

*555 Liberty St SE
Salem, OR 97301*



Final Action Agenda - Minutes - Draft

Monday, June 12, 2017

6:00 PM

Council Chambers

City Council

EXECUTIVE SESSION

City Council:

5:30 p.m. City Manager's Conference Room

To conduct deliberations with persons designated by the governing body to negotiate real property transactions ORS 192.660(2)(e).

WORK SESSION

1. OPENING EXERCISES: (Includes call to order, roll call, pledge of allegiance, announcements, proclamations, ceremonial presentations, and Council comment)

Call to Order

6:30 p.m.

Roll Call

Present: 9 - Councilor Kaser, Councilor Andersen, Councilor Nanke, Councilor McCoid, Councilor Ausec, Councilor Cook, Councilor Lewis, Councilor Hoy, and Mayor Bennett

1.1 APPROVAL OF ADDITIONS AND DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

A motion was made by Councilor McCoid, seconded by Councilor Kaser to reorder the agenda to move item 4.c, a public hearing to amend the PH zone, to item 4.a.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

1.2 COUNCIL AND CITY MANAGER COMMENT

Comments by: Mayor Bennett and Councilor Lewis.

1.3 PROCLAMATIONS

1.3a. [17-264](#) Proclamation recognizing Public Works Day

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

Mayor Bennett read the proclamation.

1.3b. [17-312](#) Proclamation of the Mayor and Canvass of Votes from the May 16, 2017 Special Election

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

Mayor Bennett read the proclamation.

1.4 PRESENTATIONS

1.4a. Intergenerational Safe Streets Grant - Stephen's Middle School

A joint presentation was made by members from Stephen's Middle School, Oregon State University, and volunteers from Center 50+.

1.4b. Polk County Policing - Sheriff Mark Garton

Comments were made by Polk County Sheriff Mark Garton.

2. PUBLIC COMMENT: (Comment on agenda items other than public hearings and deliberations)

Appearances by:
Ian Johnson, 1495 Evergreen Avenue NE, Item 3.3g
Carol Snyder on behalf of Friends of D Street Field, Item 3.3g
Joseph Boyd, President, Salem Rugby Club, Item 3.3g

Questions or Comments by: Councilor Andersen.

3. CONSENT CALENDAR: (Includes approval of minutes, adoption of routine resolutions, and items of business requiring Council action)

A motion was made by Councilor McCoid, seconded by Councilor Nanke to approve the consent calendar with the pull of item 3.3g by Councilor Andersen.

Questions or Comments by: Councilor McCoid.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

3.1 MINUTES

3.1a. [17-300](#) May 22, 2017 Council Work Session Minutes

Action: Approved.

3.1b. [17-301](#) May 22, 2017 Council Minutes

Action: Approved.

3.2 RESOLUTIONS

3.2a. [17-234](#) Initiating a Class 2 vacation of the southeasterly portion of Old MacLeay Road SE.

Ward(s): 3

Councilor(s): Nanke

Neighborhood(s): Southeast Mill Creek Association

Adopted Resolution No. 2017-33 that initiates vacation of the southeasterly portion of Old MacLeay Road SE.

3.2b. [17-267](#)

Fire Department Fees and Charges for Pre-Hospital Emergency and Non-Emergency Medical Treatment and Ambulance Transport Services.

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

Adopted Resolution No. 2017-28 increasing fees and charges for prehospital emergency and non-emergency medical treatment and ambulance transport services provided by the Salem Fire Department by 2.58 percent.

3.2c. [17-280](#)

Proposed FY 2017-18 Public Works Fee Schedule

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

Adopted Resolution No. 2017-30 setting fees for City of Salem Public Works.

3.2d. [17-294](#)

Transfer of appropriation authority to replace the cooling system at the Civic Center.

Ward(s): All
Councilor(s): All
Neighborhood(s): All

Adopted Resolution No. 2017-32 to transfer \$954,400 of appropriation authority from General Fund, Non Departmental, contingencies to Capital Improvements Fund, Non Department Construction, materials and services, to replace the cooling system at the Civic Center.

3.3 ACTION ITEMS

3.3a. [17-218](#)

Avis Budget Car Rental, LLC Terminal Lease, Salem Municipal Airport

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SEMCA

Council determined that the City-owned terminal space at the Salem Municipal Airport is not needed for public use and authorized the City Manager to execute the attached lease with Avis Budget Car Rental, LLC from August 1, 2017, through July 31, 2022.

3.3b. [17-223](#)

Amendment to lease with Northwest Financial Advisors, LLC.

Ward(s): 1

Councilor(s): Kaser

Neighborhood(s): CANDO

Authorized the City Manager to execute the proposed lease amendment with Northwest Financial Advisors, LLC.

3.3c. [17-225](#)

Amendment to Intergovernmental Agreement with the State of Oregon for the acquisition of real property in the 4100 block of Fisher Road NE.

Ward(s): 5

Councilor(s): Ausec

Neighborhood(s): Northgate

Authorized the City Manager to execute the attached amendment to the Intergovernmental Agreement with the State of Oregon for the acquisition of real property in the 4100 block of Fisher Road NE.

3.3d. [17-226](#)

Amendment to Intergovernmental Agreement for transfer of real property between the City of Salem and Salem-Keizer School District 24J

Ward(s): 1, 2, 3, 4, 5, 7, and 8

Councilor(s): Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis

Neighborhood(s): Faye Wright, Grant, Highland, NEN, Northgate, SCAN, SESNA, South Gateway, Sunnyslope, West Salem

Authorized the City Manager to execute the attached amendment to the Intergovernmental Agreement with Salem-Keizer School District 24J transferring multiple properties between the City of Salem and Salem-Keizer School District 24J.

3.3e. [17-233](#)

Lease extension and amendment with Shires Properties, LLC to secure proposed Salem Police Facility site.

Ward(s): 1

Councilor(s): Kaser

Neighborhood(s): CANDO

Authorized the City Manager to execute the attached lease amendment with Shires Properties, LLC to secure the site of the proposed Police Facility.

3.3f. [17-263](#)

Reappointment of David W. Hittle as Municipal Judge Pro Tempore

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Reappointed David W. Hittle as a Municipal Judge Pro Tempore for the Salem Municipal Court for a two-year term.

3.3g. [17-282](#)

Purchase and Sale Agreement with State of Oregon for property at the former Oregon State Hospital.

Ward(s): 2

Councilor(s): Andersen

Neighborhood(s): NEN, NESCA, Grant

Pulled by Councilor Andersen - See Agenda Item 5a.

3.3h. [17-286](#)

License Agreement with Capital Community Television for real property located at 1700 -1770 Water Street NE.

Ward(s): 1

Councilor(s): Kaser

Neighborhood(s): Highland

Authorized the City Manager to execute the attached License Agreement (Attachment 1) with Capital Community Television.

3.3i. [17-297](#)

BSL Transport LLC ground lease, Salem Municipal Airport

Ward(s): 2

Councilor(s): Andersen

Neighborhood(s): SEMCA

Authorized the City Manager to execute the attached ground lease with BSL Transport LLC.

3.3j. [17-299](#)

Improvement and Reimbursement Agreement between the City of Salem, Oregon Department of Administrative Services, and the Urban Renewal Agency for infrastructure at the Mill Creek Corporate Center

Ward(s): Ward 3

Board Member(s): Nanke

Neighborhood(s): Southeast Mill Creek Association

Authorized the City Manager to execute an Improvement and Reimbursement Agreement with the Oregon Department of Administrative Services seeking reimbursement for up to \$1,100,000 in City Public Works construction funding for installation of approximately 3,500 feet of waterline between Aumsville Highway and the Henningsen Cold Storage site along Kuebler Boulevard, in support of development at the Mill Creek Corporate Center.

4. PUBLIC HEARINGS

The Public Hearing: Proposed Amendments to the Salem Revised Code, formerly Item 4.c, was reordered to Item 4.a, as per the motion made at Agenda item 1.1.

4.a. [17-303](#)

Proposed Amendments to the Salem Revised Code (SRC) to allow multiple family residential use in publicly owned historic buildings in the Public and Private Health Services (PH) Zone. (Ordinance No. 11-17; Case No. CA17-04)

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Persons Testifying: Jeff Tross, 1720 Liberty Street SE

Questions or Comments by: Councilors Nanke and Kaser.

A motion was made by Councilor Andersen, seconded by Councilor Cook to advance Ordinance No. 11-17 to second reading for enactment, for the purpose of amending Salem Revised Code (SRC) Chapters 543 and 702 to allow multiple family residential use in publicly owned historic buildings in the Public and Private Health Services (PH) Zone.

Questions or Comments by: Councilor Andersen.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

4.b. [17-291](#) Public hearing to receive state revenue sharing funds in FY 2017-18.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Persons Testifying: None.

A motion was made by Councilor McCoid, seconded by Councilor Ausec to hold a public hearing on the proposed uses of state revenue sharing funds and adopt Resolution No. 2017-31 electing to receive a share of certain revenues from the State of Oregon general fund.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

4.c. [17-292](#) Public hearing on the FY 2017-18 City of Salem budget.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Persons Testifying:

Mitch Teal, 4080 Eagle Crest Road NW

Mary Lou Carroll, 4100 Eagle Crest Road NW

Joshua Bach, 2338 Gibson Woods Court NW

John Reppinger, 928 Carter Avenue NW

Brian Claus, Ward 8

Mike Evans, Ward 8

Craig Evans, Ward 8

Phil Gerstner, 110 Wallace Road NW

Martina Sierra, 295 Taybin Road NW

Tim Clark, 2763 Weatherford Court NW

Nathan Wuerch, 2471 Cherry Blossom Drive

Ron McNinch, 2466 Christina Street NW

Mark Wigg, 1950 Saginaw Street S.

Dawn Thomas, 292 Calico Street NW

Brian Bowles, 1659 Kenard Street NW

Evan Sorce, Co-Chair, West Salem Neighborhood Association

Herb Shaw, Ward 8

Linda Bierly, Ward 8

Kathi Seipp, 273 Calico Street NW

Questions or Comments by: Councilors Andersen, Kaser, Lewis, Hoy, Mayor Bennett, Councilors Cook, Nanke, and McCoid.

A motion was made by Councilor Hoy, seconded by Councilor Ausec to adjust the Fire Department's budget by \$500,000 to hire and train additional fire fighters to reopen Station No.11.

Questions or Comments by: Councilor Hoy, Mayor Bennett, Councilors Andersen, Nanke, Lewis, McCoid, Cook, Kaser, and City Manager Powers.

Councilor Hoy withdrew his motion.

A motion was made by Councilor Hoy, seconded by Councilor Ausec to move the budget as presented with an amendment to adjust the Fire Department's budget by \$500,000 to hire and train additional fire fighters to reopen Station No.11.

Vote:

Aye: 4 - Hoy, Andersen, Kaser, Bennett

Nay: 5 - Lewis, Ausec, Nanke, McCoid, Cook

The motion failed.

A motion was made by Councilor McCoid, seconded by Councilor Kaser to instruct City staff to take no action on any activity regarding the Marine Drive

project in Fiscal Year 2017-2018.

Questions or Comments by: Councilors McCoid, Andersen, and Kaser.

A substitute motion was made by Councilor Kaser, seconded by Councilor Andersen to amend transportation project no. 711503 to allow money from that bond be used to continue to acquire right-of-way (ROW) for the planned construction of Marine Drive.

Questions or Comments by: Councilors Kaser, Mayor Bennett, Councilors Andersen, Lewis, and Nanke.

Councilor Kaser withdrew her motion.

Questions or Comments by: Mayor Bennett, Councilors Cook, Lewis.

A substitute motion was made by Councilor Lewis, seconded by Councilor Kaser to use 3.6 million that is now allocated for a specific purpose and use those funds to purchase as much of the remaining right-of-way (ROW) on the City's transportation plan established alignment of Marine Drive; the purchase is to be completed from Glenn Creek north to River Bend Road as much as possible.

Questions or Comments by: Councilors Lewis and Kaser.

Vote:

Aye: 2 - Bennett and Lewis

Nay: 7 - McCoid, Nanke, Andersen, Kaser, Cook, Hoy, Ausec

The substitute motion failed.

Councilor McCoid's motion carried by the following vote:

Vote:

Aye: 8 - McCoid, Nanke, Andersen, Kaser, Cook, Hoy, Ausec, Bennett

Nay: 1 - Lewis

An amended motion was made by Councilor Cook, seconded by Councilor McCoid to amend the budget by \$85,000 to fund a Code Compliance Officer for the upcoming year.

Questions or Comments by: Councilor Cook.

Vote:

Aye: 4 - Cook, Kaser, Andersen, McCoid

Nay: 5 - Ausec, Hoy, Lewis, Nanke, Bennett

Councilor Cook's amended motion failed.

The main, amended motion to approve a budget amendment to increase appropriation authority in the Utility Fund budget by \$1,197,300 to provide for increased debt service payments; and direct staff to return on June 26, 2017 with a resolution to adopt the FY 2017-18 City of Salem budget and instruct City staff to take no action on any activity regarding the Marine Drive project

in Fiscal Year 2017-2018 carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

4.d. [17-285](#)

Accessory dwelling units in all residential zones, most commercial and industrial zones, and the neighborhood center mixed-use zone.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Mayor Bennett, seconded by Councilor Hoy to continue the public hearing to June 26, 2016 to consider the advancement of Ordinance Bill No. 10-17, which amends the Salem Revised Code to allow and establish standards for accessory dwelling units in all residential zones, most commercial and industrial zones, and the Neighborhood Center Mixed-Use Zone, to second reading for enactment.

Questions or Comments by: Mayor Bennett and Councilor Andersen.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

5. SPECIAL ORDERS OF BUSINESS: (Items deferred from the Consent Calendar; Mayor and Councilor Items; Items which require a selection among options; or of special importance to Council; management reports; presentations by City boards, commissions, committees, or outside agencies)

5.a. [17-282](#)

Purchase and Sale Agreement with State of Oregon for property at the former Oregon State Hospital.

Ward(s): 2

Councilor(s): Andersen

Neighborhood(s): NEN, NESCA, Grant

A motion was made by Councilor Andersen, seconded by Councilor Hoy to authorize the City Manager to execute the attached Purchase and Sale Agreement (Attachment 1) with the State of Oregon for park property located at the former Oregon State Hospital.

Questions or Comments by: Councilor Andersen and Mayor Bennett.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

6. INFORMATION REPORTS: (Items that require no Council action)

6.a. [17-261](#)

Purchases approved administratively - April 1, 2017, through April 30, 2017.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.b. [17-270](#)

Planning Administrator Decision - Urban Growth Area Preliminary Declaration / Class 3 Site Plan Review / Class 2 Adjustment / Class 2 Driveway Approach Permit Case No. UGA-SPR-ADJ-DAP17-01 - Approved - Mountain West Investment Corporation - 1940 Claxter Road NE - An Urban Growth Area Preliminary Declaration to determine the public facilities required for development of 4.88 acres and a Site Plan Review, Class 2 Adjustment, and Driveway Approach Permit for a mini-storage development located at the northeast corner of Hyacinth and Salem Parkway, and 1940 Claxter Rd NE.

Ward(s): 5
Councilor(s): Ausec
Neighborhood(s): Northgate

This Informational Report was received and filed.

6.c. [17-284](#)

Neighborhood Partnership Program Annual Report

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.d. [17-287](#)

Fiscal year 2016-2017 economic development update: urban renewal efforts, business expansion, retention, and marketing.

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

- 6.e. [17-310](#) Hearings Officer Decision - Conditional Use Case No. 17-06 - Approved - Rural Castle LLC (Bob Meyers, Alex Casebeer) - 900 Block of Auto Group Avenue NE - A proposed development of a 36,000 square foot gravel surface vehicle storage area.

Ward(s): 5
Councilor(s): Ausec
Neighborhood(s): Highland

This Informational Report was received and filed.

- 6.f. [17-311](#) Hearings Officer Decision - Conditional Use / Class 3 Site Plan Review Case No. 17-05 - Approved - Yak Inc. - 1215 Wilbur Street SE - Conversion of an existing medical marijuana grow site to a facility for production of recreational marijuana, a conditional use in the IC (Industrial Commercial) zone.

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SESNA

This Informational Report was received and filed.

7. ORDINANCES

7.1 FIRST READING:

- 7.1a. [17-266](#) Petitioner-Initiated Annexation of Territory Located at 3652 and 3672 Maly Place SE (Annexation Case No. C-719)

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SESNA

A motion was made by Councilor Andersen, seconded by Councilor McCoid to conduct first reading of Ordinance Bill No. 18-17 annexing, applying the City of Salem RS (Single Family Residential) zone, and withdrawing from the Marion County Fire District #1, the East Salem Service District, and the Suburban East Salem Water District, for a 0.28-acre property located at 3652 and 3672 Maly Place SE.

The motion carried by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

7.2 SECOND READING:

7.2a. [17-229](#) Proposed amendments to Salem Revised Code (SRC) Chapter 102 relating to parking and to SRC 78.240 relating to cafe seating areas in sidewalks and alleys

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

A motion was made by Councilor McCoid, seconded by Councilor Hoy to engross Ordinance Bill No. 9-17, which amends SRC Chapter 102 to simplify regulations and to reflect new parking technology, amends SRC Chapter 78 to add language that allows restaurants to have seating areas in alleys, and as engrossed, conduct second reading.

Engrossed Ordinance Bill No. 9-17 was adopted by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

7.2b. [17-288](#) Short-term rental development standards and licensing requirements

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

A motion was made by Councilor McCoid, seconded by Councilor Kaser to engross Ordinance Bill No. 5-17, which amends the SRC to establish development standards and licensing requirements for short-term rentals and accessory short-term rentals and allowing those uses in certain zones.

Engrossed Ordinance Bill No. 5-17 was adopted by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

7.2c. [17-307](#)

Amending Utility Code

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Conducted second reading of Ordinance Bill No. 7-17, which amends Salem Revised Code Chapters 70, 70A, 71, 72, and 73, and declares an emergency.

Ordinance Bill No. 7-17 was adopted by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

7.2d. [17-308](#)

Proposed Comprehensive Plan Map Change and Neighborhood Plan Change - "Single Family" to "Commercial" for a 0.57-acre portion of a 1.66-acre site at the northwest corner of Lancaster Drive NE and D Street NE.

Ward(s): Ward 6

Councilor(s): Hoy

Neighborhood(s): NESCA

Conducted second reading of Ordinance Bill No. 16-17 changing the Comprehensive Plan Map designation from "Single Family" to "Commercial" for a 0.57-acre portion of a 1.66-acre site at the northwest corner of Lancaster Drive NE and D Street NE.

Ordinance Bill No. 16-17 was adopted by the following vote:

Aye: 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 0

Abstain: 0

A motion was made by Councilor Andersen, seconded by Councilor Cook to extend the meeting by three minutes.

The motion carried by a unanimous vote.

7.2e. [17-309](#)

Proposed Comprehensive Plan Map Change and Neighborhood Plan Change - "Industrial" to "Industrial Commercial" for a 0.56-acre property at the southwest corner of 25th Street SE and McGilchrist Street SE.

Ward(s): Ward 2
Councilor(s): Andersen
Neighborhood(s): SESNA

Conducted second reading of Ordinance Bill No. 15-17 changing the Comprehensive Plan Map designation from "Industrial" to "Industrial Commercial" for a 0.56-acre property at the southwest corner of 25th Street SE and McGilchrist Street SE.

Ordinance Bill No. 15-17 was adopted by the following vote:

Aye: 8 - Kaser, Andersen, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett

Nay: 1 - Nanke

Abstain: 0

8. PUBLIC COMMENT: (Other than agenda items)

None.

9. ADJOURNMENT

10:02 p.m.