# NOTICE OF RECOMMENDATION

PLANNING DIVISION 555 LIBERTY ST. SE, RM 305 SALEM, OREGON 97301 PHONE: 503-588-6173 FAX: 503-588-6005



Si necesita ayuda para comprender esta informacion, por favor llame 503-588-6173

# SALEM PLANNING COMMISSION RECOMMENDATION CODE AMENDMENT CASE NO. CA21-04

WHEREAS, on December 6, 2021, the Salem City Council initiated amendments to the Salem Area Comprehensive Plan, Comprehensive Plan Map, Neighborhood Plan Maps, Zoning Map, and Salem Revised Code to implement the Our Salem project and amendments to adopt the Salem Housing Needs Analysis; and

WHEREAS, after due notice, a public hearing on the proposed amendments was held before the Planning Commission on March 15, 2022, at which time witnesses were heard and testimony was received; and

WHEREAS, the Planning Commission voted to continue the public hearing to April 5, 2022, at which time additional witnesses were heard and testimony was received, and then closed the public hearing; and

WHEREAS, the Planning Commission deliberated on April 19, 2022; and

WHEREAS, the Planning Commission having carefully considered the entire record of this proceeding, including all testimony provided; and after due deliberation and being fully advised; NOW THEREFORE

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SALEM, OREGON:

#### Section 1. FINDINGS:

The Planning Commission hereby adopts as its findings of fact the findings included in Exhibit A, dated March 15, 2022, and Exhibit B dated April 5, 2022; herewith attached and by this reference incorporated herein.

#### Section 2. ORDER:

Based upon the foregoing findings and conclusions, the Planning Commission RECOMMENDS the City Council take the following action:

The City Council accept first reading of ordinance bills for the purpose of:

- Amending the Salem Area Comprehensive Plan, Comprehensive Plan Map, Neighborhood Plan Maps, Zoning Map, and Salem Revised Code as recommended in the March 15, 2022, Planning Commission staff report and the April 5, 2022, supplemental Planning Commission staff report, together with the following additional revisions:
  - a) Remove the property at 3094 Gehlar Road NW on Proposed Zone Change Map 173 and Proposed Comp Plan Change Map 145 from consideration;
  - b) Expand the proposed MU-II zone to encompass the entire property for the 3100 Block of Orchard Heights Rd NW (Comp Plan Map #160 and Zone Change Map #190) and that 2916 Orchard Heights Rd NW (Comp Plan Map #159 and Zone Change Map #188) be rezoned to MU-II instead of RM-II; and
  - c) Update the policy language in Policies H 2.1, H 3.2 and H 1.3 as described in the supplemental staff report dated April 5th to be more inclusive for lowincome housing, subsidized housing and public housing.
- 2) Adoption of the Salem Housing Needs Analysis.

CA21-04 SPC Recommendation April 21, 2022 Page 2

#### PLANNING COMMISSION VOTE

Yes 6 No 0 Absent 2 (Augustyn, Eachus) Abstain 0

Chane Griggs, President \
Salem Planning Commission

Pursuant to SRC 300.1110(i), the City Council may proceed with adoption of an ordinance, hold a public hearing to receive additional evidence and testimony, refer the proposal back to the Planning Commission for additional deliberation, or abandon the proposal.

The City Council will make a final decision on the proposal. The appeal of the Council decision would be to the Oregon Land Use Board of Appeals. The appeal period is 21 days from the mailing date of the Council decision.

The complete case file is available on the Our Salem webpage: https://www.cityofsalem.net/our-salem

A physical copy of the case file may be obtained at a reasonable cost by contacting the case manager, Eunice Kim, Long Range Planning Manager, 503-540-2308 or <a href="EKim@cityofsalem.net">EKim@cityofsalem.net</a>, or at the Planning Desk in the Permit Application Center, Room 305, City Hall, 555 Liberty Street SE, from 10 a.m. – 4 p.m. Monday through Friday.

To Learn More about Planning in Salem, visit our website: <a href="http://www.cityofsalem.net/planning">http://www.cityofsalem.net/planning</a>

FOR MEETING OF: March 15, 2022

AGENDA ITEM NO.: 5.1

TO: PLANNING COMMISSION

FROM: LISA ANDERSON-OGILVIE, AICP

COMMUNITY DEVELOPMENT DEPUTY DIRECTOR

SUBJECT: OUR SALEM PROJECT

#### **ISSUE**:

Should the Planning Commission recommend that the City Council update the Salem Area Comprehensive Plan, adopt the Housing Needs Analysis, and amend the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code?

# **RECOMMENDATION:**

Adopt the facts and findings of this staff report and recommend that the City Council accept first reading of ordinance bills for the purpose of updating the Salem Area Comprehensive Plan, adopting the Housing Needs Analysis, and amending the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code?

#### SUMMARY:

The City of Salem has developed a draft of an updated Salem Area Comprehensive Plan (Comprehensive Plan) and proposed changes to the Comprehensive Plan Map, zoning map, and Salem Revised Code to guide future growth and development in Salem. The work is the culmination of a three-year project called Our Salem that has involved extensive community engagement. All of the draft documents can be found online on the Our Salem project page: <a href="https://www.cityofsalem.net/our-salem">https://www.cityofsalem.net/our-salem</a>.

# **FACTS AND FINDINGS**:

# **Procedural Findings**

- 1) The City of Salem 2017 Strategic Plan identified a goal to develop a "comprehensive, long-term vision for future growth and development in Salem that has community participation" and two specific actions: Conducting citywide visioning and updating the Salem Area Comprehensive Plan with the results of that visioning.
- 2) The City Council approved funding in 2017 to hire a consultant and update the Comprehensive Plan.

- 3) The City, with support from the consultant team led by Fregonese Associates, undertook a multi-year project called Our Salem to update the Salem Area Comprehensive Plan, which included extensive community engagement.
- 4) The result of the Our Salem project includes an updated Salem Area Comprehensive Plan; proposed changes to the Comprehensive Plan Map, zoning map, and generalized land use maps of several neighborhood plans; and proposed amendments to the Salem Revised Code.
- 5) The proposed changes to the Comprehensive Plan Map accommodate Salem's projected housing needs, allowing for the Salem Housing Needs Analysis (HNA) to be adopted as a support document to the Comprehensive Plan.
- 6) The proposed changes are considered the following: Adoption of the updated Salem Area Comprehensive Plan is a "Major Comprehensive Plan Amendment" that must be initiated by the City Council under SRC 64.020(e)(1); changes to the Salem Area Comprehensive Plan Map and generalized land use maps in neighborhood plans are "Major Plan Map Amendments" that must be initiated by the City Council under SRC 64.025(b)(1); legislative zone changes may be initiated by the City Council under SRC 265.010(c); proposed amendments to the Salem Revised Code may be initiated by the City Council by resolution under SRC 300.1110(a); and adoption of the HNA as a support document to the Salem Area Comprehensive Plan is considered a "Major Comprehensive Plan Amendment" that must be initiated by the City Council under SRC 64.020(e)(1) with associated amendments to SRC Chapter 64, Comprehensive Planning, that may be initiated by the City Council under SRC 300.1110(a)(1).
- 7) The City Council may refer the matter to the Planning Commission for public hearing and recommendation pursuant to SRC 300.1110(a)(1). On December 6, 2021, the City Council initiated the amendments with Resolution 2021-48 and referred the matter to the Planning Commission for public hearing and recommendation.
- 8) SRC 300.1110(e)(1)(A) requires that the City mail notice of the first evidentiary public hearing in a legislative land use proceeding not more than 40 days, but not less than 20 days prior to the first hearing. Legislative zone changes and amendments to the Comprehensive Plan, Comprehensive Plan Map, Neighborhood Plan Maps, and UDC require notice to the Director of the Department of Land Conservation and Development no later than 35 days before the first public hearing pursuant to SRC 300.1110(d). Because the proposed code amendment and Comprehensive Plan Map and zoning map changes restrict some land uses, ORS 227.186 requires written individual notice to the owner of each affected property. This notice is commonly referred to as a "Ballot Measure 56 notice." All required notices have been provided in accordance with the above requirements.

# **Project Overview and Outreach**

The City kicked off the Our Salem project in 2018 and has involved community-wide engagement over three years. Overall, staff hosted or attended roughly 260 in-person and virtual meetings and events and engaged with more than 80 community groups (Attachment 1).

The project started with an examination of the existing conditions of Salem. The first phase of the project also looked at how the Salem area could grow under existing policies. It resulted in a report card that evaluated whether Salem was heading in the right direction given current policies and therefore set the stage for the second phase of the project, community-wide visioning. The first phase also resulted in Salem's first greenhouse gas emissions inventory, which has informed the rest of the Our Salem project as well as the climate action plan work that is nearing completion.

The visioning phase of the Our Salem project started in late summer 2019. City staff conducted extensive outreach throughout the Salem area to understand the community's priorities, concerns, and ideas for future growth and development. Staff engaged residents, businesses, neighborhoods, community organizations, partner agencies, and others through a variety of in-person and online meetings, events, workshops, surveys, webinars, emails, mailed flyers, social media, and other outreach tools. The project website served as the hub of information and updates.

A Technical Advisory Committee consisting of staff from all City Departments and partner agencies – including Cherriots, the Salem-Keizer School District, Marion County, Polk County, the Oregon Department of Land Conservation and Development, and the Mid-Willamette Valley Council of Governments – provided input at key milestones. City staff also mailed flyers to all property owners that could be impacted by proposed changes to the Comprehensive Plan and zoning maps, inviting them to attend virtual meetings or talk with staff.

The visioning phase had three major milestones.

- Visioning: City staff conducted public outreach throughout the community to understand people's overall priorities and goals for future growth. City staff, working with a consultant team, also asked the community to show on maps where different types of development were desired in the future.
- **Scenarios**: Using that input, City staff worked with the consultant team to create guiding principles and four scenarios for future growth. The scenarios were maps that tested various ideas for where different development types should occur.
- **Community vision**: The community's input was used to develop the Our Salem Vision, which was presented to and accepted by the City Council in March. The vision included high-level goals and a map that was used to guide the third phase of the Our Salem project.

The last phase of the project focused on developing and refining detailed policies to support the goals in the Vision as well as proposing changes to the zoning map and zoning code to reflect the Our Salem Vision. Outreach included weekly virtual policy meetings on different topics, an interactive proposed zoning map that resulted in more than 1,500 comments, continued meetings with community organizations, and continued coordination with partner agencies such as Cherriots and other jurisdictions such as Marion and Polk counties. Staff also closely collaborated with the climate action plan work that is being led by the Public Works department.

The third phase resulted in a draft of the updated Comprehensive Plan, proposed Comprehensive Plan Map changes, proposed zoning map changes, and proposed zoning code amendments. They are described below.

# **Proposed Amendments**

1) Update the Salem Area Comprehensive Plan

The draft Comprehensive Plan (<u>Attachment 2 in English</u> and <u>Attachment 3 in Spanish</u>) would update the existing Comprehensive Policies Plan, revising the goals and policies in line with the community's priorities and vision for the future. The draft plan covers a broad range of topics, including community engagement and equity, housing, economic development and employment, land use and urbanization, parks and recreation, natural resources and the environment, climate change and natural hazards, Willamette Greenway, transportation, public facilities and infrastructure, and community services and historic resources.

For each topic, there are proposed goals, which are board in nature and support the community's Vision Statement: Salem is a livable, equitable, carbon neutral city where everyone has access to affordable housing and safe mobility choices, families and local businesses are thriving, diversity and culture is celebrated, and open spaces and the environment are valued and protected. For example, the goals highlight the community's desire to strengthen Salem's economy, promote housing affordability, provide interconnected recreational opportunities, protect natural resources, and provide an integrated multimodal transportation network.

Many of the proposed goals – and related policies – do not exist in the current Comprehensive Plan but instead reflect the community's priorities today for the future. There are many proposed policies, for example, related to equity and broadening community engagement. One such policy emphasizes the community's desire to ensure that the City expands opportunities for communities of color, low-income residents, and other underrepresented groups to participate in planning and investment decisions. Policies that promote equitable outcomes are also included throughout the draft plan.

There are also proposed goals and policies that aim to build community resiliency and help reduce greenhouse gas emissions to meet the City's goal of being carbon neutral by 2050. The proposed policies align with the draft strategies that were developed as part of the climate action plan work. For example, one proposed policy supports the development of a robust network of infrastructure needed to facilitate wide-scale adoption of electric vehicles, and another proposes implementing programs and practices that reduce the amount of waste sent to landfills and incinerators.

The proposed goals related to transportation and parks are included in the draft Comprehensive Plan; however, the related policies will be included in the TSP and Salem Comprehensive Parks System Master Plan (CPSMP). Both documents are expected to be updated with detailed policies following adoption of the updated

Comprehensive Plan. <u>Attachment 4</u> is a list of transportation and parks-related policy ideas that have come out of the Our Salem project and will be forwarded for inclusion in the TSP and CPSMP when they are updated.

The draft Comprehensive Plan also includes new benchmarks that align and advance the proposed policy to facilitate and support changes in land use patterns and the transportation system to reduce single-occupancy vehicle trips and greenhouse gas emissions from transportation. The benchmarks generally aim to encourage and focus new housing units in mixed-use areas downtown and near Cherriots' Core Network. (The Core Network is a network of bus service corridors where frequent service is prioritized.)

In addition, the draft Comprehensive Plan includes an appendix that lays out implementation steps that the City plans to undertake after the Our Salem project is complete and the updated Comprehensive Plan is adopted. Those steps include:

- Update the Transportation System Plan to align with the updated Comprehensive Plan
- Update the Comprehensive Parks System Master Plan to align with the updated Comprehensive Plan
- Coordinate and implement strategies in the Climate Action Plan
- Conduct a new Economic Opportunities Analysis
- Conduct a Goal 5 inventory
- Develop a Housing Production Strategy
- 2) Amend the Comprehensive Plan Map, Zoning Map, and Generalized Land Use Map in the 10 neighborhood plans

The proposed changes to the Comprehensive Plan Map, zoning map, and the generalized land use maps in 10 neighborhood plans – CANDO, ELNA, Faye Wright, Grant, Highland, NESCA-Lansing, Morningside, NEN-SESNA, Sunnyslope, and West Salem Neighborhood Plans – aim to advance the goals and policies in the Comprehensive Plan. The proposed changes to the Comprehensive Plan Map designations are shown in <a href="Attachment 5">Attachment 5</a>, and the proposed changes to the zoning map are shown in <a href="Attachment 6">Attachment 6</a>. All of the properties impacted by a proposed map change is listed in <a href="Attachment 7">Attachment 7</a>.

The proposed map changes reflect four big ideas about where the community wants to see different types of land uses and development in the future. These big ideas are incorporated into several policies in the Comprehensive Plan.

- 1. **Mixed use:** Encourage a mix of uses in the downtown area and along major corridors with frequent transit service
- 2. **Housing:** Encourage a broader range of housing types and distribute multifamily housing across Salem, particularly near jobs, services, and amenities

- 3. **Neighborhood hubs:** Allow pockets of small-scale businesses in single-family areas
- 4. **Employment:** Create flexibility in where commercial uses are allowed, while maintaining existing industrial areas

The generalized land use maps in 10 neighborhood plans are carbon copies of the existing Comprehensive Plan Map and are therefore being amended to reflect the *updated* Comprehensive Plan Map. This proposed amendment would not impact any vision maps or opportunity maps in the neighborhood plans. Salem's existing Comprehensive Plan Map Designations (<u>Attachment 8</u>) and existing Zoning Map (<u>Attachment 9</u>) have been attached for reference.

#### Mixed Use

The proposed Comprehensive Plan Map and zoning map changes significantly expand mixed-use areas in Salem, particularly along major corridors with frequent transit service as well as in and around downtown. Specifically, the proposed Comprehensive Plan Map increases the amount of land designated as Mixed Use in the Salem area by more than fourfold.

The Mixed Use (MU) and River Oriented Mixed Use (ROM) Comprehensive Plan Map designations would be implemented by existing and new mixed-use zones, including the Mixed Use-I (MU-I), Mixed Use-II (MU-II), proposed Mixed Use-III (MU-III), and proposed Mixed Use-Riverfront (MU-R) zones. All of those zones would allow but not require a broad range of residential, commercial, and other uses. Establishing more mixed-use areas in Salem would promote walkability, increase access to jobs and services, and create more flexibility in how properties can be used. Creating more walkable, complete neighborhoods – particularly near transit service – would help move Salem closer to its greenhouse gas emissions reductions goals.

Much of the added Mixed Use-designated and mixed-use zoned land is along Cherriots' Core Network. For example, land along Commercial Street SE, Liberty Lancaster Drive NE, and Portland Road NE is proposed to be redesignated as Mixed Use and rezoned to MU-I, MU-II, or MU-III. Other proposed mixed-use areas include currently vacant or underutilized property in largely residential neighborhoods. This includes vacant land in West Salem and South Salem. While areas like these are not currently served by transit, they offer opportunities to incorporate commercial services, shops, and jobs into otherwise residential areas. Redesignating and rezoning these areas to allow for a mix of uses would help create more complete neighborhoods as Salem continues to grow.

#### **Housing**

The proposed Comprehensive Plan Map and zoning map changes provide more opportunities for a mix of housing types to be developed across Salem's neighborhoods. Specifically, the proposed maps add land designated as Multi-Family Residential (MF) and zoned Multiple Family Residential-II (RM-II) or Multiple Family Residential-II (RM-II)

throughout the Salem area, as opposed to concentrating it in one neighborhood. The proposed maps also encourage more housing near transit service by adding mixed use areas along Cherriots' Core Network, as mentioned earlier.

This addition of MF-designated land and MU-designated land is critical to Salem meeting its future housing needs, as described in the Salem Housing Needs Analysis (HNA). The HNA, completed in December 2014, projected a 207-acre deficit of multifamily land (or 2,897 units) in Salem's portion of our urban growth boundary (UGB) by 2035. This is based on an overall projected need for 7,299 multifamily housing units on Multifamily land between 2015 and 2035.

Staff has analyzed the proposed Comprehensive Plan Map and determined that if adopted, it could accommodate Salem's projected multifamily housing need through 2035. Staff made this determination after analyzing recent building permit data and the amount of vacant and partially vacant land that exists today if the proposed Comprehensive Plan Map were adopted. Meeting Salem's projected housing needs through Comprehensive Plan Map changes allows the City to adopt the HNA, along with the map changes. (Attachment 10 is the HNA.)

# Neighborhood Hubs

The proposed Comprehensive Plan Map and zoning map changes allow for the creation of neighborhoods hubs. A newer idea in Salem, neighborhood hubs are intended to be small clusters of businesses in residential neighborhoods. They would provide neighbors with safe, convenient access to shops and services to help meet their daily needs, and they would help create more complete neighborhoods.

Neighborhood hubs are designated as Mixed Use on the proposed Comprehensive Plan Map and zoned Neighborhood Hub (NH), which would be a new zone in Salem. The new zone would allow but not mandate a broader range of uses, such as small-scale retail shops, cafes, personal services, and recreational and cultural services. (Some specific types of businesses such as liquor stores, tobacco stores, tattoo parlors, night clubs, and medical laboratories would be prohibited.) Single-family homes would continue to be allowed. Standards would be established to limit hours of operation, promote pedestrian-oriented development, and help ensure new structures that are scaled and designed to be sensitive to the neighborhood context.

The proposed zoning map includes 13 neighborhood hubs across Salem (down from 34 last year). The proposed hubs are generally located at intersections or on collector streets near parks, schools, or other community gathering places. They are also largely in areas with transit service, sidewalks, and in some cases, bike lanes.

#### **Employment**

The proposed Comprehensive Plan Map and zoning map changes expand existing employment areas in Salem. Specifically, the proposed maps expand the amount of

Industrial Commercial (IC) land in Salem. This Comprehensive Plan designation – and corresponding IC zone – allows for a mix of commercial and industrial uses. For example, land in and around the Fairview Industrial area has been redesignated and rezoned to IC.

The proposed maps also maintain existing industrial land throughout Salem, including areas along Portland Road, Salem Parkway, McGilchrist Street, Sunnyview Road around 16<sup>th</sup> Street, and the Mill Creek Corporate Center. The industrial area in inner West Salem is proposed to be redesignated and rezoned to allow for a mix of uses, but the proposed zoning there includes a provision that would allow existing industrial businesses to continue and new industrial businesses to move into existing industrial buildings. This creates flexibility in when that industrial area transitions to a mixed-use area.

# Other changes

The proposed changes to the zoning map eliminate 18 overlay zones (in addition to two others being eliminated through the recent Unified Development Code update). Many of those overlay zones are no longer necessary because the underlying zone is proposed to change to a mixed-use zone; the overlays had previously promoted mixed-use development when the underlying zone was, for example, a commercial zone. Eliminating overlay zones has been a priority of the City over the years, as the community and City Council has asked for zoning to be streamlined and simplified. Historic districts will remain as will several overlay zones along portions of Commercial Street SE and Portland Road NE.

In addition, the proposed changes to the Comprehensive Plan Map and zoning maps fix inconsistencies between the two maps on roughly 700 properties throughout Salem. Inconsistencies between Comprehensive Plan Map designations and zones create challenges when property owners want to develop or redevelop their land.

#### 3) Amend the Salem Revised Code

#### New zones

The proposed amendments to the Salem Revised Code create three new zones: the NH zone, MU-III zone, and MU-R zone. The proposed NH zone, as mentioned earlier, would allow small-scale services and shops in addition to single-family and middle housing types (e.g., duplex, triplex, quadplex, townhouses, and cottage clusters as required by state law).

The proposed MU-III zone would allow but not require a mix of uses. It would specifically allow the same uses that are permitted today in the Retail Commercial (CR) zone – such as retail, restaurants, offices, and services – except warehousing and distribution centers for online and mail order sales would be prohibited. In addition, multifamily housing would be allowed outright as opposed to through a conditional use permit as is

required today in the CR zone. The proposed MU-III zone would also promote pedestrian-friendly development through development standards. For example, one standard would require new parking lots to be located behind or beside buildings.

The proposed MU-III zone would largely be located on corridors with frequent transit service such as portions of Commercial Street, Lancaster Drive, Market Street, and Portland Road. It would therefore implement policies in the draft Comprehensive Plan. For example, several policies encourage mixed-use development near frequent transit routes.

The proposed MU-R zone would also allow but not require a mix of uses, and it would encourage pedestrian-friendly development through a variety of design-related standards. The proposed design-related standards would be similar to those in the MU-I and MU-II zones, as they require ground-floor windows, awnings, and articulated buildings. The proposed MU-R zone would also include an additional standard that requires public pedestrian access between Front Street and the Willamette River. This standard is included in the proposed zone because it is largely proposed to be located along the river north of downtown Salem, and it is a standard that largely applies to the area today. This would implement policies in the draft Comprehensive Plan that call for increased public access to the river.

In addition, the amendments include revising the Multiple Family High Rise Residential (RH) zone. The amendments rename the zone to Multiple Family Residential-III (RM-III) and establish a maximum height and density. (<u>Attachment 11</u> is the proposed code amendment.)

# Zoning Subcommittee Recommendations

The proposed code amendments incorporate recommendations of the Our Salem Zoning Subcommittee, which included four City Councilors and four Planning Commissioners. That subcommittee met six times over the spring and summer of 2021 to discuss and make recommendations on six zoning options intended to help reduce greenhouse gas emissions from transportation. The public was invited to attend and provide input during the virtual meetings.

The Zoning Subcommittee's recommendations align with the draft strategies developed as part of the climate action plan work as well as the goals and policies in the draft Comprehensive Plan.

The following is a high-level summary of the zoning subcommittee's recommendations:

- Establish a maximum height of 70 feet in the proposed new MU-III zone (and base the setback adjacent to residential zones on the height of buildings)
- Eliminate minimum off-street parking requirements for mixed-use developments in the mixed-use zones within ¼ mile of Cherriot's Core Network
- Increase the minimum density in the RM-II, MU-I, MU-II, and proposed MU-III zones to 15 units per acre

- Require subdivisions that are at least 10 acres in size to allow neighborhood hub uses (e.g., non-residential uses allowed in the NH zone) on at least two contiguous lots
- Establish a minimum density of 5.5 units per acre in the Single-Family Residential zone when land that is at least 5 acres in size is subdivided, and require at least 15 percent of the dwelling units in those subdivisions to be middle housing
- Establish a minimum density of 15 units per acre in the Single Family Residential (RS) for vacant land within ¼ mile of Cherriot's Core Network

# Testimony Received

The comments provided as of February 25, 2022 are included in <u>Attachment 12</u>. Additional comments from the public will be provided prior to the public hearing.

# Substantive Findings

The proposal includes amendments to the Salem Area Comprehensive Plan, Comprehensive Plan Map, generalized land use maps in 10 neighborhood plans, zoning map, Salem Revised Code, and the adoption of the Salem Housing Needs Analysis (HNA).

- **1.** SRC 64.020 establishes the following approval criteria for a major Comprehensive Plan amendment to be approved:
  - a. The amendment is in the best interest of the public health, safety, and welfare of the City; and
  - The amendment conforms to the applicable statewide planning goals and applicable administrative rules adopted by the Department of Land Conservation and Development.

<u>Attachment 13</u> contains findings that indicate that the proposed amendments satisfy the above approval criteria.

- **2.** SRC 64.025 establishes the following approval criteria for a major Comprehensive Plan map amendment to be approved:
  - a. The amendment is in the best interest of the public health, safety, and welfare of the City; and
  - The amendment conforms to the applicable statewide planning goals and applicable administrative rules adopted by the Department of Land Conservation and Development.
    - In considering a major plan map amendment whether the amendment has a significant effect on a City-owned transportation facility per OAR 660-012-0060(1), the following shall be considered:
    - (i) Performance standard. The performance standard shall be a volume to

- capacity ratio of 1.0 during the peak travel hour, which is the standard established in the Salem Transportation System Plan for operation of existing streets and intersections.
- (ii) Determining significance. For the purposes of determining whether a proposed major plan map amendment will degrade the performance of an existing or planned transportation facility for OAR 660-012-0060(1)(c)(C) and (D), the following will not be considered significant:

  (aa) The plan map amendment increases average daily trips on a facility by fewer than 200 daily vehicle trips, or

  (bb) The calculated volume to capacity ratio with proposed plan amendment is within 0.03 of the volume to capacity ratio with existing plan map designations.

If the amendment is determined to have a significant effect, OAR 660-012-0060(2)-(4) shall apply.

<u>Attachment 16</u> contains findings that indicate that the proposed amendments satisfy the above approval criteria. Maps referenced in the findings are in <u>Attachment 17</u>.

- **3.** SRC 265.010 establishes the following approval criteria for a legislative zone change to be approved:
  - a. The zone change is in the best interest of the public health, safety, and welfare of the City;
  - The zone change complies with the Salem Area Comprehensive Plan, applicable statewide planning goals, and applicable administrative rules adopted by the Department of Land Conservation and Development;
  - c. If the zone change requires a comprehensive plan change from an industrial designation to a non-industrial designation, or a comprehensive plan change from a commercial or employment designation to any other designation, a demonstration that the proposed zone change is consistent with the most recent economic opportunities analysis and the parts of the comprehensive plan which address the provision of land for economic development and employment growth; or be accompanied by an amendment to the comprehensive plan to address the proposed zone change; or include both the demonstration and an amendment to the comprehensive plan; and
  - d. The zone change does not significantly affect a transportation facility, or, if the zone change would significantly affect a transportation facility, the significant effects can be adequately addressed through the measures associated with, or conditions imposed on, the zone change.

<u>Attachment 18</u> contains findings that indicate that the proposed amendments satisfy the above approval criteria. Maps referenced in the findings are in <u>Attachment 19</u> and <u>Attachment 20</u>.

**4.** SRC 110.085 establishes the following approval criteria for an amendment to the UDC to be approved:

- The amendment is in the best interest of the public health, safety, and welfare of the City; and
- b. 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.

Attachment 14 contains findings that indicate that the proposed amendments satisfy the above approval criteria.

5. Adopting the HNA as a support document to the Salem Area Comprehensive Plan involves a major Comprehensive Plan amendment and an amendment to SRC Chapter 64, Comprehensive Planning. The approval criteria are as follows:

SRC 64.020 Major Comprehensive Plan amendment:

- a. The amendment is in the best interest of the public health, safety, and welfare of the City; and
- b. The amendment conforms to the applicable statewide planning goals and applicable administrative rules adopted by the Department of Land Conservation and Development.

SRC 110.085 Amendments to the UDC:

- The amendment is in the best interest of the public health, safety, and welfare of the City; and
- b. 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.

Attachment 15 contains findings that indicate that the proposed amendments satisfy the above approval criteria.

#### **BACKGROUND:**

The City Council funded the Our Salem project in 2017. The funding followed the strategic planning process when the community identified the need to develop a vision for growth and development. Salem's portion of the urban growth boundary is projected to continue adding residents and jobs through 2035, and the Our Salem project provided the community with an opportunity to guide how and where that growth occurs.

The City started the Our Salem project in the fall of 2018, working with a consultant team led by Fregonese Associates. The multi-year project has resulted in a proposed update to the Comprehensive Plan as well as the Comprehensive Plan Map, zoning map, and zoning code, as discussed in this staff report.

# Eunice Kim Long Range Planning Manager

#### Attachments:

- 1. Our Salem Outreach Summary
- 2. Draft Salem Area Comprehensive Plan (in English)
- 3. <u>Draft Salem Area Comprehensive Plan (in Spanish)</u>
- 4. Transportation and Parks Policy Ideas
- 5. Proposed Comprehensive Plan Map Changes
- 6. Proposed Zoning Map Changes
- 7. Proposed Map Change Properties
- 8. Existing Comprehensive Plan Map Designations
- 9. Existing Zoning Map
- 10. Salem Housing Needs Analysis
- 11. Proposed Code Amendment
- 12. Testimony for Week ending February 25
- 13. Findings: Comprehensive Plan amendment
- 14. Findings: Unified Development Code amendment
- 15. Findings: Salem Housing Needs Analysis
- 16. Findings: Comprehensive Plan Map changes
- 17. Maps for Comprehensive Plan Map change findings
- 18. Findings: Zoning Map changes
- 19. Maps for Zoning Map change findings
- 20. Maps for Overlay Zone change findings

FOR MEETING OF: April 5, 2022

AGENDA ITEM NO.: 5.1

TO: PLANNING COMMISSION

FROM: LISA ANDERSON-OGILVIE, AICP

**COMMUNITY DEVELOPMENT DEPUTY DIRECTOR** 

SUBJECT: SUPPLEMENTAL REPORT FOR THE CONTINUED PUBLIC HEARING ON

THE OUR SALEM PROJECT

#### **ISSUE**:

Should the Planning Commission recommend that the City Council update the Salem Area Comprehensive Plan, adopt the Housing Needs Analysis, and amend the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code?

# **RECOMMENDATION:**

Adopt the facts and findings of this staff report and recommend that the City Council accept first reading of ordinance bills for the purpose of updating the Salem Area Comprehensive Plan, adopting the Housing Needs Analysis, and amending the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code.

## **SUMMARY:**

This staff report summarizes and addresses comments that the public has provided about the proposed amendments related to the Our Salem project between noon on Thursday, March 10 and noon, Monday, March 28. Also included are responses to issues raised by Planning Commissioners and the public at the March 15 public hearing.

# **Testimony Received**

The comments have been summarized below and are included in full as **Attachments 1** and **2**.

1. A comment was received questioning how the proposed Comprehensive Plan would affect existing multifamily development on 17<sup>th</sup> St. SE.

**Staff Response:** The properties in question are zoned Residential Duplex (RD) and are proposed to be rezoned Single Family Residential (RS). The proposed rezoning is due to HB 2001. That is a recent state law that requires cities like Salem to allow middle housing (townhouses, duplexes, triplexes, quadplexes, and cottage clusters)

in single-family zones/areas. The City Council recently adopted code changes that implement HB 2001, which means middle housing is now allowed in the RS zone. The RD zone, which allows single-family and two family uses, is no longer necessary. Staff is therefore proposing to eliminate the RD zone as part of the Our Salem proposed code amendment and rezone RD properties to RS. In the RS zone, existing, legally established uses would be "continued uses." That means, existing multifamily buildings could be altered, enlarged, or rebuilt. They would not become nonconforming uses.

2. A comment was received in support of the proposed zone change from Public and Private Educational Services (PE) to Multiple Family Residential I (RM-I) at 255 and 375 College Dr. NW because it would allow the current nonconforming use on the property as a permitted use. Other comments were received in opposition, citing inadequate transportation options, stormwater impacts, and concerns that multifamily would not be compatible with the surrounding development. One comment was received expressing that multifamily development would only be appropriate on the lower portion of the lot. (See proposed zoning map 170)

**Staff Response:** This change is proposed at the request of the property owner, Life Church; specifically, the owner seeks the RM-I zone to allow the existing church on the property as a special use. The PE zoning only allows religious assembly uses when they are accessory to an educational use, and since Salem Academy left this site, the church has not been a permitted use. The church also has stated that it has no intention of developing multifamily housing on the property. Instead, it has a long-term vision of developing assisted living on the property, and the RM-I zone would allow this use. However, if the RM-I zoning is applied, the site could be used for any of the uses permitted in the RM-I zone.

Infrastructure improvements would be required by the developer at the time of development to ensure that public facilities can accommodate the new households, including roadway improvements. A developer would also be required to design and construct a storm drainage system at the time of development in compliance with Salem Revised Code (SRC) Chapter 71 and Public Works Street Design Standards. Stormwater quality facilities would be required to reduce the risk of impacts to the adjacent properties.

- 3. A comment was received expressing support for affordable housing and housing development in Salem to support the growing community.
- 4. A comment was received requesting clarification on the purpose of proposed zoning changes to specific properties in the South Central Association of Neighbors (SCAN) neighborhood.

**Staff Response:** Some of the changes to zoning and the Comprehensive Plan Map are proposed to resolve conflicts between the existing Comprehensive Plan Map designation and existing zoning. As part of the Our Salem project, staff has

proposed to resolve the mapping conflicts across Salem. The property, for example, on Waldo Ave SE is designated Multiple Family (MF) on the Comprehensive Plan Map today, but it is split zoned Single-Family Residential (RS) and Multiple Family Residential II (RM-II). The proposal is to rezone the RS portion to RM-II to align the zoning with the existing Comprehensive Plan Map designation and apply one consistent zoning to the property, which is already developed with multifamily housing. Changes that resolve conflicts between zoning and Comprehensive Plan Map designation help to eliminate the need for future land use actions that could increase the costs of development or negatively affect property owners.

5. A comment was received questioning whether this case is related to a parks and recreation bond.

**Staff Response:** The proposed Comprehensive Plan is not directly related to the potential future bond measure.

6. A comment was received from the owner of the property at 1325 Hilfiker Ln. SE and the adjacent properties to the north and west in opposition to rezoning this land to a multifamily zone, expressing concerns about loss of habitat and recreational opportunities if the property is developed. (See proposed zoning map 137)

**Staff Response:** These properties are currently zoned Residential Agricultural (RA), which allows for development of housing and limited other uses. Rezoning the properties does not require that they be developed. Specifically, the properties are proposed to be rezoned to RM-II to help Salem meet its projected housing needs. The Salem Housing Needs Analysis (HNA), which is proposed for adoption with the proposed changes to the Comprehensive Plan Map and zoning map, identified a need for more land for multifamily housing. The properties on Hilfiker Lane SE are located near services, Cherriots Core Network, and parks. This aligns with where the community, during the Our Salem project, has stated it would like to see multifamily housing in the future.

Requirements for preservation of trees and vegetation in SRC Chapter 808 would continue to apply to these properties if they are rezoned to RM-II. The City Council recently adopted a code amendment that increases the number and types of trees that are required to be preserved in Salem.

7. Comments were received expressing the opinion that the property near Lone Oak Rd. SE and Holder Ln. SE is not suitable for any type of development, due to the presence of wetlands and mature trees. Comments suggested that this land would be better suited for a park or natural area. One of these comments also asked for clarification on two staff responses in the supplemental staff report for the March 15, 2022 Planning Commission hearing regarding setbacks in the Mixed Use II

(MU-II) zone. Another comment referred to the City's tree protection regulations. (See proposed zoning map 150)

**Staff Response:** These properties are currently zoned RA, which allows for development of housing and limited other uses. Rezoning the properties does not require that they be developed.

The local wetlands inventory does not indicate wetlands on the properties. Also, the proposed zone change does not eliminate the requirement for future development to meet the conditions of SRC Chapter 809 (Wetlands), which aims to avoid or minimize risks to people and property from natural hazards. In addition, requirements for preservation of trees and vegetation in SRC Chapter 808 would continue to apply to these properties if they were rezoned to MU-II. The City Council recently adopted a code amendment that increases the number and types of trees that are required to be preserved in Salem.

In addition, side and rear setbacks in the MU-II zone are intended to provide a buffer to adjacent residential development. Specifically, side and rear setbacks adjacent to residential zones are based on building height, so taller buildings that are developed are required to be set back farther from residential zones. Buildings must be set back from adjacent residential zones a minimum of 10 feet plus 1.5 feet for each foot of building height above 15 feet.

As mentioned earlier, the City has requirements for the preservation of trees and vegetation in SRC Chapter 808. Those requirements would continue to apply to these properties if they are rezoned to MU-II. The City Council recently adopted a code amendment that increases the number and types of trees that are required to be preserved in Salem

8. Comments were received from SCAN expressing general support for the proposed Comprehensive Plan and Comprehensive Plan Map and suggesting that the MU-II zone would be most appropriate for properties located along Commercial St. SE between Mission St. SE and Vista Ave. SE. SCAN's request was specifically to extend the MU-II zone on the east side of Commercial Street SE to Vista Ave. SE. (See proposed zoning maps 119, 122, and 124) SCAN's comments also responded to the recommendations of the Our Salem zoning subcommittee. Specifically, SCAN supports increasing the minimum density in mixed use zones to 15 dwelling units per acre; suggests a higher minimum density in large subdivisions and supports requiring at least 15% of units in large subdivisions be middle housing; opposes requiring a minimum density of 15 dwelling units per acre in single-family zones within ¼ mile of the Cherriots Core Network; suggests a 70 foot maximum setback from residential zones in the MU-III zone rather than 50 feet; and opposes eliminating parking minimums in mixed-use zones within ¼ mile of the Cherriots Core Network.

**Staff Response:** Properties adjacent to Commercial St. SE between Mission St. SE and Myers St. SE are proposed to be zoned Mixed Use-I (MU-I), as well as properties on the east side of Commercial St. SE between Mission St. SE and Leslie St. SE. These properties are currently zoned Retail Commercial (CR). Staff proposed to rezone this corridor to MU-I for several reasons. The community has voiced support for increasing density – including specifically residential density – in and around the downtown area, as it includes many jobs, services, shops, and amenities as well as having frequent transit service. The MU-I zone permits taller buildings – and therefore more potential housing – than the MU-II zone, as the maximum height in the MU-I zone is 65 feet compared to 55 feet in the MU-II zone. As noted by SCAN, the lots are relatively small on Commercial Street SE south of Mission Street SE; by allowing additional height, the MU-I zone could help make multifamily housing and/or mixed-use development more feasible.

In addition, the proposed zoning considers the existing zoning of the properties adjacent to this area, which are zoned RM-II and Commercial Office (CO); both zones allow development of up to 70 ft. Also, this portion of the Commercial Street SE is oriented toward retail, restaurants, and services, which better aligns with the MU-I zone than the MU-II zone. The MU-I zone is intended to promote a pedestrian-oriented development, with an emphasize active commercial uses on ground floors facing major streets.

South of Superior Street SE, the majority of properties adjacent to Commercial St. SE in the SCAN neighborhood are zoned CR. Some are also zoned CO and General Commercial (CG). These properties are largely developed with commercial uses, some of which have automobile-oriented development. The Mixed Use-III (MU-III zone) is proposed in these areas because staff is seeking to balance the broad mix of commercial uses currently allowed in this area with the community's vision for this area to become a more pedestrian-friendly, mixed-use corridor. The MU-III zone specifically allows very similar commercial uses to the existing CR zone, but it promotes housing and mixed-use development by allowing multifamily housing outright and incentivizing mixed-use development. The MU-III zone specifically encourages infill development, particularly if it includes housing, and redevelopment in existing auto-oriented commercial areas without restricting the range of uses currently allowed. It also promotes pedestrian-oriented development through simple design standards without requiring full-scale redevelopment. Existing overlay zones in this area will continue to ensure that development is sensitive to adjacent residential uses where they are applied.

Nonetheless, staff has no objection to SCAN's request to rezone this southern portion of Commercial Street SE to MU-II. Staff, however, would have to notify affected property owners because the MU-II zone is not what was proposed during the Our Salem project or when they were specifically given notice.

The zoning subcommittee of four Planning Commissioners and four City

Councilors made several recommendations on code changes to help reduce greenhouse gas emissions from transportation. Many of the code changes aimed at increasing the amount of housing that can be developed near frequent transit service (e.g., Core Network). These recommendations resulted from extensive research and discussion about the feasibility of proposed changes, the potential impacts, and desired outcomes. The public, including developers and builders, were included in the discussions with the subcommittee. Staff does not support the changes suggested by SCAN. The recommendations that SCAN opposes or suggests changes to are described below.

Parking: The subcommittee recommended eliminating minimum parking requirements for mixed-use developments in mixed-use zones within ¼ mile of the Cherriots Core Network. This is intended to encourage infill development with housing in areas that are already developed with commercial uses. Specifically, multifamily housing could be developed in place of existing parking lots, as parking would no longer be required for commercial uses. Developers could still choose to provide parking, but it would not be required.

Density: The subcommittee recommended requiring a minimum density of 15 units per acre in single-family zones within ¼ mile of Cherriots Core Network. The intent is to increase housing density – through the development of middle housing – on the remaining vacant lots near frequent transit service. There would be exemptions, including vacant lots in recently-approved subdivisions.

Setback: The subcommittee recommended setbacks in the MU-III zone to be based on height when adjacent to residential zones; this is similar to setbacks in the MU-I and MU-II zones. The subcommittee, however, also recommended capping that setback to a maximum of 50 feet, which would balance the provision of a buffer for residential homes with the development potential of properties zoned MU-III. A 50-foot setback would be greater than what is required in many other zones, including the General Industrial (IG) zone, which requires a 40-foot setback adjacent to residential zones.

Subdivisions: The subcommittee recommended a minimum density of 5.5 dwelling units per acre in subdivisions of 10 acres or larger. (Currently, there is no minimum density in the single-family zones.) It was paired with a recommendation that 15 percent of housing units in such subdivisions were middle housing units. The intent is to increase the amount of housing, as well as the variety of housing types and affordability levels, in large subdivisions.

9. Several comments, including one from the Northeast Neighbors (NEN) Neighborhood Association, were received expressing support for the proposed Comprehensive Plan and gratitude for the outreach staff has done. The comments also requested that portions of the NEN neighborhood be rezoned from multifamily zones to Duplex Residential (RD) in line with the NEN-SESNA Neighborhood Plan.

One comment also expressed concerns about the equity implications of locating multifamily housing near major corridors and safety near railroad tracks.

**Staff Response:** The NEN-SESNA Neighborhood Plan recommends rezoning some areas with RM-II zoning to RD. However, the RD zone is proposed to be eliminated through the proposed code amendments. This zone is no longer necessary since the HB2001 changes went into effect because the RS zone now allows duplexes. Therefore, the RD zone would not be appropriate.

The largest area that the NEN-SESNA Neighborhood Plan recommended downzoning was in south of Center Street NE along 17<sup>th</sup> Street NE. During the Our Salem project, staff proposed rezoning the properties in this area west of 17<sup>th</sup> Street to RS. However, property owners and others did not support the proposed change. In other areas identified in the NEN-SESNA Neighborhood Plan for downzoning, there are some existing multifamily developments that would not have been allowed in the RS zone. If the Planning Commission and ultimately City Council would like to see specific properties downzoned from RM-II to RS, they could direct staff to include those proposed changes in a future City-initiated rezoning project. Only properties that were included in the Our Salem proposal initiated by City Council in December 2021 can be considered for zone changes during this adoption process.

In addition, staff heard from the community during the Our Salem project that multifamily housing should be distributed around Salem; that it should be located close to services, jobs, and transit; and that considerations should be taken to mitigate potential sources of air and noise pollution near multifamily development. Staff has distributed proposed new multifamily zoning around Salem, while considering its proximity to amenities and distance from potential pollution sources, like industrial zoning. Staff has also proposed more mixed-use zoning, so multifamily housing can more easily be located in close proximity to jobs, services, and transit. In the proposed MU-III zone, exclusive residential development is required to be set back farther from major roadways, and additional landscaping is required to help mitigate the negative effects of nearby auto traffic.

Rail safety has been considered in the development of the proposed Comprehensive Plan. One of the transportation policy ideas that will be moved forward for consideration during the planned update to the Transportation System Plan is specific to rail crossing safety.

10. A comment was received in opposition to the proposed zone change at 2840 Broadway St. NE to MU-III due to concerns that the zone would prohibit an existing gas station from continuing to operate. (See proposed zoning map 60)

**Staff Response:** The property at 2840 Broadway St. NE is currently zoned CR. It is proposed to be rezoned to MU-III, which allows gasoline service stations, so the

proposed change will not affect the ability of this gas station to continue to operate (or new gas stations from being developed).

11. A comment was received requesting that a property near Lamberson St. NE that is currently zoned RM-II be rezoned due to concerns that it is adjacent to a railroad line, it would create more traffic if it were developed, and development would result in a loss of trees.

**Staff Response:** The property is currently zoned RM-II,, and a zone change on this property is <u>not</u> included as part of this proposal, which was initiated by City Council in December.

12. Several comments were received expressing support for having a small market at 800 Highland Ave. NE. Also included was a list of signatures in support of this concept. (See proposed zoning map 57)

**Staff Response:** The property is currently zoned RS, which does not allow retail sales and services. The proposed zoning for this property is Neighborhood Hub (NH), which allows small-scale retail sales and services uses, including markets. Therefore, the proposed zoning aligns with and supports these requests.

- 13. A comment was received in support the Our Salem Project and mixed use and multifamily zoning northwest of the intersection of Orchard Heights Rd. NW and Doaks Ferry Rd. NW. (See proposed zoning maps 188 and 189)
- 14. Several comments, including one from the North Lancaster Neighborhood Association, were received in opposition to the proposed zone change to NH at 2390 Brown Rd. NE due to concerns about traffic safety and proximity to existing commercial areas. A list of signatures was also included. (See proposed zoning map 33)

**Staff Response:** The NH zone allows small-scale shops and services in residential neighborhoods and is intended to promote complete neighborhoods where residents can walk to meet some of their daily needs. This location was proposed for the NH zone because it is relatively far from existing services (.75 miles), it is in close proximity to complementary amenities (e.g. a park and community garden), it is served by sidewalks and bike lanes that help improve access, and it is located along a bus route with 15-minute service. These were all factors the community indicated were important to consider when locating neighborhood hubs.

The NH zone will continue to allow single-family homes, and there is no requirement that a small business be developed or established if the property is rezoned to NH. The existing single-family home on the Brown Road property can remain.

Brown Road NE was recently improved to a collector street standard with sidewalks and bike lanes, including an enhanced pedestrian crossing at Brown Road NE and Maria Ave. NE. This increases the walkability of this area, which aligns with the broader intention of the NH zone. Any commercial redevelopment would need to meet City standards related to transportation safety.

15. A comment was received from the owner of Grocery Outlet expressing support for expanding the Central Business District (CB) zone on the north side of downtown and requesting flexible code requirements for older developments, like the Grocery Outlet, including requirements for signage. (See proposed zoning map 68)

**Staff Response:** The existing zoning of the Grocery Outlet property is CB, and no change to the current zoning of this property is proposed. Existing standards in Salem Revised Code address nonconforming development that allow older structures that do not meet current standards to be improved. Additionally, the City is in the process of amending the sign code (SRC Chapter 900), including updated standards for the location of signage and the process for requesting a sign adjustment. The Planning Commission is conducting work sessions in April and May 2022, and public comments and feedback on the proposed updates are currently being accepted. Public Hearings on the sign code amendments are anticipated to begin in June 2022.

- 16. A comment was received in support of MU-III zoning on Fisher Rd. NE. (See proposed zoning map 25)
- 17.A comment was received expressing concerns that the proposed Comprehensive Plan, code amendments, and maps do not comply with Oregon State Land Use Planning Goal 5.

**Staff Response:** The existing Salem Area Comprehensive Plan has been adopted by the City and acknowledged by the Land Conservation and Development Commission as being in compliance with the statewide goals, state statutes, and state administrative rules. Staff from 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.

After analysis of the statewide planning goal, the Oregon Revised Statutes, and associated Oregon Administrative Rules and discussions with DLCD staff, City staff believe that 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 the 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.

In conclusion, the cases cited by the testimony do not support the argument that a Goal 5 review is necessary.

18. Comments were received expressing support for dispersing low-income housing across Salem, especially in South and West Salem. One comment also suggested that multifamily housing should be located in compact, mixed-use neighborhoods. The comment asserts that challenges associated with climate change have an outsized impact on low-income residents, and quality housing for low-income residents can help build resiliency.

**Staff Response:** The proposed Comprehensive Plan includes policies related to dispersing affordable and low-income housing across Salem and encourages development of mixed-income neighborhoods. It also includes policies that encourage the development of compact, mixed-use neighborhoods. The proposed zoning and Comprehensive Plan Map changes reflect these policies by proposing land for multifamily housing and mixed-use development across Salem, including

in South and West Salem. The proposed changes help to make the distribution of multifamily land more equitable across different parts of the city. See additional responses in #31 below related to the housing policies.

19. A comment was received from the Salem Area Chamber of Commerce expressing concerns for businesses that could become continued uses as a result of proposed zone changes, citing challenges to rebuilding after a building is destroyed. The example given was the West Salem Central Business District (WSCB).

**Staff Response:** The WSCB zone is not proposed to be expanded by the proposed zone changes, and its existing provisions related to continued uses are not proposed to be changed. The City currently allows development housing continued uses to be rebuilt following damage or destruction. The proposed code amendment would expand the flexibility provided to properties through continued use and continued development provisions. For example, the proposed MU-III zone would allow buildings housing a continued use to be structurally altered and enlarged, as well as rebuilt following destruction, including the option to rebuild in the same location. Staff has worked extensively through its public engagement efforts with property owners, business owners, the Chamber of Commerce, and others to ensure the needed flexibility exists in the proposed new zones.

20. A comment was received opposing additional multifamily housing in West Salem, expressing concerns about the traffic and parking implications. The comment requests that no new multifamily housing be built until more travel lanes for cars are added and that parking requirements for multifamily be increased to 2 spaces per unit.

**Staff Response:** As part of the Our Salem project, the City worked with the Mid-Willamette Valley Council of Governments (MWVCOG) to analyze the transportation impacts of the proposed Comprehensive Plan Map changes. Based on that analysis, the proposed changes comply with the State Transportation Planning Rule. See Goal 12 findings in the March 15 staff report <a href="Attachment 16">Attachment 16</a> for additional detail on the transportation analysis and impacts.

The City Council recently changed the parking requirements for multifamily development to 1 space per unit. That change went into effect March 16, 2022.

- 21. A comment was received from the Cherriots Board of Directors supporting the Our Salem Project, the Our Salem Vision Statement, the attention to equity in the plan, the alignment of the plan with the transit system, strategies to reduce greenhouse gas emissions, and references to transportation and parking management.
- 22. A comment was received requesting that measures to promote wildfire safety and preparedness be included in the plan.

**Staff Response:** The proposed Comprehensive Plan includes a chapter on climate change and natural hazards, including wildfires. This chapter contains policies related to natural hazard preparedness, awareness, and the urban-wildland interface. Additionally, the State is in the process of rulemaking related to wildfire risk and mitigation (SB 762), and the City will implement any resulting rules that apply to local jurisdictions.

23. A comment was received requesting a summary of the March 15, 2022 public hearing.

**Staff Response:** The public is able to view the March 15, 2022 Planning Commission meeting online on the City's <u>YouTube channel</u>.

24. A comment was received opposing the proposed zone change from CO to MU-I at 4343 and 4345 Sunnyside Rd. SE due to concerns that high-density development would degrade wildlife habitat, increase flood risk and pollution from stormwater runoff, and traffic safety issues. (See proposed zoning map 134)

**Staff Response:** Rezoning the properties does not require that they be developed or redeveloped. Both the existing CO zone and proposed MU-I zone allow multifamily and mixed-use development. The maximum height in the existing CO zone is 70 feet, and the maximum height in the proposed MU-I zone is 65 feet. Therefore, the proposed zone change does not affect the potential for these properties to be developed with high-density development. In addition, the MU-I zone includes setback standards that would provide a greater buffer between these properties and adjacent residential properties than would be required in the CO zone if these properties develop in the future.

The proposed zone change also does not eliminate the requirement for future development on these properties to meet the conditions of SRC Chapter 809 (Wetlands), SRC Chapter 601 (Floodplain Overlay Zone), SRC Chapter 808 (Preservation of Trees and Vegetation), SRC Chapter 809 (Wetlands), and SRC Chapter 71 (Stormwater).

Development of these properties (whether zone CO or MU-1) would need to ensure adequate sight distance at the driveway approach. If a Traffic Impact Analysis is required with development, this would be included in the analysis prior to approval of construction plans.

25. A comment was received requesting that the properties at 4700 Battle Creek Rd. SE, 4786 Battle Creek Rd. SE, and 4826 Battle Creek Rd. SE (near the intersection of Kuebler Blvd SE) be rezoned from the existing RA zoning to MU-III rather than MU-I as proposed. The comment asserts that this will make these properties more attractive for development because the MU-III zone allows drive-throughs, while the MU-I does not. (See proposed zoning map 105)

**Staff Response:** The MU-I zone is intended to promote pedestrian-oriented mixed-use development. This type of development could improve walkability for future residents of these properties as well as for surrounding residents. The MU-I zone also allows a range of shops and services, which could serve this growing residential area.

The MU-III zone is generally proposed for areas that are already developed with commercial uses, including those that are auto-oriented. It promotes infill development – particularly housing development – through a variety of development standards and incentives. However, this area is not currently developed, so there is an opportunity to create a new pedestrian-friendly mixed-use area through the MU-I zone. Additionally, staff analysis has resulted in concerns about traffic congestion and stacking that would result from MU-III zoning in this area.

26. A comment was received requesting information about the service standards used in the development of the Comprehensive Parks System Master Plan and asking how the Community Development Department was involved in that planning effort. The commenter also inquired about how "market usage outcomes for public transit" were utilized in proposing MU-II and MU-III zoning. The commentor inquired about the level of expertise of the Community Development Department and asked about how market economic analysis contributes to long range planning processes.

Staff Response: Park acreage standards for Salem parks are set by Comprehensive Park System Master Plan (CPSMP) policy 4.1, which states, "The City shall provide a system of improvements to meet the needs of the current and future population with the park acreage planning goal of seven acres per 1,000 residents: 2.25 acres of neighborhood, 2.25 acres of community and 2.5 acres of urban park land. Acreage standards for linear parks/trails, special use facilities, historic sites, and natural areas are not established." Public Works Parks Planning leads the application of these standards and follows the recommendations included in the CPSMP. Community Development staff supports and collaborates with Public Works Parks Planning staff regularly, and Parks planning staff supported and contributed to the development of the proposed Comprehensive Plan.

Numerous studies, reports and projects have recommended encouraging mixed-use development and higher-density development near transit. This is often recommended as a strategy to reduce vehicles miles traveled and thus greenhouse gas emissions related to transportation. This includes the Oregon Statewide Transportation Strategy, which encourages removing barriers to mixed-use development and pairing mixed-use development with expansion of transit, walking, and bicycle networks. Salem's Climate Action Plan, which was accepted in February 2022, specifically includes a strategy that calls for incentivizing and

promoting "dense and vertical development (residential and commercial) within a 1/4 mile of the existing and future core transit network."

Over the last three years, Our Salem project staff collaborated with a variety of partners, including other City departments, Cherriots, jurisdictional partners, business and property owners, neighborhood associations, community groups, and countless others to propose zone changes – including the location of different mixed-use zones – across Salem. Staff factored that input into its decision-making, which also included consideration of local context, professional expertise, and direction from policymakers. City staff do not set service standards for transit. However, City staff are supporting Cherriots' first ever long-range transit plan to help ensure coordination between land use planning and transit planning continues.

27. A comment was received from the West Salem Foursquare Church located at the northeast corner of Doaks Ferry Road NW and Eola Road NW inquiring as to what type of future development might take place on the vacant portion of their property, which is proposed to be rezoned to MU-II. (See proposed zoning map 173)

**Staff Response:** This property is currently zoned RA, which allows single-family and middle housing development, as well as uses that support residential development, like religious assembly. The proposed MU-II zone allows three-family, four-family, and multiple family development as well as a variety of commercial uses, like eating and drinking establishments, retail sales, personal services, and offices. It also allows religious assembly uses. The MU-II zone encourages pedestrian-oriented design to promote walkable development patterns.

This zoning is proposed in this location because there are many residents in this area – which includes adjacent multifamily and single-family housing – and there is currently very limited access to nearby commercial services and amenities. During the Our Salem project, the community voiced a desire for more convenient access to goods and services as well as concerns about traffic on many of the primary roads in West Salem. By providing the possibility for commercial uses in this area, nearby residents may be able to walk to meet some of their daily needs as opposed to driving. This will help to increase residents' access to goods and services and may help reduce the number of vehicle miles traveled.

28.A comment was received, stating that there are legal deficiencies regarding the current and proposed Comprehensive Plan Map and requesting that they be corrected as part of the Our Salem project.

**Staff Response:** The comment provides a header and key of a map that was submitted to DLCD – cited as example a in the testimony – as part of the Our Salem project. The map is not the official Comprehensive Plan Map; it was

provided to DLCD to show proposed changes to Comprehensive Plan Map designations on specific properties. The map, therefore, does not show the Willamette Greenway. The greenway is mapped on the official Salem Area Comprehensive Plan Map.

Overall, the issues raised in the comment are not related to the Our Salem project nor are they related to the proposed amendments to the Comprehensive Plan Map. Separate from the Our Salem project, staff has worked with the commenter on the issues raised.

# Oral Testimony Received during Public Hearing

29. A comment was received by a property owner who would prefer that his property at 1280 Center St. NE be rezoned from CR to MU-III rather than MU-I as proposed because he wants the option to develop a drive-through in the future. (Written testimony with similar comments has also been received.) (See proposed zoning map 48)

**Staff Response:** Due to its proximity to downtown and the Capitol Mall and the walkability of the area, this property and the surrounding area are proposed to be rezoned to MU-I. The MU-I zone is intended to encourage pedestrian-friendly, mixed-use development. It includes pedestrian-oriented design standards and allows but does not require a mix of uses, including multifamily housing and commercial uses. Development of this property with a drive through would not be harmonious with the surrounding area, which is one of the most walkable neighborhoods in Salem. MU-III zoning on this vacant parcel would also not be consistent with the surrounding areas, which are zoned Central Business District (CB) and MU-I; neither of those zones permit drive through uses. The MU-III zone, on the other hand, is proposed primarily on commercial corridors that already have auto-oriented development and are located further from downtown. The existing block configuration and availability of vacant properties, including 1280 Center Street NE, further support MU-I zoning.

30. Two comments were received inquiring about how the proposed zoning changes and code amendments would affect land use cases that are currently being reviewed.

**Staff Response:** Staff is tracking recently-approved land use decisions and pending land use cases. The proposed Comprehensive Plan map and zoning map will not override any recent land use decisions, as staff intends to recommend the maps be changed to reflect any necessary changes related to land use cases that are decided prior to adoption. All land use applications are subject to the zoning and code in place at the time they are received by the City.

31. Several comments were received expressing the importance of promoting equity

and environmental justice through the proposed Comprehensive Plan. Specific areas of concern included food deserts, displacement and gentrification, and impacts of concentrated poverty on schools. Comments also emphasized the importance of supporting the development of low-income and subsidized housing across Salem, and especially in South and West Salem.

**Staff Response:** Throughout the Our Salem Project, staff has partnered with community organizations to ensure that diverse perspectives are included in the plan and those who have historically been underrepresented in planning processes are able to contribute. This includes groups representing communities of color, refugees, people with disabilities, low-income residents, and more.

Input from these groups helped shape goals and policies in the proposed Comprehensive Plan, including those specific to equity and inclusion ("Community Engagement and Equity" chapter), food deserts (CS 2.1 Fresh food), gentrification (H 2.8 Anti-displacement), and environmental justice (CE 2.1 Environmental and social justice). These goals will help ensure that City processes and plans provide for more equitable outcomes in the future.

The proposed Comprehensive Plan Map and zoning map reflect these priorities by distributing multifamily housing across Salem, changing land uses to expand access to services in underserved areas, and concentrating denser housing, jobs, and services close to transit. As mentioned earlier, the proposed map changes increase the amount of land available for multifamily housing, including in South and West Salem, while seeking to distribute land designated Multiple Family Residential more equitably across Salem. Staff has also suggested revisions to proposed policies (see staff response in #32 below).

# Responses to Planning Commission Questions

32. Commissioner Michael Slater: Is it possible to add the terms "low-income housing," "subsidized housing," and "public housing" to more of the policies related to housing affordability?

**Staff Response:** There are several policies related to housing where one or more of these terms could be added to make the policy more inclusive. They include H 2.1 – Low-income and workforce housing, H 3.2 – Dispersal, and H 1.3 – Accessibility and aging in place. Below are suggested changes to the policies; potential additions are <u>underlined</u>, and deletions have a <u>strike through line</u>.

**H 2.1 Low-income and workforce housing:** The City should encourage the development of housing that is affordable to low- and moderate-income households, including <u>public</u>, government-assisted, subsidized, low-income, and workforce housing, through incentives and other tools.

- **H 3.2 Dispersal:** Affordable housing, including <u>low-income</u>, subsidized, and <u>public</u> housing, should be located throughout the Salem Urban Area to promote mixed-income neighborhoods and reduce economic segregation and concentrations of poverty.
- H 1.3 Accessibility and aging in place: The development of affordable, and low-income accessible housing, including homes with universal design features, should be encouraged to meet the needs of older adults and people with mental and physical disabilities, particularly in areas near services and transit.

It should be noted that affordable housing can be defined in a variety of ways. To avoid confusion, the following definitions are what is intended by City staff – including those in the Community Development and Urban Development departments– when referring to each term.

# Affordable Housing

Salem Revised Code Chapter 111: Affordable housing means housing that is
affordable to households with incomes equal or less than 80 percent of the
median family income in the county for which the development is built or for the
state, whichever is greater, and in a manner so that no more than 30 percent of
the household's gross income will be spent on rent, home loan or mortgage
payments, and utilities.

# Low-Income Housing

• Salem Revised Code Chapter 2: Low income means income at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development.

#### Subsidized Housing

Subsidized housing is housing that is made more affordable with some type of
government subsidy. This could include housing where federal housing choice
vouchers (section 8) are accepted or some other type of rent assistance. It could
also include housing that is required to be rented below market rate in exchange
for tax exemptions or other subsidies.

#### **Public Housing**

- Public housing refers to housing that is owned by the Salem Housing Authority or another government entity
- 33. Commissioner Ron Eachus: Does staff have a tree inventory for Northeast Salem available?

**Staff Response:** The distribution of tree canopy cover across Salem can be found in the 2019 Urban Tree Canopy Assessment. Table 6 on page 16 and Figure 12 on

page 17 show the amount of tree canopy cover by neighborhood in Salem. Coverage ranges from 14 percent in Southeast Mill Creek to 41 percent in Southwest. In general, tree canopy coverage is higher in South and West Salem than in Northeast and East Salem.

34. Commissioner Daisey Goebel: How have we addressed the need for multifamily housing in Salem, including south and west Salem?

**Staff Response:** Staff has proposed redesignating and rezoning land for multifamily housing across Salem. The proposed map changes meet Salem's housing needs, as described in <a href="Attachment 15">Attachment 15</a> of the March 15 Staff Report. This is acknowledged in the March 8, 2022 letter from the Oregon Department of Land Conservation and Development. The proposed changes to Comprehensive Plan Map add more than 300 acres of land designated Multiple Family Residential (MF), with the vast majority of that land being located in West and South Salem.

Eunice Kim Long Range Planning Manager

#### Attachments:

- 1. Testimony received between noon, March 10 and 5 p.m., March 15
- 2. Testimony received between 5 p.m., March 15 and noon, March 28