

A G E N D A



Joint Meeting of the City of Salem Budget Committee and the Salem Urban Renewal Agency Budget Committee

DATE: Wednesday, May 6, 2020
TIME: 6:00 PM
CHAIRPERSON: Paul Tigan

STAFF LIAISON:
Josh Eggleston, Budget Officer
503•588•6130
jeggleston@cityofsalem.net
Kali Leinenbach, Senior Fiscal Analyst
503•588•6231
kleinenbach@cityofsalem.net

1. OPENING EXERCISES – Chairperson Paul Tigan
2. PUBLIC TESTIMONY
No oral public comment will be available, written testimony can be submitted to budgetoffice@cityofsalem.net
 - a. Correspondence from the Downtown Advisory Board – Riverfront URA Budget
 - b. Correspondence from the Downtown Advisory Board – Downtown Parking Fund Budget
 - c. Correspondence from Linda Nishioka
3. MINUTES
 - a. Minutes from January 15, 2020 City of Salem and Urban Renewal Agency Budget Committee Meeting
4. ACTION ITEMS
 - a. Temporary amendment to Budget Committee Rules of Procedure
 - b. Errata 1 – Capital Projects
5. INFORMATION ITEMS
 - a. FY 2021 Proposed Budget – provided to members in advance of the meeting
 - Presentation of Proposed FY 2021 Budget Message, City Manager Steve Powers
 - b. FY 2021 – FY 2025 Capital Improvement Plan – provided to members in advance of the meeting
 - c. Budget Committee Procedures – provided in members in advance of the meeting
6. PUBLIC HEARINGS
 - a. State Revenue Sharing Funds
Staff Report: Public Hearing on the Proposed Uses of State Revenue Sharing Funds, Budget Officer Josh Eggleston
 - b. Capital Improvements Plan
Staff Report: Public Hearing on the Proposed Capital Improvement Plan for FY 2021 through FY 2025, Budget Officer Josh Eggleston
7. SPECIAL ORDERS OF BUSINESS

- a. Result Area Budget Review – Safe, Reliable, and Efficient Infrastructure, page 117 – 136 and pages and Capital Improvements, pages 179 – 226
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - b. Result Area Budget Review – Good Governance, pages 39 – 70
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - c. Result Area Budget Review – Natural Environment Stewardship, pages 71 – 88
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - d. Result Area Budget Review – Safe Community, pages 89 – 116
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - e. Result Area Budget Review – Strong and Diverse Economy, pages 137 – 154
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - f. Urban Renewal Agency Budget, Book 2
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - g. Result Area Budget Review – Welcoming and Livable Community, pages 155 – 178
 - Overview by Budget Officer Josh Eggleston
 - Questions of staff and committee discussion
 - h. Committee Discussion
 - Opportunity for the Budget Committee to discuss any issues or concerns regarding agenda items or items not on the agenda
8. PUBLIC TESTIMONY FOR FUTURE BUDGET ISSUES
 - a. No oral public comment will be available, written testimony can be submitted to budgetoffice@cityofsalem.net
 9. ADJOURNMENT

The next virtual Budget Committee meeting will be held on Wednesday, May 13, 2020 at 6:00 pm. The Budget Committee will deliberate and recommend a City of Salem budget and Urban Renewal Agency budget to the City Council. The Budget Committee will also approve the tax levy.

Budget staff are available for your convenience to discuss the budget document and process. Please call the staff listed above if you have questions.

The City of Salem budget information can be accessed on the internet at: www.cityofsalem.net/budget

NOTE: Disability-related accommodations, including auxiliary aids or services, in order to participate in this meeting, are available upon request. Sign language and interpreters for languages other than English are also available upon request. To request such an accommodation or interpretation, contact Kali Leinenbach, (503) 588-6231 or kleinenbach@cityofsalem.net at least 2 business days before this meeting. TTD/TTY telephone (503) 588-6439 is also available 24/7.

The City of Salem values all persons without regard to race, color, religion, national origin, sex, age, marital status, domestic partnership, disability, familial status, sexual orientation, gender identity and source of income.

Downtown Advisory Board

Memo

To: Urban Renewal Agency Board

From: Downtown Advisory Board

Date: May 2020

Re: Fiscal Year 2020-21 Riverfront-Downtown Urban Renewal Budget
Recommendations

Thank you for the opportunity to provide background information on the Downtown Advisory Board's Riverfront-Downtown Urban Renewal Area's FY 2020-21 budget recommendations.

At the February 26, 2020, Downtown Advisory Board (DAB) meeting, the board received a draft budget to review. The budget included projects that the board has recommended previously based on their alignment with the goals and objectives of the Riverfront-Downtown Urban Renewal Plan, including reduction of blight and increased real estate property tax value. This year the draft budget included ongoing support for items such as; 1) Downtown Streetscape Improvements; 2) Capital Improvement Grant Program and 3) Downtown Alley Improvements, but also included a \$4.1M line item for a potential real estate purchase for a Navigation Center to address the needs of homeless. This allocation of RDURA funds would be in addition to the FY 2019-2020 RDURA funding of a \$1.1M grant to Arches to build out restrooms, laundry/shower facilities and kitchen and a \$2.5M line item for Homeless Task Force Implementation.

There was a lot of discussion amongst the board members regarding this line item. The question was raised if building or purchasing a building for a navigation center is reactionary in nature or if URA investments should be proactively focused to addressing the homeless through housing?

Due to the restrictions regarding sharing information on potential real estate transactions during negotiations, the board was not provided information on the property that is being considered for acquisition. The following highlights some of the questions/concerns that were raised by the board:

Location:

- Does the property have value in the market as a higher use?
- If the City purchases the property, it will come off the tax roll.
- Will this negatively impact adjacent neighbors, businesses?

- What measures would be taken to ensure that neighbor concerns are being addressed?
- Is this part of a homelessness 'strategic plan' and/or will it drive additional services to this area?
- Is it big enough? Does it allow for expansion?
- Is it in disrepair and will it require an undue amount of investment to get up and running?
- A downtown location will further concentrate those with housing challenges into a small area of the city, which could be detrimental to their recovery and further intensify the density of high needs populations and make it worse.

Equity

- Is the financial, social and visual burden for addressing the service needs of the homeless, equitably distributed in the City? Urban Renewal Areas?
- What facilities are being planned to address homelessness that does not originate in downtown?

Strategic Planning

- What is the long-term strategic outcome of a navigation center, including source of operating funds if a center is purchased/built?
- Will locating more and more homeless services in downtown affect the broader community in the long term?

While the current situation demands action, appropriate time should be taken to develop a community wide strategic plan to address homelessness. Reactionary measures could have negative long-term impacts and potential additional unintended consequences including; increased littering, camping, physical abuse, drug use and crime focused in downtown Salem. It is important that the entire community share in solutions and implementation of measures to reduce homelessness.

The Downtown Strategic Action Plan recommends RDURA investment be used to provide a variety of housing options. The board recommends taking a proactive and strategic approach to addressing homelessness. This would include adding a component of transitional and/or low-income housing to a Navigation Center. The board would recommend looking to build as many transitional and/or low-income housing units as possible on the potential acquisition site and working with the Salem Housing Authority to consider the development and financial feasibility of including housing as part of the Navigation Center.

The RDURA FY2020-21 DAB budget recommendation takes into consideration the issues outlined earlier in this communication, including limited information on the Navigation Center necessary to inform a recommendation on this item.

Based on the goals and objectives of the RDURA Plan and Strategic Action Plan, we are recommending that \$3.5M of the \$4.1M targeted for a Navigation Center, be allocated to support the following projects, using the balance of \$600,000 to increase the budget for Future Projects to over \$6M :

- Additional \$1.5M to the Capital Improvement Grant Program
- Additional \$1.5M to the Downtown Streetscape Project
- Add a new line item of \$500,000 to begin discussions on the redevelopment opportunities for the UGM and Saffron site.

We appreciate the opportunity of sharing the highlights of our RDURA budget discussion and thank you for your hard work on these difficult issues and your consideration of our recommendations.

Downtown Advisory Board

Memo

To: Mayor and City Council

From: Downtown Advisory Board

Date: May 2020

Re: Fiscal Year 2020-21 Parking Fund recommendations

Each year during the budget process, the Downtown Advisory Board discusses the challenges of not having sufficient revenue in the Parking Fund to cover all of the items necessary to meet the goals of downtown promotion/beautification, as well as, funding operational costs including a reserve to cover capital costs in the parking structures. The adoption in 2013 of the 2% cap on the parking tax has impacted the amount of revenue available each year, to cover increased parking operation costs.

At the March 12, 2020 Downtown Advisory Board meeting, the board approved a Fiscal Year 2020-2021 Parking Fund recommendation for Council consideration. This recommendation was based on revenue projections prior to the implementation of the Governor's Order to Stay Home, Stay Healthy which resulted in closures of retail/restaurant and other businesses within downtown.

DAB's FY 20-21 budget recommendations included the following:

- 5% increase in Parking Permit Costs.
- \$25,000 in contractual services for downtown promotion and beautification
- \$10,000 in contractual services for Holiday Security services in Marion and Chemeketa parkades

On April 6th Urban Development staff provided the Downtown Advisory Board members with updated Parking Fund financial revenue projections for FY 2019-2020 and FY 2020-21 based on the potential impacts from the COVID19 restrictions. The differences in the DAB budget recommendations and UD Department are based on decreased revenue projections. The UD Department budget recommendations address the decreased revenue projections by a reduction in the contribution to police, elimination of marketing and promotion funds, elimination of capital fund contribution and reduction of contingencies.

The Downtown Advisory board recognizes that we are in an unprecedented time with no historical information to inform the potential financial impacts to the Parking Fund. With that said, the board would like to have Council consideration of the budget line item they are recommending for marketing and promotion to help promote downtown businesses and support the economic recovery

For numerous years the Downtown Advisory Board has discussed the benefits of implementing an on-street paid parking system. Historical parking utilization studies have indicated that the demand for on-street parking in downtown has reached the capacity to implement a paid system on-street, while maintaining free customer parking in the downtown parkades. Initial revenue projections reflect a paid system would be feasible to support the parking resources in downtown, with a goal of funding stabilization by the paid system and phasing out of the parking tax model that is paid for by the downtown businesses. The concept would have the users of the high-demand on-street parking spaces, pay to use a space. This model would also remove the common complaints regarding some downtown parking regulations.

As a board we understand that a decision to move forward paid on-street parking in downtown and any role DAB may play in the process, would be a Council policy decision.

Thank you for the opportunity of sharing this information as part of the budget review process.

Linda Nishioka
735 Tillman Ave SE
Salem OR 97302

4/6/2020

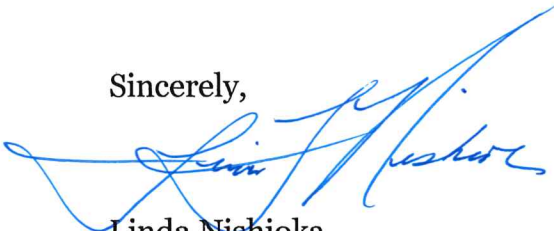
To Agency Board:

The objectives of the Riverfront-Downtown Urban Renewal Plan, approved by the Agency Board, are to improve the overall appearance, condition and function of downtown Salem, and to sustain and improve the economic vitality of the Central Business Core. As a member of the Downtown Advisory Board during our March meeting we reviewed the proposed 2020-2021 RDURA budget. This proposed budget included a line item in the amount of 4.15 million dollars designated for an undisclosed downtown property that would become a Navigation Center for the homeless.

The homeless situation in Salem had put the economic vitality of our downtown businesses in crisis. Now with Covid-19 the closed downtown core will become even more silent if we cannot ensure support for the businesses to reopen from their dormant state. All citizens know we must find effective ways to address homelessness and the challenges are immense, but it is clear that placing a navigation center within the downtown area could have dire consequences. *A navigation center would not support the objectives of sustaining and improving the economic vitality of downtown.*

I am one of the partners in the Nishioka Building, currently under construction, bringing 148 apartments to downtown. The Salem City Council has prioritized affordable housing and I believe if homelessness continues or escalates, new and existing residents will not find downtown to be an inviting place to live and work. In addition, large and small business investors would be prudent not to take a risk with Salem, especially if a new navigation center is built. The City must find another way to address homelessness without making downtown Salem the epicenter for homeless services. No one wants to see downtown decay.

Sincerely,



Linda Nishioka

MINUTES



Joint Meeting of the City of Salem Budget Committee and the Salem Urban Renewal Agency Budget Committee

DATE:	Wednesday, January 15, 2020	STAFF LIAISON:
TIME:	6:00 PM	Josh Eggleston, Budget Officer
CHAIRPERSON:	Vacant	503•588•6130 jeggleston@cityofsalem.net
PLACE:	Salem City Hall Council Chambers 555 Liberty Street SE, Rm 240	Kali Leinenbach, Mgmt Analyst 503•588•6231 kleinenbach@cityofsalem.net

1. OPENING EXERCISES – Vice-chairperson Vanessa Nordyke called the meeting to order at 6:01 PM

Members present: Bennett, Nordyke, Leung, Nanke, Tom Andersen, Tigan, William Andersen, McCoid, Shirack, Sund, Davis, Lewis, Hoy,

Members Absent: Kaser, Ausec, Docarmo, Milton

Pledge of Allegiance by Member Nordyke

2. PUBLIC TESTIMONY
 - a. Comment on agenda items other than public hearings and deliberations
None
3. MINUTES
 - a. Minutes from May 8, 2019 City of Salem and Urban Renewal Agency Budget Committee Meeting

Motion: Move to approve the meeting minutes from the May 8th, 2019 City of Salem Budget Committee and Urban Renewal Agency Budget Committee Meeting.

Motion by: Member Hoy
Seconded by: Member William Andersen

Action: Motion passes

Vote:

Aye: Unanimous

Nay:

Abstentions:

4. ACTION ITEMS
 - a. Election of Officers
 - i. Chairperson

Motion: Move to nominate Member Tigan as Budget Committee Chairperson

Motion by: Member Hoy
Seconded by: Member Tom Andersen

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

ii. Vice-chairperson

Motion: Move to nominate Member Kaser as Budget Committee Vice-chairperson

Motion by: Member Hoy
Seconded by: Member Tom Andersen

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

iii. Secretary

Motion: Move to nominate Member McCoid as Budget Committee Secretary

Motion by: Member Bennett
Seconded by: Member Hoy

Action: Motion passes
Vote:
Aye: Unanimous
Nay:
Abstentions:

5. INFORMATION ITEMS

- a. FY 2019 Q4 Financial Report for the City of Salem (on member desks January 15, 2020)
- b. FY 2019 Q4 Financial Report for the Urban Renewal Agency (on member desks January 15, 2020)
- c. FY 2020 Q1 Financial Report for the City of Salem (on member desks January 15, 2020)

- d. FY 2020 Q1 Financial Report for the Urban Renewal Agency (on member desks January 15, 2020)
- e. FY 2021 – FY 2025 Five-Year Forecast

6. PUBLIC HEARINGS

None

7. SPECIAL ORDERS OF BUSINESS

- a. Presentation of Five-Year Forecasts – General Fund, Transportation Services Fund, Utility Fund, and Willamette Valley Communications Center Fund

- Presentation by Budget Officer Josh Eggleston
- Discussion and review

Questions or comments by: Members Hoy, Bennett, Tom Andersen, Leung, McCoid, Sund, William Andersen, Nanke, and Tigan

- b. City Revenue Initiatives Update

- Presentation by Chief Financial Officer Robert Barron
- Discussion and review

Questions or comments by: Members William Andersen, Sund, Hoy, Leung, Davis, Lewis, Tom Andersen, Tigan, Nordyke, Bennett, and Nanke

- c. Priority Based Budgeting Update

- Presentation by Budget Officer Josh Eggleston

8. PUBLIC TESTIMONY FOR FUTURE BUDGET ISSUES

The Budget Committee has set aside time for public comment to address items not on the agenda. Each individual testifying will be limited to no more than three (3) minutes.

None

9. COMMITTEE DISCUSSION

Questions or comments by: Members Nordyke, Tom Andersen, McCoid, Bennett, Hoy, Tigan, and Sund

10. ADJOURNMENT

The meeting was adjourned at 8:20 p.m.

The next Budget Committee meeting will be Wednesday, April 15, 2020 at 6:00 pm in the City Council Chambers, 555 Liberty Street SE, Room 240 for presentation of the City Manager's proposed FY 2021 budget.

Budget staff is available for your convenience to discuss the budget document and process. Please call the staff listed above or 503-588-6040 if you have any questions.

The City of Salem budget information can be accessed on the internet at: www.cityofsalem.net/budget

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TO: Budget Committee Members

FROM: Steve Powers, City Manager

SUBJECT: Temporary amendment to Budget Committee Rules of Procedure.

ISSUE:

Shall the City Budget Committee adopt temporary procedures to suspend oral public testimony for public meetings to address public health issues related to the COVID-19 pandemic?

RECOMMENDATION:

Adopt temporary procedures to suspend oral public testimony for public meetings to address public health issues related to the COVID-19 pandemic.

SUMMARY AND BACKGROUND:

National, Oregon, and Salem states of emergency have been declared related to the COVID-19 pandemic. Public health authorities have urged social distancing, and Governor Kate Brown issued Emergency Order 20-12 limiting public gatherings. In order to protect public health and safety while allowing the City's Budget Committee to conduct necessary business, it is necessary to adopt temporary public meeting procedures for the Budget Committee.

RECOMMENDED ACTION:

Suspend oral public testimony at all Budget Committee meetings and encourage written public testimony.

No in-person attendance by Budget Committee members or the public will be possible, because the meeting will be conducted online.

This temporary change will take effect immediately upon adoption and shall terminate on July 1, 2020.

Budget Committee procedures call for time to be allotted on each Committee meeting agenda for public testimony. Further, state law requires the public be given an opportunity to comment and ask questions regarding budget committee agenda items. State public meetings law requires public meetings to be accessible to the public, and that notice of the principal subject for the meeting be provided, but state law does not require governing bodies to allow oral public comment.

The public is encouraged to continue to provide written comment and questions on Budget Committee agenda items. Staff will ensure that all written comment received prior to the Budget Committee meetings is provided to the Committee, and that questions received from the public are answered.

Procedures:

Budget Committee Rules may only be amended by a vote of at least ten ayes. To adopt these temporary rules, it will be necessary for ten members of the Committee to approve this item.

TO: Budget Committee
FROM: Steve Powers, City Manager
SUBJECT: Errata Sheet 1 – Capital Projects

ISSUE:

To inform the Budget Committee about errors and corrections, or updated information regarding the Proposed FY 2021 City of Salem Budget and the Recommended FY 2021 – FY 2025 Capital Improvement Plan.

RECOMMENDATION:

1. Accept a change to project 792 on page 76 of the Proposed FY 2021 – FY 2025 Capital Improvement Plan, *Ozone Treatment Facility at Geren Island*, to include an amount funded in FY 2021 of \$1,800,000 of Utility Rates.
2. Accept a change to project 10 on page 222 of the Proposed FY 2021 Capital Improvements Budget, *Ozone Treatment Facility at Geren Island*, to add \$1,800,000 of Water Rate funding.
3. Accept a change to project 24 on page 223 of the Proposed FY 2021 Capital Improvements Budget, *Water – Unspecified*, to reduce the Water Rate funding by \$1,800,000.
4. Accept a correction to the scrivener error in the Capital Project Expenditure Summary on page 180 to include \$17,700,700 for FY 2021 Proposed Parks - System Development Charge. There is no budgetary impact to this change.

SUMMARY AND BACKGROUND:

Errata sheets are used in the budget process to identify and correct errors to the proposed budget or provide updated information. Small errors in formatting, spelling, and grammar may not be included in an errata sheet, but instead will be corrected prior to publication of the adopted budget. When an error or updated information has a budgetary impact or could affect comprehension, an errata sheet is prepared.

FACTS AND FINDINGS:

Ozone Treatment Facility at Geren Island

Final construction price bidding and negotiations have been completed to develop the Guaranteed Maximum Price for the Ozone Treatment Facility at Geren Island. Additional funding is required to provide for adequate construction contingencies

to account for unforeseen costs during construction. This change moves funding from the *Water - Unspecified* project to the *Ozone Treatment Facility at Geren Island* project. The overall budget appropriation remains the same.

Capital Project Expenditure Summary

Errors were identified in the Proposed FY 2021 Budget document regarding the Capital Project Expenditure Summary and the amount of Parks – System Development Charge funding listed for the Proposed FY 2021 Budget. There is no budget appropriation impact with this correction and is simply to correct the summary display.

Josh Eggleston
Budget Officer

Attachments:

1. Errata 1 replacement pages

Capital Project Expenditure Summary FY 2021

FY 2018 Actual	FY 2019 Actual	Description	FY 2020 Budget	FY 2021 Proposed
Extra Capacity Facilities Fund				
Community Facilities				
\$ 3,472,996	\$ 2,008,209	Parks - System Development Charge <i>Included in Community Facilities - Parks project descriptions</i>	\$ 12,035,600	\$ 17,700,700
Transportation				
2,499,735	3,695,367	Streets - System Development Charge <i>Included in Transportation project descriptions</i>	8,918,630	9,617,460
Utilities - Stormwater				
129,949	116,414	Stormwater - System Development Charge <i>Included in Utilities - Stormwater project descriptions</i>	1,582,830	2,051,540
Utilities - Wastewater				
895,422	1,959,358	Wastewater - System Development Charge <i>Included in Utilities - Wastewater project descriptions</i>	6,732,380	8,072,570
Utilities - Water				
184,315	675,106	Water - System Development Charge <i>Included in Utilities - Water project descriptions</i>	6,507,500	8,080,200
\$ 7,182,416	\$ 8,454,454	Total Extra Capacity Facilities Fund	\$ 35,776,940	\$ 45,522,470
Development District Fund				
\$ 302,808	\$ 447,539	Mill Creek	\$ 4,197,890	\$ 4,781,460
27,353	21,492	Sustainable Fairview	500,000	1,000,000
\$ 330,161	\$ 469,031	Total Development District Fund	\$ 4,697,890	\$ 5,781,460
\$ 52,304,054	\$ 51,021,775	Total All Capital Funds	\$217,084,030	\$235,072,530

				Sources of Funding					
	Project No.	Budget / CIP Year	Neighborhood and Ward	Water Rates	SDC Fees	Revenue Bond	Other Agencies	Total Funding	
FY 2021 Carryover Projects									
Water Treatment									
10.	Ozone Treatment Facility at Geren Island	718010 720005	FY 2019	Citywide / All Wards	\$ 3,050,660	\$ -	\$ 17,058,960	\$ 16,904,270	\$ 37,013,890
				\$ 3,050,660	\$ -	\$ 17,058,960	\$ 16,904,270	\$ 37,013,890	
Pipelines									
11.	Brown Rd NE Waterline, Phase 2	715001	FY 2016	NOLA Ward 6	\$ 88,230	\$ -	\$ -	\$ -	\$ 88,230
12.	Oxford St SE 30-inch Mainline Repair at Pringle Creek Crossing	715003	FY 2016	SESNA Ward 2	288,090	-	-	-	\$ 288,090
13.	Sunrise Ave S, Hansen Ave S, and Ben Vista Dr S Main Replacement	717005	FY 2018	SWAN Ward 7	406,390	-	-	-	\$ 406,390
				\$ 782,710	\$ -	\$ -	\$ -	\$ 782,710	
Pump Stations / Reservoirs									
14.	Aquifer Storage and Recovery (ASR)	719000	FY 2020	Citywide / All Wards	\$ -	\$ 2,323,820	\$ 7,824,000	\$ -	\$ 10,147,820
15.	Boone Road Water Pump Station Upgrade	710001 714000	FY 2015	SEMCA Ward 3	88,790	126,060	-	-	214,850
				\$ 88,790	\$ 2,449,880	\$ 7,824,000	\$ -	\$ 10,362,670	
Transmission Lines									
16.	36-inch to 54-Inch Transmission Line Interties	715004	FY 2016	Citywide / All Wards	\$ 671,810	\$ -	\$ -	\$ -	\$ 671,810
17.	54-Inch Waterline Repairs - Santiam Water District	716000	FY 2017	Citywide / All Wards	175,020	-	-	-	175,020
				\$ 846,830	\$ -	\$ -	\$ -	\$ 846,830	

				Sources of Funding				
	Project No.	Budget / CIP Year	Neighborhood and Ward	Water Rates	SDC Fees	Revenue Bond	Other Agencies	Total Funding
Other								
18. Street Restoration for Water Projects	709005	FY 2011	Citywide / All Wards	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
19. East Salem Backup Well Water Supply	716002	FY 2017	ELNA, Lansing, NOLA, Northgate Wards 1, 5, 6	48,090	-	-	-	48,090
20. West Salem Backup Well Water Supply	716004	FY 2017	West Salem Wards 1, 8	48,090	-	-	-	48,090
21. Fire Hydrant Replacement and / or Infill	718001	FY 2019	Citywide / All Wards	48,000	-	-	-	48,000
22. Building 34 Expansion at City Shops Complex	718002	FY 2019	SESNA Ward 2	390,000	-	-	-	390,000
				\$ 544,180	\$ -	\$ -	\$ -	\$ 544,180
Developer Reimbursements								
23. Water Capacity Improvements, Developer Reimbursement	998668		Citywide / All Wards	\$ -	\$ 405,390	\$ -	\$ -	\$ 405,390
				\$ -	\$ 405,390	\$ -	\$ -	\$ 405,390
General								
24. Water - Unspecified	998538 998552		Citywide / All Wards	\$ 3,992,000	\$ 1,986,170	\$ -	\$ -	\$ 5,978,170
25. Opportunity Grant	998634 998710		Citywide / All Wards	-	-	-	3,500,000	3,500,000
26. Water - CIP Management	998659		Citywide / All Wards	401,290	-	-	-	401,290
27. Water - Design and Analysis	998673 998675		Citywide / All Wards	191,190	78,740	-	-	269,930
28. Water - SDC Administration	998664		Citywide / All Wards	-	220,810	-	-	220,810
29. Water Master Plan Property Acquisition	940214		Citywide / All Wards	-	502,210	-	-	502,210
				\$ 4,584,480	\$ 2,787,930	\$ -	\$ 3,500,000	\$ 10,872,410
Total Funding by Source				\$ 13,526,170	\$ 7,580,200	\$ 30,585,960	\$ 20,404,270	\$ 72,096,600
Total Resources								\$ 72,096,600
Total Project Expenditures								\$ 72,096,600
Unappropriated Balance								\$ -

TO: Budget Committee Members
FROM: Steve Powers, City Manager
SUBJECT: Public Hearing on State Revenue Sharing Funds

ISSUE:

A public hearing before the Budget Committee on the possible uses of State Revenue Sharing funds is required in order to receive these funds in FY 2021.

RECOMMENDATION:

1. Conduct the public hearing.
2. Recommend a proposed use for State Revenue Sharing to the City Council.

SUMMARY AND BACKGROUND:

The State Revenue Sharing program allocates 14 percent of state liquor revenues to cities. These funds are general purpose. This means that local governments have almost complete discretion on how they spend State Revenue Sharing funds.

The purpose of the public hearing this evening is to allow citizens an opportunity to propose uses of State Revenue Sharing funds in the FY 2021 budget, including as an offset to the City's property tax levy. The hearing has been announced in the Budget Committee's schedule and agenda packets, and published April 17, 2020 on the City's website in a prominent location.

To receive State Revenue Sharing funds in FY 2021, State Revenue Sharing Law (ORS 221.770) requires the City to certify to the State of Oregon that two public hearings have been held on the uses of State Revenue Sharing funds. The first hearing must cover the possible uses of State Revenue Sharing funds (the matter before you tonight). After the hearing the Budget Committee will be asked to recommend the proposed uses of State Revenue Sharing to the City Council.

The second public hearing is to address the proposed uses of State Revenue Sharing funds and will be held during a regular City Council meeting. Following the second hearing, the City Council will be asked to approve the proposed uses of the funds.

FACTS AND FINDINGS:

The City Manager's Proposed FY 2021 Budget estimates the City of Salem will receive \$1,974,130 in State Revenue Sharing funds. The State Revenue Sharing funds are fully allocated in the General Fund and have been recommended to offset the costs of police patrol. This is consistent with how these funds have been historically budgeted and used.

TO: Budget Committee Members

FROM: Steve Powers, City Manager

SUBJECT: Public Hearing on the Proposed Capital Improvement Plan for FY 2021 through FY 2025

ISSUE:

A public hearing before the Budget Committee on the Proposed Capital Improvement Plan for FY 2021 through FY 2025.

RECOMMENDATION:

1. Conduct a public hearing.
2. Recommend the Proposed Capital Improvement Plan for FY 2021 through FY 2025 to the City Council.

SUMMARY AND BACKGROUND:

The Capital Improvement Program (CIP) is governed by Council Policy C-9 (Resolution 2008-142), which includes the following goals: create a transparent CIP process; establish a risk-based priority list; match the priority list to limited resources in a thoughtful and responsible manner; and establish an internal CIP review committee to oversee the process.

The City of Salem Budget Committee is holding a public hearing to consider recommendation of the proposed CIP. Staff provides notice to the community and at the public hearing, provides a presentation about capital planning and the anticipated projects. At the conclusion of the public hearing, the Budget Committee will either recommend the CIP as presented, or make changes deemed appropriate. On June 22, 2020, the CIP as recommended will be brought to the City Council to consider its adoption. Staff completes the annual cycle by publishing the adopted CIP.

FACTS AND FINDINGS:

The CIP consists of planned capital projects that are expected to cost \$282,319,270 over the next five-year period. The CIP includes four groups of projects that are funded at the following levels:

Community Facilities - \$16,416,000
Municipal Facilities - \$40,142,870
Transportation - \$69,077,450
Utilities - \$156,682,950

Josh Eggleston
Budget Officer