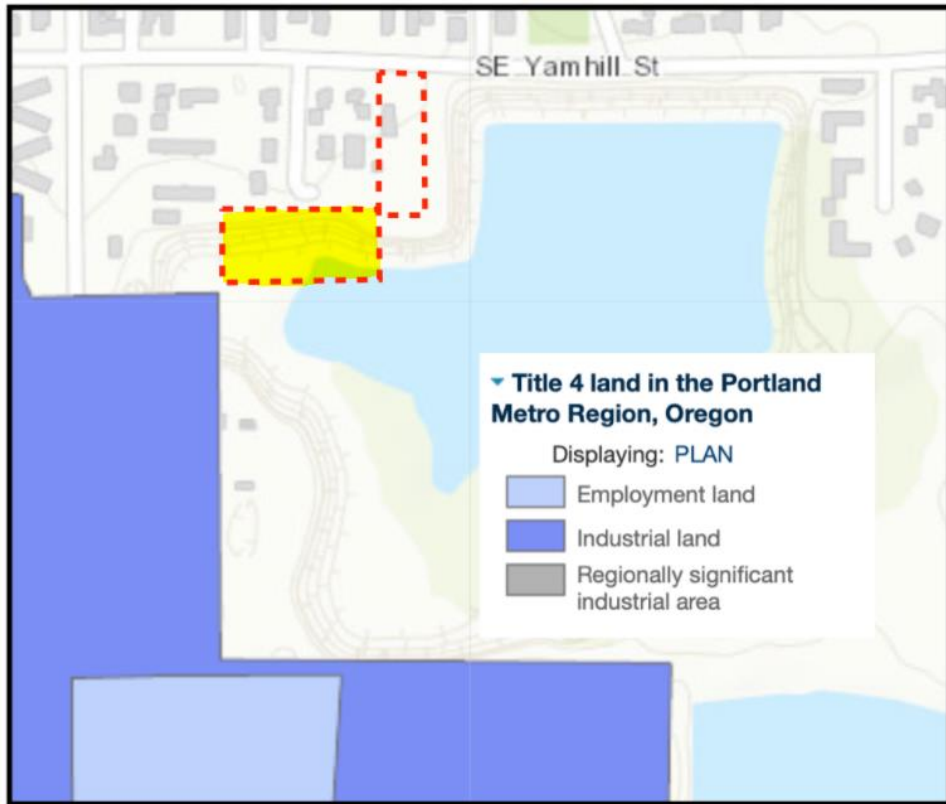
#### **Metro Title 1 (Housing Capacity)**

The applicant's conclusion with respect to Title 1, which requires the City of Gresham to maintain or increase its housing capacity, is that the proposal to rezone 1.22 acres from residential to industrial will have a negligible impact on the City's effective housing capacity. The TLDR zone would theoretically yield 9 to 18 single family residences, however, as explained in the Public Needs Analysis, the historic use and current condition of the gravel quarry property precludes it from being a practical housing development candidate within the foreseeable 20 year planning horizon.

#### **Metro Title 4 (Industrial and Other Employment Areas)**

Title 4 requires the City to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIA's). The 1.22-acre site is located outside of an RSIA (Figure 1). Note: the site was added to the industrial site readiness inventory in 2017 as a portion of the greater John D. Winters gravel quarry site (Site ID 122).

**Figure 1. Title 4 Lands**



**Title 7 (Housing Choice)**

Title 7 requires that the City adopt voluntary affordable housing production goals that will guide measuring progress toward increasing housing choices and meeting affordable housing needs. A target of 556 affordable units is set for City of Gresham. The proposal has a negligible impact on effective housing capacity. The City continues to comply with its Title 7 objectives through its affordable housing and urban renewal programs. This work includes partnering with Metro and private developers on projects such as Civic Northwest and Downtown Rockwood to provide a proportion of affordable housing units together with market rate housing.

The title is a voluntary goal and not required to be met for this application. The 2018 UGR finds that the City is compliant with this title based on its general planning activities to draft and carry out affordable housing goals and regulations. The 2019 UGFMP Compliance report found Gresham continues to comply with this Title.

**Title 8 (Compliance Procedures)**

Title 8 of the UGM Functional Plan requires that at least 35 days prior to the first evidentiary hearing on an amendment to the comprehensive plan or land use

regulation that a copy of the proposal be submitted to Metro for review. The amendment was submitted to Metro on December 4, 2020, which is over 35 days prior to the January 11, 2021 Planning Commission hearing, the first hearing. Metro has not submitted written comment as of the date of this staff report.

**Conclusion**

The proposal is consistent with Titles 1, 4, 7, and 8 of the UGM Functional plan as demonstrated in the narratives and the supporting reports. There is no substantial negative impact on the City’s housing capacity and proper notice has been given.

**B. COMMUNITY DEVELOPMENT PLAN POLICIES**

The following are Community Development Plan Volume 2 (i.e. comprehensive plan) policies, which relate directly to this proposal. The policies are paraphrased for reference and are not written verbatim. Those Volume 2 policies not referenced here were omitted because they were determined to clearly not apply directly to the proposal. Policies whose applicability is marginal are mentioned with reasoning for why they are not applicable. Staff has reviewed the narrative provided by the applicant and has made an evaluation of the proposal’s compliance with applicable Comprehensive Plan Policies as follows:

**Section 10.014 – Land Use Planning**

**Policy XV** Regarding burden of proof for applicant-initiated zone amendments

**Findings:** The applicant submitted a narrative, public needs analysis, traffic impact study, and infrastructure capacity analysis describing the proposal’s consistency with the Development Code and Comprehensive Plan.

**Policy XVI** Regarding six criteria for approving proposed plan map amendments

**Findings:** The proposal complies with each of these additional criteria as demonstrated by the applicant’s findings and supplemented by this staff report. Documentation of sufficient infrastructure capacity has been provided and demonstrates no negative impact to existing or planned public facilities. The change in zoning will decrease expected peak hour traffic volumes. The proposed HI will be compatible with existing use of the property and existing uses surrounding the property on three sides. Standard landscape and spatial buffers of the Gresham Community Development Code Section 9.0100 will promote compatibility with the adjacent TLDR designated residential properties to the north. The proposed zone change will enhance the marketability and operations of the historic gravel quarry site, especially for redevelopment of the site once quarry reclamation activities are completed. This advances the City’s economic development objectives and the policy to reduce the disproportional jobs to household ratio.

**Policy XXIV** Regarding protection of commercial and industrial lands.



**Findings:** The proposal will negligibly increase the total acreage of industrial lands in the City by 1.22 acres. The proposal increases the historic gravel quarry's redevelopment potential.

**Section 10.313 - Industrial Land Use**

The applicant's findings on pages 11 and 12 of their "Project Narrative" demonstrate compliance with Industrial Land Use policies 1, 2, 3, 6, and 8. Staff provides findings for policies 11 and 12. Clearly applicable and potentially applicable policies with respect to Industrial Land Use are paraphrased here as follows:

- Policy I** Regarding supply of ready to build employment lands.
- Policy II** Regarding the City's share of the region's jobs and job types.
- Policy III** Regarding the City's ratio of jobs to households.
- Policy VI** Regarding ready-to-build zoning quantities permitting industrial/business parks.
- Policy VIII** Regarding regular updates to the City's industrial business park land supply.
- Policy XI** Gresham shall increase the potential for higher employment densities to improve its job to household ratio and make more efficient use of its existing employment lands.
- Policy XII** The City shall ensure that adequate transportation facilities either are, or can be, provided to existing and future employment lands.

**Findings:** The review of the zoning of this parcel is consistent with policy 8 that the City regularly update its industrial business park land supply and consider re-designating lands that cannot practicably be developed for these uses within the planning period. The site is readily served by water, transportation, and sewer infrastructure and will be an asset to the City's readily available industrial land supply once gravel quarry reclamation activities are completed. This advances policy 12.

Based upon these findings, this proposal is found to be generally in conformance with the Industrial Land Use Policies found in the City of Gresham Community Development Plan. The jobs/housing balance will remain unchanged at the citywide scale, at 2.4 population to employment. The jobs to households ratio will remain at about 1 to 2.95. However, by increasing the marketability of the site to increase industrial redevelopment potential the proposal advances the aims of policy 3.

**Section 10.320 - Transportation System**

It is the general policy of the City to implement and maintain a balanced, coordinated, safe and efficient transportation system.

**Findings:** The change in land use designation will not create a significant change in the transportation system of the immediate area or of the City. The City's Transportation Engineer notes no concern regarding this change in designation.

**Section 10.330 - Public Facilities and Services**

It is the City's general policy that development will coincide with the provision of adequate public facilities and services including access, drainage, water and sewerage services.

**Section 10.331 - Water Service**

It is the policy of the City to provide municipal water service to all users within the corporate limits of Gresham.

**Findings:** The change in land use designation will not create a significant change in the City's water service capacity, per Development Engineering's findings below.

**Section 10.332 – Wastewater System**

It is the policy of the City to provide municipal sanitary sewer service to all users within the Gresham sanitary sewer drainage basin.

**Findings:** The change in land use designation will not create a significant change in the City's sanitary sewer capacity, per Development Engineering's findings below. Staff notes that further plan map amendments converting industrial to residential are very likely to require downstream deficiency exactions.

**Section 10.333 – Stormwater Drainage Management**

It is the City's policy to establish a drainage management system, which controls the amount and rate of surface water runoff; protects property from runoff related damage; and controls pollution of receiving streams.

**Findings:** The change in land use designation will not create a significant change in the City's stormwater/drainage capacity, per Development Engineering's findings below.

**Section 10.335 - Fire and Police Protection**

It is the policy of the City of Gresham to provide adequate and cost-effective fire and police protection, which ensures a safe living environment and is responsive to the needs of the citizens of Gresham.

**Findings:** Gresham fire has expressed no concerns regarding this proposal. Gresham Police did not submit comment.

Based upon these findings, this proposal has been found to be in compliance with the Public Facilities policies of the City of Gresham Comprehensive Plan.

### **Section 10.411 – School Services**

It is the policy of the City to give the districts the opportunity to review and comment on land use actions which would have an impact on enrollment, student safety, or other school related concerns.

**Findings:** The subject site is located within the Reynold’s School district. The school district was notified on October 27, 2020 of the proposed zone change which could remove up to 18 new residences from the district’s planned capacity. The reduction in theoretical capacity is negligible and not anticipated to affect school enrollment figures. No comments have been received from the school district.

### **Section 10.414 - Economic Development**

**Policy I** Regarding diversification of the community's economic base.

**Policy II** Regarding timely and economic extension of public facilities.

**Findings:** The Johnson Economics report demonstrates that the rezone will have a negligible effect, but will improve the redevelopment potential for the historic gravel quarry site.

### **Section 10.311 & 10.600 – Residential Land Use and Housing**

#### **Housing Opportunities Policies**

**Policy I** Provide a full range of housing types and sizes that reflect the needs [of] Gresham’s citizens through all life stages and circumstances.

**Finding:** The proposal reduces up to 18 single-family detached or attached residential homes of approximately 3,000 to 5,000 square foot lots. The City had a unit mix as of the 2004 periodic review of 62.5 percent attached units to 37.5 percent detached units. For the reasons cited in the Johnson Economics report, for this 1.22-acre parcel, the reduction in housing is only theoretical. The property was mistakenly zoned TLDR and has historically been an active heavy industrial operation. The rezone will better facilitate the economic development goals of the City in this area with adequate, readily available infrastructure. The applicant’s finding that the regional urban growth report identified no current need for any residential development is not accurate. The report identified no current need for *additional* residential buildable lands beyond what is already in the UGB. The 2018 UGR and the City’s comprehensive plan continue to identify single-family residential housing as one of many types of extremely needed housing.

**Policy IV** Promote the use of Gresham’s workforce for development projects.

**Finding:** The proposal is consistent with this policy by increasing the redevelopment marketability of the gravel quarry site.

**Policy VII** Coordinate with Tri-Met when planning for changes to residential densities.

**Finding:** Tri-Met was informed of the proposed plan map amendment. No comments have been received as of the date of this staff report.

**Policy IV** Promote home ownership.

**Findings:** Approval of the proposal as submitted will have negligible impact on the supply of ownership housing in the Rockwood area and the City.

Based upon these findings, this proposal is found to be in conformance with the Residential Land Use Policies found in the City of Gresham Community Development Plan.

**C. STATE PLANNING GOALS**

**Goal 9 – Economic Development**

Staff concurs with the applicant’s finding that the proposal is consistent with Goal 9 by improving the marketability of a historically industrial gravel quarry site which is currently in reclamation and a candidate for redevelopment—Tier 3 Industrial Site Readiness Site #122.

**Goal 10 – Housing**

Staff concurs with the applicant’s finding that the proposal will have a negligible impact on the City’s housing BLI due to its historic and continued use as a gravel quarry.

**V. OTHER COMMENTS**

**DEVELOPMENT ENGINEERING COMMENTS (Al Hagg)**

October 28, 2020

There is no development action proposed with this Plan Map Amendment. There are no public facilities proposed or affected by this Plan Map Amendment. Any Development Engineering Conditions of Approval will relate to subsequent development likely to follow this zoning change.

**CITY TRANSPORTATION PLANNING COMMENTS (Jim Gelhar)**

November 10, 2020

I have reviewed the submitted Technical Memorandum (TM) submitted for the Winters PMA prepared by Ard Engineering. It is complete and I find that there will be no negative impact to the City of Gresham transportation system from the proposed change in zoning.

The developer is proposing to change the existing zoning on two parcels near the intersection of SE Yamhill Street and SE 190th Avenue from Transit Low Density Residential (TLDR) to Heavy Industrial (HI).

The parcels total 2.14 acres in area. The analyst proposes that the reasonable worst-case development under the existing TLDR zoning would be single-family detached houses at 20 units per net acre. This density would be difficult to achieve in the real

world on lots like the ones being analyzed, but Gresham Development Code technically allows it, so it is accepted. The analyst assumed 85% of the property is developable area which is more intensive than the City feels is reasonable. A 75% net developable area would be accepted. In the effort to streamline the application process, I will adjust the calculations in the TM to account for this change in my discussion below.

The TM stated that 36 single-family homes could be built on the 2.14 acres under the TLDR zoning, assuming a 85% net developable area. With a reduced 75% net developable area, the City feels this should instead be 32 homes. So, the evening peak hour trip generation shown in the TM for the TLDR zone should be reduced from 36 trips (23 ingress, 13 egress) to 32 trips (20 ingress, 12 egress).

The analyst has determined that buildings with a combined 23,300 square feet could be constructed on the lots as a reasonable worst case for the HI zoning. I can accept that determination. Evening peak hour trip generation for the proposed HI zoning is calculated at 16 trips (3 ingress, 13 egress).

Even with the correction to the net developable area percentage to better align with City of Gresham experience, the Technical Memorandum shows that the zone change will reduce the number of new trips generated by development of the parcels from 32 trips to 16 trips. Therefore, no changes to the City's transportation system are needed, so the PMA may be approved.

**FIRE COMMENTS (Contact Samantha Chandler)**

Limited information available currently. Future development of this site to comply with all applicable codes and standards.

**OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT (Jennifer Donnelly)**

No comments have been received as of the date of this report.

**OREGON DEPARTMENT OF TRANSPORTATION COMMENTS**

No comments have been received as of the date of this report.

**VI. CONCLUSION**

The proposed Plan Map amendment is consistent with applicable criteria and policies of the Community Development Plan, as indicated by findings contained in Section IV of this report.

**VII. RECOMMENDATION**

Staff recommends that the Planning Commission recommend approval of this Plan Map Amendment to the City Council.

**End of Staff Report**