



URBAN RENEWAL AGENCY

Urban Development Department

Si necesita ayuda para comprender esta información, por favor llame 503-588-6178.

Disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting or event, are available upon request. Sign language and interpreters for languages other than English are also available on request. To request accommodations or services, please contact the ADA Liaison at 503-588-6178 or Urbandev@cityofsalem.net at least two business days in advance (TTD/TTY 503-588-6439).

Downtown Advisory Board

Board Members

Aaron Terpening, Vice-Chair
Hillary Banks
Brad Compton
Chip Conrad
Ed Whipple
Jesse Hayes
Vincenzo Meduri
Laurie Miller
Maria Palacio
Ron Welter
Dana Vugteveen

City Staff

Sheri Wahrgren, Downtown Revitalization
Rebecca Ziegler, Project Manager
Anita Sandoval, Supervisor

www.cityofsalem.net

Next Meeting:

TUESDAY
February 12, 2019

It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and related statutes and regulations, in all programs and activities.

Meeting Agenda

Thursday, January 24, 2019
12 p.m. – 1:30 p.m.
UD Conference Room
350 Commercial St NE

1. Opening exercises
2. Approval of Agenda
3. Approval of Minutes
 - a. October 25, 2018
4. Public Comment
(Appearance of persons wishing to address the Board on any matter other than those which appear on this Agenda.)
5. Action Items –
 - a. Election of Officers
 - b. February and March 2019 Meeting Schedule
 - c. Recommendation of Agency Board approval of a Strategic Action Plan Project Grant Program?
6. Information Reports
 - a. 260 State Street Proposed Development Overview – KOZ Development
 - b. 195-197 Commercial Street SE Project Overview – Holman Hotel
 - c. West Salem URA Project Highlights
 - d. Downtown Salem Streetscape Update
 - e. What's Happening Downtown?
7. Adjournment

MINUTES

Downtown Advisory Board

Thursday, October 25, 2018–12:00 P.M.
Urban Development Conference Room
350 Commercial St NE

1. CALL TO ORDER

Call to Order and Roll Call: 12:00 PM

Roll Call: Hillary Banks; Brad Compton; Jesse Hayes; Vincenzo Meduri; Laurie Miller; Jill Munger; Maria Palacio; Aaron Terpening; Dana Vugteveen

Excused: Chip Conrad; Ronald Welter

Staff: Anita Sandoval; Sheri Wahrgren; Rebecca Ziegler

Guests: Councilor Andersen, Paul Gehlar; Ross Swartzendruber

Staff awarded Jill Munger, as her 2nd term expires, a Certificate of Appreciation for her dedication and service to the Board.

2. APPROVAL OF AGENDA

Motion: Move to approve the agenda for October 25, 2018, as presented.

Motion by: Board Member Vugteveen

Seconded by: Board Member Miller

Action: Approved the agenda for October 25, 2018, as presented.

Vote: Aye: Unanimous **Motion PASSES**

3. APPROVAL OF MINUTES

Motion: Move to approve the Minutes from September 27, 2018, as presented.

Motion by: Board Member Terpening

Seconded by: Board Member Vugteveen

Action: Approved the Minutes from September 27, 2018, as presented.

Vote: Aye: Unanimous **Motion PASSES**

4. PUBLIC COMMENT on items not on the agenda – None

5. ACTION ITEMS –

a. Riverfront-Downtown Urban Renewal Plan Amendments

The memo explaining the proposed amendments was reviewed by Staff.

Comments/Questions: Wahrgren, Vugteveen, Meduri, Terpening

Motion: Forward proposed amendments as presented to the Agency Board for approval

Motion by: Board Member Vugteveen

Seconded by: Board Member Meduri

Action: Approved to forward the proposed amendments as presented to the Agency Board for approval

Vote: Aye: Unanimous **Motion PASSES**

b. Letter of Support- Riverfront Park Master Plan

Comments/Questions: Meduri

Motion: Move to approval and forward the letter to Parks in support of the Master Plan

Motion by: Board Member Vugteveen

Seconded by: Board Member Banks

Action: Approved to forward the letter to Parks in support of the Master Plan

Vote: Abstain: Terpening **Motion PASSES**

6. INFORMATION REPORTS

a. Grant Agreement Extension – PDQ Investments, LLC – 245 Court Street

Comments/Questions: Gehlar, Palacio, Wahrgren, Munger, Meduri, Vugteveen

b. What's Happening Downtown?

- Theater presentation *Sweeney Todd: The Demon Barber of Fleet Street* is performing at Salem's Historic Grand Theater.

- Downtown has been designated an Opportunity Zone (handout: *Business Oregon / Opportunity Zones*), a financial incentive opportunity for investors
- Streetscape open house will be held on November 14. Staff is working with consultants to revise the plans so that the designs will work within the variety of widths of the sidewalks.
- Celebrating 50 years in banking for Pioneer Bank.

7. ADJOURN for Tour of Gray Building- 12:40 p.m.

Next Meeting: November 8

DRAFT

RIVERFRONT DOWNTOWN CAPITAL IMPROVEMENT GRANT SUMMARY
January 2018 – December 2018

Funding (Committed)	Total Project Costs	Applicant	Property Address	Objective	Status
\$71,251	\$165,003	Suzanne M Gwynn Family Trust	495 State Street (Franklin Building)	Upper Floor Improvements/Business Recruitment	Complete
\$170,000	\$711,027	201 Commercial St. NE LLC	201-211 Commercial St. NE	Upper Floor Renovations/Historic Preservation	Complete
\$38,291	\$85,082	Nate Levin	702 High Street	Business Recruitment	Complete
\$7,761	\$30,907	Hollymac, LLC	142 High Street	Upper Floor Renovations	Complete
\$54,902	\$112,960	JB Sunshine Properties LLC	156 Front Street	Business Recruitment/Expansion	Complete
\$23,630	\$55,805	Pioneer Trust Bank	109 Commercial Street	Historic Preservation	Complete
\$118,200	\$341,000	CH Reed LLC	189 Liberty St. NE	Historic Preservation	Complete

\$5,308	\$10,617	Dalke Investments, LLC	222 Commercial St. NE	Upper Floor Renovations Business Recruitment	Complete
\$270,371	\$1,775,858	440 State, LLC	440 State Street	Upper Floor Renovations Mixed-Use Historic Preservation	Active
\$151,906	\$525,831	Metropolitan Building, LLC	150-160 Liberty St. NE	Renovations to vacant basement space to make it usable	Active
\$52,372	\$109,488	MT Capitol LLC	388 State Street	Historic Preservation – Capitol Tower	Complete
\$16,043	\$206,860	201 Commercial St. NE, LLC	201 Commercial St. NE	Business Recruitment	Active
\$12,745	\$24,311	Equitable Center, LLC	530 Center Street NE	Upper floor tenant improvement renovations	Complete
\$28,759	\$60,654	Breyman Estates	310-320 Court Street	Historic Preservation	Complete
\$91,712	\$206,850	494 State Street Salem LLC	494 State Street	Upper Floor Renovations	Active
\$110,000	\$310,931	High Street LLC	649 High Street	Business Recruitment/Beautification	Active
\$300,000	\$2,302,000	CH Reed LLC	120 Commercial St. NE	Preservation, Exterior Beautification	Active
\$15,854	\$64,452	City of Salem	195 Liberty St. SE	Business Recruitment Glamour Boutique	Active

MEMORANDUM

Urban Development Department

DATE: January 24, 2019
TO: Downtown Advisory Board
FROM: Sheri Wahrgren, Downtown Revitalization Manager
SUBJECT: Strategic Project Grant Program

This memo is a request for Downtown Advisory Board support to recommend Urban Renewal Agency Board approval of the proposed Strategic Project Grant Program and allocate \$100,000 of the FY 2018-19 \$5.5M Capital Improvement Grant Program budget to this program.

On November 26, 2018, the Urban Renewal Agency Board approved amendments to the Riverfront-Downtown Urban Renewal Plan, including the addition of a new project to address Homelessness and Support of the Salem Strategic Plan.

In order to support the goals of addressing homelessness within the RDURA, staff is proposing the creation of a new grant program titled “**Strategic Project Grant Program**”. These grant funds can be utilized by property owners for safety and security projects to their building and/or property.

This grant program would be separate from the Capital Improvement Grant Program, whereas a property owner could qualify and receive the maximum Capital Improvement Grant and still be eligible for a Strategic Project Grant.

This grant is different from the Capital Improvement Grant Program in the following ways:

- Items that provide security/safety for a property, outside of the building envelope, are not eligible with the Capital Improvement Grant, such as fencing, gates, trash/recycling enclosures not attached to a building and cameras.
- Strategic Project Grant would not require a match.

The following are the highlights of the Strategic Project Grant Program. The draft program guidelines are attached.

Program Goal	Eligible Applicant	Maximum Grant	Match Required	Eligible Projects
Provide grant funds to support Strategic Plan goals to address homelessness	For-profit Property Owner residing with RDURA boundary	\$50,000	None	<p>Projects to address building and/or property safety and security</p> <p>For example; Fencing, Exterior Lighting, Interior Lighting for Storefront Windows, Security Cameras, Landscape, Trash/Recycling, Enclosures, Building Entrance Improvements, Gates</p>

Next Steps:

- 1) Agency Board consideration for approval.
- 2) If approved, creation of flyer and City website update to include new program.
- 3) Outreach to property owners.

Attachment: Draft Strategic Project Grant Program Guidelines

**URBAN RENEWAL AGENCY OF THE CITY OF SALEM
RIVERFRONT-DOWNTOWN URBAN RENEWAL AREA (RDURA)
STRATEGIC PROJECT GRANT PROGRAM (PROGRAM)
GUIDELINES**

I. Grant Program

To fund capital improvement projects within the RDURA that support the implementation of the Salem Strategic Plan to address homelessness, including projects that address building and property safety and security.

II. Definitions

As used in this Program, the following terms shall have the following meanings:

- (1) "Agency" means the Urban Renewal Agency for the City of Salem, Oregon.
- (2) "Applicant" means a person, partnership, Limited Liability Company, corporation, joint venture, cooperative or other entity in law or fact that owns a building/property within the RDURA or designated owner representative, applying for a grant from the Program. Non-profit entities that do not pay taxes would not be eligible for the Grant Program.
- (3) "Capital Improvement" means the addition of a permanent structural improvement or fixture, or the restoration of some aspect of real property or fixtures thereon, that will increase the overall value of the real property and increase useful life of the structure or improvement for a minimum of ten years.
- (4) "Director" means the Executive Director of the Urban Renewal Department or designee.
- (5) "Eligible Project" means a Capital Improvement to be constructed in the Riverfront-Downtown URA that is permanent improvements for the purpose of addressing homelessness to:
 - (a) a new or existing commercial, or mixed use multi-family residential building or structure;
 - (b) a permanent improvement that increases safety and security to a building and/or property; and associated planning, architectural, engineering, and construction services.
- (6) "Grant Commitment" means an agreement between the Applicant and the Agency wherein specified grant funds from the Program will be available to the Applicant to complete the Eligible Project within the required timeframe.
- (7) "Grantee" means an Applicant to whom a Grant Commitment is made.
- (8) "Public Benefit" means the elimination of blight or the increase in property use, value, homelessness, property security within the Riverfront-Downtown URA, consistent with the Riverfront-Downtown Urban Renewal Plan.

III. Program Requirements

- a. **Submittal Requirements.** To be eligible for a grant under the Program, an Applicant shall submit the following.
- A.** A completed application on the form provided by the Agency and signed by Applicant; and
- B.** All documents necessary to evaluate the Public Benefit of an Eligible Project. These documents include, but may not be limited to:
- i. Description of the Eligible Project. Eligible projects under this program must address homelessness or building or property safety and/or security. Projects such as, interior storefront window lighting, exterior lighting, fencing, gates, building entrance improvements, landscape, trash/recycling enclosures and cameras.
 - ii. Architectural plans/drawings of sufficient detail to illustrate the Eligible Project, and its location;
 - iii. Documents that demonstrate ownership of the property located in the RDURA that is intended to be the location of the Investment;
 - iv. Evidence from the county assessor that the taxes on the subject property are paid and current;
 - v. Project budget in sufficient detail to determine grant eligible project costs. If the project cost exceed the maximum grant amount of \$50,000, evidence of sufficient funds to cover the project costs not covered by the grant is required. If contractor is being used they must be licensed and bonded Oregon-based contractor;
 - vi. Project timeline;
 - vii. Employment estimate that identifies the number of jobs anticipated through the construction and occupation of the Eligible Project;
 - viii. Any other information deemed necessary by the Director to understand the details of the Eligible Project.
 - ix. For Project's located within the Historic District, confirmation of Historic Landmarks Commission approval for work proposed.
 - x. Confirmation of current property insurance.
- C.** If the Agency staff determines an application is incomplete, staff shall notify the Applicant in writing that additional information is needed and identify any deficiencies in the application.
- D.** The Applicant must submit the information necessary for the Agency to determine that the application is complete within thirty days after the date of notification or the application shall be denied.

E. Any Eligible Project costs completed prior to the issuance of a Grant Commitment is not eligible for grant funding. Director may give funding consideration for circumstances related to unforeseen emergencies.

F. The Strategic Project Program Grant is a separate grant program from the Capital Improvement Program Grant and does not require a funding match or contribution from the Grantee.

IV. Evaluation Approach. Grants will be processed accordingly:

A. Agency staff shall review all complete applications.

B. The Director shall issue a decision and cause a Grant Commitment to be sent to all successful Applicants.

C. Applicants must execute the Grant Commitment and return it to the Agency within the time stated in the Grant Commitment or the award may be revoked.

D. A fully executed Grant Commitment shall bind the Applicant to complete the Eligible Project within the required timeframe or the Grant Commitment will be nullified and the Applicant will be required to repay any expended grant funds.

V. Grant Conditions. Each grant shall be subject to the following conditions:

A. The Program must have or will have money available to fund the grant on or before the grant award date.

B. All Eligible Projects must address the Strategic Plan goal of homelessness including building/property security and safety.

C. Maximum grant amount \$50,000.

D. Grant funds may only be applied to costs incurred in the design and construction of an Eligible Project in the Riverfront-Downtown URA.

E. Grant funding.

- i. The grant funds will be disbursed to the Applicant upon: (1) the submission of a detailed contractor invoice, if the project cost exceed \$50,000, Grantee to submit evidence that they have paid for project costs that exceed the maximum grant amount; and (2) the completion of a satisfactory onsite inspection by Agency staff of the construction progress noted in the invoices. Grant funds will be disbursed at a rate of fifty percent of the paid invoice amount, up to ninety percent of the total grant amount. The remaining ten percent of the grant award will be disbursed

upon: (1) completion of the Eligible Project; and (2) where applicable, after a certificate of occupancy has been issued by the City of Salem.

- F.** The Eligible Project must be maintained in the Riverfront-Downtown URA for at least five years or may be replaced with something of equal or greater value, subject to approval of the Director.
- G.** The construction of the Eligible Project must commence within twelve months of the Grant Commitment date;
- H.** Removal of the Eligible Project, for which grant funds were received, prior to the required five years without replacement of something of equal or greater value or the inability to complete the Eligible Project before the required twelve months will result in the repayment of any expended grant funds.
- I.** Applicant or Grantee must remain compliant with all Federal, State, and City codes and the Applicant or Grantee must be current on all payments due to the City of Salem and the Agency. Any nonconformance to these codes or outstanding balances owed to the City or Agency may result in the Applicant's ineligibility for a grant from the Program or may result in the delay of grant funds to the Grantee.

IV. General Program Guidelines.

- (1)** The Director may, pursuant to these guidelines, approve or deny the application without need for further Urban Renewal Agency Board approval.
- (2)** Misrepresentation, falsification of information, or fraud on an application or in the performance of the Grant Commitment shall be deemed a breach of contract and any funds that have been disbursed shall be immediately repaid to the Agency along with a five percent penalty fee.
- (3)** Any breach of contract may result in the legal recourse necessary to satisfy paid grant funds along with associated recovery costs, and may result in the Applicant's disqualification from further eligibility for grants or loans.
- (4)** Compliance with all applicable Federal, State, and City codes and all necessary permits must be obtained prior to the disbursement of any grant funds.
- (5)** Grantee may request one extension to the completion date. The extension must be requested at least one month in advance of the commitment expiration date and the extension will be for a maximum of six months.

- (6) If construction progress with the Grantee's project does not occur within six months of the Grant Commitment date, the Director may terminate the Grant Commitment.
- (7) Grantee may be eligible to apply for another grant from the Program up to the maximum funding of \$50,000. Once the maximum grant amount has been achieved, Grantee is then not eligible to reapply for five years from the Grant Commitment date of any RDURA grant.

DOWNTOWN ADVISORY BOARD

AUTHORITY:	SRC 2.530 – 2.655 (see IGA between the City and URA dated 4/20/2005)	
TYPE OF APPOINTMENT:	Council/Urban Renewal Agency Appointment	
NUMBER OF MEMBERS:	Eleven voting members and two non-voting members	
TERM LENGTH:	Three years	
SPECIAL MEMBERSHIP REQUIREMENTS:	Appointing Body	
	Agency (1)	Downtown Resident or person representing the interests of residents within the Riverfront-Downtown Urban Renewal Area.
	Agency (1)	Salem community At-Large. This member must not have a business or own property within the Riverfront-Downtown Urban Renewal Area.
	Agency (1)	Person representing an institutional organization including the State of Oregon, Marion County, Salem Area Transit District, Willamette University, a non-profit organization providing services within the Riverfront-Downtown Urban Renewal Area, or Salem Hospital.
	Agency (1) Council (1)	Real estate development or banking/financial professionals, where at least one appointment pay parking fees into the Downtown Parking District.
	Council (6)	Business owner or property owner within the RDURA . In the case of property owners, preference will be given to those who pay, or have tenants who pay, parking fees.
Staff Contact:	Sheri Wahrgren, 503-540-2495	
Revised:	01/15/2019	

CURRENT MEMBERS:

<p>Meduri, Vincenzo Appt: 07/25/2016 Expires: 12/31/2021 Term: Partial, #1 Notes: Resides within or represents the interests of residents within the Riverfront Downtown URA URA Appt.</p>	<p>Address: 160 Liberty Street NE, #303 P O Box: Salem, OR 97302 Telephone: Business: Email: Vincenzo@EnlightenedTheatrics.org</p>
<p>Terpening, Aaron Ray Appt: 12/31/2015 Expires: 12/31/2021 Term: #1, #2 Notes: Representing At-Large; CB2 Architect; Ward 3 URA Appt.</p>	<p>Address: 1270 Church Street NE P O Box: Salem, OR 97301 Telephone: 503-602-1311 (cell) Business: 503-480-8700 Email: aaron@cbtwoarchitects.com</p>
<p>Whipple, Ed Appt: 01/14/2019 Expires: 12/31/2021 Term: #1 Notes: Representing an institutional organization, including the State of Oregon, Marion County, Salem Area Transit District, Willamette University, a non-profit organization providing services within the Riverfront-Downtown Urban Renewal Area, or Salem Hospital URA Appt.</p>	<p>Address: 635 Lower Ben Lomond Dr. SE P O Box: Salem, OR 97302 Telephone: 503-362-1607 Business: 503-370-6447 Email: egwhipple@willamette.edu</p>
<p>Banks, Hillary Appt: 07/13/2015 Expires: 12/31/2020 Term: #1, #2 Notes: Representing a real estate development or banking/financial professional URA Appt.</p>	<p>Address: 1681 Douglas Avenue SE P O Box: Salem, OR 97302 Telephone: 503-884-1159 Business: 503-584-4597 Email: Hillary@mwinv.com</p>
<p>Welter, Ronald Appt: 12/12/2016 Expires: 12/31/2019 Term: #1 Notes: Representing real estate and/or banking/financial professionals; Columbia Bank; Council Appt.</p>	<p>Address: 301 Church St. NE P O Box: Salem, OR 97301 Telephone: Business: 503-399-2954 Email: rwelter@columbiabank.com</p>

<p>Palacio, Maria Appt: 12/2012 Expires: 12/31/2019 Term: Partial + #1, #2 Notes: Business or Property Owner within Downtown URA, Ward 8; Council Appt.</p>	<p>Address: 2745 Upper Breckenridge Loop NW P O Box: Salem, OR 97304 Telephone: 503-932-3918 Business: 503-367-7166 Email: MPalacio1030@gmail.com</p>
<p>Vugteveen, Dana L. Appt: 11/18/2013 Expires: 12/31/2019 Term: #1, #2 Notes: Representing business owner or property owner within the Downtown Parking District; Salem Center Mall Mgr Council Appt.</p>	<p>Address: 33087 Bellinger Scale Road P O Box: Lebanon, OR 97355 Telephone: 503-302-9393 Business: 503-399-9676 x 105 Email: dana.vugteveen@am.ill.com</p>
<p>Compton, Brad Appt: 07/14/2014 Expires: 12/31/2020 Term: Partial + #1, #2 Notes: Representing a business owner or property owner within the Riverfront Downtown URA, Pioneer Trust Bank Council Appt.</p>	<p>Address: 109 Commercial Street SE P O Box: Salem, OR 97301 Telephone: 503-363-3136 Business: Email: bcompton@pioneertrustbank.com</p>
<p>Yoshiya Hayes, Jesse Appt: 7/25/2016 Expires: 12/31/2021 Term: Partial, #1 Notes: Representing business owner or property owner within the Downtown Riverfront Downtown URA Council Appt.</p>	<p>Address: 160 Liberty Street NE, Apt 307 P O Box: Salem, OR 97302 Telephone: 503-949-2428 Business: Archive Coffee and Bar Email: jesseyhayes@gmail.com</p>
<p>Conrad, Chip Appt: 04/24/2017 Expires: 12/31/2019 Term: Partial Notes: Representing Riverfront Downtown URA Council Appt.</p>	<p>Address: 189 Liberty Street SE P O Box: Salem, OR 97301 Cell: Business: Email: chiponrad@gmail.com</p>
<p>Miller, Laurie Appt: 05/11/2015 Expires: 12/31/2020 Term: #1, #2 Notes: Representing business owner or property owner within the Downtown Parking District Council Appt.</p>	<p>Address: 530 Center Street NE, #110 P O Box: Salem, OR 97301 Telephone: Business: Email: laurie@equitablecenter.com</p>

PARK SALEM MONTHLY REPORT							
as of January 17, 2019							
Parking Resource Summary				Budget Summary	Actual	18-19 Budget	% of YTD**
Total On-Street Parking Spaces	1,106			Liberty	\$141,241	\$257,210	55%
Free Customer Unlimited Time Parking Spac	1,080			Chemeketa	\$99,878	\$197,590	51%
Free Customer 30-Minute Spaces	32			Marion	\$87,034	\$176,950	49%
<i>Remaining spaces loading zone,ADA,motorcycle</i>				Riverfront	\$8,444	\$24,430	35%
	Total Parking Spaces	Total Free Customer Spaces	Free spaces as a % of total spaces	Total Number of Permits for Sale	Permits Sold	Permits sold as a % of total permits	
Liberty Parkade*	370	117	32%	430	330	77%	
Chemeketa Parkade*	619	297	48%	352	298	85%	
Marion Parkade*	1,052	505	50%	546	321	59%	
Riverfront Park	238	161	68%	103	53	51%	
*Daily permits are not factored into total number of permits for sale.							
Daily Permits Sold Liberty				23			
Daily Permits Sold Chemeketa				9			
Daily Permits Sold Marion				7			
Daily permits are not sold at Riverfront Lot							
Total Free Customer Spaces also include ADA and EV Designated Spaces							