TO: URBAN RENEWAL AGENCY BOARD

THROUGH: KACEY DUNCAN, INTERIM EXECUTIVE DIRECTOR

FROM: MARK BECKTEL, AICP, INTERIM DIRECTOR URBAN DEVELOPMENT DEPARTMENT

SUBJECT: UPDATE: STRATEGIC ACTION PLAN FOR THE PORTLAND ROAD CORRIDOR LOCATED IN THE NORTH GATEWAY URBAN RENEWAL AREA

ISSUE:
Update on the Strategic Action Plan for the Portland Road Corridor

RECOMMENDATION:
Information only.

SUMMARY AND BACKGROUND:
The North Gateway Urban Renewal Area (URA) Plan (Plan) was adopted by the City Council on December 10, 1990, with the goal of eliminating blight and depreciating property values in the more than 900 acre area (Attachment 1). Since 1990, approximately $53 million in Urban Renewal Agency funding has been invested in the North Gateway URA, including the completion of Bill Frey Drive, Blossom Avenue NE, Hyacinth Street NE intersection improvements, construction of Portland Road NE improvements between Sunnyview Road NE and the railroad underpass north of Pine Street NE, and support for the Hollywood Station Redevelopment and Salem Center 50+.

Approximately $21 million remain available to fund future projects in the North Gateway URA. The funding available falls short of that needed to complete all of the remaining projects identified in the Plan, including the second phase of Portland Road improvements. In 2013-2014 a series of meetings were held with the North Gateway Redevelopment Advisory Board (NGRAB) and the Agency Board to review the goals and projects in the Plan and to discuss needs and opportunities. Communication was also received from the North Gateway Neighborhood Association, Highland Neighborhood Association, and other stakeholders, reiterating the importance of the Portland Road Corridor.
On November 17, 2014, the Agency Board approved of the scope for the Strategic Action Plan for the Portland Road Corridor (Action Plan) to “serve as an investment strategy that prioritizes the use of funds on opportunities that maximize private investment, job creation, and economic vitality in the area and leverages other local, state, and federal resources” (Attachment 2). The geographic focus for the Action Plan is on the Portland Road Corridor, as defined by the Union Pacific Railroad tracks on the west, Hyacinth Street NE on the north, the eastern edge of the North Gateway Urban Renewal Area boundary on the east and the Union Pacific Railroad under-crossing and Silverton Road NE on the south.

The Agency Board requested staff provide quarterly updates on the Action Plan. The last update was provided on April 13, 2015.

FACTS AND FINDINGS:

The Action Plan is consistent with the North Gateway URA Plan, Section 608B, Administrative Activities and Services to the Agency, which allows for economic feasibility and market studies, redevelopment planning studies, cost estimates, and related analysis. Implementation of Action Plan recommendations may require future amendments to the North Gateway URA Plan. The completion of the Action Plan is expected this winter.

Since April the following activities were completed or are underway.

- **Analyzed feedback from initial public outreach** – The initial round of public outreach was completed in April 2015 and analyzed by staff and the project consultant (Attachment 3). Findings were presented to the NGRAB at their May 5th and June 4th meetings and with the Salem Chamber on July 2nd.

- **Completed Opportunities and Needs Analysis** – In December, a contract was formalized with ECONorthwest to complete an assessment of market conditions, needs, and opportunities in the area. The initial market analysis was completed in March 2015 and identified an increasing demand for more industrial/flex space and restaurants in the area. In May, ECONorthwest completed an Opportunities and Needs Analysis report, utilizing information from the market analysis and the initial outreach. The May report identified development opportunities in the area and potential barriers that may need to be addressed to encourage development.

  The report is available on the project website: [www.cityofsalem.net/northgatewayplan](http://www.cityofsalem.net/northgatewayplan) and listed at the bottom of the page under “Documents.”

- **Identified potential brownfield sites** – In June, ECONorthwest and staff, partnered with the City’s Site Reuse and Revitalization Program to identify vacant and underutilized sites in the North Gateway URA with potential environmental
contamination. These are sites that may be eligible for additional grant funding available through the Site Reuse Program, if reuse or redevelopment is planned. Staff will contact those property owners to make them aware of the Site Reuse Program and funding.

- **Initiated outreach – round #2** – Initial outreach focused on raising awareness of the purpose of the Action Plan, timeline, and soliciting initial input on priorities for the area. The second round of outreach focuses on soliciting more detail on potential future projects and funding priorities within the Portland Road Corridor, including the following:
  
  o Potential for new businesses and jobs;
  
  o Opportunities to enhance the identity and appearance of the area;
  
  o Future development opportunities, including for new housing, retail, and industrial/flex space; and
  
  o Bicycle and pedestrian infrastructure priorities.

Input is being sought through an online survey, small group discussions, and interviews. Links to the survey and additional information is available on the project website.

**Next Steps**

Small group meetings and interviews with business owners/tenants will occur in July and August. Continued interviews with businesses in the area, small group meetings, and other targeted outreach are planned to generate a more in depth discussion on priorities and to solicit input from additional stakeholders.

Attachment 1: North Gateway URA Map
Attachment 2: Strategic Action Plan Scope
Attachment 3: Outreach Summary
NORTH GATEWAY URA

STRATEGIC ACTION PLAN FOR THE PORTLAND ROAD CORRIDOR

SCOPE OF WORK

Context and Purpose

The Strategic Action Plan for the Portland Road Corridor (Action Plan) will serve as an investment strategy that prioritizes the use of funds on opportunities that maximize private investment, job creation, and economic vitality in the area and leverages other local, state, and federal resources. The geographic focus for the Action Plan is on the Portland Road Corridor, as defined by the Union Pacific Railroad tracks on the west, Hyacinth Street on the north, the eastern edge of the North Gateway Urban Renewal Area boundary on the east and the Union Pacific Railroad under-crossing and Silverton Road on the south. Salem’s Urban Renewal Agency (Agency) approved of the Action Plan scope of work on November 17, 2014.

Scope Elements

- **Task 1 – Identify and prioritize ways to improve neighborhood livability** – Identify and prioritize issues and recommendations defined by property owners, businesses and residents. Issues may include but are not limited to safety, connectivity, visual appearance, and desired business types.

- **Task 2 - Summarize existing conditions and prior plans/studies**

- **Task 3 - Develop and implement an outreach strategy** – Develop and implement a comprehensive outreach strategy for the Action Plan, including ongoing communication with the NGRAB, Agency Board, neighborhood, business groups, and other key stakeholders.

- **Task 4 - Market analysis and opportunities/needs analysis** - Analyze market conditions, opportunities, and needs in and adjacent to the Portland Road Corridor, including for new housing, commercial and retail development, industrial uses, and other creative development opportunities. The market analysis will be informed by interviews, surveys, and other outreach conducted by City staff.

- **Task 5 – Industrial, commercial, and professional business opportunities and constraints analysis** – This task will be supported by information from interviews with existing businesses, brokers, and investors in the area. This task includes evaluation of industrial and commercial buildings in the area.

- **Task 6 - Identify opportunity sites, possible partners, and catalytic development concepts** - Recommend opportunity sites where purchase/assembly by the Agency or private developer may trigger catalytic projects and identify any URA funding or support, partners, and development concepts that could be utilized.

- **Task 7 – Prioritize Transportation Infrastructure Issues** – Review priorities identified in the adopted Transportation System Plan and transportation issues identified within and adjacent to the Portland Road corridor, including review of Portland Road improvements, north of Pine Street. Transportation issues will be prioritized based on how they address market challenges and neighborhood and community needs.

December 11, 2014
• **Task 8 - Recommend financial incentives and other creative funding to encourage redevelopment** - Recommend financial incentives that can be developed to address needs/opportunities identified through the Action Plan and to spur redevelopment.

• **Task 9 - Prepare Action Plan Recommendations and Report** — Prepare a draft and final report that summarizes the above tasks and findings, along with key recommendations, cost estimates, and phasing for URA (and other) investments, over the near, mid, and long term. Report will identify the anticipated economic and neighborhood impact and return on investment of each of the recommendations.
Portland Road Corridor Strategic Action Plan
Summary of Community Feedback
Initial Outreach, January 2014- April 2015

Background: The Urban Renewal Agency adopted the scope for the Portland Road Corridor Strategic Action (Action Plan) Plan in November 2014 and in January 2015 the North Gateway Redevelopment Advisory Board approved of an outreach strategy for the Action Plan.

Goal/Purpose: The initial phase of outreach aimed to solicit feedback on broad areas of focus/concern within the Portland Road Corridor, including concerns brought forward by residents and members of the North Gateway Redevelopment Advisory Board (NGRAB) prior to beginning the Action Plan scope. Survey and discussion questions were designed to understand whether businesses, property owners, and residents, identified similar needs/opportunities for the Corridor, including the importance of:

- Bicycle and pedestrian access and amenities
- Building improvements
- Improvements to roads and other public facilities
- Appearance of the area
- Business creation/expansion
- Safety (real or perceived)

Outreach Methods: From January – April 2015 a variety of outreach methods were used to solicit community input on priorities (identified above), including

- Distribution of more than 2,000 postcards, notifying residents, tenants, and property owners of the Action Plan and of opportunities for public feedback
- Dissemination of press releases, social media posts, radio announcements (KWIP, 880 AM, Spanish radio), and articles in neighborhood and business publications
- Presentations to and discussions with eight neighborhood and business groups; hosting four public meetings, including two focus groups for business owners/property owners
- Distribution of an online survey which generated responses from 108 individuals

Outreach materials were presented in Spanish and English. Additional detail regarding the outreach is documented in the outreach strategy developed for the Action Plan. Although the focus of meetings and the survey were similar, there were some variations. Survey questions solicited more detail whereas meeting attendees were asked to identify the “top two” priorities (of the categories above) for the area and the locate them on a map. A detailed list of all survey feedback was provided to NGRAB at their June 4, 2015 meeting.
Feedback Summary:

The following represents feedback from approximately 200 individuals who provided feedback via the initial phase of outreach, the majority from the survey. Key themes included:

- Strong interest in the Urban Renewal Agency fulfilling a largely role in economic development of the area. Although conditions in the area have improved over time there is still a perception by many that the area is unsafe and as such they are unwilling to invest in the area.
- Desire from retail tenants to improve the overall appearance of the area, including by making investments in their own spaces or identifying building owners with willingness/commitment to invest in the area.
- Interest in more destinations along the Corridor, including restaurants, coffee shops, grocery, farmers market, food carts, and other amenities; desire to transition away from people “driving through” the area rather than stopping to shop and enjoy.
- Focus urban renewal area investments on key nodes within the Corridor (southern, middle, and northern edge of the Action Plan boundary) and build off of other private existing or planned investments (i.e. Salem Keizer Career and Technical Institute).
- Target public infrastructure dollars on critical needs, including pedestrian safety (lack of sidewalks from Bill Frey to Hyacinth) and intersection improvements near planned CTI and/or Kroc or other major amenities and/or employment nodes.
- The Railroad Underpass (north of Pine Street) remains a real obstacle for bikes and pedestrians. There should be a strategy developed to address this barrier, even if long term.
- Celebrate and build upon the areas strong Hispanic population by encouraging uses, streetscape, and business types that help to create that identity and “energy” for the area (food vendors, public art, etc.)
- Outreach participants understood the importance of using the remaining URA funding wisely and as such were passionate about their strong desire on where to begin 1) invest in improving the identity and appearance of the area (i.e “build it. The businesses and private investment will come.” Or 2) wait on the public infrastructure and instead focus initial funding on actions that will bring new businesses to the area, i.e property acquisition, private/public partnerships to assist development of new housing and employment, and focus those initial investments geographically to have a catalyzing effect.

The online survey asked respondents to rank the importance of the categories identified above. The majority of all respondents ranked attracting new businesses and jobs or encouraging the reuse of empty buildings and property as most important and improvements to road access and conditions as least important. Many of the rankings were very closely tied.