



City of Salem Downtown Advisory Board

October 24, 2024
12 Noon -1:30 PM In-Person
350 Commercial St NE

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

PARTICIPANTS

Board Members

Joshua Kay, Chair; Kirk Sund; Allan Pollock; Charles Weathers, Vice-Chair; Rory McManus; Rian Fechtel; Kiana Chase; Laurie Miller; Ernesto Toskovic

Staff

Sheri Wahrgren, Lynda Rose

AGENDA

1. Welcome
2. Call to Order
3. Approval of Agenda
4. Approval of Minutes from September 26, 2024
5. Public Comment
6. Action Items
 - a. Election of board members for Block 45 Evaluation Committee
 - b. Determination of board meeting dates for November and December
7. Information Reports
 1. Paid Parking Implementation Strategy – Rick Williams, Parking Consultant
8. Adjourn

Next Meeting: TBD

This meeting is being conducted In-Person only. No virtual participation is possible. Interested persons may view the meeting online on [YouTube](#), and the public may attend in person. Please submit any written comments on agenda items no later than 5 p.m. one day prior to the day of the meeting at DAB@cityofsalem.net.

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (TTD/TTY 503-588-6439) at least two business days in advance.



It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and related statutes and regulations, in all programs and activities.

MINUTES

Downtown Advisory Board

Thursday, September 26, 2024 @ Noon

350 Commercial St. NE

Technical Issues- Equipment Malfunction; No Recording Available

1. CALL TO ORDER AND ROLL CALL: 12:03 p.m.

2. Roll Call: Joshua Kay, Charles Weathers, Rian Fechtel, Allan Pollock, Laurie Miller, Kiana Chase, Ernesto Toskovic

Excused: Rory McManus, Kirk Sund

Staff: Sheri Wahrgren, Sara Long

Guests: Kathleen Swarm

3. APPROVAL OF AGENDA

Motion: Move to approve the agenda for September 26, 2024, as presented.

Motion By: Board Member Miller

Seconded by: Board Member Fechtel

Action: Approved

Vote: Aye: Unanimous **Motion PASSES**

4. APPROVAL OF MINUTES

Motion: Move to approve the Minutes from August 22, 2024, as presented.

Motion by: Board Member Fechtel

Seconded by: Board Member Pollock

Action: Approved

Vote: Aye: Unanimous **Motion PASSES**

5. PUBLIC COMMENT

a. None.

6. ACTION ITEMS

a. None.

7. INFORMATION REPORTS

1. Gerry Frank Amphitheatre Update

Questions/Comments: Swarm, Toskovic, Kay, Wahrgren

2. Grant Program Update

Questions/Comments: Wahrgren, Toskovic, Kay, Weathers, Pollock

3. Block 45 Press Release

Questions/Comments: Wahrgren, Kay, Miller, Fechtel, Chase, Weathers, Toskovic

ADJOURN @ 1:11 p.m.

Next Meeting: October 24, 2024



TO: Sara Long, City of Salem
 FROM: Rick Williams, RWC
 CC: Sheri Wahrgren, City of Salem
 Owen Ronchelli, City of Salem
 Pete Collins, City of Salem
 Gwen Millius, Parachute Strategies
 DATE: August 8, 2024

RE: **Downtown Parking Fund - Allocation of New On-Street Revenue Downtown**

A. Background

The City of Salem has directed staff to move forward with the purchase and installation of on-street parking pay stations in the current Free Downtown Parking District (DPD). The anticipated date for launching the new parking meter system is July 1, 2025. **Figure A** (at right) illustrates the DPD boundary.

Historically, the Downtown Parking District (DPD) system taxes downtown businesses with an annual parking tax that partially funds the district's operating costs along with parking permit fees. The parking tax has averaged approximately \$365,000 annually. The overall Downtown Parking Fund cost center, with the parking tax, generates approximately \$1 million, of which half is generated through monthly permit sales.¹

Over the past three fiscal years, the Parking Fund has maintained a near-zero ending balance and has been subsidized with ARPA and General Fund revenue in order to cover basic operating costs. This has resulted in insufficient funds to cover routine maintenance needs and delayed some Capital Improvement Project needs in the City garages.

Other services previously provided for (e.g., Downtown Parking Marketing, holiday decorations, downtown promotion, and sidewalk power washing and alley cleaning) were also stopped due to funding deficiencies.

Figure A: Downtown Parking District (DPD)



¹ For more detail on the Downtown Parking Fund budget, see Urban Development, Downtown Parking Cost Center No: 64-30-10.

Using occupancy and parking utilization data derived in 2023, RWC completed a detailed expense/revenue analysis evaluating the potential revenue impacts resulting from a transition from free on-street to paid parking in the Downtown Parking District. The analysis estimated that *gross revenue* generated from the implementation of on-street paid parking within the DPD would be between \$1.7 and \$1.9 million annually.² At this level, *net revenue* to the system, based on 2024-2025 budget estimates, would be approximately \$1.4 to \$1.7 million after accounting for the elimination of the current Downtown Parking Tax. In short, this would be positive revenue to the Downtown Parking Fund.

This memorandum is structured to provide a summary recommendation for how net revenue within the Downtown Parking Fund will be allocated with the implementation of on-street paid parking. Once finalized, this information can provide staff a tool for the development and delivery of implementation and communications planning as efforts supporting a July 1, 2025 “go live” date moves forward.

B. Discussion Template – New Meter Revenue Budget Allocation Priorities

It is estimated that the implementation of paid on-street parking in the Downtown will:

- Reduce reliance on the General Fund.
- Impose a user fee (hourly meter rate) on those who park in on-street parking spaces during days and hours when on-street enforcement is in effect.
- Allow for the elimination of the current Downtown Parking Tax (estimated 18-24 months from implementation of new meters).
- Allow for the elimination of parking codes such as “Return to Block Face.”
- Generate surplus revenue for the Downtown Parking Fund in excess of recent budget years.
- Support better management of constrained on-street parking and more balanced integration of the City’s downtown on and off-street parking supplies.
- Provide potential surplus revenues for downtown enhancements.

The Parking Fund is established to earmark parking fees collected to provide efficient, effective, and beneficial parking services for the fee-paying user: the parker.

Recent discussions with the City indicate that reaffirming the Downtown Parking Fund as a Parking Enterprise Fund is the best direction to take to account for the influx of new revenue from paid on-street parking in the Downtown Parking District.³ As such, Salem’s Downtown Parking Fund will continue as a separate accounting and financial reporting mechanism for which all revenues and expenditures associated with user fees charged in the public on- and off-street parking supply are segregated into a fund with financial statements separate from all other governmental activities. The fund will identify the total direct and indirect costs to provide downtown parking services and the sources and amounts of revenues that support these services for which a fee is charged.

Though always at the discretion of the City Council, initial allocations of paid parking revenue within the Downtown Parking Enterprise Fund should be combined with parking permit revenue to align with operational

² For a more detailed summary of the financial analysis and all model assumptions, see: *Downtown Parking District (DPD) Transition to On-Street Paid Parking System Task 1 - Analysis: Revenue/Expense Scenarios January 29, 2024 (v3)*.

³ See RWC, Task 2: *Technical Memorandum – Allocation of New Parking Revenue – Parking Enterprise Fund/Parking Benefits District, February 22, 2024 (v3)*.

costs of parking resources.⁴ A key recurring theme in the consultant’s literature search of Parking Enterprise Funds is the direct relationship between providing parking-related goods or services to the benefit of the parking system in which users are charged a fee. In other words, parking fees collected provide efficient, effective, and beneficial parking services for the *fee-paying* user: the parker.

As on-street parking user revenue will become the primary source of revenue derived upon implementation of paid parking, the following “priority” distributions should make up the fund. Items 1 – 5 would be permanent expenses within a Downtown Parking Fund, with Items 6 and 7 being evaluated based on surplus revenue evaluated by the Downtown Advisory Board. These are listed below.

Downtown Parking Enterprise Fund Priorities

Permanent Priorities

1. Administration and Overhead
2. Regular Maintenance/Operation of On-Street Pay-to-Park System
3. Regular Maintenance/Operation of Structures
4. Maintenance of the Downtown Parking District
 - a. Trash removal – downtown sidewalk
 - b. Sidewalk Cleaning
 - c. Streetscape Maintenance
 - d. Wayfinding Maintenance
 - e. Street Furniture Maintenance
5. Security Services

Priorities for Surplus Revenue

6. Capital Improvement Projects (reserve)
7. Examples of Contracted Services (surplus revenue)
 - a. Hanging Flower Basket
 - b. Banner Installation/Removal
 - c. Downtown Promotion
 - d. Other as specified

For purposes of discussion, line item distributions from the City’s adopted FY 2024-25 Parking Fund Budget showed total parking revenue resources of, \$1,366,060 with total expenditures of the same amount.⁵ This resulted in an ending balance of \$0.⁶ With the transition to paid parking, it is estimated that \$1,763,250 in new net revenue will be added to the Meter Revenue line item from the current FY 2024-25 City budget.⁷ Without changing any FY 2024-2025 expenditures, this scenario would result in an ending balance of \$1,417,760. These new “net” revenues

⁴ This recognizes at all times that the City Council is responsible for decision-making that assures the the integrity and safety of both the on- and off-street parking systems. The priority distributions provided for discussion herein are simply suggested as reflecting a clear nexus between user charges imposed and allocation of revenue.

⁵Downtown Parking Fund 170-64-30-10-00

⁶ It should be noted that prior year budgets have included contributions from the General Fund, where proposed budgets with paid parking revenue, would be intended to reduce reliance on General Fund contributions to the operation and maintenance of the Downtown parking system.

⁷ See Footnote #3.

would then be evaluated for allocation by the Downtown Advisory Board with recommendations to the City Council based on priority needs outlined above.

Estimated Ending Balance (FY 2024-2025) Downtown Parking Fund (170-64-30-10-00)	Estimated Ending Fund Balance (1 st Year of Paid Parking Implementation – no parking tax)
\$0	\$1,417,760

C. Surplus Revenue – DAB Input

With new revenue, there will be high interest by downtown stakeholders as to how any surplus revenue derived from downtown meters will be allocated. To ensure transparency and to provide for public input, it is recommended that the Downtown Advisory Board (DAB) augment its current review of downtown parking services to develop a listing of priority downtown projects that could/should be considered for funding with some allocation from surplus funds. Through its member composition, the DAB currently represents:

- Downtown Residents
- Salem Community At-Large
- Institutional Organizations providing services within the Riverfront Downtown Urban Renewal Area
- Real Estate Development or Banking/Financial Professionals
- Business/Property Owners

Desired programs and services might include support for the economic development goals of the established district and creating a more vital and customer-supportive business environment downtown. Such programs in the past have included downtown beautification projects and other services shown in Contracted Services (Priority 7) above.

The DAB input process on determining the priorities for any surplus revenue should be a routine element of its work plan. The DAB could implement annual surveys of customers, residents, employees, and businesses, which would inform the DAB as to services/project priorities that would enhance downtown. This information, with recommendations from the DAB would be submitted as part of the budget process with City staff and the City Council.

D. Summary

Implementation of paid on-street parking within the Downtown Parking District provides the City with an opportunity to deliver a more financially stable parking system. Use of the revenues from the Downtown Parking Enterprise Fund will reestablish stable funding for basic best practice parking services (i.e., administration, maintenance, security) as well as surplus revenue that can be assessed for capital improvements or specific programs/projects that enhance the overall downtown environment.

Central to these new revenue opportunities is an opportunity with surplus parking revenue to deliver new benefits to those who fund the system – the fee-paying parking user. The Downtown Advisory Board can play a key role in representing the parking user within the budget process, advising and advocating to City staff and City Council as to the strategic investment of surplus parking funds over time.



MEMORANDUM

Urban Development Division

DATE: October 24, 2024

TO: Downtown Advisory Board

FROM: Sheri Wahrgren

SUBJECT: **Required Public Meetings Training**

In 2023, the State of Oregon enacted ORS 192.700, which requires every member of a governing body with total expenditures for a fiscal year of \$1 million or more to attend or view an online training prepared by the Oregon Government Ethics Commission regarding Oregon's Public Meetings Law. This requirement applies to all members of the City of Salem's Boards and Commissions, including members of the Downtown Advisory Board. Every member of DAB must attend or view the training at least **once** during their term of office. The ethics training that was provided by Assistant Attorney Brian Luse at the June 27th meeting does not replace the required state training.

Below is a link to the Oregon Government Ethics Law Webinars page. There is a calendar on the page with all of the trainings, the required training is "Public Meetings Law." If you click on the training in the calendar, it will let you know if there is space available, then click the "register here" link.

<https://www.oregon.gov/ogec/training/Pages/Webinars.aspx>