



FOR IMMEDIATE RELEASE

March 22, 2023

Salem 2023 State of the City

Salem Convention Center

Mayor Chris Hoy

Thank you for joining me today and thank you to the Salem City Club, Salem Area Chamber of Commerce, and the Downtown Rotary, for hosting this event.

Before I begin, I'd like to take a moment to share my appreciation and thanks to several people. First and foremost, I'd like to thank our front-line city employees who do the outstanding work of making Oregon's Capital a wonderful place to live and do business. They are the backbone of our municipal government and are essential in everything we do. These employees interact daily with our community and are critical to the services we provide to our residents. They answer the phones, clean the parks, and literally keep the water flowing. Since joining the City Council in 2017, I have had the privilege of meeting some of the most dedicated and skilled public employees that I can think of. Please join me in a round of applause to thank them for their work.

I'd also like to thank our department directors, and all of you for being here as well. In addition, I'd like to individually thank our City Councilors for the work they do representing their constituents and the work we do together.

Council President Virginia Stapleton, Councilor Linda Nishioka, Councilor Trevor Philips, Councilor Deanna Gwyn, Councilor Jose Gonzalez, Councilor Julie Hoy, Councilor Vanessa Nordyke, and Councilor Micki Varney. I'd also like to thank Keith Stahley, our City Manager.

You may not be aware of this, but City Councilors in Salem are volunteers. So, in addition to working full-time and caring for their families, these councilors give up nights, weekends, and sometimes even holidays, to address the pressing concerns of our community. I thank them for their work, their earnestness, their passion, and for their every effort to make this city a wonderful place to live.

Our City Council is also, for the first time in our history, led by a female majority! As women across the country continue to fight for equal rights, I think this milestone is worth celebrating. Gender discrimination, pay equity, sexual harassment, and reproductive rights, are just a few examples of the challenges that women face in today's world. I am committed to being an ally to these women and to do all that I can to remove the senseless barriers to equality.

Two days ago we celebrated the end of winter and beginning of spring here in the Cherry City. We will soon see the cherry blossoms return and our valley will begin to bloom. In nature, spring brings a sense of renewal and of new opportunity. With our city too, comes the same sense of a new season, a new beginning. We have a new City Manager and several new City Councilors. And I am fortunate to serve as the 60th Mayor of Salem!

It's a time of fresh ideas and for an earnest look at what we have achieved, and where we have more to do.

I am proud to report that Salem is a strong, diverse and evolving community. We continue to grow as new residents and new businesses make their way to our beautiful valley. We are making strides in all areas of our strategic priorities: responding to our sheltering crisis, planning for our future, engaging our community, and sustaining infrastructure and services.

In addition, last fall, Salem residents approved a \$300 million dollar investment in our community that will allow us to improve and build new streets, sidewalks, bike facilities, and parks; purchase fire engines and equipment; establish an affordable housing fund; construct two new fire stations; purchase sites for affordable housing, establish two branch libraries; construct earthquake safety upgrades to the Civic Center; and enhance information technology to provide cybersecurity for city infrastructure. I'd like to thank our residents for their support of this bond.

This year, our council will continue to prioritize our response to the homelessness crisis and increase the supply of affordable housing in the city. Like much of the United States, and in every corner of Oregon, Salem has seen a rise of individuals experiencing homelessness and of affordable housing needs. Mental illness, addiction, economic imbalance, and even climate change, have accelerated this collective failure. Decades of under-prioritizing behavioral health services and access to housing have compounded year after year, and now the need is so great, that we see it every day, on almost every corner. I am

committed to advancing our capacity to address it, and I know that you are as well. City Council will work to evolve our strategies and collaboration with state and county partners as well as private entities, until we achieve the outcome we are looking for – a home for every neighbor.

Maya Angelou said, “The ache for home lives in all of us, the safe place where we can go as we are and not be questioned” and so we will continue this fight. Because it’s the humanitarian thing to do, and because housing is vital to the success of every individual, and therefore is vital to the success of our city. You can’t find a job, or go to school, care for a loved one, or recover from illness, if you don’t have a home. It’s a place that we all deserve. At the end of the day, we all want a place to go home to. For too many Salem residents their home may be a tent on the side of a road, a mattress in a warming shelter, or the cold fear of staring into the darkness with nowhere to go. People who live on our streets live in fear of being victimized, of not knowing where they will sleep. Fear of their belongings being stolen and of declining health. We must be better stewards of each other.

It is in this spirit that I’m proud to report that last year our City Council approved the siting of multiple locations for Micro-Shelter Communities managed by Church @the Park. These shelters provide managed, temporary housing opportunities for homeless individuals, combined with case management and outreach services designed to match participants with resources on an individualized basis. But more importantly, our micro-shelters give people a place to feel secure because the door locks. People living in our micro-shelter communities don’t have to worry about their belongings being stolen when they look for work. They don’t have to worry about being kicked out of their resting place. They don’t have to worry about being victimized. Because the door locks. And for what is often the first time in years, they can rest. Imagine what your life would look like if you hadn’t had rest in years.

These shelters have proven to be one of the most effective tools we have in transitioning people from the streets, into more permanent housing. During 2022, 64% of micro-shelter village guests moved to positive destinations.

In addition to these highly successful micro-shelters, the city has invested funds in the SafeSleep United women’s shelter expansion. United Way of the Mid-Willamette Valley is expanding their capacity to shelter women from 19 to 45 beds. The city also invested funds in Mosaic – a Project Turnkey facility for people fleeing domestic violence, stalking, or trafficking through a grant to the Center for

Hope and Safety, and we've invested funds in the Salem Warming Network to provide life safety measures to help people come out of the cold.

I am also pleased that on May 1st, our Navigation Center will open its doors. Working in partnership with the Mid-Willamette Valley Community Action Agency, the Navigation Center will provide 75 low-barrier shelter beds. It will be open 24-hours a day, seven days a week, and will offer intensive case management to connect people to needed services, healthcare, and stable housing.

Navigation Centers across the country have shown strong success in helping people exit homelessness. Traditional shelter models require sobriety upon entry, segregate by gender, and offer limited space for personal possessions or pets.

We continue to offer the Safe Park Program for those who shelter in their vehicles, a program I proudly introduced in 2019. While no one should have to live in a car, this approach to sheltering can help families and individuals get connected to services in a secure environment with access to onsite toilets, storage, garbage removal, laundry, showers, and security assistance.

Last year, the City Council funded the Salem Outreach Services Team to respond to areas of concern, help connect people to resources, and remove accumulated garbage at parks and other public spaces to reduce the impacts of homelessness on businesses and neighbors. On average, each month this team removes 44,000 pounds of waste from our public spaces.

The SOS team collaborates with police officers, called the Homeless Services Team. Since beginning to track data in 2022, the officers on this team have contacted 1,675 individuals at 974 encampments and made 377 referrals for services. Relationship-building through regular communication increases the chances individuals will connect with available services, and the two assigned Homeless Services Team officers do exactly that.

The team's daily work includes responding to online complaints of camping on private and City-owned property, regular visits to areas prone to complaints, such as Cascades Gateway Park and ensuring areas around managed micro-shelter communities remain clean and safe. HST coordinates their efforts and works closely with the SOS team to avoid duplication and increase their effectiveness in covering all areas of the city.

Enforcement is not the priority. Instead, they are focused on building relationships with both the unsheltered community and the various local service provider organizations. Developing relationships can build trust in the police to encourage the reporting of crimes which, in turn, can reduce victimizations within the encampments. Arrest is always a last resort and in limited situations. Rather, the goal is connection to services and deflection from the criminal justice system. In fact, an officer recently contacted an individual living on the streets who was an admitted methamphetamine addict. He told the officer he was ready for help. The officer knew it was critical to get the person into help right then. Through his contacts with local service providers, they were collectively able to get him into substance abuse treatment. Previous approaches would have resulted in the individuals arrest, but now he is getting the intervention he needs that will hopefully help him break the cycle of addiction.

Our City Council has allocated \$23.33 million dollars to expand sheltering options and manage health, safety, and livability concerns in our community through investment of state funds and American Rescue Plan dollars.

Unfortunately, these existing one-time funds will be exhausted next year, and our micro-shelter communities and Navigation Center will be forced to close unless we develop additional revenue or other financial support for these emergency sheltering services. We have been lobbying our state and federal elected officials for financial support so that we may keep these beds available for as long as possible. I ask for your support in these efforts.

Now let me give you a preview of what's coming to Salem in 2023 and beyond.

As you know, the city is not a housing developer. But we facilitate or hinder, as the case may be, the development of housing units. Because we are committed to facilitation and removal of barriers, we are conducting a housing needs analysis to identify and remove barriers to housing development.

Housing construction in Salem remains strong. Subdivisions and large multifamily complexes have been robust. There was an increase in formal inquiries about multi-family developments last year compared to 2021. Of the approximately 1,700 unit permits that were received in 2022, 575, or about one third of these units, are reserved as affordable housing.

The city is in early discussions with representatives from the Truitt Brothers property to turn that property into an exciting multi-family, mixed-use

development with more 300 units. This development will embrace the river & waterfront and revitalize the area north of downtown in historic fashion.

And you've probably noticed construction is underway at the former Nordstrom location, which will add 162 units in the Ravenwood Apartments. City Council used incentives to enable affordable units to be included in this building.

The Salem Housing Authority, in partnership with the city, has developed Yaquina Hall preserving the former nurses' quarters on the State Hospital grounds. This project has brought back to life a 1947 historic structure, updating this one-of-a-kind building with 52 apartments, community spaces and supportive service offices throughout, including dedicated units for people with serious and persistent mental illness. Yaquina Hall is scheduled for a grand opening event on April 5, and applications for residency are already in progress.

In the Battlecreek area of south Salem, Mahonia Apartments will break ground tomorrow and will bring 313 intergenerational affordable housing units and the 27th Street Apartments will bring 96 affordable housing units, serving low-income and Latino families.

Also in south Salem, the Housing Authority renovated and modernized Southfair Apartments. The renovation included the conversion of an obsolete daycare into two additional fully accessible one-bedroom apartments. This project also added subsidy to 32 additional apartments making them more affordable to residents.

In east Salem, East Park Village will bring 670 single family dwellings and 370 multi-family units.

In north Salem, Salem Housing Authority is building Sequoia Crossings, a Permanent Supportive Housing Project for families. The project has drawn on lived experiences throughout the design phase. Design of Sequoia Crossings has taken a trauma-informed lens to help create a welcoming and inviting 60-unit complex, beautiful calming landscaping, and community space that allows for multiple onsite service provider offices.

Now let's talk about downtown. A vibrant and re-energized downtown is a priority of mine. I am pleased to report that we are well on our way to that goal!

One indicator of a vibrant downtown is a lack of available on-street parking spaces. If you've been downtown recently, you know that's the case. Our

downtown business owners, workers and patrons have asked us to fix the parking situation. So that's what we're doing. We recently instituted 24x7 security in all downtown parking garages. We have made Marion Parkade safe again by removing residents from stairwells and elsewhere and staff is working on a proposal to institute paid parking downtown.

Our small businesses downtown need it. They need spaces to turn and paid on-street parking is how you make that happen. As more and more people move downtown and as the evening scene grows, as Salem comes of age, paid parking is inevitable.

Downtown Salem has seen a surge of interest regarding properties that have been vacant and/or underutilized. In fact, just across the street the Holman Hotel is opening today!

Demolition of the former Union Gospel Mission, Saffron Supply and ABC Music is done. These combined properties, currently owned by the Urban Renewal Agency, will soon be on the market for redevelopment. Several other properties are in the process of being sold and multiple spaces are also in the final stages of leasing to new tenants. All these changes will bring increased vibrancy to downtown Salem.

This year we also look forward to working with property owners and developers to support new uses in the JC Penney building, the former Wells Fargo site, and Liberty Plaza.

In west Salem we have engaged the Urban Land Institute to finally develop a vision for the Edgewater District that will create a westside urban center with housing and retail in an area that has been ravaged by industrial blight for many years. The city is also constructing improvements to 2nd Street NW which should begin later this spring. This work should enhance development in the Edgewater District significantly.

At the airport, City Council has unanimously approved funding to prepare for commercial passenger air service. We've pushed staff and the community to make this happen. And now we are in the process of signing a contract with the first airline, which will initially serve the Los Angeles Basin, with flights expected to start soon.

Commercial passenger air service to Salem will provide direct access to Oregon's wine country, world class recreation, and one-of-a-kind cultural assets –

which will increase visitor spending in the region and provide additional local jobs and support for local businesses. We are grateful to our partners at Marion County for financial assistance at the airport as well.

While we understand it is a risk, this public-private partnership with the city, the Chamber of Commerce and Travel Salem is providing a rebirth at our airport. We are attracting new businesses and the school district has purchased a hangar and we will soon have an airport based CTEC drone program.

Phase one of our work to improve McGilchrist Street SE is going out to bid this spring, with construction starting soon. Widening McGilchrist Street between 12th Street and 25th Street, will begin in 2025. And McGilchrist will be the first street in Salem to feature a cycle track! These projects will promote economic development in southeast Salem and will make transit access to the VA and Social Security Administration much better for those with mobility challenges.

At Fairview, Yamasa is in the middle of a \$12 million expansion that will be completed this summer to allow for additional production capacity, while partnering with local farmers to provide for more regionally sourced products.

At our Mill Creek Corporate Center, Dollar General purchased more than 70 acres to construct an 800,000 sq/ft facility and 400 new jobs.

It is truly an exciting time for our community. As you just heard, housing and commercial development is strong. Many of you in this room deserve credit for that. From policy makers to business leaders, you have helped shape this city into a welcoming community that is attracting more and more people. Thank you for your partnership.

In Public Safety, the city council has begun additional investment in our police department by adding 8 new positions last year. Chief Womack continues to effectively lead our police officers with integrity and a commitment to community policing. His vision of a 21st century police department with officers who reflect our community and that prioritizes relationships with residents and businesses is well on its way to fruition.

Chief Womack's belief in holding law enforcement accountable is shown in his advocacy for body cameras and through the procedural justice training that he requires of his staff.

In January, the department launched an online transparency portal to increase trust and legitimacy with the community. By openly sharing data, policies, reports, and other information that directly impacts the public, the department strives to engage residents in knowledge-sharing, while demonstrating openness and accountability.

Through a new collaboration with federal-level partners, Salem PD established the Safe Streets Task Force, with the goal of focusing on investigating and stopping violent crimes and major narcotics trafficking in our city. The enhanced federal-level resources magnify the work done by the five detectives of the Strategic Investigations Unit.

The department's strategic plan includes an emphasis on traffic safety, but also on the importance of weaving equity into enforcement action. The department initiated the Oregon Car Care Program, a voucher system for equipment infractions. The program directs needed enforcement efforts toward the moving violations that cause serious injuries and away from mere equipment violations, thus focusing on education and cooperation, while offering understanding to those who find themselves having to defer upkeep. These efforts to address the importance of traffic safety, while working toward improving community relationships and building trust, are essential to relationship-based policing.

Last year, Salem police responded to more than 114,000 calls for service. They arrested 416 drunk drivers; handled 130 child abuse cases, 74 bomb squad callouts, seized 493 illegal firearms, more than 237,000 fentanyl pills, and 426 pounds of meth, cocaine, and heroin. Please join me in thanking Chief Womack and his officers for a job well done.

Public safety remains a top concern among Salem residents. In our annual community satisfaction survey, the proportion of residents who now cite crime as a top issue increased 13% over the past year. Chief Womack and his officers have done a tremendous job with limited staff, but they simply do not have enough resources to adequately address the needs of our growing city. To achieve a reduction in crime, manage an increase in call volume, and to ensure adequate response times, he needs more officers and more support. Last year City Council hired an independent firm to analyze our staffing needs throughout the city and that report shows we need to add at least seventy new officers to our streets. But let me be clear – if we want to increase the safety of our city and see a reduction in crime, if we want relation-based policing, if we want safer neighborhoods and

safer streets, we need additional revenue for public safety. I implore you to join me in this advocacy.

The Willamette Valley Communications dispatch center continues to be the second busiest 9-1-1 center in the state processing over 400,000 calls for service each year. Twenty-nine agencies from around the valley and the Oregon coast are dispatched by the dedicated staff at the center. These dispatchers are the “first” first responders and do a great job of communicating during emergency situations.

Our Salem Fire Department, led by Chief Mike Niblock, continues to serve our community well. 2022 was a busy year for them with 31,319 requests for service, an increase over the previous year.

The Salem Fire Department and the Salem Fire Foundation continue their great work of teaching CPR and AED to all the 8th grade students in the Salem Keizer School District. Approximately 3,500 kids a year receive this training and since the program’s inception in 2015 more than 20,000 kids have received the lifesaving training. There have been three documented cases of lives saved by students of this program.

You will also be pleased to know that the Fire Department has already put revenue from the recently passed bond to good use, by ordering an entire fleet of new fire apparatus.

Unfortunately, the bond does not provide revenue for the hiring of firefighters, and we are in desperate need of them. Since 2010, our population has increased 15.8% and call volume has increased 86.7%. The firefighters available to respond to that near doubling of calls has not increased. City Council has re-opened a fire station and hired new fire fighters, but we are just now back to 2010 staffing levels. Just like our dedicated police officers, our firefighters are professionals who are doing the best they can, with what they have. And what they have is not enough. The same independent firm that analyzed our staffing needs for the city has recommended that we hire another 111 firefighters to serve a city this size and meet the response time goal.

And so we have challenges ahead of us. Like a blossom waiting to bear fruit, our city is transforming. Salem has a small town feel that is integral to our culture, but we must also face the reality that we cannot stay a small town forever. As the

state's capital and its second largest city, it is inevitable that we evolve. Adapting to this 21st century reality will allow us to shape it, rather than it shaping us.

I know the last few years have been trying for much of America, and for much of Oregon. A culmination of national and local challenges has exhausted our patience. Partisan politics has created unprecedented levels of tension and mistrust of our neighbors, our schools, and of every level of our government. The gaslighting and endless arms race of our political discourse has frayed the very fabric of our democracy, but partisan politics hasn't been the only thing straining our resolve.

Since 2018, Salem residents have endured algae blooms, heat domes, ice storms, wildfires and a global pandemic that has reshaped our entire culture. Some families lost loved ones; others lost jobs, some lost their homes or businesses.

But in Salem, we came together. The Chamber of Commerce launched Salem Eats, a Facebook group aimed at highlighting local businesses that stayed open and served food; within weeks it had tens of thousands of followers as residents flocked to support our small businesses. We came together as one city, and we responded. As our hospital and urgent care centers became the front line of defense, our doctors, nurses, and other healthcare professionals, responded to save lives; our teachers and administrators responded by adapting to educate their students remotely, and the community responded with a renewed sense of humanity.

Our definition of safety, of community, of happiness, isn't the same as it was a few years ago. Change can be a difficult thing, but it also provides an opportunity to adapt and to grow. If we choose to harness this momentum, we can shape it to create the change that we've always wanted. If we condemn hate and embrace equality, if we condemn ignorance and celebrate reason, and if we reject divisiveness and demand a return to civility, then our city will bloom.

This is a new spring. Today, right now, our new beginning. It is our constant rededication to our faith in each other that makes us Americans. Our belief that a united people can accomplish anything. Within our reach is every ideal. Within our grasp, is our loftiest goal. Within our hearts we hold the keys to harmony, and within our deeds lies the greatness of America.

It is a great time to be the mayor of the City of Salem. I am honored and humbled to be entrusted with this role. The state of our city is strong and

together we can make Salem even stronger than it is today. I hope that you'll join me in this new beginning for the city we love.

Thank you.

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