

CITY MANAGER'S UPDATE— March 25, 2020

Prepared for Mayor and Councilors. Please contact Steve Powers, City Manager, for additional information.

At Your Service

As we continue to work through the COVID-19 pandemic, the City remains At Your Service and is taking actions unrelated to the emergency.

The City is adjusting to the COVID-19 reality. Employees are doing what is necessary to keep services going while meeting the governor's order to flatten the curve. Code Enforcement, including the park ranger, will be assisting Police with compliance issues officers can't get to. The Park Ranger and three code officers are assigned to the parks to help engage individuals on the new camping rules and park restrictions. They'll focus on Cascades Gateway, Wallace Marine, and Riverfront Parks.

Upcoming Issues

Due to the COVID-19 pandemic, the proposed adoption of the Battle Creek Park master plan by City Council has been tentatively rescheduled for April 27, 2020. Battle Creek Park is an undeveloped, 56-acre park located at 1680 Waln Drive SE. A year-long public outreach and visioning process has led to the draft master plan available at the City website.

I have cancelled the April meetings of the budget committee. There were five budget committee meetings scheduled in April and May. Reducing to two meetings in May will be challenging. Staff will offer opportunities for members to review the proposed budget and ask questions before the May committee meetings. The budget committee will meet on May 6 and May 13.

The Our Salem council work session scheduled for April 20th has tentatively been rescheduled for June 15, 2020.

Communications

The City's social media reach is increasing. Facebook is the City's strongest social media engagement. We post the same content to all social media channels. On March 21, there were seven separate posts. The open letter from Salem Health (3/21 at 7:35 a.m.) reached more than 18,000. The City's video message (3/21 at 1:13 p.m.) reached more than 11,000. Generally, most of the feedback is positive with some specific questions we were able to answer with existing web content and resources (City, health agencies, other public services).

Economic Development

The development group that owns the former Panasonic site on Gaffin Road SE are announcing a lease with Amazon and Amazon's opening of the site.

Fun Stuff

The City's Historic Landmarks Commission's This Place Matters contest is open for photos. The categories are best historic interior, best historic exterior, best historic landscape/streetscape/feature, and best selfie or pet portrait with a historic building or feature. Enter on Instagram by following @cityofsalemOregon, and using the hashtag #SalemHLC2020, or submit your photo at <http://bit.ly/hlcphoto2020>. The contest is open until April 6.

Community

Before the pandemic, Park Ranger Mike Zieker created a new volunteer program - the Eagle Watchers - to help educate park visitors about bald eagles and why we've enacted some temporary trail closures. This is the first time we know of an eagle's nest on park property. Mike has 17 volunteers so far and together they have educated almost 200 visitors in February. The program is currently on hiatus.

Neighborhood Services Irma Dowd set a record with 16 of 18 neighborhoods participating in the "quarterly" NA Chairs Meeting. Five of those neighborhoods were awarded Park Improvement Grants too!

Upcoming Issues

At the April 13 council meeting there will be an intergovernmental agreement (IGA) to establish the terms and conditions under which the member governments will coordinate to support the Homeless Alliance. The Homeless Alliance is the Continuum of Care organization for the Marion/Polk area. The IGA is an interim solution to allow the Willamette Valley Council of Governments to serve as the applicant to the federal department of Housing and Urban Development and be reimbursed for its costs until a new entity is designated.

The April 13 meeting will have a recommendation to use a Construction Manager/General Contractor for the aquifer storage and recovery wells and water treatment system at Woodmansee Park. A public hearing is required to exempt the project from competitive bidding.

Development

Pre-pandemic, the City was receiving interest in three- and four-unit development on lots zoned single family. State law now requires cities allow multifamily on single unit lots. The interest is not because of the state law, but because of the City's new multifamily standards. These standards make the 3- and 4-unit development much more feasible. The City was ahead of the state law.

In February, 43 permits were issued for single family or duplex housing. The February monthly average since 2005 is 26. Total permits issued from July 2019 through February 2020 is 1,532. This is the highest number for the same time period in any of the past eight years except for one, last year.

Fiscal Health

Staff have completed a League of Oregon Cities survey regarding PERS. PERS was eight percent (8%) of the City's Fiscal Year 2019 (FY2019) General Fund. For all City funds, FY2019 PERS related costs were \$25,883,555. The City's current funded ratio is 73% as of 2019. Of course, the information predates the economic meltdown. The impacts of the pandemic on PERS employers won't be felt until 2023 because of PERS employer rate methodology.

The City Operations Fee's first month of collections is \$593,564.48 or annualized \$7,122,773.76. This is net of all adjustments and discounts including the Utility Rate Relief program. The City's \$7.1M forecast appears to be spot-on.

Staff are monitoring the impact of the COVID-19 pandemic on the city's finances. As of March 24, the City's General Fund revenues and expenditures have not been significantly impacted. That will change.

Partnerships

The Cultural Tourism Promotion Advisory Board is recommending 38 of 49 grant applications be funded. The grants are funded from transient occupancy taxes.

In the first month (January) of the tourism promotion area tax of 2%, overnight stays were billed at \$51.4K and collected \$48.9K in February. The City will remit 95% of collected revenues, or \$46.4K, to Travel Salem and keep the remaining 5% or \$2.5K as administration revenue.

The Salem Peace Mosaic grant agreement has been closed out. The City provided \$25,000 to the Save the Salem Peace Mosaic organization. The mosaic has been saved, grant expenditures have been completed, and an accounting has been provided. If interested in the closeout report, contact Tami.

Homelessness

ARCHES Day Center's lobby is continuing to serve those experiencing homelessness with basic needs services. ARCHES has implemented new occupancy limits in the lobby, and individuals are able to access restrooms, mailboxes, and to-go lunches. Benevolent meals provided by community partners are being offered in the ARCHES parking lot. ARCHES housing assistance services are being provided via email and phone. ARCHES staff are conducting outreach to camps to deliver hygiene and camping supplies. Warming shelters are currently closed for the season, however, ARCHES is working on shelter options during the COVID-19 outbreak. Community Action can offer hotel assistance to homeless households as COVID events unfold. These placements are referred from social service agencies and Salem Health. ARCHES is looking to shelter those who are medically fragile (55+, underlying medical conditions – i.e. cancer, immune compromised, respiratory disease, etc.) in hopes of preventing them from acquiring the virus, as well as placing households who are either pending a COVID test result or have already tested positive.

I have authorized \$20,000 to Church at the Park. Church at the Park is the only current vehicle camping site in the city. Church at the Park is a collaborative navigation center supported by seven churches working with the City, ARCHES, United Way and the Marion Polk Food Share. Salem Leadership Foundation serves as the backbone collaborator and operational consultant. The site provides food security for more than 120 individuals a week through one “to go” meal a day and pantry boxes twice a week through Marion Polk Food Share. The site is a distribution center for sleeping bags, tents, tarps, socks, warming clothes, and hygiene items. The site is an emergency safe parking location for six vehicle campers and is coordinating a “safe parking network” for up to eight sites with a capacity for 48 vehicles and 96 people sheltered. The site is seeing increased use and is challenged by the COVID-19 pandemic.

Projects

The decision to proceed with the \$60 million utility revenue bond sale is appearing to be the correct choice. The municipal bond market is now under severe distress. The market for state and local governments is currently broken because of COVID-19. The purchaser of the City’s bonds could still back out before the close on April 2 if things get worse—unlikely, but possible. The City would keep their \$1.2 million good faith deposit.

The Geren Island water treatment project, Woodmansee Park water aquifer storage, police station, and library renovations are all, at this, time proceeding. JE Dunn, the general contractor for the police station, is keeping its sites open for construction, no visitors, and is following OHA and CDC rules and guidance.

Thanks for reading,
Steve