

*555 Liberty St SE
Salem, OR 97301*



Final Action Agenda - Minutes - Draft

Monday, July 8, 2024

6:00 PM

Council Chambers / Hybrid Meeting

City Council

This meeting is being conducted both in-person and remotely and allows remote attendance by the governing body, when requested. Interested persons may attend the meeting in Council Chambers or view the meeting in real-time on the City of Salem YouTube Channel, thanks to a partnership with CC:Media. Comcast Cable subscribers can watch on CC:Media Channel 21. Please submit comments on agenda items by 5:00 p.m., or earlier, on the day of the meeting at cityrecorder@cityofsalem.net. If attending the meeting remotely, public comment and testimony may be provided during the meeting via Zoom. Remote attendees must pre-register between 8:00 a.m. and 4:00 p.m. on the day of the meeting using this link: <https://www.cityofsalem.net/comment-at-council>

EXECUTIVE SESSION

City Council
5:30 p.m. - City Manager's Conference Room
ORS 192.660(2)(e) - Real Property Transactions

WORK SESSION

None.

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

Call to Order

6:44 p.m.

Roll Call

Councilor Phillips attended the meeting remotely.

Present: 9 - Councilor Hoy, Councilor Nordyke, Councilor Phillips, Councilor Stapleton, Councilor Gonzalez, Councilor Varney, Councilor Nishioka, Mayor Hoy, and Councilor Gwyn

1.1 APPROVAL OF ADDITIONS AND DELETIONS TO THE AGENDA

A motion was made by Councilor Stapleton, seconded by Councilor Nishioka to approve the additions to the agenda. The additions consisted of:

- Item 3.3a., file 24-270, Corrected the Ward 1 councilor's name on the staff report, and**
- Item 6.b., file 24-264, Corrected the spelling of Irvine M. Brown's first name on the cover page of the Canvass of Votes attachment to the staff report.**

Comments by Councilor Stapleton.

The motion CARRIED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

1.2 COUNCIL AND CITY MANAGER COMMENT

Comments by: City Manager Keith Stahley, Councilors Nordyke, Stapleton, Phillips, Hoy, and Mayor Hoy.

1.3 PROCLAMATIONS

None.

1.4 PRESENTATIONS

None.

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

The following individual provided comments:

Eric Morgan, Western States Carpenters Union, 300 Market Street NE, Item 5.b., file 24-284

The following individuals provided comments remotely:

Benjamin Fryback, Ward, Item 3.3c., file 24-280

Jane Titchenal, Ward, Item 3.3c., file 24-280

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

A motion was made by Councilor Stapleton, seconded by Councilor Nishioka to approve the consent calendar with the pulls of item 3.2a by Councilor Gwyn and 3.3c by Councilor Nishioka.

Comments by Councilor Stapleton.

The motion CARRIED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

3.1 MINUTES

3.1a. [24-265](#) June 17, 2024 Draft Joint City Council and Planning Commission Work Session Minutes

Action: Approved.

3.1b. [24-275](#) June 24, 2024 Draft City Council Minutes

Action: Approved.

3.2 RESOLUTIONS

3.2a. [24-92](#) Resolutions adopting Council Policies C-19 (Transportation Services Fund Financial Policy), C-20 (Streetlight Fund Financial Policy), C-21 (City Services Fund - Radio Communications Division Financial Policy), C-22 (Willamette Valley Communications Fund Financial Policy), C-23 (City Services Fund - Document Services Division Financial Policy) and C-24 (City Services Fund - Fleet Services Division Financial Policy); updating Council Policies C-9 (Capital Improvement Program Policy) and C-14 (Utility Fund Financial Policy).

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe, Reliable and Efficient Infrastructure.

Pulled by Councilor Gwyn - See item 5.c.

3.3 ACTION ITEMS

3.3a. [24-270](#)

Amendments to the purchase and sale agreements between the City and Salem Health and between the City and Green Light-Home First, LLC for the sale of the former Salem General Hospital site.

Ward(s): Ward 1

Councilor(s): Councilor Nishioka

Neighborhood(s): Northeast Neighbors Neighborhood Association

Result Area(s): Safe and Healthy Community; Safe, Reliable and Efficient Infrastructure; Welcoming and Livable Community.

Directed staff to:

- 1. Execute an amendment to the Salem Health purchase and sale agreement to reduce the purchase price by \$400,000, and agree to develop a park/memorial on the Conservation Area;**
- 2. Execute an amendment to the Green Light purchase and sale agreement to reduce the purchase price by \$200,000 and for the City to retain ownership of the Conservation Area;**
- 3. Use approximately \$3,400,000 in affordable housing bond funds to pay the purchase price for the property to Salem Health (to be reimbursed when Green Light pays the City); and**
- 4. Use approximately \$400,000 in affordable housing bond funds to construct pedestrian improvements at D Street adjacent to the development.**

3.3b. [24-271](#)

First amendment to the Water Supply Agreement with Orchard Heights Water Association

Ward(s): Ward 8

Councilor(s): Varney

Neighborhood(s): West Salem Neighborhood Association

Result Area(s): Safe, Reliable and Efficient Infrastructure

Authorized the City Manager to execute the first amendment to the Water Supply Agreement with Orchard Heights.

3.3c. [24-280](#)

Request for an allocation of \$3 million of the \$10 million included in the City's Safety and Livability Bond for affordable housing to fund off-site improvements in support of new, affordable housing units to be constructed at the intersection of Joseph Street SE and Aumsville Highway.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Welcoming and Livable Community

Pulled by Councilor Nishioka - See item 5.d.

4. PUBLIC HEARINGS

None.

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. [24-283](#) Resignation as Council President from Virginia Stapleton and Election of New Council President

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

A motion was made by Councilor Stapleton, seconded by Councilor Nishioka to accept Council President Virginia Stapleton's resignation letter effective at the end of the meeting on July 8, 2024, and nominate and vote for a new Council President.

Comments by: Council President Stapleton, Mayor Hoy, and Councilors Phillips, Nishioka, Varney, and Nordyke.

The motion was APPROVED by the following vote:

Aye: 8 - Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn
Nay: 1 - Mayor Hoy
Abstain: 0

Councilor Varney nominated Councilor Nishioka to serve as Council President, seconded by Councilor Stapleton.

Comments by: Councilor Phillips and Mayor Hoy.

Councilor Nishioka was elected Council President by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn
Nay: 0
Abstain: 0

5.b. [24-284](#)

Motion from Mayor Chris Hoy regarding modifications to the Multiple Unit Housing Tax Incentive Program (MUHTIP) to require disclosure of information regarding entities providing work on MUHTIP funded projects.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Mayor Hoy, seconded by Councilor Stapleton to modify the MUHTIP Program (Multiple Unit Housing Tax Incentive Program) Standards and Guidelines to require transparency documentation of the identity of each contractor, subcontractor and all companies performing work on the project as set forth in the discussion section of this motion.

Comments by: Mayor Hoy and Councilor Stapleton.

The motion CARRIED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

**5.c. [24-92](#)
(3.2a.)**

Resolutions adopting Council Policies C-19 (Transportation Services Fund Financial Policy), C-20 (Streetlight Fund Financial Policy), C-21 (City Services Fund - Radio Communications Division Financial Policy), C-22 (Willamette Valley Communications Fund Financial Policy), C-23 (City Services Fund - Document Services Division Financial Policy) and C-24 (City Services Fund - Fleet Services Division Financial Policy); updating Council Policies C-9 (Capital Improvement Program Policy) and C-14 (Utility Fund Financial Policy).

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe, Reliable and Efficient Infrastructure.

A motion was made by Councilor Gwyn, seconded by Councilor Hoy to postpone the implementation of the resolutions.

Questions or Comments by: Councilors Gwyn and Hoy, Mayor Hoy, Councilor Phillips, Chief Financial Officer Josh Eggleston, Councilors Stapleton, Nishioka, Varney, and Nordyke, and Public Works Director Brian Martin.

The motion FAILED by the following vote:

Aye: 2 - J. Hoy, Gwyn

Nay: 7 - Mayor Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, and Nishioka

Abstain: 0

A motion was made by Councilor Stapleton, seconded by Councilor Phillips to approve staff recommendations [to adopt Resolution Nos. 2024-10, 2024-11, 2024-12, 2024-13, 2024-34, 2024-35, 2024-36 and 2024-37 updating Council policies C-9 (Capital Improvement Program Policy) and C-14 (Utility Fund Financial Policy) and adopting new Council policies C-19 (Transportation Services Fund Financial Policy), C-20 (Streetlight Fund Financial Policy), C-21 (City Services Fund - Radio Communications Division Financial Policy), C-22 (Willamette Valley Communications Fund Financial Policy), C-23 (City Services Fund - Document Services Division Financial Policy), and C-24 (City Services Fund - Fleet Services Division Financial Policy)].

Questions or Comments by: Councilors Stapleton and Gwyn.

An amended motion was made by Councilor Stapleton, seconded by Councilor Nishioka that the following be added as an additional subsection under Section 3 of the policy (C-9) "Equity: Equity will be considered as part of the (capital) improvement program development process and all scored CIP projects will be assessed using equity as a criterion in the scoring process. Projects will be evaluated based on the goal of ensuring

that all Salem residents have equitable access to opportunities and that the benefits and impacts of capital projects are shared."

Additional Questions or Comments by: Councilor Stapleton, Mayor Hoy, Councilor Phillips, Chief Financial Officer Josh Eggleston, Councilor Nordyke, Public Works Director Brian Martin, and Councilor Hoy.

The amended motion CARRIED by a unanimous vote:

Comments by Mayor Hoy.

The main motion, as amended CARRIED by the following vote:

- Aye:** 7 - Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, and Hoy
- Nay:** 2 - Hoy, and Gwyn
- Abstain:** 0

**5.d. [24-280](#)
(3.3c)**

Request for an allocation of \$3 million of the \$10 million included in the City's Safety and Livability Bond for affordable housing to fund off-site improvements in support of new, affordable housing units to be constructed at the intersection of Joseph Street SE and Aumsville Highway.

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Welcoming and Livable Community

A motion was made by Councilor Nishioka, seconded by Mayor Hoy to approve an allocation of \$3 million from the Safety and Livability Bond to pay for offsite improvements necessary to construct new, affordable housing units to be developed by Neighborly Development at the intersection of Joseph Street SE and Aumsville Highway.

Questions or Comments by: Councilor Nishioka, Community Planning and Development Director Kristin Retherford, Richard Berger, Director of Development for Neighborly Development, Councilors Nordkye, Stapleton, and Phillips, Mayor Hoy, Councilors Varney, Gonzalez, and Gwyn.

The motion CARRIED by the following vote:

- Aye:** 7 - Hoy, Nordyke, Phillips, Gonzalez, Nishioka, Hoy, and Gwyn
- Nay:** 2 - Stapleton, and Varney
- Abstain:** 0

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

6.a. [24-207](#) National Legal Aid and Defender Association Report Dated April 18, 2024, for Salem Municipal Court Indigent Defense Services

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Safe and Healthy Community

Questions or Comments by: Councilor Stapleton, Mayor Hoy, Salem Municipal Court Judge Eleanor Beatty, and Councilor Nordyke.

This Informational Report was received and filed.

6.b. [24-264](#) Proclamation of the Mayor and Canvass of Votes from the May 21, 2024 Primary Election

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Good Governance

Comments by: Councilor Phillips and Mayor Hoy.

This Informational Report was received and filed.

6.c. [24-272](#) Planning Administrator Decision - A proposal for a new 26-unit multi-family housing development - Approved.

Urban Growth Preliminary Declaration / Class 3 Site Plan Review / Class 2 Adjustment / Tree Regulation Variance / Class 2 Driveway Approach Permit Case No. UGA-SPR-ADJ-TRV-DAP24-04 - Gretchen Stone - 2345 Brush College Rd NW.

Ward(s): 8
Councilor(s): Varney
Neighborhood(s): WSNA

Comments by Councilor Varney.

This Informational Report was received and filed.

7. ORDINANCES

7.1 FIRST READING:

7.1a. [24-234](#)

Amending Salem Revised Codes Chapter 70 (Utilities) and Chapter 71 (Stormwater).

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Natural Environment Stewardship; Safe, Reliable and Efficient Infrastructure.

First reading was conducted, and a motion was made by Councilor Stapleton, seconded by Councilor Phillips to initiate the amendments of Salem Revised Code Chapter 70 (Utilities) and SRC Chapter 71 (Stormwater) by conducting first reading of Ordinance Bill No. 9-24, schedule a public hearing for August 26, 2024, and after conducting the public hearing advance the ordinance to second reading.

Comments by: Councilor Stapleton, Mayor Hoy, and Councilor Nishioka.

The motion CARRIED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

7.1b. [24-261](#)

Proposed code amendment related to housing and other issues.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Welcoming and Livable Community

First reading was conducted, and a motion was made by Councilor Stapleton, seconded by Councilor Varney to conduct a public hearing on Ordinance Bill No. 8-24 and advance to second reading.

Comments by: Councilor Stapleton and Mayor Hoy and Councilor Varney.

The motion CARRIED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

7.2 SECOND READING:

7.2a. [24-274](#) Vacation of a public sanitary sewer easement located near Orchard Heights Road NW and Linwood Street NW.

Ward(s): Ward 8

Councilor(s): Councilor Varney

Neighborhood(s): West Salem Neighborhood Association

Result Area(s): Safe, Reliable and Efficient Infrastructure.

Second reading was conducted, and Ordinance Bill No. 7-24, which vacates a public sanitary sewer easement located near Orchard Heights Road NW and Linwood Street NW, PASSED by the following vote:

Aye: 9 - Hoy, Nordyke, Phillips, Stapleton, Gonzalez, Varney, Nishioka, Hoy, and Gwyn

Nay: 0

Abstain: 0

8. PUBLIC COMMENT: (Other than agenda items)

None.

9. ADJOURNMENT

8:41 p.m.