

Shall City Council engross Ordinance Bill No. 11-22 and pass Engrossed Ordinance Bill No. 11-22?

RECOMMENDATION:

Engross Ordinance Bill No. 11-22 and pass Engrossed Ordinance Bill No. 11-22.

FACTS AND FINDINGS:

Engrossed Ordinance Bill No. 11-22 (**Attachment 1**) amends the Salem Revised Code to guide future growth and development in Salem. The proposed code amendment is included as **Exhibit A** of the engrossed ordinance.

New zones

The proposed amendments to the Salem Revised Code create three new zones: the Neighborhood Hub (NH) zone, Mixed Use-III (MU-III) zone, and Mixed Use-Riverfront (MU-R) zone.

The proposed NH zone 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). Some specific types of businesses such as liquor stores, tobacco stores, tattoo parlors, night clubs, and medical laboratories would be prohibited. 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. Standards in the NH zone 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 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. 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.

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 strategies in Salem's Climate Action Plan 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 Multiple Family Residential-II (RM-II), Mixed Use-I (MU-I), Mixed Use-II (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

Findings demonstrating the proposal's conformance with the applicable approval criteria are included in **Exhibit B** to the engrossed ordinance.

Engrossment of ordinance

The proposed code amendment includes corresponding changes to various other parts of the UDC to

reference and incorporate the proposed new zones and remove references to zones and overlay zones that are proposed to be eliminated. Revisions to SRC 900 (Sign Code) were not included in Ordinance Bill No. 11-22 as it was presented for first reading, so staff recommends that the City Council direct staff to engross the ordinance to include these additional recommended changes. These changes to the Sign Code establish development standards for the proposed new zones that generally follow standards for existing similar zones. The additional recommended changes to SRC 900 are included in Exhibit A of Ordinance Bill No. 11-22 attached to this staff report.

For existing land use applications that have gone through their respective review process and have been approved but development has not yet commenced prior to the expiration date of the approval, a Class 1 extension may be approved. It is not the intent of the proposed amendments, however, to invalidate existing land use approvals, or existing land use applications that are being reviewed under current standards, or to preclude them from being extended when there is still time remaining under their original approval. To ensure that the proposed amendments do not unintentionally prevent the approval of extensions to existing land use decisions that have been through the review process and approved, or existing land use applications that are currently submitted and under review based on the current standards, staff recommends that the City Council direct staff to add a section to Ordinance Bill No. 11-22 specifying the following:

Extensions of Approval for Land Use Applications Submitted and/or Approved Prior to Ordinance Effective Date. Land use applications submitted and/or approved prior to the effective date of this ordinance that would require a Class 2 extension approval as a result of changes to standards or criteria included in this ordinance or Engrossed Ordinance 13-21 may, notwithstanding the applicability and approval criteria for Class 2 extensions included under SRC 300.850(b)(2)(B) and SRC 300.850(b)(4)(B), receive Class 1 extension approval provided the decision has not expired and there are remaining extensions available. Nothing in this section shall be construed to grant more time or additional extensions beyond that which is otherwise allowed under the original approval.

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 proposed changes to the Comprehensive Plan Map, zoning map, and zoning code.

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Attachments:

1. Engrossed Ordinance Bill No. 11-22

