

CITY OF SALEM Meeting Agenda City Council

Monday, July 27, 2026 06:00 PM Loucks Auditorium / Salem Public Library

This meeting is being conducted both in-person and remotely and allows remote attendance by the governing body, when requested. Interested persons may attend the meeting in Loucks Auditorium at Salem Public Library or view the meeting in real-time on the City of Salem YouTube Channel, thanks to a partnership with CC:Media. Comcast Cable subscribers can watch on CC:Media Channel 21. Please submit comments on agenda items by 5:00 p.m., or earlier, on the day of the meeting at cityrecorder@cityofsalem.net. If attending the meeting remotely, public comment and testimony may be provided during the meeting via Zoom. Remote attendees must pre-register between 8:00 a.m. and 3:00 p.m. on the day of the meeting using this link: <https://www.cityofsalem.net/comment-at-council>

1. OPENING EXERCISES: (Includes call to order, roll call, pledge of allegiance, announcements, proclamations, ceremonial presentations, and Council comment)

Call to Order

Roll Call

Pledge of Allegiance

1.1 APPROVAL OF ADDITIONS AND DELETIONS TO THE AGENDA

1.2 COUNCIL AND CITY MANAGER COMMENT

1.3 PROCLAMATIONS

1.4 PRESENTATIONS

2. PUBLIC COMMENT: (Comment on agenda items other than public hearings and deliberations)

3. CONSENT CALENDAR: (Includes approval of minutes, adoption of routine resolutions, and items of business requiring Council action)

3.1 MINUTES

3.1.1 July 13, 2026, Draft City Council Minutes

3.2 RESOLUTIONS

3.2.1 Resolution No. 2026-30, Amending Council Rules

City Council reviewed the proposed rule changes at its May 26, 2026 Council meeting and referred the rules to staff for review and modification. The recommended changes referred to in this report contain the proposed changes Council reviewed on May 26th and additional modifications reflecting Council's discussion and direction.

Recommendation:

Adopt Resolution No. 2026-30 amending council rules as set forth in Exhibit A

3.3 ACTION ITEMS

3.3.1 Agricultural Use Lease Agreement for Tax Lot #062W31D00100 - a 45.26-acre parcel located at 4498 Hazelgreen Road NE

The City owns a 45.26-acre parcel at 4498 Hazelgreen Road NE that is designated for use as a future park. J & G Farms, LLC has approached the City with a request to lease the parcel through next September for agricultural use. The proposed lease also includes three one-year renewal options.

Recommendation:

Authorize the City Manager to sign the agricultural use lease between the City of Salem and J & G Farms, LLC for the 45.26-acre parcel located at 4498 Hazelgreen Road NE adjacent to Lunar Street NE.

4. PUBLIC HEARINGS

5. SPECIAL ORDERS OF BUSINESS: (Items deferred from the Consent Calendar; Mayor and Councilor Items; Items which require a selection among options; or of special importance to Council; management reports; presentations by City boards, commissions, committees, or outside agencies)

5.1 This report provides City Council and the community an update on the proposed data center at Mill Creek Corporate Center, including the current status of the proposal, activities to date, anticipated review process, and planned public engagement opportunities.

The company, Verrus, began its exploration of Salem as a site for a data center

sometime around March 2025. In late March 2025, at the company's request, the City entered into a non-disclosure agreement (NDA) while the company evaluated Salem as a potential location for a data center. During this period, as part of the preliminary review process, Verrus worked with City staff to evaluate site feasibility, including transportation access, utility capacity, site design, and environmental considerations.

In late April 2026, Verrus shared a revised site plan with technical staff. In June 2026, after staff informed the City Manager that the company intended to move to the next stage of evaluation, City leadership took steps to seek the City's release from the NDA so information about the project could be shared publicly. The City was released from its NDA on July 8, 2026. At the next opportunity to address the City Council and the community in an open public forum, the City Manager publicly shared information about the proposal.

The purpose of this report is to explain:

- the current status of the proposal;
- activities to date;
- what decisions have and have not been made;
- the City's role in reviewing the proposal;
- opportunities for public engagement; and,
- potential next steps should the project move forward.

Recommendation:

Information only.

5.2 Motion from Councilor Micki Varney concerning preventing non-disclosure agreements pertaining to future development of land for use as a data center.

Recommendation:

I recommend that the Council adopt this motion.

MOTION:

I move that City Council direct staff to explore options for prohibiting the City from entering into non-disclosure agreements with entities seeking to develop land in Salem for use as a data center.

DISCUSSION:

- At the July 13 City Council meeting, the public was informed that a data center was being considered for the at the Mill Creek Corporate Center. Members of our community have expressed concern and anger that they did not know a data center was being considered and they felt left out of the

decision-making process.

- This occurred because of a non-disclosure agreement, executed many months earlier between the City and the developer. Non-disclosure agreements are common practice in economic development.
- Data centers, in particular and as they relate to NDAs, are unique projects. They can involve significant impacts related to our community, including energy, water, infrastructure, and environment, and they generate a high level of public interest.
- The question to ask is whether our current approach strikes the right balance between protecting business confidentiality and maintaining public trust.
- Because of that, I believe Salem must take a different approach regarding NDAs for these types of projects.
- This motion directs staff to study the issue and bring back options for Council's consideration.

This motion directs staff to explore options that would prohibit the City from entering into any future non-disclosure agreements regarding future data center development.

BACKGROUND:

This motion seeks to determine the best path forward for prohibiting the City from entering into any future non-disclosure agreement for any potential future data center development in Salem.

FISCAL IMPACT:

No immediate fiscal impact.

5.3 Motion from Councilor Micki Varney concerning community and City Council input on future development of data centers in Salem.

Recommendation:

I recommend that the Council adopt this motion.

MOTION:

I move City Council authorize a Task Force:

- A) Consisting of not more than nine (9) persons with a mix of council members, three (3) citizens-at-large, union representatives, and at least one representative from an organization that leads workforce development;
- B) Empowered to facilitate a minimum of three (3) town hall discussions about the subject of "data centers;"
- C) Empowered to evaluate available models at the national, state, and

community level, and draft recommendations for a principle-driven approach to managing data center growth within the Salem region; and,
D) Directed to report back to the Salem City Council no later than December, 31 2026, with a draft proposal for a rational, reasonable, and responsible policy for data center management.

DISCUSSION:

- Data centers are a unique form of development that can have significant long-term impacts on our community, including impacts to infrastructure, energy demand, water resources, transportation, and our environment. We don't yet know the full implications of data center development over the long-term.
- This type of development generates a high level of public interest.
- I believe that projects of this scale deserve a higher level of community conversation and Council involvement.
- This motion does not change City policy tonight, nor does it prohibit data centers at this moment.
- My goal is to ensure that Council, stakeholders and community members get to have this conversation before any future data center projects move forward.

This motion authorizes a task force composed of Councilors, stakeholders, and community members to draft a proposal for a policy regarding future data centers in the Salem region.

BACKGROUND:

This motion seeks to ensure that Council, stakeholders and community members get to have this conversation before any future data center projects move forward.

FISCAL IMPACT:

No immediate fiscal impact. Staff time will be used to provide administrative support to the Task Force meetings, research best practice for managing data center growth, support for Town Hall discussions, and preparation of a report to Council on these activities.

6. INFORMATION REPORTS: (Items that require no Council action)

6.1 Purchases approved administratively from June 1, 2026 through June 30, 2026

Specific awards and the sources of funds for all contracts administratively awarded, renewed, or modified during the month of June. Included in the report are procurement contracts and public contracting activities with a current fiscal year

impact and annual contracts.

Recommendation:

Information only.

6.2 Salem Police Department Update on the Community Violence Reduction Initiative and Youth Engagement Efforts

This informational report provides an update from the Salem Police Department on the Community Violence Reduction Initiative, which aims to reduce gun violence through data-informed, focused, and proactive efforts in high-risk neighborhoods and among high-risk individuals. The report also provides a reintroduction of the Guardian Program, a juvenile outreach program aimed at proactively engaging youth in our community.

Recommendation:

Information only.

6.3 Salem Commercial Property Assessed Clean Energy (CPACE) Program Overview.

The Salem Commercial Property Assessed Clean Energy (CPACE) Program provides a voluntary financing mechanism that allows owners of eligible commercial, industrial, agricultural, nonprofit, and multifamily properties to obtain long-term private financing for qualified energy efficiency, renewable energy, water conservation, seismic resiliency, and other eligible improvements.

Recommendation:

Information Only

7. ORDINANCES

7.1 FIRST READING:

7.1.1 First Reading of Boards and Commissions ordinance

Ordinance Bill No. 8-26 contains proposed amendments to the Salem Revised Code to update, modify, and standardize requirements for boards, commissions, and committees (“Governance Groups”) and their membership requirements, as recommended by the Boards and Commissions Appointments Committee (“B&C Committee”) and city staff. The recommendations are the result of a multi-year process initiated by council to review governance groups, that began with work and recommendations from Moss Adams (now Baker Tilly) consultants. The consultant’s recommendations were further refined by staff, the B&C

Committee, and City Council.

Recommendation:

Advance Ordinance Bill No. 8-26 to second reading.

7.1.2 Implementation of the Salem Commercial Property Assessed Clean Energy (CPACE) Program.

The Salem Commercial Property Assessed Clean Energy (CPACE) Program expands access to private capital for owners of qualifying real property, including commercial, industrial, agricultural, nonprofit, and multifamily residential properties with five or more dwelling units. The program enables financing for energy efficiency, renewable energy, water conservation, and seismic rehabilitation improvements.

These improvements are financed through a voluntary property assessment recorded as a lien on the property and repaid over time to private Capital Providers. The City does not provide funding for this financing mechanism, but will provide administrative oversight. The program supports improved building performance, increased resilience, reduced operating costs, and strengthened long-term economic infrastructure within the City of Salem.

Recommendation:

Adopt the City Council advance Ordinance Bill No. 10-26 relating to a Commercial Property Assessed Clean Energy Program, creating Salem Revised Code Chapter 39 to authorize and implement the Salem CPACE Program in accordance with ORS 223.680 and ORS 223.685 and move to the second reading.

7.1.3 Annexation of an approximate 1.01-acre territory located at 3851 Croisan Creek Road S (ANXC-766).

Annexation of an approximate 1.01-acre territory located at 3851 Croisan Creek Road S (ANXC-766).

Recommendation:

Advance Ordinance Bill No. 12-26, approving annexation, applying City zoning and approving withdrawal from the Salem Suburban Rural Fire Protection District, for a territory located at 3851 Croisan Creek Road S to second reading for enactment?

7.2 SECOND READING:

8. PUBLIC COMMENT: (Other than agenda items)

9. ADJOURNMENT

10. UPCOMING PUBLIC HEARINGS, AND WORK SESSIONS

CITY COUNCIL PUBLIC HEARINGS:

Appeal of the Salem Planning Commission's Decision on Minor Comprehensive Plan Map Amendment, Neighborhood Plan Map Amendment, and Zone Change Case No. CPC-NPC-ZC26-02 - A Minor Comprehensive Plan Map Amendment, Neighborhood Plan Map Amendment, and Zone Change from MU-R (Mixed-Use Riverfront) to IC (Industrial Commercial) for property located at 1505 Front Street NE.

Monday, August 24, 2026 at 6:00 p.m.

Public Hearing on an Amendment to the Salem Wastewater Collection System Master Plan and Associated Salem Revised Code Definitions.

Monday, September 14, 2026 at 6:00 p.m.

SALEM HOUSING AUTHORITY PUBLIC HEARINGS:

URBAN RENEWAL AGENCY PUBLIC HEARING:

CITY COUNCIL WORK SESSIONS: (Unless otherwise noted, work sessions are held in Loucks Auditorium.)

10.1 2026 NEIGHBORHOOD ASSOCIATION ANNUAL MEETING DATES

Neighborhood	Annual Meeting Date	Time	Councilor(s)
SEMCA	April 14	6:15 p.m.	Nishioka, Matthews
Grant	May 7	6:15 p.m.	Tigan
Highland	May 14	6:30 p.m.	Brown, Tigan
ELNA	June 4	7:00 p.m.	Vang
Morningside	June 10	6:30 p.m.	Nishioka, Matthews
SCAN	June 10	6:30 p.m.	Nishioka, Nordyke
Faye Wright	September 8	6:30 p.m.	Nordyke, Matthews
Northgate	September 17	6:00 p.m.	Brown
NOLA	October 1	6:30 p.m.	Brown
West Salem	October 1	6:30 p.m.	Tigan, Varney
Sunnyslope	October 15	7:00 p.m.	Nordyke, Gwyn
NESCA	October 20	7:00 p.m.	Nishioka, Tigan
CANDO	October 20	6:00 p.m.	Nishioka, Tigan
SESNA	October 24	7:00 p.m.	Nishioka
SWAN	November 3	6:30 p.m.	Nishioka, Nordyke