

DATE: December 1, 2014
TO: Lisa Anderson-Ogilvie and Eunice Kim
CC: Salem HNA and EOA Advisory Committee
FROM: Bob Parker and Beth Goodman
SUBJECT: DRAFT EMPLOYMENT LAND IMPLEMENTATION PLAN

Summary

The City of Salem contracted with ECONorthwest (ECO) to conduct an economic opportunities analysis, which included a buildable lands study. A major element of the project is the preparation of an implementation plan for consideration by city decision makers. ECO worked with City staff and the Advisory Committee to develop the recommended policies and implementation measures. The following is a summary of the key policies the Advisory Committee recommends for consideration by the Salem Planning Commission and City Council.

The Economic Opportunities Analysis (EOA) concluded that Salem has a deficit of approximately 271 acres of land designated for commercial uses. Salem has more industrial land than is expected to develop over the 2015 to 2035 period, under assumptions about employment growth. Much of that land is high value industrial land, such as land in Mill Creek, where the City has made substantial investments in infrastructure.

Salem's deficit of commercial land and the relatively large supply of industrial land in Salem has resulted in multiple requests to redesignate or rezone industrial land to allow commercial uses. Maintaining the supply of development-ready industrial land is essential for achieving the City's vision for economic development, both over the next few years and over the 20-year planning period.

This memorandum presents strategies to address the deficit of commercial land and to preserve the supply of high value industrial land. Table 1 summarizes the recommended implementation strategies for managing Salem's employment land base.

Table 1. Summary of Recommended Implementation Strategies

Strategy/Recommendation	Outcomes
Commercial	
Comprehensive Plan Policies	
Revise the Commercial Goal in the Salem Comprehensive Plan to include statements about: <ul style="list-style-type: none"> • Development of commercial office buildings in downtown, mixed-use districts, and commercially-oriented urban renewal areas • Commercial development that supports growth of traded-sector commercial employment 	Creates a clear policy statement that Salem supports commercial development, especially office-related development
Revise Commercial Policies 1, 3, 4, 5, 6, 8	Creates a clearer policy framework for emphasizing the importance of office development, especially in downtown, mixed-use centers, and some URAs Emphasizes the importance of redeveloping existing shopping and service centers, providing new shopping and service centers for underserved residential areas, and ensuring that these centers are accessible by pedestrians and bicyclists, as well as by automobiles
Remove Commercial Policy 7	Removes a policy that is redundant to the mixed-use policies
Implementation measures to increase land available for commercial development	
1.1: Identify targeted areas for potential conversion to commercial uses, such as office uses, businesses that need flex space, and other types of employment with wages near-to or higher-than the State's average wage. 1.2: Establish one or more neighborhood or convenience shopping and service centers in West Salem. 1.3: Establish one or more neighborhood or convenience shopping and service centers in residential areas, especially in developing residential areas.	Increases the amount of land for commercial development to address the commercial land deficit and to ensure that retail and services are within or near neighborhoods
1.4: Make the mixed-use zone and overlays simpler and easier to use.	Simplifies mixed-use regulations to encourage more mixed use commercial development
Economic Development	
Comprehensive Plan Policies	
Revise the Economic Development Goal in the Salem Comprehensive Plan to include statements about growing and attracting traded-sector businesses, especially those with above average wages	Aligns the City's Comprehensive Plan goals with the existing economic development strategy to emphasize the importance of traded-sector businesses
Revise Economic Development Policies 1 and 4	Aligns the City's Comprehensive Plan policies with the economic development strategy, including the focus on traded-sector industries
Revise Economic Development Policies 3	Removes action items from the Comprehensive Plan and suggests that the action items be included in a strategic plan
Remove Economic Development Policy 2 and Policy 5	Removes outdated policies
Industrial	
Comprehensive Plan Policies	
Revise the Industrial Goal in the Salem Comprehensive Plan to include statements about traded-sector industries	Aligns the City's Comprehensive Plan goals with the existing economic development strategy to emphasize the importance of traded-sector businesses
Revise Industrial Policy 1 Insert new Industrial Policies	Creates a clear framework for managing the industrial land inventory, including identifying key industrial areas to preserve for industrial uses, identifying areas that are

	appropriate for conversion to commercial uses, maintaining a short-term supply of industrial land, and monitoring and reporting on the supply of industrial land on an annual basis
Revise Industrial Policies 6 and 9	Creates a clearer framework for managing services within industrial areas
Review and potentially remove Industrial Policy 13	Removes a policy that is no longer relevant
Implementation measures to increase land available for industrial development	
<p>2.1: Identify prime industrial areas to preserve for large-scale industrial uses.</p> <p>2.2: Identify industrial areas that are appropriate for converting to commercial uses over the 20-year period.</p> <p>2.3: Monitor and report on activity converting from industrial to commercial uses to ensure continued long-term and short-term supply of industrial land.</p>	Manages the industrial land base to ensure a long-term supply of industrial land and a short-term supply of development-ready industrial land
Mixed-Use Development	
Comprehensive Plan Policies	
Revise Mixed-Use Policy 1	Simplifies mixed-use regulations to encourage more mixed use commercial development
Revise Mixed-Use Policy 2	Clarifies that open space is private open space, not open space in public parks
Strategy/Recommendation	Outcomes
Revise the Housing Goal in the Salem Comprehensive Plan to include statements about housing affordability and need mix	Creates a clear policy statement that Salem is compliant with Goal 10 and supports housing that is affordable to households of all income levels
Revise Housing Policies 3, 8, 9, and 10	Creates a clearer policy framework for supporting housing needs

Background

The City of Salem contracted with ECONorthwest (ECO) to conduct an economic opportunities analysis, which included a buildable lands study. A major element of the project was the preparation of the EOA and draft policies for consideration by city decision makers. The Economic Opportunities Analysis (EOA) identified a deficit of commercial land of about 271 acres. It also identified a surplus of 300 acres of general industrial land, in addition to 600 acres of high value industrial land (e.g., Mill Creek).¹ This memorandum presents an implementation plan for addressing the deficit of commercial land and strategies to manage the City's supply of industrial land. The strategy focuses on actions the City plans to implement.

The City's Role in Economic Development

A core objective of this project is to better articulate the City's role in economic development related to land use. This objective was clearly stated in the request for proposals:

- Develop strategies to:
 - Attract traded-sector industries to the Salem area that provide primarily family-wage jobs
 - Identify infrastructure financing mechanisms and prioritize investment sites
 - Maintain a portfolio of commercial and industrial lands that can be updated over time
- Provide an updated policy framework for land use issues related to comprehensive plan and zoning map amendment requests to allow a broader range of uses (offices, etc.) within Salem's industrial zones
- Inform policies regarding the siting of industrial uses and maintaining the integrity of industrial lands
- Serve as a basis for implementing regulations related to commercial and industrial lands, and economic development.

This implementation strategy addresses these topics. This implementation strategy is intended to focus on issues related to commercial and industrial land use. It is not meant to be a broad-based economic development plan. The City works with SEDCOR to implement broader regional economic development plans, such as the *Strategic Plan 2013-2015*.

¹ About 900 of Salem's 1,400 (64%) of Salem's vacant or partially vacant supply of industrial land fits into the category of high value industrial land, as described later in this memorandum. We assume that about two-thirds of Salem's 900 acre surplus of industrial land is high-value industrial land.

Salem's Vision for Economic Development²

The City's broad economic development goal is to attract and retain jobs to increase the economic prosperity for Salem residents and businesses. The City's approach to accomplishing this goal is to:

- Implement an economic development strategic plan that focuses on the role of the City and other partners to create jobs and encourage economic growth.
- Attract higher density employment to downtown.
- Attract companies to the Mill Creek Corporate Center and Salem Renewable Energy and Technology Center by marketing both sites.

The City's strategies for accomplish this goal are:

- **Grow in Salem.** This strategy protects Salem's existing economic base by helping to expand and grow existing businesses and by diversifying the traded-sector businesses in Salem to support existing companies. This strategy will require Salem (and regional partners) to invest in transportation and other infrastructure improvements, ensure that Salem has the right mix of land for development, provide incentives and a range of financial resources for economic development, and to support and invest in economic development partners.
- **Rely on Strengths of Regional Partnerships.** Continue to emphasize regional partnerships to provide a full range of economic development services through means such as: use of federal funds to seed infrastructure improvements and leverage State of Oregon resources and incentives for jobs and other investments. The City will continue to work with local partners to retain and recruit businesses, provide utilities, prepare the workforce, and develop property. In addition, the City will collaborate the partners on availability of land and infrastructure development to support job creation.
- **Grow Small Businesses.** The City will support growth of small businesses through programs such as the Fairview URA Small Business Pilot Loan Program, and other urban renewal programs and incentives, or by working with State agencies with resources. In addition, the City will continue to diversify Salem's economy and increase local prosperity through growth of businesses in new and existing clusters and by focusing on growth of businesses in key target industries.
- **Attract New Businesses.** Available development ready and other buildable land at the Mill Creek Corporate Center and Salem Renewable Energy and Technology Center will attract businesses considering locating in Salem or the Willamette Valley.

² The information in this section is summarized from the memorandum "Citywide Economic Development Strategy Development" dated December 7, 2012 from John Wales (Director of Urban Development) to the City Council.

Salem has identified the following target industries that have potential to grow in Salem. The selection of target industries is based on Salem's economic development goals and strategies, economic conditions in Salem and Marion and Polk Counties, and the City's competitive advantages. The City considered a wider range of target industries and has narrowed down the list of target industries as a result of research about the viability of target industry development in Salem.³

Salem's economic development policy is to assist existing companies to grow and expand within Salem, providing assistance where the City can. The industries with existing concentrations of employment in either traded-sector or higher-than-average wages are:

- **Food and beverage manufacturers**, which accounted for 45% of Salem's manufacturing employment (about 2,500 jobs) in 2012.
- **Medical services**, which accounted for about 12% of Salem's employment (11,400 jobs) in 2012.
- **Government services**, which accounted for about 30% of Salem's employment (27,700 jobs) in 2012, with more than 60% of government jobs in State Government.

Salem has identified the following target industries for growth of Salem's economy. These industries are traded-sector and most have incomes above Salem's average, with national averages for employment in these sectors ranging from \$46,000 to \$57,000.⁴

- **Technology manufacturing**, such as manufacturers of renewable energy equipment, avionics, and medical devices.
- **Equipment manufacturing**, such as manufacturing of equipment for: recycling machinery, construction machinery, farm equipment, semiconductor machinery, and other machinery used by businesses in Salem and the broader Willamette Valley.
- **Specialty metal manufacturing**, such as ornamental metal manufacturers, prefabricated metal structures, structural metal, bolt and washer manufacturing, and other specialty metal manufacturing.

³ This research includes:

Marion, Polk, & Yamhill Counties Regional Economic Profile and Strategic Assessment, by E.D. Hovee and Company, March 2007

Industrial Ecology, by the Sustainable Cities Initiative at the University of Oregon, Fall 2010

Salem Target Industries, by the Community Planning Workshop at the Community Service Center in the University of Oregon, June 2011

Salem Area Economic Development: Contextual Study on Current Approaches, by the City of Salem's Urban Development Department, May 14, 2012

Feasibility Analysis for a Micro-Enterprise Food Manufacturing Accelerator in Salem, by Claggett Wolfe Associates, May 2, 2013

Cluster Analysis of the Fabricated Metals Manufacturing Sector in Salem, Oregon, University of Oregon Economics Students Phillip Andrews and Spencer Gibson

⁴ Based on 2012 data from the U.S. Bureau of Labor Statistics.

- **Specialty (Value Added) food and beverage manufacturing**, including growth of food and beverage manufacturing already in the City and growth of new food and beverage manufacturing.
- **Chemical manufacturing**, such as existing industries that need manufacturing of chemicals for coatings, glass, films, plastics, concrete, and other manufacturing processes already in the Salem region.

Review and Recommendations about Employment Land Policies in the Comprehensive Plan

One of the outcomes of this project is an outline of revised policies and implementation strategies, including a process for revising the policies. After further refinement and revisions, these policies and strategies will be adopted as part of the revised Comprehensive Plan Policies. This section presents a review of existing Comprehensive Plan policies that apply to employment land. The current mixed-use, commercial, industrial, and economic goals, statements of intent and policies are included in Appendix A of this memorandum.

Commercial

This section presents the commercial development policies as stated in the adopted Salem Comprehensive Plan.

Commercial land can accommodate a wide range of uses, including offices, medical services, personal services such as banks or child care, automotive services, retail stores, restaurants, entertainment, and other uses. Some of these uses result in high-paying jobs, sometimes in traded-sector industries. Others of these uses provide necessary services for people living and working in Salem but result in lower-paying jobs.

Salem has a substantial deficit of land for commercial uses. As the City addresses this deficit of land, the City should identify areas for new commercial uses or redevelopment of existing commercial areas at a higher density. Some of the new commercial uses may be compatible with employment uses in zones that mix industrial and commercial uses, both in terms of meeting the City's goals of growing well-paying, traded-sector jobs, as well as compatibility of development types. Other new commercial uses, such as most types of retail or personal services, are most compatible with other commercial uses or in residential areas (at the neighborhood-appropriate scale). The suggestions described in this memorandum attempt to keep these distinctions in mind.

Goal

Existing Goal: To maintain and promote the Salem urban area as a commercial center for the Marion-Polk

ECONorthwest Comment: The City might consider other goals related to commercial land use, especially office related development. Two potential goals that fit in with the City's vision for economic development is:

To promote development of commercial office buildings for a range of employment uses, especially in downtown, mixed-use districts, and in commercially-oriented urban renewal areas.

To promote commercial development that supports growth of traded-sector commercial employment.

Advisory Committee Recommendation: Retain existing goal and add new goals about commercial development and support of traded-sector commercial employment.

Proposed New Goals:

To maintain and promote the Salem urban area as a commercial center for Marion and Polk counties.

To promote development of commercial office buildings for a range of employment uses, especially in downtown, mixed-use districts, and commercially-oriented urban renewal areas.

To promote commercial development that supports growth of traded-sector commercial employment.

Policies

Existing Policy 1: Central Business District -- The central business district shall be maintained and developed as a regional retail and employment center for the Salem urban area.

ECONorthwest Comment: This policy could be expanded to include development of housing in downtown as part of mixed-use development. The policy could also be related to the broader Marion and Polk counties region because Salem's central business district is a regional employment and services center.

Advisory Committee Recommendation: Modify this statement to make the broader relationship between Salem's central business district as a regional employment and services center for Marion and Polk counties, as well as an area that is appropriate for mixed-use development.

Revised Policy 1: Central Business District -- The central business district shall be maintained and developed as a mixed-use, regional retail and employment center for the Salem urban area, as well as Marion and Polk counties.

Existing Policy 2: Shopping and Service Facilities -- Development of shopping and service facilities may be approved only after reviewing a development plan consisting of maps and written statements on the following:

- a. Site plan,
- b. Layout of all off-street parking and loading facilities,
- c. Landscaping plan,
- d. Surface stormwater plan,
- e. Vehicular and pedestrian circulation plan,
- f. Utility plans,
- g. Impact on adjacent neighborhoods,
- h. Impact on adjacent street networks,
- i. Proposed use(s),
- j. Transit service, and
- k. Other information that may be required.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 3: Redevelopment -- Redevelopment of existing shopping and service facilities should be encouraged where appropriate.

ECONorthwest Comment: The City's approach to redevelopment of retail and service facilities has been to allow the market to do redevelopment on its own, as well as providing incentives for redevelopment. For example, the City has a redevelopment grant program in the West Salem URA and rehab and restoration grants in the North Gateway URA and Riverfront-Downtown URA.

The City could add additional implementation measures to encourage retail and service redevelopment in desired locations. Identifying funding sources for redevelopment policies is essential to their use and success. Programs that rely on the General Fund for funding are less likely to have the needed funding. Urban renewal districts provide a potential source of funding for lands within the districts.

Advisory Committee Recommendation: The Committee recommends providing more guidance on where redevelopment may be most appropriate and the potential of the City using tools to encourage redevelopment, under some circumstances.

Revised Policy 3: Redevelopment -- Redevelopment of existing shopping and service facilities should be encouraged, where appropriate, to provide neighborhood services or

as part of mixed-use development with multifamily housing. The City may use financial and other tools to encourage redevelopment of existing shopping and service facilities, especially in Urban Renewal Areas.

Existing Policy 4: Community Shopping and Service Facilities -- Community shopping and service facilities shall be located adjacent to major arterials and shall provide adequate parking and service areas. Land use regulations shall include provisions for siting and development which discourage major customer traffic from outside the immediate neighborhoods from filtering through residential streets.

ECONorthwest Comment: This policy should include provisions for pedestrian and bicycle connectivity from nearby neighborhoods.

Advisory Committee Recommendation: The Committee recommends clarifying this policy to include access to shopping and service facilities by pedestrians and bicyclists.

Revised Policy 4: Community Shopping and Service Facilities -- Community shopping and service facilities shall be located adjacent to major arterials and shall provide adequate parking and service areas. Land use regulations shall include provisions for siting and development that discourage major customer traffic from outside the immediate residential neighborhoods from filtering through residential streets and provisions for connectivity to the facilities for pedestrian and bicyclists from residential neighborhoods.

Existing Policy 5: Neighborhood and Community Shopping and Service Facilities -- Unless the existing development pattern along arterials and collectors commits an area to strip development, new commercial development shall be clustered and located to provide convenience goods and services for neighborhood residents or a wide variety of goods and services for a market area of several neighborhoods.

ECONorthwest Comment: The purpose of this policy appears to be to encourage commercial centers in a range of sizes and to discourage development of additional strip commercial. This policy could be clarified to better define the types of retail development in the context of the hierarchy of retail and commercial uses. The Urban Land Institute defines this hierarchy as including: convenience shopping centers, neighborhood shopping centers, community shopping centers, regional shopping centers, and super regional shopping centers.

Advisory Committee Recommendation: The Committee recommends clarifying this policy to better the type of commercial development the City is trying to encourage.

Existing Policy 5: Neighborhood and Community Shopping and Service Facilities -- Unless the existing development pattern along arterials and collectors commits an area to strip development, new commercial development shall be clustered and located to provide convenience goods and services for neighborhood residents or a wide variety of

goods and services for a market area of several neighborhoods. New commercial development will generally be within a range of sizes of commercial centers, such as convenience shopping centers, neighborhood shopping centers, and community shopping centers. The size of the commercial center should be scaled and consistent with the character of surrounding and nearby residential development.

Existing Policy 6: Commercial Office Uses -- Commercial office uses shall have convenient access to collector and arterial streets.

ECONorthwest Comment: This policy could be clarified to define what constitutes “convenient” access to collector and arterial streets.

Advisory Committee Recommendation: The Committee recommends clarifying this policy to better define what constitutes “convenient” access to collector and arterial streets.

Revised Policy 6: Commercial Office Uses -- Commercial office uses shall have direct access to collector and arterial streets or be located within one-quarter mile of a collector or arterial street.

Existing Policy 7: Mixed Use Development -- Mixed use developments shall be provided for in land use regulations.

ECONorthwest Comment: This policy is redundant, given the mixed use policies in a separate section of the Comprehensive Plan. We recommend removing it from the Economic Policies in the Comprehensive Plan.

Advisory Committee Recommendation: The Committee recommends removing this policy.

Existing Policy 8: Buffer strips from residential uses shall be provided for all commercial development.

ECONorthwest Comment: The City should consider requiring pedestrian and bicycle connectivity of commercial areas to adjacent residential areas through gates, paths or other means that do not require use of connector or arterial streets.

Advisory Committee Recommendation: The Committee recommends requiring internal connectivity in commercial areas for pedestrian, bicycle and vehicular connectivity, especially in commercial districts.

Revised Policy 8: With commercial development, buffer strips will be provided from residential uses, and external connectivity from residential development and other commercial development will be provided to commercial areas for pedestrian, bicycle and vehicular connectivity.

Economic Development

This section presents the economic development policies as stated in the adopted Salem Comprehensive Plan.

Goals

Existing Goal: Strengthen the economic base of the Salem area to sustain the economic growth necessary to provide adequate employment opportunities and maintain community livability.

ECONorthwest Comment: This goal might be updated to reflect the City's focus on growing and attracting traded sector businesses, especially those with above average wages.

Advisory Committee Recommendation: Retain existing goal and add a new goal to reflect the focus on growing and attracting traded sector businesses with above average wages.

Revised Goals:

Strengthen the economic base of the Salem area to sustain the economic growth necessary to provide adequate employment opportunities and maintain community livability.

Grow and attract traded-sector businesses, especially businesses with above average wages.

Policies

Existing Policy 1: Economic Diversification -- Diversify the basic economic sector of the Salem urban area through:

- a. Expansion of existing industrial enterprises and location of new, clean industries.
- b. Expansion of the light manufacturing element.

ECONorthwest Comment: This policy could better align with the City's strategy of diversifying the economy by growing or attracting businesses in industries: with an existing presence in Salem, that provide goods or services to existing businesses in Salem, or who may locate in Salem because of the City's competitive advantages. On the other hand, we suggest not making this policy too specific, such as by listing specific target industries.

Advisory Committee Recommendation: Align this policy with the strategy of diversifying the economy by growing or attracting businesses in industries: with an existing presence in Salem, that provide goods or services to existing businesses in Salem, or who may locate in Salem because of the City's competitive advantages.

Revised Policy 1: Economic Diversification -- Diversify the basic economic sector of the Salem urban area through:

- a. Expansion of existing industrial enterprises and location of new, clean industries.
- b. Expansion of light manufacturing.
- c. Expansion of businesses with an existing presence in Salem or businesses that provide goods or services to existing businesses in Salem.
- d. Expansion of businesses who want to locate in Salem because of Salem's competitive advantages and characteristics

Existing Policy 2: Labor Force -- Increase labor intensive employment opportunities and encourage the hiring of unemployed local residents.

ECONorthwest Comment: Employment in many industries, especially in manufacturing, is becoming less labor-intensive and more dependent on mechanization. While this policy may be a good idea, it is a little unrealistic in the context of current industry trends. We recommend removing or substantially revising this policy.

Advisory Committee Recommendation: The Committee recommends removing this policy. The Committee recommends affirming Salem's commitment to working with area schools, colleges and universities to support workforce training. Commitment to work with partners to support workforce training could be expressed through one or more actions identified in the strategic economic development plan, which is discussed in the following policy (Existing Policy).

Existing Policy 3: Economic Development Functions -- The established economic development entities' functions within the Salem urban area should include but not be limited to:

- a. The formulation and implementation of an economic development plan to encourage industrial and other economic development in a livable environment for the City of Salem.
- b. The promotion of a community environment and attitude, and governmental processes which are conducive to a successful economic development program.
- c. The formulation of the public sector role in facilitating the economic development process, including the coordination of all governmental jurisdictions and agencies in processing proposed development projects and grant-in-aid opportunities.
- d. Encouraging the designation in the Comprehensive Plan of an adequate supply of usable land for industrial use.
- e. The maintenance of an information system on land inventory, including parcel size, location, availability of utilities, slope, and other characteristics, labor base and other socioeconomic demographics, development processes, and incentives for development.
- f. Encouraging the establishment and implementation of development standards which ensure an attractive climate for prospective industrial development.
- g. Encouraging the coordination of educational and training opportunities to provide an adequate labor force for existing and future employers.
- h. The coordination of activities with other public and private organizations.

i. The conduct of such other related functions as may be deemed necessary or beneficial to promote the economic diversifications of the Salem urban area.

ECONorthwest Comment: This policy lists specific tasks that need to be completed but does not assign responsibility for those tasks, a timeline for completing the tasks, or resources necessary to complete the tasks. We recommend that the City incorporate these tasks into strategic plan. Each task should include assigning responsibility to specific City departments or outside partners, identifying a timeline, and identifying resources for completing the tasks. Maintenance and implementation of this plan will need to be coordinated across the Community Development and Urban Development Departments. This policy could be revised to direct the City to develop and implement this strategic plan and update the plan on a regular basis.

Advisory Committee Recommendation: The Committee recommends that City staff incorporate these and other appropriate tasks in an existing strategic plan (such as *Salem Strategic Economic Prosperity Plan*) or a new strategic plan that lists economic development strategies and actions to implement the strategies, including assigning responsibility, identifying resources, and a target timeline for each action. Revise this policy to direct staff to develop, maintain, and implement such a plan.

Revised Policy 3: Economic Development Functions – The Community Development and Urban Development Departments should work together to develop an economic development strategic plan. The plan should list strategies and actions that the City will take over the next one to five years to implement the City’s economic development vision. Each action will identify: the lead entity responsible for the action, resources necessary for the action, and a target time line for the action.

Existing Policy 4: Analysis of Economy -- Develop a comprehensive analysis of the Salem urban area economy on a periodic basis, including an economic data base and forecasts. This analysis should include a system for annual review and updating.

ECONorthwest Comment: This policy is implemented by the Urban Development Department.

Advisory Committee Recommendation: The Committee recommends no changes to this policy, beyond the slight change in wording above (shown with an underline).

Existing Policy 5: Basic Industry -- The contributions to the economic base by the significant sources of basic sector employment, including state and federal government and the food and wood products industries, should be recognized and maintained.

ECONorthwest Comment: It is not clear to us what actions this policy is directing the City towards. We recommend revising this policy to include measurable city actions to do more than recognize these industries. We recommend removing or substantially revising this policy.

Advisory Committee Recommendation: The Committee recommends removing this policy.

Revised Policy 5: Traded-Sector Industries -- The contributions to the economic base by the significant sources of traded-sector employment and their importance to future growth of employment in Salem should be recognized and maintained.

Industrial

This section presents the industrial development policies as stated in the adopted Salem Comprehensive Plan.

A general observation is that Salem's policies that regulate industrial land for commercial deficits are somewhat in conflict with each other. The City's policies (1, 9, 12, and 13) stress maintenance of a sufficient inventory of industrial land in large parcels in industrial districts. However, the pressure resulting from the deficit of commercial land is causing the City to rezone industrial land to commercial uses on a case-by-case basis.

In our professional opinion and experience, Salem's base of industrial land is unique in the Willamette Valley. Few cities have an industrial land base with the employment potential of Salem's. In our professional opinion, the City should identify key industrial areas for long-term preservation, such as McGilchrist, Fairview, and North Gateway, where public infrastructure investments have been made or are planned. The City should develop policies to protect these areas for industrial and/or traded-sector uses. If appropriate, the City could rezone these areas with a flexible zoning district that allows a wide range of non-retail employment. For example, the Employment Center zone allows for a range of employment development, including offices, general and heavy manufacturing, and other types of employment.

The City may want to identify other industrial areas that would be appropriate to convert to commercial uses, either because of existing non-industrial uses or because the sites no longer meet the needs of industrial businesses, especially those in the target industries.

Goal

Existing Goal: To encourage and promote industrial development which strengthens the economic base of the community and minimizes air and water pollution.

ECONorthwest Comment: The goal could be revised to align better with the City's economic development vision, through addition such as "...which strengthens the economic based of the community by increasing trade-sector employment, especially in sectors that pay higher-than-average wages, and minimizes..."

Advisory Committee Recommendation: The Committee recommends aligning this goal with the City's economic development vision.

Revised Goal: To encourage and promote industrial development which strengthens the economic based of the community by increasing traded-sector employment, especially in sectors that pay higher-than-average wages, and minimizes air and water pollution.

Policies

Existing Policy 1: Industrial Land Inventory -- Maintain a long-term (20 year) industrial land inventory which provides a full range of small, medium, and large parcel sizes and locations to sustain a competitive market for industrial sites.

Redesignation of the land to or from industrial may be allowed providing:

a. It serves the community's interests and does not impact the long-term continuity of the industrial inventory; and

b. Is preferably a boundary adjustment which results from expansion of an existing, adjacent use;

And

c. There is a demonstrated need to expand the industrial or non-industrial use inventory.

Or

d. It is contingent on a specific, verifiable development project; and

e. The specific site requirements of the project cannot be accommodated within the existing inventories; and

f. Public facilities, services, and utilities necessary for development of the specific project are incorporated into the development proposal.

Redesignation of three large industrial parcels (40 acres or larger) generally located at:

1) The southeast corner of Boone Road SE and 36th Avenue SE;

2) Between Gaffin Road SE and Culver Drive SE; and

3) Between Kale and Hazel Green Roads;

is contingent on compliance with sections a., b., d., e., and f. above.

ECONorthwest Comment: Discussions with the Advisory Committee show that there are differing views on the Committee about developing policies to preserve key industrial land. Some Committee members do not think the City needs such as policy because some of Salem's largest and most important industrials areas (e.g., Mill Creek and the Salem Renewable Energy and Technology Park) are in public ownership and do not require preservation policies. Other Committee members have indicated that they are supportive of policies that are focused on preserving key industrial areas.

We think it is important to look at industrial development opportunities over the long-term, outside of the economic cycles of the last five to ten years. Salem has an industrial land base with significant industrial opportunities not matched by most cities in the Willamette Valley. We recommend identifying key industrial areas that should remain in an industrial designation and zone over the 20-year planning period. Where

appropriate, a flexible zone, such as the City's Employment Center zone, could be applied to allow a range of employment uses.

We recommend revising Policy 1 into three policies that: (1) identify and preserve high value industrial land, (2) identify areas that may be appropriate for conversion to commercial uses, including evaluating whether the areas listed in part "f" are still appropriate to target for redesignation, and (3) monitoring the supply of industrial land to ensure a sufficient short-term and long-term supply of industrial land.

Advisory Committee Recommendation: The Committee recommends development of policies that (1) identify and preserve high value industrial land, (2) identify areas that may be appropriate for conversion to commercial uses, including evaluating whether the areas listed in part "f" are still appropriate to target for redesignation, and (3) monitoring the supply of industrial land to ensure a sufficient short-term and long-term supply of industrial land.

Revised Policy 1: Industrial Land Inventory -- Maintain a long-term (20 year) industrial land inventory which provides a full range of small, medium, and large parcel sizes and locations to sustain a competitive market for industrial sites. Maintaining a long-term supply of industrial land will require identifying and preserving key high value industrial land, especially areas where the City has made substantial investments in infrastructure. High value industrial land has the following characteristics: it is designated for industrial uses, in flat parcels, most frequently in large parcels at least 10 acres in size, located within an industrial district, has direct access to a state highway or I-5, and is serviced or planned to be serviced with water and wastewater infrastructure.

New Policy #: Industrial Land Inventory -- Identify areas that may be appropriate for converting from industrial to commercial or other non-industrial uses over the long-term. The characteristics of industrial land that may be appropriate for conversion to commercial or other non-industrial uses include some or all of the following: (1) located outside of industrial areas or isolated from other industrial uses, (2) surrounded by incompatible uses (such as housing), (3) located adjacent to properties that have converted to commercial uses, (4) have limited or no access to major roads (such as arterial streets, collector streets, or highways), or (5) lacks rail access.

New Policy #: Industrial Land Inventory – Ensure a sufficient short-term supply of serviced industrial land that is suitable for construction within one year of application for a building permit or request for service extension.

New Policy #: Industrial Land Inventory -- Monitor and report on the supply of industrial land and conversions to commercial uses on an annual basis, to ensure a long-term and short-term supply of industrial land.

Existing Policy 2: Public Facilities, Services, and Utilities -- Appropriate public facilities, services, and utilities are essential for industrial development. The industrial areas currently serviced by public facilities, services, and utilities provide the best opportunity to maximize

past and future public investments in infrastructure. Systems expansion to promote infill development and redevelopment of the currently serviced areas shall be given priority for public funding of facilities, services, and utilities.

Expansion of public facilities, services, and utilities beyond the existing, developed, industrial areas shall be coordinated to maximize public investment based on:

a. Expansion of the facilities, services, and utilities serves the community's interests;

And

b. A demonstrated need to expand the currently serviced inventory,

Or

c. A specific, verifiable development project with specific site requirements that cannot be accommodated within the currently serviced inventory; and

d. The project will employ a large number of employees, preferably at a high ratio of employees per acre.

ECONorthwest Comment: This policy has been implemented in areas like the McGilchrist Urban Renewal Area. We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 3: Areawide Coordination -- Coordination of the industrial land inventories, industrial and growth policies, and economic development activities of the cities within Marion and Polk Counties are necessary to maintain a viable regional economy.

ECONorthwest Comment: We recommend rephrasing this policy to read as a policy direction, rather than a statement.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 4: Interface with Other Uses -- Industrial land shall be subject to industrial development standards which ensure that development and operation is compatible with surrounding land uses

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 5: Greenway Requirements -- New industrial development shall not be located in the Willamette River Greenway setback unless it is water related or dependent upon a waterway location.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 6: Employee Services -- The zone districts shall allow appropriate on-site employee services and facilities in industrial parks.

ECONorthwest Comment: We suggest clarifying this policy to explain what is appropriate on-site employee services and facilities.

Advisory Committee Recommendation: The Committee recommends clarifying this policy.

Revised Policy 6: Employee Services -- The zone districts shall allow appropriate on-site employee services and facilities, such as restaurants and personal service businesses, in industrial areas.

Existing Policy 7: Traffic -- Traffic generated by industrial uses should be diverted away from residential areas when feasible and should have convenient access to arterial or collector streets.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 8: Efficiency -- Efficient use of resources and energy, and the utilization of renewable energy sources serve the interests of the community and shall be encouraged during the development and operation of all industrial activities.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 9: Non Supporting Uses Discouraged -- Non-industrial land uses should be discouraged from districts that have been designated for industrial use, except when a non-industrial use is primarily in support of industry or industrial employees.

ECONorthwest Comment: The line between “non-supporting” and “employee supporting” industries is not well defined in this policy. The conversion of industrial lands to commercial uses, especially those including retail and retail services, provides examples of the need for clarity in this policy. Policies that specifically identify opportunities for some types of commercial development and that identify industrial lands to preserve can help clarify this issue. We recommend clarifying this policy.

Advisory Committee Recommendation: The Committee recommends clarifying this policy.

Revised Policy 9: Allow Limited Supporting Non-Industrial Uses – Supporting non-industrial uses are allowed in limited amounts in industrial areas. These non-industrial uses should primarily support industrial businesses or employees at industrial businesses.

Existing Policy 10: Energy Efficiency -- New industries that utilize energy most efficiently or that manufacture products that contribute to efficient use of energy, including renewable energy sources should be encouraged.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 11: Hazardous Waste Disposal -- Industries shall be responsible for the adequate and proper transportation, storage, use, and disposal of all hazardous materials and wastes (as defined by ORS 459.410) utilized or generated by that industry.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 12: Land Division -- Division of large parcels (40 acres and larger in size) of industrial land shall be subject to a special review and approval process.

The special review process shall consist of public hearings before the appropriate planning commission with final approval by the City Council or County Commissioners (for areas that are not annexed into the City limits). The City or County shall be afforded the opportunity to review and comment, as an interested party, on all large industrial parcel division prior to the final decision.

Decisions approving the division of large industrial parcels shall be on a case-by-case basis utilizing the following criteria:

- a. Division of the parcel serves the community's interests;
- b. Division of the property is contingent on a specific, verifiable development project;
- c. The project has specific site requirements that cannot be accommodated without division of the property. Preferably, the project's site requirements necessitates collocation of uses on the resulting parcels;
- d. Public facilities, services, and utilities necessary for development of the specific project are incorporated into the development proposal;
- e. The project will employ a large number of employees, preferably at a ratio of employees per developed acre of 10 or higher; and

ECONorthwest Comment: We have no suggestions for changes this policy, beyond the slight re-wording suggested above.

Advisory Committee Recommendation: The Committee recommends no changes to this policy, aside from the minor wording change shown in the policy above (shown with an underline).

Existing Policy 13: Industrial Districts -- Development of a distinct industrial district that provides for a continuity of design and uses on preferably medium sized parcels (10 to 40 acres in size) is necessary to provide a variety of parcel sizes within the industrial inventory and to assist in attracting industrial development.

ECONorthwest Comment: We recommend that staff review this policy to determine if it is in use and is relevant to managing Salem's industrial land.

Advisory Committee Recommendation: The Committee recommends that Staff review the use of this policy and, if it is not used, to remove it.

Existing Policy 14: Diverse Interests -- Land development regulations should provide for a variety of industrial development opportunities

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Mixed-Use Development

Goals

Existing Goal: To provide a mixture of complementary land uses that may include housing, retail, offices, services, industrial and civic uses, to create economic and social vitality.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Policies

The Mixed-Use policies are grouped into three categories by the Comprehensive Plan: Development, Priorities for Mobility and Access, and Design.

Existing Policy 1: Development -- Encourage efficient use of land by facilitating compact, high-density development and minimizing the amount of land that is needed to accommodate automobile parking.

ECONorthwest Comment: We make suggestions in the following section about simplifying the City's mixed-use policies, such as overlay zones. Those changes could include changes to parking regulations.

Advisory Committee Recommendation: The Committee recommends streamlining and making the mixed-use policies easier to understand and comply with. This would include making mixed-use development standards consistent across mixed-use areas, where possible.

Revised Policy 1: Development -- Encourage efficient use of land by facilitating compact, high-density development and minimizing the amount of land that is needed to accommodate automobile parking. Where appropriate, revise mixed-use design standards to make them simpler and easier to use, including making mixed-use design standards more consistent across mixed-use areas.

Existing Policy 2: Development -- Encourage development that preserves open space.

ECONorthwest Comment: This policy is not specific where the open space should be preserved. It could be read as open space associated with the development (e.g., creating a public plaza) or other open space (e.g., parks) in other parts of the city. This policy should be revised to clarify the meaning of "open space" and the type of open space that should be preserved. If the policy is meant to preserve open space associated with the development, that is something of a conflict with Policy 1.

Advisory Committee Recommendation: The Committee recommends clarifying this policy.

Revised Policy 2: Development -- Encourage development that preserves private open space for residents and employees of the mixed-use development.

Existing Policy 3: Priorities for Mobility and Access -- Facilitate development (land use mix, density, connectivity, design, and orientation) that reduces the need for, and frequency of, SOV trips and supports public transit, where applicable.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 4: Priorities for Mobility and Access -- Reinforce streets as public places that encourage pedestrian and bicycle travel.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 5: Priorities for Mobility and Access -- Provide roadway and pedestrian connections to residential areas.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 6: Design -- Develop commercial and mixed-use areas that are safe, comfortable and attractive to pedestrians.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 7: Design -- Provide flexibility in the siting and design of new developments, facilities, and redevelopment to respond to changes in the marketplace and infrastructure systems.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 8: Design -- Provide appropriate transitions between mixed-use areas and adjacent single-use neighborhoods.

ECONorthwest Comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Implementation Strategies to Manage Salem's Supply of Employment Land

The following section presents implementation strategies recommended by the Advisory Committee. In some cases, the implementation strategies tie directly back to the policy changes in the prior sections. In other cases, the implementation strategies are actions that the City would take through changes to the zoning ordinance or zoning map.

Increase Land Available for Commercial Development

Addressing Salem's deficit of approximately 271 acres of land for commercial uses will require increasing land available for commercial development. Some potential measures to address this include:

Implementation Measure 1.1: Identify targeted areas for potential conversion to commercial uses, such as office uses, businesses that need flex space, and other types of employment with wages near-to or higher-than the State's average wage. This commercial land could be zoned EC, IBC, or another appropriate zoning designation. The areas targeted for conversion should be ones where commercial uses are impinging on industrial activity and areas that are less well-suited for future industrial uses. These changes should be implemented to allow continuation of existing industrial uses.

Implementation Measure 1.2: Establish one or more neighborhood or convenience shopping and service centers in West Salem. The purpose of this measure is to provide retail and other services to people living in West Salem.

Implementation Measure 1.3: Establish one or more neighborhood or convenience shopping and service centers in residential areas, especially in developing residential areas. The purpose of this measure is to provide retail and other services to neighborhoods.

Implementation Measure 1.4: Make the mixed-use zone and overlays simpler and easier to use. This measure would require a review of existing mixed-use zones and overlays, possibly reducing the number of mixed-use zones or overlays and making the design standards simpler and more consistent across mixed-use areas. The policies could be revised to allow more horizontal mixed use (e.g., a mixture of uses in a district), rather than predominantly requiring vertical mixed use (e.g., two or more types of uses in the same structure).

Managing Industrial Lands

Implementation Measure 2.1: Identify prime industrial areas to preserve for large-scale industrial uses. These areas may be in single large parcels or a collection of mid-sized adjacent parcels, preferably with two or fewer owners. These are areas that should be preserved for industrial employment, such as (but not exclusive to) businesses identified as target industries for Salem.

Implementation Measure 2.2: Identify industrial areas that are appropriate for converting to commercial uses over the 20-year period. These may be areas where conversion has been taking place slowly over time or where industrial uses have been negatively impacted by the development of adjacent uses that are incompatible with industrial uses. These conversions should be targeted at industrial areas that are no longer well-functioning industrial areas. We do not recommend large-scale conversion of industrial areas to commercial uses.

Implementation Measure 2.3: Monitor and report on activity converting from industrial to commercial uses to ensure continued long-term and short-term supply of industrial land.

Appendix A: Salem Comprehensive Plan

Appendix A contains excerpts from the Salem Comprehensive Plan that pertain to residential development. The Comprehensive Plan implements land use using three tools: (1) the comprehensive plan map; (2) intent statements that articulate the city's objectives; and (3) policies that guide specific development activity. The full comprehensive plan is available on the City's website:

<http://www.cityofsalem.net/Departments/CommunityDevelopment/Planning/Longrangeplanning/Documents/SACP.pdf>

The excerpts that follow are intended to support the analysis in Section II of this memorandum and to provide the full context for the recommendations. Excerpts highlighted in bold are evaluated in more detail in Section II of this memorandum.

The purpose of the Comprehensive Plan is stated on page 1 of the plan:

"The Salem Area Comprehensive Plan is a long-range plan for guiding development in the Salem urban area and its relationship with Salem/Keizer urban area for the next 20 years. The goal of the Plan is to accommodate development in a timely, orderly and efficient arrangement of land uses and public facilities and services that meet the needs of present and future residents of the Salem urban area."

II. DEFINITIONS AND INTENT STATEMENTS

A. LAND USE PLAN MAP (Comprehensive Plan Map):

The Land Use Plan Map is a necessary element of a comprehensive plan. ORS 197.015(4) provides:

"Comprehensive plan" means a generalized, coordinated land use map and policy statement of the governing body of a state agency, city, county, or special district that interrelates all functional and natural systems and activities relating to the use of lands including, but not limited to, sewer and water systems, transportation systems, educational systems, recreational facilities, and natural resources and air and water quality management programs.

"Comprehensive" means all-inclusive, both in terms of the geographic area covered and functional and natural activities and systems occurring in the area covered by the plan. "General nature" means a summary of policies and proposals in broad categories and does not necessarily indicate specific locations in any area, activity, or use. A plan is "coordinated" when the needs of all levels of governments, semipublic and private agencies, and the citizens of Oregon have been considered and accommodated as much as possible. "Land" includes water, both surface and subsurface, and the air.

1. Intent:

The intent of the Salem Area Comprehensive Plan is to project a goal - the most desirable pattern of land use in the Salem area. This pattern, as represented on the Comprehensive Plan Map, indicates areas appropriate for different types of land use. The pattern takes into consideration the transportation network, the location of public facilities and utility systems, and the needs of the people which are important to the creation and maintenance of a healthful and pleasing urban environment.

To ensure that the anticipated urban land use needs are met, the Plan Map demonstrates a commitment that land for a wide variety of uses will be available at appropriate locations as needed. There are two approaches to achieving this commitment. One approach is the rezoning of land in quantities sufficient to accommodate land use demands identified for the planning period. Another approach is through the phased provision of land over time, through annexation and rezoning in response to demand for specific land uses.

The first approach is the most direct. However, it presumes that sufficient knowledge is available to identify market conditions twenty years hence. It runs the risk of artificially inflating land prices, diminishing the economic life of the present use, and designating property for more intensive use before public facilities and services are available.

The second approach, in contrast, is to phase urbanization and rezonings over time. In using this method, jurisdictions develop and administer plans, plan policies, and implementing mechanisms that are responsive to changing and evolving land demands yet recognizing existing zoning. To provide a level of predictability through the planning period, and ensure that sufficient lands will be made available, the second approach requires that the direction of the jurisdiction be set forth in the plan. This is achieved through identification in map form of anticipated land use and policy. The intent of this approach is to retain flexibility in the plan in order to remain responsive to changing conditions, and yet recognize the legitimacy of the existing zoning and the dynamic process of plan implementation.

It is the latter approach that the Salem Area Comprehensive Plan has taken. Thus the land use pattern that is shown on the map recognizes the zoning that has developed over time, with general designations of the land uses that are expected to be developed, as a result of: (1) demand, (2) the plan policies and intent statements, and (3) implementing regulations and processes. This Plan recognizes that the land use and zoning are expected to change during the time span of the Plan as conditions change.

2. Plan Map Interpretation:

The Plan is developed with the concept that the Comprehensive Plan Map and text are to be used as an integrated whole, with the Plan map being a graphic representation of the text. Thus, interpretation of the Plan Map is a process which rests on the goals and policies expressed in the text. Therefore, in the event a land use proposal is inconsistent with the Comprehensive Plan Map or policies, an applicant may file for a Comprehensive Plan map amendment.

3. Plan Map Designations:

b. Mixed-Use

The Mixed-Use designation encompasses the opportunity for a variety of housing opportunities, including but not limited to, single-family detached, single-family attached, garden apartments, apartments, communal living, and row houses. The location, density, and style of housing is governed by the zoning code. What differentiates this classification from Single-Family and Multi-Family Residential categories is an expansion of the types of uses deemed compatible with residential development. In addition to non-residential uses (such as schools and other educational facilities, parks, open space, and religious organizations), this classification permits the mixing of shopping and services, convenience stores, commercial office (including live-work units) and compatible commercial and/or industrial uses within neighborhoods and structures. The purpose of this designation is to:

1. Allow a mixture of complementary land uses that may include housing of all types, retail, offices, commercial services, and civic uses to create economic and social vitality and the ability to meet multiple needs in compact areas;
2. Develop mixed-use areas that are safe, comfortable and attractive to pedestrians;
3. Provide flexibility in the siting and design of new development and redevelopment to optimize the use of natural resources, energy alternatives, improvements in development tools and techniques, and changes in the marketplace;
4. Recognize streets as public places that encourage pedestrian, bicycle, and transit use;
5. Facilitate efficient use of land by encouraging compact, high-density development and minimizing the amount of land that is needed for surface parking; and
6. Encourage and facilitate development that supports public transit and the utilization of alternative modes of transportation.

c. Commercial

The predominant use in these areas is commercial. Multifamily residential may be included where appropriate. This designation indicates commercial areas throughout the Salem urban area that provide shopping and service opportunities of the following types:

- Regional shopping facilities
- Community and neighborhood shopping and service facilities
- Convenience stores
- Commercial offices
- Specialized shopping and service facilities

Regional Shopping Facilities represent the Salem central business district and other facilities serving the shopping and service requirements of Salem and the region.

Community and Neighborhood Shopping and Service Facilities offer a variety of goods and services. Neighborhood scale facilities include convenience goods for neighborhood residents

while community scale facilities may include shopping goods for a market area consisting of several neighborhoods.

Convenience Stores provide limited food and personal services close to residential uses.

Commercial Offices accommodate office space and non-retail services.

Specialized Shopping Areas provide for special uses such as automobile center, freeway interchange service area, entertainment district, furniture district, printing district and medical center.

d. Central Business District

More than a shopping area, the Central Business District is a special subcategory under Commercial.

This designation indicates the area which serves Salem and the region as a principal center of business and commerce. It is intended that this area contain a compact arrangement of retail and commercial enterprises together with office, financial, cultural, entertainment, governmental, and residential use designed and situated to afford convenient access by pedestrians.

e. Industrial/Commercial

The intent of this designation is to provide areas for a mixture of heavy commercial and light manufacturing and warehousing activities.

f. Industrial

This designation indicates the location of industrial uses. Location of industrial land requires consideration of potentially heavier demands on public facilities significant impacts on the environment, and vehicular traffic. The intent is to provide a variety of industrial sites for all types of industrial uses throughout the Salem urban area.

MIXED-USE DEVELOPMENT POLICIES

This section presents the mixed-use development policies as stated in the adopted Salem Comprehensive Plan.

GOAL: To provide a mixture of complementary land uses that may include housing, retail, offices, services, industrial and civic uses, to create economic and social vitality.

<p>Development</p>	<p>1. Encourage efficient use of land by facilitating compact, high-density development and minimizing the amount of land that is needed to accommodate automobile parking.</p> <p>2. Encourage development that preserves open space.</p>
<p>Priorities for Mobility and Access</p>	<p>3. Facilitate development (land use mix, density, connectivity, design, and orientation) that reduces the need for, and frequency of, SOV trips and supports public transit, where applicable.</p> <p>4. Reinforce streets as public places that encourage pedestrian and bicycle travel.</p> <p>5. Provide roadway and pedestrian connections to residential areas.</p>
<p>Design</p>	<p>6. Develop commercial and mixed-use areas that are safe, comfortable and attractive to pedestrians.</p> <p>7. Provide flexibility in the siting and design of new developments, facilities, and redevelopment to respond to changes in the marketplace and infrastructure systems.</p> <p>8. Provide appropriate transitions between mixed-use areas and adjacent single-use neighborhoods.</p>

COMMERCIAL DEVELOPMENT POLICIES

This section presents the commercial development policies as stated in the adopted Salem Comprehensive Plan.

GOAL: To maintain and promote the Salem urban area as a commercial center for the Marion-Polk

Policies

Central Business District	1. The central business district shall be maintained and developed as a regional retail and employment center for the Salem urban area.
Shopping and Service Facilities	<p>2. Development of shopping and service facilities may be approved only after reviewing a development plan consisting of maps and written statements on the following:</p> <ul style="list-style-type: none"> a. Site plan, b. Layout of all off-street parking and loading facilities, c. Landscaping plan, d. Surface stormwater plan, e. Vehicular and pedestrian circulation plan, f. Utility plans, g. Impact on adjacent neighborhoods, h. Impact on adjacent street networks, i. Proposed use(s), j. Transit service, and k. Other information that may be required.
Redevelopment	3. Redevelopment of existing shopping and service facilities should be encouraged where appropriate.
Community Shopping and Service Facilities	4. Community shopping and service facilities shall be located adjacent to major arterials and shall provide adequate parking and service areas. Land use regulations shall include provisions for siting and development which discourage major customer traffic from outside the immediate neighborhoods from filtering through residential streets.
Neighborhood and Community Shopping and Service Facilities	5. Unless the existing development pattern along arterials and collectors commits an area to strip development, new commercial development shall be clustered and located to provide convenience goods and services for neighborhood residents or a wide variety of goods and services for a market area of several neighborhoods.

Commercial Office Uses	6. Commercial office uses shall have convenient access to collector and arterial streets.
Mixed Use Development	7. Mixed use developments shall be provided for in land use regulations. 8. Buffer strips from residential uses shall be provided for all commercial development.

ECONOMIC DEVELOPMENT POLICIES

This section presents the economic development policies as stated in the adopted Salem Comprehensive Plan.

GOAL: Strengthen the economic base of the Salem area to sustain the economic growth necessary to provide adequate employment opportunities and maintain community livability.

Policies

Economic Diversification	1. Diversify the basic economic sector of the Salem urban area through: a. Expansion of existing industrial enterprises and location of new, clean industries. b. Expansion of the light manufacturing element.
Labor Force	2. Increase labor intensive employment opportunities and encourage the hiring of unemployed local residents.

<p>Economic Development Functions</p>	<p>3. The established economic development entities' functions within the Salem urban area should include but not be limited to:</p> <ul style="list-style-type: none"> a. The formulation and implementation of an economic development plan to encourage industrial and other economic development in a livable environment for the City of Salem. b. The promotion of a community environment and attitude, and governmental processes which are conducive to a successful economic development program. c. The formulation of the public sector role in facilitating the economic development process, including the coordination of all governmental jurisdictions and agencies in processing proposed development projects and grant-in-aid opportunities. d. Encouraging the designation in the Comprehensive Plan of an adequate supply of usable land for industrial use. e. The maintenance of an information system on land inventory, including parcel size, location, availability of utilities, slope, and other characteristics, labor base and other socioeconomic demographics, development processes, and incentives for development. f. Encouraging the establishment and implementation of development standards which ensure an attractive climate for prospective industrial development. g. Encouraging the coordination of educational and training opportunities to provide an adequate labor force for existing and future employers. h. The coordination of activities with other public and private organizations. i. The conduct of such other related functions as may be deemed necessary or beneficial to promote the economic diversifications of the Salem urban area.
<p>Analysis of Economy</p>	<p>4. Develop a comprehensive analysis of the Salem urban area economy, including an economic data base and forecasts. This analysis should include a system for annual review and updating.</p>
<p>Basic Industry</p>	<p>5. The contributions to the economic base by the significant sources of basic sector employment, including state and federal government and the food and wood products industries, should be recognized and maintained.</p>

INDUSTRIAL DEVELOPMENT POLICIES

This section presents the industrial development policies as stated in the adopted Salem Comprehensive Plan.

GOAL: To encourage and promote industrial development which strengthens the economic base of the community and minimizes air and water pollution.

Policies

<p>Industrial Land Inventory</p>	<p>1. Maintain a long-term (20 year) industrial land inventory which provides a full range of small, medium, and large parcel sizes and locations to sustain a competitive market for industrial sites.</p> <p>Redesignation of the land to or from industrial may be allowed providing:</p> <ul style="list-style-type: none"> a. It serves the community’s interests and does not impact the long-term continuity of the industrial inventory; and b. Is preferably a boundary adjustment which results from expansion of an existing, adjacent use; <p>And</p> <ul style="list-style-type: none"> c. There is a demonstrated need to expand the industrial or non-industrial use inventory. <p>Or</p> <ul style="list-style-type: none"> d. It is contingent on a specific, verifiable development project; and e. The specific site requirements of the project cannot be accommodated within the existing inventories; and f. Public facilities, services, and utilities necessary for development of the specific project are incorporated into the development proposal. <p>Redesignation of three large industrial parcels (40 acres or larger) generally located at:</p> <ul style="list-style-type: none"> 1) The southeast corner of Boone Road SE and 36th Avenue SE; 2) Between Gaffin Road SE and Culver Drive SE; and 3) Between Kale and Hazel Green Roads; <p>is contingent on compliance with sections a., b., d., e., and f. above.</p>
<p>Public Facilities, Services, and Utilities</p>	<p>2. Appropriate public facilities, services, and utilities are essential for industrial development. The industrial areas currently serviced</p>

	<p>by public facilities, services, and utilities provide the best opportunity to maximize past and future public investments in infrastructure. Systems expansion to promote infill development and redevelopment of the currently serviced areas shall be given priority for public funding of facilities, services, and utilities.</p> <p>Expansion of public facilities, services, and utilities beyond the existing, developed, industrial areas shall be coordinated to maximize public investment based on:</p> <ul style="list-style-type: none"> a. Expansion of the facilities, services, and utilities serves the community's interests; <p>And</p> <ul style="list-style-type: none"> b. A demonstrated need to expand the currently serviced inventory, <p>Or</p> <ul style="list-style-type: none"> c. A specific, verifiable development project with specific site requirements that cannot be accommodated within the currently serviced inventory; and d. The project will employ a large number of employees, preferably at a high ratio of employees per acre.
Areawide Coordination	3. Coordination of the industrial land inventories, industrial and growth policies, and economic development activities of the cities within Marion and Polk Counties are necessary to maintain a viable regional economy.
Interface with Other Uses	4. Industrial land shall be subject to industrial development standards which ensure that development and operation is compatible with surrounding land uses.
Greenway Requirements	5. New industrial development shall not be located in the Willamette River Greenway setback unless it is water related or dependent upon a waterway location.
Employee Services	6. The zone districts shall allow appropriate on-site employee services and facilities in industrial parks.
Traffic	7. Traffic generated by industrial uses should be diverted away from residential areas when feasible and should have convenient access to arterial or collector streets.
Efficiency	8. Efficient use of resources and energy, and the utilization of renewable energy sources serve the interests of the community and shall be encouraged during the development and operation of all industrial activities.
Non Supporting Uses	9. Non-industrial land uses should be discouraged from districts

Discouraged	that have been designated for industrial use, except when a non-industrial use is primarily in support of industry or industrial employees.
Energy Efficiency	10. New industries that utilize energy most efficiently or that manufacture products that contribute to efficient use of energy, including renewable energy sources should be encouraged.
Hazardous Waste Disposal	11. Industries shall be responsible for the adequate and proper transportation, storage, use, and disposal of all hazardous materials and wastes (as defined by ORS 459.410) utilized or generated by that industry.
Land Division	<p>12. Division of large parcels (40 acres and larger in size) of industrial land shall be subject to a special review and approval process.</p> <p>The special review process shall consist of public hearings before the appropriate planning commission with final approval by the City Council or County Commissioners. The City or County shall be afforded the opportunity to review and comment, as an interested party, on all large industrial parcel division prior to the final decision.</p> <p>Decisions approving the division of large industrial parcels shall be on a case-by-case basis utilizing the following criteria:</p> <ul style="list-style-type: none"> a. Division of the parcel serves the community's interests; b. Division of the property is contingent on a specific, verifiable development project; c. The project has specific site requirements that cannot be accommodated without division of the property. Preferably, the project's site requirements necessitates collocation of uses on the resulting parcels; d. Public facilities, services, and utilities necessary for development of the specific project are incorporated into the development proposal; e. The project will employ a large number of employees, preferably at a ratio of employees per developed acre of 10 or higher; and
Industrial Districts	13. Development of a distinct industrial district that provides for a continuity of design and uses on preferably medium sized parcels (10 to 40 acres in size) is necessary to provide a variety of parcel sizes within the industrial inventory and to assist in attracting industrial development.

Diverse Interests	14. Land development regulations should provide for a variety of industrial development opportunities.
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