

*555 Liberty St SE
Salem, OR 97301*



Final Action Agenda - Minutes - Draft

Monday, May 22, 2017

6:00 PM

Council Chambers

City Council

WORK SESSION

5:30 p.m. - Council Chambers

Short-term Rental Development Standards and Licensing Requirements

EXECUTIVE SESSION

City Council:

Immediately following City Council Meeting - City Manager Conference Room

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

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

Call to Order

6:02 p.m.

Roll Call

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

Pledge of Allegiance

Led by Mayor Bennett.

1.1 APPROVAL OF ADDITIONS AND DELETIONS TO THE AGENDA

A motion was made by Councilor McCoid, seconded by Councilor Cook to approve the additions and deletions to the agenda.

The motion carried by a unanimous vote.

A second motion was made by Councilor McCoid, seconded by Councilor Ausec to reorder the agenda to move Item 4.b before Item 4.a.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

1.2 COUNCIL AND CITY MANAGER COMMENT

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

1.3 PROCLAMATIONS

Mayor Bennett presented the proclamation.

1.3a. [17-241](#)

Proclamation recognizing Salem Electric's 75th Anniversary

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Information Only.

1.4 PRESENTATIONS

Jay Ward, Sr. Community Relations Manager with Energy Trust of Oregon presented the City with a ceremonial incentive check in the amount of \$101,209.

1.4a. The Energy Trust of Oregon will present an incentive check to the City for installation of an energy efficient blower at the Willow Lake Water Pollution Facility.

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

Appearances by:

Rebecca McCoun, Coordinator, North Santiam Watershed Council, Item 6.b

Richard Koenig, Sherwood, Oregon, Public Records (not related to an agenda item)

Rick Yurk, Chair, Salem Public Art Commission, Item 6.k

Questions or Comments by: Councilor Nanke, Mayor Bennett, and Councilor Andersen.

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

A motion was made by Councilor McCoid, seconded by Councilor Hoy to approve the consent calendar.

Comments by: Councilor McCoid and Mayor Bennett.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

3.1 MINUTES

3.1a. [17-268](#) May 6, 2017 Council Work Session Minutes

Action: Approved.

3.1b. [17-269](#) May 8, 2017 Council Minutes

Action: Approved.

3.2 RESOLUTIONS

3.3 ACTION ITEMS

3.3a. [17-228](#) Ratification of Amendment to Intergovernmental Agreement with the Department of Corrections

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Ratified the City Manager's execution of the amendment to the IGA with the Department of Corrections extending the term of the Equipment Space Lease.

3.3b. [17-239](#) Chemeketa Parkade Retail Lease - Rudy's Steakhouse LLC

Ward(s): 1

Councilor(s): Kaser

Neighborhood(s): CANDO

Authorized lease for property located at 290-350 Chemeketa Street NE with Rudy's Steakhouse LLC.

3.3c. [17-246](#) Amendment of Intergovernmental Agreement with State of Oregon to provide plan review and inspection services

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Authorized the City Manager to execute Amendment #4 to IGA #90G000237 with the State of Oregon Department acting by and through its Department of Consumer and Business Services, Building Codes Division (BCD).

3.3d. [17-257](#)

Reappointment of Deborah Wilson as Municipal Judge Pro Tempore

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Reappointed Deborah Wilson as a Municipal Judge Pro Tempore for the Salem Municipal Court for a two-year term.**4. PUBLIC HEARINGS****Agenda reordered to hear Item 4.b before Item 4.a.****4.b.** [17-265](#)

Utility Code

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Persons Testifying: None.**A motion was made by Councilor McCoid, seconded by Andersen to advance Ordinance Bill No. 7-17, relating to the Utility Code and amending Salem Revised Code Chapters 70, 70A, 71, 72, and 73 to second reading for enactment.****Questions or Comments by: Councilors McCoid and Andersen.****The motion carried by the following vote:****Aye:** 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett**Nay:** 0**Abstain:** 0

4.a. [17-260](#)

Short-term rental development standards and licensing requirements

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Persons Testifying:

Leigha Gaynair, Ward 1

Paul McCabe, 1925 Maple Avenue NE

Sara Dinsdale, Ward 8

Carole Lawson, 1811 Chemeketa Street NE

Joan Weber, 3045 Crestview Drive S

Eric Miller, 3275 Crestview Drive S

Darlene Morgan, 1814 Rees Hill Road SE

Tanya Bailey, No address or ward number was provided

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

A motion was made by Councilor McCoid, seconded by Councilor Hoy to direct staff to engross Ordinance Bill No. 5-17, amending the SRC to establish development standards and licensing requirements for short-term rentals and accessory short-term rentals and allowing those uses in the RA, RS, RD, RM-I, RM-II, RH, CN, CO, FMU, PM, and IG zones, and advance it to second reading for enactment.

Questions or Comments by: Councilor McCoid.

An amendment to the main motion was made by Councilor McCoid, seconded by Councilor Andersen to direct staff to engross Ordinance Bill No. 5-17 to remove the restriction prohibiting accessory short-term rentals from being operated within guest houses, provided the total number of guestrooms on a property does not exceed the maximum allowed for accessory short-term rentals generally.

Questions or Comments by: Councilors McCoid, Cook, Kaser.

The amendment to the main motion carried by a unanimous vote.

An amendment to the main motion was made by Councilor Andersen, seconded by Councilor Ausec to direct staff to engross Ordinance Bill No. 5-17 to reduce the total number of days an accessory short-term rental may be rented within a calendar year without the resident family present as host from 95 days to 45 days.

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

Vote:

Aye - Councilor Andersen

Nay - Councilors McCoid, Nanke, Kaser, Lewis, Cook, Hoy, Ausec, and Bennett

The motion failed.

An amendment to the main motion was made by Councilor Andersen, seconded by Councilor Cook to direct staff to engross Ordinance Bill No. 5-17 to require notice of approval of any license, or renewal, for both short-term rentals and accessory short-term rentals to be provided to the neighborhood association and property owners located within 250 feet of the subject property; the notice shall include the local representative contact information and a link to the City website where the contact information is available.

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

An amended motion was made by Councilor Kaser, seconded by Mayor Bennett to require notice of approval of any license, or renewal, for both short-term rentals and accessory short-term rentals to be provided to the neighborhood association only; the notice shall include the local representative contact information and a link to the City website where the contact information is available.

Questions or Comments by: Councilors Cook, Andersen, and Nanke.

Councilor Kaser's amended motion carried by the following vote:

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

Councilor Andersen's motion, as amended, carried by the following vote:

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

An amendment to the main motion was made by Councilor Cook, seconded by Councilor Nanke to direct staff to engross Ordinance Bill No. 5-17 to only require inspections for short-term rentals.

Questions or Comments by: Councilors Kaser, Nanke and Cook.

Vote:

Aye - Nanke

Nay - Andersen, McCoid, Kaser, Lewis, Cook, Hoy, Ausec, and Bennett

The motion failed.

An amendment to the main motion was made by Mayor Bennett, seconded by Councilor Hoy to direct staff to engross Ordinance Bill No. 5-17 to increase the maximum number of guestrooms allowed for an accessory short-term rental from two to three.

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

The motion carried by a unanimous vote.

Questions or Comments by: Mayor Bennett and Councilor Andersen.

An amendment to the main motion was made by Mayor Bennett, seconded by Councilor McCoid to direct staff to engross Ordinance Bill No. 5-17 to limit the number of guests allowed within an accessory short-term rental when the host is not present to an overall maximum of 10.

The motion carried by a unanimous vote.

Questions or Comments by: Mayor Bennett and Councilor Lewis.

Original Main Motion as Amended:

"Engross Ordinance Bill No. 5-17, amending the SRC to establish development standards and licensing requirements for short-term rentals and accessory short-term rentals and allowing those uses in the RA, RS, RD, RM-I, RM-II, RH, CN, CO, FMU, PM, and IG zones, and advance it to second reading for enactment; (1) to direct staff to engross Ordinance Bill No. 5-17 to remove the restriction prohibiting accessory short-term rentals from being operated within guest houses, provided the total number of guestrooms on a property does not exceed the maximum allowed for accessory short-term rentals generally; (2) to direct staff to engross Ordinance Bill No. 5-17 to require notice of approval of any license, or renewal, for both short-term rentals and accessory short-term rentals to be provided to the neighborhood association only; the notice shall include the local representative contact information and a link to the City website where the contact information is available. (3) to direct staff to engross Ordinance Bill No. 5-17 to increase the maximum number of guestrooms allowed for an accessory short-term rental from two to three; (4) to direct staff to engross Ordinance Bill No. 5-17 to limit the number of guests allowed within an accessory short-term rental when the host is not present to an overall maximum of 10.

The original main motion, as amended, carried by the following vote:

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

Nay: 0

Abstain: 0

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

5.a. [17-274](#)

Creation of City Council Transit Committee

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Mayor Bennett, seconded by Councilor Cook to adopt Resolution No. 2017-29 to create the City Council Transit Committee.

Questions or Comments by: Mayor Bennett, Councilor Kaser, and City Manager Powers.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

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

6.a. [17-245](#)

Mayoral appointments to the Human Rights and Relations Advisory Commission

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

Questions or Comments by: Councilor Andersen.

6.b. [17-157](#)

North Santiam Watershed Council Annual Report-July 1, 2015 to June 30, 2016

Ward(s): All Wards

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

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.c. [17-220](#)

Planning Commission Decision - Comprehensive Plan Map Amendment / Neighborhood Plan Change / Zone Change Case No. CPC-NPC-ZC17-04 - Approved - Ryan Salas-Mitchell - 2440
McGilchrist Street SE - A consolidated application to change the Comprehensive Plan Map designation, Neighborhood Plan Map designation, and zoning of an approximately 0.56 acre property from "Industrial" with IG (General Industrial) zoning to "Industrial Commercial" with IC (Industrial Commercial) zoning. The property is at the southwest corner of 25th Street SE and McGilchrist Street SE, just west of the Salem Municipal Airport.

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

This Informational Report was received and filed.

6.d. [17-227](#)

Planning Commission Decision - Comprehensive Plan Map Amendment / Neighborhood Plan Change / Quasi-Judicial Zone Change / Site Plan Review / Adjustment / Driveway Approach Permit Case No. CPC-NPC-ZC-SPR-ADJ-DAP17-03 - Approved - Seaman Real Estate Investments LLC (Michael W. Seaman, Alice M. Seaman, Michael W. Seaman, Trustee of Donald L. Seaman QTIP Trust Deed Dated 02-05-09, Janet M. Strom, Jill E. Seaman-Pollard) - 1011
Lancaster Drive NE - A consolidated application to redevelop a McDonald's restaurant at the northwest corner of Lancaster Drive NE and D Street NE. The existing restaurant and parking area would be demolished and rebuilt on an expanded site.

Ward(s): 6
Councilor(s): Hoy
Neighborhood(s): NESCA

This Informational Report was received and filed.

6.e. [17-231](#)

Planning Commission Decision - Class 3 Design Review / Class 3 Site Plan Review / Class 2 Adjustment Case No. DR-SPR-ADJ17-02 - Approved - M Parkside Living LLC (PDQ Investments LLC, Paul Gehlar, Daphne Schneider) - 245 Court Street NE - Proposed mixed-use development consisting of a five-story building with 40 multiple-family residential units above ground floor commercial space and parking; together with an approximate 3,307 square-foot single story commercial retail building.

Ward(s): 1
Councilor(s): Kaser
Neighborhood(s): CANDO

This Informational Report was received and filed.

6.f. [17-235](#)

Planning Administrator Decision - Class 3 Site Plan Review / Tree Regulation Variance Case No. SPR-TRV17-13 - Approved - Joe Gill, Oregon Military Department - 3225 State Street - Development of a building, parking, and landscaping for the emergency services facility of the Joint Force Headquarters of the Oregon Military Department.

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

This Informational Report was received and filed.

6.g. [17-236](#)

Hearings Officer Decision - Conditional Use / Class 2 Greenway Development Permit / Class 2 Adjustment Case No. CU-WGP-ADJ17-04 - Approved - Joe Green - 102 Pine St NE - An application for a conditional use, greenway development permit, and zoning adjustment to allow single-family or duplex dwellings on 8 lots in the IC (Industrial Commercial) zone.

Ward(s): 1
Councilor(s): Kaser
Neighborhood(s): Highland

This Informational Report was received and filed.

6.h. [17-248](#)

Notice of Proposed Administrative Rulemaking for Utility Billing

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.i. [17-249](#)

Proposed Administrative Rulemaking for Water Curtailment Actions

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.j. [17-250](#)

Notice of Proposed Administrative Rule Making for the
Cross-Connection Control Program

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

6.k. [17-251](#)

Salem Public Art Commission Annual Report

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

This Informational Report was received and filed.

- 6.I. [17-259](#) Planning Administrator Decision - Subdivision Case No. SUB17-03 - Approved - Raymond Baker - 197 Rainier Drive SE - An 36-lot subdivision ("Rainier Ridge") on the north side of Rainier Drive SE, just north and west of the Rainier Estates subdivision. The existing residence on the property would remain.

Ward(s): 4

Councilor(s): McCoid

Neighborhood(s): South Gateway

This Informational Report was received and filed.

Questions or Comments by: Councilors Cook and McCoid.

7. ORDINANCES

7.1 FIRST READING:

- 7.1a. [17-237](#) Proposed Comprehensive Plan Map Change and Neighborhood Plan Change - "Industrial" to "Industrial Commercial" for a 0.56-acre property at the southwest corner of 25th Street SE and McGilchrist Street SE.

Ward(s): Ward 2

Councilor(s): Andersen

Neighborhood(s): SESNA

A motion was made by Councilor Andersen, seconded by Councilor Nanke to advance Ordinance Bill No. 15-17 changing the Comprehensive Plan Map designation from "Industrial" to "Industrial Commercial" for a 0.56-acre property at the southwest corner of 25th Street SE and McGilchrist Street SE to second reading.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

7.1b. [17-242](#)

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

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Councilor McCoid, seconded by Councilor Hoy to advance Ordinance Bill No. 10-17 amending the Salem Revised Code to allow and establish standards for accessory dwelling units in all residential zones, most commercial and industrial zones, and the Neighborhood Center Mixed-Use Zone to a public hearing.

Council also requested that a work session be scheduled before the public hearing.

Questions or Comments by: Councilor Andersen and City Manager Powers.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

7.1c. [17-253](#)

Refunding Full Faith and Credit Bonds.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Councilor McCoid, seconded by Councilor Nanke to advance Ordinance No. 14-17 authorizing the City Manager, or the City Manager's designee, to negotiate the financial terms to issue approximately \$69 million in refunding bonds to refinance City of Salem full faith and credit obligations for the Utility Fund and cover costs related to the debt issuance to second reading.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

7.1d. [17-238](#)

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

Ward(s): Ward 6

Councilor(s): Hoy

Neighborhood(s): NESCA

A motion was made by Councilor Hoy, seconded by Councilor McCoid to advance Ordinance Bill No. 16-17 changing the Comprehensive Plan Map designation from "Single Family" to "Commercial" for a 0.57-acre portion of a 1.66-acre site at the northwest corner of Lancaster Drive NE and D Street NE to second reading.

The motion carried by the following vote:

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

Nay: 0

Abstain: 0

7.2 SECOND READING:**7.2a.** [17-244](#)

Comprehensive Plan Map Change - "Industrial" to "Industrial Commercial" for a 80- acre property located at 3290 Boone Road SE.

Ward(s): 4

Councilor(s): McCoid

Neighborhood(s): SEMCA

Conducted second reading of Ordinance Bill No. 13-17 changing the Comprehensive Plan Map designation from Industrial to Industrial Commercial for an approximately 80-acre property located at 3290 Boone Road SE.

Adopted Ordinance Bill No. 13-17 by the following vote:

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

Nay: 0

Abstain: 0

7.2b. [17-254](#)

Refunding Full Faith and Credit Bonds

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

A motion was made by Councilor McCoid, seconded by Councilor Nanke to 1) suspend council rule 8(g) and conduct first and second reading of Ordinance Bill No. 14-17 at tonight's meeting, and 2) Conduct second reading of the ordinance bill, which authorizes the City Manager, or the City Manager's designee, to negotiate the financial terms to issue approximately \$67 million in bonds to refinance City of Salem full faith and credit obligations for the Utility Fund and cover costs related to the debt issuance.

Adopted Ordinance Bill No. 14-17 by the following vote:**Aye:** 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett**Nay:** 0**Abstain:** 0**7.2c. [17-224](#)**

Vacating a Portion of Rose Garden Way NE and Declaring an Emergency

Ward(s): 5

Councilor(s): Ausec

Neighborhood(s): Northgate

Conducted second reading of Ordinance Bill No. 12-17, which vacates a portion of Rose Garden Way NE, and declare an emergency.

Adopted Ordinance Bill No.12-17 by the following vote:**Aye:** 9 - Kaser, Andersen, Nanke, McCoid, Ausec, Cook, Lewis, Hoy, and Bennett**Nay:** 0**Abstain:** 0**8. PUBLIC COMMENT: (Other than agenda items)**

None.

9. ADJOURNMENT

8:53 p.m.