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SITE PLAN REVIEW
for
PACIFIC REALTY ASSOCIATES L.P. and M&T PARTNERS
KUEBLER GATEWAY SHOPPING CENTER

Overview

Pacific Realty Associates, L.P. (PacTrust) and M&T Partners (the Applicants) submit this Application for Site Plan Review (SPR) for development of a shopping center, as anticipated on their Kuebler property. This Application is consistent with the approvals of CPC/ZC 06- 06 and ZC 09-03, and other related land use actions. The property is bounded by Kuebler Boulevard on the north, Battle Creek Road on the west, 27th Avenue on the east, and Boone Road on the south, and totals 28.4 acres. The property is designated Commercial on the Salem Area Comprehensive Plan (SACP) map, and it is zoned Commercial Retail (CR) and Commercial Office (CO). The property is made up of tax lots 1800, 1900, 2000, 2100 on Assessor's map T8S R3W Section 12C; and tax lots 2400, 2500, 2600 2700, 2800 and 2900 on tax map T8S R3W Section 11D.

The proposed shopping center development requires SPR approval per SRC Chapter 220, and a Type III SPR application.

Background

This SPR Application is the culmination of over 12 years of multiple and sequential land use approvals and Applicant funded public improvements that are specific to, and required for, the proposed shopping center development. In brief, the initial land use application for the eastern 18.4 acres of the project was filed in 2006, and a final decision of approval was adopted by the City in December, 2007, Order No. 2007-16-CPC/ZC. Additions and improvements to public facilities to serve the property, as well as the greater community, have been made as required by conditions of approval, and as a result of substantial financial expenditures by the Applicant in advance of realizing any benefit from those additions and improvements prior to development of the property. These expenditures have involved additions and improvements to the local transportation system, including street and sidewalk expansion and intersection improvements, and have assisted the City in making additional transportation improvements that were planned, but not feasible to construct, without the funds for the additional improvements.

The following summary is a timeline of the land use approvals, and the public improvements provided by the Applicant to date, for the proposed shopping center development:

- December 13, 2007 - Original Comprehensive Plan/Zone Change Approval Order No. 2007-16-CPC/ZC (CPC/ZC 06-6) became final following affirmation by LUBA of City's approval. This decision was for the original 18.4 acres (the eastern portion of the 28 acres) and changed the Comprehensive Plan Map Designation from Residential to Commercial and changed the zoning from Residential Agriculture to Commercial Retail.
- October 22, 2008 - Property Line Adjustments No. 08-19, 08-20 and 08-21 were approved by the City between TL1800, TL1900, TL2000 and TL2100. This created the current boundaries for TL 1800, 2000 and 2100. Tax lot 1900 was later adjusted as noted below in 2010 to include an additional 2.56 acres of land to the west from TL702 to create the property as currently configured.
- October 27, 2009 - Zone Change 09-03 approval for the western 9.96 Acres of the 28 Acre property that includes the western approximately 2.56 acres of the property. This decision changed the western approximately 2.56 acres of the property from a combination of Residential Agriculture and Commercial Office to Commercial Retail. This decision also required all of the original conditions of approval from CPC/ZC 06-6 be completed prior to development of any portion of the 9.96 Acres, or the entire 28 Acres.
- June 3, 2010 - the Property Line Adjustment Deed for TL702 and TL1900 to add the 2.56 acres onto the original 18.4 acre property associated with the original Comp Plan/Zone Change decision 06-6 was signed and subsequently recorded in reel 3196 page 169 of the Deed Records for Marion County.
- May 22, 2012 - Received Tree Removal Permit TRP 12-02 for the overall 28 acre property, which included trees around the former residences located on the property. The larger stand of trees at the SW corner of the property was left in place based on coordination with the City pending a final site plan for development of the property.
- June 11, 2012 - Received 1200-C permit No. 28333 from Oregon Department of Environmental Quality for original mass grading efforts on the property.
- June 22, 2012 - Received City Grading permit 12-107398-GD for Mass grading on the property.
- September 7, 2012 - Type II Site Plan Review Approval SPR-UGA 12-11 received for development of Salem Clinic Building and Medical Office Building. Decision allowed development to occur based on Deferral Agreement with the City to allow development prior to completion of all of the offsite roadway improvements required by ZC 09-03 and original CPC/ZC 06-6 decisions.
- February 8, 2013 - Executed Improvement Deferral Agreement with the City in accordance with SPR-UGA 12-11 that allowed development of the Salem Clinic and Medical Office building without completing all of the original offsite improvements that were part of the original CPC/ZC 06-6 approval and subsequent ZC 09-03. Improvements completed that were part of the conditions of approval on the property included the widening of Battle Creek and Boone Road CPC/ZC 06-6 and ZC 09-03. To date, the Applicant has spent \$647,000 for offsite improvement work.
- May 9, 2013 - Received City Grading Permit 13-106536-GD to complete mass grading onsite.
- January 2, 2015 - Entered into improvement agreement with the City for Kuebler Boulevard widening from Commercial Street to I-5 interchange that was part of the original conditions of approval associated with CPC/ZC 06-6 and ZC 09-3. The agreement documents conditions of approval that are satisfied as part of a \$3 Million early contribution by the Applicant toward the City's completion of the widening of the eastbound lanes of Kuebler

Boulevard and establishes \$2,000,000 of Traffic SDC credits that can be utilized as part of the future development of the property in return for the early contribution. The work completed as part of the City's construction project also included the right-in turn lane off of Kuebler Boulevard into the property. In November, 2015, the Applicant funded \$3 Million to the City of Salem, and the City completed the widening of Kuebler Boulevard in November, 2016.

- February 26, 2016 - Applicant received partial Satisfaction of original Conditions of Approval associated with CPC/ZC 06-6 and ZC 09-03 for contributions toward Kuebler Frontage Improvements and prior offsite improvements completed with the first phase of development for the Salem Clinic and Medical office building.

The Applicant's fulfillment of conditions of approval and large scale monetary outlays for public infrastructure improvements in advance of receiving development approval is very rare, if not unprecedented, in the City.

Summary of Existing and Proposed Shopping Center Development

The major features of the existing medical office buildings and the proposed shopping center development are as follows.

In 2013, 3.9 acres in the southwest corner of the site, zoned CO, was developed with the 23,500 sf Salem Clinic medical building, and a spec 14,700 sf medical office building. This SPR Application is for construction of a shopping center on 23.47 acres of the site that is zoned CR. The proposed shopping center development will include the construction of a 168,500 sf Costco store, a gas service pad, and four retail shop buildings consisting of 21,000 sf. The retail shop buildings will accommodate multiple tenants, including uses such as restaurants, retail services and specialty retail. These are Permitted Uses in the CR zone, which provides for a wide range of retail and service uses, as shown in SRC Chapter 522, Table 522-1. The shopping center will be known as "Kuebler Gateway Shopping Center".

Access to the shopping center will be provided by a combination of existing and new driveways from the bordering streets. There is an existing full-access driveway on Boone Road that currently serves the two medical office buildings. This driveway is one of the site access drives approved in CPC/ZC 06-6 (Condition (8)), and was planned to also serve as an access to the contiguous shopping center development. There is also an existing, right-in only driveway from Kuebler Boulevard that was also approved in CPC/ZC 06-6 (Condition (7)), which was constructed in 2016 as a part of the City's Kuebler Boulevard widening project. In addition to these existing driveways, a full access driveway from 27th Avenue is planned, as well as a second full-access driveway from Boone Road in the eastern part of the property. The three full-access driveways and the limited, right-in only driveway, will constitute all points of access to the property. There will be no access from Battle Creek Road.

All parking required to serve the shopping center will be located within the property, and arranged to serve the various uses. No off-site or on-street parking is proposed or needed. Parking for the medical office buildings already exists, and additional parking will be provided for the shopping center. According to the Zone Code, SRC Chapter 806, the new shopping center requires a minimum of one parking space/250 sf of gross floor area. The total of all buildings in the shopping center as planned is 189,500 sf, which will require a total of 758 parking spaces.

The site plan provided with this SPR Application provides for 1,013 spaces, which satisfies the Code requirement.

SITE PLAN REVIEW, SRC 220

A Pre-Application Conference to discuss this SPR was held on January 22, 2018. The criteria for a Class III SPR are provided in SRC Chapter 220.005(f)(3). The site plan included as part of this Application shows the proposed shopping center development in relation to the applicable development standards of the Code. A Summary Table is also included that provides detailed information that addresses the development standards that apply to the shopping center.

The criteria for a Class III SPR are addressed as follows:

(A) The application meets all applicable standards of the UDC.

The site development plan demonstrates the relationship of the design to the requirements of the Code. The Summary Table identifies the applicable standards and how they are satisfied by the site development plan. As demonstrated by these documents, the site development plan conforms to all applicable development standards for lot coverage, building height, property line setbacks, driveways location, parking, and landscaping, among others.

CR zone, SRC Chapter 522. The applicable development standards include the following:

- (a) Lot standards, Table 522-2: There are no standards for lot area, width or depth. The minimum street frontage for uses other than residential is 16 ft. The shopping center has 4,525' of street frontage (total of all four streets).
- (b) Setbacks, Tables 522-3 and 522-4: The setbacks for the shopping center are established by the zone, and as required by the conditions of approval in CPC/ZC 06- 6. Where the conditions of approval require a greater setback, the site plan conforms to that requirement:

From Kuebler:

Building setback, Zone = 5ft, CPC/ZC 06-6 = 5ft

Vehicle Use Areas, Zone = 10ft; CPC/ZC 06-6 = 5ft

From Battle Creek:

Buildings - Zone = 10 ft.; Vehicle Use Areas = 10 ft

From 27th Ave:

Buildings - Zone = 5ft; CPC/ZC 06-6 = 15ft (Cond. (9))

Vehicle Use Areas - Zone = 10ft; CPC/ZC 06-6 = 15ft (Cond. (9))

From Boone Road:

Buildings - Zone = 5ft; CPC/ZC 06-6 = 15ft (Cond. (9))

Vehicle Use Areas - Zone = 10ft; 06-6 CPC/ZC = 15ft (Cond (9))

Zone to Zone Setback: 0 ft

The landscape setbacks are as follows (ref CPC/ZC 06-6 Cond. (9)):

From Kuebler: 10 ft

From Battle Creek: 10 ft

From 27th Street: 15ft

From Boone Road: 15ft

Zone to Zone: 0 ft

See overall Kuebler Gateway Shopping Center drawing Kuebler Gateway Shopping Center East Side Concept Site Plan & C3.0 West Site Plan for setback dimensions.

(c) Lot coverage and building height, Table 522-5:

There is no maximum lot coverage in the CR zone. The maximum building height is 50 ft. The proposed retail buildings are 35 ft or less.

(d) Landscaping SRC Chapter 807

1) Setbacks. Required setbacks shall be landscaped. Landscaping shall conform to the standards set forth in SRC Chapter 807.

Please refer to the proposed landscaping plans L1.1 and L1.1W. These plans show that the landscaping plan meets or exceeds the plant unit requirements of SRC 807.

2) Vehicle use areas. Vehicle use areas shall be landscaped as provided under SRC chapters 806 and 807.

Please refer to the proposed landscaping plans L1.1 and L1.1W. These plans show that the landscaping plans meet or exceed the plant unit requirements of SRC 806 and 807.

3) Development site. A minimum of 15 percent of the development site shall be landscaped. Landscaping shall meet the Type A standard set forth in SRC Chapter 807. Other required landscaping under the UDC, such as landscaping required for setbacks or vehicle use areas, may count towards meeting this requirement.

As shown on the Summary Table the proposed shopping center development is 23.47 acres, proposed landscape is 5.09 acres, providing 21.7% landscaping. The proposed landscaping exceeds the standard, and this criterion is satisfied.

SRC 804 Driveway Approaches. The applicable development standards include the following:

804.025 Class 2 Driveway Approach Permit

(d) Criteria. A Class 2 driveway approach permit shall be granted if:

(1) The proposed driveway approach meets the standards of this chapter and the Public Works Design Standards;

The proposed new driveway approaches off of 27th Avenue and Boone Road are to be constructed per Public Works Design Standards. This can be confirmed during

construction plan review. The proposed shopping center development will also utilize the existing full movement access on Boone Road and the right-in access on Kuebler Boulevard, which were approved in CPC/ZC 06-6 and constructed in conformance with that approval to serve the overall property.

(2) No site conditions prevent placing the driveway approach in the required location;

No site conditions have been identified that prevent placing the driveway approaches in the required locations.

(3) The number of driveway approaches onto an arterial are minimized;

The only driveway approach to an arterial is the existing right-in only access from Kuebler Boulevard. This approach includes a separate right-turn lane outside of the eastbound through travel lanes. The Applicant is proposing a full access driveway from 27th Avenue, as approved in CPC/ZC 06-6 and a new full movement access driveway on Boone Road. 27th Avenue and Boone Road are Collectors (STSP). The property will also utilize the existing full movement access on Boone Road. There will be no additional approaches onto Kuebler Boulevard, and no driveways onto Battle Creek Road. Those are the only arterials bordering the property. Because there is only one driveway approach to an arterial, and it is an existing driveway, the number of approaches onto an arterial are minimized.

(4) The proposed driveway approach, where possible:

(A) Is shared with an adjacent property; or

(B) Takes access from the lowest classification of street abutting the property;

The full access driveways will include one from 27th Avenue, and two from Boone Road, as approved in CPC/ZC 06-6. 27th Avenue and Boone Road are classified as Collectors by the STSP. These are the lowest classification of street abutting the property, as Kuebler Boulevard and Battle Creek Road are both arterials. These access points will provide access to all parcels within the property as part of the integrated shopping center traffic circulation plan.

(5) The proposed driveway approach meets vision clearance standards;

The proposed new driveways (on 27th Avenue, and Boone Road,) will meet the vision clearance standards. This can be confirmed during construction plan review. The existing driveways on Boone Road and Kuebler Boulevard meet vision clearance standards.

(6) The proposed driveway approach does not create traffic hazards and provides for safe turning movements and access;

The Applicant is proposing use of the existing right-in only from Kuebler Boulevard and existing full movement access driveway on Boone Road, as well as a proposed new

access from 27th Avenue. and a proposed new full movement access on Boone Road, as approved in the CPC/ZC 06-6. As described in the updated TIA that has been prepared for this SPR at the locations shown, the driveways do not create traffic hazards, and allow for safe turning movements. The design and location of the driveways have been coordinated with the other improvements to the street system that have been required as part of CPC/ZC 06-6, as detailed in the TIA, most of which are already in place.

(7) The proposed driveway approach does not result in significant adverse impacts to the vicinity;

The Applicant is proposing use of the existing right-in from Kuebler Boulevard and an existing full access driveway from Boone Road, as well as a new access from 27th Avenue and a new full movement access on Boone Road, as approved in CPC/ZC 06-6. Based on the updated TIA prepared for this SPR, with the improvements to the street system that have already been constructed for this property, and the additional improvements that are specified and will be completed, the proposed driveways do not result in significant adverse impacts to the vicinity.

(8) The proposed driveway approach minimizes impact to the functionality of adjacent streets and intersections; and

The location of the proposed driveway on 27th Avenue and the proposed driveway on Boone Road have been coordinated with the existing driveways, existing streets, and other improvements to the surrounding streets and intersections including 27th Avenue and Kuebler Boulevard, and Boone Road and Battle Creek Road. These improvements are detailed in the updated TIA. The proposed driveway approaches minimize impacts to the functionality of adjacent streets and intersection through appropriate spacing, by incorporating turn lanes, and by creation of a round-about on 27th Avenue.

(9) The proposed driveway approach balances the adverse impacts to residentially zoned property and the functionality of adjacent streets.

The Applicant is proposing use of the existing right-in only from Kuebler Boulevard and an existing full movement access from Boone Road, as well as a new access from 27th Avenue. and a new full movement access on Boone Road, as approved in CPC/ZC 06-6. Only the Boone Road driveways are proximate to existing residential development that is located south of Boone Road. The existing driveway is off-set to the west of Cultus Ct. SE, and the new driveway will be in-line with Bow Ct SE. These locations have been specified to minimize turn movement conflicts with residential traffic, and are spaced apart to maintain the functionality of the street. The land on the east side of the proposed 27th Avenue. driveway is currently zoned for residential use, but is not developed. The proposed roundabout on 27th Avenue has been planned to coordinate with a future access to that property, and to minimize impacts to future use of that property by controlling the speed and direction of traffic to and from the proposed shopping center development. These measures balance adverse impacts and the functionality of the street, in conformance with this criterion.

SRC 806.035 - Off-Street Parking and Vehicle Use Area Development Standards:

The site development plan demonstrates conformance with the development standards for off street parking and vehicle use area provided in SRC Chapter 806.035. The total off-street parking area will total 559,473 sf. The interior landscaping is 48,420 sf or 8.1%, which exceeds the 8% standard in 806.035, Table 806-5 (for parking area >50,000 sf). The parking space dimensions conform to the standards in Table 806-6, which are a minimum of 9'x19' for full-size and 8'x15' for compact spaces. The driveway aisle widths of 24' meet the standard of 806.040, Table 801-7. The parking area will be paved with a hard surface and storm drainage provided as required, 806.035(g). A total of 10 bicycle parking spaces are required and provided, 806.045.

(B) The transportation system provides for the safe, orderly, and efficient circulation of traffic into and out of the proposed development, and negative impacts to the transportation system are mitigated adequately.

The potential traffic impact of the original 2006 shopping center proposal was evaluated in a Traffic Impact Analysis (TIA) for CPC/ZC 06-6. That study recommended a variety of improvements to the transportation system that were required to mitigate the potential impacts of the projected traffic volume. The TIA that was approved and adopted as part of CPC/ZC 06-6 considered the total planned commercial retail and medical office use of the contiguous 28.4 acres site, of which this proposed shopping center development is a part. Improvements to the transportation system required for development of the contiguous 28 acre site were specified in CPC/ZC 06-6 and adopted in the City's approval decision. Since that decision, major improvements have been completed to comply with that approval, and which include the following:

- 1) Kuebler Boulevard Widening from Commercial Street to I-5 on-ramp that provided an additional eastbound thru lane. Applicant and the City of Salem entered into an agreement whereby Applicant agreed to fund \$3 Million for this project. This work was completed by the City Public Works Department in 2016.
- 2) Kuebler Boulevard & 27th Avenue Intersection: Eastbound right turn lane, dual westbound left turn lanes. This work was completed concurrently with the Kuebler Boulevard Road widening work in 2016.
- 3) Kuebler & Battle Creek Road Intersection: Eastbound right turn lane, north bound left turn lane, south bound left turn lane, westbound right turn lane. This work was completed by Applicant with the Salem Clinic and medical/office building development in 2013 and the Kuebler Boulevard Road widening work in 2016.
- 4) Battle Creek & Boone Road Intersection: South bound left turn lane, west bound left and right turn lanes, and north bound left turn lanes. This work was completed by Applicant with the Salem Clinic and medical/office building development in 2013.

Remaining transportation system improvements to be completed with the proposed shopping center development include the following:

- 1) Signal at Boone Road and Battle Creek including the addition of an eastbound left turn lane;
- 2) Boone Road street frontage improvements;
- 3) 27th Avenue street frontage improvements; and
- 4) Signal modifications at Battle Creek Road and Kuebler Boulevard., and Kuebler Boulevard and 27th Avenue.

The Applicant has provided an updated TIA as part of this SPR Application to review the proposed shopping center development and analyze the effect of the projected traffic on the transportation system including intersection level of service standards, Kittelson & Associates, Transportation Impact Analysis for the Proposed Kuebler Gateway Shopping Center, May 1, 2018. This TIA is included as a part of this SPR Application. The updated TIA found that a new roundabout located at the main shopping center access on 27th Avenue (as shown on the site plan) will meet City intersection level of service standards. Improvements to the transportation system that were identified in the TIA for both the 2006 Comp Plan/Zone Change, and the SPR Application, will be completed as part of the proposed shopping center development. The improvements to the transportation system are proportionate to the impacts of the proposed shopping center development. By making improvements that are required to maintain the capacity of the transportation system and meet level of service standards, in proportion to the impacts of the proposed shopping center development, the safe, orderly, and efficient circulation of traffic into and out of the property will be provided, and negative impacts to the transportation system will be mitigated.

The 2006 TIA analyzed the potential traffic impact of a shopping center and medical/office development totaling 299,000 sf, of which 240,000 sf would be retail space. The combined development in this SPR Application includes less building square footage than the 2006 TIA. The specific trip-generation characteristics of the combined development have been considered in the updated TIA. In summary, the updated TIA has estimated that the traffic generated by the existing medical office buildings and proposed shopping center development will be less than the volume estimated in the original 2006 development proposal. The difference in the two proposed developments is 1,102 fewer daily trips (Table 1). The traffic volume will also be less during the calculated weekday p.m. peak hour and the Saturday peak hour time periods. With the transportation system improvements that have already been completed, in-process improvements, and additional recommended improvements, all of the study intersections will continue to operate at an acceptable level of service, including the expected increases in background traffic. Full details and analysis is provided in the updated TIA attached as Appendix XXXXX.

The property is served by Kuebler Boulevard, a Parkway; Battle Creek Road, a Minor Arterial, Boone Road, a Collector; and 27th Avenue, a Collector; as shown on the Salem Transportation System Plan (STSP) Street Plan (Map 3-1). With the existing, in-process, and recommended improvements the transportation system will provide for the safe, orderly, and efficient circulation of traffic into and out of the property at full build-out, and negative impacts to the system will be adequately mitigated. Based on the analysis, findings and recommendations of the updated TIA, this criterion is satisfied.

(C) Parking areas and driveways are designed to facilitate safe and efficient movement of vehicles, bicycles, and pedestrians.

As shown on the site plan drawing C2.0 Overall Plan, the parking areas and driveways are designed to provide for convenient and proximate access to all buildings in the proposed shopping center development. All required parking is provided on the property, and no off-site parking is required. All driveway entrances serving the property will include sidewalks to

provide for pedestrian access from the street to the shopping center, as required by CPC/ZC 06-6 Condition (13). The driveways will be at the locations specified by the City to meet spacing standards from existing street intersections and driveways in the area. The internal driveways provide circulation throughout the shopping center for motor vehicles and bicycles to the entries of the buildings. Parking spaces are located adjacent to each building; and then in rows that extend perpendicular to the buildings to provide for safe, convenient and efficient pedestrian access to the shopping center buildings. Parking is provided at the required ratio for shopping centers of 1 space per 250 sf of gross floor area, SRC Table 801-1. The parking spaces, aisles, and driveways are designed to meet or exceed Code requirements for length and width. Full size parking spaces will be 9' x 19' and compact spaces will be 8'x15'. Ten bicycle parking spaces are provided, as required by the formula for shopping center in Table 806-8. Because parking will be proximate to each building, the number of parking spaces will meet the Code requirement, the internal driveways will provide access to all of the access drives and throughout the property for motor vehicles and bicycles, and pedestrian access is provided on the access driveways, the design of the parking areas and driveways facilitate the safe and efficient movement of vehicles, bicycles and pedestrians.

(D) The proposed development will be adequately served with City water, sewer, storm drainage, and other utilities appropriate to the nature of the development.

As shown on the Utility Plans C5.0 and C500, all required City services and utilities are available at adequate levels to serve the property. The property is within a fully urbanized part of the city and all necessary services are available and of sufficient size to serve the property. The Applicant will install the required utilities on the property.

In summary, the criteria for a Type III site plan review are satisfied because (i) the site design conforms to the Code standards that apply to the type of development that is planned, (ii) the site is served by streets in the appropriate Transportation System Plan classifications, (iii) street system improvements have been and are being made as required by the conditions of approval, and additional improvements will be made as recommended by the updated TIA to provide for the safe, orderly and efficient movement of vehicles, bicycles and pedestrians and avoid negative impacts to the transportations system, (iv) the parking areas and driveways have been designed to facilitate safe and efficient movement of traffic through the property and, (v) the existing and proposed shopping center development will be adequately served by City utilities and facilities.