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NORTH GATEWAY URBAN RENEWAL PLAN

September 2019

URBAN RENEWAL AGENCY OF THE CITY OF SALEM

PART 1 - TEXT

NORTH GATEWAY URBAN RENEWAL PLAN Portland Road Corridor - Salem, Oregon

Approved by Salem City Council on
December 10, 1990
By Council Ordinance No. 109-90

As Amended:

1. February 26, 1996 (Ordinance No. 19-96)
2. May 26, 1998 (Ordinance No. 48-98)
3. March 12, 2001 (Ordinance No. 22-2001)
4. June 10, 2002 (Resolution No. 2002-93)
5. June 9, 2002 (Resolution No. 2003-82)
6. October 24, 2005 (Resolution No. 05-15)
7. February 21, 2006 (Resolution No. 06-5 URA)
8. February 21, 2006 (Resolution No. 06-6 URA)
9. February 21, 2006 (Resolution No. 06-8 URA)
10. March 6, 2006 (Resolution No. 06-09 URA)
11. March 6, 2006 (Resolution No. 06-10 URA)
12. September 18, 2006 (Resolution No. 06-19 URA)
13. September 10, 2007 (Resolution Ns. 07-11 URA &
Resolution No. 07-12 URA)
14. June 27, 2016 (Resolution No. 2016-24)
15. February 12, 2018 (Resolution No. 2018-2 URA)
16. April 22, 2019 (Ordinance No. 4-19)
(Resolution No. 19-1 URA)

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SECTION 100 - INTRODUCTION

The North Gateway Urban Renewal Plan is a 928.89 acre Urban Renewal Plan for the City of Salem, Oregon. The Urban Renewal Area is located entirely within the incorporated City of Salem and consists of a single geographic area of the City with an estimated total 1990-91 taxable true cash value of \$157,171,140.

This Plan consists of two parts - Part 1, Text and Part 2, Exhibits, and has been prepared by the Salem Urban Renewal Agency upon the recommendation of the Portland Road Plan Development Committee and prepared pursuant to the provisions of Chapter 457 of the Oregon Revised Statutes, the Oregon Constitution and all other applicable state and local laws.

101. City/Agency Relationship

The Governing Body (Council) of the City of Salem on October 23, 1961, by Resolution No. 7986, declared that blighted areas exist within the City and that there was a need for an urban renewal agency to function within the City. By the same Resolution No. 7986, the Council appointed an Urban Renewal Agency.

On July 7, 1975, by Resolution No. 758, the Urban Renewal Agency passed its Agency duties onto the Common Council. Also, on July 7, 1975, the Council, by its Resolution No. 75-148, assumed the Agency's duties by appointing itself as the Urban Renewal Agency of the City of Salem, Oregon. The membership of the Common Council currently serves as the members of said Urban Renewal Agency. Their terms, as Agency members, are concurrent with their terms as Council members. The Urban Renewal Agency, pursuant to ORS 457.035, is "...a public body corporate and politic...".

SECTION 200 - DEFINITIONS

As used in the construction of this Plan, unless the context requires otherwise, the following definitions shall apply:

201. **Agency means the Salem Urban Renewal Agency which, in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes, is the Urban Renewal Agency of the City of Salem, Marion County and Polk County, Oregon. Under State laws, the Mayor and City Council have exercised their option and serve, also, as the Urban Renewal Agency.**
202. **Area means that geographic portion of the City which encompasses the North Gateway Urban Renewal Area conceived pursuant to the provisions of ORS Chapter 457. (Exhibits 1 and 2).**
203. **Board of County Commissioners, Marion County, means the governing body of Marion County, Oregon.**
204. **Blighted Areas means areas which by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:**
 - A. The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
 1. Defective design and quality of physical construction;

2. Faulty interior arrangement and exterior spacing;
 3. Overcrowding and a high density of population;
 4. Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or
 5. Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;
- B. An economic dislocation, deterioration or disuse of property resulting from faulty planning;
 - C. The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;
 - D. The layout of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;
 - E. The existence of inadequate streets and other rights-of-way, open spaces and utilities;
 - F. The existence of property or lots or other areas which are subject to inundation by water;
 - G. A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
 - H. A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or
 - I. A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.
- 205. City means** the City of Salem, Oregon.
- 206. Common Council or Council** means the governing body of the City of Salem.
- 207. Comprehensive Plan** means the Land Use Plan of the City of Salem including all of its policies, procedures and implementing provisions.
- 208. County** means Marion County, Oregon.
- 209. Exhibit** means an attachment, either narrative or graphic, to this Urban Renewal Plan as set forth in Part 2 of this Plan.
- 210. Historic Significance** means any building, structure, property or place within the Urban Renewal Area that is designated as “historic” in the Salem Revised Code (SRC) Chapter 56.
- 211. North Gateway Plan Development Board** means a citizen board appointed by the Agency.
- 212. ORS** means Oregon Revised Statutes (State Law). ORS 457 is the chapter which regulates the renewal of blighted areas within the State of Oregon.

- 213. Owner Participant** means an owner of property located within the North Gateway Urban Renewal Area or one who acquires property from the City or the Urban Renewal Agency and who receives financial assistance from said Agency to rehabilitate or otherwise improve such property.
- 214. Plan** means the North Gateway Urban Renewal Plan, Portland Road Corridor, City of Salem, Oregon.
- 215. Portland Road Sector** means that geographic area of the City of Salem which has been designated as the North Gateway Urban Renewal Area.
- 216. Redeveloper** means a party who acquires real property from the Urban Renewal Agency for the purposes of developing or redeveloping such property in conformity with the provisions of this Urban Renewal Plan. Such Redeveloper is also considered an Owner Participant.
- 217. Relocation** means a mandated process where assistance is provided to the owner or tenant occupant of a property who is dislocated by an action of the Urban Renewal Agency in their implementation of this Urban Renewal Plan. The Agency maintains current adopted Relocation Guidelines which comply with State and Federal Law.
- 218. Renewal** means Urban Renewal.
- 219. State** means the State of Oregon including its various departments, divisions and agencies.
- 220. Tax Increment Financing** means a method of financing indebtedness incurred by the Urban Renewal Agency in preparing and implementing the North Gateway Urban Renewal Plan. Such tax increment method is authorized by ORS sections 457.420 through 457.450 and provides that the tax proceeds, if any, realized from an increase in the taxable assessed value of real and personal property within the Renewal Area above that existing on the County tax roll last equalized prior to the effective date of the Salem Common Council Ordinance approving the Urban Renewal Plan shall be paid into a special fund of the Agency. Such special fund shall be used to pay the principal and interest on indebtedness incurred by the Agency in financing or refinancing the preparation and implementation of the approved Urban Renewal Plan including the administration of the Agency's activities.
- 221. Taxing Body** means Marion County, City of Salem, Salem School District, ESD (Elementary Schools), ESD (High School), Chemeketa Community College and Transit District - each of which levies ad valorem taxes within the boundaries of the Urban Renewal Area.
- 222. Text** means Part 1 of the North Gateway Urban Renewal Plan.
- 223. Urban Renewal Law** means Chapter 457 of the Oregon Revised Statutes as same exists on the effective date of this Urban Renewal Plan or as same may be amended from time-to-time by action of the Oregon Legislature.
- 224. Urban Renewal Plan** means the Plan for the North Gateway Urban Renewal Area of the City of Salem, Oregon.

SECTION 300 - LEGAL BOUNDARY DESCRIPTION

The legal description of the boundaries of the Urban Renewal Area is set forth in Part 2 of this Plan

as follows:

301. Exhibit 1 - (Narrative) Legal Description of Urban Renewal Area.

302. Exhibit 2 - Graphic (Map) Description of Urban Renewal Area.

SECTION 400 - MISSION STATEMENT AND OBJECTIVES OF THE SALEM URBAN RENEWAL AGENCY FOR THE NORTH GATEWAY URBAN RENEWAL AREA.

401. Mission Statement

The mission of the Urban Renewal Agency is to eliminate blight and depreciating property values in areas within the North Gateway Urban Renewal Area and in the process, attract aesthetically pleasing, job producing private investments and public improvements that will improve and stabilize property values and create a healthy and visually attractive northern gateway to Salem - Oregon's Capitol City. It is further the goal of the plan to accomplish its mission without creating a net loss of housing units over the life of the plan.

402. Objectives

To accomplish its mission the Agency will develop and implement an urban renewal program known as the North Gateway Urban Renewal Plan, the objectives of which are:

- A. To resolve the problems created by existing blighted conditions so that unused and underused properties can be placed in a more productive condition and utilized at or nearer to their highest and best use;
- B. To enhance opportunities for residential, civic, cultural, business and tourist-related property to be developed, redeveloped, improved, rehabilitated and conserved in ways which will:
 - 1. Insure a more attractive, functional and economically viable industrial, commercial and residential district;
 - 2. Encourage the expansion and development of businesses that will produce jobs for the people of Salem;
 - 3. Increase property values so that the Area will contribute its fair share to the costs of public services, provided by the City, County, Schools and Transit Districts;
 - 4. Conserve historically significant places and properties; and
 - 5. Create a sense of place, security and beauty consistent with the area's role as the City's northern gateway;
- C. To upgrade the amenities of public and private streets serving industrial, commercial and residential sectors of the Urban Renewal Area;
- D. To be responsive to the needs and the concerns of all people of the City of Salem in the details of preparing and implementing the Urban Renewal Plan;
- E. To manage traffic in the Urban Renewal Area so that residential neighborhoods will be protected from the infiltration of commercial and

industrially oriented traffic;

- F. To protect the livability of the residential neighborhoods;
- G. To encourage the maximum amount of public involvement and citizens participation in the implementation of the Urban Renewal Plan;
- H. To provide an adequate amount of properly located off-street parking in the Area including a plan and program to effectively pay for, manage, and maintain such parking;
- I. To create landscaped buffers and circulation linkages among the three sectors of the Urban Renewal Area - i.e. the industrial, commercial, and residential;
- J. To cooperate and coordinate with the Transit District in their efforts to improve transportation services in the Urban Renewal Area;
- K. To place underground present overhead utilities that are located in areas of maximum pedestrian and vehicular traffic, with emphasis in the Portland Road Corridor;
- L. To improve the visual appearance, capacity and traffic flow of streets within the Urban Renewal Area that carry the major share of vehicular and pedestrian traffic;
- M. To cooperate and assist owner participants in the rehabilitation and improvement of their buildings and property;
- N. To install coordinated street furniture, night lighting, and landscaping in areas of maximum pedestrian concentration, particularly along Portland Road;
- O. To construct, install, or replace publicly owned utilities such as water, storm drains, and sanitary sewers where existing facilities are inadequate, undersized, nonexistent or otherwise substandard;
- P. To leverage the Agency's financial resources to the maximum extent possible with other public and private investment and other public and private funding sources; and
- Q. To assist in the development of new housing construction in the Urban Renewal Area through renewal techniques such as property acquisition, low-interest loans for low/moderate income housing and provision of upgraded or new public infrastructure, consistent with the Salem Area Comprehensive Plan.
- R. To promote neighborhood-oriented mixed-use projects developed in a land-efficient manner.
- S. To maintain sufficient levels of funding and adequate grant and loan limits to encourage developer investments.
- T. To promote the unique and positive characteristics of the North Gateway

Urban Renewal Area through branding and/or targeted marketing material that highlights the area's strengths, key businesses, and opportunities. Strengthen the North Gateway/Portland Rd. Corridor Identity. (Resolution No. 2016-24)

403. Relationship of Plan to Local Objectives

This Plan is intended to further the objectives of the City's Comprehensive Plan. Further, within the Renewal Area, this Plan is intended to improve land uses, traffic flow, off-street parking, pedestrian and other visual amenities, the water, sewer and storm drain systems, other public improvements and to encourage existing businesses to expand and new businesses to develop.

404. Consistency with City's Comprehensive Plan

This Plan has been prepared in conformity with the City's adopted Comprehensive Plan including its goals, policies, procedures and implementing provisions.

405. Consistency with Economic Development Policy

The City of Salem is a participating member of the Mid-Willamette Valley Economic Development District and contributed to the formation of the "Overall Economic Development Program" of such District. This Urban Renewal Plan is consistent with the Goals, Policies and Priorities of such Overall Economic Development Program as published on June 8, 1986.

Further, this Urban Renewal Plan conforms with the recommendations of the Economic Development Subcommittee of the Portland Road Renewal Project (Task Force) as reported in "Portland Road Survey: Renewal Feasibility Analysis", published in 1988.

SECTION 500 - LAND USE PLAN

The use and development of all land within the Urban Renewal Area shall comply with the following provisions:

501. Land Use Designations

- A. The land use designations of the City's Comprehensive Plan which affect the Urban Renewal Plan Area are delineated on Exhibit 3 of Part 2 of this Plan and are described in full in Chapter 64 of the Salem Revised Code and generally as follows:
1. Single-Family Residential - a use pattern that is or would be predominantly single-family residential.
 2. Multi-Family Residential - a use pattern that is or would be characterized by a mixture of housing types.
 3. Commercial - predominant use is commercial. However, some multi-family residential and industrial uses may be included where appropriate.
 4. Industrial-Commercial - established to provide areas for a mixture of heavy commercial, light manufacturing, and warehousing activities.
 5. Industrial - indicates the location of industrial uses which may place heavy demands on public facilities or cause significant impacts on the environment.
 6. Community Service-Cemetery - includes sites and facilities in both public and private ownership for health, medical, religious, educational, cultural, government, administrative, and protective services including cemeteries.

B. The City's land use zoning districts which affect the Urban Renewal Plan Area are delineated on Exhibit 4 of Part 2 of this Plan and are described in full in Title X, Zoning, of the Salem Revised Code and generally as follows:

1. RA - Residential Agricultural -- Chapter 145
2. RS - Single Family Residential -- Chapter 146
3. RD - Duplex Residential -- Chapter 147
4. RM - Multiple Family Residential -- Chapter 148
5. CO - Commercial Office -- Chapter 150
6. CR - Retail Commercial -- Chapter 152
7. CG - General Commercial -- Chapter 153
8. IC - Industrial Commercial -- Chapter 155
9. IBC - Industrial Business Campus -- Chapter 156
10. IP - Industrial Park -- Chapter 157
11. IG - General Industrial -- Chapter 158
12. P - Public Use -- Chapter 160

502. Inclusions And Amendment

The City's acknowledged Comprehensive Plan and its implementing ordinances, codes, policies, regulations, including the Northeast Sector Plan as they exist on the effective date of this Urban Renewal Plan are hereby incorporated, by this reference, as a part of this Plan. Should such Comprehensive Plan and any such applicable ordinance, code, policy, regulation of the Northeast Sector Plan be amended by action of the Council, such amendment shall be incorporated in the Plan as a Minor Amendment. The provisions of Section 1101 shall apply.

503. Compliance

The use, development or redevelopment of all land within the Urban Renewal Area shall comply with the provisions of the City's Comprehensive Plan, implementing Ordinances, codes, policies, and regulations described in Sections 501 and 502 above, and with all other applicable Federal, State, County and City regulations.

SECTION 600 - URBAN RENEWAL ACTIVITIES

In order to achieve the goals and objectives of this Plan, the following activities, subject to the availability of appropriate funding, may be undertaken by the Agency, or caused to be undertaken by others, in accordance with applicable Federal, State, County, and City laws, policies and procedures and in compliance with the provisions of this Plan.

601. Urban Renewal Projects and Improvement Activities

- A. The following projects and activities are hereby deemed necessary to:
1. Eliminate blighting conditions and influences;
 2. Reverse presently depreciating property values;
 3. Make the Area attractive for stabilization, expansion, rehabilitation or redevelopment of existing businesses, industries and housing;
 4. Create a physical, visual and economic environment that will attract new, job producing development on the Area's substantial vacant land; and to
 5. Further the objectives of the Urban Renewal Plan as set forth in Section 400.

- B. All public improvements herein proposed shall be complete with all required appurtenances and shall be constructed and implemented in conformance with the approved standards and policies of the City of Salem.
- C. With funds available to it, the Salem Urban Renewal Agency may fund in full, in part, a proportionate share, or cause to be funded the following designated projects and activities:
1. **Street and Related Work:**
 - a. Portland Road - Claxter Road to Sunnyview Road. Sideway installation and related bicycle and pedestrian improvements. Streetscape improvements on the corner of Bill Frey Drive – Northgate Street in association with the redevelopment of the former Oregon State Police Headquarters. Install mid-block crossings with flashing beacons or other signal devices at locations to be determined. Also see item 9 below.
 - b. Northgate Avenue Westerly Extension - Portland Road to Salem Industrial Drive, including right-of-way acquisition, an underpass at the Southern Pacific Railroad right-of-way and mitigation measures to inhibit non-Northgate Neighborhood traffic from using the neighborhood as a by-pass route. See Section 602-C-2-a. See Exhibits 6 and 7.
 - c. Johnson Street Realignment - to connect with McDonald Street, including right-of-way acquisition. See Section 602-C-2-e. See Exhibit 6.
 - d. Mainline Drive to Del Webb Avenue Extension, including property acquisition. See Section 602-C-2-h. See Exhibit 6.
 - e. Salem Industrial Drive Extension - Anunsen Street to Hyacinth Street, including right-of-way acquisition, earth fill and bridge over Claggett Creek. See Section 602-C-2-e,f,g. See Exhibit 6.
 - f. Mainline Drive - to Tandem Avenue Extension, including property acquisition. See Section 602-c-2-h. See Exhibit 6.
 - g. Claxter Road - Southern Pacific Railroad to Claxter Court.
 - h. Claxter Court - Claxter Road to Hyacinth Street.
 - i. Hyacinth Street (within Renewal Area) - Portland Road easterly.
 - j. Wayside Terrace - Portland Road to 300 feet westerly.
 - k. Hall Street - Portland Road to 400 feet easterly.
 - l. Smith Street - Portland Road to 400 feet easterly.
 - m. Cherry Avenue - Signal and left-turn lane at Salem Industrial Drive.

- n. Blossom Drive street improvement - Indian School Road to Portland Road.
- o. Brooks Avenue street improvement - Mainline Drive to 350 feet south.
- p. Traffic Signal at Salem Industrial Drive and Hyacinth
- q. Highway, Lana and Beach Avenues - Portland Road to Silverton Road, including improved street lighting and street trees.
- r. Neighborhood Traffic Mitigation - Mitigation measures and/or devices to discourage through traffic in residential areas.
- s. Pine Street Extension - Portland Road to Silverton Road. Property acquisition for right-of-way and construction of new roadway alignment to connect Pine Street with Silverton Road. This project may include vacation of a portion of Silverton Road from 17th Street west to its current intersection with Portland Road. The Pine Street Extension will also include construction of a new at-grade railroad crossing and relocation of the signaling equipment.

2. **Sanitary Sewers:**

- a. Area East of Portland Road and North of Silverton Road.
- b. Silverton Road - Portland Road to Lana Avenue.
- c. Highway Avenue
- d. Academy Street
- e. Blossom Drive - Niles Avenue to Portland Road.
- f. Cherry Avenue - Salem Parkway to B.N.R.R.

3. **Water System:**

- a. Silverton Road - Portland Road to Beach Avenue.
- b. Portland Road - Silverton Road to Wayside Terrace.
- c. Carleton Way and Portland Road - to Salem Industrial Drive.
- d. Hyacinth Street - B.N.R.R. to east of S.P.R.R.
- e. East side of B.N.R.R. - Claxter Road to Anunsen Street - Coordinate with project 1-d above.
- f. Pine Street - Myrtle Avenue to Portland Road.
- g. Tandem Avenue to Salem Industrial Drive and to Wayside Terrace and Portland Road.

- h. Blossom Drive - Indian School Road to Portland Road
- 4. **Storm Drain** (Upper Claggett Creek) - including a management plan for Upper Claggett Creek, particularly in conjunction with the gravel extraction operation between the B.N.R.R. and the S.P.R.R.
 - a. Del Webb at Tandem easterly to Salem Industrial Drive.
- 5. **Community (Neighborhood) Center** - including property acquisition, building remodeling and/or new building construction. Site location: 073W12DB04000 (3980 Portland Road).
- 6. **Park and Recreation Facility** - including property acquisition, design, and construction of possible landscaping, trails, parking and related park amenities located at 1860 Bill Frey Drive. Site location: tax lots 073W12__00100 and 073W12B_01900(Large Urban Park).

(Section 602 C-1, Amended by Ordinance No 19-96; Resolution No 06-19; and Resolution No 07-12)
- 7. **North Gateway Tourist Information Center** - including property acquisition as set forth in Section 602-C-3.
- 8. **Small Business Incubator Training and Economic Development Center** - Property acquisition and site improvements in conjunction with Chemeketa Community College.
- 9. **Renovation of S.P.R.R. Underpass at Portland Road** - Including structural repair, improved interior and pedestrian lighting, new finishes which will accommodate periodic cleaning, improved sidewalks, and other improvements which will allow the structure to present a safer and more pleasing appearance to travelers and pedestrians using Portland Road.
- 10. **Claggett Creek Greenway** - including property acquisition and construction.
- 11. **Claggett Creek Flood Mitigation** - includes channel improvements, flood improvements along Salem Industrial Drive, storm water diversion to the Willamette River, and the design and reconstruction of Salem Industrial Drive NE from Cherry Avenue NE to Bill Frey Drive NE. Improvements include the storm drain system to minimize flooding, travel lanes, bike lanes, a parking strip, sidewalks, streetlights, and railroad crossing improvements constructed at the intersection of Salem Industrial Drive NE and the Burlington-Northern Santa Fe Railroad.
- 12. **Pine Street Mixed-Use Area (Hollywood Station)** - The project area is bounded by Portland Road (east), Highland Avenue (south) Brooks street (west) a, and Pine street (north) and includes property acquisition as set forth in Section 602-C-5a. This project may include environmental remediation, and other preparation activities to support eventual mixed-use redevelopment of the area. The project may include the resale of the property in whole or in part for redevelopment. This project may also include construction of a publicly or privately owned senior center, which would benefit the urban renewal area by serving an existing senior population and encourage senior service related development in the surrounding area.

13. **Food-related Manufacturing and Businesses** -promote the development of a Public Market, Food Incubator, Food Hub or Supermarket in the Portland Road Corridor.
14. **Commercial/Industrial Flex-space, Mixed Use and Workforce Housing-** Use targeted property acquisition and financial incentives to encourage developer investment in high need/demand uses.
15. **Workforce and Affordable Housing-** Connect residential developers to a range of housing incentives and explore new models
16. **Strengthen the Identity of the North Gate Urban Renewal Area-** Promote the unique and positive characteristics of the North Gateway Urban Renewal Area through branding and/or targeted marketing.
17. **North Gateway Building Rehabilitation/Restoration Grant Program-** Grant program to assist property owners with urban renewal funded eligible projects.
18. **Development Infrastructure Assistance Program-** Funding allocations to target properties lacking necessary city infrastructure.
19. **Silverton Road/17th Street-** Establish a left turn lane from Silverton Road to 17th Street to improve traffic flow and safety at the intersection, including a traffic signal.
20. **Pine Street Redevelopment-** This project may include costs associated with site preparation and potentially contributing to construction as it aligns with the goals of the URA for redevelopment of 2640 Portland Road NE and potentially other adjacent sites in the corridor.
21. **Gateway Streetscape Enhancements-** Continue the enhancement of streetscape in order to complement future development including; lighting, sidewalk, landscaping, street furnishings, murals, sculptures, and other associated enhancements.
22. **Niles Avenue Infrastructure-** Provide full street improvements (lights and sidewalks) in addition to necessary upgrades to the water and storm systems along Niles Avenue.
23. **Bicycle and Pedestrian Paths-** Construct bike/ped paths as determined necessary by the Portland Road Action Plan in conjunction with City Approved Transportation Systems Plan Projects with the goal of continuing to establish connections throughout the area.
24. **Environmental Clean-Up-** Remediate environmental contamination as associated with potential acquisitions and redevelopment.

(Section 601-C-1 Amended by Ord. No. 19-96);
 (Section 601-C- 6 Amended by Res. No. 2002-93)
 (Section 601 Amended by Res. No. 05-15)
 (Section 601-C-12 Amended by Res. No 06-5 URA)
 (Section 601-C-1a, and Exhibit 8 Amended by Res. No. 06-09)

(Section 601 C Amended by Res. No. 06-10)
(Section 601 C Amended by Res. No. 2016-24)
(Section 602 C Amended by Ord. No 4-19)

602. Acquisition of Real Property

- A. **Authority:** The Agency may acquire real property within the Urban Renewal Area by any legal means necessary to achieve the objectives of this Plan, and specifically, for any of the purposes listed in Subsection 602-(B). Real property that is acquired under this Plan will be acquired according to the procedures adopted by the Board of the Urban Renewal Agency in Resolution No. 06-4 URA and incorporated into this Plan by this reference. (Amended by Res. 06-8 URA)
- B. **Purpose of Property Acquisitions.** Property acquisition including limited interest acquisition is hereby made a part of this Plan and may be used by the Agency to achieve the objective of his Plan based on any one of the following criteria:
1. Where existing conditions do not permit practical or feasible rehabilitation of a structure, by its owner, and it is determined by the Agency that acquisition of such properties and demolition or rehabilitation of the improvements thereon are necessary to remove substandard and blighting conditions;
 2. Where detrimental land uses or conditions such as incompatible uses, or adverse influences from noise, smoke or fumes exist, or where there exist substandard structures, over-crowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined by the Agency that acquisition of such properties and the rehabilitation or demolition of the improvements are necessary to remove blighting influences;
 3. Where it is determined by the Agency that the property is needed to provide public improvements and structures as follows:
 - a. Right-of-way acquisition for streets, alleys, bicycle paths or pedestrian ways;
 - b. Facilities for the benefit of the public which are to be developed by the Agency, the City, or any other public entity;
 - c. Property acquisition for public off-street parking facilities; or
 - d. Where the owner of real property within the boundaries of the Urban Renewal Area wishes to convey title of such property by legal means, including by gift.
 4. Where it is determined by the Agency that a substantial public interest or the objectives of this Plan can be furthered by assembling property for development or redevelopment by a party other than the owners of record of such property, the Agency may acquire such property.

603. Property Acquisition for Unspecified Purposes

If property acquisition, other than for the projects or activities identified in Sections 601-c and 602, is considered by the Agency, such property acquisition shall constitute a substantial change/amendment within the meaning of Section 1103 of this Plan and ORS 457.085 (2) (h).

604. Relocation Activities

If in the implementation of this Plan, persons or businesses should be displaced by action of the Agency, the Agency shall provide assistance to such persons or businesses to be displaced. Such displacees will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and relocation payments made in accordance with the requirements of ORS 281.045 - 281.105.

The City has adopted Relocation Guidelines. Such guidelines are available to interested parties at the Agency's office and will set forth the relocation program and procedures, including eligibility for and amounts of relocation payments, services available and other relevant matters.

605. Property Disposition And Redeveloper Obligations

- A. **Property Disposition.** The Agency is authorized to disposed of, sell, lease, exchange, subdivide, transfer, assign, pledge, or encumber by mortgage, deed of trust, or otherwise any interest in real property which has been acquired by them in accordance with the provisions of this Plan and with the terms and conditions set forth in a Disposition and Development Agreement or other legal instrument as determined by the Agency.

All real property acquired by the Agency in the Urban Renewal Area shall be used or disposed of for development consistent with the uses permitted in this Plan. The Agency shall obtain fair re-use value for the specific uses to be permitted on the real property. Real property acquired by the Agency may be disposed of without consideration (cost) to any other public entity in accordance with this Plan.

All persons and entities obtaining property from the Agency shall use the property for the purposes designated in this Plan, and shall commence and complete development of the property within a period of time which the Agency fixes as reasonable, and shall comply with other conditions which the Agency deems necessary to carry out the objectives of this Plan. Real property shall not be disposed of for the purpose of speculation.

In conjunction with property disposed of by the Agency, the Agency shall provide adequate safeguards to ensure that the provisions of this Plan will be carried out. All such real property owned or leased by parties, shall be made subject to provisions of this Plan. Leases, deeds, contracts, agreements, documents, and declarations of restrictions by the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions precedent or subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

- B. **Redeveloper's Obligation.** Any redeveloper and his/her successors or assigns within the Urban Renewal Area, in addition to the other controls and obligations stipulated and

required of the Redeveloper by the provisions of this Plan, shall also be obligated by the following requirements:

1. The Redeveloper shall obtain necessary approvals of proposed developments from all Federal, State and/or local agencies that may have jurisdiction on properties and facilities to be developed or redeveloped within the Urban Renewal Area;
2. The Redeveloper shall develop or redevelop such property in accordance with the land-use provisions and other requirements specified in this Plan;
3. The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Agency or such of its agents as the Agency may designate for review prior to distribution to appropriate reviewing bodies as required by the City;
4. The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency;
5. The Redeveloper shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the real property or part thereof is restricted upon the basis of age, race, color, religion, sex, marital status, or national origin in the sale, lease or occupancy thereof;
6. The Redeveloper shall accept all conditions and agreements as may be required by the Agency. In return for receiving assistance from the Agency, if any, the Agency may require the redeveloper to execute a development agreement acceptable to the Agency as a condition of the Agency providing assistance; and
7. The Redeveloper shall maintain property under his/her ownership within the area in a clean, neat, and safe condition.

606. Owner Participation

Property owners within the Urban Renewal Area proposing to improve their properties and receiving financial and/or technical assistance from the Agency shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans and procedures of the City. See Section 609 below.

607. Administrative Activities and Services to the Agency

- A. The Agency's administrative support staff are employees of the City of Salem. The City is authorized to provide the personnel necessary to staff the Urban Renewal Agency on such terms and conditions as the Agency and the City may from time to time agree. The costs of Agency staffing recommendations shall be included in the annual budget proposal of the Agency.
- B. Further, the Agency may retain and budget for the services of independent professionals, firms or organizations to provide technical services such as, but not limited to:
 1. Legal Counsel;
 2. Preparation of market, feasibility or other economic studies or plans;

3. Preparation of design, architectural, engineering, landscape architectural, planning, redevelopment, or other developmental studies or plans;
 4. Preparation of construction contract documents for Agency's improvement activities by appropriately licensed professionals;
 5. Providing accounting or audit services;
 6. Providing special rehabilitation, restoration or renovation feasibility and cost analysis studies or plans;
 7. Assisting in preparation of the annual financial report as required under ORS 457;
 8. Property acquisition and disposition appraisals;
 9. Licensed real estate professionals for real property acquisition, disposition or negotiation services;
 10. Financial borrowing, including bond issuance and renewal financing consultants; and
 11. Bond Legal Counsel.
- C. The Agency may prepare and circulate periodic newsletters to describe and illustrate various aspects of the Urban Renewal Program and to keep the people of Salem abreast of progress being made in the Renewal Area.
- D. The Agency may prepare and adopt design standards, themes, guidelines and implementation procedures that would be applied in various sectors of the Urban Renewal Area as the Agency deems appropriate to:
1. Assure architectural continuity and compatibility in new or remodeled buildings;
 2. Advance the role of Portland Road as a unique element of visual and civic value to the City and to the properties which abut the road. Promote the development and redevelopment of these abutting properties so as to advance and protect these values; and
 3. Assure that the developments on the large vacant lands within the Urban Renewal Area will have a design consistency and will advance the objectives of this Urban Renewal Plan.
- E. The Agency may acquire, rent or lease office space within the Urban Renewal Area and may purchase, rent or lease office furniture, equipment and facilities necessary for it to conduct its affairs in the management and implementation of this Plan.
- F. The Agency may invest its reserve funds in interest-bearing accounts or securities consistent with the provisions of City, State and Federal law.
- G. To implement this Plan, the Agency may borrow money, accept advances, loans or grants from any legal source, issue urban renewal bonds (also known as tax allocation

bonds, governmental bonds, qualified redevelopment bonds and tax increment bonds), and receive tax increment proceeds as provided for in Section 700 of this Plan. Regardless of the form of borrowing of funds, the approval of such borrowing shall comply with the provisions of the Agency's adopted By-Laws and all applicable legal requirements.

- H. Without limiting any other provision, power or authorization of this Plan, the Agency shall have all of the power and responsibilities allowed under the provisions of ORS Chapter 457.

608. Below Market Interest Rate Property Rehabilitation Loans

The Agency, with funds available to it, may promulgate rules, guidelines and eligibility requirements for the purpose of establishing below-market or market rate loan programs, or other financial incentives to advance the goals and objectives of the North Gateway Urban Renewal Plan. Loans or incentives may be available to eligible property owners within the Urban Renewal Area, as determined by the Agency. Loans or incentives provided by the Agency may be used for the voluntary rehabilitation of buildings, facade improvements, provision of amenities on private property in compliance with adopted design guidelines and standards, construction of new buildings, pre-development assistance, connecting to Agency-provided underground electrical and communication systems, or other activities approved by the Agency. Provided further, the Agency may provide financial assistance for the purpose of providing housing for low/moderate income households.

Eligible property owners within the Urban Renewal Area using loans or incentives made available by the Agency shall undertake activities consistent with all applicable provisions of this Renewal Plan as well as all applicable codes, ordinances, policies, plans and procedures of the City of Salem.

At the termination of this Urban Renewal Plan, any outstanding loan payments due to the Agency shall be paid into a fund established by the City Council to be available at the City Council's discretion, to be recycled for the purpose of issuing additional financial assistance for the purposes stated above.

SECTION 700 - FINANCING OF URBAN RENEWAL INDEBTEDNESS

The Urban Renewal Agency, may borrow money and accept advances, loans, grants and any other legal form of financial assistance from the Federal Government, the State, City, County or other public body, or from any legal sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457.

701. Self-Liquidation of Costs of Urban Renewal Indebtedness (Tax Increment Financing)

The projects may be financed, in whole or in part, by self-liquidation of the costs of urban renewal activities as provided in ORS 457.420 through 457.450. The ad valorem taxes, if any, levied by a taxing body upon the taxable real and personal property situated in the Urban Renewal Areas, shall be divided as provided in ORS 457.440. That portion of the taxes representing the levy against the increase, if any, in the assessed value of property located in the Urban Renewal Area, or part thereof, over the assessed value specified in the certificate filed under ORS 457.430, shall, after collection by the tax collector, be paid into a special fund of the Urban Renewal Agency and shall be used to pay the principal and interest on any indebtedness incurred by the Agency to finance or refinance this Plan and any projects or activities authorized and undertaken pursuant to the provisions of this Plan.

[\(Section 701 Amended by Res. No. 07-11\)](#)

702. Prior Indebtedness

Any indebtedness permitted by law incurred by the Agency, or the City of Salem in connection with preplanning for this Urban Renewal Plan may be repaid from Agency funds when and if such funds are available.

703. Adjusting Dollar Values

All dollar figures recorded, estimated, or computed in conjunction with the Projects and Activities of this Urban Renewal Plan are based on the value of the dollar as it existed in March 1989. Any increase or decrease in the value of the dollar beyond March 1989 shall be adjusted to reflect current dollar values.

All dollar figures used to compute estimated tax increment revenue of this Urban Renewal Plan are based on 1990 dollar value and the Marion County Tax Assessor's values for fiscal year 1990-91.

SECTION 800 - CITIZEN PARTICIPATION

The activities and projects identified in this Plan, the development of subsequent plans, procedures, activities and regulations, and the adoption of amendments to this Plan shall be undertaken with the participation of citizens, owners, and tenants as individuals and organizations who reside within or who have financial interest within the North Gateway Urban Renewal Area and with the general citizens of the City.

To assure a continuous citizen participation process, the Agency shall appoint a citizen board to be known as the North Gateway Development Advisory Board.

SECTION 900 - NON-DISCRIMINATION

In the preparation, adoption, and implementation of this Plan, no public official or private party shall take any action or cause any persons, group or organization to be discriminated against on the basis of age, race, color, religion, sex, marital status, handicap or national origin.

SECTION 1000 - RECORDING OF PLAN

A copy of the City Council's Non-Emergency Ordinance approving this Plan under ORS 457.095 shall be sent by the Council to the Urban Renewal Agency. Following receipt of such Ordinance, this Plan shall be recorded by the Agency with the Recording Officer of Marion County.

SECTION 1100 - PROCEDURES FOR CHANGES OR AMENDMENTS IN THE APPROVED URBAN RENEWAL PLAN

The Plan will be reviewed and analyzed periodically and will continue to evolve during the course of project execution and on-going planning. The Plan may be changed, clarified, modified or amended as future conditions may warrant. Where, in the judgment of the Agency the proposed modification will substantially change the Plan, the modification must be duly approved by the City Council in the same manner as the original Plan and in accordance with the requirements of State and local law. The provisions of ORS 457.095 and ORS 457.220 and of Section 1103 of this Plan shall apply.

The various types of Plan changes, clarifications, modifications, or amendments and the official actions which shall be taken prior to their implementation, are as follows:

1101. Minor Changes

Minor changes may include:

- A. Clarification of language or the State Legislature's changes in ORS Chapter and Section references;
- B. Clarification or addition of definitions or written or graphic Exhibits to this Plan;
- C. Modification of the objectives of the Plan described in Section 402 where the modification(s) is consistent with the Mission Statement as stated in Section 401 of this Plan.
- D. Modification of eligible project improvements described in Section 601 where the modification (s) is consistent with the objectives of this Plan as stated in Section 402.
- E.. Modification in the location of project improvements authorized by this Plan, resulting from detailed architectural, engineering, or planning analysis;

Such minor changes, if any, shall be made only by a duly approved resolution of the Agency in which the details of the minor change shall be described.

1102. Amendment to the City’s Comprehensive Plan or to Any of its Implementing Ordinances

From time to time during the implementation of this Urban Renewal Plan, the Planning Commission and City Council of the City of Salem may approve amendments or modifications to the City’s Comprehensive Plan or to the codes, policies, procedures or ordinances which are established to implement such Comprehensive Plan. Further, the City Council may from time to time amend or approve new Building, Health, Safety, and other Codes which affect the implementation of this Urban Renewal Plan. The City Council shall notify the Agency of any such changes having an impact on this Plan and the Agency may, by minor change pursuant to Section 1101 above, amend this Plan accordingly. A copy of the Agency’s resolution concerning such minor change shall be assigned an appropriate exhibit number and placed in Part 2 of this Plan.

1103. Substantial Changes

This Urban Renewal Plan may be modified after adoption by the Agency, provided that such modification must be submitted to City Council with the recommendations of the North Gateway Redevelopment Advisory Board. Where modifications will substantially change the Plan as approved by the City Council, the modifications must similarly be approved by City Council with recommendations from the affected neighborhood organization and the Salem Planning Commission in the same manner as the original Plan.

Substantial Amendments

- A. Adding land to the urban renewal area, except for an addition of land that totals not more than 1 percent of the existing area of the urban renewal area; or
- B. Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan.

SECTION 1200 - MAXIMUM INDEBTEDNESS AND VALIDITY OF APPROVED URBAN RENEWAL PLAN

1201. Maximum Indebtedness and Collection Option of the Urban Renewal Plan

The maximum indebtedness that can be issued or incurred under this plan is increased from \$75,000,000 by \$25,466,402 to a new total of \$101,466,402. Any increase shall be considered as a substantial change pursuant to Section 1103. For tax years beginning on or after July 1, 1998, the City of Salem chooses Option One under Oregon Laws 1997, Chapter 451, Section 454, as the method of collecting ad valorem property taxes sufficient to pay, when due, indebtedness issued or incurred to carry out this plan.

[\(Section 1201 Amended by Ord. No. 48-98\)](#) [\(Section 1201 Amended by Res. No. 07-11\)](#)
[\(Section 1201 Amended by Ord. No. 4-19\)](#)

1202. Validity

Should a court of competent jurisdiction find any word, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be

unaffected by such finding and shall remain in full force and effect for the duration of the Plan.

PART 2
NORTH GATEWAY URBAN RENEWAL PLAN

EXHIBITS:

- 1 Narrative Legal Description
- 2 Urban Renewal Area - Map
- 3 Comprehensive Plan
- 4 Zoning - Map
- 5 Concept, Portland Road Boulevard Improvements
- 6 Street Extensions - Map
- 7 Concept, Traffic Mitigation - Northgate Neighborhood
8. Report

(Exhibits 1 and 2 Amended by Res. No. 2003-82) (Exhibit 8 Amended by Ord No. 4-19)

North Gateway Urban Renewal Area
Salem, Oregon

A tract of land, and road right-of-ways, located in Section 1, Section 7, 1 Section 11, Section 12, Section 13, and Section 14, Township 7 South, Range 3 West, Willamette Meridian, City of Salem, Marion County, Oregon, and being more particularly described as follows:

Commencing at the East One-Quarter corner of Section 1; thence along the north line of the southeast one-quarter of said Section 1, Westerly 164 feet, more or less, to the easterly line of Deed Reel 3903 Page 0341 and the Point of Beginning (Assessor's Map 07 3W 01D):

1. Thence along said easterly line, Southerly 667 feet, more or less, to the northerly line of Deed Reel 3882 Page 0150 (Assessor's Map 07 3W 01D);
2. Thence along said northerly line, Westerly 296 feet, more or less, to the easterly right-of-way line of Astoria Street NE (Assessor's Map 07 3W 01D);
3. Thence along said easterly right-of-way line, Southerly 479 feet, more or less, to the southerly line of said Deed (Assessor's Map 07 3W 01D);
4. Thence along said southerly line, Easterly 543 feet, more or less, to the northwesterly right-of-way line of Portland Road NE (Assessor's Map 07 3W 01D);
5. Thence along said northwesterly right-of-way line, Southwesterly 983 feet, more or less, to the northeasterly right-of-way line of Interstate 5 (Assessor's Map 07 3W 01D);
6. Thence along said northeasterly right-of-way line, Northwesterly 2,452 feet, more or less, to the southeasterly right-of-way line Union Pacific Railroad (Assessor's Map 07 3W 01D);
7. Thence along said southeasterly right-of-way line, Southerly 413 feet, more or less, to the southwesterly right-of-way line of Interstate 5 (Assessor's Map 07 3W 01D);
8. Thence along said southwesterly right-of-way line, Southeasterly 3,631 feet, more or less, to the westerly line of Deed Reel 2960 Page 0245 (Assessor's Map 07 3W 12A);
9. Thence along said westerly line, Southerly 439 feet, more or less, to the northeasterly line of Deed Reel 3879 Page 0021 (Assessor's Map 07 3W 12AD);
10. Thence along said northeasterly line and the northeasterly line of Deed Reel 3354 Page 0177, Northwesterly 300 feet, more or less, to the westerly line of said Deed Reel 3354 Page 0177 (Assessor's Map 07 3W 12AD);
11. Thence along said westerly line, Southerly 180 feet, more or less, to the southerly line of Deed Reel 2220 Page 0396 (Assessor's Map 07 3W 12AD);
12. Thence along said southerly line, Westerly 36 feet, more or less, to the easterly line of the plat "Forkner's Acres" (Assessor's Map 07 3W 12AC);
13. Thence along said easterly line, Southerly 270 feet, more or less, to the northerly right-of-way line of Hyacinth Street NE (Assessor's Map 07 3W 12AD);
14. Thence along said northerly right-of-way line and the easterly extension thereof, Easterly 392 feet, more or less, to a point of curvature (Assessor's Map 07 3W 12AD);
15. Thence along a tangent curve to the right with a Radius of 250 feet, more or less, and a Length of 279 feet, more or less, to a line which is parallel with and 20 feet easterly of the westerly right-of-way line of Hawthorne Avenue NE (Assessor's Map 07 3W 12AD);
16. Thence along said parallel line, Southerly 184 feet, more or less, to a line which is parallel with and 20 feet northerly of the westerly extension of the southerly line of Deed Reel 2308 Page 0363 (Assessor's Map 07 3W 12AD);

17. Thence along said parallel line, Easterly 713 feet, more or less, to the westerly line of Deed Reel 2308 Page 0363 (Assessor's Map 07 3W 12AD);
18. Thence along said westerly line, Northerly 144 feet, more or less, to the northerly line of said Deed (Assessor's Map 07 3W 12AD);
19. Thence along said northerly line, Easterly 142 feet, more or less, to the westerly line of Deed Reel 3826 Page 0164 (Assessor's Map 07 3W 12AD);
20. Thence along said westerly line, Southerly 120 feet, more or less, to the southerly line of said Deed (Assessor's Map 07 3W 12AD);
21. Thence along said southerly line, Easterly 121 feet, more or less, to the westerly right-of-way line of Fisher Road NE (Assessor's Map 07 3W 12AD);
22. Thence along said westerly right-of-way line, Southerly 62 feet, more or less, to the northerly line of Deed Reel 3409 Page 0333 (Assessor's Map 07 3W 12AD);
23. Thence along said northerly line, Westerly 126 feet, more or less, to the westerly line of said Deed (Assessor's Map 07 3W 12AD);
24. Thence along said westerly line and the westerly line of Deed Reel 2524 Page 0279, Southerly 150 feet, more or less, to the southerly line of Deed Reel 3268 Page 0387 (Assessor's Map 07 3W 12AD);
25. Thence along said southerly line, Westerly 140 feet, more or less, to the westerly line of said Deed (Assessor's Map 07 3W 12AD);
26. Thence along said westerly line, Northerly 166 feet, more or less, to the northerly line of said Deed (Assessor's Map 07 3W 12AD);
27. Thence along the westerly extension of said northerly line, Westerly 728 feet, more or less, to the westerly right-of-way line of Hawthorne Avenue NE (Assessor's Map 07 3W 12AD);
28. Thence along said westerly right-of-way line, Northerly 497 feet, more or less, to the southerly right-of-way line of Hyacinth Street NE (Assessor's Map 07 3W 12AD);
29. Thence along said southerly right-of-way line, Westerly 583 feet, more or less, to the westerly line of Parcel II of Deed Reel 1359 Page 771 (Assessor's Map 07 3W 12AC);
30. Thence along said westerly line, Southerly 160 feet, more or less, to the northerly line of Deed Reel 1692 Page 0558 (Assessor's Map 07 3W 12AC);
31. Thence along said northerly line, Easterly 347 feet, more or less, to the northwesterly corner of Lot 9, Block 1 of the plat "Deer-Haven Estates" (Assessor's Map 07 3W 12AD);
32. Thence along the westerly line of said Block 1, Southerly 478 feet, more or less, to the northeasterly corner of Lot 17 of said Block 1 (Assessor's Map 07 3W 12DB);
33. Thence along the northerly line of said Lot 17 and the westerly extension thereof, Westerly 495 feet, more or less, to the westerly line of Block 4 of said plat (Assessor's Map 07 3W 12DB);
34. Thence along said westerly line and the southerly extension thereof, Southerly 541 feet, more or less, to the southwesterly line of Deed Reel 1260 Page 0379 (Assessor's Map 07 3W 12DB);
35. Thence along said southwesterly line, Easterly 33 feet, more or less, to the northwesterly corner of Lot 1, Block 14 of the plat "Northgate Annex No. 4", also being on the easterly right-of-way line of 30th Avenue NE (Assessor's Map 07 3W 12DB);
36. Thence along said easterly right-of-way line, Southerly 14 feet, more or less, to the easterly extension of the southerly right-of-way line of Hummingbird Street NE (Assessor's Map 07 3W 12DB);
37. Thence along said easterly extension and the southerly right-of-way line of Hummingbird Street NE and the westerly extension thereof, Westerly 478 feet, more or less, to the northwesterly right-of-way line of 24th Place NE (Assessor's Map 07 3W 12DB);
38. Thence along said northwesterly right-of-way line, Northeasterly 31 feet, more or less,

- to the northerly line of Deed Reel 3793 Page 0053 (Assessor's Map 07 3W 12DB);
39. Thence along said northerly line, Westerly 306 feet, more or less, to the westerly line of said Deed (Assessor's Map 07 3W 12DB);
 40. Thence along said westerly line and the southerly extension thereof, Southerly 459 feet, more or less, to the southerly right-of-way line of Wayside Terrace NE (Assessor's Map 07 3W 12DB);
 41. Thence along said southerly right-of-way line, Westerly 150 feet, more or less, to the easterly right-of-way line of Greenbriar Street NE (Assessor's Map 07 3W 12DB);
 42. Thence along said easterly right-of-way line, Southerly 479 feet, more or less, to the southerly right-of-way line of Northgate Avenue NE (Assessor's Map 07 3W 12DC);
 43. Thence along said southerly right-of-way line, Westerly 542 feet, more or less, to the westerly line of Deed Reel 3362 Page 0206 (Assessor's Map 07 3W 12CD);
 44. Thence along said westerly line, Southerly 331 feet, more or less, to the northeasterly corner of Lot 5 of the plat "Stortz' First Addition" (Assessor's Map 07 3W 12CD);
 45. Thence along the northerly line of said plat, Westerly 210 feet, more or less, to the easterly line of Lot 2 of said plat (Assessor's Map 07 3W 12CD);
 46. Thence along said easterly line and the southerly extension thereof, Southerly 185 feet, more or less, to the northeasterly corner of Lot 23 of said plat, also being on the southerly right-of-way line of Stortz Avenue NE (Assessor's Map 07 3W 12CD);
 47. Thence along said southerly right-of-way line, Westerly 70 feet, more or less, to the westerly line of said Lot 23 (Assessor's Map 07 3W 12CD);
 48. Thence along said westerly line, Southerly 126 feet, more or less, to the northwesterly corner of Lot 4, Block 3 of the plat "Capitola" (Assessor's Map 07 3W 12CD);
 49. Thence along the westerly line of said Lot 4 and the southerly extension thereof, Southerly 173 feet, more or less, to the northwesterly corner of Lot 5, Block 2 of said plat, also being on the southerly right-of-way line of Carleton Way NE (Assessor's Map 07 3W 12CD);
 50. Thence along said southerly right-of-way line, Westerly 52 feet, more or less, to the southeasterly right-of-way line of Donald Street NE (Assessor's Map 07 3W 12CD);
 51. Thence along said southeasterly right-of-way line and the southwesterly extension thereof, Southwesterly 428 feet, more or less, to the southerly line of Block 1 of the plat "Cherry Place" (Assessor's Map 07 3W 12CD);
 52. Thence along said southerly line, Southeasterly 298 feet, more or less, to the easterly line of the plat "Rose Garden Way" (Assessor's Map 07 3W 13BB);
 53. Thence along said easterly line, the easterly line of the plat "Salem Highway Tracts", the easterly right-of-way line of Highway Avenue NE, and the southerly extension thereof, Southerly 1,731 feet, more or less, to the southeasterly right-of-way line of Silverton Road NE (Assessor's Map 07 3W 13BD);
 54. Thence along said southeasterly right-of-way line, Southwesterly 3,109 feet, more or less, to the westerly right-of-way line of Union Pacific Railroad (Assessor's Map 07 3W 14DA);
 55. Thence along said westerly right-of-way line, Southwesterly 1,711 feet, more or less, to the southerly right-of-way line of Sunnyview Road NE (Assessor's Map 07 3W 14DC);
 56. Thence along said southerly right-of-way line, Westerly 358 feet, more or less, to the northeasterly corner of Lot 17, Block 2 of the plat "Progress Addition to Salem Oregon" (Assessor's Map 07 3W 14DC);
 57. Thence along the northerly extension of the easterly line of said Lot 17, Northeasterly 28 feet, more or less, to the southwesterly right-of-way line of Sunnyview Road NE (Assessor's Map 07 3W 14DC);
 58. Thence along said southwesterly right-of-way line, Northwesterly 411 feet, more or less, to the southeasterly right-of-way line of Fairgrounds Road NE (Assessor's Map

- 07 3W 14DC);
59. Thence along said southeasterly right-of-way line, Southwesterly 570 feet, more or less, to the southeasterly extension of the southwesterly line of Lot 1 of the plat "Hollywood Renewal Subdivision" (Assessor's Map 07 3W 14DC);
 60. Thence along said southeasterly extension, Northwesterly 130 feet, more or less, to the southerly corner of Lot 1 of the plat "Hollywood Renewal Subdivision", also being on the northwesterly right-of-way line of Fairground Road NE (Assessor's Map 07 3W 14CD);
 61. Thence along said northwesterly right-of-way line, Northeasterly 130 feet, more or less, to the southwesterly line of the plat "Dairy Cooperative Ass'n Addition to Salem, Oregon" (Assessor's Map 07 3W 14DC);
 62. Thence along said southwesterly line, Northwesterly 301 feet, more or less, to the easterly line of Deed Reel 3822 Page 0423 (Assessor's Map 07 3W 14DC);
 63. Thence along said easterly line, Northerly 121 feet, more or less, to the southerly right-of-way line of Academy Street NE (Assessor's Map 07 3W 14DC);
 64. Thence along said southerly right-of-way line, Easterly 27 feet, more or less, to the southwesterly extension of the northwesterly line of Lot 7 of said plat (Assessor's Map 07 3W 14DC);
 65. Thence along said southwesterly extension and the northwesterly line of said Lot 7, Northeasterly 199 feet, more or less, to the southwesterly line of Block 3 of the plat "Columbia Add. To Salem" (Assessor's Map 07 3W 14DC);
 66. Thence along said southwesterly line, Southeasterly 163 feet, more or less, to a line which is parallel with and 3 feet southeasterly of the southeasterly line of Lot 3 of said Block 3 (Assessor's Map 07 3W 14DC);
 67. Thence along said parallel line, Northeasterly 101 feet, more or less, to the northeasterly line of Deed Reel 3458 Page 0404 (Assessor's Map 07 3W 14DC);
 68. Thence along the northwesterly extension of said northeasterly line, Northwesterly 3 feet, more or less, to the southeasterly line of said Lot 3 (Assessor's Map 07 3W 14DC);
 69. Thence along said southeasterly line and the northeasterly extension thereof, Northeasterly 100 feet, more or less, to the northeasterly right-of-way line of Donna Avenue NE (Assessor's Map 07 3W 14DC);
 70. Thence along said northeasterly right-of-way line, Southeasterly 72 feet, more or less, to the southeasterly line of Lot 27, Block 2 of said plat (Assessor's Map 07 3W 14DC);
 71. Thence along said southeasterly line and the northeasterly extension thereof, Northeasterly 285 feet, more or less, to the easterly corner of Lot 8 of said Block 2, also being on the southwesterly right-of-way line of Columbia Street NE (Assessor's Map 07 3W 14DC);
 72. Thence leaving said southwesterly right-of-way line, Northeasterly 51 feet, more or less, to the intersection of the centerline of a vacated 20 foot wide alley and the northeasterly right-of-way line of Columbia Street NE (Assessor's Map 07 3W 14DC);
 73. Thence along said northeasterly right-of-way line, Northwesterly 60 feet, more or less, to the northwesterly line of Lot 4, Block 1 of said plat (Assessor's Map 07 3W 14DC);
 74. Thence along said northwesterly line, Northeasterly 120 feet, more or less, to the northeasterly line of said Block 1 (Assessor's Map 07 3W 14DC);
 75. Thence along said northeasterly line, Northwesterly 212 feet, more or less, to the northerly corner of Lot 7 of said Block 1, also being on the southerly line of the plat "Fairlodge Addition to Salem Oregon" (Assessor's Map 07 3W 14DB);
 76. Thence along said southerly line, Easterly 67 feet, more or less, to the easterly line of Lot 11 of said plat (Assessor's Map 07 3W 14DB);
 77. Thence along said easterly line, Northerly 144 feet, more or less, to the southerly right-of-way line of Highland Avenue NE (Assessor's Map 07 3W 14DB);

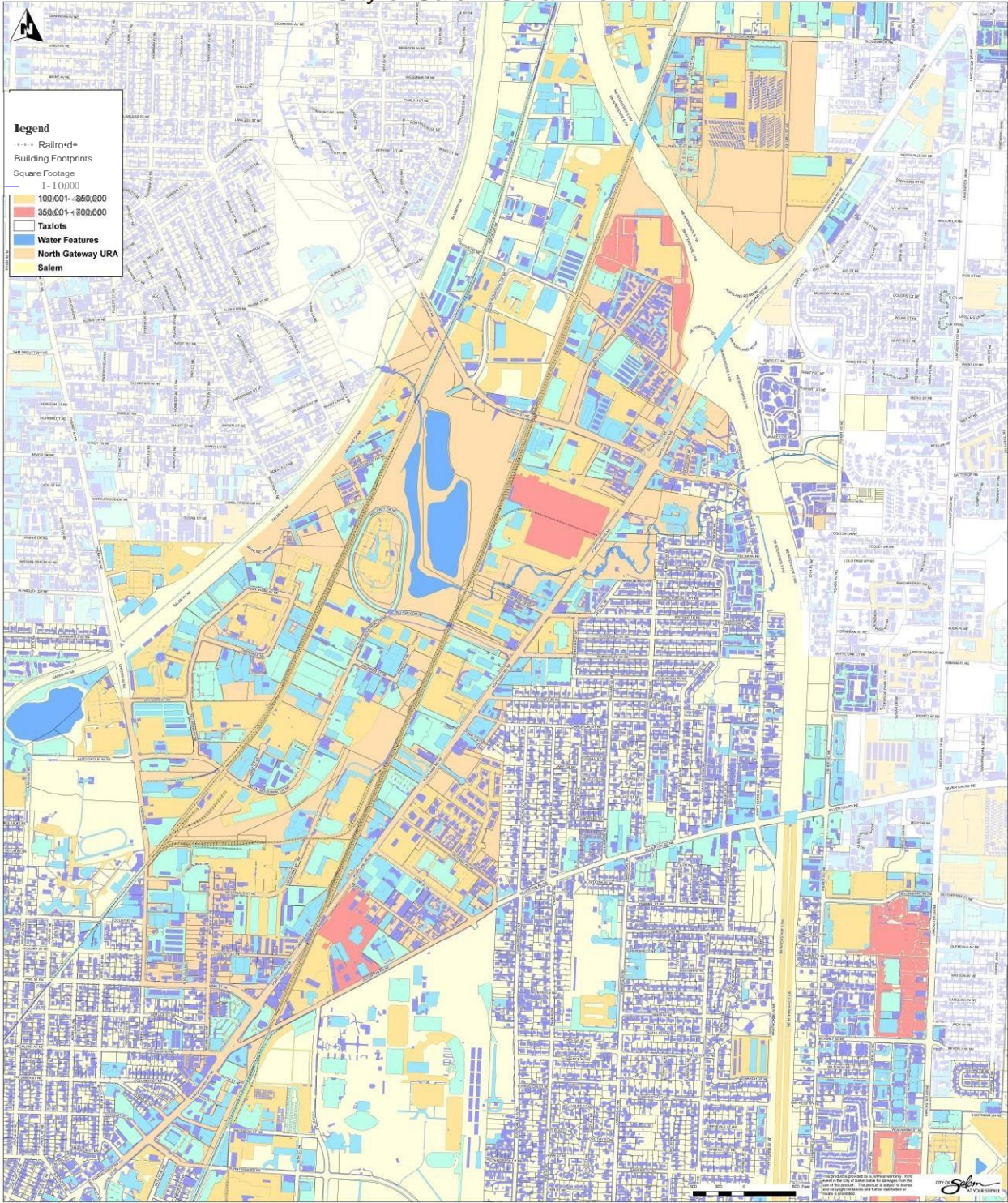
78. Thence leaving said southerly right-of-way line, Northerly 61 feet, more or less, to the intersection of the westerly line of the plat "Brooks' Addition to North Salem", and the northerly right-of-way line of Highland Avenue NE (Assessor's Map 07 3W 14DB);
79. Thence along said northerly right-of-way line, Easterly 250 feet, more or less, to the westerly right-of-way line of Brooks Avenue NE (Assessor's Map 07 3W 14DB);
80. Thence along said westerly right-of-way line, Northerly 696 feet, more or less, to the southerly right-of-way line of Pine Street NE (Assessor's Map 07 3W 14DB);
81. Thence along said southerly right-of-way line, Westerly 776 feet, more or less, to the westerly right-of-way line of Cherry Avenue NE (Assessor's Map 07 3W 14DB);
82. Thence along said westerly right-of-way line, Northerly 3,448 feet, more or less, to the westerly extension of the northerly right-of-way line of Van Ness Avenue NE (Assessor's Map 07 3W 11DC);
83. Thence leaving said westerly right-of-way line along said westerly extension, Easterly 162 feet, more or less, to the southwesterly corner of Lot 1, Block 1 of the plat "Cherry Avenue Industrial Center", also being on the easterly right-of-way line of Cherry Avenue NE (Assessor's Map 07 3W 11DC);
84. Thence along said easterly right-of-way line, Northerly 148 feet, more or less, to the northwesterly corner of said Lot 1 (Assessor's Map 07 3W 11DC);
85. Thence along the westerly line of said Block 1 and the westerly line of Lot 1, Block 5 of the plat "Cherry Avenue Industrial Center No 2", Northerly 1,022 feet, more or less, to the southwesterly right-of-way line of Salem Parkway NE (Assessor's Map 07 3W 11DB);
86. Thence along said southeasterly right-of-way line, Northeasterly 917 feet, more or less, to the northerly corner of Lot 6 of said Block 5 (Assessor's Map 07 3W 11DB);
87. Thence along the northerly line of said Lot 6, Easterly 120 feet, more or less, to the easterly line of said Lot 6 (Assessor's Map 07 3W 11DB);
88. Thence along the northerly extension of said easterly line, Northerly 77 feet, more or less, to the southeasterly right-of-way line of Salem Parkway NE (Assessor's Map 07 3W 11DB);
89. Thence leaving said southeasterly right-of-way line, Northwesterly 98 feet, more or less, when measured at right angles, to the centerline of Salem Parkway NE (Assessor's Map 07 3W 11DB);
90. Thence along said centerline, Northeasterly 3,820 feet, more or less, to the northwesterly extension of the northeasterly right-of-way line of Hyacinth Street NE (Assessor's Map 07 3W 12B);
91. Thence along said northwesterly extension and the northeasterly right-of-way line of Hyacinth Street NE, Southeasterly 2,054 feet, more or less, to the westerly right-of-way line of Union Pacific Railroad (Assessor's Map 07 3W 12B);
92. Thence along said westerly right-of-way line, Northerly 629 feet, more or less, to the easterly extension of the southerly line of the plat "Sullivan Acres" (Assessor's Map 07 3W 12B);
93. Thence along said easterly extension, Westerly 62 feet, more or less, to the easterly line of said plat (Assessor's Map 07 3W 12B);
94. Thence along said easterly line and the northerly extension thereof, Northerly 866 feet, more or less, to the southerly right-of-way line of Claxter Road NE (Assessor's Map 07 3W 01C);
95. Thence leaving said southerly right-of-way line, Northerly 40 feet, more or less, to the southeasterly corner of Deed Reel 873 Page 164, also being on the northerly right-of-way line of Claxter Road NE (Assessor's Map 07 3W 01C);
96. Thence along said northerly right-of-way line, Easterly 44 feet, more or less, to a line which is parallel with and 10 feet westerly of the easterly line of the plat "Cherrydale Tracts" (Assessor's Map 07 3W 01C);

97. Thence along said parallel line, Northerly 1,202 feet, more or less, to the northerly line of said plat (Assessor's Map 07 3W 01C);
98. Thence along said northerly line, Easterly 11 feet, more or less, to the westerly right-of-way line of Union Pacific Railroad (Assessor's Map 07 3W 01C);
99. Thence along said westerly right-of-way line, Northerly 2,049 feet, more or less, to the southerly right-of-way line of Blossom Drive NE (Assessor's Map 07 3W 01A);
100. Thence along said southerly right-of-way line, Westerly 42 feet, more or less, to the westerly right-of-way line of Indian School Road NE (Assessor's Map 07 3W 01A);
101. Thence along said westerly right-of-way line, Northerly 53 feet, more or less, to the westerly extension of the northerly right-of-way line of Blossom Drive NE (Assessor's Map 07 3W 01A);
102. Thence along said westerly extension and the northerly right-of-way line of Blossom Drive NE, Easterly 1,729 feet, more or less, to the northerly extension of the easterly line of Deed Reel 3903 Page 0341 (Assessor's Map 07 3W 01A);
103. Thence along said northerly extension and the easterly line of said Deed, Southerly 1,361 feet, more or less, to the Point of Beginning. (Assessor's Map 07 3W 01D).

The above described tract of land contains 929 acres, more or less.

North Gateway Urban Renewal Area

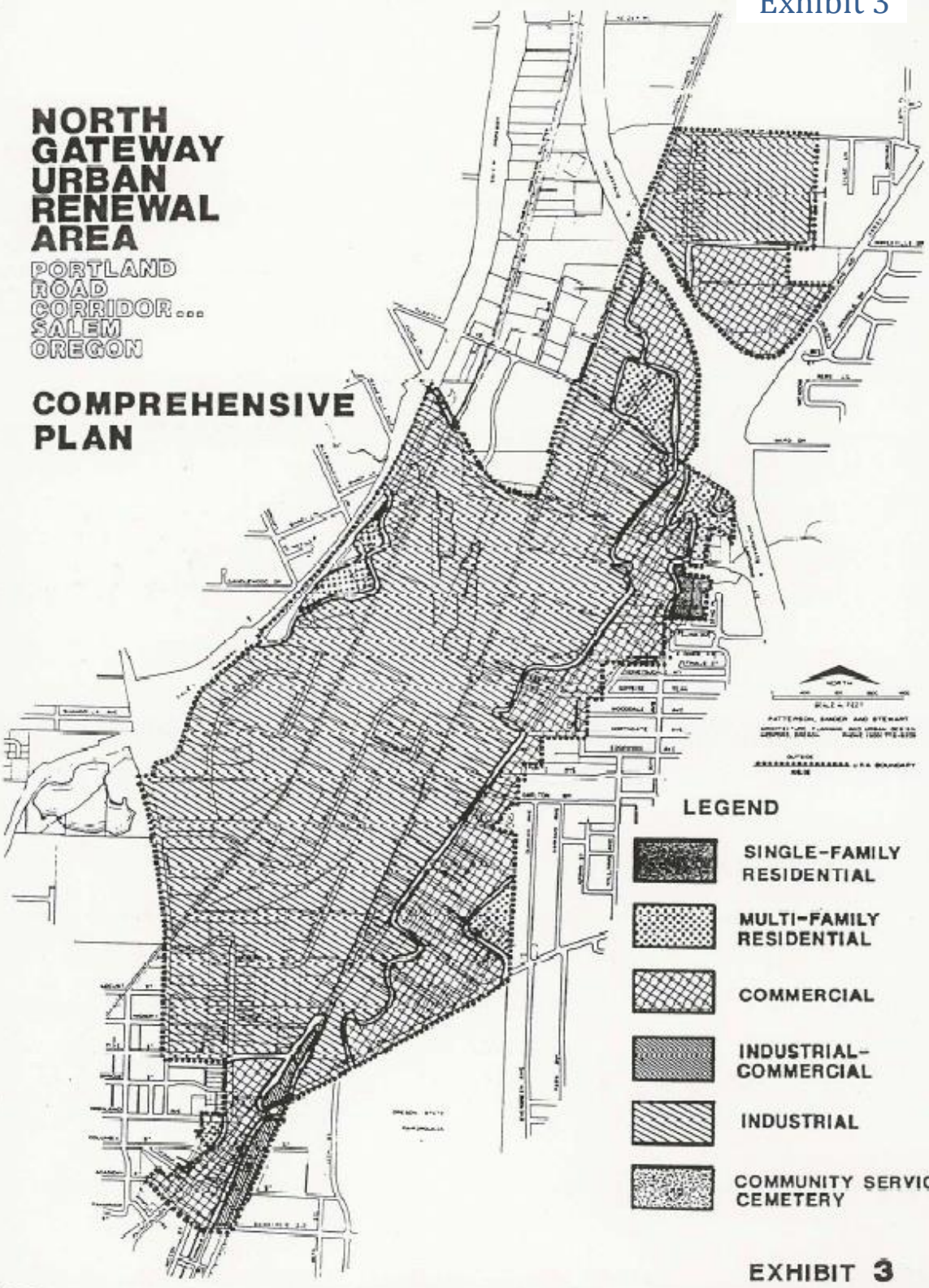
City of Salem Urban Renewal



**NORTH
GATEWAY
URBAN
RENEWAL
AREA**

PORTLAND
ROAD
CORRIDOR...
SALEM
OREGON

**COMPREHENSIVE
PLAN**



LEGEND

-  SINGLE-FAMILY RESIDENTIAL
-  MULTI-FAMILY RESIDENTIAL
-  COMMERCIAL
-  INDUSTRIAL-COMMERCIAL
-  INDUSTRIAL
-  COMMUNITY SERVICE CEMETERY

EXHIBIT 3

SEE OFFICIAL COMPREHENSIVE PLAN MAP FOR LAND USE BOUNDARY LOCATION.

NORTH GATEWAY URBAN RENEWAL AREA

PORTLAND
ROAD
CORRIDOR...
SALEM
OREGON

ZONING



EXHIBIT 4

SEE OFFICIAL ZONING MAP FOR PRECISE ZONE BOUNDARY LOCATIONS.

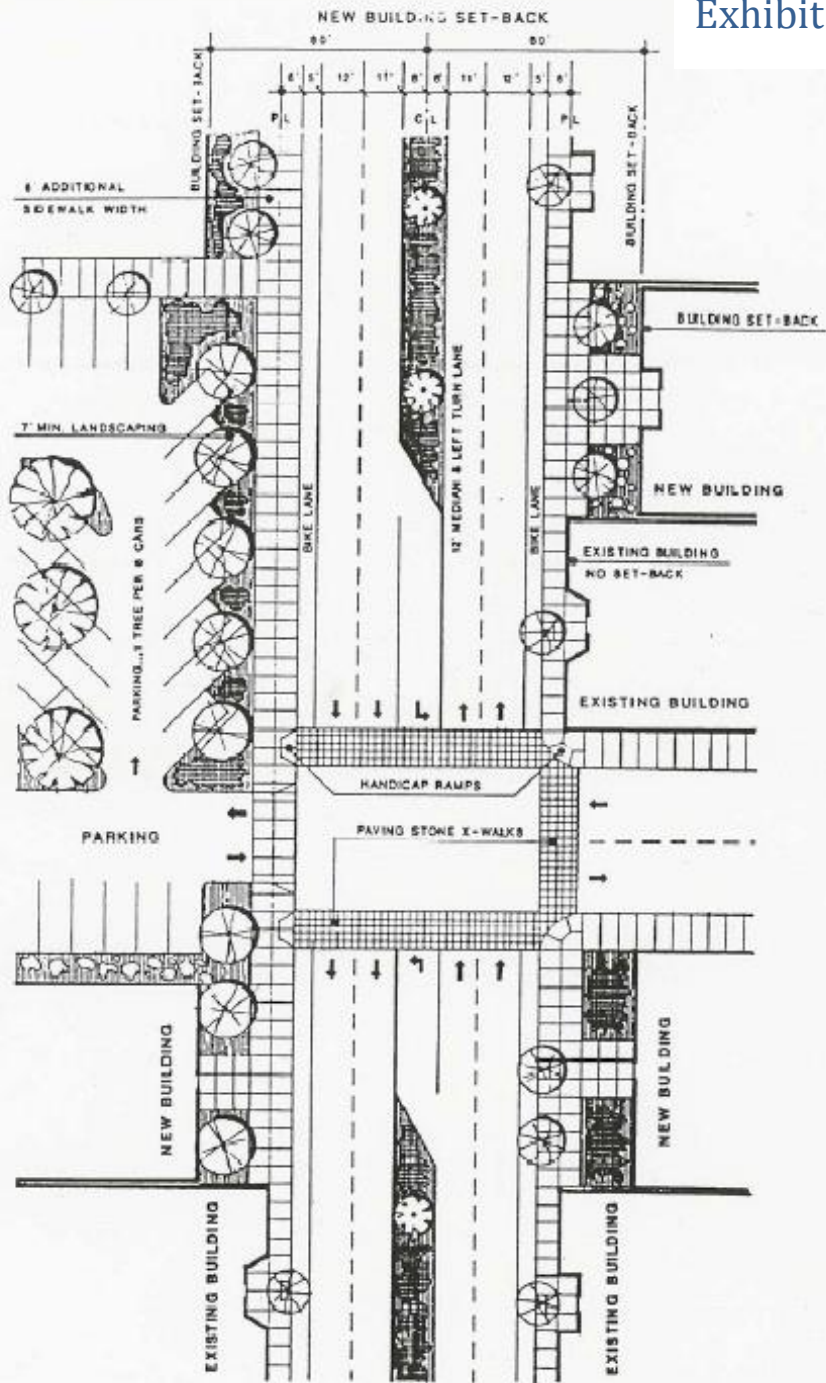


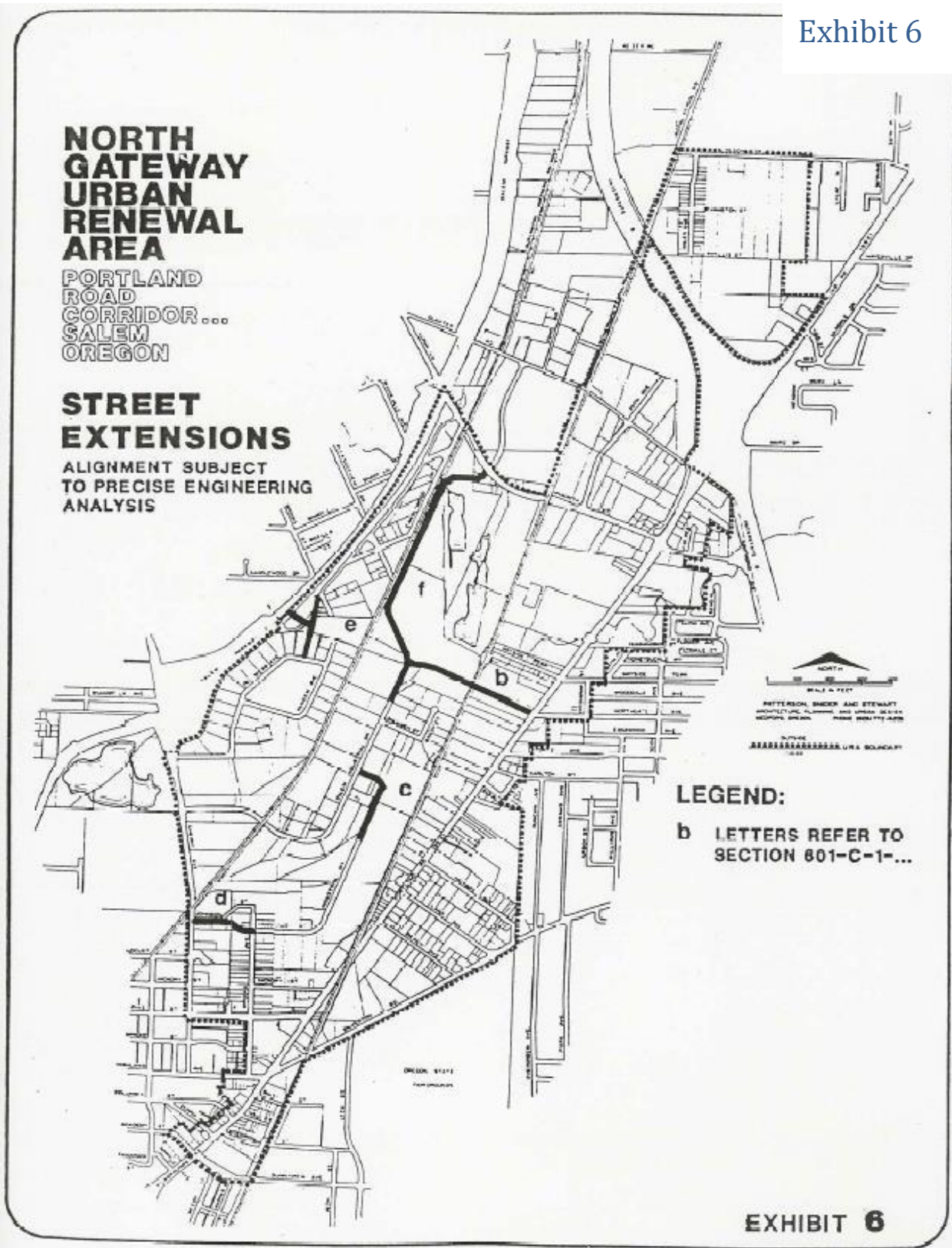
EXHIBIT 5

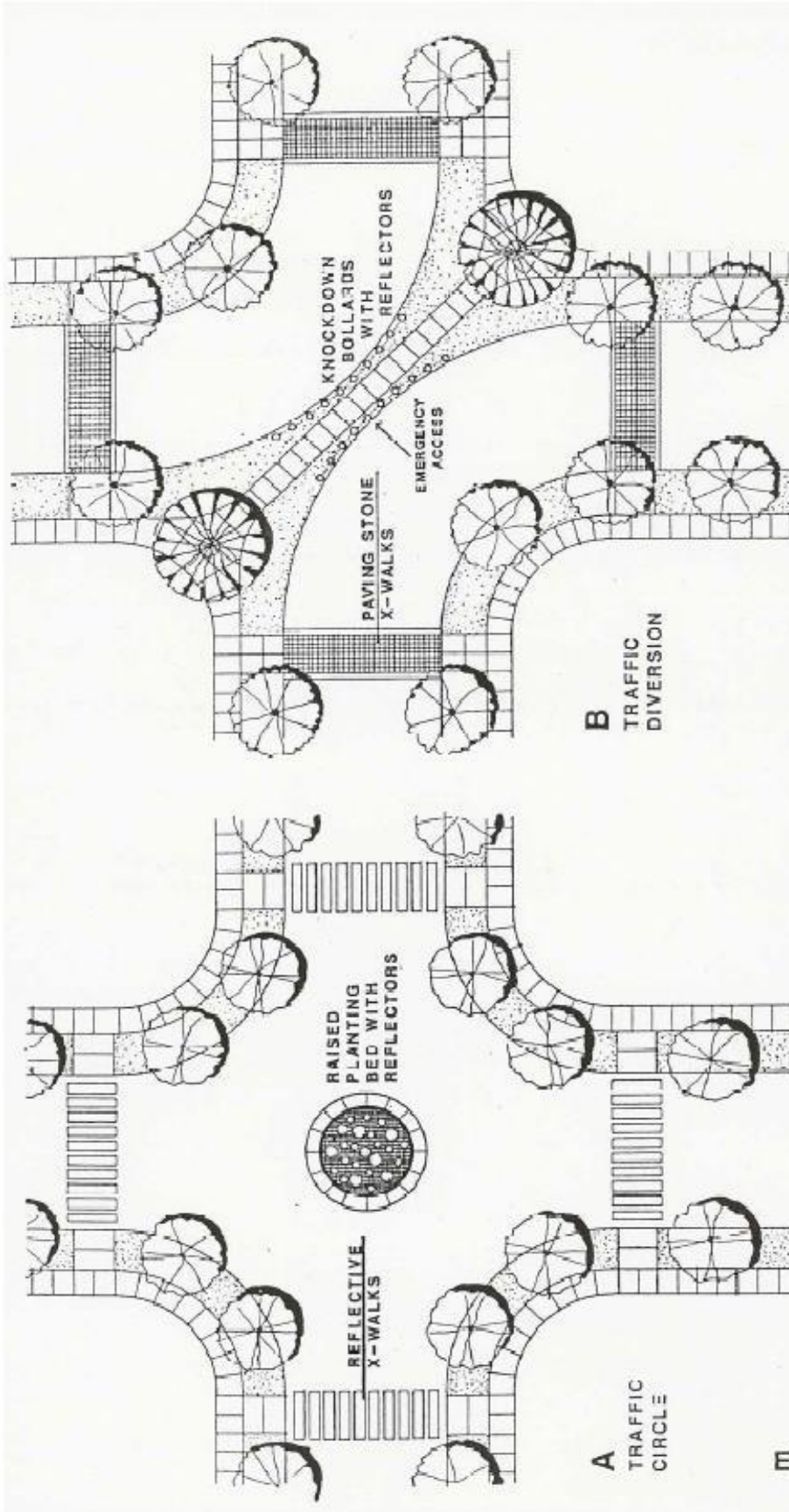
**CONCEPT PLAN...
PORTLAND ROAD IMPROVEMENTS**

**ACTUAL DESIGN TO BE DEVELOPED
WITH ABUTTING PROPERTY OWNERS**

NORTH GATEWAY URBAN RENEWAL AREA, SALEM, OREGON

PATTERSON, BINDER AND STEWART





CONCEPTUAL TRAFFIC MITIGATION DESIGNS...
ACTUAL DESIGNS TO BE DEVELOPED WITH NEIGHBORHOOD
NORTH GATEWAY URBAN RENEWAL AREA...SALEM, OREGON
PATTERSON, SHLDER & STEWART

NORTH GATEWAY URBAN RENEWAL PLAN REPORT

Salem, Oregon

January 4, 2019

Prepared By:

Urban Renewal Agency
Of the
City of Salem, Oregon

Consultant Team:

ECONorthwest/Tiberius
Nick Popenuk
Ali Danko
Kate Macfarlane

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SECTION 100: INTRODUCTION

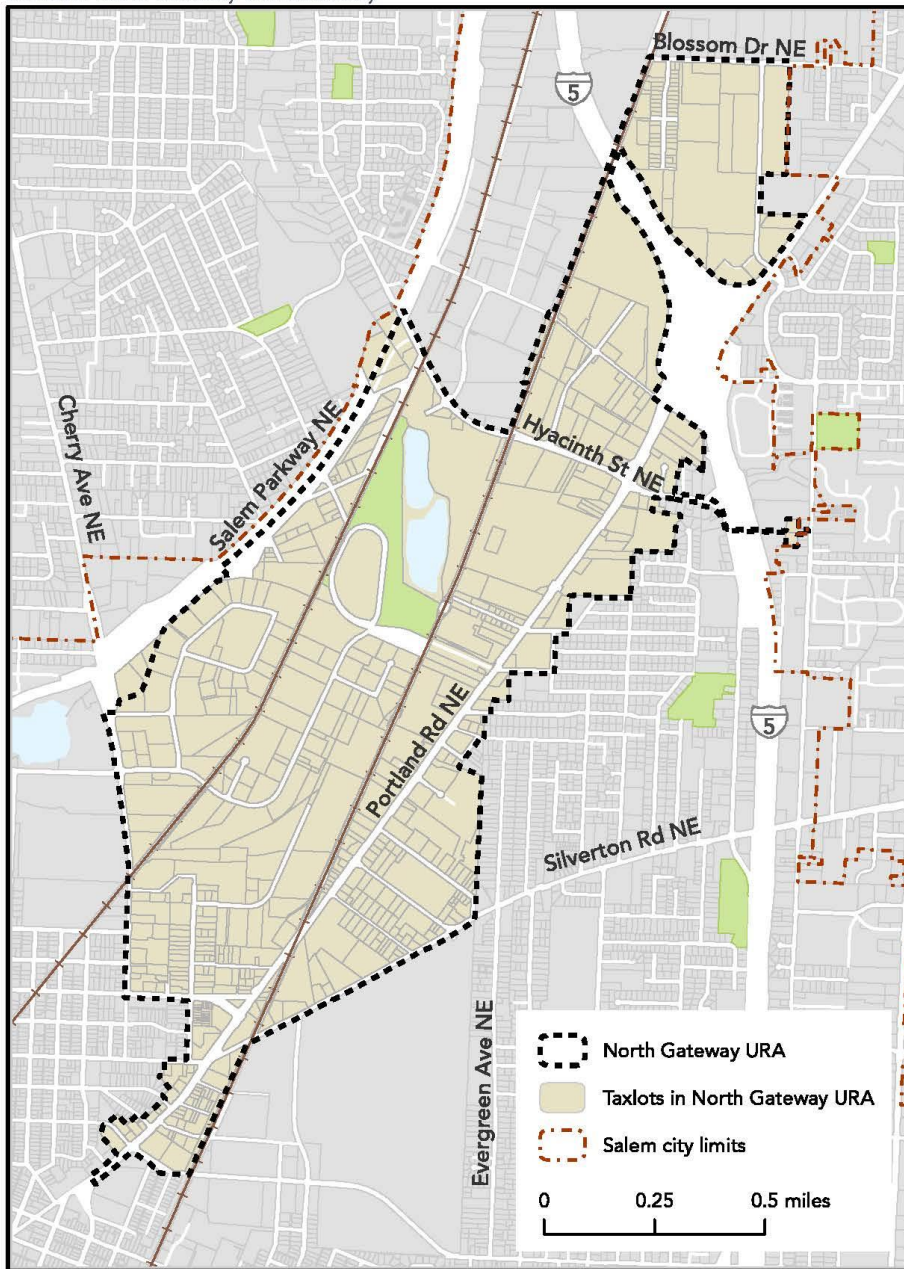
The North Gateway Urban Renewal Plan will be administered by the Salem Urban Renewal Agency (Agency), which was established by the Salem City Council as the City's Urban Renewal Agency. Oregon Urban Renewal Law (ORS 457.085) requires that the Urban Renewal Plan be accompanied by a Report which contains additional information outlined below:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Plan area;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- Estimated completion date of each project

The Report on the North Gateway Urban Renewal Plan (Report) contains background information and project details that pertain to the North Gateway Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and support the findings made as part of the approval of the Plan.

The Report provides only guidance on how the Plan might be implemented. As the Salem Urban Renewal Agency reviews revenues and potential projects each year, it has the authority to make adjustments to the assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other changes, as allowed in the amendment section of the Plan.

Exhibit 1. North Gateway URA Boundary



SECTION 200: EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS

This section of the Report describes existing conditions within the North Gateway Urban Renewal Area and documents the occurrence of “blighted areas” as defined by ORS 457.010 (1).

A. Physical Conditions

1. Land Use

The North Gateway Urban Renewal Area shown in **Exhibit 1**, contains 674 tax lots consisting of 778 acres, and an additional 152 acres of right-of-way for a total of 930 acres. The North Gateway Urban Renewal Area is located entirely within the Salem city limits.

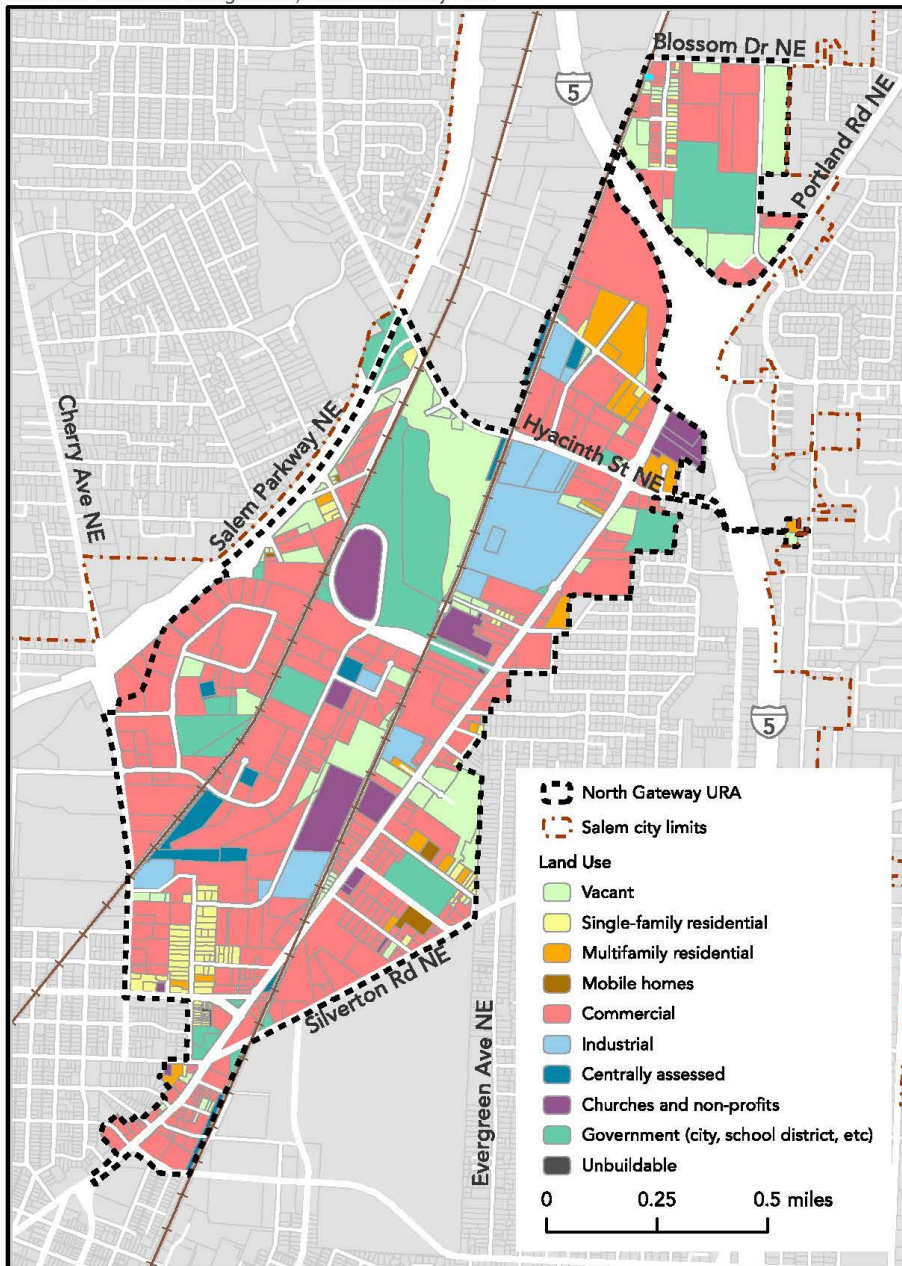
An analysis of property classification from the City of Salem was used to determine the land-use designation of parcels within the North Gateway Urban Renewal Area. Thirteen percent (13%) of the North Gateway Urban Renewal Area is currently classified as vacant. The predominant land use within the North Gateway Urban Renewal Area is commercial (52% of total acreage), followed by Government land-use as the next largest (14% of total acreage). Collectively, these three uses: commercial, government, and vacant account for nearly 80% of the total acreage within the North Gateway Urban Renewal Area. The total land uses of the North Gateway Urban Renewal Area, by acreage and parcel are shown in **Exhibit 2**. **Exhibit 3** provides the land-use classification data within a parcel/map format.

Exhibit 2. Land Use Designation Summary, North Gateway URA

Generalized Land Use	Number of		
	Taxlots	Acres	Percent
Vacant	92	101	13%
Single-family residential	110	22	3%
Multifamily residential	21	27	3%
Mobile homes	4	3	0%
Commercial	344	401	52%
Industrial	13	61	8%
Centrally assessed	34	18	2%
Churches and non-profits	16	39	5%
Government (city, school district, etc.)	34	106	14%
Unbuildable	3	0	0%
Total	671	778	100%

Source: ECONorthwest with data from the City of Salem

Exhibit 3. Land Use Designation, North Gateway URA



Source: ECONorthwest with data from the City of Salem

2. Zoning

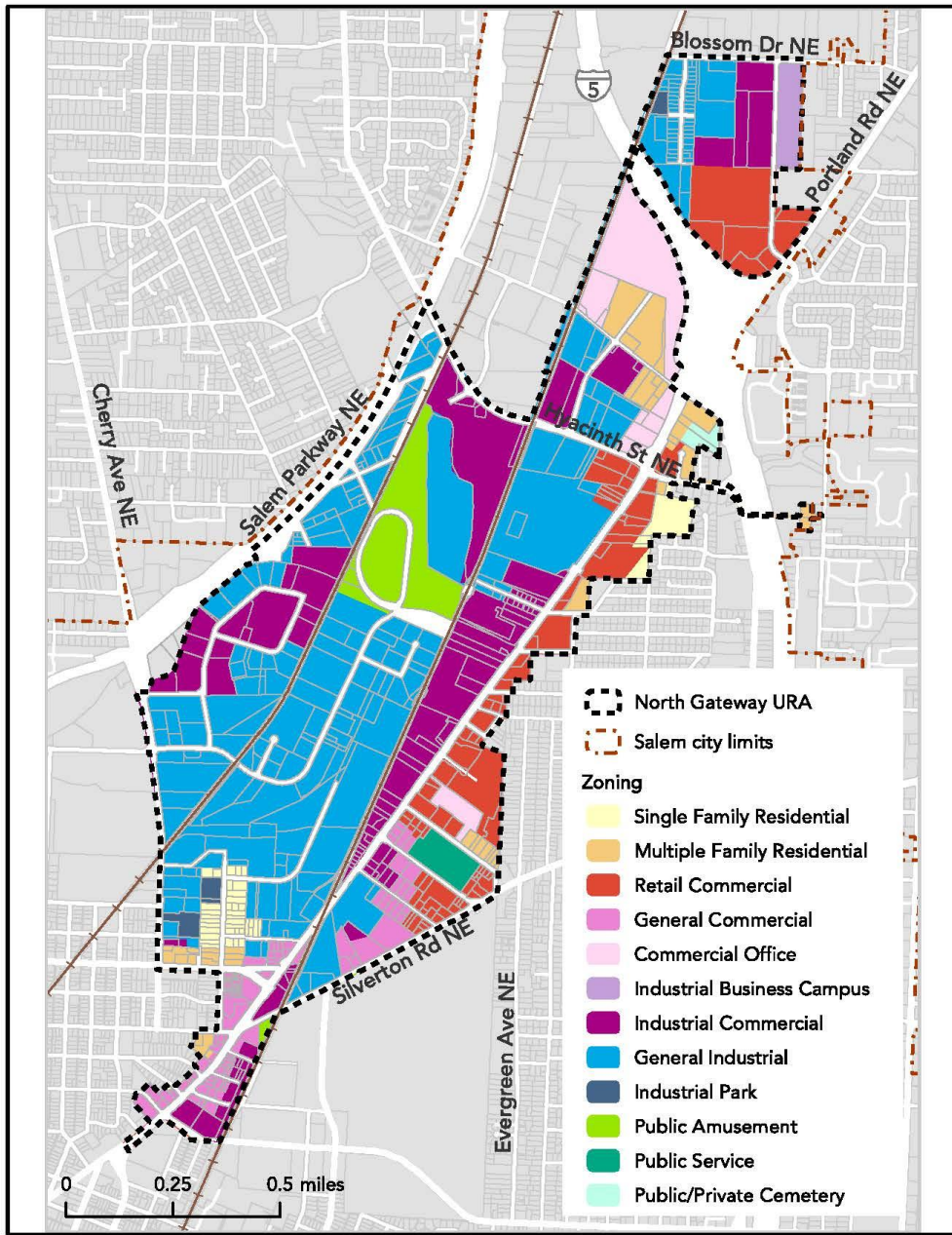
As illustrated in **Exhibit 4** and **Exhibit 5**, the North Gateway Urban Renewal Area is primarily zoned general industrial (44%) and Industrial Commercial (20%) by acreage. Retail Commercial zoning applies to 12% of the acreage. No other designated zoning comprises more than 5% of the total acreages in the North Gateway Urban Renewal Area.

Exhibit 4. Zoning Summary, North Gateway URA

Zoning Designation	Acres	Percent
Single Family Residential	18	2%
Multiple Family Residential	32	4%
Retail Commercial	93	12%
General Commercial	33	4%
Commercial Office	39	5%
Industrial Business Campus	9	1%
Industrial Commercial	157	20%
General Industrial	342	44%
Industrial Park	5	1%
Public Amusement	35	5%
Public Service	8	1%
Public/Private Cemetary	3	0%
Taxlot acres without zoning designation	3	0%
Total	778	100%

Source: ECONorthwest with data from the City of Salem

Exhibit 5. Zoning, North Gateway URA



Source: ECONorthwest with data from the City of Salem

3. Comprehensive Plan Designation

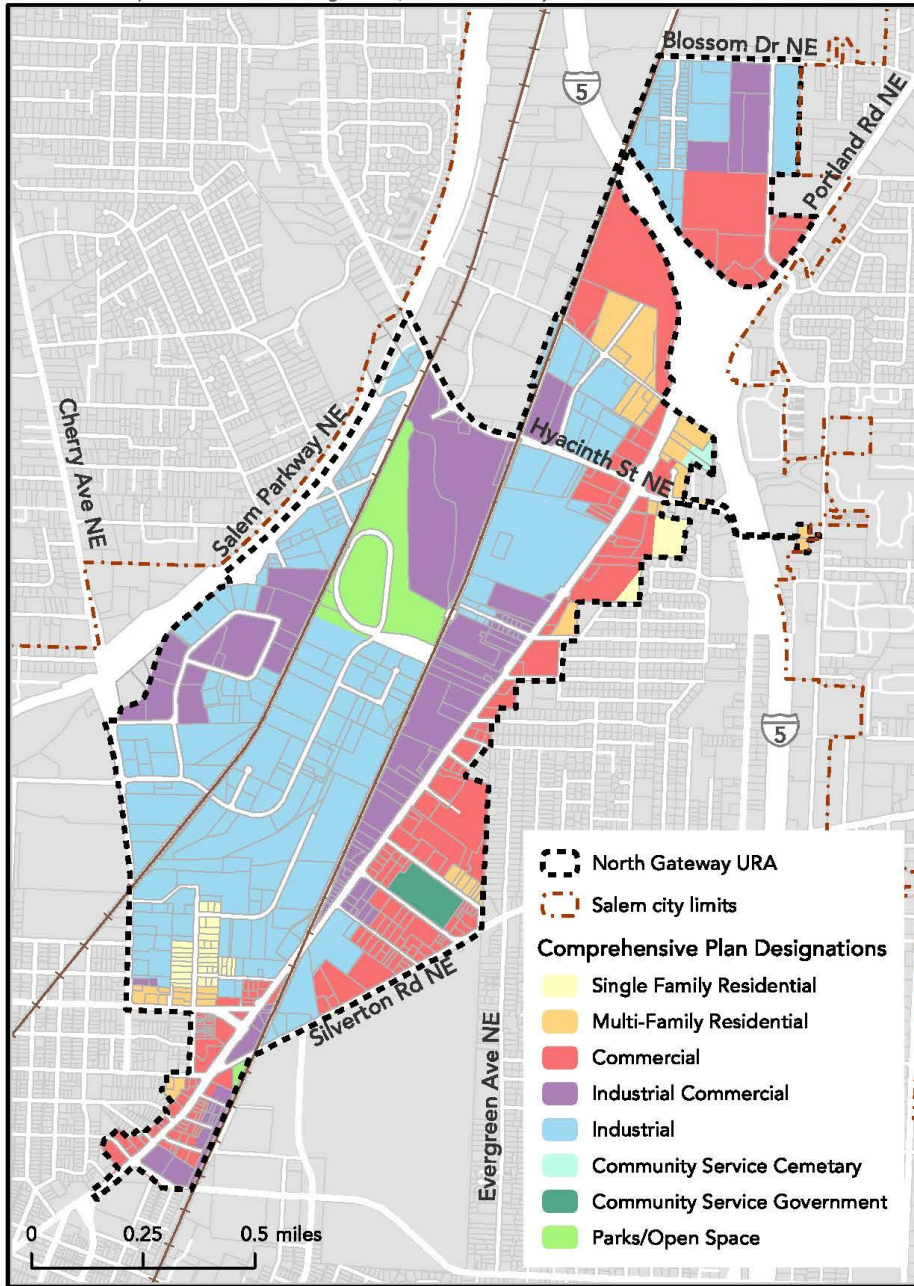
The majority of the North Gateway Urban Renewal Area is designated as Industrial (44%), Industrial Commercial (22%), and Commercial (22%). Six percent of the North Gateway Urban Renewal Area is designated within the category of Residential. **Exhibit 6** summarizes the Comprehensive Plan designations within the North Gateway Urban Renewal Area.

Exhibit 6. Comprehensive Plan Designation Summary, North Gateway URA

Comprehensive Plan Designation	Acres	Percent
Single Family	15	2%
Multi-Family	33	4%
Commercial	168	22%
Industrial Commercial	170	22%
Industrial	343	44%
Community Services Cemetary	2	0%
Community Services Government	8	1%
Parks/Open Space	35	5%
Taxlot acres without a comprehensive plan designation	3	0%
Total	778	100%

Source: ECONorthwest with data from the City of Salem

Exhibit 7. Comprehensive Plan Designation, North Gateway URA



Source: ECONorthwest with data from the City of Salem

B. Infrastructure

This section identifies the existing conditions in the area to assist in establishing blight. There are projects listed in the City of Salem Master Plans and Transportation Systems Plan that identify these existing conditions. This does not mean all of these projects are included in the North Gateway Urban Renewal Plan. The specific projects to be included in the North Gateway Urban Renewal Plan are listed in **Sections 400** and **500** of this document.

1. Transportation

The North Gateway Urban Renewal Area may experience redevelopment opportunities within some neighborhoods. An established inner-city area, its issues deal more with how to maximize existing street system performance and reduce traffic infiltration in residential neighborhoods. The area is expected to continue experiencing growth from development. Access to Cherry Avenue Business Park continues to be a concern to businesses. Other issues include how best to serve the large and growing commercial districts, bringing arterial streets up to full urban standards with necessary system capacity.

The Salem Transportation Systems Plan (2016) details the transportation needs within the area.

Street Improvement Projects

There are significant transportation needs within the area:

- Salem Industrial Drive NE (Cherry Avenue NE to Bill Frey Drive NE) (TSP No. 42)
Improve the southbound and westbound (north) side of this street to urban collector standards, including travel lanes with curb, gutter, sidewalk, bicycle lane, and storm drainage.
- Hawthorne Avenue NE and Hyacinth Street NE (Portland Road NE to Sunnyview Road NE) (TSP No. 40)
Widen to two travel lanes with center turn lane where needed, add curbs, gutters, sidewalks, bicycle lanes, and widen intersection approaches to Portland Road NE, Silverton Road NE and Sunnyview Road NE.
- Silverton Road Realignment (East of Railroad to Pine Street/ Portland Road Intersection) (TSP No. 272)
Realign Silverton Road NE westward to connect with Portland Road NE at Pine Street NE, allowing for the removal of the awkward existing Silverton Road NE/Portland Road NE intersection. Final approval of this realignment must be given by the Union Pacific Railroad and ODOT.
- Cherry Avenue NE (BNRR/SF to Salem Parkway NE) (TSP No.16)
This project will improve capacity and access to Northgate Industrial Park by widening the roadway to four travel lanes and a center turn lane. The project will also construct curbs, sidewalks, and bicycle lanes.
- Salem Industrial Drive Extension (Bill Frey Drive NE to Hyacinth Street NE) (TSP No.271)
Extend Salem Industrial Drive northward to Hyacinth Street NE.

- Salem Parkway at Hyacinth Street NE and Cherry Avenue NE (TSP No.35)
Provide upgrades at both intersections in order to provide safety.
- Hayesville Drive NE (Portland Road NE to Astoria Street NE) (TSP No.269)
Extend Portland Road NE westward to connect with Astoria Street NE.
- Phyllis Street NE (Niles Avenue NE to Astoria Street NE) (TSP No.267)
Extend Phyllis Street NE eastward to connect with Astoria Street NE.

Bicycle/Pedestrian Improvement Projects

- Clagget Creek Path (Bill Frey Drive NE to Hyacinth Street NE)
New multi-use connector path.
- Bill Frey Bike Lane Extension from Kroc Center to Hyacinth Street NE
- Blossom Drive NE/Indian School Road NE
Bike Lanes from Portland Road NE to Chemawa Road NE.
- Salem Industrial Drive NE from Cherry Avenue to Anunsen Street NE

New Sidewalks/Sidewalk Infill

- Bill Frey Drive NE Extension from Kroc Center to Hyacinth Street NE

New Sidewalks/Sidewalk Infill

- Cherry Avenue NE from Pine Street to City Limits
New Sidewalks/Sidewalk Infill

2. Water

The City of Salem Water System needs for the North Gateway Urban Renewal Area are identified in the City of Salem (1994) Water Systems Master Plan. According to the Water System Master Plan, the majority of water improvements for the area will happen as development or redevelopment occurs. Improvements are intended to address marginal hydrant coverage in developed industrial and commercial areas, undersized industrial and commercial areas, and provide water to unserved areas.

Appendix B of the City of Salem Water Master Plan identifies water improvements needed within the North Gateway Urban Renewal Area.

3. Storm Water

Projects have been identified as part of the 2000 City of Salem Storm Water Master Plan (**Appendix C**). This references those known projects and does not include projects triggered by potential future developments.

- Hyacinth Street near Salem Industrial Drive (CLB1)
Replace undersized pipe.
- Claxter Road to Hyacinth Street (CLB2)
Replace undersized pipe.

- Cherry Avenue from N. Johnson Street to Salem Industrial Drive
Future storm water development

- Niles Avenue from Phyllis Street NE to Blossom Drive NE
Future storm water development

4. Parks and Open Space

The 2013 City of Salem Comprehensive Park System Master Plan (*Appendix D*) identifies the following projects for the North Gateway Urban Renewal Area:

- Proposed new facility in the N. Fairgrounds Area of 5 acres (NP 14).
- Proposed new Fairgrounds Path (CT 10)
- Proposed new Northgate Avenue NE/Wooddale Avenue NE Connector
- Proposed Master Planning and Park Design Development of the Clagget Creek Nature Area; Reservoir, trails and bridge.

5. Other Utilities

Electrical service, telecommunications service via fiber and natural gas services will also need to be extended and/or upgraded into the area to support development. These utilities are assumed to be constructed “as needed” in support of specific developments.

C. Social Conditions

The social conditions referred to within this Report utilized data from the US Census Bureau. The geographies used by the Census Bureau to summarize the data do not strictly conform to the boundary of the North Gateway Urban Renewal Area. This analysis uses data from two US Census Bureau block groups which overlap the North Gateway Urban Renewal Area boundary, totaling 1,405 residents. Please note that while these block groups are the most representative geography for the North Gateway Urban Renewal Area, they contain areas outside the North Gateway Urban Renewal Area, and not all residences within the North Gateway Urban Renewal Area are captured¹

Exhibit 8 shows the age of residents within the North Gateway Urban Renewal Area block groups and the City of Salem as a whole. Those over the age of 54 compose a smaller proportion of the North Gateway Urban Renewal population (9%) as compared with the City of Salem as a whole (25%).

¹ Within the URA boundary, there are six overlapping block groups. However, the demographic and social conditions described in this section only include data from the two block groups where the majority of households in the block groups reside within the URA boundary. In the other four block groups, almost all residential property is located outside of the URA boundary.

Exhibit 8. Age, North Gateway URA and City of Salem

Age	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Under 5 years	155	11%	11,220	7%
5 to 9 years	33	2%	11,377	7%
10 to 14 years	132	9%	10,662	7%
15 to 17 years	29	2%	6,626	4%
18 to 24 years	219	16%	17,712	11%
25 to 34 years	268	19%	24,242	15%
35 to 44 years	151	11%	20,778	13%
45 to 54 years	290	21%	19,657	12%
55 to 64 years	97	7%	18,803	12%
65 to 74 years	15	1%	11,694	7%
75 to 84 years	7	0%	5,816	4%
85 years and over	9	1%	3,388	2%
Total	1,405	100%	161,975	100%

Source: American Community Survey 2012-2016 5-Year Estimates

According to the data within Exhibit 9, 52% of the North Gateway Urban Renewal Area residents are Hispanic or Latino, compared to 22% of residents within the entire City of Salem.

Exhibit 9. Hispanic or Latino Origin by Race, North Gateway and City of Salem

	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Hispanic or Latino				
White alone	381	27%	20,325	13%
Black or African American alone	0	0%	106	0%
American Indian and Alaska Native alone	0	0%	666	0%
Asian alone	0	0%	36	0%
Native Hawaiian and Other Pacific Islander alone	0	0%	32	0%
Some other race alone	263	19%	9,169	6%
Two or more races	91	6%	4,829	3%
<i>Total</i>	<i>735</i>	<i>52%</i>	<i>35,163</i>	<i>22%</i>
Not Hispanic or Latino				
White alone	625	44%	111,483	69%
Black or African American alone	17	1%	2,077	1%
American Indian and Alaska Native alone	12	1%	1,121	1%
Asian alone	0	0%	4,537	3%
Native Hawaiian and Other Pacific Islander alone	0	0%	1,706	1%
Some other race alone	0	0%	146	0%
Two or more races	16	1%	5,742	4%
<i>Total</i>	<i>670</i>	<i>48%</i>	<i>126,812</i>	<i>78%</i>
Total	1,405	100%	161,975	100%

Source: American Community Survey 2012-2016 5-Year Estimates

Exhibit 10 shows the educational attainment for residents 25 and over. Fifty-eight percent of residents in the North Gateway Urban Renewal Area have a high school or equivalent degree or less, compared to 38% in the City of Salem. Seventeen percent of residents in the North Gateway Urban Renewal Area have an associates, bachelors, or master’s degree, compared to 27% city-wide.

Exhibit 10. Educational Attainment, North Gateway URA and City of Salem

	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Less than high school	161	19%	13,423	13%
High school graduate (includes equivalency)	315	38%	26,145	25%
Some college	216	26%	28,449	27%
Associate's degree	100	12%	8,197	8%
Bachelor's degree	36	4%	17,240	17%
Master's degree	9	1%	7,622	7%
Professional school degree	0	0%	1,986	2%
Doctorate degree	0	0%	1,316	1%
Total	837	100%	104,378	100%

Source: American Community Survey 2012-2016 5-Year Estimates

Commute times are longer for residents in the North Gateway Urban Renewal Area than overall within the City of Salem. **Exhibit 11** shows that 37% of residents in the North Gateway Urban Renewal Area commute more than 30 minutes for work, compared to 23% of residents in the city as a whole.

Exhibit 11. Travel Time to Work, North Gateway URA and City of Salem

	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Less than 10 minutes	75	14%	9,868	15%
10 to 19 minutes	168	31%	28,151	42%
20 to 29 minutes	96	18%	13,580	20%
30 to 39 minutes	106	20%	6,490	10%
40 to 59 minutes	53	10%	4,518	7%
60 to 89 minutes	33	6%	2,913	4%
90 or more minutes	7	1%	1,279	2%
Total	538	100%	66,799	100%

Source: American Community Survey 2012-2016 5-Year Estimates

Residents in the North Gateway Urban Renewal Area primarily commute by vehicle, as is true for residents city-wide. **Exhibit 12** shows a smaller share of residents in the North Gateway Urban Renewal Area drove alone to work: 66%, compared to 73% in the city as a whole. An additional 21% of the residents in the North Gateway Urban Renewal Area carpooled, compared to 13% in the city as a whole.

Exhibit 12. Means of Transportation to Work, North Gateway URA and City of Salem

	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Drove alone	362	66%	51,200	73%
Carpooled	112	21%	9,265	13%
Public transportation	14	3%	1,783	3%
Taxicab	0	0%	27	0%
Motorcycle	0	0%	250	0%
Bicycle	21	4%	1,001	1%
Walked	16	3%	2,810	4%
Other means	13	2%	463	1%
Worked at home	8	1%	3,187	5%
Total	546	100%	69,986	100%

Source: American Community Survey 2012-2016 5-Year Estimates

Exhibit 13 illustrates household income in the past 12 months (*in 2016 dollars*) for the North Gateway Urban Renewal Area and the City of Salem. Sixty percent of households in the North Gateway Urban Renewal Area have an annual income of less than \$30,000, compared to 29% in the City as a whole. Eighty-four percent of households make under \$50,000 per year, compared to 50% in the City as a whole.

Exhibit 13. Household Income (2016\$), North Gateway URA and City of Salem

	North Gateway URA		City of Salem	
	Estimate	Percent	Estimate	Percent
Less than \$10,000	106	17%	4,100	7%
\$10,000 to \$19,999	111	18%	6,444	11%
\$20,000 to \$29,999	157	25%	6,478	11%
\$30,000 to \$39,999	107	17%	6,603	11%
\$40,000 to \$49,999	46	7%	5,883	10%
\$50,000 to \$59,999	20	3%	4,935	8%
\$60,000 to \$74,999	19	3%	6,625	11%
\$75,000 to \$99,999	43	7%	7,324	13%
\$100,000 to \$124,999	17	3%	4,042	7%
\$125,000 to \$149,999	0	0%	2,387	4%
\$150,000 to \$199,999	0	0%	1,989	3%
\$200,000 or more	0	0%	1,383	2%
Total	626	100%	58,193	100%

Source: American Community Survey 2012-2016 5-Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the area, including all real, personal, personal manufactured, and utility properties, is estimated to be \$324,979,108 as outlined in **Exhibit 14**.

Exhibit 14. Assessed Value by Property Type, North Gateway URA, FYE 2018

Property Type	Assessed Value	Percent
Real	\$ 268,987,500	83%
Personal	\$ 26,472,793	8%
Manufactured	\$ 173,750	0%
Utilities	\$ 29,345,065	9%
Total	\$ 324,979,108	100%

Source: Marion County Assessor

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (*the value of buildings*)

and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Value Ratio,” or “I:L”. The values used are real market values. In urban renewal areas, the “I:L” is often used to measure the intensity of development or the extent to which an area has achieved its short-and-long-term development objectives.

Exhibit 15 below summarizes the improvement to land value ratio of all tax lots in the North Gateway Urban Renewal Area. Twenty-five percent of the URA has no improvement value and is considered vacant (*i.e. developable*). Another 22% of land in the URA has an improvement to land value ratio less than 1, meaning the land is more valuable than its structure. These parcels are considered redevelopable.

Exhibit 15. Improvement to Land Value Ratio, North Gateway URA

Improvement to Land Value Ratio	Number of		
	Taxlots	Acres	Percent
0	179	197	25%
0.01-0.49	99	109	14%
0.5-0.99	72	60	8%
1-1.99	114	107	14%
2-4.99	155	195	25%
5 +	52	110	14%
Total	671	778	100%

Source: ECONorthwest with data from Marion County

SECTION 300: REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the geographic area within the North Gateway Urban Renewal Plan is to provide the ability to fund improvements necessary to assist with the elimination of blight in the Area.

SECTION 400: THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

A. The projects identified for the area are described below, including how they relate to the existing conditions of the area.

- **North Gateway Building Rehabilitation/Restoration Grant Program**

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

Existing: The North Gateway Urban Renewal Grant Program has helped several area businesses expand and supported workforce development. Since July 2016, \$6.4M in grant funds has helped

leverage \$23.6M of private investment in the area. Demand for the program exceeds funding available.

- **Development Infrastructure Assistance Program**

Development Infrastructure Assistance Program 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.

Existing: There have been two development challenges identified which this program would assist with. The first is the availability for developable property has been decreasing and the properties available often include lack of adequate infrastructure. Secondly, recent projects have identified unknown gaps in the infrastructure system for developable properties. Both scenarios have led to substantial increases in project costs.

- **Affordable Housing Development Assistance Program**

Affordable Housing Development Assistance Program to coincide with Grant Program, but specifically target providing financial assistance towards affordable housing development projects.

Existing: Within both the City of Salem and the State of Oregon, the issue of affordable housing and lack thereof has become a high priority. The North Gateway Urban Renewal Area has several affordable housing projects, however the demand and need continue to be present within the URA and City of Salem as a whole.

- **Silverton Road/17th Street Left Turn Lane**

A left turn lane will be established from Silverton Road to 17th Street with the goal to improve traffic flow and safety at the intersection. The improvement would also include a traffic signal.

Existing: Silverton Road is a major arterial street, currently with 4 – 11' wide vehicular lanes and sidewalks within a 60' wide right-of-way. Westbound traffic wanting to turn left onto 17th Street must occupy the inner through vehicle lanes.

- **Pine Street Redevelopment**

Costs associated with site preparation and potentially contributing to construction as it aligns with the goals of the URA for redevelopment of 2640 Portland Road NE and potentially other adjacent sites in the corridor.

Existing: URA is in the process of purchasing a vacant/former car lot at 2640 Portland Road to be utilized for a redevelopment project.

- **Gateway Streetscape Enhancements**

Additional funding to continue the enhancement of streetscape in order to complement future development including; lighting, sidewalk, landscaping, street furnishings, murals, sculptures, and other associated enhancements.

Existing: The URA recently completed a streetscape project along a portion of Portland Road, however there continue to be additional needs for enhancements throughout the URA corridor.

- **Property Acquisitions**

Potential acquisition of parcels as part of a larger Pine Street Redevelopment project. Also, provides for other blighted/opportunity sites which may arise.

Existing: Recent analysis shows 47% of parcels within the URA are considered developable.

- **Niles Avenue Infrastructure**

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

Existing: The area does not have city water or sewer services and relies on private well and septic services. In addition, the road infrastructure does not safely accommodate pedestrians or vehicles. This area is challenged in both a redevelopment perspective and also a health and safety perspective as it consists of a mix of industrial property owners and residential properties.

- **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.

Existing: Silverton Road is a major arterial street with four vehicular lanes, and sidewalks within a 60' wide right-of-way. When Silverton Road traffic gets to the Portland Road/Fairgrounds Road/Highland Avenue intersection there is significant traffic turning left to Fairgrounds Road or traffic turning right onto Portland Road and then left onto Pine Street. The turns at Silverton Road and Portland Road are challenging due to the skewed angle of the intersection.

- **Construction of Bike/Pedestrian Alternative Path**

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

Existing: Bike/Pedestrian Alternative Path does not currently exist.

- **Environmental Clean-Up**

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

Existing: Previous private and public redevelopment projects have encountered environmental remediation issues.

- **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.

Existing: There is currently no pedestrian/bicycle access path connectors within this area. Salem Industrial Drive has mostly roadside ditches. Some small drainage piping and inlets are existing where development has occurred, but the vast majority of the area does not have proper storm water management facilities.

B. Debt Service and Administration

This project will allow for the repayment of costs associated with the implementation of the North Gateway Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long and short term debt, relocation costs, and other administrative costs.

SECTION 500: THE ESTIMATED TOTAL COST OF EACH PROJECT AND REVENUE SOURCES

Exhibit 16 of this Report shows the estimated total costs of the North Gateway Urban Renewal Plan. The amount of indebtedness approved upon establishment of the Plan equaled \$75,000,000. The process to increase maximum indebtedness to accommodate for both inflation and inclusion of additional projects as listed increases the total cost by \$26,466,402, resulting in a total cost of \$101,466,402. The principal method of funding these costs will be through use of tax increment financing as authorized by ORS 457. In addition, the Agency will apply for, and make use of funding from other federal, state, local, or private sources as such funds become available.

The allocations are the best estimates of expenditures at the time of preparation of the Urban Renewal Plan. The Agency will be able to review and update the allocations on an annual basis when they prepare the annual budget.

Exhibit 16. Projects and Estimated Costs

Project	Cost		Estimated Completion
	2019\$	YOE\$	
Rehabilitation Grant Program	\$ 3,373,540	\$ 3,373,540	2019
Early Learning Center / Community Gathering Sp	\$ 1,000,000	\$ 1,000,000	2019
Portland Road Bicycle / Pedestrian Path	\$ 300,000	\$ 300,000	2019
Streetscape Improvements	\$ 5,000,000	\$ 5,000,000	2019
Fisher Road Property Acquisition	\$ 1,215,000	\$ 1,215,000	2019
Portland Road Property Acquisition	\$ 1,200,000	\$ 1,200,000	2019
Opportunity Fund	\$ 500,000	\$ 500,000	2019
Ongoing Grant Program	\$ 5,417,168	\$ 6,000,000	2025
Dev. Infrastructure Assistance Program	\$ 1,500,000	\$ 1,568,175	2021
Affordable Housing Development	\$ 900,000	\$ 955,080	2022
Silverton Road/17th Street Turn Lane	\$ 2,600,000	\$ 2,841,020	2022
Pine Street Redevelopment	\$ 2,000,000	\$ 2,353,400	2025
Gateway Streetscape Enhancements	\$ 1,000,000	\$ 1,248,350	2027
Property Acquisitions	\$ 4,250,000	\$ 4,741,925	2025
Niles Avenue Infrastructure	\$ 2,000,000	\$ 2,251,000	2023
Pine Street Realignment	\$ 4,700,000	\$ 5,694,610	2026
Construction of Bike/Ped Alternate Path	\$ 2,700,000	\$ 3,420,360	2027
Environmental Clean Up	\$ 250,000	\$ 265,225	2021
Salem Industrial Drive	\$ 3,048,282	\$ 3,977,398	2028
Financing Fees	\$ -	\$ -	2021
Administration - Internal Project Coordination	\$ 1,367,325	\$ 1,549,420	2028
Administration - Indirect Cost Allocation	\$ 405,494	\$ 466,965	2028
Total	\$ 44,726,809	\$ 49,921,468	

Note: "YOE \$" means year-of-expenditure dollars.

SECTION 600: THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The project activities shown in **Exhibit 16** will begin in FYE 2019, and it is estimated that all activities proposed in this plan will be completed by FYE 2028. **Exhibit 17**, **Exhibit 18**, and **Exhibit 19** show project expenditures by year. In FYE 2028, it is estimated there will be sufficient funds to complete all projects, pay off all debt, and end the URA's tax increment collections. The actual sequencing and prioritization of individual project activities will be done by the Urban Renewal Agency, and any citizen advisory bodies that the Agency calls upon to assist in this process. Completion dates for individual activities may be affected by changes to local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

Exhibit 17. Projects and Costs by Year, Part 1 of 3

URA PROJECTS FUND	Total	FYE 2019	FYE 2020	FYE 2021
Resources				
Beginning Balance		\$ 12,472,860	\$ 3,202,000	\$ 5,005,860
Interest Earnings	\$ 137,083	\$ -	\$ 16,010	\$ 25,029
Du Jour Loan Proceeds	\$ 37,257,235	\$ 3,500,000	\$ 4,058,350	\$ 3,329,945
Loan Proceeds, Principal/Interest	\$ 29,290	\$ 29,290		
Other	\$ 25,000	\$ 25,000		
Total Resources	\$ 49,921,468	\$ 16,027,150	\$ 7,276,360	\$ 8,360,834
Expenditures (YOE \$)				
Rehabilitation Grant Program	\$ (3,373,540)	\$ (3,373,540)		
Early Learning Center / Community Gathering Space	\$ (1,000,000)	\$ (1,000,000)		
Portland Road Bicycle / Pedestrian Path	\$ (300,000)	\$ (300,000)		
Streetscape Improvements	\$ (5,000,000)	\$ (5,000,000)		
Fisher Road Property Acquisition	\$ (1,215,000)	\$ (1,215,000)		
Portland Road Property Acquisition	\$ (1,200,000)	\$ (1,200,000)		
Opportunity Fund	\$ (500,000)	\$ (500,000)		
Ongoing Grant Program	\$ (6,000,000)		\$ (1,000,000)	\$ (1,000,000)
Dev. Infrastructure Assistance Program	\$ (1,568,175)		\$ (772,500)	\$ (795,675)
Affordable Housing Development	\$ (955,080)		\$ (309,000)	\$ (318,270)
Silverton Road/17th Street Turn Lane	\$ (2,841,020)			
Pine Street Redevelopment	\$ (2,353,400)			
Gateway Streetscape Enhancements	\$ (1,248,350)			
Property Acquisitions	\$ (4,741,925)			\$ (2,652,250)
Niles Avenue Infrastructure	\$ (2,251,000)			
Pine Street Realignment	\$ (5,694,610)			
Construction of Bike/Ped Alternate Path	\$ (3,420,360)			
Environmental Clean Up	\$ (265,225)			\$ (265,225)
Salem Industrial Drive	\$ (3,977,398)			
Administration - Internal Project Coordination	\$ (1,549,420)	\$ (199,420)	\$ (150,000)	\$ (150,000)
Administration - Indirect Cost Allocation	\$ (466,965)	\$ (37,190)	\$ (39,000)	\$ (41,002)
Total Expenditures	\$ (49,921,468)	\$ (12,825,150)	\$ (2,270,500)	\$ (5,222,422)
Ending Balance		\$ 3,202,000	\$ 5,005,860	\$ 3,138,412
Cumulative Maximum Indebtedness Used		\$ 67,572,084	\$ 71,646,444	\$ 75,001,418

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

Exhibit 18. Projects and Costs by Year, Part 2 of 3

URA PROJECTS FUND	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Resources				
Beginning Balance	\$ 3,138,412	\$ 2,373,561	\$ 2,745,533	\$ 4,441,172
Interest Earnings	\$ 15,692	\$ 11,868	\$ 13,728	\$ 22,206
Du Jour Loan Proceeds	\$ 3,581,339	\$ 3,806,309	\$ 4,038,676	\$ 4,280,078
Loan Proceeds, Pricipal/Interest				
Other				
Total Resources	\$ 6,735,443	\$ 6,191,738	\$ 6,797,937	\$ 8,743,456
Expenditures (YOE \$)				
Rehabilitation Grant Program				
Early Learning Center / Community Gathering Space				
Portland Road Bicycle / Pedestrian Path				
Streetscape Improvements				
Fisher Road Property Acquisition				
Portland Road Property Acquisition				
Opportunity Fund				
Ongoing Grant Program	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)
Dev. Infrastructure Assistance Program				
Affordable Housing Development	\$ (327,810)			
Silverton Road/17th Street Turn Lane	\$ (2,841,020)			
Pine Street Redevelopment			\$ (1,159,300)	\$ (1,194,100)
Gateway Streetscape Enhancements				
Property Acquisitions				\$ (2,089,675)
Niles Avenue Infrastructure		\$ (2,251,000)		
Pine Street Realignment				\$ (2,865,840)
Construction of Bike/Ped Alternate Path				
Environmental Clean Up				
Salem Industrial Drive				
Administration - Internal Project Coordination	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ (150,000)
Administration - Indirect Cost Allocation	\$ (43,052)	\$ (45,205)	\$ (47,465)	\$ (49,838)
Total Expenditures	\$ (4,361,882)	\$ (3,446,205)	\$ (2,356,765)	\$ (7,349,453)
Ending Balance	\$ 2,373,561	\$ 2,745,533	\$ 4,441,172	\$ 1,394,003
Cumulative Maximum Indebtedness Used	\$ 78,598,449	\$ 82,416,626	\$ 86,469,030	\$ 90,771,314

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

Exhibit 19. Projects and Costs by Year, Part 3 of 3

URA PROJECTS FUND	FYE 2026	FYE 2027	FYE 2028
Resources			
Beginning Balance	\$ 1,394,003	\$ 2,285,740	\$ 2,830,125
Interest Earnings	\$ 6,970	\$ 11,429	\$ 14,151
Du Jour Loan Proceeds	\$ 4,530,817	\$ 4,791,188	\$ 1,340,533
Loan Proceeds, Pricipal/Interest			
Other			
Total Resources	\$ 5,931,790	\$ 7,088,357	\$ 4,184,809
Expenditures (YOE \$)			
Rehabilitation Grant Program			
Early Learning Center / Community Gathering Space			
Portland Road Bicycle / Pedestrian Path			
Streetscape Improvements			
Fisher Road Property Acquisition			
Portland Road Property Acquisition			
Opportunity Fund			
Ongoing Grant Program			
Dev. Infrastructure Assistance Program			
Affordable Housing Development			
Silverton Road/17th Street Turn Lane			
Pine Street Redevelopment			
Gateway Streetscape Enhancements	\$ (614,950)	\$ (633,400)	
Property Acquisitions			
Niles Avenue Infrastructure			
Pine Street Realignment	\$ (2,828,770)		
Construction of Bike/Ped Alternate Path		\$ (3,420,360)	
Environmental Clean Up			
Salem Industrial Drive			\$ (3,977,398)
Administration - Internal Project Coordination	\$ (150,000)	\$ (150,000)	\$ (150,000)
Administration - Indirect Cost Allocation	\$ (52,330)	\$ (54,472)	\$ (57,411)
Total Expenditures	\$ (3,646,050)	\$ (4,258,232)	\$ (4,184,809)
Ending Balance	\$ 2,285,740	\$ 2,830,125	\$ -
Cumulative Maximum Indebtedness Used	\$ 95,309,101	\$ 100,111,718	\$ 101,466,402

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

SECTION 700: ESTIMATED EXPENDITURES AND YEAR OF DEBT RETIREMENT

Exhibit 20, Exhibit 21, and Exhibit 22 show annual tax increment revenue and allocations to debt service from FYE 2019 to the URA’s expected termination in FYE 2028. The amended maximum indebtedness for the URA is \$101,466,402 (*one hundred and one million, four hundred and sixty-six thousand, four hundred and two dollars*).

The City of Salem anticipates using Du Jour Financing to fund all projects in the North Gateway URA, rather than incurring long-term indebtedness. This financing approach calls for paying off all debt immediately after it is incurred, with only a nominal interest charge. It is estimated that the maximum indebtedness will be reached and due to the Du Jour financing, all debt will also be retired by FYE 2028.

This tax increment revenue, along with other funding sources, will be utilized to fund project activities, and pay all debt service costs associated with understating these project activities. It is anticipated that available project revenues, and funds accumulated in a special fund for debt redemption will be sufficient to retire outstanding bonded indebtedness in FYE 2028, and terminate the tax increment financing provisions of the project. The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projects, it may take a shorter time period. These assumptions show one scenario for financing and this scenario is financially feasible.

Exhibit 20. Annual Tax Increment Revenue and Allocations to Debt Service, Part 1 of 3

TAX INCREMENT FUND	Total	FYE 2019	FYE 2020	FYE 2021
Resources				
Beginning Balance		\$ 1,123,130	\$ 894,210	\$ -
Interest Earnings	\$ 4,471	\$ -	\$ 4,471	\$ -
TIF: Current Year	\$ 34,751,436	\$ 3,084,500	\$ 3,049,657	\$ 3,221,250
TIF: Prior Years	\$ 1,371,244	\$ 162,580	\$ 111,042	\$ 109,788
Other Revenues	\$ 25,000	\$ 25,000		
Total Resources	\$ 37,275,281	\$ 4,395,210	\$ 4,059,380	\$ 3,331,038
Expenditures				
<i>Debt Service</i>				
Du Jour Financing - Payment	\$ (37,257,235)	\$ (3,500,000)	\$ (4,058,350)	\$ (3,329,945)
Du Jour Financing - Interest	\$ (18,046)	\$ (1,000)	\$ (1,030)	\$ (1,093)
Total Debt Service	\$ (37,275,281)	\$ (3,501,000)	\$ (4,059,380)	\$ (3,331,038)
Total Expenditures	\$ (37,275,281)	\$ (3,501,000)	\$ (4,059,380)	\$ (3,331,038)
Ending Balance		\$ 894,210	\$ -	\$ -

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

Exhibit 21. Annual Tax Increment Revenue and Allocations to Debt Service, Part 2 of 3

TAX INCREMENT FUND	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Resources				
Beginning Balance	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -	\$ -
TIF: Current Year	\$ 3,466,568	\$ 3,682,857	\$ 3,907,651	\$ 4,141,263
TIF: Prior Years	\$ 115,965	\$ 124,796	\$ 132,583	\$ 140,675
Other Revenues				
Total Resources	\$ 3,582,533	\$ 3,807,653	\$ 4,040,234	\$ 4,281,938
Expenditures				
<i>Debt Service</i>				
Du Jour Financing - Payment	\$ (3,581,339)	\$ (3,806,309)	\$ (4,038,676)	\$ (4,280,078)
Du Jour Financing - Interest	\$ (1,194)	\$ (1,344)	\$ (1,558)	\$ (1,860)
Total Debt Service	\$ (3,582,533)	\$ (3,807,653)	\$ (4,040,234)	\$ (4,281,938)
Total Expenditures	\$ (3,582,533)	\$ (3,807,653)	\$ (4,040,234)	\$ (4,281,938)
Ending Balance	\$ -	\$ -	\$ -	\$ -

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

Exhibit 22. Annual Tax Increment Revenue and Allocations to Debt Service, Part 3 of 3

TAX INCREMENT FUND	FYE 2026	FYE 2027	FYE 2028
Resources			
Beginning Balance	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -
TIF: Current Year	\$ 4,384,020	\$ 4,636,261	\$ 1,177,409
TIF: Prior Years	\$ 149,085	\$ 157,825	\$ 166,905
Other Revenues			
Total Resources	\$ 4,533,105	\$ 4,794,086	\$ 1,344,314
Expenditures			
<i>Debt Service</i>			
Du Jour Financing - Payment	\$ (4,530,817)	\$ (4,791,188)	\$ (1,340,533)
Du Jour Financing - Interest	\$ (2,288)	\$ (2,898)	\$ (3,781)
Total Debt Service	\$ (4,533,105)	\$ (4,794,086)	\$ (1,344,314)
Total Expenditures	\$ (4,533,105)	\$ (4,794,086)	\$ (1,344,314)
Ending Balance	\$ -	\$ -	\$ -

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

SECTION 800: FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues for the North Gateway URA through FYE 2028 are based on projections of the assessed value within the URA and applicable consolidated tax rates. The assumptions for the tax increment revenue forecast are detailed below.

Oregon’s property tax system allows individual properties to appreciate a maximum amount of 3.0% per year in most situations. Most properties achieve that maximum growth rate of 3.0% every year. This analysis assumes that existing real and personal property assessed value will grow at 3.0% per year, and existing manufactured and utility property will experience no change in value over the forecast period.

In addition to appreciation of existing assessed value in the URA, this forecast also accounts for new development in the URA. Based on known development occurring in the URA from calendar years 2018 through 2020 (*from City of Salem building permits data and North Gateway URA grant and loan awards*), this forecast incorporates the exception value assumptions shown in **Exhibit 23**. The known development occurring in calendar years 2018 through 2020 is reflected in the years FYE 2020 through FYE 2022 (*when the new value will be added to the tax rolls*). For FYE 2023 through FYE 2028, the analysis assumes an average of \$4 million in new development each year (*in constant 2018 dollars*), and is not based on specific known development projects. This results in a URA total growth rate of 4.0% in assessed value per year in the URA from FYE 2023 to FYE 2028.

Exhibit 23. Exception Value

Year on Tax Roll (FYE)	Assessed value (\$2018)	Assessed value (YOE \$)
2020	\$ 996,805	\$ 1,057,510
2021	\$ 2,209,501	\$ 2,414,322
2022	\$ 6,352,751	\$ 7,150,021
2023	\$ 4,000,000	\$ 4,637,200
2024	\$ 4,000,000	\$ 4,776,400
2025	\$ 4,000,000	\$ 4,919,600
2026	\$ 4,000,000	\$ 5,067,200
2027	\$ 4,000,000	\$ 5,219,200
2028	\$ 4,000,000	\$ 5,375,600

Source: Tiberius Solutions, with data from City of Salem building permits and URA Grant Awards

Note: The use of 2018\$ reflects the year of construction cost data received; “YOE \$” means year-of-expenditure dollars.

Exhibit 24 and **Exhibit 25** show the projected assessed value in the URA, the projected consolidated tax rate in the URA (*per \$1,000 assessed value*), and the projected tax increment finance (*TIF*) revenues from FYE 2019 through FYE 2028. Gross TIF revenue is calculated by multiplying the increment assessed value by the consolidated tax rate, divided by \$1,000. In FYE 2019, the consolidated tax rate includes all permanent rate levies and one general obligation (*GO*) bond rate from the Salem-Keizer School District. The consolidated tax rate decreases in FYE 2020, as the Salem-Keizer School District GO bond is forecast to be paid in full. In FYE 2020 and beyond, only permanent rate levies are included in the URA’s consolidated tax rate.

Exhibit 24. Projected Assessed Value, Tax Rates, and Gross Tax Increment Revenues

FYE	Assessed Value			Tax Rate	Gross TIF Revenue
	Total	Frozen Base	Increment		
2019	\$ 333,842,917	\$ 133,430,867	\$ 200,412,050	\$ 15.7566	\$ 3,084,500
2020	\$ 344,030,150	\$ 133,430,867	\$ 210,599,283	\$ 15.2430	\$ 3,210,165
2021	\$ 355,879,812	\$ 133,430,867	\$ 222,448,945	\$ 15.2430	\$ 3,390,789
2022	\$ 372,820,663	\$ 133,430,867	\$ 239,389,796	\$ 15.2430	\$ 3,649,019
2023	\$ 387,756,918	\$ 133,430,867	\$ 254,326,051	\$ 15.2430	\$ 3,876,692
2024	\$ 403,280,461	\$ 133,430,867	\$ 269,849,594	\$ 15.2430	\$ 4,113,317
2025	\$ 419,412,910	\$ 133,430,867	\$ 285,982,043	\$ 15.2430	\$ 4,359,224
2026	\$ 436,176,933	\$ 133,430,867	\$ 302,746,066	\$ 15.2430	\$ 4,614,758
2027	\$ 453,595,877	\$ 133,430,867	\$ 320,165,010	\$ 15.2430	\$ 4,880,275
2028	\$ 471,693,789	\$ 133,430,867	\$ 338,262,922	\$ 15.2430	\$ 5,156,142
Total					\$ 40,334,881

Source: Tiberius Solutions

Note: All values in year-of-expenditure (YOE) dollars.

Exhibit 25. Tax Increment Finance Revenues, Gross and Net

FYE	Tax Increment Finance Revenue				Net
	Gross	Adjustments	Prior Year	Underlevy	
2019	\$ 3,084,500	\$ -	\$ 162,580	\$ -	\$ 3,247,080
2020	\$ 3,210,165	\$ (160,508)	\$ 111,042	\$ -	\$ 3,160,699
2021	\$ 3,390,789	\$ (169,539)	\$ 109,788	\$ -	\$ 3,331,038
2022	\$ 3,649,019	\$ (182,451)	\$ 115,965	\$ -	\$ 3,582,533
2023	\$ 3,876,692	\$ (193,835)	\$ 124,796	\$ -	\$ 3,807,653
2024	\$ 4,113,317	\$ (205,666)	\$ 132,583	\$ -	\$ 4,040,234
2025	\$ 4,359,224	\$ (217,961)	\$ 140,675	\$ -	\$ 4,281,938
2026	\$ 4,614,758	\$ (230,738)	\$ 149,085	\$ -	\$ 4,533,105
2027	\$ 4,880,275	\$ (244,014)	\$ 157,825	\$ -	\$ 4,794,086
2028	\$ 5,156,142	\$ (257,807)	\$ 166,905	\$ (3,720,926)	\$ 1,344,314
Total	\$ 40,334,881	\$ (1,862,519)	\$ 1,371,244	\$ (3,720,926)	\$ 36,122,680

Source: Tiberius Solutions

Notes: Adjustments equal 5% of gross TIF revenue, and account for discounts, dilenquencies, and truncation loss. Prior year TIF collections equal 3.6% of Gross TIF, and are based on historical prior year TIF receipts; all values in year-of-expenditure (YOE) dollars.

Urban renewal plans that are substantially amended to increase maximum indebtedness are subject to mandatory revenue sharing. The revenue sharing provisions of ORS mandate that if and when annual TIF revenue exceeds certain thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in tax revenue in the area. The share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the Agency will receive TIF revenue equal to 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. If this threshold is met, revenue for the district would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts. The North Gateway URA is not expected to reach revenue collection limits that would induce revenue sharing.

