

May 18, 2016

Ms. Kristin Retherford
 Urban Development Director
 Urban Renewal Agency
 City of Salem
 350 Commercial St. NE
 Salem, OR 97301

RE: North Gateway Urban Renewal Grant Program

Dear Ms. Retherford,

Thank you for the opportunity to submit the attached application and this exception letter for the North Gateway Urban Renewal Grant Program. I have met with some of your staff (Annie Gorsky, Mark Metzger and Sheri Wahrgren) who have been quite patient and helpful while educating me to this process.

I have recently purchase the real property and improvements located at 3830-3850 Portland Road. The building is also known as the Northgate Center. In reference to the Draft, Portland Road Action Plan, the property is located in Portland Road Corridor Study Area, just north of the Bill Frey Drive Node.

I purchased the property for \$335,000 cash, free and clear of any debt. I will also contribute \$150,000 for repairs/remodel. Referencing the Draft, North Gateway Urban Renewal Area (URA) Grand Program Policies, I am respectfully requesting an exception to the current North Gateway Grant Program and asking for a \$300,000 grant to combine with my initial investment to help remove the current blight and turn this into a thriving, professional work space/office once again.

<u>Revenue Source:</u>	<u>Amount</u>
Match - Acquisition Investment	\$335,000
Match - Additional Cash and Credit	\$150,000
Grant Award	\$300,000
Total Revenue	\$785,000
<u>Redevelopment Costs:</u>	<u>Amount</u>
Interior	\$215,000
Exterior	\$235,000
Total Costs	\$450,000

This property is in need of significant repairs and upgrades (See attached Exhibit A). Currently the building is not water tight as rain water is finding many ways into the building through a roof that has far outlived its lifetime. Siding is busted with holes, some gutter downspouts are non-existent, several windows are broken and/or seals are no longer functioning, trees and shrubs have been neglected and are currently up against the building. The overall landscape is in desperate need of updating and is in fact one of the most overgrown, developed lots along Portland Road. The exterior lighting is not working properly. Creating what I consider and unsafe condition for the tenant parking area and allowing for a strong homeless presence around and sometimes inside the building.

The interior is in similar disrepair as the exterior (See attached Exhibit B). The current tenants have had to deal with continues water leaks, stained ceiling tiles, restrooms that have required many improvements, inconsistent HVAC systems and general non-professional working conditions. As of this letter, the two main street level tenants will be vacating the building by the end of June 2016, leaving this building with a nearly 60% vacancy rate.

I am excited to partner with Urban Development to bringing this property out of tax exempt status and back on the tax rolls. I believe the improvements outlined in this exception letter and attached application will attract new business to the area, bring a new vibrancy to this otherwise underutilized, blighted property. All of which, will generate new tax increments and provide innovative, flexible, affordable workspace for small businesses and hopefully encourage others to invest in this area so we can build up a new, thriving area of northeast Salem that is much needed.

Thank you for your consideration and the continued good work of the Urban Development Department.

Should you have questions regarding my application please don't hesitate to call 503-851-0870 or email me at mikebliven@aworksafeservice.com

Sincerely,



Mike Bliven

Exhibit A









Exhibit B





