

# **CITY OF TUALATIN**

## **ECONOMIC DEVELOPMENT ACTION PLAN**

**June 2001**

### **INTRODUCTION**

The City's first Economic Development Action Plan was adopted in December 1984, after months of work by staff, the Ad Hoc Economic Development Task Force, and the Tualatin City Council. In the intervening five years (January 1985 – December 1989), Tualatin experienced much growth. Building Permits valued at over \$157 million were issued during that timeframe representing 685 houses, 934 apartments, and 127 new commercial and industrial projects. From the period January 1, 1990 through December 31, 2000, Tualatin experienced significant growth with 1,728 new single-family houses, 1,624 new apartment dwelling units, 101 new commercial projects, and 113 new industrial projects. Building Permit valuation for all forms of building permit activity was \$631,647,942 over that time period.

Major economic development accomplishments since adoption of the original plan and the update in 1989 include:

- ?? Provision of water and sewer services to the western industrial area of Tualatin that was annexed in 1982.
- ?? Creation of an Access Management Plan to control access onto major arterials allowing for more efficient traffic movement for residents and businesses.
- ?? Participation with other agencies in getting planning for the I-5/99W Connector identified in the Regional Transportation System Plan.
- ?? Various transportation improvements including Tualatin-Sherwood Road, Tualatin Road, 124<sup>th</sup> Avenue, intersection and traffic signal improvements.
- ?? Development of a Transportation System Plan for the City and identifying potential funding sources.
- ?? Adoption of the Leveton Tax Increment Plan covering 377 acres in western Tualatin.
- ?? Attraction of JAE Oregon, Novellus Systems, Inc., Fujimi America, Interlogic, Successful Money Management Seminars, and Tofle USA to build industrial

facilities in the Tualatin Business Campus located in the Leveton Tax Increment District.

- ?? Preparation of a refinement plan addressing zoning and infrastructure for the Quarry Sector of the Leveton Tax Increment District for future industrial development.
- ?? Planning and development of the Tualatin Commons project in the central downtown area of the Tualatin Town Center consisting of a mix of uses including offices, restaurants, retail, hotel, rowhouses and apartments. The project has won various awards and national recognition.
- ?? Development of the Tualatin Commons Enhancement Strategy Work Plan within the central downtown area of the Tualatin Town Center to further enhance commercial development.
- ?? Joint planning with ZIAN on future development and subsequent development of 135 acres within the western portion of the Tualatin Town Center area with a mix of office, retail, multifamily, and government uses.
- ?? Planning for the 28-acre Durham Quarry area in north Tualatin adjacent to I-5 for mixed-use development through a cooperative effort with Washington County and the City of Tigard.

A 2000-2001 Economic Development Department goal was to update the City's 1984 (updated 1989) Economic Development Action Plan. A number of circumstances had changed since the original adoption, and the 1989 update of the Plan that needed to be reflected in the document. Staff also desired a reaffirmation of the Plan to ensure that economic development efforts met the goals of the Council.

As with the original plan, this update is concise. The objectives and strategies contained in this update are designed to more accurately identify actions over which the City can actually have impact. A number of actions from the 1984 Plan have been deleted where the City could not have any direct role.

This Plan is designed to be a guide to the Council and staff in determining the course of action for economic development activities. It is not meant to be a Goal 9 component of the Comprehensive Plan and does not include an economic analysis of the City. Instead, it is a document which will guide staff actions over the near-term future until circumstances again change and new strategies are necessary to keep up with the growth and changes in Tualatin.

## **WHY AN ECONOMIC DEVELOPMENT PLAN?**

Tualatin has grown from a sleepy community of 750 in 1970 to a thriving city of 23,065 in 2001. Tualatin is a community that is concerned with an individual identity. It is not content to serve merely as a “bedroom” to Portland. A strong park planning program, an updated library, new Police Facility and City involvement in ensuring a vital commercial core with the development of Tualatin Commons are all evidence of a community spirit endeavoring to make Tualatin a well-balanced city.

In 1982, the City annexed over 900 acres of land west of City center. Much of this land was industrially zoned by Washington County before annexation although it was sparsely developed. Because much of that industrial land lay in close proximity to residences in Tualatin, annexing the land allowed for greater control of the types of uses to be constructed, and the City’s environmental and design standards could be applied to construction in the area. The City also receives the benefits of increased tax revenues as the industrial land develops.

Long before annexation of the western industrial area, the City carried on economic development efforts. The tax increment financing district in the Central Urban Renewal District began in 1975 and has included construction of parking lots in the downtown area, flood hazard abatement work, traffic improvements and the recently constructed 19-acre Tualatin Commons project. Active involvement in Local Improvement Districts resulted in significant infrastructure investment throughout the City. Long-range planning and the anticipation of growth inspired the City to solve a chronic water supply problem by extending a line from Portland’s Bull Run system and entering into a long-term contract for such water. Efforts are continuing for additional long-term water sources for the community.

Annexation of large amounts of vacant, industrial land did not, of itself, lead the City to undertake an Economic Development Action Plan; but, when taken with years of other City efforts, it became the impetus for an overall look at Economic Development planning in Tualatin.

## **PREPARATION OF THE ECONOMIC DEVELOPMENT ACTION PLAN**

Originally, a task force met from late spring through summer 1984 to assist staff in preparing an Economic Development Action Plan. Members of the task force primarily represented groups already active in Tualatin – the Tualatin Planning Advisory Committee, the Tualatin Chamber of Commerce and the Boones Ferry Commercial Club.

Preparation of the Plan commenced with the formulation of an overall goal for Tualatin's economic development efforts. The committee then analyzed the strengths and weaknesses of Tualatin as a business location and developed eight objectives with the aim of enhancing Tualatin's strengths and minimizing or eliminating the weaknesses. The task force systematically examined each objective and devised strategies to attain each objective.

The task force recommended a plan for action to the Tualatin City Council in October, 1984.

On December 11, 1989, the City Council reviewed and adopted an update to the Plan based on direction of a Council goal. The update reflected changed circumstances since original adoption deleted objectives over which the City had no control or jurisdiction.

## **CONTENT OF THE ECONOMIC DEVELOPMENT PLAN**

The Plan begins with an Overall Goal for Tualatin's economic development efforts. Eight objectives are given as a method of obtaining that goal. To carry out each objective, specific strategies are listed. The narrative under some strategies helps to define the strategy.

### **OVERALL GOAL**

**TO BECOME ONE OF THE PREMIER ECONOMIC ACTIVITY CENTERS OF THE METROPOLITAN AREA, ACHIEVING COMMERCIAL AND INDUSTRIAL GROWTH WITHIN THE FRAMEWORK OF HIGH ENVIRONMENTAL STANDARDS AND EXCELLENCE IN URBAN DESIGN.**

### **OBJECTIVES**

In order to carry out this goal, specific objectives and strategies are necessary. Time ranges vary. However, all are designed to make the process in Tualatin more efficient and conducive to development. Where strengths in the process

already exist, they are examined to determine if they could be enhanced. Obstacles to efficient development are proposed to be removed when possible.

Objectives such as creation of I-5/99W Connector, or other southwest corridor roads, involve powers well beyond the City. Nevertheless, it is necessary to pursue these important objectives that could ultimately have a great effect on development of the city, region and state. The following are the objectives of Tualatin's Economic Development Action Plan:

1. Maintain an inventory of development related information with selected information published in an attractive manner.
2. Actively market Tualatin as a business location to target groups such as commercial and industrial brokers, regional development agencies, and the Oregon Economic and Community Development Department.
3. Continue working with State, County and Regional Agencies to guarantee that the I-5/99W Connector becomes a reality.
4. Periodically evaluate Tualatin's permit process to ensure that it operates efficiently.
5. Maintain and enhance standards for environmental protection and excellence in urban design.
6. Maintain a healthy business climate to benefit new and existing businesses in the City.
7. Plan for commercial development of Tualatin to meet needs of present and future residents of the region.
8. Be prepared to address urbanization of areas adjacent to the City of Tualatin (i.e. Study Areas 12B [Stafford Basin], 14A [south of Tualatin] and 14G [southwest of Tualatin]).

## **STRATEGIES**

Strategies are specific tasks designed to carry out an objective. No one of the eight objectives or their strategies takes precedence; all are important and have equal priority in terms of meeting the overall goal. Some of the objectives or strategies are recommended to occur sooner than others. For instance, Objective 1, to maintain an inventory of development-related information and publish the information on Tualatin, has a short time line because it is an important precedent to some other objectives and strategies. Objective 3 to work to guarantee the I-5/99W Connector is longer range, but equally important. All are

considered very important means to reaching the goal of becoming a prime employment center in the region.

## **MONITORING AND MEASUREMENT**

This Economic Development Action Plan contains many recommendations and includes specific timetables for action, where appropriate. A regular monitoring program will help ensure that progress on the recommended actions is proceeding and is, in fact, furthering the overall goal of the Plan.

It is relatively easy to measure results on the specific strategies. For example, has demographic information been compiled within 90 days? It is more difficult to measure results when considering the overall goal of making Tualatin a premier employment and economic activity center in the metropolitan area. It is impossible to attribute the reasons for business locational decisions to any one factor such as the City's actions. Future increases in the number of businesses and employees in Tualatin will not result solely from the City Council's acceptance and implementation of this plan. A City role which is helpful and which actively seeks to recruit and maintain businesses is vital, yet difficult, to assess.

### **OBJECTIVE 1:**

**Maintain an inventory of development-related information with selected information published in an attractive manner.**

**Strategy A:** Gather information on demographics, the amenities and business climate of Tualatin.

The following types of information are identified:

- ?? Updated industrial/commercial development facts
- ?? Demographic information on Tualatin and Region
- ?? Characteristics of commercial and industrial sites including:
  - \* Planning Districts
  - \* Existing and planned infrastructure
  - \* Size and any unusual features
  - \* Marketing agent, if any
  - \* Property owners and their interest in site development.
- ?? Community amenities
- ?? Commercial support services available
- ?? Development costs in Tualatin including:
  - \* Building permits
  - \* Planning fees (permits, architectural review)

- \* Engineering fees (water, sewer, streets)
- \* System Development Charges
- ?? Existing employers in Tualatin – types of businesses and numbers of employees.
- ?? Business assistance available – programs through community colleges, manpower training, and financial assistance available.

**Strategy B:** Print above types of information in a format which is attractive, easy to update and easy to read.

The following types of media material have been identified:

- ?? Site Information Reports.
- ?? Web Page information.
- ?? Marketing material.
- ?? Links to other agencies' web sites within the region.

## **OBJECTIVE 2:**

**Actively market Tualatin as a business location to target groups such as commercial and industrial brokers, regional development agencies, and the Oregon Economic and Community Development.**

**Strategy A:** Target the groups which can most effectively “spread the word” on Tualatin and ensure that they are aware of the benefits of Tualatin as a business location.

This group list should include the following:

- ?? Commercial and industrial brokers who know or will likely do business in Tualatin.
- ?? Tualatin Chamber of Commerce
- ?? Portland Chamber of Commerce
- ?? Portland Development Commission (PDC)
- ?? Westside Economic Alliance (WEA)
- ?? Oregon Economic and Community Development Department (OECDD)
- ?? Port of Portland
- ?? Portland Ambassador Program
- ?? Local business journalists
- ?? Metro
- ?? Neighboring jurisdictions
- ?? Tigard-Tualatin School District
- ?? Public utility economic development representatives (Verizon, PGE, NW Natural)

Maintain an updated list of contact persons in each brokerage, agency or organization.

**Strategy B:** Work with the Tualatin Chamber of Commerce and other interested groups to promote Tualatin.

Use available opportunities to market the City of Tualatin and the region through groups such as the Tualatin Chamber of Commerce, Westside Economic Alliance, Portland Ambassador Program and Portland Development Commission. Tualatin historically has been an active participant in such organizations. We should continue such participation and explore opportunities for enhancing the economic development climate of the region through such channels. This involves attending meetings of these organizations, taking part in trade shows, and working on task groups to tackle problems.

**Strategy C:** Recognize and be prepared to respond to large industrial prospects which serve as catalysts for further industrial job creation.

The role of the City should be to rapidly prepare information targeted for certain sites, consider appropriate financial incentives and, for specific cases where sufficient probability of development exists, undertake travel to make presentations on Tualatin.

Meet with potential developers and business leaders in the community to discuss Tualatin as a business location. Develop a designated procedure by the City, Tualatin Chamber of Commerce, and Tualatin's regional economic development partners to respond to such requests.

Implementation of this strategy is dependent on interest from potentially large developers. The City should be prepared to rapidly respond to such interest.

**Strategy D:** Conduct site visits for private development of vacant industrial land on a regular basis and expand to include vacant commercial land.

Opportunities for site visits for vacant commercial and industrial land that is available for private development should be publicized to target groups. The City, the Tualatin Chamber of Commerce and the City's regional economic development partners should jointly participate in site visits of Tualatin. Site visits should be conducted as needed. Regional tours for development opportunities should be coordinated with Westside Economic Alliance, the City's regional economic development partners, and Oregon Economic and Community Development Department, as needed.



### **OBJECTIVE 3:**

**Continue working with State, County, and Regional agencies to guarantee that the I-5/99W Connector becomes a reality.**

**Strategy A:** Actively monitor and be involved in regional committees affecting transportation in the Tualatin area.

Council and staff should continue to be involved in such committees as Metro's Transportation Planning Advisory Committee (TPAC) and Joint Policy Advisory Committee on Transportation (JPACT) and other committees which affect regional transportation issues.

**Strategy B:** Continue activities in support of alignment, engineering and construction of the I-5/99W Connector.

The City should continue to be actively involved in working with agencies concerning the I-5/99W Connector.

**Strategy C:** Keep residents and businesses informed about the process and the benefits of building the I-5/99W Connector by use of City newsletter or other media.

As well as the City newsletter, Community Forums should continue to be used to provide information about the benefits of the westerly bypass to the transportation system of Tualatin.

### **OBJECTIVE 4:**

**Periodically evaluate Tualatin's permit process to ensure that it operates efficiently.**

**Strategy A:** Compare permit charges to those of other regional jurisdictions.

Periodically, compare the City's permit charges to other jurisdictions in the region to establish appropriate fees and include recommended permit charge adjustments in the five-year financial planning processes and fiscal budget.

**Strategy B:** City Council should continue to delegate to staff those planning items not of a policy nature or which are not likely to generate negative impacts in their affected areas.

The City Council should review land use planning processes to determine where further delegation to staff can reasonable occur to allow the Council to spend more time on items of greater impact or which set City policy. A possible option

is to establish process for subdivisions, conditional use permits and variances, as examples, to use a process similar to the City's Architectural Review process where staff decisions can be appealed to the City Council.

**Strategy C:** Continue to strengthen the City's policy of informing developers up front of all procedural requirements and costs in the permit process.

This should be done in conjunction with Objective 1 to gather information.

Prepare appropriate handouts, including flow charts and diagrams, addressing the various land use and building permit procedural requirements.

**Strategy D:** Periodically review internal permit processing procedures to find ways to improve efficiencies.

As part of the effort to improve services to the public, the City's internal permit processes should be periodically evaluated by staff. The routing procedures and flow of information should be as efficient as possible and result in rapid and accurate permit processing.

**Strategy E:** City requirements for off-site improvements such as streets, sidewalks and street lights should be related to the impacts generated by the development of public facilities. Policies and standards should give particular attention to the needs of existing businesses who are attempting to expand or remodel as a way of promoting retention of current Tualatin companies.

The Development Code currently does not distinguish between large, new projects and small remodelings in terms of language on what requires full architectural review or a less formalized review. It is an issue staff has grappled with at length over the years and has turned out to be a substantially more difficult issue than originally thought.

Ordinance language should be prepared by the Planning Department to address this issue.

**Strategy F:** Review the role of the Architectural Review Board (ARB) in development review.

Architectural Review was changed in 1984 from a Board review of every project to the current process of staff review with an appeals process to the ARB. Minor changes were made in 1988 that required certain categories of projects to receive automatic ARB review.

The entire process should be periodically reviewed by Council to determine if it is fulfilling the original intent of the 1984 and 1988 changes, or if additional revisions are necessary.

## **OBJECTIVE 5:**

**Maintain and enhance standards for environmental protection and excellence in urban design.**

**Strategy A:** Environmental and design standards in the Tualatin Development Code should be reviewed on a periodic basis to determine if changes are needed to assure high-quality development in the City.

Continue to monitor and update noise provisions for industrial users to ensure compatibility with surrounding residential uses.

Create design guidelines for the Central Design District within the Tualatin Town Center to ensure design compatibility and high quality development. Investigate probability of guidelines applying to the entire Town Center area.

Review the City's Community Design Standards periodically to ensure they are reflective of community values, changing construction methods, or development opportunities and meeting the strategy to assure high-quality development.

## **OBJECTIVE 6:**

**Maintain a healthy business climate to benefit new and existing businesses in the City.**

**Strategy A:** The City should continue active participation in and cooperation with the Tualatin Chamber of Commerce.

The City should actively participate in Tualatin Chamber of Commerce activities. Avenues of joint planning of programs and marketing materials should be explored.

**Strategy B:** Welcome new businesses to Tualatin.

Prepare letters welcoming new businesses to the City.

Re-institute the Community Design Awards Program as a recognition tool for quality urban design and new businesses in the community.

## **OBJECTIVE 7:**

**Plan for commercial development and public buildings for Tualatin to meet needs of present and future residents of the region.**

**Strategy A:** Ensure a vibrant downtown by a continued commitment to development of Tualatin's commercial core.

Continue to place a high priority on excellent quality development of Tualatin's commercial core. The commitment to pedestrian-oriented development with a variety of uses should continue to be stressed.

**Strategy B:** Evaluate needs for additional commercially-designated land in the City of Tualatin.

Determine if the City has an adequate supply of commercially-designated land. This should be done by an analysis of past commercial development in the City, a market study of commercial needs, and a review by Council of the existing commercial plan policies and the types of commercial needs the City should attempt to meet considering that Tualatin is part of a large metropolitan market.

**Strategy C:** Evaluate the need for public building facilities such as a community center, recreation complex, library, and office space to meet the needs of the community and augment the commercial core or surrounding area.

The location of public buildings within the commercial core or the surrounding area enhances the viability of commercial businesses by acting as attractors for citizens to the commercial core to patronize local businesses.

## **OBJECTIVE 8:**

**Be prepared to address urbanization of areas adjacent to the City of Tualatin (i.e. Study Areas 12B [Stafford Basin], 14A [south of Tualatin] and 14G [southwest of Tualatin]).**

**Strategy A:** Continue to participate in discussions at the regional and local levels on the viability of urbanization of land to the east, south, and southwest of the City and the impacts urbanization would have on the existing community.