



MEMORANDUM

DATE: December 12, 2023

TO: Chair Ledell and Planning Commission members

CC: Rebecca Kennedy, Deputy Director, Community Development Department

FROM: Mark Person, Senior Planner, Community Development Department
Joana Filgueiras, Real Estate Project Manager, Economic Prosperity and Housing

RE: **Vancouver Innovation Center Master Plan and Development Agreement Revision**

Background and History

The Vancouver Innovation Center (VIC) encompasses approximately 179 acres and is located at 8110 SE 34th Street. The site consists of parcels 986060362, 986056494, 126455000, and 126816000 within the NE, NW, SW, and SE ¼ of Section 6, Township 1N, Range 3E of the Willamette Meridian.

The 179-acre site was originally developed by Hewlett-Packard prior to annexation to Vancouver in 1997 and was sold to S-E Incorporated in 2009. New Blueprint Partners purchased the existing building complex in the center of the site in 2020. The approximately 47-acre light industrial building complex encompasses approximately 715,000 square feet in six linked buildings, surrounded by approximately 2,100 surface parking stalls. Since acquiring the site, the applicant has made substantial upgrades to the existing buildings that include energy efficiency and modernization. Most of the undeveloped portion of the rezone site is grasslands, except for the northeast area which remains heavily forested.

The site is located among single family neighborhoods on three sides. SE 34th Street, a four-lane arterial road with a center landscaped median, forms the southern edge of the site and the main access point, and is served by the C-Tran #37 bus with 15-minute peak hour service intervals to downtown and the Fisher's Landing Transit center. Note that SE 34th Street will be reconfigured in 2024 to one travel lane in each direction and new protected mobility lanes, transit platforms and enhanced crossings, as part of the SE 34th Street Safety & Mobility Project. Traffic modeling conducted as part of this included all trips associated with the updated VIC master plan, and the final design has been endorsed by the Transportation & Mobility Commission and approved by Council. Below 34th Street are master planned single-family subdivisions, and the Fisher's Landing Elementary School. SE 176th Avenue, a two-lane collector road, forms the western edge of the rezone site, and west of that are additional master planned single family subdivisions. Single family development is also north of the

rezone site, but without any separating roadway. To the east the site is bounded by 192nd Avenue and Fisher's Creek. Beyond the creek to the east is a commercial development consisting of a tire store, bank and offices.

Proposed Changes to Original Plan

Vancouver Planning Commission reviewed and recommended approval of the original master plan ("Original Plan") and a zone change in 2021. The Original Plan was reviewed at six Planning Commission public workshops held virtually on August 11, September 8, November 10, and December 8, 2020 and on January 26 and May 11, 2021. At the July 6, 2021 public hearing, Planning Commission recommended approval. Vancouver City Council approved the Original Plan, zone change and an accompanying development agreement at a consent hearing on August 9, 2021 and public hearing on August 16, 2021.

New Blueprint Partners and Rabina LLC ("Developer") are proposing changes to the Original Plan and the development agreement dated September 15, 2021 ("Original Agreement") to optimize opportunity for employment-generating development, create higher integration of uses, allow for greater density, and create additional open space.

Proposed changes to the Original Plan and Original Agreement include:

- Central Loop/ ring road configuration change
 - o A loop in the center of the campus creates a commercial corridor and allows for better mobility throughout the site, eliminating the Town Center described on the previous DA.
 - o Buildings fronting the ring road, within the Mixed-Use LUA, must be at least 3-story tall.
 - o Buildings adjacent to the ring road, within the MX LUA, must have active uses on street level.
 - o Parking lots must be behind buildings within the ring road.

- Revised Land Use Areas
 - o Land Use areas have been revised and moved to create a more integrated neighborhood
 - o A new Open Space LUA is designated as an overlay and not a specific area within the plan.
 - o A minimum of 600,000 SF of new employment space will be maintained but the maximum of 860,000 SF will be removed (a traffic study will be required for employment space development beyond 860,000 SF)

- Increase density and the elimination of detached single-family residential.
 - o Raising the maximum residential units allowed from 1,200 to 1,800.
 - o Residential LUAs will have a minimum density of R-30 and maximum of R-35.
 - o MX Height maximum allowed throughout the campus.
 - o Removing Residential Transfer limitations.

- Consolidate Residential Areas
 - o Removing Single-Family Residential (SFR) and Multi-Family Residential (MFR) areas and replacing it with Residential Land Use Area (R LUA)
- Remove phasing
 - o Allowing applicant to develop office spaces when supported by the market.
 - o Allowing applicant to develop additional employment land if needed, without complying with MX mix requirements.
 - o Ensuring that project still complies with the concept of a 20-minute neighborhood.
- Hotel and community center allowed as a Type II instead of Type III application.
 - o A Traffic Impact Analysis will be required with the application.
- Updated Design Guidelines
 - o Removing balcony requirements for buildings facing the ring road.
 - o Removing Single Family detached guidelines.
- Affordable Housing Requirement
 - o Applicant will apply to the Multi-Family Tax Exemption (MFTE) for all residential buildings and designate 20% of residential units to be affordable to households earning 80% of Area Median Income (AMI). This designation will be in effect for 12 years.
- Green Building Compliance
 - o Applicant is required to meet the City's interim green building policy, which requires projects to meet a LEED Gold or equivalent standard. A sustainability plan meeting the City's interim policy and consistent with the City's adopted Climate Action Framework will be attached to the amended development agreement ("Amended Agreement").
- Shared Parking
 - o Applicant will collaborate on providing shared parking without limiting their ability to comply with tenants' demands.
- Forested Area Acquisition
 - o The applicant will continue negotiating a Purchase and Sale Agreement for the sale of the Forested Area to the City of Vancouver, to be developed by the City into a Community Park.
 - o The first phase of the park is to be developed within 3 years from the PSA execution.
 - o The City will maintain the park to its standards.

Staff and applicant believe that the changes support the project's goal of creating a 20-minute neighborhood by providing access to quality employment, residences, recreation, and supportive services.

On September 12, 2023, the Vancouver Planning Commission held an initial workshop to review proposed changes to the Original Plan. In response to questions raised during that workshop, additional information on the changes to the Original Plan is shared below:

- Number of jobs created on campus - the Original Plan estimated 5,000 jobs being

created on site. The square footage for the employment area has not changed in the proposed master plan, so the potential for job creation remains the same. Market conditions have changed, though, and work-from-home has become more prevalent, which may impact how many employees are on-site on a typical day.

- Difference in size for each land use type from the Original Plan to the proposed one:
 - o Light Industrial – From 67.2 acres to 74.12 acres
 - o Residential – From 30.4 acres to 38.11 acres
 - o Mixed-Use – from 31.9 acres to 33.14 acres
 - o Open Space – From 19.1 acres to 24 acres
- 29th Street Timeline – Once 29th Street is included into the City’s Capital Facilities Transportation Plan and becomes eligible for Transportation Improvement Fee Credits, the developer will start the construction of the road.
- Sustainability Plan – A sustainability plan addressing campus-wide initiatives will be attached to the Amended Agreement. The sustainability plan does not address future buildings so the developer will have to comply with the City’s green building policy in effect at the time permit applications are submitted for those projects.

Outreach

As part of the master plan revision and development agreement update, the applicant has published a website for public comments, and has held two online open houses, one on January 30th, 2023, and one on January 31, 2023. The site is located within the Fisher’s Landing East Neighborhood Association, which is directly south of 34th Street. The applicant has also informed the Fisher’s Creek and Fisher’s Landing East Neighborhood Associations about the proposed changes to the Original Plan.

Review Authority

VMC 20.285 assigns the Vancouver Planning Commission as the review body for Mixed-Use Master Plans greater than 25 acres in size, and development agreements accompanying any proposal already before the Commission. Planning Commission recommendations are forwarded to the Vancouver City Council for further public hearing review and final decision.

Mixed Use Master Plan standards and approval criteria are included as an attachment to this memorandum.

As per VMC 20.250.050 B, the following procedure applies to the approval of a development agreement:

“If a development agreement is proposed in conjunction with a Type II, III or IV land use application under Chapter 20.210 VMC, Decision-Making Procedures, the development

agreement shall be presented to City Council at a public hearing for approval by ordinance or resolution, after approval of the Type II or III application or after Planning Commission action on a Type IV application. The review body for the Type II, III or IV application shall not make a final decision on that portion of the application related to the development agreement but shall make a recommendation of approval or denial of the development agreement to City Council. If no appeal is filed on the underlying land use application, the Planning Official shall send written notice of the public hearing at least 10 days prior to City Council consideration of the development agreement to all parties entitled to a Notice of Decision for the applicable application under Section 20.210.050(I) VMC or 20.210.120(B)(11) VMC.”

Alignment with the [Strategic Plan](#)

- Livability
- Equity and Inclusion
- Innovation
- Sustainability & Resiliency
- Trust & Relationships

Staff is seeking Planning Commission’s input on the updated master plan concept.

Next Steps:

- February, Tentative Planning Commission Public Hearing

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Attachment(s):

- Draft Developer Agreement
- Proposed Master Plan
- Applicant Narrative
- Mixed Use Master Plan Standards and Approval Criteria
- Revised Traffic Impact Analysis
- Sustainability Plan
- Revised Design Guidelines

[City Council Materials from August 16, 2021 Public Hearing](#)