BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) ORDINANCE NO. 01-893
ORDINANCE NO. 95-625A TO AMEND THE)
2040 GROWTH CONCEPT MAP AND) Introduced by Executive Officer Mike Burton
ORDINANCE NO. 96-647C TO AMEND THE	
EMPLOYMENT AND INDUSTRIAL AREAS	
MAP IN THE CITY OF HILLSBORO-	
FEBRUARY 2001	

WHEREAS, Metro's regional goals and objectives required by ORS 268.380, the Regional Urban Growth Goals and Objectives (RUGGO), were adopted December 14, 1995 in Ordinance No. 95-625A; and

WHEREAS, RUGGO was transmitted to the Land Conservation and Development Commission (LCDC) for acknowledgement of consistency with statewide land use planning goals; and

WHEREAS, LCDC acted on November 1, 1996 to authorize the RUGGO final acknowledgement Order dated December 9, 1996; and

WHEREAS, the Metro Council adopted the Urban Growth Management Functional Plan in Ordinance No. 96-647C on November 21, 1996 which includes Council-approved changes in certain 2040 Growth Concept design type designations as part of 2040 Growth Concept implementation; and

WHEREAS, functional plans must remain consistent with RUGGO, including the 2040 Growth Concept Map; and

WHEREAS, changes in industrial and employment areas in the City of Hillsboro have been requested; and

WHEREAS, RUGGO Goal 1 requires that amendments to RUGGO involve

MPAC for public and local government review prior to final Metro Council action; and

WHEREAS, amendment of acknowledged RUGGO requires a 45 day notice to the Department of Land Conservation and Development under ORS 197.610 which has been sent; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

Ordinance No. 01-893 1

- 1. That the 2040 Growth Concept Map, a part of the Regional Urban Growth Goals and Objectives in Ordinance No. 95-625A, is hereby amended as indicated on the amended section of the 2040 Growth Concept Map attached as Exhibit A.
- 2. That the amendments to the 2040 Growth Concept Map are described generally as follows:
 - a. The Industrial Area designations on the south east corner of the intersection of Minter Bridge Road and TV Highway and on the adjacent Washington County River Road Site are changed to Corridor along TV Highway and Outer Neighborhood on the balance of the area.
 - b. The Employment Area designation on TV Highway, east of SE 10th is changed to Industrial Area.
- 3. That the Employment and Industrial Areas Map, a part of the Regional Urban Growth Goals and Objectives in Ordinance No. 96-647C, is hereby amended as indicated on the amended section of Title 4 Map attached as Exhibit B.
- 4. The amendments to the Employment and Industrial Areas Map are described generally as follows:
 - a. The Industrial Area on the south east corner of the intersection of Minter Bridge Road and TV Highway and on the adjacent Washington County River Road Site are removed.
 - b. The Employment Area designation on TV Highway, east of SE 10th is changed to Industrial Area.

ADOPTED by the Metro Council this 12th day of April 2001.

David Bragdon, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

Recording Segretary

Ordinance No. 01-893

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REGIONAL LAND INFORMATION SYSTEM

EXHIBIT A February, 2001

ORDINANCE NO. 01-893

Hillsboro 2040 Concept Map Update

Employment Area



Industrial Area



Corridors





Outer Neighborhood



Town Center



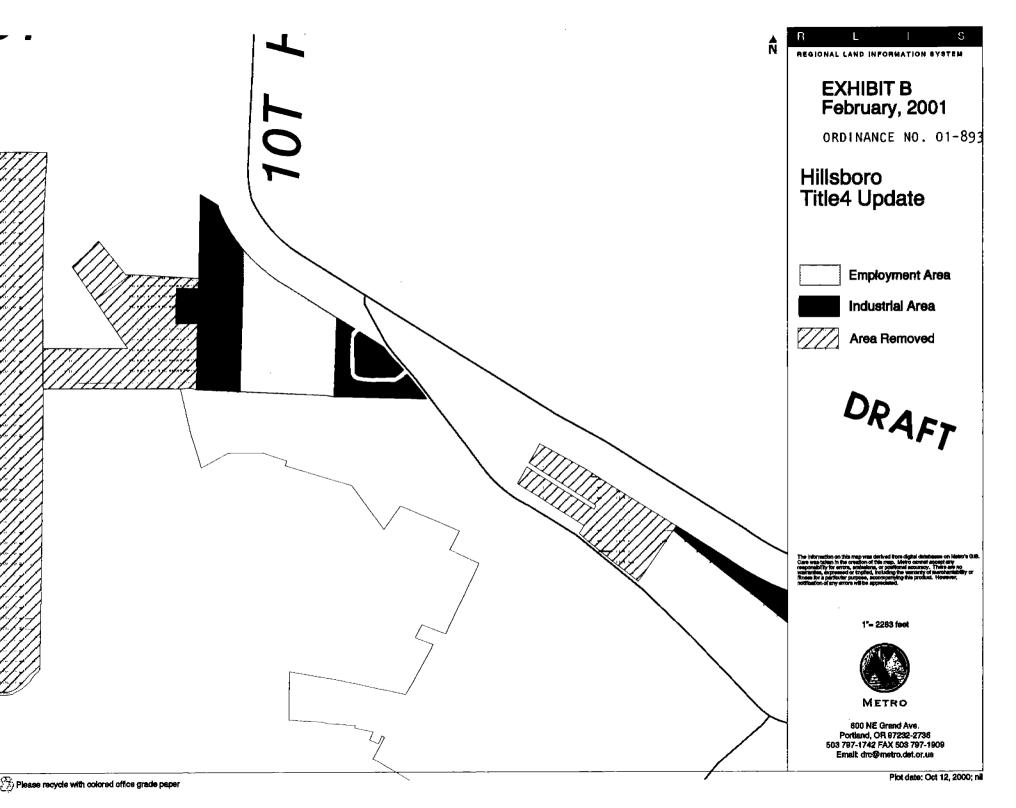
Regional Center

DRAFT

1"= 5023 feet



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COMMUNITY PLANNING COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 01-893, FOR THE PURPOSE OF AMENDING ORDINANCE NO. 95-625A TO AMEND THE 2040 GROWTH CONCEPT MAP AND ORDINANCE 96-647C TO AMEND THE EMPLOYMWNT AND INDUSTRIAL AREAS MAP IN THE CITY OF HILLSBORO

Date: April 5, 2001 Presented by: Councilor McLain

Committee Action: At its March 6 meeting, the Community Planning Committee voted 4-1 to recommend Council adoption of Ordinance 01-893. Voting in favor: Councilors Atherton, Bragdon, McLain and Park. Voting against: Councilor Hosticka.

Background

Ordinance 01-893 amends the 2040 Growth Concept map and the Title 4, Industrial and Employment Areas map of the Urban Growth Management Functional Plan. Ordinance 01-893 requests removing an industrial designation for three sites in Hillsboro. These sites were separated from a larger package of sites in Ordinance 01-892, involving multiple jurisdictions, at the direction of the Community Planning Committee at an earlier meeting, and placed in ordinance 01-893.

Hillsboro desires to zone these sites commercial, rather than industrial, and states that this would be a more accurate zoning, given uses in the surrounding area. Also, although this area had received industrial zoning going back to the 1970's, times had changed and reappraising the zoning was appropriate. This approach has received written and oral testimony in support, including testimony from Washington County.

Testimony to the contrary stated that the Hillsboro's request is not approaching the issue in a comprehensive manner, but rather on a spot basis. Traffic impacts have not been sufficiently taken into account, and that Hillsboro was being inconsistent in denying that other industrial areas could not be considered for rezoning (e.g. for housing purposes), and yet they were willing to remove industrial zoning for the areas in this ordinance. It was also argued that these amendments should not be treated as map amendments, but rather as exceptions to the functional plan.

• Existing Law: Authority to amend the LCDC acknowledged Regional Urban Growth Goals and Objectives, and the Regional Framework Plan, both of which contain the 2040 Growth Concept, is contained in ORS 268.380(5). Authority to amend the Title 4 map is found in Metro code 3.07.820.B.4.

• Budget Impact: Adoption of this ordinance will have no impact on the Metro budget.

Committee Issues/Discussion: After a staff presentation by Senior Planner Brenda Bernards, public testimony was given during a public hearing period. Testimony was delivered both for and against the ordinance, as per the above summary.

David Lawrence, deputy city manager for Hillsboro, responded to several councilor questions. He said that traffic impacts would be analyzed in depth at the time of any development application. In response to questions about Hillsboro's need for industrial land in general, he said that the siting of industrially clustered land, and surrounding uses were important considerations, and that these sites did not measure up well in these regards.

Councilor McLain said there were a variety of issues with these sites, which she has personally visited. She said that Metro should not intrude in local planning decisions, but that Metro did have an obligation to review Title 4 compliance.

Several councilors said that although they would vote the ordinance forward for MPAC and Council consideration, they felt that it raised policy issues that needed additional discussion. This type of issue would likely continue to appear across the region. Metro needed to continue to discuss implications of not only protection of industrial land that could effectively be protected for industrial purposes, but continue to gauge whether Title 4 and other titles of the urban growth management functional plan were proving effective in assisting the development of centers, and other aspects of the 2040 Growth Concept.

STAFF REPORT

FOR THE PURPOSE OF AMENDING ORDINANCE NO. 95-625A TO AMEND THE 2040 GROWTH CONCEPT MAP AND ORDINANCE NO. 96-647C TO AMEND THE EMPLOYMENT AND INDUSTRIAL AREAS MAP IN THE CITY OF HILLSBORO— FEBRUARY 2001

Date: February 2001 Presented by: Mary Weber Prepared by: Brenda Bernards

PROPOSED ACTION

Adoption of Ordinance No. 01-893 to amend the 2040 Growth Concept Map and the Employment and Industrial Areas Map.

EXISTING LAW

The 2040 Growth Concept is a component of both the acknowledged Regional Urban Growth Goals and Objectives and the Regional Framework Plan. Authority to amend the 2040 Growth Concept map comes from ORS 268.380 and ORS 268.390(5). The Authority to amend the Employment and Industrial Areas Map comes from Metro Code 3.07.820.B.4.

BACKGROUND

As the City of Hillsboro works through the Urban Growth Management Functional Plan (Functional Plan) compliance process, it has made a number of requests for amendments to the 2040 Growth Concept Map and the Employment and Industrial Areas Map.

The requests for amendments to the maps are part of the larger compliance process that is made up of four elements.

Compliance with Functional Plan Requirements	Procedure to Follow
Compliance/Substantial Compliance with the	Administrative Process
Requirements	
Request for Time Extensions	Council Legislative Process
Map Amendments:	Council Legislative Process
Correct Inaccuracies	
Refinements based on compliance work	
Exception to the Requirements	Exceptions Process

Each of these elements brings the City into compliance with the requirements of the Functional Plan either through an amendment to local regulations, a refinement to Metro maps or, as is the case of the exceptions, excusing a jurisdiction from compliance with an element of the Functional Plan. Of course, Metro Council always has the option of amending its policies.

Decisions regarding the first three elements are made based on the information provided by the local governments. Exceptions, the fourth element, forgive an obligation on the part of the local government to meet a Functional Plan requirement. These may be text or map requirements reflected in the Functional Plan. Because of this, it is proposed that decisions regarding this element would require the requesting jurisdiction to address the exception criteria introduced in Resolution No. 00-3016, Functional Plan Exception Process which is currently under discussion at the Community Planning Committee.

The map amendments addressed in Ordinance No. 01-893 are subject to Council approval. Staff have determined that the amendments to the 2040 Growth Concept and Employment and Industrial Areas maps addressed in Ordinance No. 01-893 are refinements to the maps resulting from local efforts to comply with the requirements of the Functional Plan.

If the Council determines that one or more of the requested amendments should be considered as an Exception, the request would be subjected to the full exception process. This would involve the requesting jurisdiction to address the six exception criteria described in Resolution No. 00-3016 Functional Plan Exception Process.

Staff recommends that the Metro Council follow the approach used in the adoption of Ordinance No. 97-690A that also amended the 2040 Growth Concept and Employment and Industrial Areas maps. During that process, the Growth Management Committee referred the proposed amendments to the Metro Policy Advisory Committee for their consideration.

Considerations for Map Amendments

When developing the 2040 Growth Concept Map, the Employment and Industrial Areas Map and the Parking Map, the intention was to reflect what was in place in local comprehensive plans and zoning codes at the time the maps were adopted. As the City works toward compliance with the requirements of the Functional Plan, it is expected that map inaccuracies will be identified and refinements its plan and code based on efforts to come into compliance with the requirements of the Functional Plan will effect the designations on the maps. Unless a regional issue emerges from that change, Metro's maps should continue to reflect the local plans. A circumstance may arise where a city or county may request an exception to a requirement of the Functional Plan as described in Metro Code 3.07.820.B which may also require a map change. In those cases, the city or county would need to follow the exception process to change the map.

Employment and Industrial Area designations were located in areas that were zoned for industrial, manufacturing and other non-retail employment uses. In some jurisdictions, industrial zoning designations allowed flexible space and retail uses in addition to industrial and manufacturing uses. In meeting the Title 4 regulations, jurisdictions must now prohibit large-scale retail uses in their industrially zoned areas. It may be the case that in some areas it is the industrial use that is inappropriate rather than the retail uses. It may be that these areas should be removed from the Employment and Industrial Areas Map rather than be subjected to large-scale retail restrictions.

PURPOSE OF TITLE 4 OF THE FUNCTIONAL PLAN AND EMPLOYMENT AND INDUSTRIAL AREAS MAP

The intent of Title 4 of the Functional Plan is to allow supportive retail development in Industrial and Employment Areas primarily to serve the needs of the people working or living in the immediate area but not the larger market outside these areas.

The requirements of Title 4 protect the transportation capacity of the road system to ensure the efficient movement of freight. The Employment and Industrial Areas Map identify the locations to be protected. By limiting the location of large-scale retail uses, the transportation system capacity is available to industrial and other employment uses. The Metro area economy is dependent on wholesale trade and the flow of commodities to national and international markets. The high quality of our freight transportation system, and in particular, our inter-modal freight facilities are essential to continue the region's growth in trade. This purpose is outline in the Title 4 requirements and policies found in RUGGOs and the Regional Framework Plan.

RUGGO 19: Transportation

"A regional transportation system shall be developed which:

19.ii Recognizes and protects freight movement within and through the region and the road, rail, air, waterway and pipeline facilities needed to facilitate this movement."

Regional Framework Plan (page 82)

"... the projected growth in the flow of goods in this region is an important consideration in the region's land use and transportation planning efforts. This significant growth points to the need to make available adequate land for expansion of inter-modal facilities, manufacturing, wholesale and distribution activities and to continue maintaining and enhancing the freight transportation network. To this end, the 2040 Growths Concept identifies industrial sanctuaries for distribution and manufacturing activities as critical in terms of their significance to the regional economy. Policies contained in this element of the framework plan recognize the importance of protecting freight movement and the road, rail, air, shipping and pipeline facilities needed to facilitate this movement."

The Employment and Industrial Areas map shows the areas in the region where freight transportation capacity is important and it is in these areas that there are restrictions on large-scale retail uses. In mapping the Industrial and Employment Areas, an attempt was made to be consistent with the zoning designations in place at the time in the cities and counties. As the cities and counties complete their compliance work, a number of requests have been made to amend the map to better reflect the existing and planned development patterns in the region.

Titles 4 and 8 of the Functional Plan outline ways that the Employment and Industrial Areas map can be amended. In both Titles, there is a process to remove Employment Areas.

Metro Code 3.07.430.B

"Specific Employment Areas which have substantially developed retail areas or which are proposed to be or have been locally designated, but not acknowledged by the effective date of this functional plan, as retail areas, may allow new or redeveloped retail uses where adequate transportation facilities capacity is demonstrated in local compliance plans as provided in Title 8."

Metro Code 3.07.820.B.4

"Retail in Employment and Industrial Areas. Subject to the provision of Title 4, cities and counties may request a change in the Employment and Industrial Areas Map. Metro may consider a city or county request to modify an Employment Area to exempt existing or locally designated retail areas, unacknowledged by the date of this Functional Plan, where they can demonstrate that

- a. The Employment and Industrial Areas Map included lands within Employment Areas having a substantially developed existing retail area or a locally designated retail area pursuant to a comprehensive plan acknowledged by the date of this Functional Plan which allowed retail uses larger than 60,000 square feet or gross leasable area per building or business; or
- b. The requested retail area in an Employment Area has been found to be appropriate for an exception based upon current or projected needs within the jurisdiction and the city or county can demonstrate that adequate transportation facilities capacity exists for that retail area."

The Functional Plan does not specify a process to amend the Industrial Area designations on the Employment and Industrial Areas map in either Titles 4 or 8. Title 1 of the Functional Plan does require that cities and counties define the boundaries of each of the 2040 Growth Concept design types within in their boundary. Hillsboro, along with a number of other jurisdictions, has complied with this requirement and has requested map changes based on the results.

PROPOSED 2040 GROWTH CONCEPT MAP AND EMPLOYMENT AND INDUSTRIAL AREAS MAP AMENDMENTS

Hillsboro has requested amendments to their Industrial and Employment designations on the 2040 Growth Concept Map. These requests also require changes to the Title 4: Industrial Employment Areas Map. Maps detailing the recommended amendments are included as Attachment 1 and 2 to the Staff Report. A map detailing the land uses in the area of the requested amendments is included as Attachment 3.

The area that the Home Depot retail outlet at the intersection of Minter Bridge Road and TV Highway (shown as 1 on Maps 1 and 2) is located is designated as an Industrial Area. Under the City zoning in place, the Home Depot is a permitted use and was built prior to Metro's Title 4 restrictions. The commercial development on this site reflects an established land development trend in recent years toward commercial and multifamily residential uses within the general area. The City is requesting that the Home Depot Industrial Area be removed from the Employment and Industrial Areas Map. TV

Highway is designated as a Corridor on the 2040 Growth Concept Map; the portions beyond the Corridor would become outer neighborhood to match the designations of the adjacent areas.

Washington County's River Road property (shown as 2 on Maps 1 and 2) adjoins the Home Depot retail outlet. As noted above, the close proximity of these sites to other retail outlets make them best suited for commercial rather than industrial use. The City is requesting that the Industrial Area designation for the River Road site adjacent to the Home Depot be removed from the Employment and Industrial Areas Map. Similar to the Home Depot Site, TV Highway is designated as a Corridor on the 2040 Growth Concept Map; the portions beyond the Corridor would become outer neighborhood to match the designations of the adjacent areas.

The City is requesting that the Employment Area be redesignated as Industrial Area on the Teufel property on Tualatin Valley Highway, east of SE 10th (shown as 3 on Maps 1 and 2). This change would reconfigure the designations on the property, which is partially in unincorporated Washington County, so that the easterly portion of the property would be designated as Employment Area and the westerly portion of the property would be designated as Industrial Area.

Development trends in the vicinity of the Home Depot, River Road and Teufel sites have moved away from industrial uses. The Attachment 3 shows the uses surrounding these three sites. The uses are primarily commercial and residential with a limited amount of small-scale industrial-type uses. These sites are under Hillsboro's manufacturing zone, M2. To come into compliance with the requirements of Title 4, the City is amending its M2 zone to prohibit large-scale retail uses in this zone. Previously, the M2 zone allowed all commercial uses that were allowed in Hillsboro's general commercial zone, C1.

The Home Depot is in place and operating. At the time that the Home Depot was built, it was a permitted use and Metro's Title 4 restrictions were not in place. The commercial development on this site reflects a land development trend in recent years towards commercial and multi-family residential uses within the general area.

While the City is requesting that the Industrial Area designation be removed from the River Road site which is immediately adjacent to the Home Depot, it is not proposing to change the M2 zoning at this time. As noted above, the amendment to the M2 zone will prohibit large-scale retail uses on this site. Therefore, removal of this site from the Employment and Industrial Areas map would not entitle the site to be developed as large-scale retail use. In addition, the City's Comprehensive Plan designates this site as Public Facilities. In order to place a large scale retail use on this site, a Comprehensive Plan amendment to replace the Public Facility designation with a commercial designation and a zone change from M2 to a commercial zone would be necessary. Should such an application come before the City, the full public hearing process would be undertaken and Hillsboro will have to consider the application on its merits. The City believes that removing this site from the Employment and Industrial Areas map would more accurately reflect planned and existing land uses and current conditions in the City. In contrast, the Industrial Area designation covering the Hillsboro high tech industrial sanctuary continues to have merit because it clearly protects a large, existing job center. The established commercial land use development pattern within the immediate surrounding area of the Home Depot and River Road sites indicates that future industrial uses are unlikely.

The Teufel site is currently operating largely as a nursery and is designated as an Employment Area on the maps. The portion of the site that the City is requesting be redesignated as an Industrial Area is bordered by residential uses and a floodplain. The City anticipates that the long term use of this portion of the site will be residential in nature. The Industrial Area designation will offer greater protection from large-scale retail uses for this area. The portion of the site that will remain as Employment Area is to continue to be available for employment uses. While the Employment Area allows some flexibility to a jurisdiction to permit large-scale retail uses, if transportation capacity tests are met, the City is intending to keep its M2 zoning on this site which will prohibit large-scale retail uses unless a zone change and Comprehensive Plan amend are requested and approved by the City.

CONCERNS RAISED BY THE CITIZENS OF HILLSBORO ACTION TASKFORCE

The Citizens of Hillsboro Action Taskforce (CHAT) have appealed the Hillsboro Planning Commission's recommended amendments to the Zoning Ordinance to bring it into compliance with Title 4 of the Functional Plan. While this group appealed the entire amendment package they are primarily concerned with the removal of the River Road site from the Employment and Industrial Areas map. CHAT views the Home Depot site as a non-conforming use in light of the Title 4 designation but does not specifically request that this site stay on the Employment and Industrial Areas map. CHAT did not comment on the request to redesignate the Employment Area to Industrial Area on the western portion of the Teufel site.

CHAT raised 3 areas of concern regarding the River Road site:

- additional traffic on Tualatin Valley Highway from a large scale retail use;
- impact of a large scale retail use on the Title 4 designated lands to the east and west of the River Road site; and
- impact of a large-scale retail use on the nearby Regional Center.

Approving the amendments to the Employment and Industrial Areas map would allow Hillsboro to amend its comprehensive plan and zoning code to remove the prohibition of large scale retail uses on the River Road Site, the City has not indicated it is interested in permitting this use. Any request for a zoning amendment would have to meet the standards in the City's Transportation System Plan (TSP). The TSP, adopted in 1998, has a level of service standard for Tualatin Valley Highway of C-D. In the course of the City's development review process, an applicant would need to complete a traffic volume and impact study to demonstrate compliance with the level of service standard.

Hillsboro does not believe that the requested amendment would negatively impact the remaining Title 4 areas along Tualatin Valley Highway. The businesses tend to be small-scale operations and have not been negatively impacted by the existing Home Depot.

Although Metro Council recognizes that regional centers are key elements in the success implementation of the 2040 Growth Concept, the Employment and Industrial Areas map was not intended to identify areas where large-scale retail uses should be prohibited in order to support regional centers. As outlined in this Exhibit to the Staff

Report, there are no policies in the RUGGO, Regional Framework Plan and Regional Transportation Plan that address the Title 4/Regional Centers issue raised by CHAT.

BUDGET IMPACT

Adoption of this ordinance has no budget impact.

EXECUTIVE OFFICER'S RECOMMENDATION

It is recommended that Hillsboro's request to remove the River Road site and the Home Depot site from the Employment and Industrial Areas map be granted. Further, it is recommended that the City's request to redesignate the property east of SE 10th on Tualatin Valley Highway from Employment Area to Industrial Area be granted.

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ATTACHMENT 1 – List of Maps

Map 1 - Hillsboro 2040 Growth Concept Map Update

Map 2 – Hillsboro Title 4 Map Update

Map 3 - City of Hillsboro: Zoning Designations for Select Title 4 Map Changes



REGIONAL LAND INFORMATION SYSTEM

2040 Concept Map Update

Employment Area

Industrial Area

Corridors

Inner Neighborhood

Outer Neighborhood

Town Center

Regional Center

DRAFT

1"= 5023 feet



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