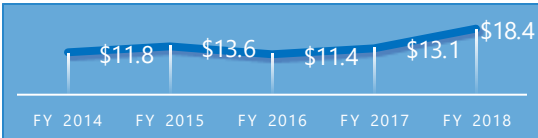


Capital Improvements Fund *(values in millions)*

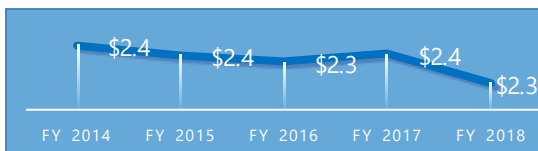
Resources—5 Year Trend

FY 2014 through FY 2018

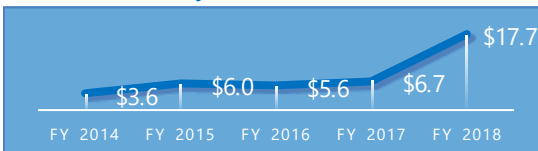
Riverfront Downtown



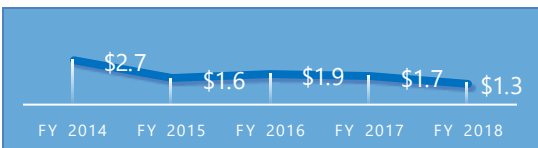
Fairview Industrial



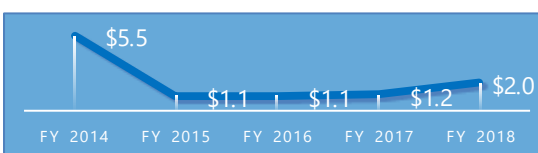
North Gateway



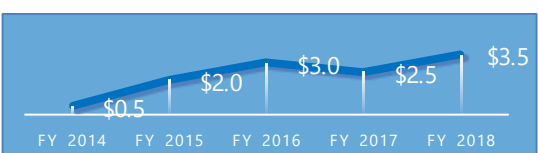
West Salem



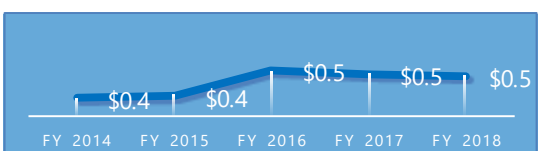
Mill Creek



McGilchrist

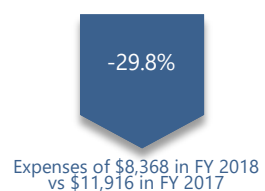
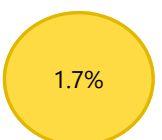
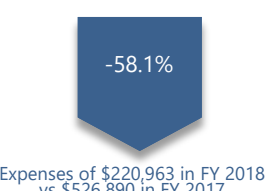
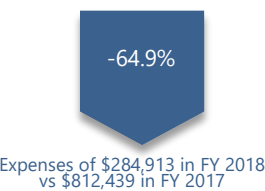
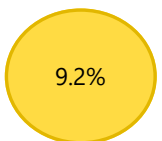
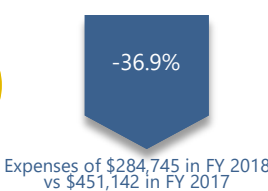
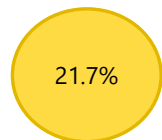
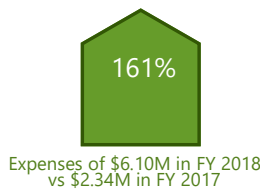
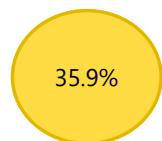
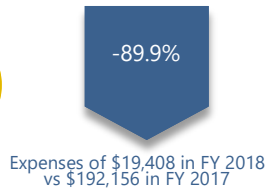
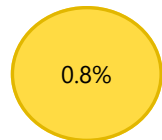
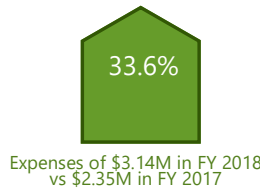
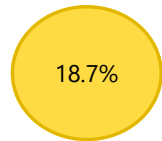


South Waterfront



Expenditures

Actual to Budget Year-over-Year



Financial data for Salem's seven active urban renewal areas is included with this summary report. While the Fairview Urban Renewal Area (URA) has funding available to accomplish projects, tax increment is no longer collected. Of Salem's URAs, only Riverfront Downtown imposes a special levy.

Year-to-year expenditure variances as illustrated on this page generally relate to the timing and completion of projects within the URA.

This report also includes summary financial information for the Salem Convention Center.

FY 2018 By the Numbers

Fund 220—Debt

Total Resources—\$31.69M
Total Expenditures—\$23.99M

Fund 265—Capital Improvements

Total Resources—\$45.71M
Total Expenditures—\$10.06M

Fund 345—Convention Center

Total Resources—\$5.54M
Total Expenditures—\$4.72M

Fund 428—Convention Center Gain / Loss Reserve

Total Resources—\$5.15M
Total Expenditures—\$276,090

Serving the Community

The Urban Renewal Agency funded \$5.43 million in grants and loans to help businesses locate and expand in the City's North Gateway, Riverfront Downtown, and West Salem urban renewal areas.

Urban Renewal Agency funds during FY 2018 supported more than \$3.10 million in transportation system and streetscape improvements including \$2.4 million along Portland Road in the North Gateway URA.

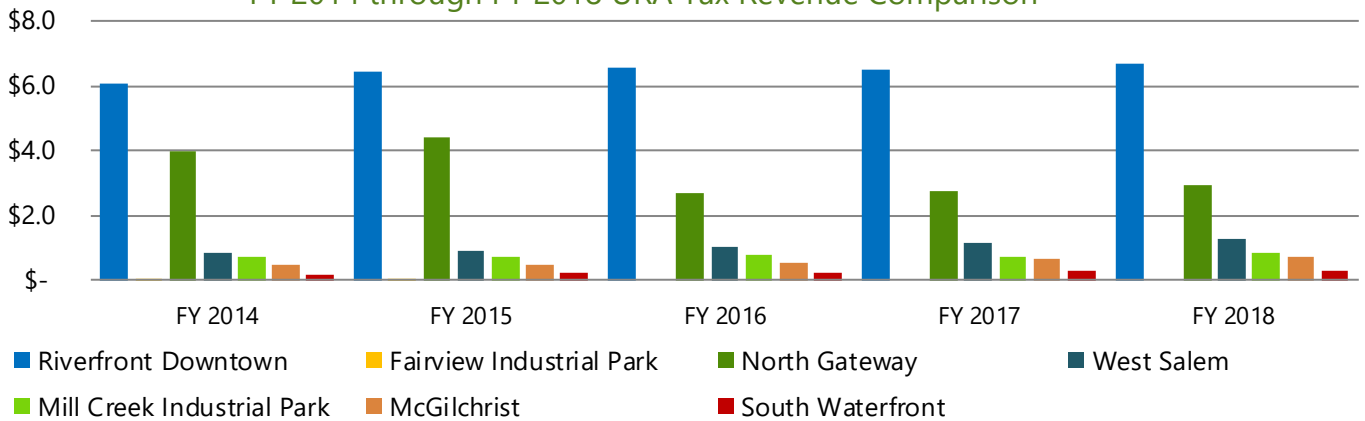
STATUS AT A GLANCE

Urban Renewal Area Status	Riverfront		North			South	
	Downtown	Fairview	Gateway	West Salem	Mill Creek	McGilchrist	Waterfront
Maximum Tax Collected	✓		✓	✓	✓	✓	✓
Special Levy Imposed	✓						
Ceased Tax Levy		✓					
Long Term Debt	✓				✓		
Short Term Debt FY 2018	✓		✓		✓	✓	
Debt Retirement	2024	2014	2015	2018			

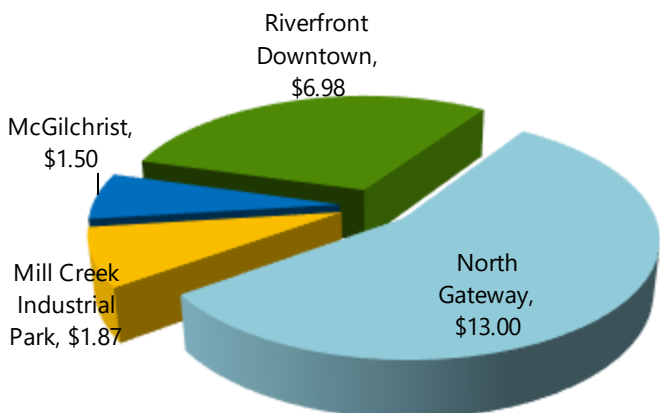
The Tax Allocation (Capital) Improvement Fund, with financial data appearing on page 1 of this summary, provides for the use of proceeds from bonds or short-term loans to fund a variety of improvement projects to spur redevelopment in an urban renewal area. A second Urban Renewal Agency Fund, the Tax Allocation Bond Debt Fund, provides for the receipt of tax increment revenue, which is derived from an increase in property values during the life of an urban renewal area. The tax increment revenue is used to repay the debt that supports the urban renewal area's redevelopment projects. And to collect the tax increment, the urban renewal area must have debt.

The graphics below provide a five year history of tax increment collections in Salem's urban renewal areas and the debt repayment for FY 2018.

FY 2014 through FY 2018 URA Tax Revenue Comparison



FY 2018 URA Debt Service Payments *In Millions*



Salem Convention Center (SCC) and Gain / Loss Reserve

Resources through FY 2018 for the SCC Fund were \$5.54 million with expenditures of \$4.72 million for convention services and food and beverage sales and the annual transfer to the Gain / Loss Reserve.

The annual transfer to the reserve from Convention Center program income has grown significantly over the past several years. In FY 2014, the transfer was \$274,831. By contrast, the supplement to the reserve in FY 2018 equaled \$683,727, an increase of 148.8 percent.

The Gain / Loss Reserve opened the fiscal year with beginning working capital in excess of the reserve target at \$4.4 million. With revenues of \$750,958 and SCC project expenses of \$276,090 funded by the reserve, working capital increased by almost \$475,000 by year end.

FY 2018 debt payments for the Salem Urban Renewal Agency totaled \$23.37 million. Of this amount, approximately \$870,660 was used for repayment of long-term indebtedness.

The balance of debt service was paid on short-term borrowings in the four URAs represented in the above chart—Riverfront Downtown, McGilchrist, Mill Creek, and North Gateway. Short-term borrowings create the required indebtedness allowing tax increment revenue to be available for improvement projects.