

City of Canby

Staff Report/Notice of Decision File #: MOD 25-01 Project Meadowlark (OLCC) Public Improvements

STAFF REPORT DATE: April 21, 2025
DIRECTOR DECISION: April 28, 2025
STAFF: Ryan Potter, AICP, Planning Manager

Applicant Request

The project applicant, VLMK Engineering + Design on behalf of the Oregon Liquor and Cannabis Commission (OLCC), requests Planning Director approval of a Minor Modification to the land use approval for the recently approved Project Meadowlark (City Files DR 24-01/CUP 24-01/PLA 24-04). The proposed modification is related to the scope of public frontage improvements and is not related to the approved land use, building, or onsite improvements.

Property/Owner Information

Address: 165 S Walnut Street, 211 S Walnut Street, and No Situs
Location: South of SE 1st Avenue and west of S Walnut Street
Tax Lots: 31E34 02000, 31E34 00300, and 31E34 00301
Property Size: 33.77 acres
Current Zoning: M-1, Light Industrial; I-O, Canby Industrial Area Overlay Zone
Comp. Plan Designation: LI – Light Industrial
Owner: State of Oregon
Applicant: Oregon Liquor and Cannabis Commission (OLCC)
Representative: VLMK Engineering + Design
Application Type: Minor Modification
City File Numbers: MOD 25-01

Attachments

- A. Modification Application
- B. Applicant Letter – March 11, 2025
- C. Original Public Utility Notes (September 12, 2024)
- D. Revised Public Utility Notes (March 5, 2024)
- E. Final Findings for DR 24-01/CUP 24-01/PLA 24-04

Director Decision

Based on the application submitted and the facts, findings, and conclusions of this Staff Report, the City of Canby Planning Director **Approves** Application MOD 25-01 pursuant to the Conditions of Approval identified in Section V of this Staff Report.

Background

The approved project is a 347,645-square-foot building facility designed for the Oregon Liquor and Cannabis Commission (OLCC), a state agency. OLCC intends to relocate their distribution operations to the facility, which will include 12,221 square feet of office space and 335,424 square feet of warehouse space. A 9.3-acre portion of the subject property not planned for development will be formed into its own lot.

The City of Canby Planning Commission initially approved the project on December 9, 2024, with a written decision approved on January 13, 2025.

In the days prior to the December 9, 2024 hearing, the applicant team indicated that they were uncomfortable with some of the public improvements required by Public Works in the department's September 12, 2024 "Utility Notes" letter (see Attachment C to this Staff Report), which was referenced in the Staff Report. However, at that point in the land use process, the Staff Report and conditions of approval had already been posted publicly and distributed to the Planning Commission.

In the December 9, 2024 hearing, the applicant's comments were presented to the Planning Commission. However, the Commission approved the proposed project without revisions to the applicable conditions.

Discussions between the applicant team and Canby Public Works continued after the land use decision. Consistent with the applicant's concerns, Public Works modified their "Utility Notes" letter (see Attachment D to this Staff Report) and these were submitted to Planning Staff.

Proposed Modification

The proposed modification updates minor elements of the frontage improvements (in the public right-of-way) that are a component part of the overall approved project. No changes to the approved OLCC facility or related onsite improvements are proposed.

Revised requirements in the Public Works "Utility Notes" memo (see Page 2 in both Attachment C and Attachment D) primarily relate to frontage improvements along SE 1st Avenue. Where the original memo contained several references to improvements extending as far west as S Hazeldell Way, the revised memo clarifies that these requirements only apply to the segment of SE 1st Avenue abutting the subject property. These clarifications reduce the scope of offsite improvements required to be constructed by the applicant.

Applicable Criteria

Due to the limited scope of the proposed modification, almost all chapters of the Municipal Code analyzed for the approved project (City File DR 24-01) are not affected by the modification and no additional analysis is required. Only the following two chapters are relevant to the proposed modification:

- Section 16.08.160, **Safety and Functionality Standards**
- Chapter 16.89, **Application and Review Procedures** (including 16.89.090, Modifications)

Analysis and Findings

The following analysis evaluates the modified project's conformance with applicable approval criteria. Sections of the Canby Municipal Code (CMC) are analyzed in the order that they appear in the code.

Section 16.08.160: Safety and Functionality Standards

The City will not issue any development permits unless the proposed development complies with the City's basic transportation safety and functionality standards, the purpose of which is to ensure that development does not occur in areas where the surrounding public facilities are inadequate. At the time of development permit application submittal, the applicant shall demonstrate that the property has or will have the following:

- A. Adequate street drainage;
- B. Provides safe access and clear vision at intersections;
- C. Public utilities are available and adequate to serve the project;
- D. Access onto a public street with the minimum paved widths as stated in Subsection E below.
- E. Adequate frontage improvements as follows:
 - a. For local streets and neighborhood connectors, a minimum paved width of 16 feet along the site's frontage.
 - b. For collector and arterial streets, a minimum paved width of 20 feet along the site's frontage.
 - c. For all streets, a minimum horizontal right-of-way clearance of 20 feet along the site's frontage.
- F. Compliance with mobility standards identified in the Transportation System Plan (TSP). If a mobility deficiency already exists, the development shall not create further deficiencies. (Ord 1340, 2011)

Finding 1: The adequacy of public utilities to serve the subject property was discussed in the Staff Report for the approved project. Electricity, water, gas, internet, and sanitary sewer service either currently serve the property or infrastructure can be modified to easily serve the property.

Even with the proposed reductions in offsite street frontage obligations, the modified project still provides half-street right-of-way (ROW) improvements on both SE 1st Avenue and S Walnut Street, including ROW dedications, paved street surfaces, sidewalks and onsite drywells for drainage. The proposed improvements are consistent with the City's Public Works Design Standards.

To reflect the revised Utility Notes memo provided by Public Works, condition of approval #2 in the original Staff Report (and final findings) is revised as follows (additions in bold underlined and deletions in double strikethrough):

2. Street frontage, utility, and other public improvements shall be designed and constructed consistent with comments provided by the applicable departments and agencies in the ~~September 12, 2024~~ **revised March 5, 2025** letter compiled by Canby Public Works and also consistent with conditions identified in the 2024 TIA Update submitted to the City by DKS Associates on May 30, 2024. (Multiple Departments)

With implementation of the revised condition, the modified project remains consistent with the City's transportation safety and functionality standards.

For the above reasons, Planning Staff finds that the proposed modification, as conditioned, is consistent with applicable provisions of the CMC.

Chapter 16.89: Application and Review Procedures

Section 16.89.90 of Chapter 16.89, *Application and Review Procedures*, of the Canby Municipal Code (CMC) outlines criteria for processing modifications to previously approved land use applications. The section identifies three types of modifications:

- A. **Minor Modification.** Minor modifications have a negligible impact on an approved site plan, land use decision, or condition of approval. The Planning Director will review all minor modifications under the Type I process.
- B. **Intermediate Modification.** Intermediate modifications are those that do not fit the definitions in 16.89.090(A) or (C). The Planning Director will review intermediate modifications under the Type II process. If the Planning Director approves an intermediate modification, notice of the decision will be made in accordance with the Type II process. The individuals noticed may obtain a public hearing on the issue by filing a request in writing within ten days of the notice mailing date. Any additional costs of such hearings shall be paid by the modification applicant. Hearing notice shall follow the requirements of the procedure type of the original application.
- C. **Major Modification.** Any modification that would result in a substantial impact to an approved site plan, land use decision, or condition of approval is a major modification. Major modifications shall be processed using the procedure type of the original application.

Finding 2: As shown above, the three types of modifications are not explicitly defined. However, because the modified project would not result in a change or scale of use or a change in layout of the site's design, staff conclude the impact of the modification to be minimal. For this reason, the Planning Director has determined that the proposed modification shall be reviewed under the Type I process for Minor Modifications, which includes an administrative approval and no public notice.

For the above reasons, Planning Staff finds that the proposed modification is consistent with applicable provisions of the CMC

Conditions of Approval

Conditions of approval #1-36 related to the previously approved project still apply. These include 34 conditions identified in the original Staff Report for DR 24-01/CUP 24-01/PLA 24-04 (#1-34) and two additional conditions (#35-36) identified by the Planning Commission during the land use approval for the approved project (see Attachment E to this Staff Report).

As discussed in the analysis above, Planning Staff have identified one revised condition for the modified project: revised Condition #2 as shown on Page 3 of this Staff Report (see above).

Summary and Conclusions

Planning Staff find that the proposed modification would have a negligible impact on the previously approved applications. Therefore, Staff conclude that the application meets the standards and approval criteria associated with a Minor Modification. As conditioned, the project remains consistent with applicable provisions of the CMC.

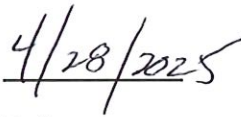
Decision

Based on the application materials submitted as part of the record and the facts, findings, and conclusions reached and provided in this report, the City of Canby Planning Director **Approves** Minor Modification File MOD 25-01 as conditioned, which permits changes to the previously approved Project Meadowlark (City Files DR 24-01/CUP 24-01/PLA 24-04).

Signature



Don Hardy, Planning Director



Date