



Legislation Details (With Text)

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

In control: Urban Renewal Agency

On agenda: 6/12/2023 **Final action:** 6/12/2023

Title: Create a project in the Fiscal Year 2023 Urban Renewal Agency Budget for Airport Terminal renovation to support commercial air service.

Ward(s): All Wards
 Councilor(s): All Board Members
 Neighborhood(s): All Neighborhoods
 Result Area(s): Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy.

Sponsors:

Indexes:

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|----------|--------|
| 6/12/2023 | 1 | Urban Renewal Agency | approved | Pass |

TO: Urban Renewal Agency Board

THROUGH: Keith Stahley, Executive Director

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Create a project in the Fiscal Year 2023 Urban Renewal Agency Budget for Airport Terminal renovation to support commercial air service.

Ward(s): All Wards
 Councilor(s): All Board Members
 Neighborhood(s): All Neighborhoods
 Result Area(s): Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy.

SUMMARY:

During fiscal year 2023, the Salem City Council approved General Fund support for terminal improvements at the Salem Municipal Airport to accommodate commercial air service. On April 10, 2023, the Urban Renewal Agency Board adopted Resolution No. 23-8 URA which adjusted the boundaries of the Fairview Urban Renewal Area to include improvements at the Salem Municipal Airport. This action will create a project in the Fairview Urban Renewal Area for \$1,242,960 to fund the Airport Terminal renovation project.

ISSUE:

Shall the Urban Renewal Agency (Agency) authorize reallocation of the FY 2023 Fairview Urban Renewal Area Budget, reducing the amount committed to future projects to create an Airport terminal renovation project?

RECOMMENDATION:

Authorize reallocation of the FY 2023 Fairview Urban Renewal Area Budget, reducing the amount committed to future projects to create an Airport terminal renovation project.

FACTS AND FINDINGS:

The Fairview Urban Renewal Area is an area originally created in 1984 to fund projects related to transportation, utilities, wetland mitigation, and other projects. Since these projects completed, there remains approximately \$1.8 million in savings from these projects. The Fairview Urban Renewal Area has remained open but stopped collecting and assessing property taxes in 2014.

The action before the URA Board would create a new project in the FY 2023 Fairview Urban Renewal Area Budget in the amount of \$1,242,960 to fund a portion of the Airport Terminal renovation project. Creation of this project would allow money from the Tax Allocation Improvement Fund (URA) to be moved to the Capital Improvements Fund (City) to complete the renovation project. By using Fairview URA funds, the originally planned financial contribution of \$1,881,000 from the City's General Fund is reduced.

BACKGROUND:

In early 2023, the City Council approved action to begin improvements to the Salem Municipal Airport to support commercial air service. Since this time, there has been several actions taken to further the project including the addition of nine new full time equivalent positions, mid-year adjustments to the City Fee Schedule, an Urban Renewal Area plan amendment, and various transfer actions.

Kelli Blechschmidt
Management Analyst I

Attachments:

1. None