



Staff Report

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TO: Mayor and City Council
FROM: Steve Powers, City Manager
SUBJECT:

Progress report on 2018 City Council Policy Agenda priorities and summary of feedback from residents and the community

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods

ISSUE:
Information or City Council discussion in preparation for 2019 City Council Policy Agenda.

RECOMMENDATION:
Information only.

SUMMARY AND BACKGROUND:
At the November 19, 2018 work session, Council will have the opportunity to reflect on progress made on the 2018 Policy Agenda, seek additional information and background from staff, and consider priorities for the 2019 Policy Agenda. The progress report is on priorities from the 2018 Policy Agenda and on-going service commitments that require substantial staff and financial resources of the City. The report also summarizes input received through the September 2018 Residential Satisfaction Survey, an October 24 Town Hall, and an on-line community survey.

A desired outcome from the work session is a set of priorities for staff to further develop for Council's consideration at a January 23, 2019 work session. The work sessions are Council's opportunity to create the 2019 Policy Agenda.

FACTS AND FINDINGS:

Progress Report

Published in early October, the 2018 Annual Community Report provides an update on progress City is making toward Strategic Plan priorities, as articulated in the 2017 Strategic Plan and the City Council's annual work plan, or the 2018 City Council Policy Agenda. The report is organized around the community's and Council's expectations of service and desired results from the City, or result areas. The six result areas are from the Strategic Plan's vision, mission and values: Safe Community; Welcoming and Livable Community; Strong and Diverse Economy; Safe, Reliable and Efficient Infrastructure; Natural Environment Stewardship; and Good Governance. A high-level overview of the City Council Policy Agenda Progress Report is attached (Attachment 1). The City's Annual Community Report was published in advance of the October 24 Town Hall and shared with Town Hall participants in a variety of formats.

Updates for 2018 Policy Agenda Priorities include:

- Safe Community: Fire Station 11 Staffing
- Welcoming and Livable Community: Our Salem, Homeless Rental Assistance Program, and Sobering Center
- Strong and Diverse Economy: High Speed Internet Downtown
- Safe, Reliable and Efficient Infrastructure: Asset Management/Bonding Strategy and Public Transportation
- Natural Environment Stewardship: Greenhouse Gas Inventory
- Good Governance: Priority Based Budgeting and Sustainable Services Revenue Task Force

This report also includes updates on on-going service commitments, including:

- Safe Community: New Police Station
- Welcoming and Livable Community: Library renovation, Blight to Bright, and Neighborhood Association Support
- Safe, Reliable and Efficient Infrastructure: Safe drinking water, bicycle and pedestrian safety, and congestion management

Also included in this report are brief descriptions of other topics, such as:

- Tourism promotion area
- Solid Waste Management Plan, and
- Climate Action Plan

2018 Policy Agenda Priorities

Safe Community: Fire Station 11 Staffing

RE-OPENING FIRE STATION 11

Fire Station 11 on Orchard Heights Road in West Salem was closed in 2012. Since that time, the City has experienced an almost 24 percent increase in calls for service, and fewer calls are answered within the 5½-minute standard. With the reinstatement of Engine 11, response time is expected to shorten (decrease), meaning 350 more individuals should be reached within desired response time when experiencing a critical emergency, adding capacity in West Salem, and improving citywide reliability for fire and emergency medical response. A grand re-opening ceremony of Fire Station 11 is planned for January, when all 15 of the new firefighter/paramedic candidates have completed their training. To-date the initial six-week phase of their training is complete. Moving into the second phase of the training academy, allows Fire Station 11 to be staffed 24 hours a day as a training resource.

Welcoming and Livable Community: Our Salem, Homeless Rental Assistance Program, and Sobering Center

OUR SALEM TODAY

In September 2018, we launched a multi-year project to update the Salem Area Comprehensive Plan, which guides development in the Salem area. As part of their 2018 Council Policy Agenda, the City Council sought a vision for growth and development. This first phase, called Our Salem: Today, will analyze the existing conditions, including a greenhouse gas inventory, and evaluate how Salem could grow under current policies. This work will inform critical discussions and decisions about future growth in the City. With support of a Stakeholder Advisory Committee, community conversations are planned to seek input on important factors to measure the City - both today and under future growth scenarios.

HOMELESS RENTAL ASSISTANCE PROGRAM

Launched in July 2017, the City of Salem, through the Salem Housing Authority, committed \$1.4 million to launch the Homeless Rental Assistance Program, the largest housing-first initiative in Oregon. As of November 1, 2018, the program helped 100 homeless individuals get off the street. The homeless population often deals with untreated mental illness, addiction, and chronic health conditions worsened by long periods of homelessness. In addition, some face barriers to housing, such as criminal history, evictions, and poor rental history. The Homeless Rental Assistance Program combines shelter, rental assistance, medical and mental health treatment, intensive case management, and funding to reduce these and other barriers to success.

SOBERING CENTER

Through a partnership with Marion County and Salem Hospital, the City is developing a sobering center: a safe, clean and supervised space for 24 hours a day, seven days a week to become sober

and connect to further treatment. The Sobering Center will be co-located with the Mid-Valley Community Action Agency's ARCHES program to provide easy, one-stop access to a continuum of services such as detoxification, out-patient, or residential recovery facility or other needed services. Bridgeway Recovery Services will operate the center. By co-locating the 10 bed sobering center, the operation will benefit from ARCHES shower, laundry and commercial kitchen facilities. The cost of building the facility has been funded by a pending grant from the State of Oregon and a pending grant from the Urban Renewal Agency of the City of Salem. The partners are working to close an operating gap with the intent to open the facility in spring 2019.

Strong and Diverse Economy: High Speed Internet Downtown

UNDERSTANDING THE MARKET FOR HIGH SPEED INTERNET DOWNTOWN

One priority from the Strategic Plan is to explore the possibility of bringing City-provided high-speed internet to the Downtown. A consultant-led market analysis will assess the need and demand for a high-speed broadband network and free Wi-Fi Downtown. The RFP will be posted by end of November, with the contract awarded in February 2019. Work to estimate the market for high-speed internet Downtown is expected to be complete in September 2019. If the Downtown-focused study shows City broadband is feasible, a pilot project will follow.

Safe, Reliable and Efficient Infrastructure

ASSET MANAGEMENT, GENERAL OBLIGATION STRATEGY

Properly maintained and upgraded infrastructure is key to the delivery of City services to the community, and to the City's economic vitality. The City does not have the budget to fully address the backlog of infrastructure repairs and maintenance of existing City-owned assets such as the Civic

Center and parks facilities, nor the new investments in cultural, recreational and transportation facilities desired by the community. To better develop a clear picture of infrastructure needs for the foreseeable future and plan to meet those needs, the Finance Subcommittee of Council continues to evaluate proposals for condition assessments and criteria to prioritize infrastructure maintenance needs; how to identify maintenance needs within the budget; and a strategy for sequencing larger capital projects to general obligation bonding with community engagement. In the near-term, while work on a broader bonding strategy continues, Council will be asked to consider the possibility of a November 2020 bond measure to replace aging fire trucks and firefighting equipment.

IMPROVING PUBLIC TRANSPORTATION

In July 2017, the City Council created a Public Transit Committee to advise Council on the role the City can play in the success of public transportation. Starting in October 2017, the Committee sought to better understand the diverse public transportation needs of the community and services provided by Cherriots. In fall 2019, Cherriots' service will expand to include later evenings and weekends starting as a result of new funding approved by the Oregon Legislature. The Public Transit Committee's work is complete and their recommendations to Council at a December Council meeting.

Natural Environment Stewardship

GREENHOUSE GAS INVENTORY

Salem's first greenhouse gas inventory is being developed as part of the Comprehensive Plan update project called Our Salem, which began in September 2018. The inventory will measure the community's impact on the environment by examining a broad range of emissions, including those related to buildings and vehicles. Relying on existing data sources obtained through partnerships with local utility companies, state agencies, and others, the inventory will be used to help evaluate the state of the City during the first phase of the Our Salem project.

Good Governance

PRIORITY-BASED BUDGETING

Priority-based budgeting is a nationally-recognized best practice for focusing public resources on results. It provides a framework for making decisions to allocate resources to where they benefit the community most. Unlike traditional or incremental approaches to government budgeting, where the current year's budget becomes the basis for the next year's plan, the priority-based budgeting framework allows the City to make better resource decisions based on the relative priority of programs and services-according to our shared values-providing a new way to link budget decisions to our result areas.

SUSTAINABLE SERVICES REVENUE TASK FORCE

With the adoption of the FY 2019 budget, the City Council directed the City Manager to make recommendations regarding a task force that would review potential revenue options for balancing future budgets. The City Council appointed the 14-member Sustainable Services Revenue Task Force on September 24, 2018. The Task Force is scheduled to finalize its work later this month with a recommendation of revenue options for further consideration by the City Council in December.

On-Going Service Commitments

Safe Community

CONSTRUCTING THE NEW SALEM POLICE STATION

In May 2017, residents passed a \$61.8 million bond measure to finance the design and construction of a new Police Station. To ensure the Salem Police are safe and efficient, the new facility will meet current seismic standards, be a welcoming building for both staff and the community to access Police services and attend community events, and bring together important police functions located off-site in separate and leased buildings. The new Police Station, located on the corner of Commercial and Division Streets NE, will be three stories in height and approximately 104,000 square feet. Construction began in November 2018 and will be completed by fall 2020.

Welcoming and Livable Community

IMPROVING SALEM PUBLIC LIBRARY

In November 2017, Salem voters approved a bond to improve the Library's ability to withstand an earthquake, make it more accessible by bringing it into full compliance with the Americans with Disabilities Act, and other critical improvements, to include replacement of library shelving. This project may require us to temporarily move the Salem Public Library to a new location during construction. Building construction is scheduled to begin in early 2020, and we'll reopen the library in May 2021.

BLIGHT TO BRIGHT PROGRAM

In July of 2018, Salem started Blight to Bright to convert the most dangerous and problematic properties to new, developable parcels. Dangerous and Derelict Buildings and other blight cases generate accumulation of trash, junk, and debris. Each instance of blight is a detriment to public health, safety, and welfare; a nuisance; and a potential liability. Some cases have been managed in our current code compliance program for several years due to limitations on resources; monetary, legal, and staffing. The Blight to Bright program uses existing staff and re-directed financial resources to remove the most dangerous and/or persistent issues of blight. After a site is cleared of its blight, the highest and best use for the site will be determined. Two dangerous buildings have been demolished within the last four months, and the sites they formerly occupied are being

redeveloped to enhance their neighborhoods and the community as a whole.

CAPACITY FOR NEIGHBORHOOD ASSOCIATION SUPPORT

To address land use issues that involve Neighborhoods and the City, and to help build the community and connect our residents to City services, the City provides support staff for Neighborhood Associations. Currently, one full-time staff person provides support to Salem's 18 Neighborhood Associations. The fully-trained, single full-time employee has provided better service and support for more participation, civic engagement, outreach efforts, and assistance with Neighborhood Association sponsored events than having two part-time employees.

Safe, Reliable and Efficient Infrastructure

INVESTMENTS FOR SAFE DRINKING WATER.

To fund a new drinking water treatment system and a second source of drinking water, adjustments have been made to the timing of existing water infrastructure projects in the capital improvement program. In May 2018, low concentrations of cyanotoxins passed through the Geren Island Water Treatment Facility and into Salem's drinking water system. In early July 2018, the City began using a powdered activated carbon pre-treatment process as a temporary measure to address the cyanotoxin threat until a new treatment process could be designed and constructed: a new ozone contact chamber. Procurement for design of the new ozone contact chamber is already underway. To provide additional groundwater and water storage, a second source of safe drinking water for our customers, new water infrastructure projects have also been started. This second source will help to address potential Santiam River water supply shortages associated with U.S. Army Corps of Engineers work on the Detroit Reservoir dam. The total cost of the new treatment and second source for drinking water is approximately \$80 million. The ozone contact chamber is expected to be complete and operational in 2021. The secondary water source projects are expected to be complete and operational by 2022.

To begin these projects immediately, adjustments have been made to the timing of projects in the utility portion of the FY 2018-19 Capital Construction Budget and the Five-Year Capital Improvement Program (CIP). Funds currently programmed for some utility projects in the first three years of the Five-Year CIP will be shifted to fund the ozone project at Geren Island, as well as groundwater well and water storage projects. Funding for the delayed utility projects will be backfilled when a future utility bond sale occurs in 2020. The funding shifts will not affect non-utility projects such as streets, parks, and building facilities. As an example of the shift in timing for funding water infrastructure projects, the Ewald Avenue Waterline Replacement Project was allocated \$1,264,570 in the FY 2018-19 Capital Construction Budget. Those funds will be reallocated to the work at Geren Island in FY 2018-19 and replaced in FY 2020-21.

RELIEVING VEHICULAR CONGESTION

Salem's growth has been accompanied by rising traffic volumes and increasingly congested roadways. In November 2017, Council approved a Task Force to identify actions that could reduce vehicular congestion and improve vehicular mobility. The Task Force's area of study included both sides of the Willamette River. The Task Force met six times between February and September to evaluate existing conditions, review past studies, and consider a wide range of options, including many proposed by community members. The Task Force's recommendations, including short- and mid-term actions, were presented to Council November 5, 2018. The attached table (Attachment 2) provides a high level overview of the recommended actions and anticipated next steps, pending Council direction.

IMPROVING PEDESTRIAN SAFETY

In September 2018, the City initiated a Safer Crossings Program with community input and participation from neighborhood associations. Crossing improvement projects will be recommended to City Council in spring 2019. The Safer Crossings Program is an outgrowth from the March 2018 Pedestrian Safety Study, which looked at a combination of crash data, police reports, and field observations to find ways to make it safer for everyone who drives, walks, or bikes in Salem. Other

recommendations include upgrading 19 traffic intersections and corridors, and strategies to improve citywide conditions. In addition to police enforcement, since January 2018, the City is improving pedestrian safety on Portland Road, Fisher Road NE, 12th Street SE, the Winter-Maple Neighborhood Greenway, and access across Commercial Street to the Union Street Railroad Bridge.

Other Issues in the Community

Solid Waste Management Plan

A comprehensive and integrated solid waste management plan to reduce, manage and disperse of solid waste would assess and evaluate existing solid waste management system and practices, evaluate options and alternatives available for future solid waste management, and identify steps to achieve goals within a planning period. The initial assessment step assumes significant resources to develop data on waste generation recovery, and to identify the strengths, opportunities and challenges of the existing administration and financial structure. The effort is likely to require regional collaboration with Marion and Polk Counties. Staff are working to schedule a joint work session with the Marion County Board of Commissioners to broaden understandings of solid waste management.

Climate Action Plan

A Climate Action Plan establishes goals for reducing carbon emissions and specific actions by which the goals could be achieved within a planning period. A pre-requisite, the greenhouse gas inventory, is underway as part of the Comprehensives Plan Update, Our Salem, and will establish a baseline of emissions and the primary source of emissions from which goals and an action plan may be developed.

Tourism Promotion Area

A tourism promotion area would establish 2% fee on all gross short-term room rental revenue booked in City of Salem. The fee would be paid by visitors when staying in a Salem lodging property. As currently proposed, the tourism promotion area (TPA) revenues would be dedicated to the local destination marketing organization, Travel Salem, for tourism marketing and promotion that is focused on shoulder season business (October to March each year). An Advisory Council made up of lodging operators would oversee and advise Travel Salem on investment of TPA generated revenues, estimated to be approximately \$800,000. The Salem Area Lodging Association is leading the conversation and bringing the initiative forward (Attachment 3).

Feedback from the Community

Residential Satisfaction Survey

On October 8, 2018, the City Council received a report on the September 2018 Residential Satisfaction Survey (Attachment 4) and a hard copy of the annual report. The statically valid poll was conducted from September 5 to September 8, 2018, administered in both Spanish and English, and captured responses from 450 residents in via cell and land lines. The purpose of the survey was to assess residents' satisfaction with City service and their values related to growth and funding.

Overall, Salem residents expressed satisfaction with core City services such as emergency response, parks, and street lighting. Consistent with responses since 2016, nine out of ten residents are generally satisfied with the services the City provides. Residents also expressed satisfaction with the City's cultural offerings and most think their neighborhoods are getting a fair share of City resources. More than half of residents think the City is headed in the right direction, despite decreased confidence in that direction since the December 2017 survey.

Resident voiced concerns about homelessness and City infrastructure. While homelessness was a top concern in both 2017 (26%) and 2016 (17%), more residents (33%) list it as the most important issue for Salem to do something about in 2018. Roads, potholes and other infrastructure were also

noted by residents as needing improvement. A majority of residents with experience driving across town during peak traffic hours say it is difficult (73%). Nearly half of those surveyed listed building and making major repairs to streets, bridges and sidewalks as their highest priority for future investments. According to the survey results, residents feel that most everyday tasks are easy in Salem, particularly walking or biking, getting a permit or paying a bill, operating a business, and finding information on how decisions are made or solving City issues.

October 24 Town Hall

More than 100 people participated the evening of the October 24, 2018 Town Hall at Broadway Commons. The purpose of the engagement was to share progress on the Strategic Plan and 2018 City Council Policy Agenda activities, and to seek input from the community on the progress and other ideas they may have for the City Council to consider as priorities for the 2019 Policy Agenda. Staff were available at each of six result area stations with progress reports for each topic area, flyers for more information, and ways to track comment and input provided (Attachment 5). For example, at the Safe, Reliable and Efficient Infrastructure station, staff sought input related to work of the Safer Crossings Task Force. Participants identified traffic volume and pedestrian activity as their primary concerns to be considered when the City is considering resources for pedestrian crossing projects. Other concerns included proximity to schools, transit stops; speed limits and crossing distances. In general, input received at the Town Hall, reflected concerns shared through the on-line survey: appeals for congestion relief, addressing homelessness and increasing access to affordable housing, and the need for a climate action plan.

On-Line Community Survey

Through the on-line survey, 373 residents responded to the question of other priorities of interest for City Council to consider working on in the next one to two years (Attachment 6). The survey was announced with the release of the Annual Report and available from October 9, 2018 through November 2. The majority of responses (191) were received immediately after the Town Hall. Priorities most frequently mentioned for the City Council to consider are consistent with feedback from other sources and reflect concerns about:

- Congestion Relief - for some, this concern is associated with the need to build the Salem River

Crossing, others sought more investment in bicycle and pedestrian infrastructure.

- Addressing homelessness and increasing access to affordable housing
- Need for a Climate Action Plan

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Strategic Initiatives Manager

Attachments:

1. City Council Policy Agenda Progress Report
2. Congestion Relief Task Force Recommendations, November 2018
3. Tourism Promotion Area, Salem Area Lodging Association
4. Residential Satisfaction Survey, September 2018
5. October 24, 2018 Town Hall Feedback
6. Responses to On-Line Community Survey, October 2018