

## HENNINGSEN COLD STORAGE EXPANDS



Ground Breaking August 18, 2016

Henningsen Cold Storage Co., a 93-year-old Oregon family-owned refrigerated warehousing company, will invest approximately \$27 million in a new 166,000 square foot facility in Salem at Mill Creek Corporate Center. The new facility will serve as an innovative hub of activity for food processors, providing infrastructure needed for an industry that accounts for approximately 50 percent of the region's manufacturing base. This is the first of an anticipated four-phase development, with future phases expected to generate additional jobs and investment. The company anticipates opening in spring 2017. Site preparation on the 34-acre parcel began in July.

"We're very excited about this new project for Salem and the vision that Henningsen Cold Storage brings to Mill Creek Corporate Center," said Salem Mayor Anna Peterson. "Agriculture is critical for Salem and we're proud of our

growing partnership with an Oregon business that supports one of our most important industries for the region."

With locations in Washington, Idaho, North Dakota, Oklahoma, Pennsylvania, and Oregon, the Mill Creek location will be Henningsen's second Salem, Oregon facility. The City of Salem and Oregon Department of Administrative Services (DAS) will collaborate to construct a traffic signal at Mill Creek Drive and Kuebler Boulevard, Mill Creek Drive improvements, and an internal street to serve the facility and future phases of development at Mill Creek Corporate Center.

"With our second Salem facility, we can better enhance the supply chain infrastructure in the region, which is currently struggling to keep up with the increasing demands of regulatory requirements and efficiencies," said Henningsen's Chairman and President Mike Henningsen.

## PARKING MADE EASIER

New parking technology at the Capitol Mall allows visitors to pay for parking with credit cards, debit cards, and coins. A one hour minimum is required for credit card purchases. The machines accept coins to accommodate shorter term parking needs and also allow more flexible time options, such as pre-paying in advance of the 8 a.m. enforcement time.

New parking technology at the Salem Airport daily pay-and-park lot, adjacent to the Airport terminal, also accepts credit and debit cards and is operational 24-hours a day, seven days a week. Guests using the Pay-by-Plate system at the Airport will enter their license plate when they pay and will not be required to display parking receipts in their vehicles.

Capitol Mall parking information: [www.cityofsalem.net/capitolmallparking](http://www.cityofsalem.net/capitolmallparking).  
Salem Airport parking information: [www.cityofsalem.net/Airport-Parking](http://www.cityofsalem.net/Airport-Parking).



### Inside This Issue

## **GREEN CORNER: Site Reuse and Revitalization Program A Success!**

In 2014-2015, the City of Salem was successful in securing \$400,000 in U.S. Environmental Protection Agency funding to assist with assessing environmental impacts on private and publicly owned sites city-wide. Specifically, the funding is available for Phase I and Phase II Environmental Assessments and related environmental due diligence and site planning as part of a property purchase, sale, re-use, or redevelopment.

To date, the City has utilized the funding to assist six property owners with Phase I and Phase II Assessments. Of those, two are underway with construction, two have sold, and one is pending. Funding assisted the former Deluxe Ice Cream Facility owner with assessment that informed the sale of the property and also supported a hazardous building materials assessment prior to demolition of the buildings on the new Goodwill site in West Salem.

Funding is available for market studies, traffic planning, site planning, and related work if done to support property re-use/redevelopment of a blighted/underutilized site on a first come, first serve basis. The Program will be available through the summer of 2018, unless funds are expended sooner. Approximately \$150,000 remains available to assist property owners.

A fact sheet and application are available at [www.cityofsalem.net/epagrant](http://www.cityofsalem.net/epagrant). For additional information, contact Annie Gorski at 503-540-2480 or [AGorski@cityofsalem.net](mailto:AGorski@cityofsalem.net) or Laura Walker at 503-540-2405 or [LWalker@cityofsalem.net](mailto:LWalker@cityofsalem.net).

## **FEDERAL FUNDING CYCLE OPENS NOVEMBER 1**

The City of Salem will be accepting Community Development Block Grant, HOME Investment Partnership, and Social Service applications for the 2017-2018 program year beginning in November 2016.

The application cycle will open November 1, 2016 and will close at 4 p.m. on December 12, 2016. Special consideration may be given to projects or programs aligned with the following 2015-2019 priority goals:

- Promote Economic Development
- End Homelessness
- Expand Affordable Housing
- Neighborhood Revitalization

## **FUNDS AVAILABLE TO ASSIST WEST SALEM HOMEOWNERS**

During the 2015-2016 Program Year, Polk Community Development Corporation (Polk CDC) was provided \$266,000 of HOME Investment Partnership funds through the Federal Programs Division of the City of Salem's Urban Development Department. These funds are currently being used for the renovation of single family homes where the owners meet certain U.S. Department of Housing and Urban Development (HUD) income restrictions.

The funds have been used to fix failing roofs, drainage issues, exterior improvements, window replacements, and other such items. The renovations promote decent, safe, and sanitary housing. Polk CDC targets the funds to assist homeowners in West Salem.

If you are interested in the program, you may contact Polk CDC at 503-831-3173.

## **MAY TRUCKING EXPANDS AT SALEM AIRPORT**

May Trucking, through its subsidiary Ponderosa Financial Services LLC, is continuing its investment in the Salem area with the construction of a new, nearly 12,000 square foot hangar at the south end of the Salem Municipal Airport to house its corporate aircraft.

May will lease a 23,928 square foot site from the City and complete utility improvements which should assist future development at the Airport. May has a 30-year lease on the site with an option for 10 additional years and hopes to have the hangar complete by Spring 2017. The site was previously under contract with Sunwest Management, Inc. which had begun sitework for a new hangar prior to its bankruptcy.



*Polk County CDC renovation*

## PORTLAND ROAD: FOOD ACCESSIBILITY STUDY

The Portland Road Corridor Action Plan recommended several strategies for revitalizing the area and supporting the growth of small businesses. Funding to initiate some of the recommendations is included in the FY 16-17 North Gateway URA budget, including evaluation of several food related business concepts for the Corridor. The Community Food Study began in September with public outreach and a meeting with a project advisory committee. The study will solicit input on the need and opportunity for a public market, commercial kitchen, or other facility to support the growth of small businesses, and other strategies for catalyzing development in the area and improving access to a wider variety of food options.

The City is contracting with ECONorthwest, the University of Oregon, the Oregon State University Extension Service, and Mano a Mano, a local agency serving the Latino community, to complete the analysis and extensive public and business outreach.

The project advisory committee includes representatives from Marion Polk Food Share, MERIT, Portland Road businesses, the North Gateway Redevelopment Advisory Board (NGRAB), the Career and Technical Education Center, and other organizations with expertise and interest in supporting food business incubation, a public market, food hub, or other related elements.

Staff anticipates project findings and recommendations will be presented to the NGRAB and the Urban Renewal Agency Board by March 2017. The study will help inform the North Gateway URA FY 17-18 budget and recommendations for Portland Road Corridor development. For more information, contact Annie Gorski at 503-540-2480 or Mark Metzger 503-540-2435 or visit the project page at [www.cityofsalem.net/northgatewayplan](http://www.cityofsalem.net/northgatewayplan).



## GROWING SMALL BUSINESSES IN NORTH SALEM



In April, Urban Development staff launched a small business retention and expansion program with SEDCOR and other local partners. The program utilizes one-on-one visits with small businesses (less than 50 employees) to identify needs and connect businesses with resources to meet those needs. The initial focus for the program was the North Gateway Urban Renewal Area.

Since initiating the outreach, more than 60 business contacts have been made. Staff completed 31 follow-up visits, and have identified seven businesses that need to expand, renovate existing sites, or move to a different location.

Several businesses have expressed interest in using the updated North Gateway Urban Renewal Area Grant and Loan Program to address site issues. Four businesses have submitted grant applications totaling more than \$564,000. More applications are expected.

For more information about the City's financial resources, go to [www.cityofsalem.net/financialresources](http://www.cityofsalem.net/financialresources).

## GRANT ASSISTS WEST SALEM DEVELOPMENT

The 1395 Edgewater project has converted vacant property at the corner of Edgewater and Rosemont into a 2,500 square foot building. Little Caesars Pizza will occupy 1,750 square feet of the space, with the remainder as lease space for an office type use. The construction changes the site from abandoned and vacant to an attractive, well-constructed building that enhances the neighborhood's retail space. Improvement goes beyond the building and includes paved onsite parking and landscaping providing a manicured transition from the urban commercial area to the neighborhood setting.

The project included demolition of a vacant gas station and auto service facility. In addition, environmental clean up was completed allowing the site to meet Oregon Department of Environmental Quality standards.

The owners secured a \$1 million commercial construction loan for the project, with an \$81,000 grant commitment from the West Salem Urban Renewal Area Redevelopment Grant Program. A commercial appraisal determined that the market value for the vacant land is \$370,000 and the prospective value, upon project completion, is estimated to be \$1,280,000. The applicant anticipates that the project will result in the creation of 25 new jobs. Project construction should be completed this fall.

The West Salem Redevelopment Grant Program is a 20% grant match where the property owner or tenant pays for 80% of the project. To qualify, the property must be located in the West Salem Urban Renewal Area and the improvement must increase property taxes in the area through the construction of a new building addition, new building construction, or new manufacturing equipment. This investment must remain in the area for at least 10 years in order for the investment to offset the cost of the grant.



*Little Caesars Pizza anchors the new development in West Salem*

For more information on West Salem grants, go to [www.cityofsalem.net/westsalemgrant](http://www.cityofsalem.net/westsalemgrant).

### OUR VISION

The Urban Development Department will serve as a steward of community goals and values in the development of Salem's assets while enhancing and protecting Salem's quality of life and economic vitality.

### OUR 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.

The Urban Development Department administers and oversees a variety of programs and services aimed at strengthening Salem's economy including Salem's seven urban renewal areas. In addition, the Department provides loans and grants to finance activities that create emergency, transitional and permanent affordable rental housing for low and moderate income families in Salem and Keizer; allocates funds to non-profits to provide emergency services to homeless and families at-risk of being homeless; facilitates economic opportunities and reinvestment; invests in economic empowerment for individual prosperity and small business growth; issues commercial loan and grant programs; performs real property management, acquisition, sales and leasing services for the City; manages downtown parking services and revitalization; manages Salem's Municipal Airport; and functions as the liaison to community organizations, businesses, and City Council and Agency Board appointed advisory groups.

URBAN DEVELOPMENT QUARTERLY is published by the Urban Development Department. If you wish to receive this newsletter, or if you have questions, comments, or suggestions, call 503.588.6178, or e-mail [urbandev@cityofsalem.net](mailto:urbandev@cityofsalem.net). You can also use a smart phone to subscribe: scan the QRC icon: →

Information about Urban Development's programs, projects, and resources are just a click away! Simply go to: [www.cityofsalem.net/UD](http://www.cityofsalem.net/UD). Si necesita ayuda para comprender esta información, por favor llame 503.588.6178.

