

Legislation Details (With Text)

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Type: Action Item **Status:** Agenda Ready

In control: Urban Renewal Agency

On agenda: 4/9/2018 **Final action:** 4/9/2018

Title: Increase funding for the FY 2017-18 West Salem Urban Renewal Area Redevelopment Grant Program

Ward(s): 1
Board Member(s): Kaser
Neighborhood(s): WSNA

Sponsors:**Indexes:****Code sections:****Attachments:**

Date	Ver.	Action By	Action	Result
4/9/2018	1	Urban Renewal Agency	approved	Pass

TO: Urban Renewal Agency Board

THROUGH: Steve Powers, Executive Director

FROM: Kristin Retherford, Urban Development Department Director

SUBJECT:

Increase funding for the FY 2017-18 West Salem Urban Renewal Area Redevelopment Grant Program

Ward(s): 1
Board Member(s): Kaser
Neighborhood(s): WSNA

ISSUE:

Shall the Urban Renewal Agency authorize the use of West Salem Urban Renewal Area funds to add \$500,000 to the West Salem Urban Renewal Area Redevelopment Grant Program?

RECOMMENDATION:

Authorize the use of West Salem Urban Renewal Area funds to add \$500,000 to the West Salem Urban Renewal Area Redevelopment Grant Program (WSURA Grant Program)?

SUMMARY AND BACKGROUND:

An increase of \$500,000 to the WSURA Grant Program will provide funds to support new development and redevelopment projects through the remainder of the 2017-2018 fiscal year and bring the total of available grant funding to \$783,236.

Over the last three years, the WSURA Grant Program has helped finance three to four capital improvement projects per year with an average private investment of over \$800,000 and an average grant commitment amount of \$80,000. The 20 percent matching grant program has a maximum award of \$300,000 for large projects valued at more than \$1.5 million. Staff expects to receive applications from at least three high value development projects that may qualify for maximum grants. Increasing the capitalization of the WSURA Grant Program will ensure that funds are available when applications are received and facilitate projects beginning as soon as possible.

FACTS AND FINDINGS:

The WSURA Grant Program is available as an incentive to redevelop property by increasing building square footage through a building addition, remove an existing structure and construct a new commercial or mixed-use building, or increase manufacturing operations with new equipment and associated building improvements. The 20 percent matching grant is disbursed on a reimbursement basis for construction progress and demonstrated private investment on a monthly basis, with final disbursement following construction completion and the issuance of an occupancy permit from the City of Salem.

There is considerable interest in the WSURA Grant Program. During their April 4, 2018, meeting, the West Salem Redevelopment Advisory Board recommended that the Urban Renewal Agency approve the increase to the grant program.

Staff will return to the City Council on a quarterly basis to provide an information report on grant investments along with other economic development activities.

Sufficient budget authority exists within the adopted budget for FY 2017-18 to increase the funding for the grant program; funds would come from \$547,380 of currently unallocated West Salem Urban Renewal Area funds.

Tory Banford
Project Manager

Attachments: None.