

## Staff Report

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**File #:** 18-342**Version:** 1**Date:** 7/23/2018**Item #:** 5.a.

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**TO:** Mayor and City Council  
**THROUGH:** Steve Powers, City Manager  
**FROM:** Norman Wright, Community Development Director

**SUBJECT:**

State Street Corridor Plan Project

Ward(s): 1 and 2  
Councilor(s): Kaser and Andersen  
Neighborhood(s): NEN and SESNA

**SUMMARY AND BACKGROUND:**

The City Council unanimously voted on July 16, 2018 to adopt staff's recommendation to adopt a new Hybrid street design for State Street and two new mixed-use zones, with the following revisions:

1. Reduce the maximum building height in the Mixed Use-1 (MU-1) zone to 50 feet for properties abutting National Register Residential Historic Districts
2. Reduce the parking requirement for retail uses in the MU-1 and Mixed Use-2 (MU-2) zones to 1 space per 400 square feet
3. Direct staff to look into purchasing property near 21<sup>st</sup> Street SE to create a park

**Explanation:**

Staff has provided an explanation of the Council's revisions and their impacts below.

Maximum Building Height

- The reduction in maximum building height to 50 feet abutting National Register Residential Historic Districts would only apply to properties in the MU-1 zone. However, the Court-Chemeketa Residential Historic District, which is on the National Register of Historic Places, is not only adjacent to the MU-1 zone but is also adjacent to the Mixed Use-2 (MU-2) zone roughly between 17<sup>th</sup> Street NE and Mill Creek (Attachment 1). Under the current Council approval, the 50-foot maximum building height would therefore not apply to properties in the MU-2 zone that abut that eastern portion of the Court-Chemeketa Residential Historic District.
- A maximum building height of 50 feet could accommodate a four-story building. A property owner or developer that wanted to construct a building taller than 50 feet could apply for an adjustment, which is an administrative land use process. The public is provided an opportunity

to comment on adjustment applications before staff makes a decision.

#### Parking Requirement

- The off-street parking requirement for retail uses in the MU-1 and MU-2 zones would be reduced from 1 space per 250 square feet to 1 space per 400 square feet. This would incentivize the development of retail uses.

#### Park Purchase

- Staff would explore the feasibility of purchasing property near 21<sup>st</sup> Street SE to develop a park.

#### **Considerations:**

Staff has provided additional information below for consideration.

#### Maximum Building Height

- The maximum building height abutting National Register Residential Historic Districts could be lowered to 50 feet in the MU-2 zone to ensure that the lower height applied to all MU-1 and MU-2 properties abutting the Court-Chemeketa Residential Historic District.
- A maximum building height of 45 feet may or may not accommodate a four-story building that complies with the development standards in the MU-1 zone. Further reducing building heights could hinder the development potential of properties on State Street. It could also result in the development of fewer multifamily units, which are needed in Salem. The 2015 Housing Needs Analysis specifically determined that the Salem area has a projected 207-acre deficit of land for multifamily housing based on a 20-year population projection.
- Staff conducted outreach to property owners during the State Street Corridor Plan project to discuss the proposed MU-1 and MU-2 zones and how their properties, if rezoned, would be impacted. In those property owner meetings, staff first presented the proposal of a maximum height of 65 feet in the MU-1 zone and later presented the lower 55 feet maximum height. For properties in the Commercial Office (CO) zone, this represented a reduction from the maximum building height of 70 feet allowed today. (The CO zone is adjacent to the Court-Chemeketa Residential Historic District between 14<sup>th</sup> and 17<sup>th</sup> streets). Staff did not propose a lower height of 45 feet when meeting with property owners that could be rezoned to MU-1 or MU-2.
- The overall maximum building height in the MU-1 zone could be increased to 65 feet, as previously proposed by staff, to offset a further reduction in height to 45 feet for properties abutting National Register Residential Historic Districts. This would help ensure that the MU-1 zone retained its overall development potential, aligning with findings of the economic analysis conducted as part of the State Street Corridor Plan project. That analysis found that there is more momentum for redevelopment in this western half of State Street due to its proximity to catalyst areas such as Willamette University, the State Capitol, and downtown.

Eunice Kim, AICP  
Planner III

Attachments:

1. Proposed Zoning Map.