



SALEM, OREGON



PREPARED FOR
Salem Urban Development Department
City of Salem
Salem Urban Renewal Agency
Downtown Advisory Board

TEAM
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DOWNTOWN STRATEGIC ACTION PLAN



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Introduction

Downtown Salem is one of Oregon's healthiest downtowns and is home to a diverse range of civic, commercial, residential, and institutional uses. Over the past five years, several new housing developments have been built, numerous new retailers and restaurants have opened, and major improvements have been made to streets, parks, and other public spaces. The success of downtowns requires constant efforts in terms of planning, management, and funding. The City of Salem and the Salem Urban Renewal Agency (the "City/Agency"), the Urban Development Department of the City and Salem, and many business and community groups have worked together over the years to ensure that Downtown Salem stays vibrant and active and continues as a desirable place for investment.

This Strategic Action Plan (the Action Plan) is a tool to guide public investments through the Riverfront-Downtown Urban Renewal Area (RDURA), which provides tax increment funding for capital improvements in downtown Salem. Managed by the City's Urban Development Department and guided by the Downtown Advisory Board (DAB) and the Urban Renewal Agency Board, the RDURA is a powerful tool for removing the barriers to investment and funding important public and private projects to enhance the success of downtown Salem. Through strategic public investments combined with private sector leadership, the Action Plan is intended to support the leverage of over \$1 billion in private investment in downtown Salem over the next 20 years. In addition to leveraging new investment, the Action Plan will build upon past urban renewal investments in public infrastructure and capital facilities, land acquisition and assembly, financial/technical assistance programs, and other activities that have leveraged private investment throughout the RDURA. Examples of key investments supported by urban renewal include recent catalyst developments in the North Broadway area, the Salem Conference Center and hotel development and a wide range of building rehabilitation and storefront improvement projects, as well as investments in key public facilities (e.g., structured parking garages or "parkades," parks and open space, etc.) that enable downtown to support a variety of business, retail, and entertainment activities.

This Action Plan confirms the vision for the downtown and identifies a short-term investment strategy for the RDURA. It is based on several research efforts completed throughout the summer of 2010:

- An existing conditions analysis of the downtown that catalogs physical, social, and economic opportunities and constraints;
- Numerous interviews with downtown stakeholders, including property owners, business owners, residents, City of Salem civic leaders and City staff, and representatives of major institutions;
- A market analysis that evaluates current economic conditions in Salem and describes short- and long-term national economic trends and their impact on Salem; and
- A review of existing planning regulations in downtown Salem.

Based on this research and multiple meetings and work sessions with members of the DAB Subcommittee, several key strategies emerged that guide the specific projects and actions recommended in this Action Plan.

Leveraging Downtown Revitalization

The health of a community can quickly be diagnosed by observing the health of its downtown. A downtown is the heart of a community and its condition reflects community pride, civic leadership and willingness to invest in the central place. A healthy downtown is a highly visible statement about the community's belief in itself and in the future. Downtown revitalization is primarily about economic development. Healthy downtowns attract the interest of discerning employers who recognize that quality of life, a vibrant downtown, housing options, and a healthy community combine to attract quality employees.

Downtown has become a more important economic development tool for several reasons. People are more mobile now than ever and they are increasingly able to choose where they want to live, whereas in earlier decades they migrated to where jobs were located. This creates opportunities to attract new residents, retirees, and employers. Cities seek to revitalize their downtowns in order to improve the local quality of life and attract new people, create vibrancy, and lure investment. For example, in early 2009, IBM stunned much of the Midwest by choosing small Dubuque, Iowa as a new headquarters for 1,400 employees, in part because of its vibrant central city and commitment to sustainable development—a value very much in harmony with IBM's corporate philosophy.

Thus, the investments detailed in the Action Plan are intended to leverage private investment by making Salem a more attractive place to live, which, in turn, will encourage employers to locate here, creating a virtuous cycle of investment. Over the next 20 years, this strategy will help the downtown area (including the adjacent Capitol Mall, Salem Hospital, and Willamette University areas) attract and accommodate over 6,100 new jobs.

Because tax increment is the RDURA's source of funds and private development is the primary means by which increment is produced, the City/Agency must focus on how to stimulate private development if it is to have the resources it needs for revitalization projects. Past experience also teaches that private investment follows public commitment. In order to be successful, the City/Agency must actively pursue development opportunities rather than merely passively wait for projects. To this end, the Action Plan includes numerous projects that will position the City/Agency for success, including strategic land assembly, transportation improvements that will enhance access and connectivity throughout the downtown, projects that will improve existing parks and provide new recreational facilities, programs to support housing development and improve the function and appearance of existing buildings, planning initiatives to identify and prioritize investments in key areas, and other projects designed to facilitate private investment. Taking an active role helps to ensure success of the financial model that drives the RDURA's revenues. Furthermore, taking an active role helps to redefine the market – possibly taking the district in a direction that the market would not have otherwise gone without intervention. This is a fundamental purpose of urban renewal – to shape the marketplace to facilitate development that supports adopted public goals and policies.

Vision 2020

During the past 35 years, downtown Salem has been the subject of a broad range of planning and policy making activities. Each of the plans, policies and guiding documents created through these activities serves as a resource that identifies established community visions and expectations for how downtown Salem should develop and evolve in the future. These plans provide a robust starting point for the identification of specific projects and actions that are included in the Action Plan.

In 2007, a group of Salem's large employers initiated a discussion about the future of the downtown area, which encompasses or overlaps with multiple districts, such as the RDURA, the West Salem Urban Renewal Area, and the Pringle Creek Urban Renewal Area, as well as several planning areas such as the North Downtown and Historic District, both of which are located within the RDURA, and the Edgewater/Wallace area of West Salem. Out of this discussion arose Vision 2020, a collaborative effort

involving key community stakeholders, public officials, and leaders in the creation of a long-term community-defined vision for Salem's City Center.

Vision 2020 encompasses 24 projects under five broad themes:

- Create Places for People to Live and Gather
- Preserve and Enhance the Look and Feel
- Create a Vibrant Destination
- Expand Options to Get About City Center
- Improve Connections to Parks, Creeks, and River

Throughout the Action Plan process, these visions and themes were confirmed with stakeholders, the DAB Subcommittee, and the Vision 2020 Action Team, and the projects and actions identified have been chosen for their direct ability to leverage investment and achieve these goals. In the years ahead, there is an opportunity for the Vision 2020 Action Team to play an ongoing and vital role in the implementation of the Action Plan through advocacy, leadership and continued participation in planning projects and activities that will achieve the desired outcomes of the Vision 2020 effort.

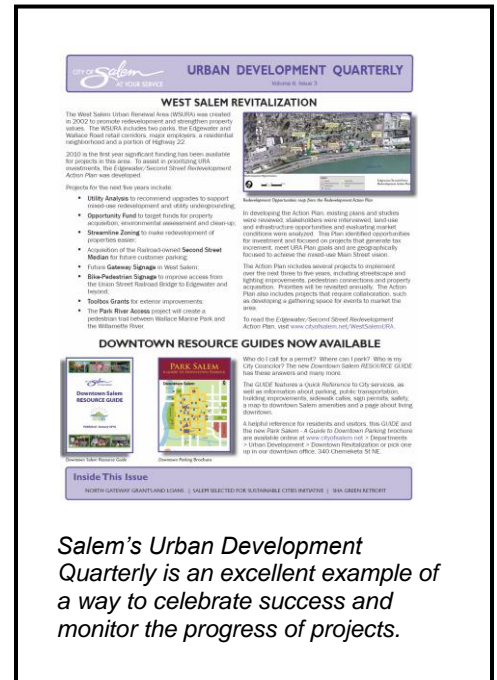
Updating and Measuring Success

While this Action Plan provides detailed project and action recommendations for the short-term timeframe (next three to five years), it also provides guiding recommendations for the longer term. The Action Plan is intended to be a “living” document that will be updated annually in order to reevaluate the progress of projects, adjust for changing economic and market conditions, and reconfirm the strategy with the community. As a part of this updating process, it will be important to set benchmarks against which progress can be measured. Thus, the recommended projects in this Action Plan include descriptions of key metrics that can be tracked to evaluate the effectiveness of the investments towards the goal of downtown revitalization.

Each year, beginning in November as part of the annual budget process, staff and the DAB should evaluate current conditions against those metrics to evaluate progress and the effectiveness of the programs. The results of the evaluation should be reported back to the Salem Urban Renewal Agency Board in January. This will aid in identifying projects that should remain an ongoing priority in the coming year and new projects that may be necessary. Progress against the benchmarks should be celebrated and communicated broadly. This not only helps tell the story of urban renewal, but it helps to build market momentum by summarizing for the development community the dynamic progress and new investments that are taking place.

The individual project sheets in Appendix A describe types of information that should be tracked for each project. Since many projects have a catalytic effect on the surrounding area, it is important to evaluate economic indicators on the broader downtown area as well. Appropriate indicators to summarize include:

- Overall property value appreciation (real market and assessed value);
- New housing units built;
- Net square footage of new development;
- New businesses, business expansions, and job creation;
- Visitor attendance at the Conference Center, parks, and other key venues and events;
- Pedestrian counts on key retail streets; and
- Vacancy, rent, and other real estate indicators.



Analysis

The Existing Conditions Report (see Appendix B), describes several findings about the current landscape in downtown Salem and the outlook for future investment. Gathered through stakeholder interviews, a market analysis, a review of previous plans and zoning, a review of infrastructure conditions, and multiple meetings with DAB Subcommittee representatives and City staff, the following opportunities and challenges emerged:

Traffic and Transportation

Opportunities

- New investments in downtown's streets through the paving program.
- Ample, albeit not evenly distributed, public parking.

Challenges

- Traffic and circulation challenges, particularly in regards to through traffic and rush hour.
- Bicycle and pedestrian access/safety improvements are needed.
- Uncertainty of the "third bridge" alignment and its impacts on downtown streets and development opportunities.

Financing and Market

Opportunities

- Downtown is centrally located; at the crossroads to West Salem and other parts of the City.
- Upwards of \$200 million in tax increment revenues is available to spend on public capital improvements and other revitalization and development projects and programs.
- An EID is in place downtown and supports the events and marketing efforts of Go Downtown!
- The 13-acre former Boise Cascade property has the potential to serve as a catalyst for investment and to promote connections between downtown and the waterfront.
- Salem Center has major anchor stores (Nordstrom, Macy's, JC Penney, Kohl's) that attract shoppers to the downtown.
- New businesses have opened up during the past year despite the poor economy.
- "Restaurant Row" is a success story that proves there is a demand for quality, independent restaurants/dining in downtown Salem.
- Downtown has a relatively limited supply of quality rental housing. Opportunities exist to develop higher quality rental housing and attract more residents, including students and State workers.
- The City of Salem and the Salem-Keizer UGB are projected to experience steady population growth over the next 20 years.

Challenges

- There is limited access to capital and financing for private development.
- Rents throughout downtown Salem are generally too low to support new office, commercial, and housing development.
- Recent downtown housing projects have struggled.
- Retail has struggled throughout the recession and it would be devastating to downtown's retail environment if any of the anchor stores were to close or relocate outside of the downtown.

Physical Conditions

Opportunities

- Salem has a significant inventory of historic buildings.
- The Willamette River, Mill Creek, and Pringle Creek are important natural amenities.
- Riverfront Park, the Union Street Bridge, and Minto Brown Island create valuable open space and recreational amenities.
- Infrastructure is generally in good shape.
- Outside of the historic core, there are numerous development opportunity sites.

- Marion Park is an underutilized asset.

Challenges

- Retrofitting historic buildings for modern uses is expensive and not supported by current economic and market conditions without financial support.
- The railroad on Front Avenue needs replacement and is a barrier in its current location to the redevelopment of the area into a mixed-use neighborhood with residential, employment and commercial uses.

Regulations

Opportunities

- The Historic District designation helps create a special brand and identity for downtown.

Challenges

- While zoning codes are generally consistent with the visions for development, there are too many different codes and overlay districts, which create a confusing and difficult environment for development.
- Modern building codes make it difficult to occupy upper floors in historic buildings.

People and Organizations

Opportunities

- Downtown Salem benefits from a strong employment and student population base.
- Vision 2020 is creating support and momentum for investment.
- Many different organizations and interest groups are active in promoting and supporting downtown.

Challenges

- The sheer number of organizations active in downtown sometimes creates overlapping and/or conflicting responsibilities.
- Stakeholders indicated that there are several landlords who are difficult to engage in a discussion about revitalization and who do not reinvest in their properties.

Action Plan Strategy

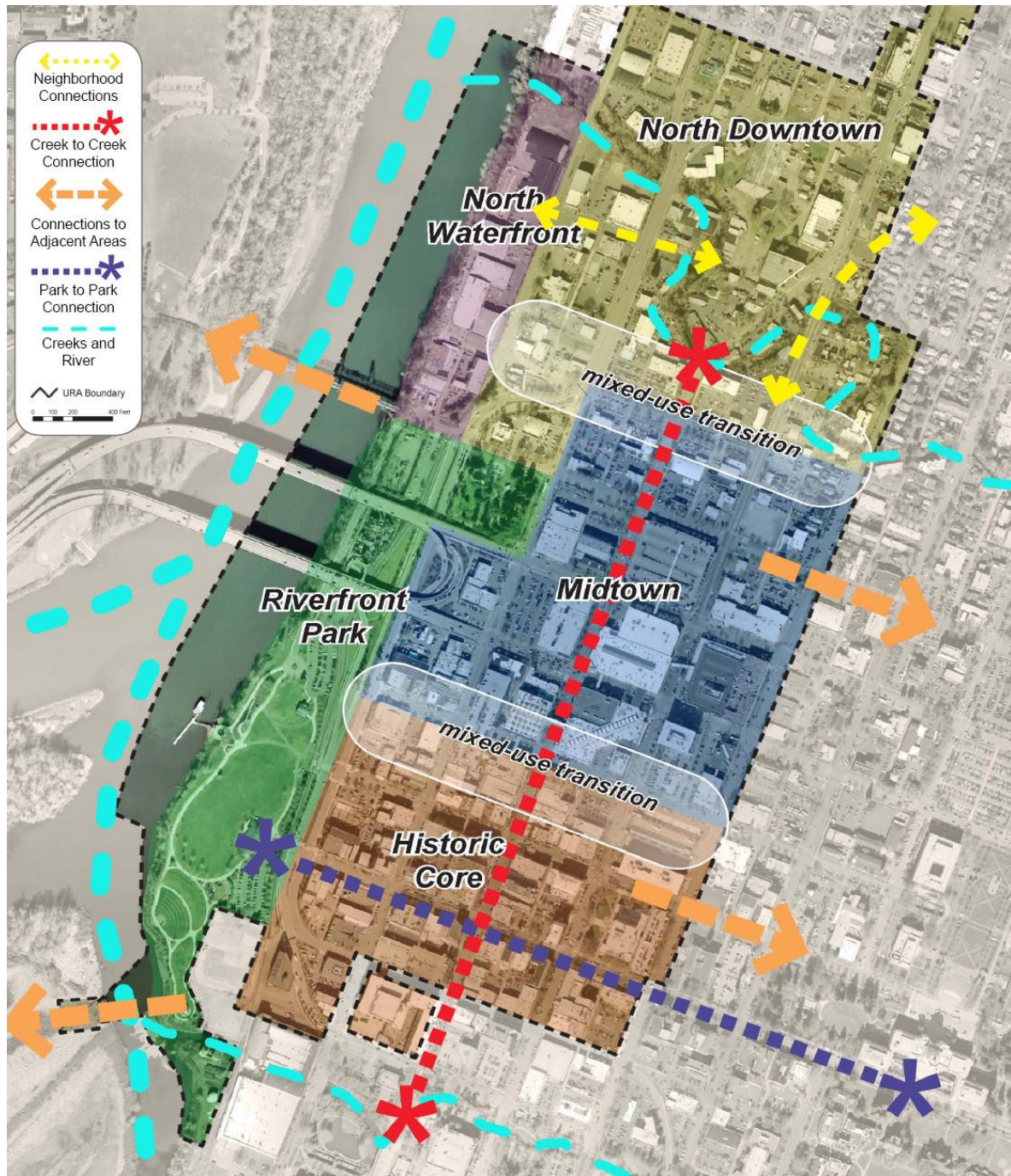
The analysis of existing conditions, in combination with the incorporation of the goals and visions expressed in Vision 2020 and other planning efforts, led to the development of a framework for defining and prioritizing projects. First among those findings was that the RDURA is a diverse area and that the needs and opportunities for investment vary throughout the district. To better define the unique needs and opportunities, the concept of “Investment Areas” was developed to define the character of individual areas in downtown, describe the unique role that urban renewal should play in each, and identify types of investments which may uniquely benefit the individual investment area. Those areas, as shown in Figure 1, below, are:

- The Historic Core is a mostly built out area with few infill opportunities and characterized by a collection of historic structures. Reflecting the unique economic challenges of historic buildings, RDURA investments will focus on rehabilitation of second floor uses and continued Toolbox grant and loan program investments in historic buildings.
- The Midtown area is characterized by the Salem Center mall, large retail anchors, and underutilized parking capacity in the Marion Parkade. RDURA investments in this area will focus on preserving and enhancing retail vitality through building rehabilitation grant and loan programs and enhancing circulation and connectivity to the rest of downtown.
- The Riverfront Park area leverages the amenity of Riverfront Park by focusing on the creation of activity-generating uses that will draw more people to the downtown and that will support connectivity between the Park, Marion Park, and the downtown.
- The North Downtown area has the largest amount of underutilized and redevelopable land in the downtown and is an opportunity to create the critical mass needed for housing development to be successful. Investments in this area will support the assembly of development opportunity sites and the enhancement of amenities in the area, such as Mill Creek, that will create an environment attractive to residential development.
- Access to the North Waterfront area is constrained by the railroad on Front Street and uncertainty of the location for a third Willamette River bridge landing. The highest and best use for this area may not be realized until the economy rebounds in several years. As such, short-term investments in this area will be limited and will focus on accommodating transitional uses that can occupy existing buildings, such as research opportunities in partnership with area universities.

Figure 1 also highlights several key connections that intersect multiple investment areas in the RDURA as well as areas outside the RDURA boundary. The RDURA boundary is in many respects an artificial boundary in that the jobs, housing, and services that make downtown vital occur both inside and outside the boundary. These connections include:

- Creek to Creek: Create a strong pedestrian connection between Mill Creek on the north and Pringle Creek on the south. A stronger link will better connect these two water amenities and will help draw future residents from North Downtown south to the Historic Core.
- Park to Park: Create a similar pedestrian connection between Capitol Park and Riverfront Park. This will connect two of downtown Salem’s biggest assets – the large employment base in State offices just west of downtown and the riverfront, one of the City’s greatest natural amenities.
- Connections to adjacent areas and neighborhoods: Other important connections include those to residential areas to the north and east of the RDURA, to the revitalization taking place in West Salem, and to the south of the RDURA, where the redevelopment of the Boise Cascade site will create a new gateway to the residential neighborhoods to the south.

Figure 1. Downtown Salem Investment Areas



Source: Otak, Inc. and Leland Consulting Group.

Project Identification

The Investment Areas help to define the unique character and opportunities in different areas of downtown. Supporting the Investment Area concepts are project evaluation criteria that were used to identify and screen potential projects to arrive at a final list of projects as recommended in the Action Plan. Criteria are important because they ensure that the projects in the Action Plan have been included because they support guiding principles and help the community achieve desired goals. In an era of constrained public resources, it is vital that projects be evaluated and prioritized to ensure that the community's limited resources are spent in a way that maximizes their impact on the downtown. Working closely with City staff and the DAB Subcommittee, the Action Plan projects were evaluated using the following criteria:

Leverage Investments

Fundamentally, an urban renewal district's purpose is to revitalize struggling areas through targeted public investments that will attract private investment. Indeed, this is a financial requirement in order for tax increment financing to work. The degree to which the public investments results in private investment is called leverage. Over the course of the life of the RDURA, Salem should expect to realize private investments of between four and five dollars for every public dollar (a ratio of 4:1 or 5:1). With approximately \$200 million in potential tax increment revenues remaining to be spent, this should result in a total leverage of up to \$1 billion in private investment in the RDURA. Not every public investment will be able to achieve this ratio, as catalyst projects in early years may need additional public support in order to overcome market barriers, but in the long run, many cities have been able to achieve this leverage.

Therefore, as a project screening criterion, the ability of a project to directly or indirectly attract private investment is an important consideration. Direct leverage occurs when a public investment is directly linked to a commensurate private investment, such as the private match of a Toolbox grant or the private development of housing or commercial space as the result of a loan or other subsidy. Indirect leverage occurs when public investments such as public parking, streetscape improvements, or parks remove blighted conditions and create an environment attractive to new investment. In these cases, leverage may be realized over a period of several years, as private development responds to the catalytic effect of the public improvements.

An important component of leverage is that there be the proper amount of "getting ready" before making capital commitments. Thus, the recommended priority projects include planning studies to further define the scope of the problem to be solved and identify specific capital investments to take place in later years of the Plan. However, the cost of planning studies is relatively low and the priority projects in the first five years put 93 percent of spending into capital investments that will directly result in private investment and/or physical projects on the ground.

Support Housing

Urban housing is a key component of successful downtowns. Downtown residents provide additional buying power to support local merchants, where every resident can support up to 20 square feet of retail space. Similarly, downtown residents provide vitality and eyes on the street seven days a week. Also, as described in the market analysis in the Existing Conditions Report (see Appendix B), there is a large and growing market of consumers who seek out urban housing environments. Although the housing market is struggling in the current recession, demographic trends indicate that there will be a large demand for the type of smaller, urban housing products that would be suitable in downtown Salem. As such, housing is one of the largest investment opportunities in downtown Salem and one of the best

Recent Examples of Leverage in Salem

North Broadway Area

Broadway Town Square

Public: \$1.9 million

Private: \$12 million

YWCA

Public: \$2.5 million (includes \$2.1 million loan)

Private: \$12.1 million

Broadway Commons

Public: \$491,000

Private: \$11 million

Salem Conference Center

Public: \$32 million

Private: \$18 million

330,000 guests in 2,600 events since

ways to leverage urban renewal investments. Indeed, at full build out, the North Downtown Neighborhood would increase the assessed value of that area by approximately \$136 million.

Preserve and Enhance Retail

For a city of its size, Salem is unique in the broad array of quality retail anchors present in its downtown (see sidebar). These retailers combine to create a critical mass that draws shoppers from throughout the region to downtown on an ongoing basis. However, over the past two years, many retailers across the country have gone out of business and those that remain continually struggle to meet changing consumer preferences and economic conditions. Much like when many downtowns emptied out in the 1970s and 1980s after the development of suburban malls, if any of Salem's downtown anchors were to close or relocate, it would send a negative signal to the marketplace and it could take 10 years or more for downtown to recover. Therefore, a core part of the strategy is to protect the retail that exists and to strengthen it so that downtown remains the region's premier shopping and entertainment destination. Growing the residential base and creating stronger ties to adjacent neighborhoods is a key part of the retail strategy – increasing the number of “rooftops” that will support downtown merchants.

Salem Center Mall: A Retail Asset

Total retail space: 650,000 square feet, including anchor retailers and some parking

Anchor department stores: Kohl's, JC Penney, Macy's, and Nordstrom

\$90 million: Estimated annual sales generated by anchor department stores

\$70 million: Estimated annual sales generated by 200,000 square feet of inline retailers (average sales volume = \$350/SF)

Foster Partnerships

The ongoing development of downtowns is never the responsibility of any one entity. Although the City/Agency of Salem, through the RDURA, has significant financial resources to implement the visions for downtown, it should not, and cannot, be the only player in implementation. For one, urban renewal can only fund capital investments and many of the needs of downtown will require ongoing operating funding that must come from elsewhere. Secondly, the needs of downtown often extend beyond the boundaries of the RDURA. Therefore, ongoing support and leadership from groups such as the Vision 2020 Action Team will be critical to achieving project concepts and activities that extend beyond the scope of urban renewal capital investments and impact an area that is broader than the literal boundary of the RDURA. The impact of urban renewal is amplified, or leveraged, when public-private and public-public partnerships are formed to combine resources to implement projects. Salem benefits from having many active organizations, institutions, and citizens. Projects should emphasize opportunities to leverage these partnerships to achieve results that are greater than the sum of their parts.

Priority Projects

The attached priority project description sheets (see Appendix A) describe the recommended projects for the RDURA. These projects have been selected based on ongoing discussions with the DAB Subcommittee and staff and are based on an analysis of costs and their ability to meet the above selection criteria. Although the RDURA will have up to \$200 million to spend on projects over the life of the plan, only a limited amount of money is available in the short term to spend on projects. Thus, the Action Plan focuses primarily on short-term priority projects over the next three years (FY 2011-2012 through FY 2013-2014) while giving broader guidance on priorities for the subsequent timeframe. As a living document, this Action Plan will be reviewed and updated annually to account for projects that are completed and to adjust future project priorities based on changing market conditions and community objectives.

The priority project sheets describe in detail the recommended priority projects. For each project, the sheets provide:

- An introduction to the overall project category, describing how the projects will address the challenges and opportunities in that category and measures of success to track the effectiveness of projects over time;

- A detailed description of each project or action;
- An analysis describing benefits and impacts of that project to downtown; and
- Project details such as location, timing, partners, and budget.

The priority projects have been organized into five categories. Each category contains one or more related projects. Measures of success for determining project success are included within each category. In several cases, there is a direct and sequential relationship between projects – those relationships are described in detail in the project sheets. In summary, the project categories and underlying projects are:

Circulation and Access

- Circulation, Access and Transportation Mobility Study
- Downtown Shuttle/Circulator
- Downtown Transportation and Access Fund

Activate City Streets

- Demonstration Block Program
- Streetscape Improvement Design Program
- Continue Toolbox Program

Create a North Downtown Residential Neighborhood

- North Downtown Investment Strategy
- Targeted Property Acquisitions
- Expand Housing Opportunity Fund

Leverage Underutilized Assets

- Riverfront Recreation/Commercial Facility
- Minto Island Bridge
- Marion Parkade Investment Strategy
- Marion Square Park Improvements

Prepare North Waterfront Area for New Uses (mid-term)

- North Waterfront Redevelopment Strategy
- Targeted Property Acquisition Fund
- Infrastructure Improvement Fund

Table 1 below summarizes the funding timeline of the recommended projects. For near-term projects in years one to five, the table identifies detailed annual funding allocations. Beyond that, for selected projects, a preliminary combined funding allocation for years six to 10 is identified. The project allocations have been calibrated to funding estimates provided by the City of Salem. Specifically, projects in the first four years should be able to be funded using annual tax increment receipts. Beyond that, several large expenditures are recommended, which will exceed the annual revenues. At that time, the City/Agency should explore the issuance of a bond to finance those projects. Through the annual Action Plan update process, these financial assumptions will be updated to reflect actual tax increment receipts and new forecasts.

The total urban renewal share of projects recommended in Years 1 to 10 is \$20.96 million. This includes \$12.16 million for projects to be implemented in Years 1 to 5 and \$8.8 million for projects to be implemented in Years 6 to 10. It is important to note that cost estimates and, thus, the urban renewal contribution, have not been identified for some of the recommended projects in Years 6 to 10. Further, projects may be added to the program and certain projects may be funded earlier or later than projected, depending on the availability of funding.

Table 1. Recommended Projects Budget Summary: Near Term

Projects by Project Category	Target Area(s) ^{1/}	Year 1 FY 11-12	Year 2 FY 12-13	Year 3 FY 13-14	Year 4 FY 14-15	Year 5 FY 15-16	Years 6 to 10 FY 16-17 to 20-21	Total 10-Year Allocation
Circulation and Access								
Circulation, Access, and Transportation Mobility Study	All	\$180,000						\$180,000
Downtown Shuttle/Circulator	HC, M, All						TBD	TBD
Downtown Transportation Access Fund	All					\$300,000	\$1,500,000	\$1,800,000
Activate City Streets								
Demonstration Block Program	HC, M	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$1,000,000	\$3,500,000
Streetscape Improvement and Design Program	All		\$150,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,350,000
Toolbox Program	All	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$2,100,000	\$3,600,000
North Downtown Neighborhood								
North Downtown Investment Strategy	ND	\$200,000						\$200,000
Targeted Property Acquisitions	ND	\$500,000	\$250,000	\$250,000				\$1,000,000
Housing Opportunity Fund	ND, All				\$500,000	\$500,000	\$2,500,000	\$3,500,000
Leverage Underutilized Assets								
Riverfront Recreation/Commercial Facility	RP			\$500,000	\$750,000	\$750,000		\$2,000,000
Minto Island Bicycle and Pedestrian Bridge	RP		\$1,080,000	\$1,080,000				\$2,160,000
Marion Parkade Investment Strategy	M, ND						TBD	TBD
Marion Square Park Improvements	RP				\$120,000		\$1,400,000	\$1,520,000
North Waterfront Investment Area								
North Waterfront Redevelopment Strategy	NW			\$150,000				\$150,000
Targeted Property Acquisition Fund	NW						TBD	TBD
Infrastructure Improvement Fund	NW						TBD	TBD
Total Project Cost		\$1,680,000	\$2,280,000	\$3,080,000	\$2,470,000	\$2,650,000	\$8,800,000	\$20,960,000
Beginning Balance							n/a	n/a
Available Funds for New Projects		\$4,800,000	\$1,550,000	\$1,200,000	\$750,000	\$1,500,000	n/a	n/a
Unallocated Opportunity Funds		\$1,225,000						
Carryover Funds for New Projects		\$4,345,000	\$3,615,000	\$1,735,000	\$15,000	-\$1,135,000	n/a	n/a

^{1/} Target areas indicate priority investment areas each project/program will serve and include: Historic Core (HC), Midtown (M), North Downtown (ND), Riverfront Park (RP) and North Waterfront (NW). Some project/programs may support activities in all areas but focus primarily on one or more target areas.

Notes:

- 1 There is sufficient funding in the projected budget to pay for recommended projects in Years 1 to 3.
- 2 The total cost of recommended projects in Years 4 and 5 exceeds projected available funds for new projects cited in the RDURA financial model. It may be possible to fund all the recommended projects if the Agency can issue a bond in Year 4.
- 3 This is a planning tool and is intended to be somewhat flexible in order to respond to changing conditions, policies, and goals. Annually, the Agency should evaluate the extent to which recent urban renewal investments have facilitated urban renewal goals and objectives, including leveraging private development, creating jobs and economic opportunities and

Source: Leland Consulting Group.

Conclusion

Although the U.S. economy in 2010 has shown few signs of emerging from the recession, the recession presents a strategic opportunity for Salem to prepare for the eventual recovery so that downtown Salem is ready to attract investment when capital markets open up. While employment and retail growth are likely to be slow to recover, there are many indicators that housing will be in demand, particularly for apartments and other types of urban housing. Removing barriers to investment and investing in amenities that will serve and attract residents is at the heart of the Action Plan. Combined with targeted actions that will preserve Salem’s retail core and strengthen partnerships with other implementing partners, the Action Plan provides clear and unified guidance to ensure that the RDURA’s funds are invested where they will maximize leverage, fulfill community visions, and increase the attractiveness of downtown Salem as a place to live, work, and play. A successful downtown will help make Salem attract new employers and help existing employers grow faster.

The Action Plan and the projects that emerge and evolve from it, will help catalyze over \$136 million in new investment in the emerging North Downtown Residential Neighborhood alone. This, in turn, will help support the growth of over 6,100 jobs in downtown Salem and its adjacent employment districts. With other projects that build upon existing assets such as Riverfront Park, the Marion Parkade, and Salem Center, downtown Salem will continue to serve as the Mid-Willamette Valley’s premier urban, commercial, cultural, educational, and recreational center.