

Legislation Details (With Text)

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In control: Urban Renewal Agency

On agenda: 9/10/2018 **Final action:** 9/10/2018

Title: Increase maximum indebtedness for the North Gateway Urban Renewal Area

Ward(s): 5
Board Member(s): Ausec
Neighborhood(s): Northgate

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

Date	Ver.	Action By	Action	Result
9/10/2018	1	Urban Renewal Agency	approved	Pass

TO: Urban Renewal Agency Board

THROUGH: Steve Powers, Executive Director

FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Increase maximum indebtedness for the North Gateway Urban Renewal Area

Ward(s): 5
Board Member(s): Ausec
Neighborhood(s): Northgate

ISSUE:

Shall the Agency Board authorize staff to begin the process of increasing the maximum indebtedness for the North Gateway Urban Renewal Area?

RECOMMENDATION:

Direct staff to begin the process of increasing the maximum indebtedness for the North Gateway Urban Renewal Area.

SUMMARY AND BACKGROUND:

The North Gateway Urban Renewal Area (URA) is a 900 acre urban renewal area which was

established in 1990 with a maximum indebtedness (total amount the URA is allowed to collect from property taxes) of \$75 million. Since its establishment, a variety of projects have been completed including infrastructure improvements, community developments (Hollywood Station Mixed Use Project/Center 50+), affordable housing, and business development assistance. A majority of projects have been completed as public/private partnerships.

The North Gateway URA is approaching the end of its funding availability with only \$7.4 million remaining to be allocated towards future projects. Due to the current projects and opportunities occurring in the North Gateway URA and expected future growth and development, the North Gateway Advisory Board requested staff move forward with the process to increase maximum indebtedness and approach the Agency Board for approval.

Projects which would most likely be included as part of the increased maximum indebtedness would be:

- Infrastructure needs for future development
- Additional streetscape projects
- Bike and pedestrian connections
- Affordable housing
- Property acquisition opportunities and development
- Continuation of the grant program

Specific individual projects would be identified through discussions with other City of Salem departments and the North Gateway Advisory Board prior to coming back to the Agency for final consideration later this calendar year.

FACTS AND FINDINGS:

The process to increase maximum indebtedness constitutes a substantial amendment to the North Gateway URA Plan and would include the following:

- Development of an updated project list and cost estimates which would be incorporated in the North Gateway URA Plan.
- Creation of an Urban Renewal Report to accompany the North Gateway URA Plan which will outline the financial impact of the increase of maximum indebtedness to affected taxing districts.
- Outreach to the North Gateway Neighborhood Association.
- Public Hearing with City of Salem Planning Commission to ensure the proposed projects conform to the City's Comprehensive Plan.
- Approval of North Gateway URA substantial amendment by both City Council and the Agency Board.

If the Agency directs staff to move forward with the process to increase maximum indebtedness the expected timeframe for completion includes:

- September: Development of report and plan amendment documents
- October: Conduct outreach
- November: Re-approach City Council and Agency Board for approvals.

The amendment, which would be considered by the Agency Board and City Council, would include identification of the projects to be undertaken, overview of costs, and projection of future tax increment revenues. These items would provide the basis for the new maximum indebtedness amount.

Sara Long
Project Manager

Attachments: None