

Amending the Salem Revised Code

Substantive Findings

Amendments to the Unified Development Code (UDC)

SRC 110.085 establishes the following approval criteria for an amendment to the Unified Development Code (SRC chapters 110 through 900) to be approved:

- 1. The amendment is in the best interest of the public health, safety, and welfare of the City; and*
- 2. The amendment conforms with the Salem Area Comprehensive Plan, applicable statewide planning goals, and applicable administrative rules adopted by the Department of Land Conservation and Development.*

Findings are provided below.

1. Best interest of the public health, safety, and welfare of the City

The proposed code amendment will facilitate pedestrian-friendly, mixed-use development and redevelopment in Salem by creating two new mixed-use zones. The proposed MU-III and MU-R zones allow a broad range of uses outright, including housing, office, and retail uses. As applied to land in Salem, the two proposed zones make it easier to develop multifamily housing than other commercial or industrial zones by not requiring a conditional use permit. More multifamily housing is needed to meet Salem's growing population, so removing procedural barriers to housing development is in the best interest of the community. In addition, property owners – as well as the City – will have the option to apply the mixed-use zones to properties where mixed-use development is desired or flexibility in uses, more broadly, is sought. The proposed MU-III zone is specifically tailored to make it easier for developed properties in Salem to either be redeveloped into a mix of uses or have infill housing added. The proposed MU-III and MU-R zones both encourage development to be oriented to pedestrians, which will create more inviting environments to those traveling on foot.

The proposed code amendment also creates a new zone called Neighborhood Hub (NH) that – as applied to land in Salem – creates the opportunity for small-scale shops, services, and other businesses to serve surrounding residential neighborhoods. This, in turn, creates the opportunity for people to more easily access shops and services and meet their daily needs within their neighborhood. This reduces the need to drive, which in turn, reduces greenhouse gas emissions produced by vehicles.

In addition, the proposed code amendment repeals several zones and overlay zones that are no longer necessary, such as the Duplex Residential (RD) zone, Neighborhood Center Mixed Use (NCMU) zone, Northgate Mixed-Use Area Overlay Zone, and Pine Street Mixed-Use Area Overlay Zone. The RD zone, for example, allows two family uses, but with the implementation of HB 2001, the Single Family Residential (RS) and Residential Agriculture (RA) zones now allow two family uses outright in addition to other middle housing types. The RD zone is therefore no longer necessary. The majority of the overlay zones proposed to be repealed were

initially created to promote mixed-use development, but they are no longer necessary because they are proposed to be replaced by several mixed-use zones that also promote mixed-use development. This streamlines the zoning code, simplifying the regulations for development across Salem.

The proposed code amendment includes corresponding changes to various other parts of the UDC to reference and incorporate the new proposed zones and the repeal of several zones and overlay zones. For example, the proposal amends SRC 703 (Wireless Communications Facilities) to establish development standards for the proposed new zones that generally follow standards for existing similar zones.

For the reasons described above, the proposed code amendment is in the best interest of the public health, safety, and welfare of the City.

2. Conforms to the applicable statewide planning goals and applicable administrative rules adopted by the Department of Land Conservation and Development

The proposed code amendment is consistent with and conforms to the Statewide Planning Goals and applicable administrative rules as described below. In addition, the Oregon Department of Land Conservation and Development (DLCD) has reviewed the changes proposed through the Our Salem project and has submitted a letter of support dated March 8, 2022.

Goals 1: Citizen Involvement

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

The proposed code amendment, including the creation of the proposed new zones, were developed through a multi-year planning project called Our Salem that included extensive public outreach. The community provided input through a variety of ways, including in-person and virtual meetings, surveys, interactive maps, public workshops, property owner meetings, community events, and stakeholder interviews. Staff hosted or attended roughly 260 in-person and virtual meetings and events and engaged with more than 80 community groups throughout the Our Salem project, which spanned more than three years. All of this engagement was conducted to foster meaningful involvement from all members of the community. To ensure that all citizens had the opportunity to be involved, the City specifically conducted targeted outreach to groups in the community that have not historically been from planning processes, including communities of color, youth, lower-income residents, and others. In addition, the process to adopt this proposed code amendment requires public notice and affords the public an opportunity to review, comment, and take part in the approval process. The proposed code amendment therefore conforms with this goal.

Goal 2: Land Use Planning

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

The City has established a land use planning process and policy framework as a basis for all decisions and actions related to the use of land and to assure an adequate factual base for such decisions and actions. The updated Salem Area Comprehensive Plan (Comprehensive Plan) – which is concurrently being adopted – complies with the statewide goals and administrative rules, and it is implemented by the Salem Revised Code. The updated Comprehensive Plan includes a chapter that describes the different Comprehensive Plan Map designations and outlines the zones that implement each designation.

The proposed code amendment establishes three new zones in the Salem Revised Code. The proposed NH and MU-III zones are applied to properties in Salem and are accompanied by amendments to the Comprehensive Plan Map to the Mixed Use designation. The proposed MU-R zone is also applied to properties in Salem and is accompanied by amendments to the Comprehensive Plan Map to the River-Oriented Mixed Use designation. This ensures that the rezoned areas are consistent with the Comprehensive Plan Map and updated Comprehensive Plan. ORS 197.175(2)(b) requires cities to enact land use regulations to implement their comprehensive plans.

The proposed code amendment also advances policies in the updated Comprehensive Plan. For example, several policies call for encouraging high-density housing and mixed-use development to be located near Cherriots' Core Network. The proposed code amendment establishes provisions to encourage more housing and mixed-use development near frequent transit service. Specifically, the proposed code amendment increases the minimum density in mixed-use zones, eliminates minimum parking requirements for mixed-use development in mixed-use zones near frequent transit service (e.g., Cherriots' Core Network), and increases the maximum height in the MU-III zone near frequent transit service.

In addition, the proposed code amendment repeals several overlay zones that are no longer necessary. The properties that are subject to many of those overlay zones are being rezoned to mixed-use zones that aim to achieve the same objectives of the overlays – encouraging pedestrian-friendly, mixed use areas. Repealing the overlay zones ensures there are no conflicts between the existing regulations in the overlay zones and the new proposed zones. In addition, the Compact Development Overlay Zone, which allows two and three family housing, is proposed to be repealed because the RS zone underlying that overlay zone now allows middle housing. The overlay zone is no longer necessary to allow two and three family housing on the RS-zoned properties.

The proposed code amendment therefore conforms with this goal.

Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

To protect natural resources and conserve scenic and historical areas and open spaces.

The proposed code amendment does not eliminate the requirement for future development in the new proposed NH, MU-III and MU-R zones to meet the conditions of Chapter 230 (Historic Preservation), SRC Chapter 601 (Floodplain Overlay Zone), SRC Chapter 808 (Preservation of Trees and Vegetation), SRC Chapter 809 (Wetlands), and SRC Chapter 810 (Landslide Hazards). The proposed MU-R zone includes a requirement for development to provide public pedestrian access to the Willamette River. This provision helps conserve visual access to and a

sense of openness along the river, which is a scenic asset in Salem.

In addition, the proposed MU-III zone requires building setbacks when the zone is located adjacent to a residential zone, including residential zones within a historic district. Specifically, a minimum 10-foot setback is required, plus 1.5 feet of additional setback for each 1 foot of building height above 15 feet, with a maximum setback of 50 feet. This setback provides a buffer between properties that are zoned MU-III and properties in a residential zone, including residential zones within a historic district.

In addition, the Our Salem project – including the proposed updates to the Comprehensive Plan and Comprehensive Plan Map – does not trigger a requirement to conduct Goal 5 inventories, because the Our Salem project does not amend a resource list or a portion of an acknowledged plan or land use regulation adopted to protect a significant Goal 5 resource or address a specific requirements of Goal 5; it does not allow new uses that could be conflicting uses with a particular significant Goal 5 resource on an acknowledged resource list; and it does not amend the UGB.

It should be noted that the City does not have any significant Goal 5 resources (other than historic resources). The City is proposing to change the zoning of several properties in Salem to help protect natural resources on City-owned land. Specifically, the City is proposing to change the Comprehensive Plan Map designations of such properties to Parks, Open Space, and Outdoor Recreation (POS) and change the zoning to Public Amusement (PA). Such changes would provide greater protection to natural resources and would not be in conflict with Goal 5.

The cases cited in public testimony involve circumstances that clearly required Goal 5 review. In *ODOT v. City of Newport* 23 Or. Luba 408, the City sought to amend the UGB and allow multi-family residential housing on a portion of newly-included property that had previously designated as a resource site under Goal 5. Because the site was previously identified and the proposed use appeared to conflict with that use, the City was required to perform an EESE (economic, social, environmental and energy consequence analysis). Comments submitted have not identified particular properties to be affected; they only cite the fact that the City in the future plans to identify and protect Natural Resources, Habitat and Habitat connectivity. Those actions do not appear to be sufficient to trigger a Goal 5 review.

In *Doty v. Harris* 34 Or Luba 287, the County attempted to rezone a property that had previously been identified as a natural resource (Grizzly, deer and elk habitat) to zoning designation that would allow residential development. LUBA found that the change required an EESE, which the County had conducted, but found the EESE lacking. Again because the City has no significant resources (other than historic resources) and the changes provide greater protection, a Goal 5 analysis is not needed.

The proposed code amendment therefore conforms with this goal.

Goal 6: Air, Water and Land Resources Quality

To maintain and improve the quality of air, water, and land resources of the state.

The proposed code amendment does not eliminate the requirement for future development in the proposed new NH, MU-III, and MU-R zones to meet the conditions of SRC Chapter 808 (Preservation of Trees and Vegetation), SRC Chapter 809 (Wetlands), SRC Chapter 810 (Landslide Hazards), and SRC Chapter 601 (Floodplain Overlay Zone). The proposed MU-III zone also makes it easier to develop housing in areas that were previously commercially-zoned (e.g., housing is allowed outright as opposed to through a conditional use permit in many of Salem's commercial zones), and the potential development capacity of the properties zoned MU-III has been increased through higher maximum heights. These changes allow for more of Salem's housing demand to be potentially met in areas that are already developed but could be redeveloped with housing or could accommodate additional infill. This potentially helps to lessen the demand for development in areas more prone to natural hazards, such as vacant land with steep slopes. The proposed code amendment therefore conforms with goal 6.

Goal 7: Areas Subject to Natural Disasters and Hazards

To protect life and property from natural disasters.

The proposed code amendment does not eliminate the requirement for future development in the proposed new NH, MU-III, and MU-R zones to meet the conditions of SRC Chapter 808 (Preservation of Trees and Vegetation), SRC Chapter 809 (Wetlands), SRC Chapter 810 (Landslide Hazards), and SRC Chapter 601 (Floodplain Overlay Zone). The proposed MU-III zone also makes it easier to develop housing in areas that were previously commercially-zoned (e.g., housing is allowed outright as opposed to through a conditional use permit in many of Salem's commercial zones), and the potential development capacity of the properties zoned MU-III has been increased through higher maximum heights. These changes allow for more of Salem's housing demand to be potentially met in areas that are already developed but could be redeveloped with housing or could accommodate additional infill. This potentially helps to lessen the demand for development in areas more prone to natural hazards, such as vacant land with steep slopes. The proposed code amendment therefore conforms with goal 7.

Goal 8: Recreational Needs

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destinations resorts.

The proposed NH, MU-III, and MU-R zones allow parks, open space, and recreation services such as community centers, youth clubs, and neighborhood club buildings with swimming pools. This helps meet the recreational needs of residents and visitors in Salem. The proposed code amendment therefore conforms with this goal.

Goal 9: Economic Development

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

The Salem Economic Opportunities Analysis (EOA), adopted in 2015, was developed consistent with the requirements with Goal 9 and associated administrative rules. It determined that there is expected to be a 271-acre deficit of commercial land in Salem's portion of the UGB over the next 20 years. The EOA recommended meeting this need in several ways, including encouraging

redevelopment of existing industrial and commercial areas, allowing or encouraging mixed-use development in downtown or other employment areas, and identifying nodes for neighborhood retail development.

The proposed MU-III and MU-R zones implement these recommendations. For example, both proposed zones allow mixed-use development and facilitate the redevelopment of commercial or industrial areas, as applied to land in Salem, by allowing outright a broad array of uses, including retail uses, offices, and other commercial uses.

The proposed NH zone also implements an EOA recommendation, particularly the one related to neighborhood retail development. The proposed NH zone allows for small-scale commercial uses, including retail sales and services, in neighborhoods that were previously zoned primarily for residential uses. In addition, the proposed code amendment requires new large subdivisions, those that are at least 10 acres in size, to identify at least two properties where small-scale commercial uses (e.g., neighborhood hubs) will be allowed. These code changes provide the opportunity for some of Salem's commercial demand to be met in these existing and new residential areas.

The proposed code amendment also provides the new opportunity for residents in the RS zone – those along major and minor arterial streets – to convert their homes to include live-work space. This allows more properties in Salem to have small retail or service businesses, helping expand employment opportunities in the city. The proposed code amendment therefore conforms with this goal.

Goal 10: Housing

To provide for the housing needs of citizens of the state.

The Salem Housing Needs Analysis (HNA) was intended to comply with Goal 10 and the associated Oregon Administrative Rules 660.008. It determined that there is projected to be a 207-acre deficit of land for multifamily housing in Salem's portion of the urban growth boundary (UGB) over the next 20 years. One way the HNA recommends meeting that need is to lower barriers to multifamily development. The proposed MU-III and MU-R zones accomplish this by allowing multifamily housing outright. Specifically, multifamily developments do not need to receive a conditional use permit, which is required in most existing commercial and industrial zones today. The opportunity to meet the housing needs of Salem's diverse and growing population are therefore increased.

In addition, the proposed code amendment establishes requirements to encourage more housing and mixed-use development with housing near frequent transit service. For example, the proposed code amendment increases the minimum density in the Multiple-Family Residential-II (RM-II) zone and mixed-use zones from 12 units per acre to 15 units per acres, and it eliminates minimum parking requirements for developments that include multifamily housing in mixed-use zones near frequent transit service (e.g., Cherriots' Core Network). The latter change encourages developed properties, such as existing commercial plazas, to add housing on their parking lots, as off-street parking would no longer be allowed once multifamily housing was developed. In addition, the proposed code amendment establishes a maximum height of 70 feet in the MU-III zone, which is applied to many properties that were previously zoned Retail Commercial (CR)

where the maximum height is 50 feet. These changes encourage and allow more housing to be developed in Salem (e.g., development capacity). The proposed code amendment therefore conforms with this goal.

Goal 12: Transportation

To provide and encourage a safe, convenient, and economic transportation system.

The proposed MU-III and MU-R zones encourage a safe and convenient transportation system by facilitating pedestrian-friendly development. This is accomplished through development standards that require, for example, buildings to be built up to or close to the sidewalk, building entrances to face major streets, and parking lots to be located behind or beside buildings. The proposed NH zone also requires a primary building entrance to nonresidential uses to face the street and provide direct pedestrian access to the adjacent sidewalk. These provisions encourage and facilitate pedestrian travel, while minimizing potential conflicts between pedestrians and other modes of transportation. The MU-R zone also requires public pedestrian access to the Willamette River, which also promotes safe and convenient pedestrian travel. The proposed code amendment therefore conforms with this goal.

Goal 13: Energy Conservation

To conserve energy.

The proposed MU-III and MU-R zones facilitate the redevelopment of properties and reuse of vacant buildings by allowing a broad mix of uses outright. Property owners looking to develop or redevelop their land – including vacant or underutilized land – can apply the proposed MU-III zone, for example, to expand the ways in which they can use their property. This flexibility allows property owners to better respond to market changes and develop their property. The proposed MU-III zone also specifically encourages reuse of buildings in inner West Salem by allowing existing industrial buildings there to house new industrial uses. This provides more flexibility in how the existing developed land is reused – in addition to having the opportunity to convert to or redevelop into a variety of residential and commercial uses. Also, both the proposed MU-III and MU-R zones facilitate mixed-use development, which reduces the reliance on automobile trips. The proposed code amendment therefore conforms with this goal.

Goal 14: Urbanization

To provide an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

The proposed MU-III and MU-R help accommodate Salem’s urban population and employment inside the UGB by allowing multifamily housing and a range of commercial uses outright. Property owners, as well as the City, can seek to apply the proposed zones to areas where such uses are not currently allowed or are only allowed through conditional use permits. This could increase the amount of land available for multifamily and commercial uses in the city. The proposed zones also ensure the efficient use of land by allowing a mix of uses on the same property. The proposed NH zone, as mentioned under the Goal 9 findings, also allows for some of Salem’s commercial demand to be met in primarily residential areas. While single-family and middle housing types continue to be allowed, the proposed zone allows small-scale businesses in

areas that previously were largely limited to residential uses. The proposed code amendment therefore conforms with this goal.

Goal 15: Willamette River Greenway

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

The code amendment seeks to enhance and maintain the natural, scenic, economic, and recreational qualities of lands along the Willamette River, primarily through the establishment of the proposed MU-R zone. That proposed zone aims to promote a mixed-use, pedestrian-oriented district that takes advantage of its proximity to the Willamette River. Specifically, it allows a wide range of uses outright, which supports reuse and redevelopment along the river. It also requires public pedestrian access to the Willamette River, which will increase public access as development and redevelopment occurs. In addition, the proposed code amendment does not eliminate the requirement for future development in the proposed MU-R zone (and other zones) to meet the conditions of SRC Chapter 800 (Willamette Greenway). The proposed code amendment therefore conforms with this goal.

Goals 3, 4, 11, 16, 17, 18, and 19

Goals 3, 4, 11, 16, 17, 18, and 19 are not applicable to the proposed code amendment.

Conforms with the Salem Area Comprehensive Plan

The proposed amendment is consistent with and conforms to the Salem Area Comprehensive Plan as described below.

CE 1 Community Engagement Goal: *Engage the public in planning, investment, and policy decisions and in the implementation of this Comprehensive Plan through inclusive, equitable, transparent, and collaborative processes that foster meaningful involvement from all members of the community.*

CE 1.1 Partnerships: *The City shall build and foster collaborative partnerships with all segments of the community, including individuals, nonprofits, organizations, neighborhoods, institutions, and businesses to ensure meaningful community involvement in all stages of planning and decision making.*

CE 1.2 Neighborhood associations: *The City shall support and foster the growth of neighborhood associations and encourage their continued participation in land use matters.*

CE 1.3 Inclusion and equity: *The City shall expand opportunities for Salem's communities of color, low-income residents, renters, sovereign tribes, and other underserved and underrepresented groups to participate in planning and investment decisions, particularly those that may be impacted by the results.*

CE 1.4 Youth and young adult engagement: *The City shall create opportunities for youth and young adults to be engaged in planning and decision-making processes.*

CE 1.5 Culturally appropriate processes: *The City shall consult community groups and*

organizations, particularly underserved and underrepresented groups, to design culturally appropriate processes that meet their needs and effectively engage those affected by planning or investment projects.

CE 1.6 Barrier reduction: *The City shall reduce barriers to participation and help ensure all meetings and materials are fully accessible by considering language, meeting time, location, required technology/internet, and required level of involvement.*

CE 1.9 Accountability and transparency: *The City shall ensure accountability and transparency in planning processes by providing clear and timely information to the community, by maintaining access to City decision-makers, and by showing how public input has been used.*

The proposed code amendment, including the creation of the proposed new zones, were developed through a multi-year planning project called Our Salem that included extensive public outreach. The community provided input through a variety of ways, including in-person and virtual meetings, surveys, interactive maps, public workshops, property owner meetings, community events, and stakeholder interviews. Staff hosted or attended roughly 260 in-person and virtual meetings and events and engaged with more than 80 community groups throughout the Our Salem project. All of this engagement was conducted to foster meaningful involvement from all members of the community.

Staff specifically expanded opportunities for communities of color, youth, and other underrepresented groups to participate in and provide input throughout Our Salem project, including during the drafting of code amendments to advance the goals and policies in the updated Comprehensive Plan. For example, staff held several youth forums to engage youth and young adults and also created and participated in events specifically tailored to engage communities of color. Staff consulted community groups to design culturally appropriate process or events that met their specific needs. For example, staff worked with organizations representing communities of color to develop Facebook live events that effectively engaged members of those communities. Staff also reduced barriers to participation throughout the Our Salem project by holding meetings at different times of the day and at locations across Salem (as well as online). Staff also translated meeting materials into different languages such as Spanish and Chuukese, tailoring the outreach to the audience. Several events and meetings were also held in Spanish.

In addition, staff fostered partnerships with and engaged a broad variety of community groups, including business organizations and nonprofits. For example, during the drafting of the code amendment, staff worked collaboratively with the area's homebuilders association to ensure the perspective of developers and builders were considered. Staff also collaborated with neighborhood associations throughout the Our Salem project, including in the crafting of the proposed NH zone.

Throughout the creation of the proposed new zones, staff worked to provide the community with clear, timely information to increase transparency in the planning process. For example, staff created two-page overviews of the draft zones to provide the community with high-level concepts early in the code development process. Staff also sought and received feedback on the draft zones at neighborhood and community meetings, particularly the proposed NH zone. Based

on public feedback, staff revised the proposed NH zone and let the community know what the changes were and how public input was used.

In addition, the process to adopt this proposed code amendment requires public notice and affords the public an opportunity to review, comment, and take part in the approval process. The proposed code amendment therefore conforms to this goal and associated policies.

H1 Housing Choice Goal: *Promote a variety of housing options to meet the needs, abilities, and preferences of all current and future residents.*

H 1.1 Housing types: *A variety of housing types shall be allowed and encouraged throughout the Salem Urban Area, including single-family homes, accessory dwelling units, manufactured homes, townhouses, middle housing, and multifamily housing.*

The proposed code amendment promotes a variety of housing options in Salem through several ways. First, the proposed MU-III and MU-R zones allow multifamily housing outright, as opposed to through a conditional use permit as is required in most existing commercial and industrial zones today. This encourages multifamily housing in areas where a conditional use permit – which can add time and cost to a project – could have been a barrier to housing development. In addition, the proposed code amendment requires large subdivisions, those at least 5 acres in size, to include middle housing, which includes two family, three family, four family, townhouses, and cottage clusters. Specifically, at least 15 percent of housing units in those large subdivisions must be middle housing types. This expands the types of housing that would otherwise occur in the Single-Family Residential (RS) and Residential Agriculture (RA) zones. The proposed code amendment therefore conforms to this goal and policy.

H 3 Land Supply Goal: *Provide a supply of residential land that accommodates the amounts and types of housing needed to meet the population forecast for the Salem Urban Area.*

H 3.1 Access and dispersal: *Multifamily housing should be located near employment centers, parks, shopping, and schools throughout the Salem Urban Area to increase pedestrian access to those destinations and services, foster complete neighborhoods, and promote dispersal of such housing across Salem's neighborhoods.*

H 3.3 Infill: *Infill housing should be encouraged to promote the efficient use of land and existing infrastructure and access to existing services and amenities.*

The proposed code amendment facilitates the development of multifamily housing through the creation of the proposed MU-III and MU-R zones. The two proposed mixed-use zones allow multifamily housing outright, as opposed to through a conditional use permit as is required in most existing commercial and industrial zones today. The opportunity to meet the housing needs of Salem's diverse and growing population are therefore increased. According to the HNA, there is a need for more multifamily housing units in Salem's portion of the UGB, and one way the HNA recommends meeting that need is to lower barriers to multifamily development, which this proposed code amendment does.

The proposed zones, as they are applied to land in Salem, allow for multifamily housing to be developed near employment, parks, shopping, and schools. The proposed zones are largely located along major commercial corridors served by transit service as well as along the river. The proposed MU-III and MU-R zones also allow a mix of residential and commercial uses, which facilitates the development of housing with or near jobs, shopping, and services. This increases pedestrian access to those destinations and services.

The proposed code amendment also encourages infill housing by eliminating minimum parking requirements for any uses in the MU-I, MU-II, MU-III, and MU-R zones, provided that the property is located within one quarter-mile of the Core Network and is developed with multiple family. This provides the space and flexibility for properties with existing commercial uses, for example, to add housing on existing parking lots; the parking spaces for the commercial uses would no longer be required. The proposed code amendment therefore conforms to this goal and associated policies.

H 5 Livability and Sustainability Goal: Enhance Salem’s neighborhoods to ensure that they are safe, welcoming, stable, sustainable, and attractive places to live.

The proposed MU-III zone requires building setbacks when the zone is located adjacent to a residential zone to minimize impacts of more intensive development on adjacent residential properties. Specifically, a minimum 10-foot setback is required, plus 1.5 feet of additional setback for each 1 foot of building height above 15 feet, with a maximum setback of 50 feet. This setback provides a buffer between properties that are zoned MU-III and properties in a residential zone. This helps maintain the livability of Salem’s neighborhoods.

The proposed NH zone requires a new parking spaces to be located behind or beside buildings and structures, and it prohibits outdoor storage of materials and equipment. On-site storage of hazardous materials such as explosive materials are also prohibited in the proposed new zone. In addition, the proposed NH zone generally requires a primary building entrance to a nonresidential use – such as a retail shop – to face the street, and a direct pedestrian access must be provided to the adjacent sidewalk. These provisions help ensure that neighborhoods are safe, attractive, and welcoming places. The proposed code amendment therefore conforms with this goal and policy.

E 1 Economic Development Goal: Strengthen and diversify the economy to enhance Salem’s economic prosperity and resiliency.

E 1.1 Diversity: A diverse range of businesses and industries should be encouraged in the Salem Urban Area to provide jobs and services to the diverse, growing population and to strengthen economic resiliency.

E 1.2 Traded-sector industries: The attraction, retention, and growth of traded-sector industries should be fostered, particularly those that provide living-wage jobs and investment in the Salem Urban Area.

E 1.13 Flexibility: The types and arrangements of businesses allowed in employment areas should be flexible to support adaptive reuse of existing buildings in changing economies.

The proposed code amendment encourages a diverse range of businesses to help diversify the economy through the proposed MU-III and MU-R zones. Both proposed zones allow a broad array of uses outright, including retail sales, offices, services, and other commercial uses. This provides flexibility in how properties – those to which the zones are applied – can be used or reused. The proposed zones therefore allow property owners to better respond to market changes.

The proposed MU-III zone specifically allows industrial uses such as manufacturing in existing industrial businesses in inner West Salem, an existing industrial area. This supports the retention of traded-sector industries, and it also provides flexibility in the types of businesses allowed in the inner West Salem area and supports the adaptive reuse of existing buildings. The proposed MU-R zone also allows limited manufacturing and wholesaling in existing and new buildings – in addition to more broadly allowing commercial uses and multifamily housing. This gives property owners flexibility to respond to changing economies. The proposed code amendment therefore conforms to this goal and associated policies.

E 2 Land Supply Goal: *Maintain an adequate supply of land to meet Salem’s economic and employment needs.*

E 2.1 Employment land: *The City shall provide a supply of employment land that accommodates the amounts, size, types, locations, and service levels needed to meet the short-term and long-term employment growth forecasts for the Salem Urban Area.*

E 2.4 Infill and redevelopment: *Industrial development should be encouraged in infill and redevelopment locations that are currently served or adjacent to developed properties to maximize returns on public infrastructure investments.*

E 2.6 River: *The Willamette River should be leveraged as an asset to encourage mixed-use riverfront development that revitalizes waterfront properties, while protecting or enhancing the scenic and natural qualities of the land.*

The EOA determined that there is projected deficit of commercial land in Salem’s portion of the UGB, and it recommends meeting this need in several ways, including encouraging redevelopment of existing industrial and commercial areas and allowing or encouraging mixed-use development in downtown or other employment areas. The proposed MU-III and MU-R zones implement these recommendations and help meet Salem’s employment needs, as they allow mixed-use development and facilitate the redevelopment of existing commercial or industrial areas, as applied to land in Salem, by allowing a broad mix of uses outright.

The proposed MU-III zone specifically encourages industrial uses in infill and redevelopment locations – inner West Salem – which helps maximize returns on public infrastructure investments there. The proposed zone specifically promotes the adaptive reuse of existing buildings in inner West Salem by allowing new industrial uses to move into existing industrial buildings.

The proposed MU-R zone leverages the Willamette River as an asset, as the zone is applied to land along the river and encourages mixed-use development that takes advantage of close proximity to the river. The proposed zone allows a mix of uses outright and requires public pedestrian access to the river. The proposed code amendment therefore conforms to this goal and associated policies.

E 3 Access and Livability Goal: Promote a vibrant economy that increases access to jobs, goods, and services.

E 3.2 Transit-oriented development: Pedestrian-friendly, mixed-use development and redevelopment should be encouraged along corridors with frequent transit access and near Cherriot's Core Network to increase access to jobs and services, reduce the need for single-occupancy vehicle trips, and support public transit.

E 4.1 Pedestrian-friendly design: New or retrofitted commercial and mixed-use development should be encouraged to incorporate pedestrian-friendly design elements and site designs that promote pedestrian activity, economic vitality, and a sense of place.

The proposed code amendment, specifically the proposed MU-III zone, promotes pedestrian-friendly, mixed-use development near Cherriot's Core Network; the zone was created to largely apply – and is applied – along that network of frequent bus service. The proposed zone allows a mix of uses outright and includes several design standards that promote pedestrian-friendly development, such as a requirement that new parking lots to be located behind or beside buildings. The proposed MU-R zone includes even more pedestrian-friendly design standards, including those that require ground-floor windows and awnings and entrances facing the street.

Both proposed zones increase access to jobs, services, and goods by allowing multifamily housing outright in addition to a broad range of commercial uses. The proposed zones thus facilitate the development of housing along with commercial uses on the same site. The proposed code amendment therefore conforms with this goal and policies.

E 3.3 Neighborhood hub: The creation of neighborhood hubs – small, neighborhood-serving businesses clustered within residential areas – shall be supported and facilitated to improve local access to daily goods and services, enhance neighborhood resiliency, and foster complete neighborhoods.

E 3.4 New neighborhoods: New, large subdivisions and planned unit developments should be allowed and encouraged to incorporate neighborhood hubs to promote the creation of complete neighborhoods.

E 3.7 Access to health: The City shall allow medical, mental health, and social services broadly in the Salem Urban Area to improve access for all residents, including seniors and lower-income residents.

E 3.8 Access to childcare: The City shall allow child day care opportunities broadly in the Salem Urban Area to improve access for all residents, particularly in neighborhood hubs and in areas with access to frequent transit service.

The proposed code amendment creates the new NH zone, which allows small-scale, neighborhood-serving shops, services, and other businesses in residential areas. The proposed zone, as it is applied to land in Salem, creates the opportunity for businesses to serve surrounding residential neighborhoods, which increases access to daily goods and services and foster complete neighborhoods. Property owners interested in having small-scale businesses in their neighborhoods can also apply to rezone their land to the NH zone.

In addition, the proposed code amendment requires certain large subdivisions – those at least 10 acres in size and that meet other criteria – to allow neighborhood hub businesses on at least two lots. This promotes the creation of complete neighborhoods as vacant or underutilized land is developed with more housing in Salem.

The proposed NH zone also allows childcare centers, social services like job training services, and offices of doctors, chiropractors, physical therapists, and other medical practitioners. As applied in otherwise residential areas, the proposed zone increases access to these medical and social services as well as child care opportunities. The proposed code amendment therefore conforms to these policies.

L 3.8 Parking requirements: *Parking requirements should be reviewed and set at the lowest standards that will meet the community's needs in order to reduce land utilized for parking, allow the market to determine parking needs, reduce the cost of development, and encourage a more walkable development pattern.*

The proposed code amendment includes changes to minimum parking requirements for mixed-use development near Cherriot's Core Network. Specifically, it eliminates minimum off-street parking requirements for any uses in the MU-I, MU-II, MU-III, and MU-R zones, provided that the property is located within one quarter-mile of the Core Network and is developed with multiple family. This encourages infill housing on properties that are already developed with commercial uses, as parking for those uses are no longer required once multifamily housing is added to the site. The change in parking requirements allows the market to determine parking needs, while potentially reducing the land dedicated to parking. The proposed code amendment therefore conforms to this policy.

CC 1 Greenhouse Gas Emissions Goal: *Reduce Salem's greenhouse gas emissions to 50 percent of the citywide emissions from the baseline year of 2016 by 2035 and be carbon neutral by 2050.*

CC 1.1 Land use and transportation: *The City shall facilitate and support changes in land use patterns and the transportation system to reduce single-occupancy vehicle trips and mobile emissions, which are the largest source of greenhouse gas emissions produced in Salem. Progress toward this objective shall be monitored through benchmarks sets forth in Table 1 on p.83.*

The proposed code amendment seeks to reduce greenhouse gas emissions from transportation in several ways. Provisions of the proposed MU-III zone were designed to encourage mixed-use development and more housing near frequent transit routes, as the proposed new zone is largely applied in Salem along Cherriot's Core Network. For example, the proposed zone has a maximum height of 70 feet and a minimum density of 15 units per acre. This allows for more housing to potentially be developed along the Core Network, particularly as the proposed zone replaces the Retail Commercial (CR) zone in many areas. The CR zone has a maximum height of 50 feet and no minimum density.

The proposed code amendment also establishes a minimum density in the RS zone of 15 units per acre for properties within a ¼ mile of the Core Network. This encourages higher density housing to be located near the frequent transit routes when new development or redevelopment occurs. (The RS zone would not have a minimum density without this code amendment, allowing for one dwelling unit, for example, to be located on a large lot.)

The proposed code amendment creates the new NH zone, which as applied in residential areas in Salem, allows for the introduction of small-scale shops and services in existing neighborhoods. This creates the opportunity for people to more easily access shops and services and meet their daily needs within their neighborhood, which reduces the need to drive. Reductions in driving in Salem results in the reduction in associated greenhouse gas emissions.

In addition, the proposed code amendment requires certain large subdivisions to include neighborhood hub uses and middle housing. This provides the opportunity for more people to live near small-scale shops and services, which makes it easier for them to meet their daily needs without having to drive.

W 2 Recreation and Access Goal: Promote and enhance the recreational and scenic qualities of the Willamette River and adjacent lands and increase access to these areas.

W 2.2 Visual access: Visual access and a sense of openness should be provided by maximizing the open space between buildings and the river

W 2.3 Public access: Development and redevelopment within the Greenway Boundary should include provisions for public access to and along the river.

The proposed code amendment seeks to provide access to the Willamette River, primarily through the establishment of the proposed MU-R zone. That proposed zone is applied to land along the river, and it requires public pedestrian access to the river. This will ensure increased access to the river as development and redevelopment occurs along the river. The proposed code amendment therefore conforms to this goal and policy.

CS 1 Community Spaces and Culture Goal: Foster development of community gathering spaces and other amenities that provide opportunities for people to socialize and celebrate together.

CS 1.8 Neighborhood hubs: Neighborhood-scale community spaces and public services should be encouraged in neighborhood hubs.

The proposed code amendment creates the NH zone, which as applied to land in Salem, allows for the creation of neighborhood-scale community spaces and public services. Specifically, the proposed zone allows community centers, senior centers, youth clubs, and libraries. This creates the opportunity for these types of community gathering spaces to be developed in neighborhood hubs. The proposed code amendment therefore conforms to this goal and policy.

Public Testimony

Public testimony on the proposed amendments was received both prior to and at the Planning Commission public hearing. **Exhibit 1** summarizes and addresses those public comments.