

**Criteria and Findings for Proposed Comprehensive Plan Map Amendment and
Neighborhood Plan Amendment for an approximately 7.97-acre site at 2425
Strong Road SE, 3991 and 3993 Fairview Industrial Drive SE, and 4080 Reed Road
SE from “Industrial” to “Industrial Commercial”**

Procedural Findings

On May 26, 2017, Jeff Tross of Tross Consulting, on behalf of applicants Five07 Investors, LLC, Swamp Cat Investments LLC, and Shangri-La Corporation, filed a consolidated application for a Comprehensive Plan Change, Neighborhood Plan Change, and Zone Change to change the Comprehensive Plan Map and Neighborhood Plan Generalized Land Use Map designation of the subject property from “Industrial” to “Industrial Commercial” and to change the zoning from IBC (Industrial Business Campus) to IC (Industrial Commercial).

The application was deemed complete for processing on June 12, 2017. Notice of the consolidated proposal was distributed to City departments and public and private service providers on June 21, 2017 and was mailed to the owners of all property within 250 feet of the subject property on June 28, 2017. The property was posted in accordance with the posting provision outlined in SRC 300.620.

State law (ORS 197.610) and SRC 300.602(b)(1) require the City to provide the Oregon Department of Land Conservation and Development (DLCD) a minimum 35-day notice when an applicant or the City proposes an amendment to an acknowledged Comprehensive Plan or land use regulation or to adopt a new land use regulation. The City sent notice of this proposed Comprehensive Plan and Zone Change to DLCD on June 12, 2017.

Pursuant to ORS 197.010(1), an amendment to the Comprehensive Plan Map must be approved by the City Council. Therefore, on July 18, 2017, the Planning Commission held a public hearing on the consolidated applications and recommended to the City Council that they approve the proposed Comprehensive Plan Map Change. Additionally, the Planning Commission approved the Zone Change application, contingent on the City Council’s approval of the Comprehensive Plan Map Change.

**FINDINGS APPLYING THE APPLICABLE SALEM REVISED CODE CRITERIA FOR
A COMPREHENSIVE PLAN AMENDMENT**

Salem Revised Code (SRC) 64.025(e)(2) establishes the approval criteria for Comprehensive Plan Map amendments. In order to approve a quasi-judicial Plan Map amendment request, the decision-making authority shall make findings of fact based on evidence provided by the applicant that demonstrates satisfaction of all of the applicable criteria. The applicable criteria are shown below in **bold** print. Following each criterion is a finding relative to the amendment requested.

SRC 64.025(e)(2)(A): The Minor Plan Map Amendment is justified based on the existence of one of the following:

- (i) ***Alteration in Circumstances.*** Social, economic, or demographic patterns of the nearby vicinity have so altered that the current

designations are no longer appropriate.

- (ii) ***Equally or Better Suited Designation.*** A demonstration that the proposed designation is equally or better suited for the property than the existing designation.
- (iii) ***Conflict Between Comprehensive Plan Map Designation and Zone Designation.*** A Minor Plan Map Amendment may be granted where there is conflict between the Comprehensive Plan Map designation and the zoning of the property, and the zoning designation is a more appropriate designation for the property than the Comprehensive Plan Map designation. In determining whether the zoning designation is the more appropriate designation, the following factors shall be considered:
 - (aa) Whether there was a mistake in the application of a land use designation to the property;
 - (bb) Whether the physical characteristics of the property are better suited to the uses in the zone as opposed to the uses permitted by the Comprehensive Plan Map designation;
 - (cc) Whether the property has been developed for uses that are incompatible with the Comprehensive Plan Map designation; and
 - (dd) Whether the Comprehensive Plan Map designation is compatible with the surrounding Comprehensive Plan Map designations.

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

"This proposal is justified based on (ii). The proposed Industrial-Commercial designation is equally suited for the property than the existing Industrial designation because it accommodates the existing uses, provides for a proposed use that will serve industrial employment, and addresses the economic conditions projected by the EOA. The EOA included the I-C designation as an industrial category. It is consistent with the land use pattern that has resulted from multiple similar changes approved for in this industrial park, including the large complex to the north-east across Fairview Industrial Drive, two properties to the south-east across Fairview Industrial, and another a short distance to the north, among others. Those properties were redesignated from Industrial to I-C after having experienced vacancy due to changes in economic conditions. The redesignation to I-C has resulted in their successful renewal and occupancy, created employment opportunities, and enabled the productive use of those properties in a manner that was not forthcoming under the former Industrial designation. In this case, the proposed I-C designation will allow the use of the vacant parcel in a way that supports

the industrial activities in the surrounding area. Due to the access limitations of that parcel, and the requirement for the location of its access to also allow the proposed use, by necessity the commercial parking lot cannot occur unless both parcels are redesignated. Redesignating the four subject properties will result in a cohesive cluster of small parcels with uniform Plan and zone capabilities. Because the proposed designation will allow the vacant parcel to be put into a use that supports industrial activity in the surrounding area, and also benefits the adjacent parcels with expanded opportunities, the proposed designation is equally suited for the properties than the existing designation, which satisfies this criterion.”

SRC Chapter 552 describes the existing IBC zone as “allowing a mixture of light industrial, employment, and office uses, together with some small-scale commercial uses. The development standards within the zone require well-landscaped, attractive, and cohesive developments.” Given the existing commercial-industrial flex development on the three developed parcels on the subject property, and the small size of the remaining vacant parcel, and the development standards implemented in the IC zone, further development of the site is likely to resemble the uses and development pattern intended for the IBC zone. By allowing some a wider range of retail and employment-focused commercial uses, the proposed Comprehensive Plan Map change would help address the existing shortfall of commercial land, particularly in small clustered areas outside of downtown and primary commercial corridors, and within close proximity to major employment sites.

The proposal meets this criterion.

SRC 64.025(e)(2)(B): The property is currently served, or is capable of being served, with public facilities and services necessary to support the uses allowed by the proposed plan map designation;

Finding: The Planning Commission concurs with the applicant’s statement, which contends, in summary, that the subject property is served or capable of being served with public facilities and services necessary to support the uses allowed in the proposed Industrial Commercial designation and IC zoning. While the applicant has indicated plans to develop a commercial parking lot on Tax Lot 1491, no site plan review or other development application has been submitted for the parking lot at this time. Therefore, the parking lot is not a “proposed use” for the purposes of reviewing the subject Comprehensive Plan Map change application. Consistent with the applicable criterion, the wider range of uses allowed in the Industrial Commercial designation and implementing zones must be considered in evaluating the adequacy of public facilities and services.

The Public Works Department has reviewed the proposal and finds that public facilities serve existing development on Tax Lots 1490, 1492, and 1498 and are available to serve Tax Lot 1491. Conditions of approval establish required mitigation for anticipated impacts to the traffic system from an “Industrial Commercial” designation on the site. Since the Fairview Urban Renewal Area was established in 1984, the Salem Urban Renewal Agency has invested funds from tax increment financing, State loans, a grant, and proceeds from land sales to upgrade infrastructure in and around the subject property. The proposal meets this criterion.

SRC 64.025(e)(2)(C): The proposed plan map designation provides for the logical urbanization of land;

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

“The subject property is within the Fairview Industrial Park, which currently consists of a mix of Industrial and Industrial-Commercial designations. The Industrial-Commercial designation provides for a wide range of industrial and commercial uses and contributes to maintaining employment in the industrial sector. The I-C designation was recognized as a component of the industrial economy in the EOA. The subject property is already urbanized and most of it is fully developed. All necessary public facilities and services are available to support the planned use and development of the vacant parcel, and the continued future use of all of the parcels. The bordering streets are improved. Primary access to the subject property is provided by Fairview Industrial Dr., a Minor Arterial, and Reed Road. The vacant parcel is physically suitable for its planned use, which will support activities in the surrounding industrial area. Because I-C is already a major component of the Fairview Industrial Park and will provide for uses that support the industrial economy and employment in that sector, and urban services are available to support new industrial uses, the proposed plan map designation provides for the logical urbanization of the land, consistent with this criterion.”

The IC zone, which implements the Industrial Commercial designation, allows for relatively minor deviations in use and development standards from those already in place on developed properties throughout the Fairview area. The proposal includes three developed parcels abutting Tax Lot 1491, bounded on three sides by arterial or collector streets, ensuring that future development of the vacant portion of the subject property is consistent with existing development. The proposal meets this criterion.

SRC 64.025(e)(2)(D): The proposed land use designation is consistent with the Salem Area Comprehensive Plan and applicable Statewide planning goals and administrative rules adopted by the Department of Land Conservation and Development; and

Finding: The applicable Goals and Policies of the Comprehensive Plan are addressed as follows:

Salem Urban Area Goals and Policies, Industrial Development Goal (Page 37, Salem Comprehensive Policies Plan):

- Policy I.1. Maintain a long-term (20 year) industrial land inventory which provides a full range of small, medium, and large parcel sizes and locations to sustain a competitive market for industrial sites. Maintaining a long-term supply of industrial land will require identifying and preserving key high value industrial land, especially where the City has made substantial investments in infrastructure. High value industrial land has the following characteristics: it is*

designated for industrial uses, in flat parcels, most frequently in large parcels at least 10 acres in size, located within an industrial district, has direct access to a state highway or I-5, and is serviced or planned to be serviced with water and wastewater infrastructure.

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

"The City has a large surplus of land designated for industrial use that exceeds the projected 20-year demand. The I-C designation was included as an industrial category by the EOA, and the inventory of industrial land will not be affected by the proposed change. The four parcels that make up the subject property range in size from 1.02 acres to 3.37 acres, and total 7.97 acres. Three of the parcels are fully developed and no changes to the parcels sizes are proposed, likely or expected. The proposed change will not affect the City's investment in the infrastructure that supports industrial use at this location because three of the parcels are already developed. The proposed I-C designation will enable the vacant land to be used in support of other industrial uses in the vicinity. Except for the parcel sizes, the property conforms to the characteristics of key high value industrial land as described in this policy. Because there is a large surplus of industrial land, the proposal maintains an industrial designation, and its characteristics will not change, the proposal maintains the long term industrial land inventory."

Amending the Plan Map to designate the subject property Industrial Commercial would maintain the overall acreage available within the UGB for industrial uses, while allowing a relatively small parcel to be developed with a wider range of uses complimentary to the established light industrial development pattern in the vicinity.

Policy I.2. Identify areas that may be appropriate for converting from industrial to commercial or other non-industrial uses over the long-term. The characteristics of industrial land that may be appropriate for commercial or other non-industrial uses include some or all of the following: (1) located outside of industrial areas or isolated from other industrial uses, (2) surrounded by incompatible uses (such as housing), (3) located adjacent to properties that have converted to commercial uses, (4) have limited or no access to major roads (such as arterial streets, collector streets, or highways), or (5) lacks rail access.

Finding: In 2015, the City completed an Economic Opportunities Analysis (EOA) for areas within the Salem Urban Growth Boundary for the years 2015 to 2035. The study found a surplus of 907 acres of industrial land within the Salem UGB and a shortage of 271 acres for commercial uses. In response to these findings, the EOA included a recommendation to identify industrial land most suitable for conversion to commercial designations. This recommendation was implemented through Industrial Policy I.2.

Although the IC (Industrial Commercial) zoning proposed by the applicant allows many of the same wholesaling and manufacturing activities as the existing IBC (Industrial Business Campus) zoning, the proposal would replace the exclusively “Industrial” designation of the property on the current Plan Map with the more flexible “Industrial Commercial” designation. Accordingly, the proposal could be interpreted as converting industrial land to partially commercial or other non-industrial land. Under this interpretation, the subject property is still an appropriate area for conversion to limited commercial uses because of the future land needs projected in the EOA and the low suitability of the vacant portion of the site, Tax Lot 1491, for the larger-scale manufacturing activities allowed under the existing IBC zone and other industrial zones.

Policy I.9. The zone districts shall allow appropriate on-site employee services and facilities, such as restaurants and personal service businesses, in industrial areas.

Finding: Consistent with this policy, the existing IBC zone allows for limited services and facilities for employees, such as restaurants (without drive-in or drive-through facilities), office supply sales, and photocopying and blueprinting services. Other compatible services such as postal and retail financial services, health and fitness clubs, outpatient clinics, and child day care services are allowed with at least 35 percent glass frontage abutting streets and other properties, and with limited outdoor storage. Personal services uses and commercial parking are not allowed in the IBC zone. The IC zone, by contrast, allows a full range of retail, personal service, motor vehicle service, and education service uses. While the IBC makes some provision for limited on-site employee services, the applicant has identified an unmet need (additional parking available by lease) that is not permitted under the IBC zone. In addition, the Planning Commission finds that personal service uses and a wider range of retail uses would complement established light industrial uses in the immediate vicinity.

Policy I.12. The zone districts shall allow appropriate on-site employee services and facilities, such as restaurants and personal service businesses, in industrial areas.

Finding: As described in findings on Industrial Development Policy I.9 above, the existing IBC zone provides a relatively limited range of supporting non-industrial uses. Consistent with Policies I.9 and I.12, the proposed IC zone would continue to allow the industrial uses that occupy three of the four parcels making up the subject property, while allowing a wider and perhaps more useful range of supporting services for industrial businesses and employees.

The Planning Commission finds that the proposal is consistent with the applicable Goals and Policies of the Comprehensive Plan.

Finding: The applicable Statewide Planning Goals are addressed as follows:

Statewide Planning Goal 1 – Citizen Involvement: *To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.*

Finding: Notice of the proposal was provided to the Morningside Neighborhood Association, to surrounding property owners within the notice area, and posted on the property prior to the hearing. The Planning Commission will hold a public hearing to consider the request. Through the notice and public hearing process all interested parties are afforded the opportunity to review the application, comment on the proposal, and participate in the decision. These procedures meet the requirements of this Goal for citizen involvement in the land use planning process.

Statewide Planning Goal 2 – Land Use Planning: *To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.*

Finding: The City has complied with the Goal requirements for establishing and maintaining a land use planning process. The Oregon Land Conservation and Development Commission have acknowledged the Salem Area Comprehensive Plan (SACP) to be in compliance with the Statewide Planning Goals. The SACP provides goals, policies, and procedures for reviewing and evaluating land use requests. The proposal will be reviewed in relation to the methodology and intent of the SACP, its applicable goals and policies, and applicable approval criteria adopted in the Unified Development Code. The proposal will be evaluated on the basis of facts and evidence that are provided to support and justify the proposed change. The City's adopted land use planning process provides a framework for evaluating the proposal, consistent with the requirements of this Goal.

Statewide Planning Goal 5 – Open Spaces, Scenic and Historic Areas, and Natural Resources: *To protect natural resources and conserve scenic and historic areas and open spaces.*

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

"The subject property is developed industrial land and is not identified in the Comp Plan as a resource included in this Goal."

The proposal is consistent with Goal 5.

Statewide Planning Goal 7 – Areas Subject to Natural Hazards: *To protect people and property from natural hazards.*

Finding: There are no known natural hazards existing on the subject property. The City's tree protection, landslide, and floodplain development standards will be applied at the time of future development. The Planning Commission finds that the proposal is consistent with Goal 7.

Statewide Planning Goal 9 – Economic Development: *To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.*

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

“The subject property is currently designated Industrial on the Plan Map. The proposal is to change the Plan Map designation to Industrial-Commercial. The I-C designation provides for a wide range of industrial activities, and also for office-based and business service activities. These types of uses are consistent with the findings and projections of the 2015 EOA for employment in the 2015-2035 period. The I-C designation was recognized as an industrial category by the EOA, which also determined that the City has a large surplus of industrial land but a deficit of commercial land. The proposed Plan Map change is consistent with the findings of the EOA. It will not reduce the inventory of land that is available for projected industrial and employment activities, but will expand the variety of these activities that are available to the property. By increasing the opportunities for future industrial and employment activities, the proposed Plan Map change is consistent with this Goal.”

Because Tax Lot 1491 the only vacant property within the immediate vicinity and is significantly less than ten acres in size, its economic development potential is greater under the proposed “Industrial Commercial” designation than under its current “Industrial” designation. The proposed change to Industrial Commercial will increase the number of permitted uses on all four parcels making up the subject property and better takes into account the size, location, and access of vacant land on Tax Lot 1491, thereby open up additional opportunities for economic development, consistent with the intent of Goal 9.

Statewide Planning Goal 12 – Transportation: *To provide and encourage a safe, convenient and economic transportation system.*

Finding: Goal 12 is implemented by the Transportation Planning Rule (TPR). In summary, the TPR requires local governments to adopt Transportation System Plans (TSPs) and requires local governments to consider transportation impacts resulting from land use decisions and development. The key provision of the TPR related to local land use decisions is Oregon Administrative Rule (OAR) 660-012-0060. This provision is triggered by amendments to comprehensive plans and land use regulations that “significantly affect” a surrounding transportation facility (road, intersection, etc.). Where there is a “significant effect” on a facility, the local government must ensure that any new allowed land uses are consistent with the capacity of the facility. In the context of a site-specific comprehensive plan change request, such as this proposal, a “significant effect” is defined under Oregon Administrative Rule (OAR) 660-012-0060(1) as either an amendment that “allows types or levels of land uses which would result in levels of travel or access which are inconsistent with the functional classification of a transportation facility,” or an amendment that would “reduce the performance standards of an existing or planned facility below the minimum acceptable level identified in the TSP.”

The applicant for a comprehensive plan change is required to submit a Transportation Planning Rule (TPR) analysis to demonstrate that their request will not have a “significant effect” on the surrounding transportation system, as defined above. The TPR analysis submitted by the applicant demonstrated that, with a “trip cap” of 3,518 average daily trips, the proposed Comprehensive Plan map and zone change will not have a significant effect on the transportation system as defined by OAR 660-012-0060.

The Assistant City Traffic Engineer has reviewed the TPR analysis and recommends a condition of approval on the proposed zone change to limit development on the 7.97 acre site to a maximum trip generation of 3,518 average daily trips per day.

Statewide Planning Goal 14 – Urbanization: *To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.*

Finding: The subject property was annexed into the City of Salem in 1960, and is located within the Urban Growth Boundary (UGB). Comments from the Public Works Department indicate that transportation and utility infrastructure is available in the vicinity. The proposal does not include extension of services to properties outside of the UGB. The proposed Comprehensive Plan and Zone Change allows for efficient and complimentary use of a vacant, relatively small parcel within a developed industrial area. The proposal complies with Goal 14.

SRC 64.025(e)(2)(E): **The amendment is in the public interest and would be of general benefit.**

Finding: The Planning Commission concurs with the applicant's statement, which states in relevant part:

“The amendment is in the public interest and would be of general benefit because it will expand the uses available to the property consistent with the EOA, and also allow a use that can benefit the surrounding industrial area. The proposed commercial parking lot will promote and support the industrial area as a source of employment and business activity. It will make use of vacant land. The existing industrial designation does not allow for that use. The parking lot will be compatible with the existing uses on the adjacent properties, and will not conflict or interfere with any existing use. The proposed Plan Map amendment is consistent with the Intent of the Plan Map, as describe above; and applying the Plan map designations in a manner that is consistent with the stated Intent is in the public interest for land use planning in the community. Providing for the property to be maintained and used in a productive manner is of general benefit to the community.”

The proposed “Industrial Commercial” designation is consistent with the existing development on the three developed parcels within the subject property, and would allow compatible, complimentary uses on Tax Lot 1491, the remaining vacant parcel. The “Industrial Commercial” designation allows for a wider range of uses appropriate to a relatively small (less than one acre) parcel within an already developed light industrial district. The proposal satisfies this criterion.