

MINUTES

Downtown Advisory Board

Thursday, March 11, 2021–12:00 P.M.

Virtual Meeting

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1. CALL TO ORDER

Call to Order and Roll Call: 12:03 PM

Roll Call: Aaron Terpening; Brad Compton; Tyson Giza; Joshua Kay-Chair; Linda Nishioka-Vice Chair; Jordan Truitt; Charles Weathers; Vincenzo Meduri; Scott McLeod

Absent:

Staff: Sheri Wahrgren; Rebecca Ziegler; Anita Sandoval; Kali Leinenbach

APPROVAL OF AGENDA

Motion: Move to approve the agenda for March 11, 2021, amending it to add an informational item: UGM/Saffron Request for Proposal Update

Motion by: Board Member Terpening

Seconded by: Board Member Giza

Action: Approved the agenda for March 11, 2021, as amended.

Vote: Aye: Unanimous **Motion PASSES**

2. APPROVAL OF MINUTES

Motion: Move to approve the Minutes from February 25, 2021, as presented

Motion by: Board Member Terpening

Seconded by: Board Member Giza

Action: Approved the Minutes from February 25, 2021, as presented.

Vote: Aye: Unanimous **Motion PASSES**

3. ACTION ITEMS

a. Downtown Advisory Boards FY 21-22 Riverfront-Downtown Urban Renewal Budget recommendation to Agency Board

Comments/Questions: Wahrgren

Motion: Recommend the FY 21-22 Riverfront-Downtown Urban Renewal Budget as presented.

Motion by: Board Member Nishioka

Seconded by: Board Member Terpening

Action: Approved

Vote: Aye: Unanimous **Motion PASSES**

4. INFORMATION REPORTS

a. UGM/Saffron Request for Proposal Update

Comments/Questions: Wahrgren, Kay, Terpening, Nishioka,

5. What's Happing Downtown!

a. Roofing on the Amphitheater is set to go on in a couple of weeks.

b. Grand Theater will be doing Snow White for grades 1-5.

c. Marquis is scheduled for a pre-app for their 72-unit bed rehab facility with retail on the ground floor.

d. 910 Front Street, sale pending for potential owner/user.

e. Opportunity Summit on March 15th for representatives of vacant buildings in the central business area.

6. ADJOURN – 12:53 p.m.

Next Meeting: April 22, 2021

**RIVERFRONT/DOWNTOWN URA REVENUE AND EXPENDITURES
PRELIMINARY REVENUE AND EXPENDITURE PROJECTIONS**

		Actual FY 19-20	Budget FY 20-21	Projected FY 20-21	Draft Budget FY 21-22
<u>CONSTRUCTION FUND</u>					
<u>RESOURCES</u>					
Beginning Fund Balance		15,572,447	10,487,660	10,172,025	18,703,208
Short Term Bond Proceeds		7,500,000	6,000,000	6,000,000	7,500,000
Long Term Loan Proceeds		-	8,700,000	8,701,200	-
Principal and Interest on Commercial Loans		169,762	25,000	60,000	25,000
Interest Income		304,687	200,000	170,000	200,000
Receipt of TOT Funds for Marketing		300,090	309,090	309,090	309,090
Sale of Assets		207,500	-	84,416	-
Other/Lease Revenue		109,592	96,000	160,000	96,000
Total Resources		24,164,078	25,817,750	25,656,730	26,833,298
<u>EXPENDITURES</u>					
Project Coordination/Support	682000	503,285	517,490	349,509	643,300
Indirect Cost Allocation Plan	682000	48,800	93,740	93,744	157,640
Toolbox Loan Program	multiple	372,907	173,110	-	173,110
Toolbox Grant Program - rebudgeted	682018	3,090,476	3,000,000	1,804,190	3,695,810
Toolbox Grant Program - new funds	682018	-	2,500,000	-	1,500,000
Strategic Project Grant Program - rebudgeted	682097	223,224	121,610	63,850	57,760
Strategic Project Grant Program - new funds	682097	-	-	-	50,000
Conference Center Insurance	682000	36,120	36,120	36,120	36,120
Conference Center Marketing	682023	300,090	309,090	300,000	325,000
North Downtown Zoning Review	682091	42,613	-	430	-
North Downtown Code Revisions	-	-	50,000	-	50,000
Streetscape Improvement & Design Program	682067/76/83	200,095	2,566,160	1,286,980	2,779,180
Alley Improvements - rebudgeted	682086	210,512	439,620	15,840	350,000
Alley Naming Project Hardware (poles and toppers)	682105	-	80,000	80,000	-
Alley Entranceways (metal)	-	-	-	-	80,000
Dual Turn Lane Removal and Curb Extensions	682087	34,055	200,000	175,670	-
State Street Two Way Conversion	682089	50,021	292,000	282,740	-
Court Street Two Way Conversion	-	-	-	-	400,000
Property Acquisition and Environmental Due Diligence-UGM & Saffron	682093	117,545	100,000	204,160	1,340,000
Redevelopment Planning and Site Preparation - UGM & Saffron	-	-	50,000	-	550,000
Union Street Bike Friendly Phase B - rebudgeted	682094	-	1,500,000	-	1,500,000
Division Street Improvements	682095	3,883,847	-	-	-
Police Facility Improvements	682098	4,745,404	-	2,560	-
High Speed Broadband Study	682096	78,240	-	-	-
SCC Expansion Cost Benefit Analysis	682101	50,332	-	-	-
Property Acquisition and Renovation - Navigation Center	-	-	4,150,000	-	-
Acquisition of ARCHES Site / Homeless Solutions Task Force Project Implementation	682102	4,487	2,500,000	2,257,730	-
Parkade Improvement Design	-	-	-	-	100,000
Adaptive Reuse Consulting Services	-	-	-	-	100,000
COVID-19 Business Grant Program	-	-	-	-	500,000
Opportunity purchases for future redevelopment	-	-	2,000,000	-	2,000,000
Total Expenditures		13,992,053	20,678,940	6,953,523	16,387,920
Ending Fund Balance/Committed to Future Projects		10,172,025	5,138,810	18,703,208	10,445,378



MEMORANDUM

Urban Development Department

DATE: March 11, 2021

TO: Downtown Advisory Board

FROM: Sheri Wahrgren, Downtown Revitalization Manager

SUBJECT: UGM/Saffron Request for Proposal Update

At the June 25th Downtown Advisory Board Meeting, a sub-committee was created to work with staff on key redevelopment priorities for the UGM/Saffron sites that would be incorporated into a Request for Proposal (RFP) that would be used to solicit interest in the redevelopment of these sites.

On August 27, 2020, board members were given background information on the format of a Request for Proposal and were asked to provide feedback regarding board's suggested priorities for elements that should be considered when selecting a development through this process.

Staff is drafting language for the RFP and wanted to share an overview of the key redevelopment expectations that will be included which proposers would need to address in order to be considered as the successful redevelopment project.

The RFP document in its entirety is large and includes a lot of required legal information including City's procurement process. Because of the size, I am providing you with key elements that are being proposed for inclusion in the RFP that relate to the priorities that DAB discussed during our meetings last summer. Staff will also be checking in with the Agency Board in April on the proposed goals of a redevelopment, prior to finalizing the RFP.

The timeline for finalizing the document and having it posted for responses is contingent upon any questions/feedback that may occur after presenting it to the Agency Board. Estimated timeline goal for releasing the RFP is June 2021.

DRAFT
Downtown Opportunity Redevelopment

Objectives for Site Development

1. Serve as a catalyst and model for the revitalization and redevelopment of key formerly underutilized sites in downtown.
 2. Serve as a model of mixed-use, mixed income housing development in downtown Salem that takes into consideration its close proximity to Downtown Historic District, Riverfront Park and Capitol.
 3. Support bicycle and pedestrian connections
 4. Benefit local businesses, residents and local economy
 5. Provide new mixed-income housing development which includes a minimum of 20% affordable housing at an average of 80% Median Family Income
 6. Incorporate green building practices
 7. Permanent job opportunities
 8. Project supports MBE and WBE businesses
- A project that will establish a sense of place, and aesthetically unique.
 - Single development proposal for a mixture of land uses, which may include a phased development plan completed within a reasonable time frame. A development proposal which utilizes only a portion of the site or a proposal for single-use strip commercial, residential or office development will not be considered. Proposals that are non-responsive to applicable zoning requirements will also not be considered. Intent is for the project to be redeveloped as soon as possible.
 - Successful project would set an example for other projects in the area with regards to Green Building design and construction techniques.
 - It is expected that the successful Developer will determine the most realistic and feasible uses for the site, while recognizing the importance of supporting Riverfront-Downtown Urban Renewal Plan, Downtown Strategic Action Plan, Streetscape Design Plan, and Agency Board goals and objectives.
 - The selected Development team will need to demonstrate expertise in urban redevelopment; the capacity to deliver a mixed-income residential, office and/or commercial retail mixed use project; and adequate financial capacity to support such development.

- The Agency intends to enter into a Memorandum of Understanding (MOU) and subsequent Disposition and Development Agreement (DDA) with the selected Developer outlining the development program for the Property and the role the Agency will have in areas such as design review, environmental remediation, and financial assistance. The Agency expects to convey a fee simple interest in the Property. Proposers should explicitly indicate their intention or expectation of making a request for Agency assistance. Financial incentives, including land write-downs, Capital Improvement Grants, Multiple Housing Tax Exemption may be available. The parcels are also located within an Opportunity Zone.

The following are proposed key elements that would be considered when selecting a project:

- Projects will be evaluated for creative, realistic vision for the Property that is responsive to the Property's opportunities and constraints. It is expected that proposals clearly articulate a preferred project approach and intent, description of key tasks and milestones to develop the site, and the proposed schedule for completing the development. Timeline to include opportunity for further discussions with Agency Board, Downtown Advisory Board, City Staff and CANDO Neighborhood Association. Key consideration is Developers with capacity to proceed on an aggressive timeline.
- Proposers would need to include providing elements of a financing package, including total cost of construction and describe any intention to request assistance from the Agency.
- Developers or teams will be evaluated on their demonstrated ability to successfully carry out a real estate development and construction project of this nature. This would include their demonstrated ability and relevant experience (individual or collective) with public-private partnerships, financing, design, construction, operation/management in developing mixed-use projects, and mixed-income, including affordable housing for individuals earning 80% or less Median Family Income. This experience may be comprised of one team members expertise in affordable rental housing, single-use residential, office, or commercial in combination with another team members expertise. Partnerships are encouraged with Salem Housing Authority or other non-profit affordable housing developers to meet the unmet need for affordable rental housing in the community.
- Proposals will be evaluated for the financial capacity of the Developer or Development team, realistic assumptions for revenue and costs, and demonstrated ability to secure construction and permanent financing for other, like projects. The Developer or Development team should demonstrate appropriate financial qualifications and capacity to undertake the proposed project with the least amount of public subsidy.