

“ The people of downtown are thrilled with the restoration. ”

Deb Beckley,
Downtown Beanery Manager

SALEM DOWNTOWN REVITALIZATION TOOLBOX



About Salem Urban Development

Mission To provide for the sustainable expansion of the community's prosperity, measured in terms of jobs and income growth, human development, education, health, and environmental sustainability.

Urban Development

- Manages the City's eight urban renewal areas and redevelopment projects.
- Administers federally funded block grant and housing programs.
- Provides loans and grants to eligible businesses, homeowners, and renters.
- Manages leases, acquires, and sells properties for the City.





SALEM DOWNTOWN REVITALIZATION TOOLBOX

Overview | Imagine Salem's historic downtown transformed into a revitalized, welcoming, and vibrant mixed use district where unique, distinctive establishments are waiting to be discovered around every corner. Imagine a downtown that bustles from morning to night with a diverse array of places to shop, live, work, and enjoy entertainment. This is the vision for downtown Salem.

“ Our vision for the Adolph Building always included the idea of turning the upper floor into housing but we never could have done it without the help of the Toolbox program. ”

Hazel Patton
Downtown Property
Owner



To enable creative and flexible approaches to stimulate and finance its vision, the City of Salem has assembled a *Toolbox* of funding options for downtown property and business owners. By leveraging several funding sources – including grants and low-interest loans – Salem presents attractive incentives for private investment in property improvements and new development.

Downtown Beanery Goes Retro with New Facelift

The newest renovation project was recently completed on one of Salem's oldest downtown buildings. The Downtown Beanery coffee shop underwent an estimated \$250,000 interior and exterior renovation.

Toolbox funding provided a \$50,000 grant to Derfler Properties to cover the cost of the exterior rehabilitation, including brick re-pointing, new windows, and a restored storefront. A new awning, exterior railing and signage for the building added the final touches to a beautiful renovation project.

Renovation has restored the building's character and secured its status as an important historic structure in the Salem Downtown Historic District. The building's tenant, Allann Brothers Coffee, also upgraded the interior. The indoor “extreme makeover” includes a new coffee bar and seating area adopting a stylish retro look.



Before restoration



After restoration

Toolbox Program Gets Results

Toolbox funding has played a significant role in renovating and preserving historic buildings in downtown Salem, already resulting in a 50 percent reduction in downtown vacancy rates.

In the past three years, Salem's *Toolbox* has:

- Provided funding for 39 projects
- Preserved 28 historic buildings
- Created 36 housing units

Urban Renewal Contributions
\$ 8,500.00

Total Capital Investment
\$ 26,900,000

Grants and Loans Restore the Downtown's Historic Character

What's inside Salem's *Toolbox* for downtown revitalization?

Grants of up to \$50,000 are awarded for interior and exterior improvements to historic buildings. Property and business owners provide only a 50 percent match. Types of eligible improvements:

- Storefronts and window improvements
- Canopies and awnings
- Painting
- Elevator upgrades
- Removal of accessibility barriers
- Electrical, mechanical and plumbing
- Environmental remediation
- Seismic retrofits

Loans of \$100,000 to \$1 million are provided at below market interest rates to restore buildings to their prime historic condition.



Salem's *Toolbox* program has restored 28 downtown historic buildings.

Take a walk in the downtown you imagined and see the results: building facades returned to their original historic style, colorful awnings and stylish new exterior lighting create a cultured atmosphere, and ADA improvements make access available for all of Salem's citizens. Interior upgrades also breathe new life into the decades-worn historic buildings. Modern plumbing, electrical, and air conditioning systems provide safe and comfortable building environments to attract customers.

Partners

Key partners in the *Toolbox* program include:

- Local financial institutions
- Property owners
- Oregon Housing and Community Services
- City of Salem
- Salem Urban Renewal Agency

Loans Develop Downtown

Housing | New housing is another key element in Salem's vibrant downtown. For the first time in decades, attractive new residential units are being built in downtown. Projects include mixed use, market rate housing and apartments.

Toolbox loans of up to \$50,000 per new housing unit offer much needed financial incentive for developers and investors to undertake housing projects in downtown Salem. Loans can be used in mixed-use projects, to construct for-rent or for-sale housing units.

Transforming Downtown – One Building at a Time

Downtown buildings are receiving much needed renovation and rehabilitation with the help of the Salem Urban Renewal Agency funding. Four landmark buildings recently received financial assistance from the *Toolbox* program.

The historic Bishop Building (constructed in 1894), fell victim to a fire that left it vacant for years. Renovation accommodates ground floor uses: retail, restaurant, entertainment; as well as second floor market rate rental housing. Funding for renovation included a \$100,000 grant from the Salem Urban Renewal Agency's *Toolbox* program, a \$1 million loan, owner equity and funding from a local bank.

Other current *Toolbox* funded projects:

Pacific Building	512-524 State NE
Metropolitan	160 Liberty NE
PGE Building	241 Liberty NE
Yeater	255 Liberty NE

Salem's Downtown Historic District

| Salem's downtown retains the character of its earlier development and was officially recognized as a National Register Historic District in 2001 through the efforts of local merchants and stakeholders. The Salem Downtown Historic District has 60 buildings with distinctive historic character – all are eligible for *Toolbox* funds. Most of the historic district is also within the Riverfront Downtown Urban Renewal Area, making projects eligible for tax increment financing and additional incentives.