

*555 Liberty St SE  
Salem, OR 97301*



## **Final Action Agenda - Minutes - Final**

**Monday, July 8, 2019**

**6:00 PM**

**Council Chambers**

**City Council**

**EXECUTIVE SESSION**

None.

**WORK SESSION**

None.

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

**Call to Order**

6:40 p.m.

**Roll Call**

**Present:** 8 - Councilor Kaser, Councilor Andersen, Councilor Ausec, Councilor Cook, Councilor Lewis, Councilor Hoy, Mayor Bennett, and Councilor Leung

**Absent:** 1 - Councilor Nanke

**1.1 APPROVAL OF ADDITIONS AND DELETIONS TO THE AGENDA**

None.

**1.2 COUNCIL AND CITY MANAGER COMMENT**

Comments by: Councilors Hoy and Cook.

**1.3 PROCLAMATIONS**

1.3a. Proclamation recognizing Salem’s Legislative Delegation

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

**Attachments:** [Proclamation Recognizing Salem's Legislative Delegation](#)

Mayor Bennett read and presented the proclamation to Jeanine Stice, Policy Analyst for Senator Denyc Boles.

**1.4 PRESENTATIONS**

None.

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

Item 8, Public Comment, was also heard at this time.

**Appearances by:**

Katherine Daniels, 1662 Cottage Street SE, Item 6.b, File 19-317

Rian Gayle, 1384 Chemeketa Street NE, Item 7.2a, File 19-330

Phillp Wolfe, Resident of Portland, Or, Item 7.2a, File 19-330

Chane Griggs, President, Salem Planning Commission, 260 Washington Street S, Item 6.a, File 19-132

Elaine Hirsch, President Elect, Oregon Library Association, Item 6.b, File 19-317

Jane Cummins-Fidler, 158 Muifield Avenue SE, Item 6.b, File 19-317

Nicole Anglin, 1117 Satara Court NW, Item 7.2a, File 19-330

Brian Peet, Resident of Dallas, OR, Item 7.2a, File 19-330

Eleanor Berry, Resident of Lyons, OR, Item 6.b, File 19-317

Jim Scheppke, 1840 E. Nob Hill SE, Item 6.b, File 19-317

Tom Hoffert, Chief Executive Officer, Salem Area Chamber of Commerce, Item 3.3g, File 19-315

Byron Kimball, 3120 Evergreen Avenue NE, Item 7.2a, File 19-330

Ellen Stevens, Ward 2, Item 6.b, File 19-317

Caterina Rosenfeld, 690 White Oak Circle, Police Discrimination

David Wentz, Chairman, Disabled American Veterans, Salem Chapter 6, 2465 Cherry Avenue NE, Item 3.3g, File 19-315

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

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

A motion was made by Councilor Hoy, seconded by Councilor Ausec to approve the consent calendar with the pull of 3.3g by Councilor Hoy.

Comments by: Councilor Hoy, Mayor Bennett.

Additional comments from Wendy Valiz and Josh Halley, Portland General Electric, spoke about the Green Future Impact Program (agenda item 3.3j).

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

**Nay:** 0

**Absent:** 1 - Nanke

**Abstain:** 0

**3.1 MINUTES**

**3.1a.** June 24, 2019 Draft City Council Minutes

**Attachments:** [6-24-19 Draft Council Minutes](#)

**Action: Approved.**

### 3.2 RESOLUTIONS

3.2a. Building and Safety Fund Balance Policy

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

**Attachments:** [Resolution 2019-19](#)  
[Council Policy C-10](#)  
[City Council Finance Committee Report dated 4.15.2019, Agenda Item No. 4a](#)

**Adopted Resolution 2019-19, approving the City Council Finance Committee's recommendation to revise Council Policy C-10, increasing the service stabilization reserve in the Building and Safety Fund from six months to twelve months.**

### 3.3 ACTION ITEMS

3.3a. Approval to seek a grant for Minto Island Conservation Area Phase 3 Restoration.

Ward(s): Ward 7  
Councilor(s): Councilor Cook  
Neighborhood(s): South West Association of Neighbors  
Result Area(s): Natural Environment Stewardship

**Attachments:** [Minto Brown Island Restoration Project Phase 3](#)

**Authorized the City Manager to apply for and, if successful, accept a Willamette Mainstem Anchor Habitat Investments Restoration Grant for the purpose of restoring native floodplain forested areas in the Minto Island Conservation Area.**

3.3b. Memorandum of Understanding between City of Salem and Willamette Riverkeeper.

Ward(s): Ward 7  
Councilor(s): Cook  
Neighborhood(s): Southwest Association of Neighbors  
Result Area(s): Natural Environment Stewardship

**Attachments:** [Minto Phase 2 - Map](#)  
[Minto-Brown Island Slough Enhancement-Submitted](#)  
[Memorandum of Understanding - unsigned](#)

**Authorized the City Manager to enter into a Memorandum of Understanding with Willamette Riverkeeper for aquatic invasive weed work within and adjacent to the Willamette Slough.**

- 3.3c.** Purchase and Sale Agreement with Oak Ridge Properties Investments LLC and Filiberto Moreno for potential right-of-way extension of Mildred Lane SE.

Ward(s): All Wards  
Councilor(s): All Councilors  
Neighborhood(s): All Neighborhoods  
Result Area(s): Reliable and Efficient Infrastructure;

**Attachments:** [Proposed Agreement](#)

**Authorized the City Manager to execute the attached Purchase and Sale Agreement with Oak Ridge Properties Investments LLC and Filiberto Moreno for acquisition of property for a potential extension of Mildred Lane SE.**

- 3.3d.** Grant Agreement to accept Urban Renewal Agency funds for Pringle Creek North Block Slab Demolition

Ward(s): Ward 1  
Councilor(s): Kaser  
Neighborhood(s): CANDO  
Result Area(s): Safe, Reliable and Efficient Infrastructure

**Attachments:** [Grant Agreement for Pringle Creek North Block Slab Demolition](#)

**Authorized the City Manager to execute the attached grant agreement to accept \$1,300,000 of committed South Waterfront Urban Renewal Area funding from the Urban Renewal Agency for the Pringle Creek North Block Slab Demolition project.**

- 3.3e.** Grant Agreement to accept Urban Renewal Agency funds for Salem Police Station

Ward(s): Ward 1  
Councilor(s): Kaser  
Neighborhood(s): CANDO  
Result Area(s): Safe Community; Safe, Reliable and Efficient Infrastructure

**Attachments:** [Grant Agreement for Salem Police Station](#)

**Authorized the City Manager to execute the attached grant agreement to receive \$4,745,000 from the Urban Renewal Agency for the construction of the Salem Police Station.**

- 3.3f.** Grant Agreement to accept Urban Renewal Agency funds for Division Street improvements

Ward(s): Ward 1

Councilor(s): Kaser

Neighborhood(s): CANDO

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

**Attachments:** [Grant Agreement for Division Street Improvements](#)

**Authorized the City Manager to execute the attached grant agreement to receive \$4,243,000 from the Urban Renewal Agency for the construction of Division Street improvements.**

- 3.3g.** Revenue Options for the General Fund

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Safe, Reliable, and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community

**Attachments:** [Operating Fee with increased ratio](#)  
[Payroll Tax - low-income exemption and progressive rate structure](#)  
[June 17, 2019 Work Session materials.pdf](#)

**Pulled by Councilor Hoy - See item 5.a.**

- 3.3h.** Order for City Council review of the Planning Administrator's decision approving a Tentative Subdivision Review with a Class 2 Adjustment application for Permit Case No. SUB-ADJ19-03 for property located at the 600 Block of Mildred Lane SE.

Ward(s): 4

Councilor(s): Leung

Neighborhood(s): South Gateway Neighborhood Association

Result Area(s): Welcoming and Livable Community

**Attachments:** [SUB-ADJ19-03 Decision](#)  
[Council Order No. 2019-5 SUB-ADJ19-03](#)  
[Exhibit 1 of Council Order No. 2019-5 SUB-ADJ19-03](#)

**Adopted the order affirming the decision of the Planning Administrator for**

**Subdivision / Class 2 Adjustment Case No. SUB-ADJ19-03.**

- 3.3i. First amendment to the Grant Agreement between the Housing Authority of the City of Salem and City of Salem for Operation of the Homeless Rental Assistance Program.

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

**Attachments:** [Grant Agreement](#)  
[First Amendment to the Grant Agreement](#)

**Authorized the City Manager to execute the attached First Amendment to the Grant Agreement between the Salem Housing Authority and the City of Salem for operation of the Homeless Rental Assistance Program.**

- 3.3j. Portland General Electric Green Future Impact.

Ward(s): All Wards  
 Councilor(s): All Councilors  
 Neighborhood(s): All Neighborhoods  
 Result Area(s): Natural Environment Stewardship.

**Attachments:** [Basic Mix information sheet](#)  
[Large Nonresidential Green Energy Affinity Rider Service Agreement](#)

**Directed the City Manager to execute the Green Energy Affinity Rider Service Agreement with PGE to subscribe to PGE's Green Future Impact program.**

- 3.3k. Recommendation for reappointment to the Salem Public Library Advisory Board

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

**Reappointed Callen Sterling to the Salem Public Library Advisory Board, to a full term expiring on June 30, 2023.**

**4. PUBLIC HEARINGS**

- 4.a. City Council review of the Planning Commission May 8, 2019 decision approving a consolidated application to change the Comprehensive Plan Map designation and Zoning of an

approximately 15.8-acre property located at 5187 Liberty Road S from "Developing Residential" with RA (Residential Agriculture) zoning to "Multifamily Residential" with RM-2 (Multiple Family Residential) zoning.

Ward(s): Ward 4

Councilor(s): Leung

Neighborhood(s): Sunnyslope Neighborhood Association

Result Area(s): Welcoming and Livable Community

**Attachments:** [Vicinity-Map](#)  
[CPC-ZC19-03 Decision](#)  
[Street System Map](#)  
[Public Comments received by 3:30 p.m. 7-8-19](#)

**Staff presentation by Olivia Glantz, Planner, Community Development Planning Services. Ms. Glantz noted a correction that the application was received on December 3, 2018, not December 3, 2019, as is listed on page 2 of the staff report (file 19-304).**

**Persons Testifying:**

**Applicant's Representative, Mark Grenz, Multitech Engineering, 1155 13th Street SE  
Bill Armstrong, 5821 Liberty Road S.**

**Organizations Testifying:**

**Evan White, Land Use Chair, Representing Sunnyslope Neighborhood Association, 4553 Brock Loop S.**

**Questions or Comments by: Councilors Hoy, Cook, Andersen, Leung, Lewis, Olivia Glantz, Lisa Andersen-Ogilvie, Assistant Director, Community Development Planning Services.**

**Applicant's Rebuttal by Mark Grenz.**

**Additional questions and comments by: Councilor Andersen and Mayor Bennett.**

**At 8:34 p.m., Mayor Bennett called for a brief recess. The meeting resumed at 8:41 p.m.**

**A motion was made by Councilor Leung, seconded by Councilor Cook to DENY the May 8, 2019 Planning Commission's Decision to approve the application.**

**Comments by: Mayor Bennett, City Attorney Atchison, Councilors Leung, Hoy, Kaser, and Lewis.**

**A substitute motion was made by Councilor Lewis, seconded by Councilor Hoy to approve the staff recommendation to AFFIRM the May 8, 2019 Planning Commission's Decision.**



Comments by: Mayor Bennett, Councilors Lewis, Cook, Kaser, and Hoy.

The motion to AFFIRM the May 8, 2019 Planning Commission's Decision carried by the following vote:

**Aye:** 7 - Kaser, Andersen, Ausec, Cook, Lewis, Hoy, and Bennett

**Nay:** 1 - Leung

**Absent:** 1 - Nanke

**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. Revenue Options for the General Fund

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Safe, Reliable, and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community

**Attachments:** [Operating Fee with increased ratio](#)  
[Payroll Tax - low-income exemption and progressive rate structure](#)  
[June 17, 2019 Work Session materials.pdf](#)

A motion was made by Councilor Hoy, seconded by Councilor Kaser to approve the staff recommendation to :

Direct the City Manager to prepare an ordinance for Council's consideration to enact an operating fee to support General Fund services with the following components:

1. Target revenue amount of \$8.2 million
2. Monthly rate at \$10.00 for residential utility accounts, \$8.00 per multi-family unit, and \$30.00 for non-residential accounts
3. Ratio of 1:3 for residential to non-residential rates
4. Low-income discount of \$10.00 per month for qualified residential account holders

Direct the City Manager to prepare an ordinance for Council's consideration to enact an employee-paid payroll tax to support ongoing General Fund services with the following components:

1. Target revenue amount of \$8 million
2. Rate at 0.3 percent of gross wages
3. Tax applies to employees working within Salem city limits

**Questions or Comments by: Councilors Hoy and Lewis and Mayor Bennett.**

**Motion to amend by Councilor Andersen, seconded by Councilor Ausec to retain the monthly rate for the operation fee, as listed in the staff report, with the exception that the non-residential rate would be increased to \$48.20 per month.**

**Comments by Councilor Andersen.**

**The motion to amend FAILED for lack of vote:**

**Aye: 2 - Andersen, Ausec  
Nay: 6 - Kaser, Leung, Lewis, Cook, Hoy, Bennett  
Absent: 1 - Nanke**

**Questions or Comments by: Councilors Hoy and Andersen, Mayor Bennett, City Manager Powers, and Bob Barron, Chief Financial Officer.**

**Motion to amend by Councilor Andersen, seconded by Councilor Kaser that the operating fee be indexed to the Consumer Price Index (CPI) and increased as per the CPI increase on a yearly basis.**

**Comments by Councilors Andersen and Hoy, and City Manager Powers.**

**Councilor Andersen amended his motion, seconded by Councilor Hoy that the monthly rate for residential utility accounts be \$8.00, the monthly rate for multi-family accounts be \$6.00, and the monthly rate for non-residential accounts be 4.82 x \$8.00 (\$38.56).**

**Comments by: Councilors Andersen, Kaser, and Mayor Bennett.**

**Councilor Andersen's motion was amended, by consent of Council, to charge a monthly utility rate of \$8.00 for rate for single-family residential, a monthly rate of \$6.40 for multi-family, and a monthly rate of 4.82 x \$8.00 (\$38.56) for non-residential accounts.**

**Questions or Comments by: Councilors Andersen and Leung, Mayor Bennett, Bob Barron, and Josh Eggleston, Management Analyst, Budget Office.**

**The motion to amend CARRIED by the following vote:**

**Aye: 5 - Kaser, Andersen, Leung, Cook, Hoy  
Nay: 3 - Ausec, Lewis, Bennett  
Absent: 1 - Nanke**

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

**Motion to amend by Councilor Andersen, seconded by Councilor Hoy to tie in the operating fee on a yearly basis to the Consumer Price Index (CPI).**

The motion to amend CARRIED by the following vote:

**Aye: 6 - Kaser, Andersen, Leung, Cook, Hoy, Ausec**  
**Nay: 2 - Lewis, Bennett**  
**Absent: 1 - Nanke**

Questions or Comments by: Councilor Lewis and Mayor Bennett.

Motion to amend by Councilor Lewis, seconded by Mayor Bennett to direct staff to return with an ordinance prepared for a ballot measure, containing both revenue options, to be submitted to the voters at the earliest possible date.

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

The motion to amend FAILED for lack of vote:

**Aye: 2 - Lewis, Bennett**  
**Nay: 6 - Kaser, Andersen, Leung, Cook, Hoy, Ausec**  
**Absent: 1 - Nanke**

Questions or Comments by: Councilors Andersen and Kaser, Bob Barron, and Mayor Bennett.

Motion to amend by Councilor Kaser, seconded by Councilor Hoy to exempt minimum wage earners from the payroll tax.

Questions or Comments by: Councilors Leung, Andersen, Ausec, Cook, City Manager Powers, Mayor Bennett, and Josh Eggleston.

The motion to amend CARRIED by the following vote:

**Aye: 8 - Kaser, Andersen, Leung, Lewis, Cook, Hoy, Ausec, Bennett**  
**Nay: 0 -**  
**Absent: 1 - Nanke**

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

Motion to amend by Councilor Andersen, seconded by Councilor Kaser to direct staff to return to Council with the proposed ordinance to include a progressive rate structure that will make up the difference from the loss of revenue from the reduction of the operating fee.

The motion to amend CARRIED by the following vote:

**Aye: 7 - Kaser, Andersen, Leung, Lewis, Cook, Hoy, Ausec**  
**Nay: 1 - Bennett**  
**Absent: 1 - Nanke**

The main motion, as amended, to approve the staff recommendation to:

Direct the City Manager to prepare two ordinances for Council’s consideration to generate a total of \$16.2 million to support General Fund services, to including the following:

An Operating Fee with the following components:

- 1. Target revenue amount of \$7.1 million;
- 2. Monthly rates for utility accounts: \$8.00 for residential utility accounts, \$6.40 per unit multi-family, and \$38.56 for non-residential accounts, resulting in residential to multifamily ratio of 1:0.8 and residential to non-residential ratio of 1:4.82;
- 3. Low-income discount of \$8.00 per month for qualified residential account holders;
- 4. The operating fee will increase annually by an appropriate Consumer Price Index (CPI); and

An employee-paid payroll tax to support ongoing General Fund services with the following components:

- 1. Tax applies to employees working within Salem city limits, with an exemption for minimum wage earners;
- 2. Include a progressive rate structure that will make up the difference from the loss of revenue from the reduction of the operating fee.

The motion CARRIED by the following vote:

**Aye:** 6 - Kaser, Andersen, Ausec, Cook, Hoy, and Leung

**Nay:** 2 - Lewis, and Bennett

**Absent:** 1 - Nanke

**Abstain:** 0

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

**6.a.** Annual Planning Commission Report

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

**Attachments:** [Annual Commission Cases](#)

**This Informational Report was received and filed.**

**6.b.** Collection Development Report and Salem Public Library Advisory Board Update

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

Neighborhood(s): All Neighborhoods  
Service Area(s): Welcome and Livable Neighborhood

**Attachments:** [May Detail Collection Tracking Report and Aggregated Data](#)  
[Public comment received 7-1-19](#)  
[Public comment received 7-3-19](#)  
[Public Comments received by 3:30 p.m. 7-8-19](#)  
[Public Comment received after 3:30 p.m. 7-8-19](#)

**This Informational Report was received and filed.**

**Questions or Comments by: Councilors Leung, Cook, Hoy, Andersen, Ausec, Mayor Bennett, Norman Wright, Director, Community Development, and Sarah Strahl, City Librarian.**

**6.c.** Announcing appointment to the Historic Landmarks Commission

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

**Attachments:** [Jessica Curteman Application Redacted](#)

**This Informational Report was received and filed.**

**Appointed Appoint Jessica Curteman to a partial term expiring December 31, 2020.**

## 7. ORDINANCES

### 7.1 FIRST READING:

**7.1a.** Petitioner-Initiated Annexation of Territory Located at 1235 Hoffman Road NE - 97301 (Annexation Case No. C-732)

Ward(s): 6  
Councilor(s): Hoy  
Neighborhood(s): ELNA  
Result Area(s): Good Governance; Safe Community; Safe, Reliable and Efficient Infrastructure

**Attachments:** [Vicinity Map](#)  
[Ordinance Bill No. 8-19](#)  
[Exhibit A - Territory Legal Description and Map](#)

**A motion was made by Councilor Hoy, seconded by Councilor Kaser to conduct first reading of Ordinance Bill No. 8-19 annexing, applying City of Salem RS (Single Family Residential) zoning from Marion County UD (Urban Development), and withdrawing from the Marion County Fire District #1 and the East Salem Sewer & Drainage District, for a 0.555-acre property**

located at 1235 Hoffman Road NE.

The motion carried by the following vote:

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

**Nay:** 0

**Absent:** 1 - Nanke

**Abstain:** 0

**7.1b.** Petitioner-Initiated Annexation of Territory Located at 4700 Block of Lancaster Drive NE - 97305 (Annexation Case No. C-727)

Ward(s): 5

Councilor(s): Ausec

Neighborhood(s): Northgate

Result Area(s): Good Governance; Safe Community; Safe, Reliable and Efficient Infrastructure

**Attachments:** [Vicinity Map](#)  
[Ordinance Bill No. 9-19](#)  
[Exhibit A - Territory Legal Description and Map](#)

**A motion was made by Councilor Ausec, seconded by Councilor Hoy to conduct first reading of Ordinance Bill No. 9-19 annexing, applying City of Salem CG (General Commercial) zoning from Marion County CG (Commercial General), and withdrawing from the Marion County Fire District #1 and the East Salem Sewer & Drainage District, for a 5.8-acre property located at 4700 Block of Lancaster Drive NE.**

The motion carried by the following vote:

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

**Nay:** 0

**Absent:** 1 - Nanke

**Abstain:** 0

**7.2 SECOND READING:**

**7.2a.** Amendments to SRC Chapter 97 - Human Rights.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Safe Community; Welcoming and Livable Community.

**Attachments:** [ORDINANCE BILL NO. 7-19](#)

[Exhibit A to Ordinance Bill No. 7-19](#)

**Ordinance Bill No. 7-19, An Ordinance Relating to Human Rights; Amending SRC 97.010, 970.60, and 97.085; Creating 99.065, was approved by the following vote:**

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

**Nay:** 0

**Absent:** 1 - Nanke

**Abstain:** 0

**8. PUBLIC COMMENT: (Other than agenda items)**

See item 2, Public Comment.

**9. ADJOURNMENT**

9:44 p.m.