

Mayor Chris Hoy
State of the City
March 20, 2024



Salem launched passenger air service in October 2023 with Avelo Airline flights to Las Vegas and Hollywood/Burbank. In February 2024, Avelo announced a new twice-weekly service between Salem and Santa Rosa/Sonoma County and a third flight per week to and from Hollywood/Burbank airport. By late spring, Salem Airport will have a total of 7 inbound and 7 outbound flights per week.

Adding Housing and Responding to Homelessness

Homelessness is a critical problem in our community and the most important issue to many of our residents. The City's activities focus on managing the impacts caused by living outdoors, funding alternative shelter, and adding housing and support services to end homelessness. With the support of partners and other agencies, we're able to: (1) connect people

to services, health and mental health care, other basic needs, safe and secure outdoor shelter, temporary indoor shelter; (2) support transitions to temporary shelter, permanent supportive housing; and (3) construct affordable housing through Salem Housing Authority, with incentives for developers to construct affordable housing.



Yaquina Hall

In April 2023, we opened 51 one-bedroom affordable housing apartments at Salem Housing Authority's Yaquina Hall. These income-based units are fully occupied. When openings occur, the units are offered to individuals living with disabilities, homeless or at-risk of homelessness.



Microshelter Communities

In three micro-shelter village communities, we offer more than 320 transitional housing beds with wraparound case management services with Church of the Park and Catholic Community Services.



Sequoia Crossings

In January 2024, we opened 60 new housing units at Salem Housing Authority's Sequoia Crossings property. Residents at Sequoia Crossings are provided supports to move from homeless situations.



Navigation Center

Salem's Navigation Center, which opened in April 2023, serves Salem's unsheltered, operating 24-hours a day, seven days a week, as a low barrier shelter. Its 75 beds and intensive case management connect people to public benefits, health services and permanent housing.

LOOKING AHEAD

Producing More Housing

From 2019-2023, more than 5,160 housing units were permitted, representing 54% growth over the previous five-year period (2014-2018). The majority of growth (61%) was in multi-family housing units, accessory dwelling units, and duplexes. To encourage more housing we have:

- Streamlined permitting by consolidating functions into one group
- New require 15% of units in large subdivisions be middle housing
- Allowed for duplexes, triplexes, quadplexes, and cottage clusters in single-family zones
- Re-designated more than 300 acres to multi-family residential
- Waived system development charge fees for affordable housing and for Accessory Dwelling Units

Beginning this year, we're launching a **Housing Production Strategy** with tools, policies, and actions for more variety of housing in our community. The work will include a market study on the feasibility of developing housing in mixed-use areas by late 2025.

Download ready-build plans for an **accessory dwelling unit (ADU)** on your property - in Spanish or English - from Salem's website at www.cityofsalem.net/ADUplans.



Protecting Community Safety

Protecting public safety is a critical function of local government. Salem proactively protects residents, visitors, and property owners from the impact of crime, fire, natural disasters, and health emergencies. In Salem, our 9-1-1 call center sends Police, Fire, and emergency medical services to those in need. Salem also has a Municipal Court, responsible for protecting the rights of individuals and prosecuting crimes that impact the quality of life in Salem.



LOOKING AHEAD

Community Violence Reduction Initiative

On March 6, Mayor Hoy and Chief Womack invited the community to a conversation about the longer-term upward trend of violent crime in our community. Throughout the year, we'll be seeking more input and participation as we foster strong partnerships with community leaders, organizations, and residents around a common understanding of the dynamics at work in our City and work to gain support in creating and implementing an intervention strategy. There is no higher priority than the protection of life and physical safety within our community. We hear the community voices and share in the concern about increased community violence.

Fire Trucks and Equipment Purchase

In March 2023, Salem made its first bond purchase - fire engines and life-saving equipment. Part of the 2022 voter-approved Safety and Livability Bond, these will be in service to our community by early 2025. In addition to fire trucks and equipment, the ten-year \$300 million bond includes investments in Salem's streets, sidewalks, parks, two new fire stations to improve response times, affordable housing, purchase of sites for affordable housing and branch libraries, cybersecurity for City operations, and Civic Center seismic improvements. Because payments for existing bonds are decreasing in the future, the measure is not expected to increase Salem's bond tax rate above the current \$1.20/\$1,000 of assessed value.

Sustaining City Services

At the forefront of City Council priorities since the Council took steps to speed Salem's recovery from the 2008 recession, strengthening the City's long-term financial position is essential to providing core services to all residents. The City has relied on cost reductions, deferring ongoing needs, reducing services, and foregoing long-term investments to maintain fiscally responsible operations. Even with these actions and the one-time infusion of millions in federal

American Rescue Plan Act dollars, the costs to provide ongoing services are greater than the revenues received to support those services, and costs are escalating at a faster rate. The City's five-year revenue forecast reflects a growing gap between revenues and expenses. To sustain the current levels of service, additional revenue is needed or significant reductions in services will be required.

LOOKING AHEAD

Revenue Task Force Recommendations at July 15 City Council Work Session

While we continue to work on lowering expenses and reducing services to fit within available funds through the current budget and for next Fiscal Year, the 25-member Revenue Task Force is exploring new, revenue sources. The Task Force will meet seven times; consider feedback from eight focus groups, three town halls, and a statistically valid poll; and deliberate on recommendations to the City Council concerning revenue options to support City services supported by the General Fund. Recommendations will be presented to the City Council in a Work Session on July 15, 2024.

Join one of three town halls in April to provide feedback to the Task Force on key issues and revenue options being considered.

- **April 10, 6:30-8:30 pm** in South Salem at Baxter Hill Community Hall, 1780 Baxter Road SE.
- **April 16, 6:30-8:30 pm** in a virtual conversation. Sign up to participate in this virtual meeting www.cityofsalem.net/2024Revenue.
- **April 23, 6:30-8:30 pm** in North Salem at Center 50+, 2615 Portland Road NE.

Leveraging Grant Funding for City Council and Community Priorities: 2023 Awards

- **McGilchrist Complete Street:** \$13.2 million from USDOT to design and construct turn and travel lanes, bicycle lanes, sidewalks and shared use paths, planting areas, and new ways to reduce flooding with stormwater collection.
- **New Pedestrian Connections:** \$6.2 million for two new multi-use paths (1) the Pringle Creek Path from Civic Center to Riverfront Park, under the Commercial Street bridge and (2) a refinement plan for a pedestrian crossing over Highway 22, east of Lancaster Drive SE.
- **Safe Streets for All:** \$2.8 million from USDOT for 20 is Plenty and Vision Zero. Look for 20-mph speed limit signs in residential neighborhoods, speed radar devices to raise awareness of new speed limits, and a strategic blueprint focused on implementing safety measures and fostering responsible road behaviors.
- **Planting More Trees:** \$1 million from US Forest Service to add to our tree canopy, which helps keep neighborhoods cool, reduces energy costs, mitigates flooding risks, and increases property values throughout the City.
- **Expanding the Airport Terminal:** \$850,000 with support from Congresswoman Salinas and Senators Wyden and Merkley for making room for another gate, and for expanding passenger waiting area and gate seating, queuing space at the passenger checkpoint, baggage claim area, and restroom facilities for passengers traveling into and out of Salem.
- **Geer Park Skate Park:** \$500,000 from Oregon Parks and Recreation for a new skate park planned at the 44-acre Geer Park in east Salem, with spectator viewing, picnic shelter, benches, bike racks, and shade trees.
- **Electric street sweeper joins fleet:** \$337,500 from the Portland General Electric (PGE) for an electric battery-powered mini-street sweeper used in sweeping buffered bicycle lanes, downtown alleys, parks pathways, plazas, parking lots, and public spaces.



Shops Operations Building

In October 2023, we opened a new 50,000 square foot building at the City Shops Complex. The new building replaces a 1950s-era building, features a mass timber and plywood structure sourced from locally produced lumber, and is built to withstand a large earthquake and provide a base of operations for emergency response. Funding for the \$39 million dollar project was approved through the Capital Improvement Plan, with most funds coming from the City's Utility fund.



Customer Service Center

In June 2023, we opened a more welcoming "front door" to the Civic Center for about 7,000 people each month to conduct City business in one place. The Center also creates organizational efficiencies, reduces unnecessary and redundant and operational costs, and creates a consistent customer experience.



48th Year as a Tree City

Invested \$1.3 million in our urban tree canopy, which funded planting over 1,500 trees, pruning 3,150 trees, and removing 328 trees.

Thank you to State of the City sponsors:

