

Salem Industrial Northgate Area Local Access Circulation Study

In May 1999, City Council approved the Salem Industrial Northgate Area Local Access Circulation Study (SINALACS), with amendments, to guide future development and improvements in the northeastern section of Salem. The area is home to a wide mixture of land uses, including industrial facilities, warehouses, mixed retail, motels, offices, neighborhood businesses, residential dwellings and vacant land. It is also bisected by the Union Pacific Railroad line, which runs approximately 28 trains daily.

SINALACS was primarily a traffic circulation study, but land use recommendations were also included as a part of the study, and, in fact, became the primary focus of the study. As a result, a plan was developed to increase access and connectivity which would complement compact, mixed-use commercial and residential land use. The concept of up to three business nodes with mixed-use zoning was suggested for key intersections of Portland/Fairgrounds Road. Due to the potential impact of rather substantial zone changes in some areas, upon approval of the SINALACS, City Council directed staff to work with the North Gateway Redevelopment Advisory Board (NGRAB), property owners, business owners and neighborhood representatives to conduct further analysis of the study recommendations, before implementing the land use portion of the plan. The North Gateway Urban Renewal Area covers much of the SINALACS area, including a two mile stretch of Portland/Fairgrounds Road.

Planning Commission Action.

The Salem Planning Commission held a public hearing on the proposed changes to the SACP official Zoning Map, Zoning Code and Design Handbook on April 17, 2001. The Commission requested additional information from staff prior to deliberations, held on May 15, 2001. The Planning Commission voted 5:1 to approve the recommended changes with the following two changes:

1. Add a provision in the Portland/Fairgrounds Road Overlay Zone to allow up to 75 percent of shared daytime/night time parking as recommended on May 15, 2001.
2. Apply Retail Commercial with the Mixed-Use Overlay Zone on parcels from 3292 up to 3380 Portland Road (the former Alphabet House site). 3380 Portland Road and the vacant (.04 acre) parcel south of it would remain Retail Commercial (CR).

Public Process. The initial SINALACS report was the result of a public process started in the spring of 1998. Following City Council's directive for a more detailed review of the Portland /Fairgrounds Corridor, NGRAB appointed a SINALACS subcommittee with representatives from the neighborhood, businesses and a Planning Commission member to examine the matter in depth. The ten member subcommittee was responsible to review how property is zoned for development; to assess new development regulations to better balance the mix of land uses along this important gateway to Salem; to review and recommend changes to Salem's Comprehensive Plan Land Use Map (SACP), and to return to the NGRAB with a recommendation. They met 19

times from September 1999 through March 2001, reviewing information specific to the district as well as examples of mixed-use zoning which might work for some sections of Portland/Fairgrounds Road. The meetings were well publicized and several interested citizens attended. The subcommittee specifically reviewed a list of current land uses to examine how they conform under the current zoning and the changes proposed by SINALACS.

To obtain professional expertise, a Transportation Growth Management (TGM) Grant was utilized to hire the land use economics consulting firm of Hobson - Ferrarini and Associates in January 2000. The consultant examined the economic viability of the area by conducting a land use feasibility analysis and an economic profile using primary research and secondary population data. The market area for the Portland/Fairgrounds Corridor data was an area roughly bounded by Kale Road on the north, the Willamette River/Salem Parkway on the west, Cordon Road/I-5 on the east, and Sunnyview Road on the south. Specific recommendations applicable to the Portland/Fairgrounds Road Corridor contained in SINALACS were examined, particularly the idea of establishing mixed-use areas at key intersections. The study was composed of three parts:

- ▶ An Economic Profile was developed using primary research and valid secondary data to calculate the present and future population, demographic household information, and socio-economic estimates, including household purchasing power and consumer expenditure patterns.
- ▶ A Land Use Feasibility Analysis was conducted based upon the economic data. Recommendations contained in SINALACS were examined; specifically the idea of establishing mixed-used districts at key intersections to address retail needs of the Highland and Northgate neighborhoods. The economic/land use study suggested changes to the three recommended nodal areas, including reduction in size.
- ▶ Redevelopment potential for three possible sites was also assessed. Ample commercial and office space is available, although there is an undersupply of industrial land and affordable housing.

The final report was included with the staff report for a Planning Commission work session held on June 20, 2000. To encourage public involvement, two neighborhood forums were held to receive citizen input during the review process. The first was held at St. Vincent De Paul Church on July 19, 2000, to compare the original SINALACS information with the consultant's recommendations. All owners of record within 250 feet of the corridor were notified by first class mail. Based upon the consultant's report, public input and a detailed review of the Portland/Fairgrounds Road area, the SINALACS subcommittee recommended revisions to the proposals outlined in SINALACS. Two mixed-use nodes were proposed - one for the intersection of Portland Road and Pine Street; and the second node located at Portland Road and Northgate Avenue. Both areas are much smaller than originally proposed in SINALACS and are adjacent to established residential neighborhoods. Originally a third mixed-use area at the intersection of Hyacinth and Portland Road was proposed, but due to new development and the recommended overlay zone standards, the subcommittee members determined it was no longer warranted. On November 9, 2000, a second public forum preceded the regularly scheduled Highland Neighborhood meeting held at Highland School. Staff presented the proposed overlay zone, zoning changes and mixed-use nodal areas the subcommittee had agreed upon.

NGRAB reviewed the SINALACS subcommittee's proposals and after considerable discussion on March 15, 2001, recommended the land use changes in the corridor area, except one parcel located at 3837 Portland Road which would retain its current zoning. The proposed Portland/Fairgrounds Road Overlay Zone development standards, design guidelines and standards which the subcommittee and staff developed were also recommended for approval by NGRAB.

Through out this entire process, outreach efforts took place. The North Gateway News (a newsletter provided within the study area) was published five times, of which the first four were sent to every property and business owner in Northgate and Highland neighborhoods. Information was also disseminated through Current Issues, a web site, and KBZY radio interviews. All affected property owners were notified of the Planning Commission's April 17, 2001 public hearing by certified mail, the properties were posted and a legal notice with a map was published four times in the Statesman Journal. (Legal advertisements are to be published in the Statesman Journal announcing City Council's June 25th public hearing on June 19, 20 and 21. The Recorder's Office is also sending letters notifying interested persons who were involved in the public review process, of City Council's upcoming hearing.) On April 18, 2001 staff also presented the proposed Development Design Guidelines and Standards for the Portland/Fairgrounds Road Overlay Zone to the Design Review Board.

At the April 17, 2001 Planning Commission Public Hearing several property owners on the west side of Portland Road, north and south of Wayside expressed concern about the recommended zoning changes recommended for their properties from CR to Industrial Commercial (IC). The SINALACS subcommittee had reviewed each of these parcels in detail considering their current as well as future potential uses and location adjacent to other industrial land. There are six single family homes which are nonconforming under the current CR zoning classification and two existing businesses which also appear to be nonconforming. A detailed chart is on pages seven and eight of the May 15, 2001 Planning Commission Report (Exhibit 4). Implementation of the IC zone change will result in these properties becoming outright permitted or conditional uses. Staff recommends the proposed zone change to IC, consistent with the Planning Commission's action.

A site designated as the future home of Alphabet House was recommended to receive a change in zoning from CR to Commercial Office (CO), however after years of anticipating this development, the property owner found the project was unlikely to move forward and as such worked with staff to identify a third mixed-use area with CR as the underlying zone. The Planning Commission concurred with this proposal since the property owner expressed interest in actively marketing the property for mixed-use development as it is adjacent to a strong residential neighborhood.

Two of three property owners voiced opposition to proposed legislative zone changes on the lots north of Hyacinth, east of Salem Parkway and south of Claxter at the Planning Commission Public Hearing. A written response is included in the May 15, 2001 Staff Report, or Exhibit 4, starting on page 6. (A map is located in Exhibit 3, Attachment C.) Staff also met with the property owners on May 31, 2001 to discuss the proposed zone change.

The owner of the larger vacant parcels, referred to as 1940 Claxter/Hyacinth has had some

ownership interest in the property since 1990. It has been for sale and the owner suggested a change from IC to Industrial Park (IP) would severely limit potential sales. A 1999 pre-application conference was conducted to review the development of the site for New Holland Ford where it became evident additional requirements would need to be met by the developer/owner since the property is located outside of the Urban Service Area (USA), precluding the availability of system development charges for construction of required water, sewer, transportation, storm drainage and parks. These costs may have deterred activity on the site. (Since that meeting a prospective buyer contacted Community Development to see if a warehouse/distribution center could be constructed under IP and was informed it could.) The long time owner occupant of 1960 Claxter was concerned about the reduced usability of his property due to the sideyard setbacks required under IP. He discussed a potential development of mini-warehouses including a unit where he might continue to live on site. Based on the conceptual information discussed, his proposal is allowable under IP.

Staff explained to the property owners why citizens, the City Council, and the Planning Commission recommended in the SINALACS report, that the area receive a zone change from IC to IP to prevent visual blight along Salem Parkway. IC allows outside storage to be unscreened and an auto junkyard had existed there for years. No other zoning classifications were acceptable to the owner of the (approximate) 4.7 acre parcel which might limit outdoor storage or less visually offensive uses along the Parkway. Staff recommends City Council implement the change to IP for this area as recommended by the NGRAB and Planning Commission to standardize development regulations for the entire strip of land adjacent to Salem Parkway, north of Hyacinth.

There will be some additional costs for the Planning Division to administer the Portland/Fairgrounds Road Overlay Zone, however, Citywide permit fees are increasing July 1, 2001, to help fully capture application processing costs.

In summary, fewer zoning changes than were proposed in SINALACS are recommended along the Portland/Fairgrounds Road corridor along with enhanced development standards. The proposed standards and guidelines will apply from Sunnyview Ave. to the north side of Hyacinth Street to complement the \$22 million street improvements already approved for Portland/Fairgrounds Road.