

# NOTICE OF DECISION

PLANNING DIVISION  
planning@cityofsalem.net



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503-588-6173*

## REVISED DECISION OF THE HEARINGS OFFICER

CONDITIONAL USE PERMIT CASE NO. CU25-05

APPLICATION NO.: 25-110941-PLN

NOTICE OF DECISION DATE: ~~July 29~~, August 11, 2025

**SUMMARY:** A Conditional Use Permit for a short-term rental within an existing single-family dwelling.

**REQUEST:** A Conditional Use Permit for a short-term rental within an existing two-bedroom single-family dwelling located on property zoned RS (Single-Family Residential) and located at 925 Terrace Drive NW (Polk County Assessor's Map and Tax Lot Number: 073W21CA / 6300).

**APPLICANT:** Brittany Finley

**LOCATION:** 925 Terrace Dr NW, Salem OR 97304

**CRITERIA:** Salem Revised Code (SRC) Chapter 240.005(d) – Conditional Use Permit

**FINDINGS:** The findings are in the attached Decision dated ~~July 29~~, August 11, 2025

**DECISION:** The **Hearings Officer APPROVED** Conditional Use Permit Case No. CU25-05 subject to the following conditions of approval:

**Condition 1:** The maximum number of occupants in the Short-Term Rental shall not exceed four persons. For purposes of this condition of approval, children under 12 years of age do not count towards the maximum number of occupants.

**Condition 2:** The Short-Term Rental shall be rented to only one group of guests at a time. Bookings of the rental by more than one group of guests at any given time is prohibited.

**Condition 3:** Use of the Short-Term Rental shall be limited to the provision of lodging. Activities other than lodging, such as events, parties, gatherings, luncheons, banquets, weddings, meetings, fundraising, or commercial or advertising activities are prohibited.

**Condition 4:** ~~Use of the Short-Term Rental that generates noise beyond the property shall be limited to hours between 10pm to 8am.~~ Use of the Short-Term Rental shall not generate noise beyond the property between the hours between of 10pm to 8am

**Condition 5:** The bicycle parking spaces provided for the Short-Term Rental use shall be developed in conformance with the applicable bicycle parking development standards included under SRC 806.060.

**Chapter 6:** The conditional use permit shall be for the duration of the ownership of the subject property by the applicant.

The rights granted by the attached decision must be exercised, or an extension granted, by August 14, August 27, 2027, or this approval shall be null and void.

Application Deemed Complete:	<u>July 1, 2025</u>
Public Hearing Date:	<u>July 23, 2025</u>
Notice of Decision Mailing Date:	<u>July 29, August 11, 2025</u>
Decision Effective Date:	<u>August 14, August 27, 2025</u>
State Mandate Date:	<u>October 29, 2025</u>

Case Manager: Quincy Miller, [Qmiller@cityofsalem.net](mailto:Qmiller@cityofsalem.net), (503) 584-4676

This decision is final unless written appeal and associated fee (if applicable) from an aggrieved party is filed with the City of Salem Planning Division, in person at 440 Church St SE, Salem OR 97312, by mail P.O. Box 14300 Salem, OR 97309, or by email at [planning@cityofsalem.net](mailto:planning@cityofsalem.net), no later than 5:00 p.m., Wednesday, August 13, Tuesday, August 26, 2025. Any person who presented evidence or testimony at the hearing may appeal the decision. The notice of appeal must contain the information required by SRC 300.1020 and must state where the decision failed to conform to the provisions of the applicable code section, SRC Chapter 240. The appeal fee must be paid at the time of filing. If the appeal is untimely and/or lacks the proper fee, the appeal will be rejected. The Planning Commission will review the appeal at a public hearing. After the hearing, the Planning Commission may amend, rescind, or affirm the action, or refer the matter to staff for additional information.

The complete case file, including findings, conclusions and conditions of approval, if any, is available for review by contacting the case manager, or at the Planning Desk in the Permit Application Center, 440 Church St SE, Salem, during regular business hours.

<http://www.cityofsalem.net/planning>

**CITY OF SALEM  
BEFORE THE HEARINGS OFFICER**

AN APPLICATION FOR A CONDITIONAL USE PERMIT TO ALLOW A SHORT-TERM RENTAL WITHIN AN EXISTING SINGLE- FAMILY DWELLING ON PROPERTY ZONED RS LOCATED AT 925 TERRACE DRIVE NW (MARION COUNTY ASSESSOR'S MAP AND TAX LOT NUMBER 073W21CA / 6300)	} CU25-05 } FINDINGS OF FACT, CONCLUSIONS, } AND DECISION
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**DATE AND PLACE OF HEARING:**

On July 23, 2025, at 5:30 p.m., a properly noticed hearing was held before the City of Salem Hearings Officer at the Community Room, Salem Police Department, 333 Division Street NE, Salem, Oregon.

**APPEARANCES:**

<u>Staff:</u>	Quincy Miller, Planner I
<u>Neighborhood Association:</u>	West Salem Neighborhood Association
<u>Proponents:</u>	Brittany Finley
<u>Opponents:</u>	None

**SUMMARY OF THE APPLICATION AND HEARING**

**BACKGROUND**

The City of Salem held a duly authorized and noticed public hearing on July 23, 2025, regarding the Applicant's request. During the hearing, Quincy Miller requested that the staff report be entered into the record, and the Hearings Officer granted the request. The application for a conditional use permit was accepted for processing on May 28, 2025, and was deemed complete at the request of the applicant on July 1, 2025. The 120-day State mandated deadline is October 29, 2025.

The Hearing Notice was provided on July 1, 2025, to surrounding property owners and tenants pursuant to Salem Revised Code (SRC) and stated that the date for the hearing was July 2,3 2025. The property was posted on July 10, 2025 consistent with the requirements of SRC 300.620(b)(3) for a Type III application.

## FINDINGS OF FACT AND CONCLUSIONS

### **1. Salem Area Comprehensive Plan (SACP) designation**

The Salem Area Comprehensive Plan (SACP) map designation for the subject property is “Single Family Residential.” The subject property is within the Urban Growth Boundary and the Urban Service Area. It has a site address of 925 Terrace Drive SW, Salem, Oregon.

### **2. Zoning and Surrounding Land Uses**

The subject property is zoned RS (Single-Family Residential). The zoning and uses of the surrounding properties include:

**Northeast:** RS (Single-Family Residential).

**Southeast:** Across Terrace Drive NW, RS (Single-Family Residential).

**Southwest:** Across Parkway Drive NW, RS (Single-Family Residential).

**Northwest:** Across Urban Lane NW, RS (Single-Family Residential).

### **2. Site Analysis**

**Finding 1:** The subject property at 925 Terrace Drive NW is approximately 0.16 acres (6,843 square feet) in size, with frontage on Terrace Drive NW and Parkway Drive NW. The property is improved with a 1,042 square foot, two-bedroom, single-story home with a 494 square foot basement attached to the existing single car garage, which has a driveway connecting to Terrace Drive NW.

**Finding 2:** The subject property is a corner lot that abuts Terrace Drive NW along its southern boundary and Parkway Drive NW along its north/western boundary. Vehicular access to the property is provided via an existing driveway onto Terrace Drive NW. Both Terrace Drive NW and Parkway Drive NW are designated as local streets under the Salem Transportation System Plan (TSP), which require a minimum right-of-way width of 60 feet, or a 30-foot half-width right-of-way. The existing right-of-way width for Terrace Drive NW is 30 feet, and along Parkway Drive NW the existing right-of-way is 42 feet, which does not conform to the minimum right-of-way width requirements established in Salem Revised Code (SRC) Chapter 803.025. Pursuant to SRC 800.040, when the required public street right-of-way along the frontage of a property is not met, a special setback applies along the property’s street frontage to reserve land for the eventual widening of the street without creating nonconforming structures. Along Terrace Drive NW and Parkway Drive NW, the property is subject to a special setback equal to 30-feet from the centerline of the rights-of-way adjacent to the property (SRC 800.040(b)).

As the right-of-way of Terrace Drive NW and Parkway Drive NW do not currently meet the minimum required 60-foot width required under SRC 802.025, a special setback of 15 feet applies along the property's Terrace Drive NW frontage, and a special setback of nine feet applies along the property's Parkway Drive NW frontage. No new structures are allowed within the special setback area—other than those allowed under SRC 800.040(d)—and any other setbacks required elsewhere under the City's development code apply in addition to and are measured from the special setback line.

**Finding 3:** No trees have been identified for removal by the applicant as part of this Conditional Use Permit. Any removal of trees from the property must comply with the requirements of the City's tree preservation ordinance (SRC Chapter 808).

**Finding 4:** The Salem-Keizer Local Wetland Inventory (LWI) shows that there are no hydric soils and/or linear wetland area(s) mapped on the property.

**Finding 5:** The Floodplain Administrator has reviewed the Flood Insurance Study and Flood Insurance Rate Maps and has determined that no floodplain or floodway areas exist on the subject property.

**Finding 6:** According to the City's adopted landslide hazard susceptibility maps and SRC Chapter 810 (Landslide Hazards), there are mapped 5-point landslide hazard areas on the subject property. SRC 810.020 requires a geological assessment or report when regulated activity is proposed in a mapped landslide hazard area. The applicant's proposal utilizes an existing structure and does not disturb any portion of a mapped landslide hazard area; therefore, a geological assessment is not required.

### **3. Neighborhood and Citizen Comments**

The subject property is located within the West Salem Neighborhood Association. Pursuant to SRC Chapter 300, the applicant is required to contact the Neighborhood Association prior to submittal of this consolidated application. On May 16, 2025, the applicant contacted the neighborhood associations, meeting the requirements of SRC 300.310(b)(1 and (c). Pursuant to SRC 300.620(b)(2)(B)(iii), (vi), & (vii), notice was provided to surrounding addresses, property owners, and tenants within 250 feet of the subject property. Comments were received from the Neighborhood Association at the hearing and from neighbors.

The subject property is not located within a Homeowner's Association.

### **4. City Department and Public Agency Comments**

One public comment was received prior to the public hearing. The commentor expressed

concern regarding compatibility with the neighborhood, an increase in traffic and parking, increased noise, a decrease in property values and future short-term rentals in the neighborhood. These issues will be addressed within the approval criteria.

The Public Works Department reviewed the proposal and indicated no concerns.

The Salem Building and Safety Division reviewed the proposal and indicated that it had no concerns. However, it was pointed out that building permits would be required if the applicant was converting non-habitable space to habitable space or making other alterations to the dwelling

## **5. Analysis of Conditional Use Criteria**

SRC Chapter 240.005(a)(1) provides that no building, structure, or land shall be used or developed for any use which is designated as a conditional use in the UDC unless a conditional use permit has been granted pursuant to this Chapter. SRC 535.010.

SRC Chapter 240.005(d) establishes the following approval criteria for a conditional use permit:

**Criterion 1 (SRC 240.005(d)(1): *The proposed use is allowed as a conditional use in the zone.***

**Finding 7:** The subject property at 925 Terrace Drive NW is zoned RS (Single-Family Residential), which requires a Conditional Use Permit for Short-Term Rentals per Table 511-1 in SRC 511.005(a). As Short-Term Rentals are allowed in the RS zone as a Conditional Use, this criterion is met.

**Conclusion:** The Hearings Officer concludes that the proposal meets this criterion.

**Criterion 2 (SRC 240.005(d)(2): *The reasonably likely adverse impacts of the use on the immediate neighborhood can be minimized through the imposition of conditions.***

**Finding 8:** The applicant is requesting a conditional use permit for a short-term rental. The term “short-term rental” is defined by SRC 111.001 as a type of short-term rental which is operated as an accessory use to a household living use where a resident family rents guest rooms within their dwelling unit, or a guest house if applicable, when they are present as hosts, or rents their entire dwelling unit, including a guest house if applicable, during periods of time when they are away, to overnight guests on a daily or weekly basis for periods of less than 30 consecutive days. A short-term rental differs from an accessory short-term rental in that it is not a residential use where individuals reside on the property as their primary place of living while in the latter a resident family is present or normally resides in the dwelling. The proposed use is a short-term rental because there is no resident family present. The applicant will be managing the rental as required by the license standards for short-term rentals under SRC 30.1105(b) and will be

the primary point of contact for neighbors, respond to any issues that arise, and ensure the property is maintained.

To ensure the proposed short-term rental operates in a manner that will not impact the immediate neighborhood, the following conditions of approval are recommended, which are derived from the standards applicable to non-hosted accessory short-term rentals under SRC 700.006:

- Condition 1:** The maximum number of occupants in the short-term rental shall not exceed four persons. For purposes of this condition of approval, children under 12 years of age do not count towards the maximum number of occupants.
- Condition 2:** The short-term rental shall be rented to only one group of guests at a time. Bookings of the rental by more than one group of guests at any given time is prohibited.
- Condition 3:** Use of the short-term rental shall be limited to the provision of lodging. Activities other than lodging, such as events, parties, gatherings, luncheons, banquets, weddings, meetings, fundraising, or commercial or advertising activities are prohibited.
- Condition 4:** Use of the Short-Term Rental shall not generate noise beyond the property between the hours between of 10pm to 8am

**Finding 9:** To ensure that adequate bicycle parking is provided to serve proposed uses, SRC 806.055 establishes minimum bicycle parking requirements. Pursuant to Table 806-9 in SRC 806.055, the minimum off-street bicycle parking for short-term rentals is the greater of four spaces or one space per 50 rooms, with 75 percent of spaces allowed as long-term. As the proposed short-term rental includes two guestrooms, the minimum required bicycle parking for the use is four spaces. The applicant indicated that bicycle parking spaces will be located inside the garage utilizing wall racks, though one bicycle parking space will need to be provided meeting the development standards for a short-term space. To ensure that the bicycle parking spaces provided conform to the applicable standards of SRC Chapter 806, and that a minimum of one bicycle parking space meets the short-term bicycle parking standards, the following condition of approval is required:

- Condition 5:** All bicycle parking spaces provided for the short-term rental use shall be developed in conformance with the applicable bicycle parking development standards included under SRC 806.060.

**Finding 10:** Whether the proposed conditional use will likely not have adverse impacts on the neighborhood are largely determined by the ability and

willingness of the applicant to abide by the conditions established in this decision and her resolution to monitor the subject property closely enough to ensure that it and its use are compatible with the surrounding neighborhood. At the moment, the surrounding neighborhood is occupied largely by owner-occupied residences. The applicant has demonstrated that she is aware of how disruptive some property renters can be to the surrounding neighborhood. She has explained how she and her husband intend to maintain the yard of the subject property and to closely monitor the short-term renters. The Code presumes that land use decisions follow the land but the success of a permit of this nature is very dependent upon the particular applicant. Thus, to a great degree, the credibility of the applicant in this type of permit application is a deciding factor in the selection of conditions of approval and the conviction that the conditions are adequate and will be observed. While I do not believe that the title to the subject property should be encumbered by a restrictive covenant as proposed by the neighborhood's representative, I do believe that the following condition of approval is warranted:

**Condition 6:** The conditional use permit shall be for the duration of the ownership of the subject property by the applicant.

**Conclusion:** This criterion has been met as the reasonably likely adverse impacts of the proposed short-term rental on the immediate neighborhood are minimized through the recommended conditions of approval and conformance with the applicable licensing requirements for short-term rentals included under SRC Chapter 30.

**Criterion 3 (SRC 240.005(d)(3):** *The proposed use will be reasonably compatible with and have minimal impact on the livability or appropriate development of surrounding property.*

**Finding 11:** Public comments received expressed concerns about several issues that are relevant to a question of whether the proposed use is compatible with and will have minimal impact on the livability or appropriate development of surrounding property. The issues raised in the public comment are addressed as follows:

**Incompatibility with the neighborhood.**

**Finding 12:** The proposed short-term rental is not a residential use where individuals reside on the property as their primary place of living but it is similar to a residential use in that it provides a place where living and sleeping accommodations are provided, albeit on a temporary basis. The above-listed conditions are intended to assure that the proposed use conforms to the character of the neighborhood and to reduce potential impacts. The conditions limit the maximum number of guests allowed in the rental, the type of activities the rental may be used for, and the number of bookings that may be made at any one time. These conditions help to ensure that the number of guests within the dwelling and the types of activities occurring on the property will be consistent with that of other

single-family dwellings in the neighborhood, preserving the compatibility of uses and the preservation of livability for surrounding properties.

Increased traffic and parking.

**Finding 13:** The City of Salem does not require a minimum amount of off-street parking for any use, though there are maximum off-street parking amounts per Table 806-1 in SRC 806.015(a). Short-term rentals are allowed a maximum of 1.5 off-street parking spaces per guest room; therefore, for the two-bedroom dwelling, a maximum number of three off-street parking spaces are allowed. The dwelling is developed with a single-car garage and driveway, allowing two permitted off-street parking spaces. Furthermore, as the occupancy of the short-term rental is limited to a maximum of four occupants over the age of 12, and the activities are limited to lodging, the number of vehicles expected to utilize the parking areas and adjacent streets will be limited and not adversely affect the surrounding area.

Increased noise.

**Finding 14:** The staff points to SRC Chapter 93 that prohibits noise disturbances. However, this statement misses the point. The issue is whether the proposed use is likely to generate noise at a level or frequency that is incompatible with the surrounding neighborhood.

The subject property is located in a relatively homogeneous residential area. It is surrounded on four sides by residential development. The proposed use of the subject property is also single-family residential and the conditions of approval limit the use of the property to lodging purposes and impose quiet hours between 10 pm and 8 am.; something not required of normal single-family uses. The fact that the applicant/property will be managing the rental as required by the license standards for short-term rentals under SRC 30.1105(b) and will be the primary point of contact for neighbors is also a factor mitigating against any incompatible activity occurring on the subject property. The applicant has warranted that she will respond to any issues that arise and will ensure the property is maintained.

Decrease in property values.

**Finding 15:** There is no study or body of research that has been introduced into the record that would support a hypothesis that a short-term rental would be likely to reduce property values in this or other neighborhoods. And no expert opinion has been introduced regarding the impact of the proposed short-term rental on property values of adjacent properties. Common sense and experience would instruct one to believe property values might be adversely affected by overcrowding, an excess of cars parked on the street and using adjacent streets, intrusive noise, and the absence of yard and structure maintenance. The conditions of approval, and the presence of a ongoing property management, address these issues. Further, no exterior changes to the dwelling are proposed so the complexion of the subject property will not change. Thus, there is no evidence that the conditions

imposed and the proposed property management would be inadequate to prevent uses of the subject property that would lower property values in the surrounding area.

Other short-term rentals.

**Finding 16:** It is unclear whether the commentor is concerned that the proposed use will encourage other short-term rentals or that they are just generally concerned with the proliferation of this type of use. As noted above, short-term rentals are permitted through the conditional use permit process. This allows for the City to hear from neighbors regarding whether a neighborhood has an overabundance of short-term rentals and whether their presence has collectively created adverse impacts to the livability or appropriate development of surrounding property. The commentor did not point to other short-term rentals in this or another neighborhood in Salem nor did they describe adverse effects from this type of use that they have observed. In summary, the record contains no information about the impacts of short-term rentals or little information about how these uses might differ from the normal rental of residential property. Based upon the applicant's experience with renters, it appears that short-term rentals would generally have a much more modest impact in a residential neighborhood.

**Conclusion:** The Hearings Officer concludes that the proposal meets this criterion.

## DECISION

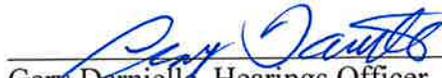
Based upon the Facts and Findings herein, the Hearings Officer **APPROVES** the application for a conditional use to allow a short-term rental on the property located at 925 Terrace Drive NW, subject to the following conditions of approval:

- Condition 1:** The maximum number of occupants in the short-term rental shall not exceed four persons. For purposes of this condition of approval, children under 12 years of age do not count towards the maximum number of occupants.
- Condition 2:** The short-term rental shall be rented to only one group of guests at a time. Bookings of the rental by more than one group of guests at any given time is prohibited.
- Condition 3:** Use of the short-term rental shall be limited to the provision of lodging. Activities other than lodging, such as events, parties, gatherings, luncheons, banquets, weddings, meetings, fundraising, or commercial or advertising activities are prohibited.
- Condition 4:** Use of the Short-Term Rental shall not generate noise beyond the property between the hours between of 10pm to 8am
- Condition 5:** All bicycle parking spaces provided for the short-term rental use shall be developed in conformance with the applicable

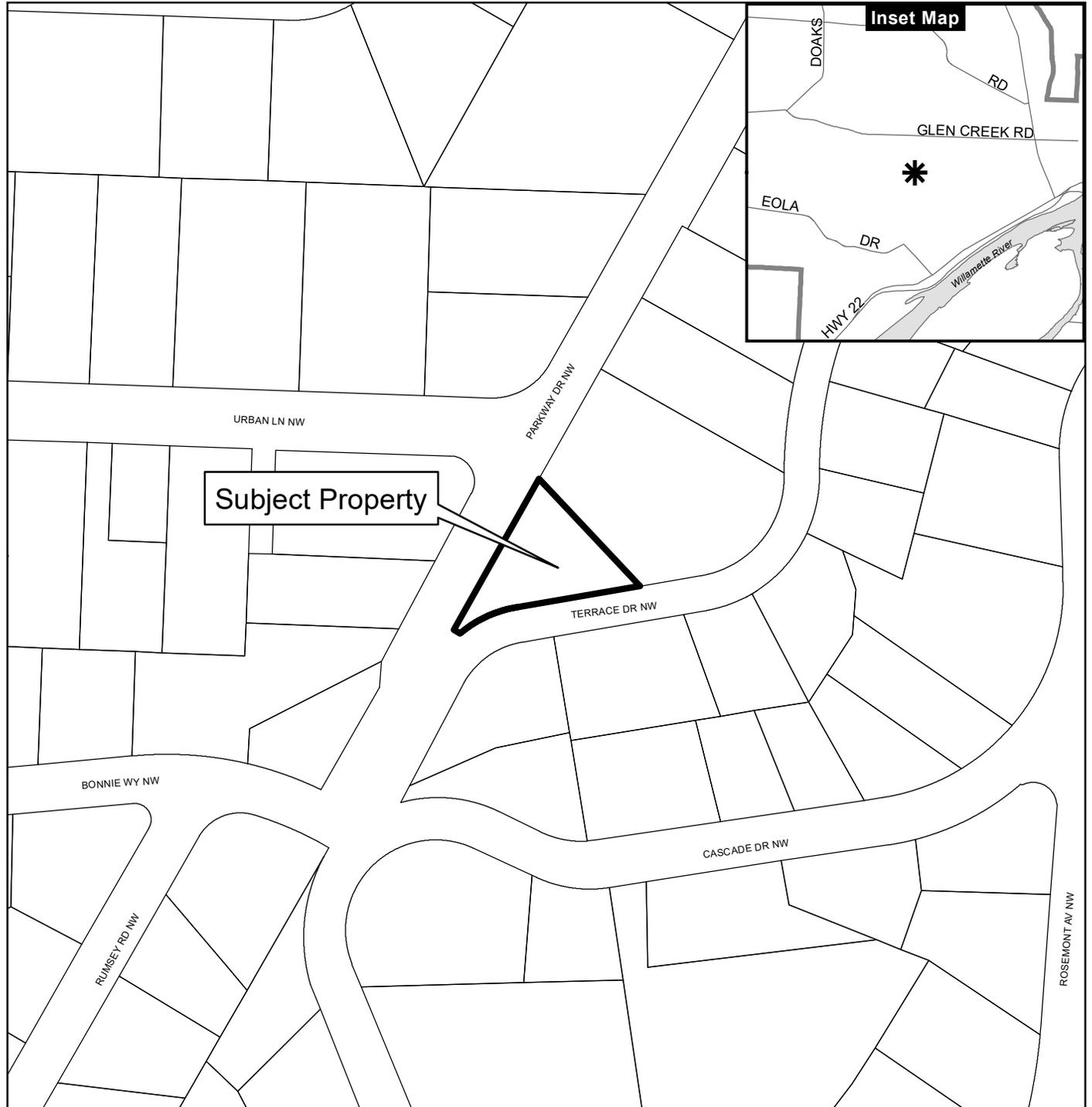
bicycle parking development standards included under SRC 806.060.

**Condition 6:** The conditional use permit shall be for the duration of the ownership of the subject property by the applicant.

**DATED:** July 29, 2025

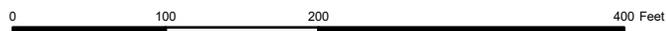
  
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Gary Darnielle, Hearings Officer

# Vicinity Map 925 Terrace Drive NW



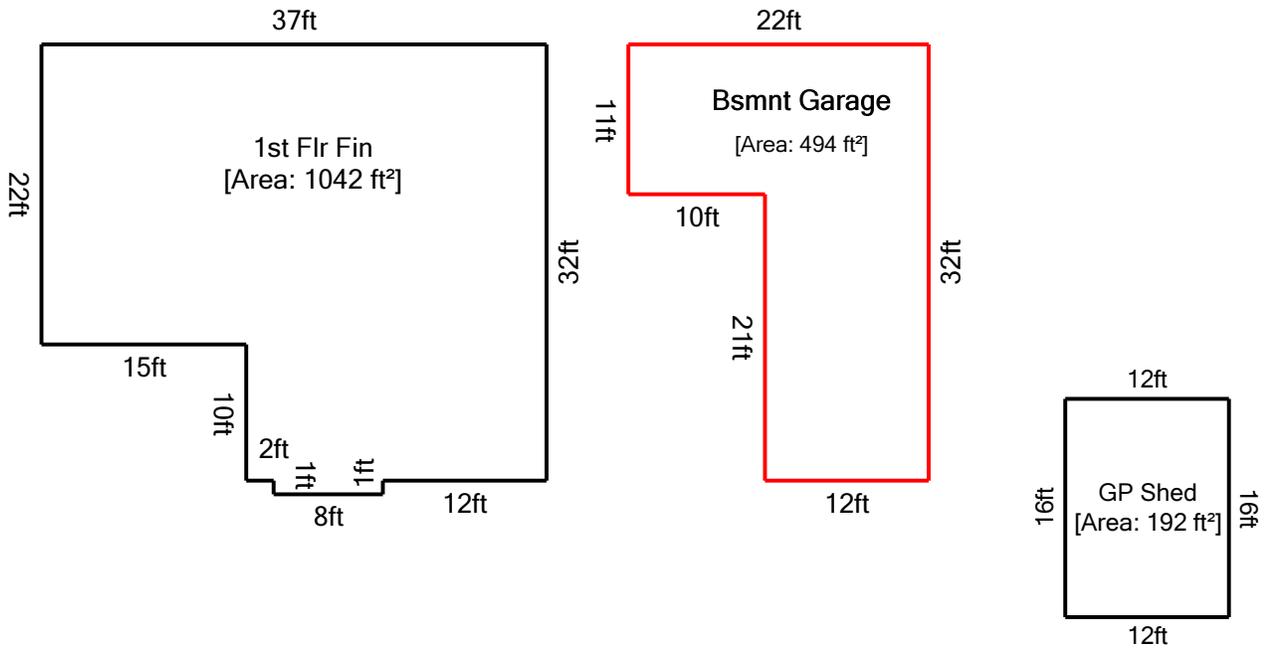
### Legend

-  Taxlots
-  Urban Growth Boundary
-  City Limits
-  Outside Salem City Limits
-  Historic District
-  Schools
-  Parks

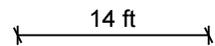


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Sketch			
Case Number:	252526	File Number:	07321-CA-06300
Address:			
City / State:	SALEM / OR	Zip / County:	97304 /
Borrower:	925 TERRACE DR NW		
Lender or Client:	Address:		
Prepared By:	Prepared By A...		



EG 2/19/2020



Living Area	Nonliving Area	
1st Flr Fin	1042 ft²	Bsmnt Garage 494 ft²
		GP Shed 192 ft²
<b>Total Living Area (rounded):</b>	<b>1042 ft²</b>	<b>Total Non-Living Area (rounded): 686 ft²</b>