

STAFF REPORT
Proposed Brickworks Plan Map Amendment

HEARING DATE: May 9, 2022

REPORT DATE: April 19, 2022

TO: Gresham Planning Commission

FROM: Ken C. Onyima, AICP, Senior City Planner

FILE NUMBER: PMA 22-00029

PROPOSAL: The proposal is for a Plan Map Amendment from Research/Technology Industrial – Springwater (RTI-SW) to Industrial – Springwater (IND-SW) involving 8 tax lots that total 21 acres.

APPLICANT: Columbia Brick Works, Inc.

REPRESENTATIVE: Read Stapleton, DOWL, Inc

SITE LOCATION: 1802 SE Hogan Road

LEGAL DESCRIPTION: Tax Lot ID Numbers:
1S3E14BC-09200
1S3E14C-00900
1S3E14BC-9800
1S3E14BC-09400
1S3E14BC-09500
1S3E14BC-09600
1S3E14BC-09700
1S3E14C-01000

EXHIBITS: A. Vicinity Map
B. Applicant's Narrative including:
Traffic Analysis Report
Public Facilities Analysis
C. Title 4, Industrial and Other Employment Areas Map (2014)

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

Columbia Brick Works, Inc. is requesting approval of a Plan Map Amendment to change the zoning designation of eight properties from Research/Technology Industrial – Springwater (RTI-SW) to Industrial – Springwater (IND-SW). The PMA site is approximately 21 acres and is generally located southeast of the intersection of SE Palmquist Road and SE Hogan Road.

The RTI-SW designation is primarily intended to provide space for industrial uses, related enterprises serving primarily industrial clients, and research and technology employment in office-type buildings. Primary uses include knowledge-based industries (graphic communications, creative services, and information technology), research and development facilities, limited professional service uses primarily serving industrial clients, and other industry focused uses.

The IND-SW is primarily intended to be a mix of the following industries:

- Advanced Materials
- Medical Devices
- Specialized Software Applications
- Forestry & Agricultural Biotechnology
- Nanotechnology
- Recreational Equipment/Recreation Technology
- Headquarters
- Professional Services
- Specialty Food Processing
- Transportation Equipment/Technology
- Logistics

The PMA site consists of eight contiguous parcels generally located southeast of the intersection of SE Hogan Road and SE Palmquist Road. All eight parcels are currently designated RTI-SW and are within the Springwater Plan District. Existing uses within the site consist of outdoor vehicle storage on tax lots 9400, 9500, 9600, a mini storage facility on tax lot 1000, and outdoor/contractor storage on tax lot 9700. Tax lots 900, 9200, and 9800 are all currently vacant.

The site is bordered by MDR-12 and MDR-24 designated properties to the north. To the south is Mutual Materials manufacturing facility designated IND-SW. To the east are Brickworks Village Subdivision (THR-SW), GBSD maintenance facility (RTI-SW), vacant land (LDR-SW), and regional stormwater detention facilities (RTI-SW). To the west are commercial retail (NC) and various industrial uses (GI).

The subject site is identified as an industrial area on the Title 4 Industrial and Other Employment Areas map published October 2014 (Exhibit C) and is not identified as Employment Land or a Regionally Significant Industrial Area.

The applicant has pointed out that the proposed change in designation is being pursued to allow the development of the site with uses allowed under the IND-SW district including construction and manufacturing subject to fewer limitations. In contrast, the array of permitted uses in the RTI-SW designation is extremely limited, with only seven uses permitted outright (industrial office, information services, trade schools, solar energy systems, geothermal energy systems, minor basic utilities, and temporary/interim uses). All of these uses are also permitted by the IND-SW designation, in addition to construction and manufacturing uses.

B. EXECUTIVE SUMMARY

The proposed Industrial-Springwater (IND-SW) designation meets all four of the City's criteria for Plan Map Amendment. This proposed change is anchored on the point that the specific addition of construction uses with the proposed IND-SW designation, as well as the less restricted manufacturing uses, provides greater use availability to potential site users and developers than the existing RTI-SW designation, while also providing readily developable land with a greater opportunity to meet market demands for manufacturing, and provide for family-wage jobs.

The properties to the south of the site have the same IND-SW designation that allow construction and less restricted manufacturing uses. The City's industrial land use policies would be promoted because the proposed change in designation supports existing adjacent industrial uses while putting to use an otherwise hard to market and underutilized property. Public facilities have sufficient capacity to serve the IND-SW uses and will only require standard extensions to serve the development.

The traffic analysis report shows that the provisions of the City's Public Works Standards, the TPR, and Oregon Highway Plan (OHP) Policy 1F.5 are satisfied, and that off-site improvements would not be triggered by potential trips in the IND-SW designation. This analysis includes findings for OAR 660-012-0060 (TPR), which demonstrates the proposed IND-SW designation will not result in a materially different land use scenario than what is permitted under the existing RTI-SW designation, and as such, will not change the potential trip generation potential of the PMA site. Therefore, impacts to the transportation system are not anticipated.

The applicant pointed out, and staff concurs, that the proposed IND-SW designation targets a growing industrial sector (manufacturing) that is currently constrained in the region as evidenced by a historically low vacancy rate (2.6 percent) within the Portland metropolitan area among its approximately 46 million square feet of leasable space, as of the third quarter of 2021. Positioning the PMA site to better meet demands from this sector enhances the City’s ability to create and maintain a diverse economic base and generate family-wage jobs and career opportunities for its residents.

Effectively, there are no IND-SW designated parcels within the city that are readily developable or easily redeveloped and, therefore, no appropriately designated alternative sites are located in the vicinity of the proposed PMA site.

The following factors lead staff to recommend amending the 21-acre property from RTI-SW to IND-SW designation:

1. The applicant’s narrative and staff findings demonstrate compliance with City Comprehensive Plan Policies; Metro Title 4 (Industrial & Employment Lands) and Oregon Goal 9 “Economic Development”.
2. The applicant’s narrative and staff findings document that the proposed zone change will not result in a build-out scenario that exceeds existing and master planned transportation, water, sanitary sewer, and stormwater infrastructure capacity.
3. The zone change still maintains the industrial use designation of the site therefore will not result in reduction in the overall industrial land use
4. The site is immediately adjacent to existing IND-SW designated lands along its southern border.

II. APPLICABLE COMMUNITY DEVELOPMENT CODE PROCEDURES

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|-------------------------|---|
| 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
- J. Section 10.414 Economic Development

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 following findings. The findings also document compliance with Oregon Statewide Planning Goals and Metro regional 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 Planning Commission.
3. **Section 11.0500 - Referral and Review of Development Permit Application.** This application has been routed to affected city, county, regional, and state agencies for review and comment. The application was submitted on January 20, 2022 and deemed complete on February 16, 2022.
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.
- (b) The proposed designation will not negatively impact existing or planned public facilities and services.
- (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.

Criteria (a), (b), and (c)(ii) have been addressed by the applicant.

B. COMMUNITY DEVELOPMENT PLAN POLICIES

The following are Community Development Plan Policies which relate directly to this proposal. The staff has reviewed the narrative provided by the applicant and has made an evaluation of the proposal in light of applicable Comprehensive Plan Policies as follows:

Section 10.310 - Land Use Policies:

Policy It is the City’s policy to ensure that an adequate supply of land exists for residential, commercial, office, institutional, industrial, and open space needs.

Section 10.313 - Industrial Land Use:

Applicable policies with respect to Industrial Land Use are paraphrased here as follows:

Policy I Gresham shall ensure an adequate supply of ready to build employment lands. The City shall designate and maintain on its community development plan map the land base necessary for sustained and diverse economic development and job creation.

Policy VI Gresham shall be able to respond proactively to larger-scale economic development opportunities by having appropriately zoned, ready-to-build industrial/business park sites of appropriate size and location.

Policy VIII Gresham shall regularly update its industrial business park land supply. The City shall consider re-designating lands that cannot practicably be developed for these uses within the planning period.

Policy X Gresham shall manage its industrial and employment lands to prevent inappropriate and unrelated retail and office land conversion. The City shall comply with or exceed provisions required by Metro Title 4 (Industrial and Employment Lands) relative to retail and professional service limits.

Findings: The applicant’s narratives and findings addressed the above policies. Implementation strategies of the above policies include encouraging the maintenance of large industrial tracts (20+ acres) for large scale industrial development. Others are that the city will annually assess the supply of serviceable sites for industrial development with an eye to amend the land use map to re-designate more serviceable land for industrial development. This proposed redesignation will still maintain the underlying industrial designation of the properties with the added advantage of allowing construction and more liberal manufacturing uses that IND-SW offers. Furthermore, based on the surrounding districts and existing uses, especially to the south, the 21-acre industrial properties do not appear to be serviceable for industrial use purposes allowed under RTI-SW alone. Changing the district from the current RTI-SW to IND-SW will match its use with the rest of the industrial uses to the south under the IND-SW district.

The review of the zoning of this parcel is consistent with Policy VIII 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. Consistency with Policy X, regarding Metro Title 4 compliance, is addressed as part of this land use review and staff report.

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 opportunity to function as an Employment Overlay still exists with the IND-SW designation.

Section 10.320 - Transportation System Policy

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. Development Engineering, and the City's Transportation Planner have noted that they have no concern regarding this change in designation.

In support of this proposed PMA, the applicant's traffic engineer, Kittelson & Associates, has prepared a preliminary transportation analysis (Exhibit B). This analysis includes findings for Oregon Administrative Rule (OAR) 660-012-0060 (TPR), which demonstrates the proposed IND-SW designation will not result in a materially different land use scenario than what is permitted under the existing RTI-SW designation, and as such, will not change the potential trip generation potential of the PMA site. Therefore, traffic impacts to the transportation system are not anticipated, and the proposed PMA does not limit the City's ability to achieve this policy.

Based upon these findings, the proposal has been found to be in compliance with the Transportation Policies.

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 the analysis done the applicant and the City's Development Engineering's findings.

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: The Public Safety Official (Fire Marshal) has expressed no concerns regarding this proposal.

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 10.414 - Economic Development

Policy I It is the policy of the City to promote diversification of the community's economic base by promoting business retention and expansion, business recruitment and marketing.

Findings: Staff adopts the applicant's findings as follows: The proposed PMA is limited to a request to change the zoning designation of eight properties from their current designation of RTI-SW to IND-SW, both of which are industrial designations that are intended to provide for employment. The PMA site provides approximately 21 acres, 13 of which are undeveloped vacant lands suitable for industrial development in support of this policy. However, the PMA site's current RTI-SW designation has attracted little interest from prospective developers and businesses and is largely not contributing to the City's goals and policies for economic development and family-wage job growth, apart from the site's existing uses, all of which existed prior to the adoption of the RTI-SW designation in 2006. Since the implementation of the RTI-SW designation, there have been no formal development proposals and no preapplication conferences have been held.

The proposed PMA, therefore, supports this policy by enhancing the marketability of the PMA site's vacant and developable parcels to industries that align with current market demands. The IND-SW designation provides greater flexibility to potential site users through the specific addition of the construction use, and the less restricted manufacturing use, which allows the site to better meet the region's previously identified market demands for manufacturing, which supports this policy's intent of diverse economic development and job creation within the City.

Based upon these findings, the proposal has been found to be in compliance with the Economic Development policies of the Comprehensive Plan.

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

Staff Finding: The applicant submitted a Traffic Analysis report, prepared by Kittleson and Associate, a Professional Transportation Engineer, concluding that there are no significant impacts associated with the proposed rezone according to the provisions of the Transportation Planning Rule, Oregon Highway Plan Policy 1F.5, and/or the City's Public Works Standards. As such, we conclude that no off-site intersection analyses should be required as part of the review of the proposed redesignation. The City's Transportation Engineer agrees with this conclusion.

The applicant also provided a Public Facilities Analysis prepared by Ryan Halvorson of DOWL. The analysis concludes that the proposed PMA is not anticipated to negatively impact existing or planned public facilities and services. Public facilities, including sanitary sewer, stormwater, and domestic water, have sufficient

capacity to serve industrial uses allowed by the proposed IND-SW designation, and will only require standard extensions to serve future development, as well as modifications to the regional stormwater facility within Tax Lot 9300 that were envisioned with its design and construction.

These conclusions are further supported by the comments from the internal reviewing agencies of the city. Based on comments from the City's Department of Environmental Services, Development Engineering division, the proposed IND-SW 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.

Conclusion: Based on these findings, the proposed IND-SW designation is not expected to have negative impacts on public facilities, and therefore is consistent with Criteria 2 for Plan Map amendments.

Section 10.014 - Land Use Planning

- Policy XVI** Amendments to Gresham's Comprehensive Plan Map shall be subject to six additional criteria.
- a) Public facility capacity
 - b) Avoid negative impact to public facilities
 - c) Compatibility with surrounding uses and environmental conditions
 - d) Development compliant with all applicable regulations and standards
 - e) Demonstration of inadequate inventory of developable land with proposed use
 - f) Fulfill a proven community need

Findings: The proposal complies with each of these additional criteria as demonstrated in this staff report. Documentation of sufficient infrastructure capacity and no negative impact to existing or planned public facilities is provided. The proposed IND-SW will be compatible with existing IND-SW to the south. The community need being provided is additional employment opportunities as well as overall economic growth of the city.

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)(ii). The applicant argues that the PMA site is suitable for the proposed IND-SW designation based on the following:

- The site is well served by existing public facilities, which have sufficient capacity to serve industrial uses allowed by the IND-SW designation.
- The site's adjacency to two arterial roads (SE Palmquist Road and SE Hogan Road) provides near direct access to U.S. Hwy 26, which in turn provides a connection to I-84 and other regionally significant transportation corridors (I-5, I205, SR-14), as well as the Portland International Airport, which can support future industrial uses; and
- The proposed IND-SW designation will not result in a land use scenario that negatively impacts the adjacent transportation system.

The applicant has also demonstrated that there is also a lack of appropriately designated alternative industrial land that is readily developable within a one-mile radius of the PMA site. There is only a single parcel within current Gresham City-limits designated IND-SW (Tax Lot 1600), which is currently in use for brick manufacturing and clay mining. Other industrially designated alternative sites (designed GI) in the vicinity of the PMA site, located to the west across SE Hogan Road, are currently in use.

Therefore, no appropriately designated alternative sites are located in the vicinity of the proposed PMA site.

Conclusion: Based on these findings and those of the application narratives, the site is suitable for the IND-SW designation. The application is consistent with Criterion 3 for Plan Map amendments.

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

The applicant's findings document the proposal's consistency with Titles 1, 3, 4 6 7 8 12 and 13 of the Metro Urban Growth Management Functional Plan (UGMFP) published April 16, 2018.

Of all these titles addressed by the applicant, the most relevant to this proposal is Title 4 – Industrial and Other Employment Areas.

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 21-acre site is not located within an RSIA. Rather it is identified as an industrial land on the Title 4 Industrial and Other Employment Areas map. The proposed PMA does not alter this designation as both the existing RTI-SW designation, and the proposed IND-SW designation, are industrial zoning designations that provide for a variety of industrial uses in support of Title 4.

Title 8 (Compliance Procedures)

Title 8 of the UGM Functional Plan provides 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 February 17, 2022, which is more than 35 days prior to the May 9, 2022, Planning Commission hearing, the first hearing. Metro staff is being provided this staff report one week in advance of the hearing.

Conclusion: The proposal is consistent with Titles 4 and 8 of the UGM Functional plan as demonstrated in the narratives and the supporting reports. There is no substantial negative impact on employment generation and proper notice has been given.

V. OTHER COMMENTS

PROJECT#: 077306; PMA-22-00059

FROM: Al Hagg, Development Engineering Specialist

DATE: February 23, 2022

Development Engineering Comments:

There is no development action proposed with this Plan Map Amendment. There are no public facilities proposed or affected by this Plan Map Amendment. Development Engineering Conditions of Approval will relate to subsequent development likely to follow this zoning change, to ensure that the Community Development Code and the Public Works Standards are met and adequate public facilities to serve development are considered.

It should be noted that the MONEY SAVER SOUTH GRESHAM LLC property at 2118 SE HOGAN RD (1S3E14C-01000), was conditioned under DR/TR/FS 03-6368 the Land Use Approval Staff Report to dedicate their SE HOGAN RD frontage to Arterial Street standards (100 feet right-of-way width, or 50 feet from centerline to right-of-way). The dedication was never recorded as part of that project, and City Records reflect the outstanding missing dedication.

Development Engineering has no Conditions of Approval related to this PMA.

CITY TRANSPORTATION PLANNING COMMENTS

From: Jim Gelhar, Civil Engineer 2

CC: Jay Higgins, Associate Transportation Planner

Date: March 10, 2022

**Re: PMA-22-00029 - Zone change on Hogan Rd - Preliminary
Transportation Analyses Memo Review**

I have reviewed and can accept the Preliminary Transportation Analyses Memo prepared by Kittelson & Associates, dated September 16, 2021.

The memo concludes that the reasonable worst-case uses for the existing zoning (RTI-SW) and the proposed zoning (IND-SW) are the same and therefore the zone change will not result in more trip generation or impacts to the City's transportation system. I concur with this conclusion.

FIRE COMMENTS (Contact Samantha Chandler, 503-618-2345)

No comments at this time.

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