

RECOMMENDATION:

Authorize the City Manager to execute an intergovernmental agreement with the Oregon Department of Land Conservation and Development relating to the Salem River Crossing project.

SUMMARY AND BACKGROUND:

On December 5, 2016, Council approved Engrossed Ordinance Bill No. 14-16 (the Decision), which expanded the Urban Growth Boundary (UGB), amended the *Salem Area Comprehensive Plan* and the *Salem Transportation System Plan*, and took an exception to Statewide Planning Goal 15 (the Willamette River Greenway goal). These land use actions were in furtherance of the Salem River Crossing Project (Project), that includes a bridge crossing the Willamette River, the construction of Marine Drive NW, ramps connecting Marine Drive NW to Oregon Route 22, and other transportation improvements related to the proposed bridge. The Decision was the culmination of several years of work and coordination primarily involving the City, Polk County, and the Oregon Department of Transportation (ODOT) to obtain land use approval for the Project.

Later in December, the Oregon Department of Land Conservation and Development (DLCD) and a group of citizens, each filed separate appeals of the Decision with the Land Use Board of Appeals (LUBA). The Governor's Mid-Willamette Valley Regional Solutions Team (which includes the directors of DLCD and ODOT) met and discussed the potential withdrawal of DLCD's appeal. In addition, City staff met with their counterparts at DLCD to discuss the basis for DLCD's appeal and the possibility for DLCD to withdraw its appeal. DLCD staff expressed concerns with portions of the Decision, and a desire to know more about the specific evidence and findings supporting the Decision. Once the Decision was issued, DLCD staff felt compelled to pursue an appeal of the Decision in order to address their concerns.

As a result of the discussions, DLCD and City staff were able to come to an agreement. A Memorandum of Understanding (MOU) was executed between the City and DLCD that allowed DLCD to withdraw its appeal. The MOU requires City staff to work with DLCD to prepare an intergovernmental agreement (IGA) that is consistent with the terms of the MOU, and present the IGA to the City Council with a recommendation that Council approve it. Over the past several months, DLCD and City staff have worked together to draft the IGA and both are now in agreement with its terms. (See Attachment 1)

The City Attorney, Public Works Director, and Public Works staff have worked closely with DLCD over the past several months to reach agreement on the proposed IGA. DLCD withdrew its appeal of the Decision in good faith reliance on City staff's commitment to this process. Additionally, the City is to provide to DLCD reports identifying the evidence and findings that City staff believe demonstrate the Project complies with the applicable criteria.

FACTS AND FINDINGS:

If approved by Council, the proposed IGA commits the City to a specific sequence of actions, which are summarized below:

1. Project Phasing

The City will only design and construct the first phase of the Project until January 1, 2030, the expiration date of the IGA.

The “first phase” of the project is described in the IGA and includes:

- One two-way bridge span, with a single travel lane in each direction, with separated bicycle and pedestrian facilities;
- Construction of Marine Drive NW between Glen Creek Road NW and Riverbend Road NW;
- An extension of Hope Avenue NW between Wallace Road NW and Marine Drive NW, with separated bicycle and pedestrian facilities; and
- Other transportation improvements necessary to support the first phase, including pedestrian and bicycle facilities, transit facilities, turn lanes, and intersections.

Note: The first phase does not include elevated ramps or viaducts, other than those necessary approaches for the single span bridge. The first phase does not include any new connections to Oregon Route 22.

2. Congestion Pricing Analysis

The City will include an analysis of congestion pricing as part of the Project funding strategy.

Congestion pricing is a method intended to reduce traffic volumes by charging higher fees to vehicular users during periods of peak demand and lower fees during periods of lower demand. The IGA requires the City to analyze congestion pricing as part of the funding strategy, but this term in the IGA *does not* commit the City to use congestion pricing or tolling on the new bridge, nor does the IGA contemplate that either congestion pricing or tolling will be used on the existing bridges.

3. Increased Residential Densities and Mixed Use Development

The City will pursue increased residential densities and mixed use development in the Riverfront Downtown, South Waterfront, and West Salem Urban Renewal Areas.

The City and the Urban Renewal Agency already have policies and Urban Renewal Area (URA) plan projects in place to encourage residential development in the City’s core area and within the West Salem Urban Renewal Area. This term requires the City to continue to pursue those policies and projects. Increased residential development and mixed use development in the City’s core has been a Council goal for many years. As expressed through the City Council goals and adopted plans, increasing residential development in the City core and combining that development with employment and retail options can reduce traffic and provide for a more livable community.

4. Work with the Transit District to Improve Transit Service in Salem

The IGA requires City staff to “actively work” with the Transit District to identify actions the City

can undertake to assist the District in improving transit service. These actions may include code amendments to facilitate transit service, providing for transit stops near new development, and encouraging development along transit service corridors. The IGA does not contemplate City funding or direct operational assistance to the Transit District.

5. Allocate 20 percent of the next City Transportation Bond to Pedestrian and Bicycle Projects and Improvements to Support Transit District Operations

The IGA requires the City to allocate a minimum of approximately 20 percent of the next transportation bond toward these improvements. Transportation bond measures approved by the voters in Salem over the last 20 years have included at least this percentage of bicycle and pedestrian projects.

6. Provide Reports to Council and DLCD

The proposed IGA specifies a number of reports on a range of topics related to the Project. These reports will be provided to Council as well as to DLCD and include: (1) a report on the City's performance in 2015 against benchmarks for transportation choices contained in the City's *Salem Area Comprehensive Plan*; (2) technical analyses of the Project's conformance with state administrative rules relating to transportation options and traffic congestion; and, (3) other reports describing the City's conformance with the other terms of the IGA.

7. The Term of the IGA Expires on January 1, 2030

The IGA will become effective on the date last signed by each party and will be effective until January 1, 2030, or may be terminated earlier by mutual agreement of the parties.

DLCD agrees to meet with City staff regularly and provide feedback on the City's work on items addressed in the IGA. DLCD further agrees not to participate in the current appeal of the Decision.

Staff recommends Council approve the proposed IGA.

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Works Director

Attachment:

1. Proposed Intergovernmental Agreement between the Oregon State Department of Land Conservation and Development and the City of Salem