



# City of Salem

## North Gateway Redevelopment Advisory Board

February 1, 2024  
8–9 AM Virtual

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

### **PARTICIPANTS**

#### Board Members

Jerod Martin, Chair; Vice-Chair; Nate Levin; Mike Alley; Scott Cantonwine; Deacon Lucas; Mike White

#### Staff

Sara Long; Lynda Rose; Margarita Perez

### **AGENDA**

1. Welcome and Call to Order
2. Approval of Agenda for February 1, 2024
3. Approval of Minutes from November 2, 2023
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 Board Chair – Jerod Martin & Board
  - b. Election of Board Vice Chair – Chair & Board
  - c. Fiscal Year 2024-2025 Budget Recommendations – Michael Brown & Staff
6. Discussion/Information Reports
  - a. What's Happening/Other Updates
7. Adjourn

### **Next Meeting: March 7, 2024**

This meeting is being conducted virtually, with remote attendance by the governing body. No in-person attendance is possible. Interested persons may view the meeting online on [YouTube](#). Please submit written comments on agenda items, or pre-register to provide Public Comment, by 5 p.m. or earlier one day prior to the day of the meeting at [NGRAB@cityofsalem.net](mailto:NGRAB@cityofsalem.net).

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (711 for Relay) at least two business days in advance.

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.



**MINUTES  
NORTH GATEWAY  
REDEVELOPMENT ADVISORY BOARD**  
Thursday, November 2, 2023, 8:00 AM  
Virtual Meeting



[You Tube](#)

**1. CALL TO ORDER, ROLL CALL**

**Call to Order:** 8:02 AM

**Roll Call:** Jerod Martin Chair, Mark Adams Vice Chair, Nate Levin, Mike Alley, Scott Cantonwine, Deacon Lucas, Mike White

**Absent:** None

**Staff:** Sara Long, Margarita Perez, Lynda Rose

**2. APPROVAL OF AGENDA**

**Motion:** Move to approve the Action Agenda for November 2, 2023, as presented

**Motion by:** Board Member Cantonwine

**Seconded by:** Board Member Alley

**Action:** Approved

**Vote: Aye:** Unanimous **Motion PASSED**

**3. APPROVAL OF MINUTES**

**Motion:** Move to approve the Minutes from August 3, 2022, as presented

**Motion by:** Board Member Levin

**Seconded by:** Board Member Adams

**Action:** Approved

**Vote: Aye:** Unanimous **Motion PASSED**

**4. PUBLIC COMMENT- None**

**5. DISCUSSION/INFORMATION Reports**

a. Silverton Road Project Update: Aaron Edelman, Staff  
Comments/Questions: Adams, Martin

b. Welcome to Salem Sign on Portland Road Update: Robert Romanek, Staff  
Comments/Questions: Adams, Martin, Levin and Alley

c. What's Happening/Other Updates: Sara  
Comments/Questions: Levin

**6. ADJOURN 8:57 AM**

**NEXT MEETING:** February 1, 2024

## **2019 Established Maximum Indebtedness Project List and Updates**

### **1. North Gateway Building Rehabilitation/Restoration Grant Program**

Continuation of the NGURA Building Rehabilitation/Restoration Grant Program to encourage new construction and existing business and property owners to improve their properties.

Project Funding: One million dollars per year for six years, began in 2019/2020 Fiscal Year with the last installment of new funds in Fiscal Year 2024/2025.

Status: Funds have continued to be utilized, proposing rolling over remaining grant funds from FY 2023-2024 along with an additional \$1 million in new funds. See budget documents for uncommitted fund update and grant award report.

### **2. Development Infrastructure Assistance Program**

This program is intended to coincide with Grant Program, but specifically target those properties in which development is a challenge due to lack of necessary city infrastructure such as water, sewer, etc.

Project Funding: \$750,00 for two years (FY 2019-20 and FY 2020-2021)

Status: Funds have not utilized in FY 2023-2024, and we are proposing to roll those funds over to FY 2024-2025. No additional funds remain, as the second batch was allocated in FY 2023-2024 to help backfill Silverton/17<sup>th</sup> Street Improvement costs.

### **3. Affordable Housing Development Assistance Program**

This program is intended to coincide with the Rehabilitation Grant Program, but specifically target providing financial assistance towards affordable housing development projects.

Project Funding: \$300,000 for three years

Status: All funds were expended for FY19-20 and went to the Salem Housing Authority Fisher Road Housing First Project. A second round of \$300,000 was incorporated in the FY 20-21 budget which have not been utilized and continue to be rolled over. We utilized the third batch of funds for the Strategic Grant Program established in January 2022 using \$150k and then providing the remaining \$150k for FY 22-23.

### **4. Silverton Road/ 17<sup>th</sup> Street Left Turn Lane**

Project will establish a left turn lane from westbound Silverton Road to 17<sup>th</sup> Street with the goal to improve traffic flow and safety at the intersection. The improvement would also include a traffic signal.

Project Funding: Estimated at \$2.8 million

Status: Project was scheduled to begin initial work on design in FY2021-22, cost of project was seen in FY 21-22 budget however it was rolled into the FY 23-24 budget and additional funds

***\*Project Funding is based on today's dollars, not future dollars as in the Maximum Indebtedness Project Overview which takes inflation into account\****

were added due to increased costs and scope expansion. The project has been incorporated into a bond funded paving project with construction expected in 2025. The FY 24-25 budget will show an additional \$937,000 for the project, this was discussed in late spring as the project expanded with the bond project however because the funds were not immediately required, staff decided to move the additional funding through the normal annual budget process.

**5. Pine Street Redevelopment (renamed 2640 Portland Road NE)**

Includes site preparation and potentially contributing some funds towards construction as it aligns with the goals of the NGURA to redevelop 2640 Portland Road NE and potentially other adjacent sites in the corridor.

Project Funding: Estimated at \$2 million

Status: The site was purchased in fall 2020, it has been used by Church at the Park for overnight camping and currently serves as an administrative office function. Staff is currently working with EconW on an updated market analysis along with a development analysis for the site to help with future planning.

**6. Gateway Streetscape Enhancements**

Funding to be directed at the continuance of enhancement of streetscape in order to complement future development. Funding would include items such as: lighting, sidewalks, landscaping, street furnishings, murals, sculptures, and other associated enhancements.

Project Funding: \$1 million

Status: Funds assigned for this in FY2025-26 and FY2026-27, however use would correlate with development so adjustments could be made as development occurs with respect to the timing of funds (depending on funding availability).

**7. Property Acquisitions**

Funds being directed in this category to allow for the URA to take advantage of opportunities which might arise, such as potential acquisition of parcels as part of a larger Pine Street Redevelopment project.

Project Funding: \$4.5 million

Status: Funds were assigned to this item sporadically however, they would be utilized as opportunities arise and funding allows. Funds were assigned in FY2020-2021 and FY2024-25. Because the FY 20-21 funds still remain available in the budget, we can hold the additional funds back.

**8. Niles Avenue Infrastructure**

Provide full street improvements (lighting, sidewalks, etc.) in addition to necessary upgrades to the water, sewer and storm systems along Niles Avenue. This project would be completed in conjunction with funding from Public Works.

Project Funding: \$2 million

Status: Potential funding has been pushed out to focus on Silverton Rd/17<sup>th</sup>. With increased costs of projects funding may move to other projects.

**9. Pine Street Realignment**

Realignment of Silverton Road to align with Pine Street at Portland Road, allowing for turning traffic to utilize 90 degree turns which are safer than the current street and turning alignments.

Project Funding: \$5 million

Status: Based on recent discussions with railroad and increased costs of Silverton/17<sup>th</sup> funds were reallocated to help with additional costs. Approximately \$1.7M remain of these funds which could be directed towards the Portland Road Bond Project per a discussion with the board in earlier 2023.

**10. Construction of Bike/Pedestrian Alternative Path**

Construction of a bike/pedestrian path as an alternative to utilizing the Portland Road underpass.

Project Funding: \$3 million

Status: Currently scheduled for FY2026-2027, goal to tie into the approved city bike/ped plan and help fund an approved project.

**11. Environmental Clean-Up**

Remediate environmental contamination as associated with potential acquisition of property and redevelopment.

Project Funding: \$250,000

Status: Currently available to be used for URA acquired properties/projects. There are options to acquire grant funds for this type of work as well so the hope is NGURA could supplement additional funding opportunities.

**12. Salem Industrial Drive Improvements**

Improvements to the Salem Industrial Drive corridor between Cherry Avenue and Hyacinth Street including: widening road to accommodate turn lane and bike lane, new sidewalks, planter strips, bike/pedestrian path, bridge and/or fill over Claggett Creek for additional access.

Project Funding: \$3.75 million

Status: Funds associated with these projects would be done in conjunction with public works as they would be the majority funder, the NGURA funds are assigned for FY 2027-28.

**North Gateway Urban Renewal Area  
Revenue and Expenditures**

	Actual FY 22-23	Budget FY 23-24	Projected rev/spend FY 23-24	Remaining FY 23-24	Proposed FY 24-25
<b>CONSTRUCTION FUND 265</b>					
<b>RESOURCES</b>					
Beginning Fund Balance	17,113,128	20,498,850	20,911,743		24,886,530
Long Term Bond Proceeds					
Du Jour Proceeds	4,000,000	5,000,000	4,800,000		5,750,000
Long Term Bond Proceeds					
Principal and Interest on Commercial Loans	11,588	11,500	10,060		11,500
Grants					
Rent Payment/Other Revenue	6,900	6,000	13,716		6,000
Interest Income	341,551	250,000	250,000		300,000
Total Resources	<u>21,473,167</u>	<u>25,766,350</u>	<u>25,985,520</u>		<u>30,954,030</u>
<b>EXPENDITURES</b>					
684000 Project Coordination/Support	154,972	292,910	167,740	125,170	206,210
684000 Indirect Cost Allocation Plan	40,020	27,990	27,990		16,170
684032 Rehabilitation Grant Program - New Allocation		850,000			1,000,000
684032 Rehabilitation Grant Program - Rebudgeted	230,258	1,120,060	808,220	1,161,840	1,161,840
684057 Infrastructure Grant Program rebudgeted		750,000		750,000	750,000
684058 Affordable Housing Grant Program rebudgeted		300,000		300,000	300,000
684056 Bike/Ped Path - rebudgeted		300,000		300,000	300,000
684053 2640 Portland Road Site Development	-	2,000,000		2,000,000	2,000,000
684063 Opportunity Fund rebudget	300,000	455,000		455,000	415,000
Industrial Site Readiness rebudget	50,000	50,000		50,000	50,000
684062 17th Street at Silverton Road Turn Lane rebudget	2,800,000	2,800,000		6,353,960	6,353,960
684062 17th Street at Silverton Road Turn Lane new	-	3,649,000	95,040		937,000
Opportunity purchase rebudget	2,652,250	2,652,250		2,652,250	2,652,250
684064 Environmental remediation rebudget	265,230	265,230		265,230	265,230
684061 Strategic Project Grant rebudget	86,610	236,610		236,610	236,610
682065 Updated Market Analysis--2640 Portland Rd			40,000	(40,000)	
Total Expenditures	<u>6,589,275</u>	<u>15,749,050</u>	<u>1,098,990</u>	<u>14,650,060</u>	<u>16,644,270</u>
Ending Fund Balance at June 30 (current year)		10,017,300	24,886,530	11,335,460	14,309,760
<b>Amount to unspecified to fully appropriate for FY</b>		10,017,300	24,886,530	11,335,460	14,309,760
<b>Maximum Indebtedness remaining as of June 30</b>	<b>13,468,400</b>	<b>8,466,900</b>	<b>8,667,400</b>		<b>2,916,400</b>

**North Gateway URA Capital Grant Program Commitments  
February 2024 Report**

Fiscal Year	Owner/Business	Address	Grant Use	Grant Amount	Match Amount	Status
2017-18	20/10 Products, Inc.	3025 Industrial Way NE	Equipment purchase phase 1 and 2	\$277,161	\$277,161	Closed
2017-18	Jet Industries	1955 Silverton Road NE	Equipment purchase	\$31,025	\$31,025	Closed
2017-18	State Investments	2805 Valpak	Equipment purchase and environmental remediation	\$78,768	\$78,768	Closed
2017-18	Madras Holdings/PES	1415 Tandem Ave	Renovate vacant building into auto detail shop	\$171,187	\$232,128	Closed
2017-2018	MJ Investments	3994 Portland Road NE	New construction	\$300,000	\$300,000	Closed
2017-2018	ZS Properties	1805 Silverton Road NE	Building remodel of Fruit Stand, new exterior, new roof, new frontage	\$265,000	\$265,000	Closed
2017-2018	Aaron Zeeb Family Trust	1925-1935 Silverton Road NE	New construction of 10,000 square foot office space, façade improvements.	\$300,000	\$1,300,000	Closed
2017-2018	Martin/Santiam Electric	3850 Mainline Drive NE	New Construction	\$300,000	\$311,265	Closed
2017-2018	Innovative Manufacturing & Design	1834 Beach Avenue NE	Equipment Purchase	\$277,500	\$895,526	Closed
2018-2019	Freeman Motors	3784 Portland Road NE	Building renovation - new car dealership and shop	\$300,000	\$517,751	Closed
2018-2019	ZS Properties	1705-25 Silverton Road NE	Building renovation- add office space, restrooms, HVAC	\$298,961	\$298,961	Closed
2018-2019	Ochoa Queseria	3350 Portland Road NE	New Construction - cheese manufacturing and storefront	\$300,000	\$2,100,000	Closed
2018-2019	Jet Industries	1834 Beach Street	Building renovation and equipment purchases	\$101,000	\$109,752	Closed
2018-2019	Motge Inc.	1920-1960 Lana Ave.	Building renovations, replace existing sewer lines	\$132,074	\$132,074	Closed
2018-2019	Intrinsic Ventures	2195 Hyacinth - North Building	Building renovation	\$300,000	\$300,000	Closed
2018-2019	Watershed, LLC Ph II	2895 Valpak Road NE	Equipment purchase	\$27,702	\$27,702	Closed
2018-2019	Western Professional	3460 Brady Curt NE	Building renovation/addition	\$300,000	\$732,448	Closed
2018-2019	Vagabond Brewing Ph II	2195 Hyacinth St. NE, Suite 172	Equipment purchase	\$89,620	\$89,620	Closed
2018-2019	20/10 Products, Inc. Ph II	3025 Industrial Way NE	Equipment purchase	\$13,050	\$13,050	Closed
2019-2020	ZS Properties	1815-1825 Silverton Road NE	Building rehabilitation	\$217,700	\$217,840	Closed
2019-20	Redwood Crossings, LLC	4107 Fisher Road NE	Affordable Housing	\$300,000	\$2,500,000	Closed
2019-20	S&V Garcia	2385 Fairgrounds Road NE	New Building Construction	\$300,000	\$782,552	Closed
2020-21	20/10 Properties	1815-1821 Silverton Rd NE	Building Rehabilitation	\$38,933	\$41,067	Closed
2021-22	Zeeb Legacy	1793-1799 Silverton Rd NE	Building Rehabilitation	\$300,000	\$406,450	Closed
2021-22	20/10 Products	3049 Industrial Way NE	Equipment Purchase	\$261,070	\$301,955	Closed
2021-22	Freeman Motor	3772 Portland Road NE	Building Rehabilitation	\$247,183	\$464,522	Closed
2021-22	Capitol Cold Storage	1440 Salem Industrial Dr NE	Equipment & Building Rehab	\$286,850	\$573,700	Closed
2022-23	Cantonwine	2860 Cherry Ave NE	Equipment & Building Rehab	\$114,421	\$114,421	Committed
2022-23	Zeeb Legacy	2990 Portland Rd NE	Building Rehabilitation	\$112,300	\$187,700	Closed
2022-23	Jack Fox	0 Brooks Ave NE	Infrastructure	\$254,014	\$254,014	Committed
2023-24	Russ Libby	2525 Hyacinth St NE	Equipment & Building Rehab	\$300,000	\$314,229	Committed
2023-24	Epping Investments, Ltd	1870 Lana Avenue NE	Building Rehab	\$300,000	\$425,670	Committed
2023-24	Francisco Ochoa	3310 Portland Road NE	Equipment	\$129,240	\$129,240	Committed
2023-24	Tyrone Jones	2410 Fairgrounds Road NE	New Building	\$115,000	\$115,000	Pending
				\$7,139,759	\$14,840,591	

**Available Funds:**  
 \$1,864,977 Rehab/Rehabilitation Grant Program  
 \$300,000 Affordable Housing Grant Program  
 \$750,000 Development Infrastructure Grant Program  
 \$247,687 Strategic Project Grant Program  
 \*\* Extension Granted

Updated: 1/23/2024

**North Gateway URA Strategic Project Program Commitments  
February 2024 Report**

Fiscal Year	Owner/Business	Address	Grant Use	Grant Amount	Total Project Cost	Status
2021-2022	DPJ Properties	1810 Lana Avenue NE	Fencing and Cameras	\$14,340	\$18,269	Completed
2021-2022	Lana Ave LLC	1870 Lana Avenue NE	Fencing with Gates	\$19,503	\$20,314	Completed
2021-2022	ZS Properties	1705 Silverton Road NE	Cameras and Ext. Lighting	\$20,000	\$25,170	Completed
2021-2022	Zeeb Legacies, LLC	1793 Silverton Road NE	Cameras and Ext. Lighting	\$12,232	\$14,321	Completed
2021-2022	ZS Properties	1805 Silverton Road NE	Cameras and Ext. Lighting	\$18,330	\$22,623	Completed
2021-2022	Zeeb Legacies, LLC	1935 Silverton Road NE	Cameras and Ext. Lighting	\$17,666	\$18,239	Completed
2021-2022	Zeeb Legacies, LLC	1955 Silverton Road NE	Cameras and Ext. Lighting	\$9,262	\$13,210	Completed
2021-2022	Zeeb Legacies, LLC	2990 Portland Road NE	Cameras and Ext. Lighting	\$14,309	\$17,430	Completed
2021-2022	Madras Holdings LLC	1331 Tandem Avenue NE	Cameras and Ext. Lighting	\$12,747	\$15,216	Completed
2022-2023	Ventura Foods LLC	3371 Portland Road	Fencing	\$8,502	\$8,551	Committed
2022-2023	Nut House LLC	2828 Cherry Avenue NE	Exterior Lighting	\$8,923	\$6,000	Committed
2023-2024	Cascade Warehouse Company	2860 Cherry Avenue NE	Fencing	\$11,202	\$11,396	Completed
2023-2024	Mustang Investments LLC	2525 Hyacinth Street NE	Cameras and Ext. Lighting	\$20,000	\$20,149	Committed
				<b>\$187,016</b>	<b>\$210,888</b>	

**Available Funds:**

\$247,687 Strategic Project Grant