



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

Fax (503) 378-5518

www.lcd.state.or.us

AMENDED NOTICE OF ADOPTED AMENDMENT

September 18, 2007

TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Salem Plan Amendment
DLCD File Number 007-07



The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. A copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: October 2, 2007

This amendment was submitted to DLCD for review 45 days prior to adoption. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE ABOVE DATE SPECIFIED.**

Cc: Gloria Gardiner, DLCD Urban Planning Specialist
Jason Locke, DLCD Regional Representative
Bob Cortright, DLCD Transportation & Growth Management Coordinator
Courtney Knox, City of Salem

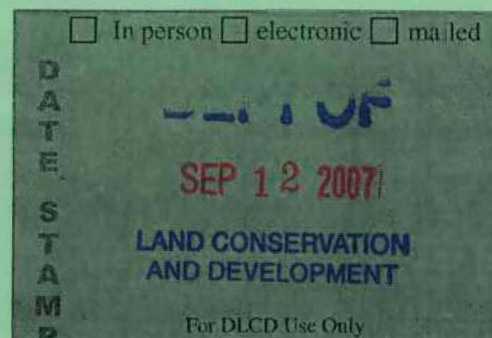
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FORM 2

DLCD

Notice of Adoption

THIS FORM MUST BE MAILED TO DLCD
WITHIN 5 WORKING DAYS AFTER THE FINAL DECISION
PER ORS 197.610, OAR CHAPTER 660 - DIVISION 18



Jurisdiction: **City of Salem**

Local file number: **none**

Date of Adoption: **9/5/2007**

Date Mailed: **9/6/2007**

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? **Yes** Date: 6/22/2007

- Comprehensive Plan Text Amendment
- Land Use Regulation Amendment
- New Land Use Regulation
- Comprehensive Plan Map Amendment
- Zoning Map Amendment
- Other: **Urban Renewal Area**

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".
Adoption of a new Urban Renewal Area.

Does the Adoption differ from proposal? No, no explanation is necessary

Plan Map Changed from: **none**

to:

Zone Map Changed from: **none**

to:

Location: **Immediately south of Downtown**

Acres Involved: **370**

Specify Density: Previous:

New:

Applicable statewide planning goals:

- 1** **2** **3** **4** **5** **6** **7** **8** **9** **10** **11** **12** **13** **14** **15** **16** **17** **18** **19**

Was an Exception Adopted? YES NO

Did DLCD receive a Notice of Proposed Amendment...

45-days prior to first evidentiary hearing?

Yes No

If no, do the statewide planning goals apply?

Yes No

If no, did Emergency Circumstances require immediate adoption?

Yes No

DLCD # 007-07 (16190)

DLCD file No. _____

Please list all affected State or Federal Agencies, Local Governments or Special Districts:

City of Salem, Marion County, Salem Keyser School District, Salem Area Mass Transit District, Willamette Education Service District, Chemeketa Community College, Chemeketa Cooperative Library District, Marion Soil and Water Conservation District

Local Contact: **Courtney Knox**

Phone: **(503) 588-6178** Extension: **7516**

Address: **350 Commercial Street NE**

Fax Number: **503-589-2054**

City: **Salem, OR**

Zip: **97301-**

E-mail Address: **cknox@cityofsalem.net**

ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision**
per ORS 197.610, OAR Chapter 660 - Division 18.

1. Send this Form and TWO Complete Copies (documents and maps) of the Adopted Amendment to:

**ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540**
2. **Electronic Submittals:** At least **one** hard copy must be sent by mail or in person, but you may also submit an electronic copy, by either email or FTP. You may connect to this address to FTP proposals and adoptions: **webserver.lcd.state.or.us**. To obtain our Username and password for FTP, call Mara Ulloa at 503-373-0050 extension 238, or by emailing **mara.ulloa@state.or.us**.
3. **Please Note:** Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.
4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.
5. The deadline to appeal will not be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date, the Notice of Adoption is sent to DLCD.
6. In addition to sending the Notice of Adoption to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.
7. **Need More Copies?** You can now access these forms online at **<http://www.lcd.state.or.us/>**. Please print on **8-1/2x11 green paper only**. You may also call the DLCD Office at (503) 373-0050; or Fax your request to: (503) 378-5518; or Email your request to **mara.ulloa@state.or.us** - ATTENTION: PLAN AMENDMENT SPECIALIST.

1 (e) On August 7, 2007 the Salem Planning Commission, after reviewing the Plan
2 and Report, recommended the City Council approve the Plan.

3 (f) On August 13, 2007, the Agency forwarded the Plan and Report to the City
4 Council for approval.

5 (g) On August 23, 2007, the Salem Area Mass Transit District Board (“Transit
6 District Board”) reviewed the Plan and Report, and recommended unanimously
7 the City Council approve the Plan. The Transit District Board also recommended
8 the Council consider establishing a termination date for the Plan, and an advisory
9 board to advise the Urban Renewal Agency on the Plan to include in its
10 membership a representative of the Transit District Board. The recommendation
11 to establish the Area is accepted. The recommendations to establish a time limit
12 for the Area and a date by which the Agency must establish the advisory board
13 with the specific membership as listed is not accepted.

14 (h) No other taxing district provided recommendation to the Council regarding
15 the Area.

16 (i) Pursuant to ORS 457.120 on July 27, 2007, the City mailed a notice of an
17 August 27, 2007 public hearing on the Plan to property owners in the City, which
18 notice included the required statements of ORS 457.120(3).

19 (j) On August 27, 2007, the City Council held a public hearing to review and
20 consider the Plan, the Report, the Planning Commission’s recommendation, and
21 the public testimony received on that date.

22 **Section 2.** The City Council, having considered the testimony at the August 27, 2007,
23 public hearing hereby adopts the Report, which is attached hereto as “Exhibit A” and
24 incorporated herein by this reference, as additional findings, and determines that:

25 (a) The Area is blighted under criteria set out in ORS 457.010(1). For the
26 reasons set out in Section II, (A-E) of the Report, the Area is detrimental to the
27 safety, health, and welfare of the City, because the Area lacks adequate street
28 capacity and is experiencing a lack of proper use of areas, resulting in stagnant
29 and unproductive condition of land potentially useful and valuable for
30 contributing to the public health, safety, and welfare. The Urban Renewal
31 Projects described in the Plan are directed toward correcting the impairment of

1 economic values and tax revenues within the Plan Area, and ameliorating other
2 conditions that contribute to or are indicia of blight.

3 (b) The rehabilitation and redevelopment activities described in the Plan are
4 necessary to protect the public health, safety and welfare of the City. For the
5 reasons set out in Section V, (A-C) of the Report, without those activities the
6 Area will not generate tax receipts in proportion to the costs of public services
7 provided to the Area, and will fail to develop and/or redevelop according to the
8 goals of the Salem Area Comprehensive Plan (the “Comprehensive Plan”).

9 (c) For the reasons set out in Section VI, (A) of the Plan, the Plan conforms to the
10 Salem Area Comprehensive Plan as a whole. As more fully described in Sections
11 III and IV of the Plan, the Plan provides an outline for accomplishing the projects
12 described therein. The current comprehensive plan and zoning designations
13 applicable to portions of the Area provide in part for redevelopment consistent
14 with the desired land use pattern, and the City has begun the process of updating
15 the land use designations in the Comprehensive Plan, in order to further allow the
16 contemplated redevelopment consistent with zoning requirements and the
17 changing conditions that are addressed by the urban renewal plan. Changing the
18 existing Comprehensive Plan and zoning for the property to respond to changing
19 conditions and land use demands is consistent with the phased urbanization and
20 rezoning approach embodied in the Salem Area Comprehensive Plan, and is
21 consistent with the recommended uses and redevelopment of property in the Area.

22 (d) For the reasons set out in Section VIII, (A-C) of the Plan, the property
23 acquisition and disposition activities set out in the Plan will not result in the
24 displacement of residences. Section IX of the Plan provides for relocation
25 assistance for any businesses that might be dislocated due to property acquisition
26 and disposition activities.

27 (e) For the reasons set out in Section VIII, (A-C) of the Plan, and subject to
28 conditions set out in Section VIII, (A-C) of the Plan, the Agency’s acquisition of
29 real property is necessary to carry out the rehabilitation and redevelopment
30 activities described in the Plan; specifically the development of public facilities in
31 the Area.

1 (f) The City's approval of the Plan and the Agency's carrying out of the
2 rehabilitation and redevelopment activities described in the Plan is economically
3 sound and feasible. As further described in Section V of the Report, the Agency
4 will fund the Plan's projects and activities with revenues derived from a division
5 of taxes pursuant to ORS 457.440 (2005), and Section 1c, Article IX, of the
6 Oregon Constitution.

7 (g) The City will assume, and hereby assumes, and will complete any activities
8 prescribed to it by the Plan.

9 **Section 3.** The Plan, which is attached hereto as "Exhibit B" and incorporated herein by
10 this reference, meets the requirements of ORS 457.085(2) and is hereby approved.

11 **Section 4.** The City Recorder shall forward a copy of this ordinance to the Agency.

12 **Section 5.** The Agency shall forthwith cause a copy of the Plan to be recorded in the
13 Records of Marion County, Oregon.

14 **Section 6.** The City Recorder, in accordance with ORS 457.115, shall publish notice of
15 the adoption of this ordinance approving the Plan, including the provisions of ORS
16 457.135, in the Statesman Journal no later than four days following the adoption of this
17 ordinance.

18 PASSED by the Council this 4th day of September, 2007.

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25



ATTEST:

[Handwritten Signature]

DEPUTY City Recorder

Approved by City Attorney: *[Handwritten Signature]*

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SOUTH WATERFRONT URBAN RENEWAL PLAN

September 4, 2007

City of Salem

LIST OF PARTICIPANTS

City Council

Janet Taylor, Mayor
Chuck Bennett, Ward 1
Laura Tesler, Ward 2
Brad Nanke, Ward 3
TJ Sullivan, Ward 4
Kate Tartar, Ward 5
Bruce Rogers, Ward 6
Brent DeHart, Ward 7
Dan Clem, Ward 8

Urban Renewal Agency of the City of Salem

Janet Taylor, Chair
Dan Clem
Brent DeHart
Brad Nanke
Bruce Rogers
Laura Tesler
TJ Sullivan

Planning Commission

Chuck Bennett
Dan Dorn
Darr Goss
Nathan Levin
James Lewis
Michael Nelson
Jim Wiles

City of Salem Administration

Bob Wells, City Manager
Rick Scott, Urban Development Director
John Wales, Assistant Urban Development Director

Dan Riordan, Project Manager, Urban Development Department
Courtney Knox, Project Manager, Urban Development Department
David Skilton, Project Coordinator, Urban Development Department
C. Randall Tosh, City Attorney, Legal Department
Michelle Teed, Assistant City Attorney, Legal Department
Vickie Hardin Wood, Director, Community Development Department
Lisa Van de Water, Senior Planner, Community Development Department
Bryce Bishop, Associate Planner, Community Development Department
Julie Warncke, Transportation Planning Manager, Public Works Department

Ralph Lambert, Senior Project Manager, Public Works Department

Consultant Team

Jeffrey Tashman, Tashman Johnson LLC
Elaine Howard Consulting, LLC
SERA Architects

Comprehensive Plan Land Use Findings

Karen Williams, Lane Powell

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SOUTH WATERFRONT URBAN RENEWAL PLAN

I. INTRODUCTION

The South Waterfront Urban Renewal Plan (the Plan) contains goals, objectives and projects for the development of the South Waterfront Urban Renewal Area (the Area). The Area, as shown in Figure 1, encompasses 369 acres, more or less, and includes: parts of Minto Island and the Willamette Slough; the area roughly bounded by the Willamette Slough on the west, the Riverfront Downtown Urban Renewal Area on the north, the easterly line of the Commercial Street right-of-way on the east, and Mission Street on the south; and an area roughly bounded by Mission Street on the north, the westerly line of the alley right-of-way between Liberty and Commercial Streets on the east, the southerly line of the right-of-way of Owens Street on the south, and the easterly line of the Saginaw Street right-of-way and the easterly line of the alley right-of-way between Liberty and Saginaw Streets on the west.

In 2006, the City of Salem (City), Boise Cascade Corporation (Boise) and the Strategic Economic Development Corporation (SEDCOR) invited the Urban Land Institute (ULI) to convene an Advisory Services Program Panel (the Panel) to evaluate development opportunities for the Boise site and nearby properties. The Panel was asked to consider possibilities for profitably redeveloping the properties while providing public benefits.

The Panel was convened the week of June 25, 2006 and issued a report in November 2006 which included an overall assessment of the downtown and its real estate development environment; an evaluation of the site's opportunities and constraints; a suggested concept for redevelopment (the types and amounts of residential, retail and commercial development, parking, open space and public areas), and implementation recommendations. The Panel's report recommended a change in the zoning and use of the site from industrial to mixed (commercial/residential/public) use and a strategy of cooperation between Boise and the City to achieve optimal site redevelopment. The Panel also recommended that the City adopt an urban renewal plan to finance public improvements.

The City is proceeding with implementation of some of the ULI recommendations. As a part of that process, the City Council commissioned a Feasibility Study for an urban renewal plan for the "South Waterfront" area to include the Boise property and its vicinity. The Feasibility Study was presented to the City Council on March 19, 2007. As part of that discussion, the City Council directed staff to prepare an Urban Renewal Plan and Report for most but not all of the area studied and added the area on Minto Island in Boise's ownership. The boundary was confirmed by Council on April 23, 2007. On July 9, 2007, the City Council further directed staff to include the northern portion of Minto Island which is owned by the Salem Audubon Society into the urban renewal area. This Urban Renewal Plan was developed in response to the Council's direction.

The Plan will facilitate and encourage improvements in the Area, including changes to the transportation and pedestrian systems, extension of riverfront access, daylighting of Pringle Creek, additions to the pedestrian and bicycle system on Minto Island, and provision of streetscape improvements and bike lanes. It will also allow for incentives to facilitate the Area's redevelopment in alignment with the goals and objectives in the Plan, and in accordance with the City's Comprehensive Plan and land use regulations.

SOUTH WATERFRONT URBAN RENEWAL PLAN

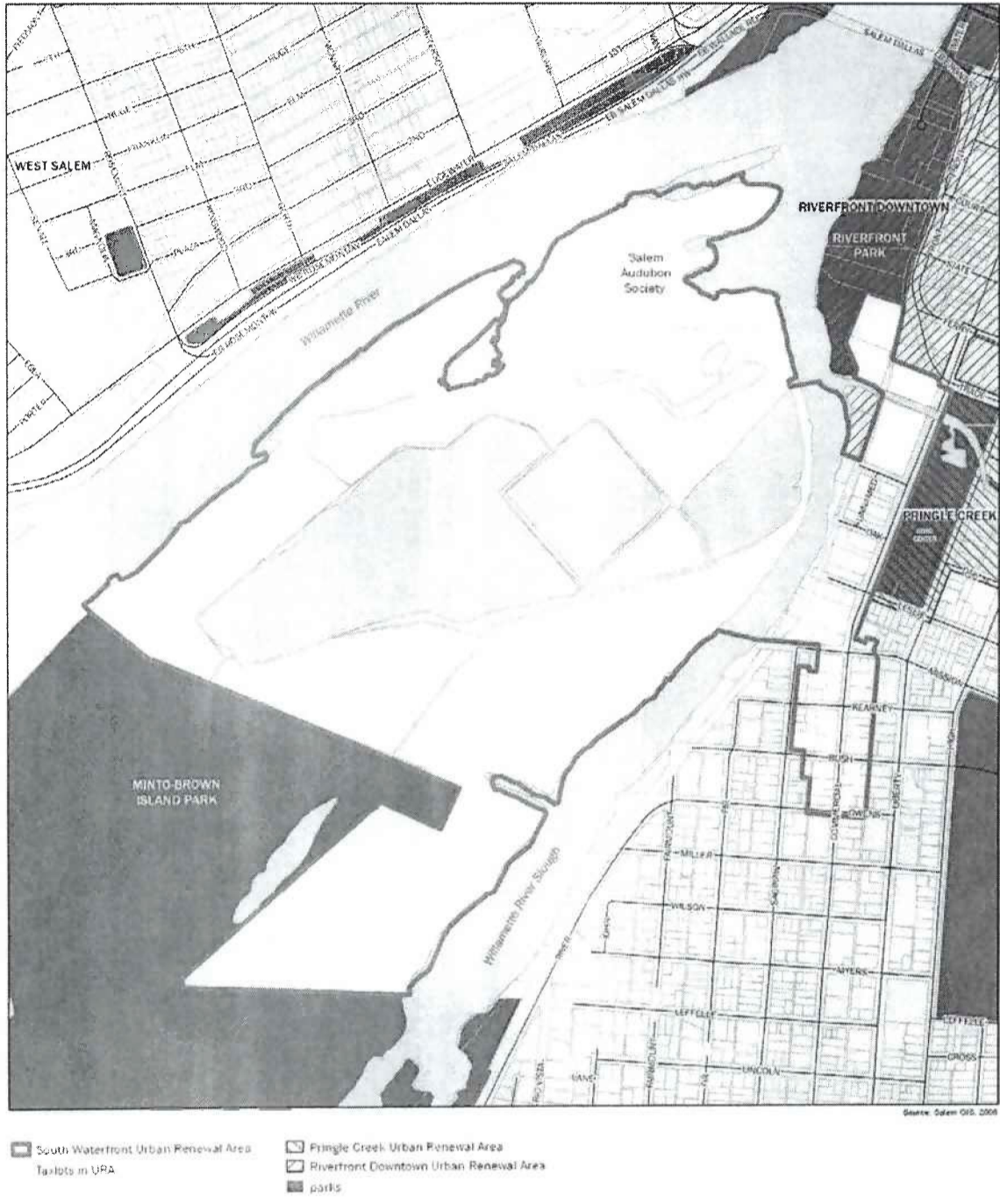
The purpose of the Plan is to use the tools provided by urban renewal (ORS Chapter 457) to overcome barriers to the development of the Area and create economic opportunities that will benefit local and regional residents. These tools include tax increment financing (see Section X), which means that the property taxes resulting from growth in property value within the Area can be used to finance improvement projects and programs, and the acquisition and sale of land for redevelopment as part of a public/private development partnership as described in the Plan.

The Plan is administered by Urban Renewal Agency (the Agency) for the City of Salem, Oregon. The Agency was activated by the City Council of the City of Salem by Resolution No. 7986, adopted on October 23, 1961. Two other urban renewal areas are adjacent to the South Waterfront Urban Renewal Area -- the Riverfront Downtown Urban Renewal Area and the Pringle Creek Urban Renewal Area.

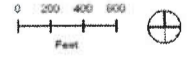
As required by ORS 457.085 (3), the Plan is accompanied by the South Waterfront Urban Renewal Report (the Report), which is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

SOUTH WATERFRONT URBAN RENEWAL PLAN

Figure 1. South Waterfront Urban Renewal Area Boundary



Urban Renewal Area
 South Waterfront Urban Renewal Area



SOUTH WATERFRONT URBAN RENEWAL PLAN

II. GOALS AND OBJECTIVES

The goals of the Plan establish its basic intent and purpose. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Chapter V of the Plan are the specific means of meeting the objectives.

Goal 1: LAND USE: EMPLOYMENT, BUSINESS ACTIVITY AND RESIDENTIAL USES

Promote a mix of retail, commercial, and residential uses to increase employment, attract a broader range of businesses to the Area, and support existing commercial development in the Area.

Objectives:

1A: Work with property owners to promote beneficial development of properties within the Area.

1B: Encourage development of pedestrian and bicycle-oriented uses, public spaces, and infrastructure improvements. Develop a year-round pedestrian environment that encourages use and patronage of the Area's businesses, provides opportunity for new businesses to locate in the Area, and promotes downtown living.

1C: Increase the total supply of housing adjoining the retail core which will in turn support restaurants and other businesses that attract residents and visitors to the downtown area.

1D: Promote development of a variety of housing locations, including locations above retail and office space, to increase the range of housing opportunities in the Area and to provide housing which is in walking distance of retail, personal and business services, and employment opportunities. Orient the housing to take advantage of the views of the Willamette River and Pringle Creek.

1E: Promote the development of higher density housing and a variety of housing types: loft, apartment, condominium, and other high density alternatives to serve a variety of income levels.

1F: Encourage the development of new housing through the use of available measures including local, state and federal incentives.

1G: Promote mixed-use development including office space above ground floor commercial service and retail space to attract a broad range of businesses, increase employment density and support the existing downtown commercial community.

SOUTH WATERFRONT URBAN RENEWAL PLAN

1H: Promote the rehabilitation and/or conversion of substandard and/or historic buildings to support mixed-use development.

1I: Support the existing downtown uses and future uses on this site by providing parking facilities.

1J: Create financial programs offering loans or grants to new or existing businesses that may be used to improve, upgrade, update, or revitalize the buildings or other structures associated with their business.

1K: Encourage the development of residential, office, and transit supportive uses such as dry cleaners, markets, pharmacies, restaurants.

Goal 2: TRAFFIC AND TRANSPORTATION

Implement transportation improvements to increase access to and mitigate traffic impacts within the Area.

Objectives:

2A: Provide transportation and infrastructure improvements to support the development of mixed-uses.

2B: Construct street improvements consistent with City standards.

2C: Provide sidewalks and streetscape improvements that promote mixed-use developments, access and safety.

2D: Support the location of a commuter rail station with pedestrian connections to the Area with at least partial funding for placement of a future station in the Area.

2E: Extend the transportation network into the Boise Cascade site.

2F: Extend the bike lane network through the Area.

Goal 3: PEDESTRIAN ENVIRONMENT/RIVERFRONT/PUBLIC SPACE CONNECTIONS

Enhance the pedestrian environment on streets, in public parks and greenspaces, and in other public gathering spaces. Provide opportunities for public access to the Willamette River, and connections to the mixed-use development and public spaces adjacent to the Willamette River. Create an environment that is safe and attractive for pedestrians.

SOUTH WATERFRONT URBAN RENEWAL PLAN

Objectives:

3A: Participate in the development of the Willamette Riverfront to provide an opportunity for a mixture of commercial, residential, public and other uses compatible with the Riverfront, and facilitate safe pedestrian and bicycle movement along the Riverfront with linkages to all adjoining areas.

3B: Develop a system of streetscape improvements to create a continuous and consistent pedestrian environment throughout the Area. Improvements could include public art, landscaping, sidewalk surfacing, signing, street furniture, weather protection and related improvements.

3C: Construct a recreational path system on Minto Island to allow increased use and enjoyment of the Island, including creation or improvement of paths that take advantage of passive recreation opportunities, scenic benefits, and efficient connections to existing bicycle and pedestrian routes and trails.

3D: Develop a multi-use path along Pringle Creek within the Area which may provide additional connectivity to existing paths and park areas in or near downtown, and which may also benefit from the daylighting of Pringle Creek.

3E: Develop pedestrian connections between the Willamette River and Pringle Creek.

3F: Extend the Willamette River pathway into the Area creating additional attractive and safe trails for recreational use.

3G: Create a public plaza to serve as a gathering place for the community, which may be adjacent to or otherwise accessible from existing downtown riverfront amenities.

3H: Provide both visual and actual connections from future development to the Willamette Riverfront.

3I: Provide a view corridor to the Willamette River from the park area north of the Civic Center, and from Commercial Street.

III. MAP AND LEGAL DESCRIPTION OF URBAN RENEWAL AREA

Figure 1 shows the Area boundaries. The legal description of the Area is attached as Appendix A. Appendix B shows the map from which the legal description was drawn.

SOUTH WATERFRONT URBAN RENEWAL PLAN

IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

An outline of major urban renewal project activities is as follows:

- Daylighting of Pringle Creek to provide greater public access to the creek and another connection the Willamette River.
- Pedestrian and bicycle improvements, such as paths, bridges, and crossings, to provide safe access to the Willamette riverfront, Pringle Creek and Minto Island, and Commercial Street, and connect the Area to the Salem downtown.
- Transportation improvements, including but not limited to street realignments, traffic signals, sidewalks, and bicycle lanes to allow for increased circulation to, from, and within the Area.
- Public Plaza to serve as a community gathering place.
- Streetscape improvements to enhance the appearance, safety, and usability of the area.
- Transit improvements, including but not limited to a future commuter rail facility.
- Loan or grant program for retail, commercial or residential properties.
- Environmental remediation matching funds.
- LEED certification funds.

V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan consist of public improvements and other projects that are described below and as shown in Figure 2.

A. Capital Projects

Capital projects authorized under the Plan include transportation improvements which will upgrade and expand existing roadways to increase access into, out of and within the Area, facilitate the development of vacant and underutilized lands and accommodate increased levels of traffic as future development occurs. To promote neighborhood livability and increase multimodal connectivity, transportation projects may also include, but are not limited to, sidewalks and streetscape improvements.

As shown in the Report, urban renewal funds may be combined with existing and other future sources of funding to finance project costs.

Capital projects may include the following:

1. Pringle Creek Access Improvements

This project would create a path along Pringle Creek under Commercial Street, and could include but is not limited to creek bank restoration, property acquisition, demolition for creek daylighting, habitat restoration and landscaping. This project would greatly improve multi-modal connections between Bush Park, Riverfront Park, and Willamette University using the existing path system. This project will also provide a way for pedestrians to safely cross the existing railroad tracks in connection with improved pedestrian access along Pringle Creek. At a

SOUTH WATERFRONT URBAN RENEWAL PLAN

minimum, pedestrian safety crossing treatments will be required but other improvements may be included.

2. Minto Island Property Acquisition and Multi-Use Path

This project includes acquisition of land for passive and active recreation use including, but not limited to, construction of a multi-use pathway system complementary with existing and planned park improvements on the Island. Anticipated work includes, but is not limited to, grading, paving, surveying, erosion control, excavation, and other activities generally associated with the construction of trails and pathways, the improvement of wildlife habitat, and the provision of scenic views.

3. Multi-Use Path Willamette Riverfront

This project will provide for a pathway along the Willamette Riverfront in this Area to connect to the existing riverfront pathway. Additional connections to this pathway may be undertaken through adjacent urban renewal areas or through other available funding sources.

4. Street Connection to Boise Site and Traffic Signal

This project would create a signalized intersection on Commercial Street to improve traffic circulation in and around the Area. The likely location would be to realign Bellevue Street so it enters Commercial Street opposite the Civic Center driveway. This project may include, but is not limited to, property acquisition, creation of improvements to multi-modal access or right of way.

5. State Street Extension within the Area

This project would extend State Street south from the boundary of the Riverfront Downtown Urban Renewal Area into the Area to allow for a transportation turnaround, parking, enhanced access to the southern portion of Riverfront Park, and additional commercial development along the newly created corridor as proposed by the ULI report.

6. Public Plaza, State Street Terminus

This project would provide funding to assist in the development of a public plaza within the Area, at the proposed terminus of a future State Street extension project. The gathering place would provide an outdoor social gathering spot for the Area's new residents and for the community as a whole.

7. Commercial Street Bicycle Lanes

This project would provide bike lanes along Commercial Street from Mission to Owens. It would also provide on-street parking improvements to accommodate the addition of bike lanes in the right of way.

SOUTH WATERFRONT URBAN RENEWAL PLAN

8. Streetscape Improvements

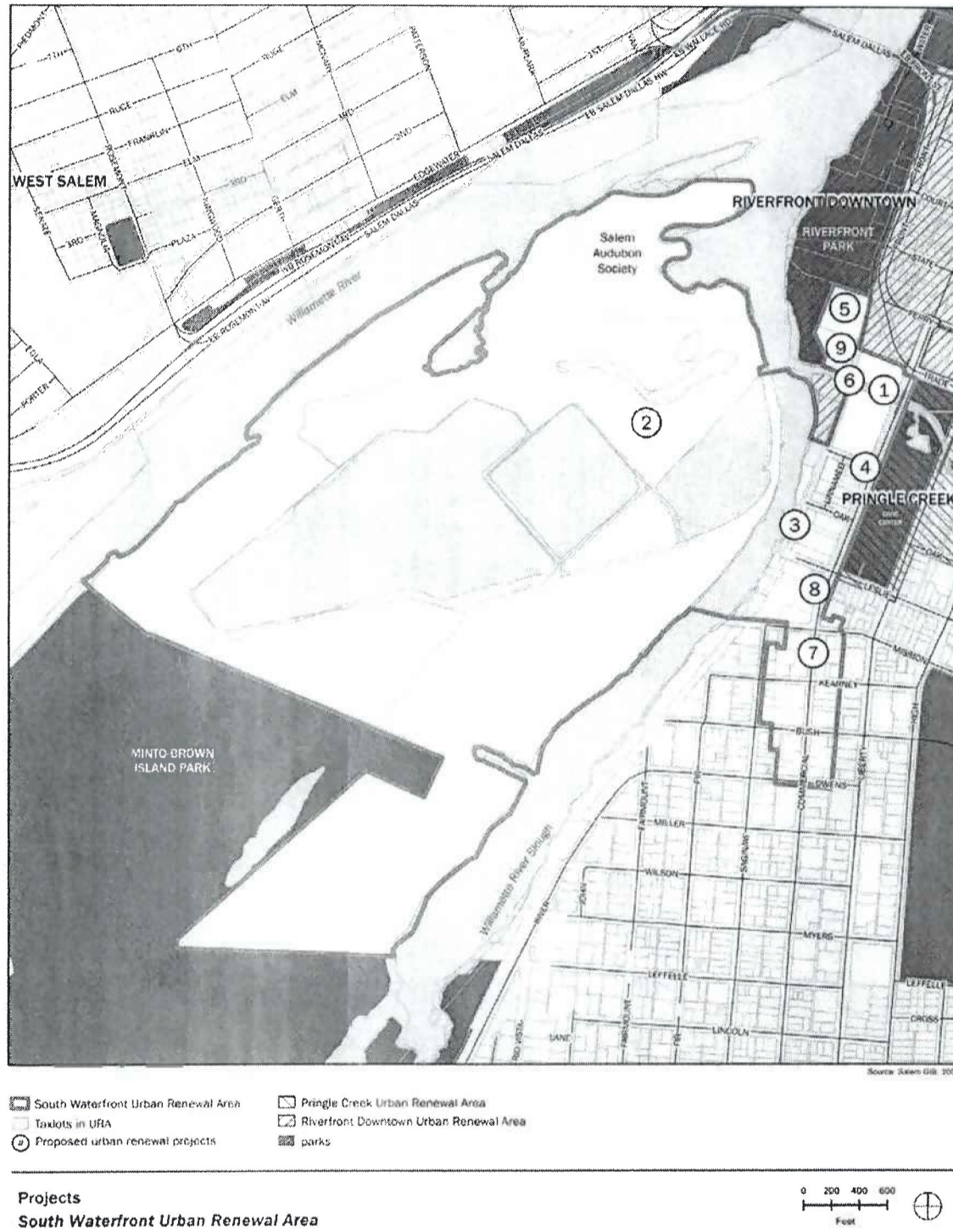
This project may include, but is not limited to, design and implementation of accent paving, sidewalk reconstruction, lighting, street trees, outdoor furnishings, transit pullouts, and other related activities within the public right of way or on adjacent private property to promote pedestrian circulation and public transportation use in the renewal area.

9. General Transit Improvements Related to Future Commuter Rail

This project may include, but is not limited to funding for: a feasibility study on a future commuter rail station; design and predevelopment activities for the station and related improvements; and/or the construction of the station and related improvements. The commuter rail station would provide a second passenger depot for Salem and would help connect the Area and the community to other places with passenger rail service.

SOUTH WATERFRONT URBAN RENEWAL PLAN

Figure 2: Urban Renewal Projects



SOUTH WATERFRONT URBAN RENEWAL PLAN

B. Assistance to Property Owners/Lesseees for Rehabilitation, Redevelopment or Development

The Plan authorizes assistance to property and/or business owners, in making capital improvements, environmental remediation matching funds and LEED certification funds to property within the Area which support the goals and objectives of the Plan. Specific program rules and regulations for administration will be developed after the adoption of the Plan to ensure that urban renewal funds are used properly and for the agreed-upon purposes.

9. Rehabilitation and Redevelopment Fund

Eligible programs may include:

- Loans and/or grants to assist with planning and pre-development activities as well as property development, rehabilitation or redevelopment and other improvements. Property to be improved must be in or planned for retail, commercial, or residential use. Loans may be at or below market rates, and assistance can include direct loans or guarantees of loans made by third parties.
- Technical assistance, in the form of site studies, market studies, environmental studies and impact assessments, feasibility analyses, engineering and design and other activities directly related to development of property in the Area.

10. Environmental Remediation Matching Fund

This fund would encourage and assist in environmental remediation in the Area.

11. LEED Certification Fund

This fund would encourage LEED building standards by assisting property owners with resources to complete the certification process.

VI. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan reflects the regional planning and development objectives contained in the Salem Area Comprehensive Plan (SACP), City of Salem Revised Code (SRC), and Transportation System Plan (TSP). Adopted in October 1992 and most recently revised in April 2004, the SACP identifies goals and policy objectives that support planning activities which will attract private investment to the area and create new economic opportunities for local residents. The most specific objectives to which the Plan responds are those contained in the Comprehensive Plan, Transportation System Plan and Master Plan.

A. Salem Area Comprehensive Plan Goals and Policies

The intent of the Salem Area Comprehensive Plan is to project a goal - the most desirable pattern of land use - in the Salem area. To ensure that the anticipated urban land use needs are met, the Salem Area Comprehensive Plan Map demon-

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strates a commitment that land for a wide variety of uses will be available at appropriate locations as needed. In order to achieve this commitment, the Salem Area Comprehensive Plan utilizes an approach which provides for the phased provision of land over time through annexation and rezoning in response to demand for specific land uses. In using this approach, plans, plan policies, and implementing mechanisms are developed and administered that are responsive to changing and evolving land demands yet recognizing existing zoning. The intent of this approach is to retain flexibility in the plan in order to remain responsive to changing conditions, and yet recognize the legitimacy of the existing zoning and the dynamic process of plan implementation.

The land use pattern that is shown on the Comprehensive Plan Map recognizes the zoning that has developed over time, with general designations of the land uses that are expected to be developed, as a result of: (1) demand, (2) the plan policies and intent statements, and (3) implementing regulations and processes. This Plan recognizes that the land use and zoning are expected to change during the time span of the Plan as conditions change.

The Urban Renewal Plan is consistent with this policy provision because it provides for a long-term financial and development plan to address changes in land use. By anticipating 20-year phasing of approximately 86,000 square feet of office space; hotel, restaurant, retail, and other commercial spaces; and 269 units of housing, the Plan is designed to provide financing that will allow the Agency to create financial incentives or provide infrastructure that will encourage private sector development in a way that best addresses demand, plan policies and intent statements, and processes and procedures prescribed by the City and the Agency.

As Salem has grown and changed over time, the land use pattern along the downtown riverfront is transitioning from industrial uses to a vibrant mixture of commercial, retail, office, residential, and recreation uses. For example, Riverfront Park was a former industrial site. This transition has also influenced the land use pattern of the south waterfront area. With the closing of the Boise Cascade facility and the property's sale, approximately 323 acres of land within the south waterfront urban renewal area are in a position to transition to new use.

In recognition of the importance of the redevelopment of Boise Cascade's riverfront properties, the Urban Land Institute (ULI) was invited in 2006 to conduct a study to consider the possibilities for profitably redeveloping the Boise Cascade site. One of the study's key recommendations is that redevelopment of the Boise Cascade site will require a mix of uses.

Because the comprehensive plan and zoning designations that currently apply to the site do not allow for its redevelopment consistent with the land use pattern called for within the recommendations of the ULI study, they will need to be changed. The City has begun a process to change the comprehensive plan and zoning designation of the site to reflect the findings of the ULI study and recognize the changing character of the downtown and its riverfront. Changing the existing comprehensive plan and zoning for

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the property to respond to changing conditions and land use demands is consistent with the phased urbanization and rezoning over time approach utilized by the Salem Area Comprehensive Plan.

Chapter IV of the SACP identifies Goals and Policies pertaining to the City of Salem's long-term planning and development objectives. Of particular relevance to the Plan, and discussed in detail below, are goals and policy directives contained in the following sections of SACP Chapter IV: (B) General Development; (C) Urban Growth; (D) Growth Management; (E) Residential Development; (F) Mixed-use Development; (G) Commercial Development; (J) Transportation; (K) Open Space, Parks and Recreation; (N) Natural and Historic Areas; Natural Resources and Hazards; and (O) Willamette River Greenway.

1. General Development (SACP, Chapter IV, Goal B)

Goal: To insure that future decisions concerning the use of land within the Salem urban area are consistent with State Land Use Goals.

Policy 3 - Economic Growth

Economic growth which improves and strengthens the economic base of the Salem urban area should be encouraged.

The Plan is consistent with this policy because it provides for the redevelopment of a large parcel of property that is underutilized, limiting the economic potential of the Plan Area. Effective land use will create employment opportunities, as well as increased property tax revenues and the improved long-term stability of the property tax base.

2. Urban Growth (SACP, Chapter IV, Goal C)

Goal: To ensure that the rate, amount, type, location and cost of development will preserve or enhance the City's quality of life and promote the City's efficient delivery of services.

Policy 4 - Infill

Development of land with existing urban services shall be encouraged before the conversion of urbanizable lands to urban uses.

The Plan is consistent with this Policy because the property within the Urban Renewal Area that will be redeveloped is presently well served with urban services such as transportation and transit services. Development of this Urban Renewal Area will encourage development within the Area that has already been converted to urban uses.

3. Growth Management (SACP, Chapter IV, Goal D)

Goal: To manage growth in the Salem urban area through cooperative efforts of the City of Salem and Marion and Polk Counties, to insure the quality of life of present and future residents of the area, and to contain urban development and to preserve adjacent farm lands.

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Policy 6 - Infill Development

New developments shall make maximum use of available land areas with minimal environmental disturbance and be located and designed to minimize such public costs as extension of sewer and water services, schools, parks, and transportation facilities.

Policy 9 - Infill on Facilities

New development shall be encouraged to locate in areas where facilities are already available and in areas which require the least public costs to provide needed facilities and services.

The Plan is consistent with this Policy because the property within the Urban Renewal Area that will be redeveloped is already well provided with urban services such as water, sewer, power, transportation, and transit services. Development of this Urban Renewal Area will encourage development within the Area that has already been converted to urban uses. Also, many of the properties in the Urban Renewal Area have existing access to needed facilities and services, which will encourage timely redevelopment.

4. Residential Development (SACP, Chapter IV, Goal E)

Goal: To promote a variety of housing opportunities for all income levels and an adequate supply of developable land to support such housing.

In meeting this goal, residential development shall:

- a. Encourage the efficient use of developable residential land;
- b. Provide housing opportunities for Salem's diverse population; and
- c. Encourage residential development that maximizes investment in public services.

Policy 3 - Infill Development

City codes and ordinances shall encourage the development of passed-over or underutilized land to promote the efficient use of residential land and encourage the stability of neighborhoods.

Policy 6 - Multi-Family Housing

Multi-family housing shall be located in areas proximate to existing or planned transportation corridors, public facilities and services:

- a. To encourage the efficient use of residential land and public facilities, development regulations shall require minimum densities for multiple family development zones;
- b. Development regulations shall promote a range of densities that encourage a variety of housing types;

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c. Multiple family developments should be located in areas that provide walking, auto or transit connections to:

- (1) Employment centers;
- (2) Shopping areas;
- (3) Transit service;
- (4) Parks;
- (5) Public buildings.

Policy 9 - Alternative Housing Patterns

Residential Development Patterns

Subdivision and zoning regulations shall provide opportunities for increased housing densities, alternative housing patterns, and reduced development costs. Development regulations shall promote residential development patterns that encourage:

- a. The use of all modes of transportation;
- b. Reduction in vehicle miles traveled and length of auto trips; and
- c. Efficiency in providing public services.

These residential development policies and goals will be facilitated by the Plan because the Plan will provide the financial resources necessary to allow the Agency to assist in redevelopment of an underutilized site into a mixed-use neighborhood comprised of housing, retail, office, commercial, services, parking, and open spaces. This will provide the density, mix of uses and housing stock, and amenities that are the outcomes described in these policies.

Policy 11 - Urban Design

Design Standards shall be implemented to improve the quality of life of Salem's residents and promote neighborhood stability and compatibility.

The Plan is consistent with this policy because the Agency's use of tax increment funding will allow the Agency to negotiate incentive-based design features that are not likely to be possible through zoning alone.

5. Mixed-use Development (SACP, Chapter IV, Goal F)

Goal: To provide a mixture of complementary land uses that may include housing, retail, offices, services, industrial and civic uses, to create economic and social vitality.

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Policy 1 - Development

Encourage efficient use of land by facilitating compact, high-density development and minimizing the amount of land that is needed to accommodate automobile parking.

Policy 2 - Development (continued)

Encourage development that preserves open space.

Policy 3 - Priorities for Mobility and Access

Facilitate development (land use mix, density, connectivity, design, and orientation) that reduces the need for, and frequency of, SOV trips and supports public transit where applicable.

Policy 4 - Priorities for Mobility and Access (continued)

Reinforce streets as public places that encourage pedestrian and bicycle travel.

Policy 5 - Priorities for Mobility and Access (continued)

Provide roadway and pedestrian connections to residential areas.

Policy 6 - Design

Develop commercial and mixed-use areas that are safe, comfortable and attractive to pedestrians.

Policy 7 - Design (continued)

Provide flexibility in the siting and design of new developments, facilities, and redevelopment to respond to changes in the marketplace and infrastructure systems.

Policy 8 - Design (continued)

Provide appropriate transitions between mixed-use areas and adjacent single-use neighborhoods.

These mixed-use goals and policies will be facilitated by the Plan because the Plan will provide the financial resources necessary to allow the Agency to assist in redevelopment of an underutilized site into a mixed-use neighborhood comprised of housing, retail, office, commercial, services, parking, and open spaces. This will provide the density, mix of uses and housing stock, and amenities that are the outcomes described in these policies. Without the possibility of financial assistance and other urban renewal tools made available by the Plan, this density of mixed-use development is not economically feasible for the private sector acting alone. Thus, the Plan implements key policies of the Salem Area Comprehensive Plan.

6. Commercial Development (SACP, Chapter IV, Goal G)

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Goal: To maintain and promote the Salem urban area as a commercial center for the Marion-Polk County area.

Policy 1 - Central Business District

The central business district shall be maintained and developed as a regional retail and employment center for the Salem urban area.

Policy 4 - Community Shopping and Service Facilities

Community shopping and service facilities shall be located adjacent to major arterials and shall provide adequate parking and service areas. Land use regulations shall include provisions for siting and development which discourage major customer traffic from outside the immediate neighborhoods from filtering through residential streets.

Policy 5 - Neighborhood and Community Shopping and Service Facilities

Unless the existing development pattern along arterials and collectors commits an area to strip development, new commercial development shall be clustered and located to provide convenience goods and services for neighborhood residents or a wide variety of goods and services for a market area of several neighborhoods.

These mixed-use development policies and goals will be facilitated by the Plan because the Plan will provide the financial resources necessary to allow the Agency to assist in redevelopment of an underutilized site into a mixed-use neighborhood comprised of housing, retail, office, commercial, services, parking, and open spaces. This will provide the density, mix of uses and housing stock, and community shopping and other service facilities, as well as amenities that are the outcomes described in these policies. Without the possibility of financial assistance and other urban renewal tools made available by the Plan, this density of mixed-use development is not economically feasible for the private sector acting alone. Thus, the Plan implements key policies of the Salem Area Comprehensive Plan.

7. Transportation (SACP, Chapter IV, Goal J)

Goal: To provide a balanced, multimodal transportation system for the Salem Urban Area that supports the safe and efficient movement of goods and people.

Policy 4 - Multi-Modal Transportation System

The transportation system for the Salem Urban Area shall consist of an integrated network of facilities and services for a variety of motorized and nonmotorized travel modes.

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Policy 5 - Connectivity and Circulation

The vehicle, transit, bicycle, and pedestrian circulation systems shall be designed to connect major population and employment centers in the Salem Urban Area, as well as provide access to local neighborhood residential, shopping, schools, and other activity centers.

Policy 7 - Supportive of land Use Plan Designations and Development Patterns

Local governments shall encourage the expansion of transit services throughout and beyond the Salem Urban Area, especially to areas of increased residential densities, major commercial concentrations, and large institutional and employment centers.

Policy 12 - System Efficiency

The implementation of transportation system and demand management measures, enhanced transit service, and provision for bicycle and pedestrian facilities shall be pursued as a first choice for accommodating travel demand and relieving congestion in a travel corridor, before widening projects are constructed.

Policy 14 - Transportation Safety

Local governments within the Salem Urban Area shall make as a high priority the planning, design, construction, and operation of a safe transportation system for all modes of travel including minimizing conflicts between different travel modes.

The Plan is consistent with the Transportation Goals set out above, as it includes several projects and activities designed to facilitate and expand use of the affected properties by pedestrians and bicyclists. Further, several transportation-oriented projects and activities planned for the Area are designed to improve the efficiency and safety of transportation services within the Area for all types of transportation. The trails, paths, and other open areas planned for the Area are designed to interconnect within the planned projects but also to connect transportation users to other transportation systems that exist within the City of Salem and within the Area, providing increased feasible access to the services, facilities and activities provided or available in the Area.

8. Open Space, Parks, and Recreation (SACP, Chapter IV, Goal K)

Goal: To provide for the recreation needs of the Salem urban area through the acquisition and development of adequate parks and recreation facilities.

Policy 2 - Priority Acquisition

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Priority shall be given to acquiring and developing neighborhood, community, and large urban parks. Exceptions will occur in isolated sub-neighborhood units where removing access barriers or providing pedestrian/bicycle linkages to existing parks will be given first priority in satisfying any given service area's recreational needs.

Policy 4 - Recreation

Private and public sectors should look for opportunities to meet park facility needs through cooperative agreements. The City shall provide the foundation for private programs or facilities, volunteers, and other appropriate methods to supplement and extend the City's resources in developing and maintaining the park system.

Policy 5 - Open Space

The preservation and connection of identified natural open space areas shall be protected through public acquisition and/or land use regulation.

Policy 7 - Riparian Related

The development of uses relating to the Willamette River and area streams for recreation and scenic enjoyment should be encouraged.

The Plan is consistent with these Open Space, Parks, and Recreation Policies because it provides for the development of several areas within the Urban Renewal Area as open space intended for public use, including passive recreation. The Minto Island property will provide a very large urban park, and linkages are planned on the island for public use. Additional linkages will be considered and may be undertaken to connect several other park and trail systems around the downtown and waterfront area to facilitate use of these trails and nature areas. Public acquisition and land use regulation will both play a significant role in the development of these open spaces. Finally, the projects and activities related to the island and other open spaces planned for the Area will support the Willamette River Water Trail, and encourage public use of these water resources.

9. Scenic and Historic Resources, Natural Resources, and Hazards (SACP, Chapter IV, Goal N)

Goal: To conserve open space, protect natural, historic, cultural and scenic resources, and to protect life and property from natural disasters and hazards.

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Policy 5 - Waterways

Waterways shall be protected, preserved, and maintained as drainage courses and scenic, recreational, and natural resources. These characteristics shall be considered during the development review process. Public access to waterways for maintenance purposes should be provided.

Policy 6 - Wildlife Habitat

Identified significant wildlife habitats shall be protected and managed in accordance with State wildlife management practices. The importance of riparian vegetation as wildlife habitat shall be considered during the development review process.

Policy 7 - Flood Hazards

Development in the floodplain shall be regulated to preserve and maintain the capability of the floodplain to convey the flood water discharges and to minimize danger to life and property.

The Plan is consistent with the above policies because it provides for the development of several areas within the Urban Renewal Area as open space intended for public use, including passive recreation. Linkages are planned on the island, and additional linkages may undertaken to connect several other park and trail systems around the downtown and waterfront area to facilitate use of these trails and nature areas. Public acquisition, development, or both, of the scenic, historic, and natural resources land use regulation will encourage public use of these resources in the Area. Additionally, it is expected that consideration and protection of the wildlife on Minto Island will be a significant component in advancing the public use of the island property. Some of the property within the Area is subject to flooding, and management of flood hazards will be considered in conjunction with the redevelopment, specifically with respect to the island. As indicated above, the waterway and access to the water resources in the Area have been a material component in development of the Plan and the Area.

10. Willamette Greenway (SACP, Chapter IV, Goal O)

Goal: To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River.

Policy 1 - Use of Land

Regulations to control the use of land and the intensity of uses within the Willamette River Greenway Boundary shall be maintained.

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Policy 2 - Vegetation and Wildlife

Riparian vegetation and wildlife within the Greenway Boundary shall be conserved. Conservation shall include protecting and managing riverbanks, sloughs, wildlife, and vegetation.

Policy 3 - Scenic Easements

Scenic easements shall be used where practical to preserve and enhance the character of the river within the Greenway Boundary.

Policy 4 - Public Access

Where private property is adjacent to public use areas, measures shall be taken to minimize disturbance to the private property.

Policy 5 - Public Access (continued)

Development and redevelopment within the Greenway Boundary should include provisions for public access to and along the river.

Policy 6 - Park and Recreation Sites

Existing parks within the Greenway Boundary shall be preserved and maintained. Additional sites for recreation and scenic views and access to the Willamette River should be acquired.

Policy 7 - Changes of Land Uses

New development and changes of land uses which are compatible with the Greenway concept as defined in the State Land Use Goal may be permitted along the Willamette River.

These goals are facilitated by the Plan because it will allow the Agency to use tax increment funds to develop public amenities in the greenway area, and to develop pedestrian access on Minto Island and Minto-Brown Island Park. The amenities allowed by financing provided through the Plan will further the policies of vegetation preservation, public access, view preservation, development of parks, and visual access. In addition, the Plan's support of high-density, mixed-use development is consistent with the River-Oriented Use Policies.

B. City of Salem Zoning and Development Standards

The Salem Revised Code (Title X) establishes zoning districts, which govern the allowed uses (including outright permitted uses and conditional uses) and contain development standards. Land within the Area is zoned General Industrial (IG), Retail Commercial (CR), Commercial Office (CO), and Central Business District (CB). See Figure 3 for current zoning designations. In addition to the underlying zoning districts, there is a Willamette Greenway Overlay, a Mixed-Use Overlay, and an Urban Development Overlay.

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The Salem Revised Code does not have sections which describe the intent and purpose of the specific land use zones. However, the code implements the Salem Area Comprehensive Plan which describes each zone.

The Plan will help ensure that the Area develops and redevelops efficiently, with an emphasis on public infrastructure enhancements and recreation investments to enhance the Area's and broader community's livability. Further, one of the Plan's stated goals is to stimulate employment and business activity in the Area by drawing in a diverse mix of residential, retail and commercial uses, creating jobs and housing for local residents and strengthening the local economy.

1. Summary of Allowed Uses in the Zones

General Industrial: The uses permitted in this zone are agriculture, forestry, fishing, construction, manufacturing, transportation, communications, electric, gas and sanitary services, wholesale trade, retail trade, finance, insurance, and real estate, services, public administration and some other industrial uses.

The Plan does not support continued use of general industrial zoning.

Retail Commercial: The uses permitted in this zone are agriculture, forestry, construction, printing and publishing, transportation, communications, electric, gas, sanitary services, retail trade, finance, insurance, real estate, services, public administration, and other retail commercial uses.

The Plan supports continued retail commercial uses.

Commercial Office: The uses permitted in this zone are residential, agriculture and forestry, transportation services, retail trade, finance, insurance and real estate, services, public administration and other commercial office uses.

The Plan supports continued commercial office uses.

Commercial: The uses permitted in this zone are agriculture and forestry, construction, printing and publishing, transportation, communication, electric, gas, and sanitary services, wholesale trade, retail trade, finance, insurance, and real estate, services, public administration and other commercial uses.

The Plan supports continued commercial uses.

Central Business District: The uses permitted in this zone are agriculture and forestry, construction, manufacturing, transportation, communication, electric and gas, and sanitary services, wholesale trade, retail trade, finance, insurance and real estate, services, public administration, and other CBD uses, dwellings, dwelling units, and temporary accommodations.

The Plan supports continued central business district uses.

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Residential Agriculture District: The uses permitted in this zone are a varied mixture of residential, agriculture and agriculture related uses as well as public facilities and infrastructure.

The area zoned residential agriculture is the Salem Audubon Society property. The Plan anticipates and supports continued uses as directed by the Audubon Society and in conformance with the underlying zoning.

2. Willamette Greenway Overlay

The intent and purpose of the Willamette Greenway Overlay is set out under Salem Revised Code 141.010 as follows:

- (a) To protect and enhance the natural, scenic, recreational, historical, and economic resources of the Willamette River corridor;
- (b) To implement the goals and policies of the comprehensive plan, the Greenway Plan and Goal 15 of the Land Conservation and Development Commission Statewide Planning Goals;
- (c) To establish standards and requirements for the use of lands within the Willamette River Greenway of Salem;
- (d) To provide for the review of any intensification of use, change of use, or development of properties located within the Willamette River Greenway of Salem;
- (e) To allow for use and development consistent with the underlying land use designation while preserving, protecting, and enhancing the scenic qualities of the river and the riparian area;
- (f) To allow and encourage a variety of water-dependent, water-related and river oriented uses, recreational developments and public access to and along the river while preserving, protecting, and enhancing the scenic qualities of the river and the riparian area;
- (g) To insure that land use and activities which make use of the riparian area are limited to moderate impact on that environment, and do not endanger it;
- (h) To insure that the intensification, development, or change of use on a site is in keeping with the function of the Greenway Plan, and preserves and enhances the scenic qualities or economic function of the river, the site, and adjacent riparian lands;
- (i) To insure that the proposed development is in harmony with existing and proposed adjoining land uses;
- (j) To protect and improve water quality in the Willamette River in order to support designated beneficial water uses, and to protect the functional value of the riparian area and provide a riparian buffer to separate the Willamette River from development. (Ord No. 186-82; Ord No. 16-2004)

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The Plan will help ensure that the Area provides enhanced access to the Willamette Riverfront, Pringle Creek and Minto Island. Through the Minto Island Property Acquisition and Multi-use Path project, the Plan also encourages water-dependent, water-related and river oriented uses.

3. Mixed-use Center and Corridor Overlay

The purpose of the Mixed-use Center and Corridor Overlay (Chapter 143F.010) is to implement the residential and non-residential land use concepts contained in the Salem Area Comprehensive Plan (SACP) by providing residential uses along with commercial, office and neighborhood services uses.

The Plan will support the mixed-use center concepts in the SACP.

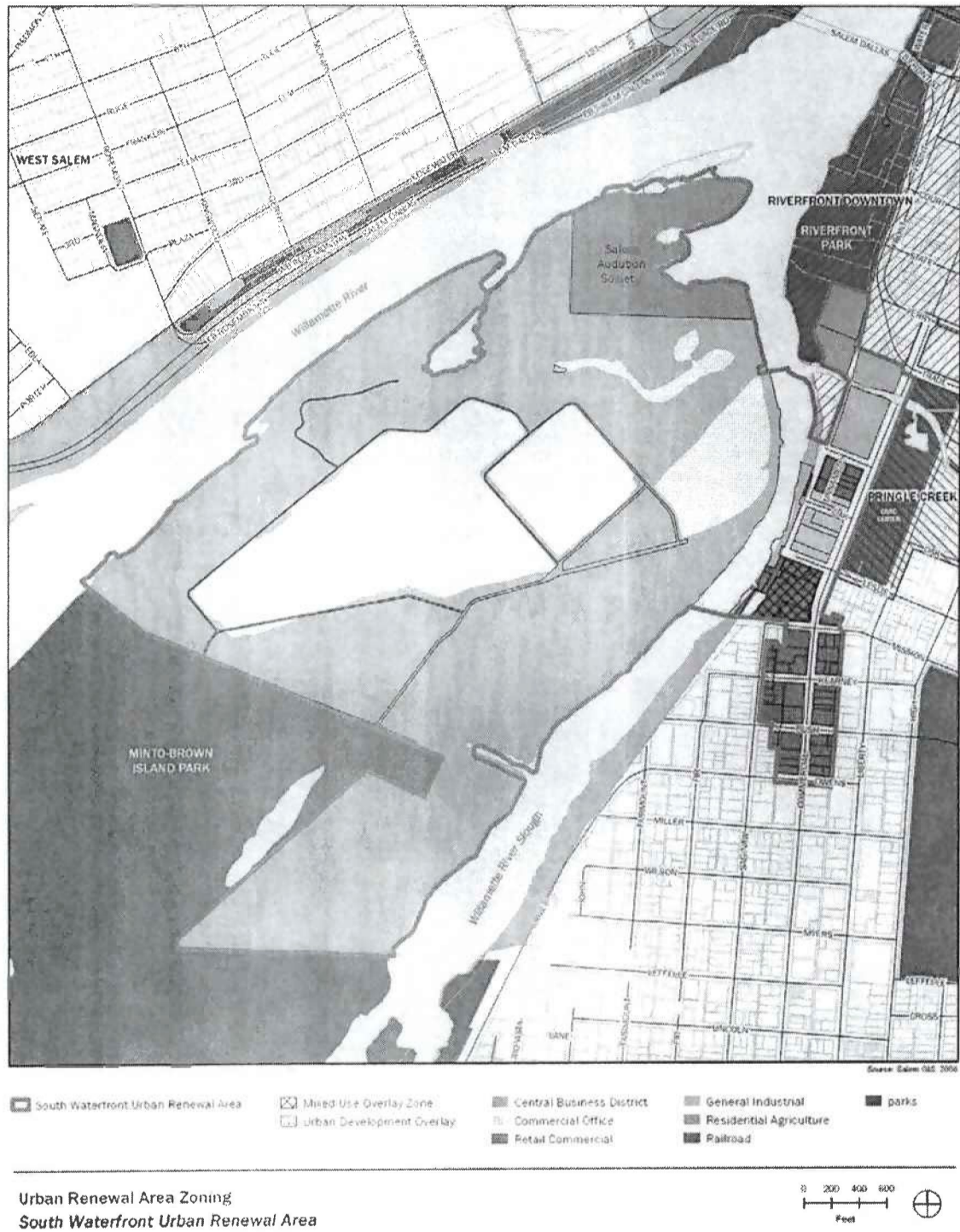
4. Commercial/Rural Urban Development Overlay

The Commercial/Rural Urban Development Overlay Zone (Ch. 142.010) sets forth particular development standards to guide development, redevelopment, and changes in land use so as to minimize impacts on existing residential uses.

The Plan encourages new commercial and residential development and supports the concepts of minimizing the impacts on existing residential uses.

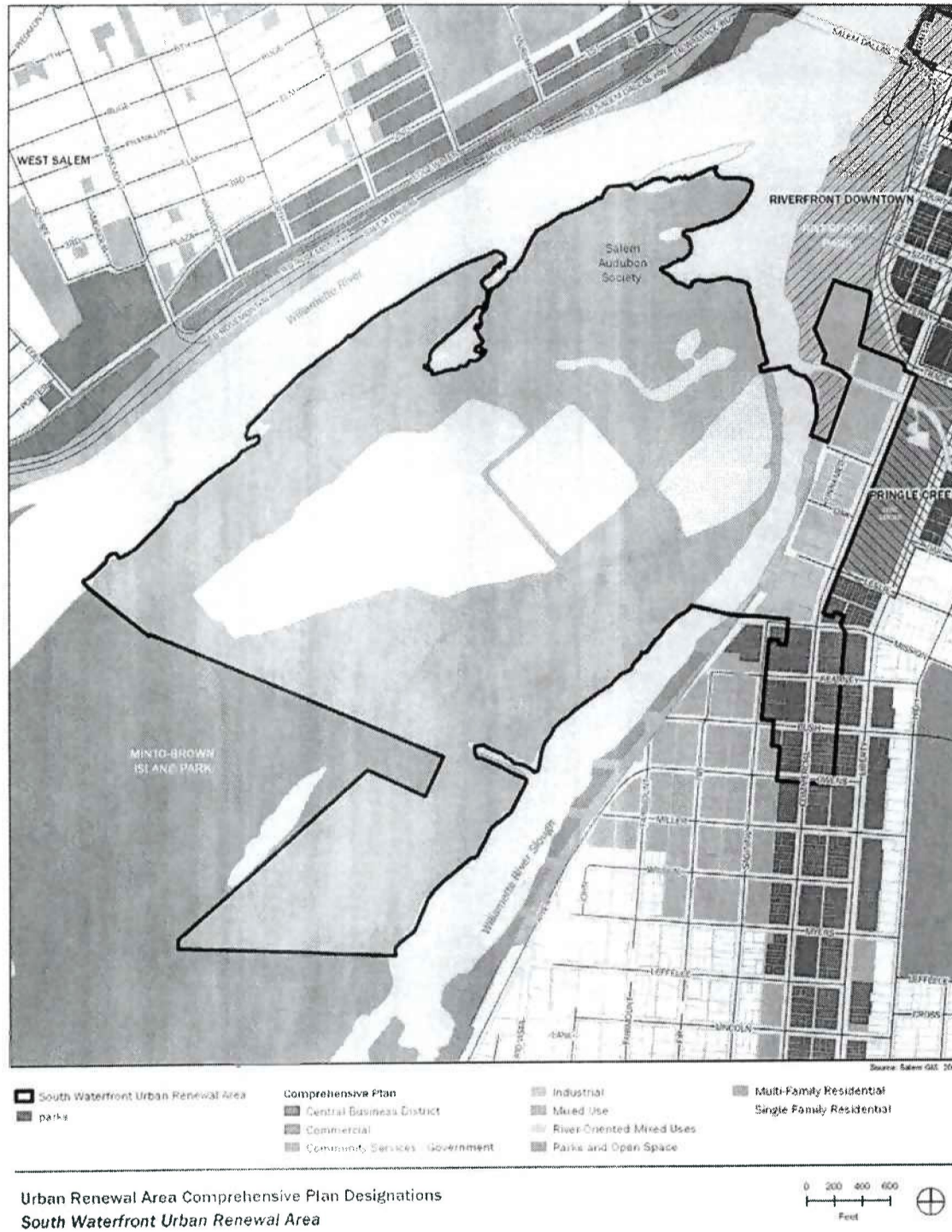
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Figure 3. Zoning



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Figure 4. Comprehensive Plan Map



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C. Transportation System Plan Goals, Objectives and Policies

Adopted in 1998 and most recently amended in 2005, the stated purpose of the Transportation System Plan (TSP) is to “provide a framework of goals, objectives, and policies that will guide our community’s efforts at achieving mobility through the remainder of this century and the first third of the 21st century. In addition, the TSP will show how our community must invest its resources in future transportation programs and infrastructure to meet anticipated travel demands.”

The Plan’s goals, objectives, policies and transportation infrastructure projects directly address or correlate to planning needs identified in the TSP’s Street System Element, Bicycle System Element and Pedestrian System Element as described below.

1. Street System Element

Goal: To provide a comprehensive system of streets and highways that serves the mobility and multimodal travel needs of the Salem Urban Area.

Objective Number 1 - To develop a comprehensive, hierarchical system of streets and highways that provides optimal mobility for all travel modes throughout the Salem Urban Area. Policies implementing this objective are:

Policy 1.1 - Multimodal Capacity

The City shall fulfill its system wide travel capacity needs through the utilization of multiple travel modes within the public rights-of-way.

Policy 1.3 - System of Peripheral Arterial Streets

The City’s street system shall contain a network of peripheral arterial streets that intercept radial street routes, linking outlying residential, commercial, and business districts without having to travel through the central core area.

Objective Number 2 - To design city streets in a manner that maximizes the utility of public rights-of-way, is appropriate to their functional role, and provides for multiple travel modes, while minimizing their impact on the character and livability of surrounding neighborhoods and business districts. Policies implementing this objective are:

Policy 2.1 - Multimodal Street Design

The City of Salem shall design its streets to safely accommodate pedestrian, bicycle, and motor vehicle travel.

Policy 2.6 - Streetscape Design and Aesthetics

Wherever possible the City of Salem shall incorporate safely designed, aesthetic features into the streetscape of its public rights-of-way. These features may include: planting of street trees, shrubs, and grasses;

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incorporation of planting strips and raised medians; and, in some instances, the installation of street furniture, planters, special lighting, public art, and nonstandard paving materials.

Objective Number 4 - To efficiently plan, design, and construct City-funded street improvement projects to meet the safety and travel demands of the community. The policy implementing this objective is:

Policy 4.3 - Project Design Life

To maximize the longevity of its capital investments, the City shall design street improvement projects to meet existing travel demand and, whenever possible, accommodate the anticipated travel demand of the next 20 years for that facility.

Insofar as these activities occur within the Area, the Plan supports these Street System Element goals, objectives and policies by facilitating the improvement of Commercial Street as a multimodal peripheral arterial. The Plan also proposes extending a transportation network into the Area at both Bellevue Street and State Street.

2. Bicycle System Element

Goal: To provide a comprehensive system of connecting on-street bicycle facilities that will encourage increased ridership and safe bicycle travel.

Objective Number 1 - To create a comprehensive system of bicycle facilities. The Policy implementing this objective is:

Policy 1.1 - Provide Bicycle Facilities on Arterial and Collector Streets

Bicycle lanes shall be provided on all newly constructed Arterial and Collector streets. Arterial and Collector streets undergoing overlays or reconstruction will be restriped with bicycle lanes as designated on the Bicycle Route and Facility System Map. Every effort will be made to retrofit existing Arterials and Collectors with bicycle lanes, as designated on the Map.

The Plan supports the Bicycle System Element by providing for bicycle lanes on Commercial Street. It also provides for multi-use pathways on the riverfront and on Minto Island. The inclusion of bike lanes and streetscape amenities in proposed transportation projects will increase multimodal safety and connectivity, create a more livable, visually pleasing physical environment and encourage alternative modes of transportation to the single occupancy vehicle.

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3. Pedestrian System Element

Goal: To provide a comprehensive system of connecting sidewalks and walkways that will encourage and increase safe pedestrian travel.

Objective Number 1 - To create a comprehensive system of pedestrian facilities. The policy implementing this objective is:

Policy 1.4 - Ensuring Future Sidewalk Connections

All future development shall include sidewalk and walkway construction as required by the Salem Revised Code and adopted City of Salem Design Standards. All road construction or renovation projects shall include sidewalks.

Objective Number 2 - The City of Salem shall seek to double the 1995 percentage of trips made by pedestrians by the year 2015. The policy implementing this objective is:

Policy 2.2 - Pedestrian Supportive Land Uses

Comprehensive Plan land use designations and zoning shall be developed to allow for mixed-use land uses which promote pedestrian travel.

The Plan supports this policy by including pedestrian improvements along Pringle Creek, along the Willamette River, and on Minto Island. The inclusion of bike lanes and streetscape amenities in proposed transportation projects will increase multimodal safety and connectivity, create a more livable, visually pleasing physical environment for pedestrians and bicyclists and encourage alternative modes of transportation to the single occupancy vehicle.

4. Transit Element

Goal: A public mass transit system that provides convenient and accessible transit services to the citizens of the Salem Urban area.

Objective Number 1 - Ensure that transit services are accessible to Salem Urban Area residences and businesses. Policies implementing this objective are:

Policy 1.2 - Transit-supportive Land Uses

To encourage accessibility and increased ridership, the City shall encourage future transit supportive land uses, such as mixed-uses, multiple family, and employment centers, to be located on or near transit corridors. Likewise, appropriate transit services should be made available to existing transit-supportive land uses.

Policy 1.3 - Transit-supportive Urban Design

Through its zoning and development regulations, the City shall facilitate accessibility to transit services through transit-supportive streetscape,

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subdivision, and site design requirements that promote pedestrian connectivity, convenience, and safety.

The Plan supports the transit element by proposing mixed-use development which is transit supportive. The Plan also makes provisions for funding to help facilitate a future Commuter Rail Transit Center.

VII. PLANNED LAND USES

Land uses within the Area are governed by the City of Salem Revised Code. The Zoning Ordinance establishes zoning districts that implement the Salem Area Comprehensive Plan. The zoning districts govern the allowed uses (including outright permitted uses and conditional uses) and contain development standards.

Land in the Area is within a variety of zoning districts, as shown in Figure 3. Properties south of Mission Street are solely retail commercial zoned properties. The properties north of Mission Street have a mixture of zoning designations including Retail Commercial with a Mixed-use Overlay, Commercial Office, Central Business District, Railroad, Residential Agriculture and General Industrial zoning. The area which is currently zoned General Industrial will be changed to a mixed-use designation to encourage redevelopment of the Area consistent with the recommendations of the ULI study.

VIII. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses or other rights to use. The estimated time schedule for the acquisition and disposition of property under the Plan will be completed by the end of fiscal year 2025.

A. Property Acquisition for Public Improvements

The Agency may acquire any property within the Area for public improvement projects authorized in the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisition must occur prior to institution of eminent domain procedures. Acquisition of property authorized under this Plan must follow applicable policies and procedures adopted by the Urban Renewal Agency, such as Resolution 06-4 URA.

B. Property Acquisition from Willing Sellers

The Plan authorizes the Agency acquisition of any interest in real property within the Area, including fee simple interest, to support private redevelopment, only in those cases where the property owner wishes to convey such interests to the Agency. The Plan does not authorize use of the power of eminent domain to acquire property for private redevelopment where such acquisition is not allowed under applicable state, federal, or local law.

SOUTH WATERFRONT URBAN RENEWAL PLAN

Property acquisition from willing sellers may be required to support development of projects within the Area.

C. Land Disposition

The Agency may dispose of property acquired under the Plan by conveying any interest in property acquired pursuant to Subsection VIII A or B, so long as such disposition is allowed by law. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency in its discretion determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where real property is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of their improvements within a period of time that the Agency determines is reasonable.

IX. RELOCATION METHODS

Where property is acquired under the Plan and the acquisition is through or under the threat of eminent domain, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to such acquisition, the Agency may develop such policies, procedures, rules or regulations as necessary for the administration of relocation assistance.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make debt payments, usually in the form of payment of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time the urban renewal plan is adopted. Under law effective upon the date of the approval of this Plan, the property taxes for general obligation ("GO") bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.

A. General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants and any other form of financial assistance from the Federal, State or local governments or other public body;

SOUTH WATERFRONT URBAN RENEWAL PLAN

- Loans, grants, dedications or other contributions from private developers and property owners, including but not limited to assessment districts; and
- Funds from any other public or private source.

Revenue obtained by the Agency will be used to pay or repay the costs, expenses, advancements and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax Increment Financing and Maximum Indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues as authorized by Section 1c, Article IX of the Oregon Constitution and allocated to the Agency as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$24,000,000. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Agency or the City of Salem in connection with the preparation of this Plan or prior planning efforts related to this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

SOUTH WATERFRONT URBAN RENEWAL PLAN

XI. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area; or
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing and approval procedure required of the original Plan under ORS 457.095, including public involvement, notice to taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Salem as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and .115.

B. Major Amendments

Major Amendments consist solely of amendments which result in:

- Material changes to the goals and objectives of the Plan; or
- Addition or expansion of a project where the expenditure of financing materially affects the Agency's ability to complete other projects in the Plan.

Major Amendments require approval by the Agency by resolution and by the City Council by ordinance or resolution.

C. Minor Amendments

Minor Amendments are amendments that are not Substantial or Major Amendments in scope. They require approval by the Agency by resolution, and do not require approval by the City Council.

D. Amendments to the Salem Area Comprehensive Plan and/or Salem Revised Code

Amendments to the Salem Area Comprehensive Plan or Salem Revised Code that affect the Plan or the Area shall be incorporated within the Plan without any action required by the Agency or the City Council.

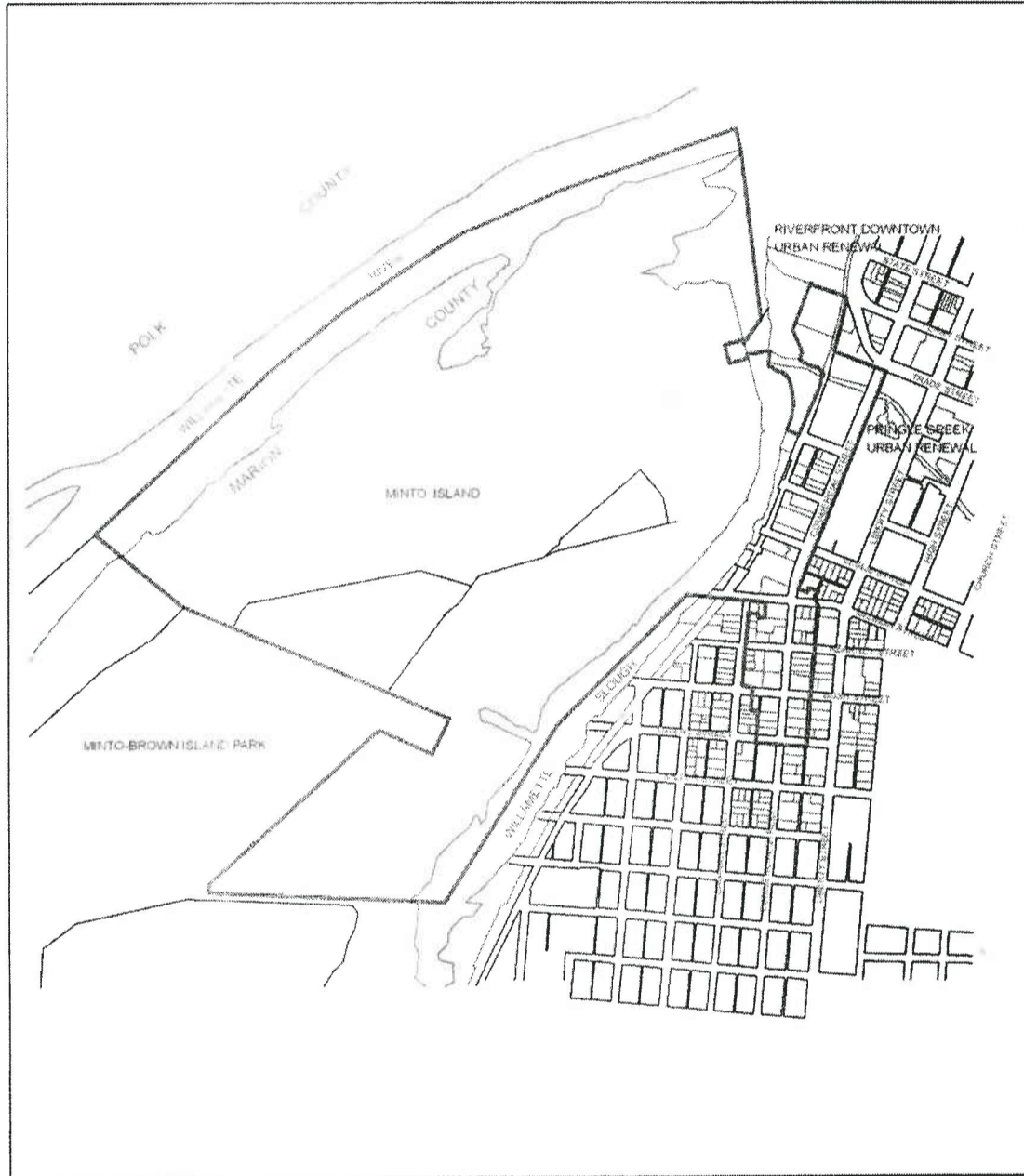
APPENDIX A: LEGAL DESCRIPTION

City of Salem
South Waterfront Urban Renewal Area
Outbounds Description

Beginning at the South One-quarter Corner of Section 28, Township 7 South, Range 3 West, Willamette Meridian;
Thence Northerly along the West line of Lot 7, said Section 28, a distance of 66 feet;
Thence North 45°53' East, a distance of 1832.70 feet;
Thence South 67°32' East, a distance of 461.67 feet;
Thence North 22°28' East, a distance of 315.51 feet;
Thence North 70°25' West, a distance of 513.00 feet;
Thence North 69°10' West, a distance of 1485.00 feet;
Thence North 70°19' West, a distance of 322.20 feet;
Thence North 52°17' West, a distance of 762,70 feet more or less to the center of the Willamette River;
Thence along said center line, Northeasterly a distance of 5768 feet more or less to a point at right angles to the Northern most point of Minto Island;
Thence leaving said center line and turning Southeasterly to said Northern most point of Minto Island;
Thence Southerly through the Willamette Slough to the intersection with the South 39°57'45" West course of the Westerly Line of the Riverfront Downtown Urban Renewal Area;
Thence along said Westerly Line, South 39°57'45" West, a distance of 232 feet more or less to a point on Minto Island, said point being South 84°57'45" West, a distance of 280 feet more or less from a spike surveyed and monumented by City of Salem, said point being North 05°02'15" West, a distance of 113.31 feet from a tack in lead in a retaining wall on the North Bank of Pringle Creek;
Thence North 05°02'15" West, a distance of 25 feet;
Thence South 84°57'45" West, a distance of 150 feet;
Thence South 05°02'15" East, a distance of 150 feet;
Thence North 84°57'45" East, a distance of 150 feet;
Thence North 05°02'15" East, a distance of 25 feet;
Thence North 84°57'45" East, a distance of 280 feet more or less to a point on the low water mark or the East Bank of said Willamette Slough and/or River;
Thence Southerly along the ordinary low water line of the Willamette Slough, 710 feet more or less to a point of intersection of the Westerly extension of the north Line of Bellevue Street S.;
Thence Easterly along said Westerly extension of the North Line of said Bellevue Street S., 125 feet more or less to a point on the West Line of the Burlington Northern and Santa Fe Railroad right-of-way;
Thence Northerly along the West Line of said Railroad right-of-way, 600 feet more or less to a point on the North Bank of Pringle Creek;
Thence Westerly along said North Bank of Pringle Creek to the point of intersection of a line established by survey by the City of Salem, in County Survey No. 030067;

Thence North 22°27'50" West, a distance of 75 feet more or less to a 5/8-inch iron rod and cap marked "City of Salem";
Thence North 22°32'10" West, a distance of 195.55 feet;
Thence North 22°27'50" East, a distance of 381.57 feet;
Thence South 69°04'17" East, a distance of 261.17 feet more or less to a point on the West Line of the now vacated Front Street SE;
Thence South 22°32'00" West, along the said now vacated Front Street, a distance of 400 feet more or less to a point of intersection of the Westerly extension of the South Line of Trade Street SE;
Thence South 67°26' East along the Westerly extension of the South Line of said Trade Street SE, a distance of 445 feet more or less to a point on the West Line of Commercial Street SE;
Thence Southeasterly along said Westerly extension of the South Line of Trade Street SE to the East Line of said Commercial Street SE;
Thence Southerly along said East Line of Commercial Street SE to a point being 8.35 feet North of the South Line of W. H. Wilson D.L.C.;
Thence Easterly parallel with said South Line of W. H. Wilson D.L.C., a distance of 73.20 feet;
Thence Northerly a distance of 40 feet;
Thence Easterly a distance of 60 feet to the West Line of the Alley in Block 40, City of Salem;
Thence along said West Line of the Alley to the North Line of Mission Street;
Thence Southeasterly through Mission Street to the intersection of the South Line of Mission Street with the East Line of the Alley in Block 1, G H Jones Addition to the City of Salem;
Thence Southerly along said East Line of the Alley through Blocks 1, 4 and 5, G H Jones Addition and to the South Line of Owens Street;
Thence Westerly along said South Line of Owens Street to the intersection with the extension of the West Line of the Alley in Block 1, Hugh Owens Addition to the City of Salem;
Thence Northerly a distance of 246.45 feet through Owens Street and along said West Line to a point 120.16 feet from the South Line of Bush Street;
Thence West a distance of 60 feet;
Thence North a distance of 186.16 feet to a point on the North Line of Bush Street;
Thence West along said North Line of Bush Street to the East Line of Saginaw Street;
Thence North along said East Line of Saginaw Street to a point 100 feet South of the South Line of Mission Street;
Thence East, a distance of 72 feet;
Thence South, a distance of 27.50 feet;
Thence East, a distance of 94 feet;
Thence North, a distance of 127.50 feet;
Thence East, a distance of 9 feet;
Thence North, a distance of 66.50 feet to the South Line of Mission Street;
Thence West along said South Line of Mission Street to the centerline of the Willamette Slough;
Thence Southerly along the centerline of the Willamette Slough to the South Line of said Section 28;
Thence Westerly along said South Line of Section 28 to the Point of Beginning.

Said area contains approximately 410 Acres more or less.



Map of the Legal Description
South Waterfront Urban Renewal Area



REPORT ACCOMPANYING THE SOUTH WATERFRONT
URBAN RENEWAL PLAN

September 4, 2007

City of Salem

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REPORT ON PROPOSED
SOUTH WATERFRONT URBAN RENEWAL PLAN

I. INTRODUCTION

The South Waterfront Urban Renewal Report (the Report) contains background information and project details for the South Waterfront Urban Renewal Plan (the Plan). The Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

II. EXISTING PHYSICAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the South Waterfront Urban Renewal Area (the "Area"), documenting the occurrence of "blighted areas" as defined by ORS 457.010(1).

A. Physical Conditions

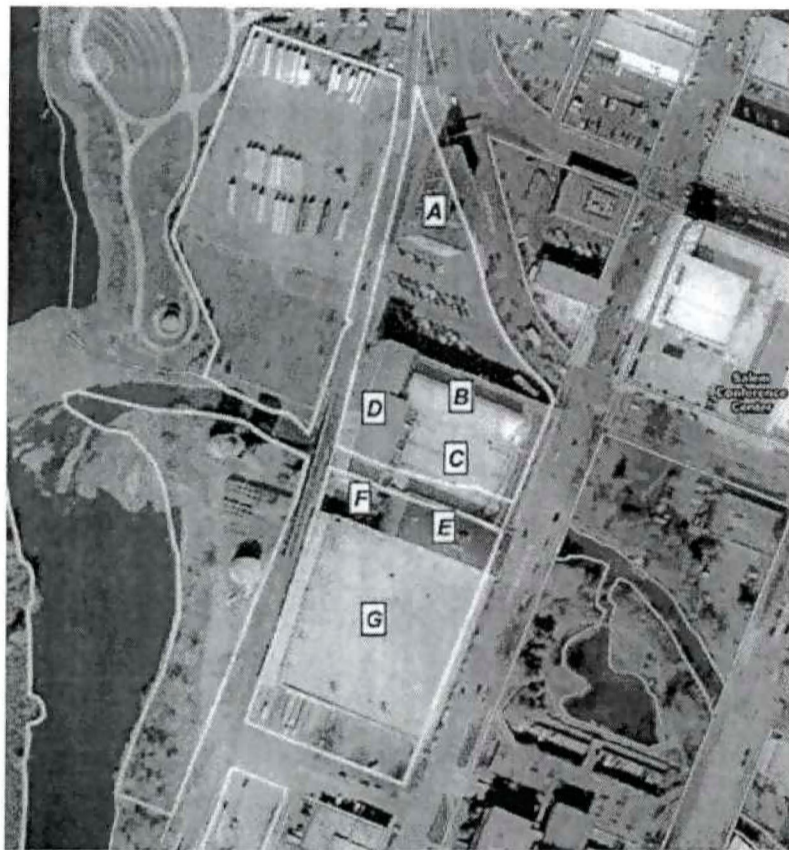
1. Land Use

The northern portion of the Area is presently occupied by the Boise Cascade facility. As detailed in the 2006 ULI Report, this area is in industrial use. The facility was originally used as a saw mill by Capitol Lumber in 1866. Between 1920 and 1955, Oregon Pulp and Paper Company used it as a calcite base sulfite paper mill. In 1962, Boise Cascade purchased the property for use as a paper mill. Most recently the facility has been used for paper cutting and distribution. The ULI report states the Boise Cascade plant is inefficient and nearing functional obsolescence due to the following conditions:

- It has multistory buildings which are no longer efficient for manufacturing/processing.
- The building layout is inefficient for current distribution uses.
- Truck access through the city and around the site is difficult.
- It is not readily accessible from Interstate 5.

REPORT ON PROPOSED
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Figure 1. Existing Boise Cascade Site Buildings



The site contains numerous structures as shown in Figure 1.

- Building A is commonly known as the Fry Warehouse. It is reinforced concrete, built in the late 1920's. There are five floors above ground and a full basement. The building has 10,000 square feet a floor, for a total of 60,000 square feet.
- Building B, the two story Old Mill building was constructed in the late 1800's and features a wood truss ceiling on the upper floor.
- Building C was built in 1934 and was the old machine room which has been converted to a paper storage warehouse. It has a footprint of 137' by 220'. The basement level spans Pringle Creek.
- Building D was built in 1922 and measures approximately 126' by 47'. It has three floors and a basement. The building is constructed of reinforced concrete.
- Building E measures 80' by 197' and is called the OPACO warehouse. It was built in 1941 using a heavy timber construction system. It consists of three floors and a basement.
- Building F is 36' by 59' and was annexed to building D.

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- Building G was constructed of reinforced concrete in 1965. It has an irregular footprint of 300' by 288'. It includes a basement, ground floor, and second floor and has a flat wood truss roof. The basement is below grade.
- There are four tanks on the lower portion of the plant, a steel Bunker Oil tank, two stock tanks, and a clay tile tank. All are abandoned and have been cleaned out.
- A "No Further Action" letter was issued for the property by the Oregon Department of Environmental Quality in June 2007.

Some of these buildings could be potentially reused, others should be demolished. The reuse recommendations of the ULI report are shown below in Table 1.

Table 1: Reuse chart

Building	Disposition	Potential use
A. Fry Warehouse	Undetermined	Commuter rail station
B. Old Mill Building	Reuse	Retail, restaurant, daycare, office
C. Old Machine Room	Demolish	Pringle Creek daylighting
D. Unnamed Building over Pringle Creek	Demolish	Pringle Creek daylighting
E. OPACO Warehouse/Paper Factory	Reuse	Commercial/office/athletic club
F. Paper Mill	Demolish	View corridor
G. South Warehouse	Reuse	Parking/residential/grocery
Tanks	Undetermined	

There is a large parking lot bordered by Riverfront Park on the north and west, the Burlington Northern Santa Fe Railroad tracks on the east and by Pringle Creek on the south.

The present Boise Cascade site is constrained by a combination of underutilized and functionally obsolete buildings, vacant lots, inadequate transportation system, inadequate landscaping, and a lack of pedestrian-friendly design elements.

South of the Boise Cascade property and north of the new Meridian mixed residential and commercial project, now under construction, is a surface parking lot and older office commercial development.

The portion of the area to the south of Mission Street is a variety of commercial, retail/commercial and neighborhood commercial uses. The structures are a mix of older and newer one to two story buildings with on site surface parking lots.

The Area is approximately 369 acres, consisting of 73 individual properties that are currently zoned for commercial business, commercial office, retail commercial, railroad, residential agriculture and general industrial. This represents less than one percent of the City's total land area. Just over 26 acres of the 369 acres consist of public rights-of-way and waterways.

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SOUTH WATERFRONT URBAN RENEWAL PLAN

The Area is served by Commercial Street as the peripheral arterial running north and south through the site and neighborhood streets running east and west through the site. The Burlington Northern Santa Fe Railroad tracks run parallel to Commercial Street through the Area. The area is bounded on the west by the Willamette River to Mission Street. It is bounded on the east by Commercial Street southwards to Mission where the area expands to the east and west to include the properties adjacent to Commercial Street.

An analysis of property classification data from Marion County's 2006-2007 Assessment and Taxation database was used to determine the land use designation of taxlot parcels in the Area. The majority (88.5 percent) of land area in taxlots is classified as Industrial, as illustrated in Table 2. The second largest taxable classification, Commercial improved, accounts for just 3.2 percent of the total taxlot area. Other uses are centrally assessed, residential improved, commercial land only, and city property. There are 7.2 acres of tax exempt uses in the Area. The existing land uses as determined by the County Assessor is shown in Figure 2 below.

Table 2. Land Use – Property Classification

Property Classification	Count	Taxlot Acres*	% of Total Taxlot Acres
Centrally assessed	5	0.5	0.2%
Residential improved, 1 acre and under, inside city or urban growth boundary	1	0.2	0.1%
Commercial land only	7	3.6	1.1%
Commercial improved	41	10.8	3.2%
Industrial principal plants, State responsibility	10	303	88.5%
Fully Exempt: City property	8	2.5	0.8%
Fully Exempt	1	22	6.4%
Total	73	342.6	100%

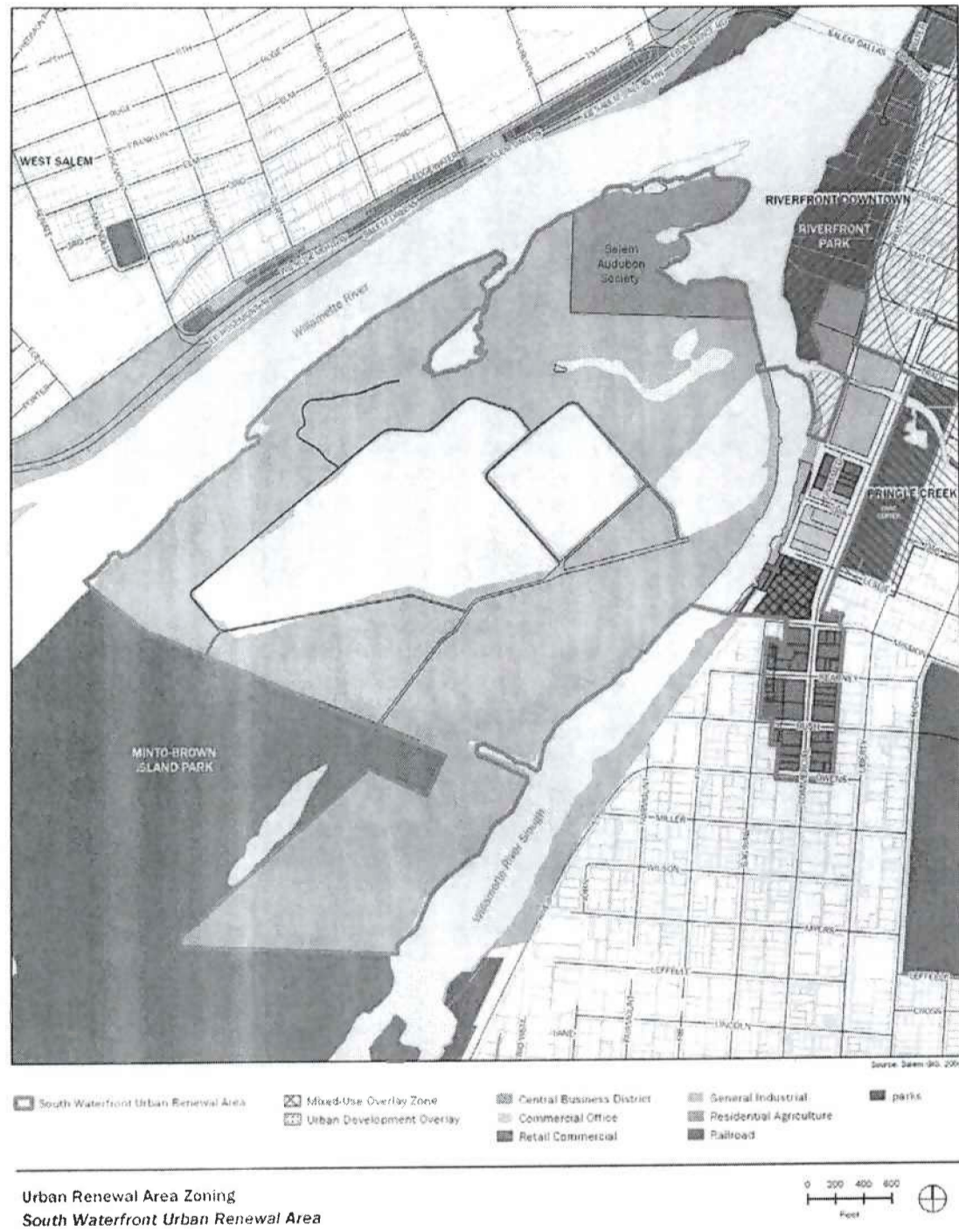
*Includes information from recorded taxlots. This number does not account for approximately 26.4 acres of public rights-of-way and waterways in the Urban Renewal Area.

2. Zoning

Land within the Area is zoned General Industrial, Retail Commercial, Commercial Office, Residential Agriculture and Central Business District. See Figure 2 for current zoning designations. In addition to the underlying zoning districts, there is a Willamette Greenway overlay, mixed use overlay, and an urban development overlay. Some of the uses recommended in the ULI Panel report are not permitted under the industrial zoning of the Boise property. The City intends to consider changes to the current comprehensive plan designation and zoning to encourage redevelopment of the area.

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Figure 2. Zoning



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B. Infrastructure

1. Transportation

As detailed in the Land Use and Zoning section, Commercial Street is the major arterial street which serves the Area. Commercial Street lacks capacity to safely serve increased traffic in the Area from new mixed use development on the Boise Cascade site and other development within the Area. Vehicular access into the Boise site is constrained on all sides. There is a railroad line which runs north and south through the site. There are no pedestrian or bicycle linkages through the Boise Cascade site. There are no bicycle lanes on Commercial Street.

Balancing among various transportation needs will be critical component for providing safe and accessible routes for freight, trains, automobiles, bicyclists and pedestrians as the Area's commercial and mixed use development intensifies.

2. Water, Sewer and Storm Drainage Facilities

The area has adequate water, sewer and storm drainage facilities to serve the site. Future development will be required to connect to existing services.

3. Parks and Open Space

There are no public parks and open space facilities in the Area.

4. Public Spaces

There are no public spaces in the Area.

5. Public Parking

Currently, there are surface parking lots located throughout the area. Otherwise, there are no public parking facilities in the Area.

6. Public Buildings

There are no public buildings in the Area.

C. Social Conditions

Currently, the Area contains one residential dwelling which is a non-conforming use. Therefore social conditions are not relevant to the existing conditions analysis.

REPORT ON PROPOSED
SOUTH WATERFRONT URBAN RENEWAL PLAN

D. Economic Conditions

1. Taxable Value of Property Within the Area

The estimated total assessed value of the Area, including all taxable properties, is \$26,011,200. This represents less than one percent of the City's total assessed value less current incremental assessed value in the City's urban renewal areas.

2. Improvement to Land Value Ratio

Table 3 below, "Improvement to Land Ratio," shows the improvement to land ratios for taxlots within the study area. To measure how fully developed a parcel is, one can compare the value of the buildings and other improvements on the property to the value of the land itself. This relationship is called the "improvement to land value" (I:L ratio). I:L ratios for healthy properties in this part of Salem could range between 7.0-10.0 or more. The existing Boise Cascade industrial facilities have high assessed values, so the I:L ratio does not indicate underdevelopment of this property under the existing zoning. The property would be considered to be underdeveloped if the zoning designation was to change to permit mixed residential and commercial use. As the table shows, the majority of the properties in the study area do not have an improvement value. This is largely due to the lack of development on Minto Island. The remaining properties reflect a low I:L value and therefore are considered to be underdeveloped.

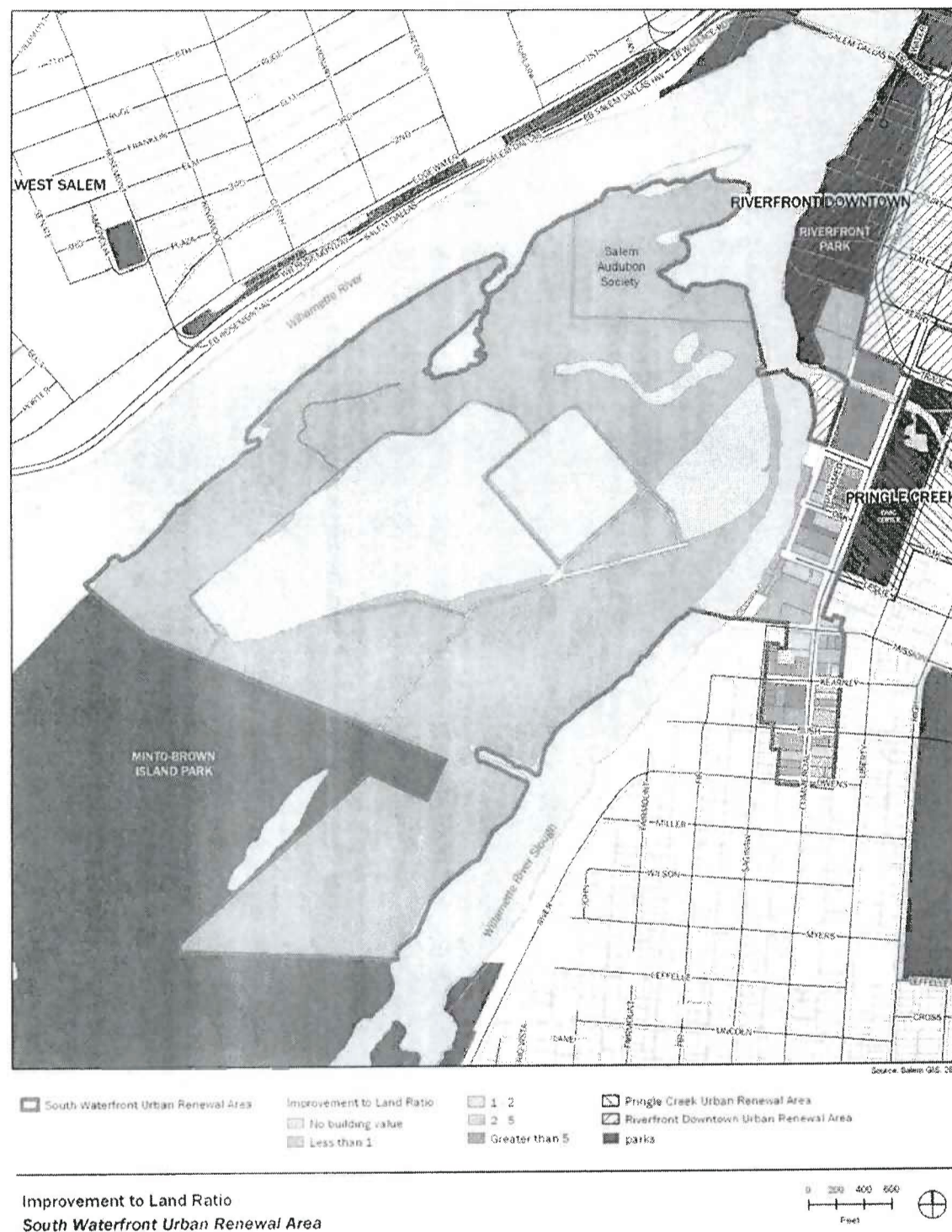
Table 3. Improvement to Land Ratio

Improvement-to-Land Ratio	Count	Acres	% of Total
No Improvement Value	27	326.1	95.2%
< or equal to 1	24	5.7	1.7%
1 to 2	12	3.3	1%
2 to 5	7	1.7	0.5%
> 5	3	5.8	1.7%
Change: Salem Audubon			
Total	73	342.6*	100.0%

*Includes information from recorded taxlots. This number does not account for approximately 26.4 acres of public rights-of-way and waterways in the Urban Renewal Area.

REPORT ON PROPOSED
SOUTH WATERFRONT URBAN RENEWAL PLAN

Figure 3. Improvement to Land Ratio



REPORT ON PROPOSED
SOUTH WATERFRONT URBAN RENEWAL PLAN

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Increases in commercial and mixed use occupancies within the Area will generally result in higher demand for fire, life safety and public safety services.

The increased occupancies within the Area will also increase the demand for water, sewer and storm drainage services. Increased residential occupancies will place demands on the library and school systems in addition to the services listed above.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

There is one urban renewal area in the Plan and it was selected to improve existing conditions in the Area and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

IV. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of a municipality’s total assessed value (AV) and the total area that can be contained in urban renewal areas at the time of their establishment to 15% for municipalities over 50,000 in population. The Area is within the statutory limitation of 15% for both parameters. Table 4 below shows the conformance to these limitations.

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SOUTH WATERFRONT URBAN RENEWAL PLAN

Table 4. Conformance to Assessed Value/Acreage Limits

Urban Renewal Area	Frozen Base Assessed Value	Acres
Current Urban Renewal Areas	403,222,600	3,341
South Waterfront	26,011,220	369
Total	429,233,820	3,710
Total Acreage, City of Salem		30,100
Total Assessed Value City of Salem Less Incremental Assessed Value in Urban Renewal Areas	8,040,850,605	
Percent of Salem AV in Urban Renewal Areas	5.3%	
Percent of Salem Area in Urban Renewal Area		12.3%

V. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

This section describes the relationship between the urban renewal projects called for in the Plan and conditions generally described in Section II of this Report and more particularly described below.

There are existing deficiencies in the urban infrastructure which will serve anticipated needs in the South Waterfront Urban Renewal Area. Deficiencies include inadequate transportation improvements and inadequate pedestrian and bicycle access to Pringle Creek, Minto Island and the Willamette River.

A. Pedestrian Improvements

Pedestrian improvements include:

1. Pringle Creek Access Improvements

This project includes a multi-use path along Pringle Creek which would extend the existing paths by Mirror Pond under Commercial Street, connecting to a path alongside Pringle Creek. This project would greatly improve the multi-modal connections between Bush Park, Riverfront Park and Willamette University using the existing path system. In addition, if pedestrian access is improved along

REPORT ON PROPOSED
SOUTH WATERFRONT URBAN RENEWAL PLAN

Pringle Creek, it will be necessary to, at a minimum, facilitate pedestrian safety crossing treatments at the railroad tracks.

2. The Minto Island Property Acquisition and Multi-Use Path

This project includes acquisition of land for passive and active recreation use including construction of a multi-use pathway system complementary to existing and planned park improvements on the island. Anticipated work includes, but is not limited to, grading, paving, surveying, erosion control, excavation, and other activities generally associated with the construction of trail and pathway improvements.

3. Multi-use Path Willamette Riverfront

This project would construct a multi-use path along the Willamette Riverfront which would provide for future connections to the Riverfront Park to the north.

4. Public Plaza, State Street Terminus

This project would develop a public plaza to provide a gathering place within the Area.

Relationship to Existing Conditions:

There are presently no pedestrian connections at Pringle Creek through the Area or to the Willamette River, and there is no safety crossing of the railroad to allow access to Pringle Creek. Minto Island is not in full public ownership, and the multi-use pathway system is not constructed. There is no connecting pathway along the Willamette Riverfront and no public plaza.

B. Transportation Improvements

Transportation improvements include:

1. Street Connection to Boise Site and Traffic Signal

This project would create a signalized intersection on Commercial Street at Bellevue to improve traffic circulation. The likely location would be to realign Bellevue Street so it enters Commercial Street opposite the Civic Center driveway.

2. State Street Extension

This project would construct an extension to allow transportation turnaround on park side of the project as proposed by the ULI report.

3. Extend bike lanes on Commercial Street SE through Owens or Mission

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This project would require parking pockets to replace parking that would be lost by adding bike lanes.

4. Streetscape Improvements

This project would include accent paving, sidewalk reconstruction, lighting, street trees, furnishings, transit pullouts and other related activities within the public right of way and adjacent private property to promote pedestrian circulation and public transportation use in the renewal area.

5. General Transit Improvements

This project would provide funds for improvements related to a future commuter rail station serving the site.

Relationship to Existing Conditions:

There is no existing signalized connection from Commercial Street into the site. Bellevue is not presently aligned with adjacent streets. State Street does not presently provide access to the site. There are no streetscape improvements in the Area. There are no bike lanes in the Area. There are no commuter rail improvements nor is there a commuter rail station at the present time.

C. Loan or Grant Programs

Loan or grant programs include:

1. Rehabilitation and Redevelopment Fund

The Rehabilitation and Redevelopment Fund will provide loans and/or grants to assist with planning and pre-development activities as well as property development, rehabilitation or redevelopment and other improvements. Technical assistance, in the form of site studies, market studies, environmental studies and impact assessments, feasibility analyses, engineering and design and other activities directly related to development of the property in the Area may also be provided.

2. Environmental Remediation Matching Fund

The Environmental Remediation matching funds will assist in environmental remediation in the Area.

3. LEED Certification Fund

This fund would encourage LEED building standards by assisting property owners with resources to complete the certification process.

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Relationship to Existing Conditions:

None of these programs currently exist within the Area.

VI. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Table 5 below shows the estimated total cost of each project and the estimated sources of funds to address such costs, with all figures in 2007 dollars. This analysis is based on known projects at the time of preparation of the Plan and does not include projects authorized by the Plan, but unknown at this time. The full funding for these projects is anticipated to come from tax increment funds. Project phasing is shown in Table 6.

Table 5. Urban Renewal Projects and Programs

Projects	Costs
1. Pringle Creek Access Improvements	\$1,960,000
2. Minto Island Property Acquisition and Multi-Use Path	1,000,000
3. Multi-use Path Willamette Riverfront	975,000
4. Public Plaza, State Street Terminus	800,000
5. Street Connection to Boise Site and Traffic Signal	750,000*
6. State Street Extension	400,000*
7. Extend Bike Lanes on Commercial St. through Owens or Mission	800,000
8. Streetscape Improvements	1,400,000
9. General Transit Improvements Related to Future Commuter Rail	250,000
Capital Projects Total Estimate:	8,335,000
1. Rehabilitation and Redevelopment Fund	3,000,000
2. Environmental Remediation Matching Fund	1,000,000
3. LEED Certification Fund	500,000
Funds Total Estimate:	4,500,000
Total Cost Estimate of Projects:	\$12,835,000

*These estimates do not include right-of-way acquisition
Anticipated Source of Funds: Tax Increment Funds

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Table 6. Project Phasing

FY Ending June 30	2010	2011	2012	2013	2014	2015	2016
Revenues							
Beginning Balance	0	0	245,997	1,205,486	1,179,811	561,412	1,963,493
Debt Proceeds							
Tax Increment Debt - Long Term		5,731,325	3,087,228			1,740,036	
Tax Increment Debt - Short Term	0	0	0	337,339	324,718	109,195	305,626
Other							
Interest	0	0	3,690	18,082	17,697	8,421	29,452
Total	0	5,731,325	3,336,915	1,560,907	1,522,227	2,419,065	2,298,572
Expenditures							
Administration	0	408,281	144,478	0	51,321	0	13,877
Bond Issuance Costs	0	143,283	77,181	1,500	1,500	45,001	1,500
Capital Projects							
Pringle Creek Access Improvements		2,292,923					
Minto Island Property Acquisition and Multi-use Path		93,589					
Multi-Use Path, Willamette River Front			593,118		513,213		138,773
Public Plaza, State Street Terminus							
Street Connection to Boise Site/Signal		877,394					
State Street Extension							
Commercial Street Bicycle Lanes							
Streetscape Improvements		818,901	851,657				
Transit-Related Improvements							
Total Capital Projects		4,082,806	1,444,775	0	513,213	0	138,773
Rehabilitation and Redevelopment Fund		233,972	243,331	253,064	263,186	273,714	284,662
Environmental Remediation Matching Fund		77,991	81,110	84,355	87,729	91,238	94,887
LEED Certification Fund		38,995	40,555	42,177	43,864	45,619	47,444
Transfer to Bond Fund		500,000	100,000				
Total Expenditures	0	5,485,328	2,131,429	381,096	960,814	455,572	581,144
Ending Balance	0	245,997	1,205,486	1,179,811	561,412	1,963,493	1,717,428

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Table 6. Project Phasing, continued.

FY Ending June 30	2017	2018	2019	2020	2021	2022
Revenues						
Beginning Balance	1,717,428	1,751,265	1,819,650	514,907	129,860	1,368,277
Debt Proceeds						
Tax Increment Debt - Long Term				4,852,091	4,701,845	
Tax Increment Debt - Short Term	453,649	505,452	558,680	0	0	609,812
Other						
Interest	25,761	26,269	27,295	7,724	1,948	20,524
Total	2,196,838	2,282,986	2,405,625	5,374,722	4,833,653	1,998,613
Expenditures						
Administration	0	0	128,083	420,367	257,121	0
Bond Issuance Costs	1,500	1,500	1,500	121,302	117,546	1,500
Capital Projects						
Pringle Creek Access Improvements						
Minto Island Property Acquisition and Multi-use Path				1,531,868		
Multi-Use Path, Willamette River Front					506,515	
Public Plaza, State Street Terminus			640,413	640,413		
Street Connection to Boise Site/Signal						
State Street Extension			640,413			
Commercial Street Bicycle Lanes				1,332,059		
Streetscape Improvements				699,331	1,631,772	
Transit-Related Improvements					432,919	
Total Capital Projects	0	0	1,280,826	4,203,670	2,571,207	0
Rehabilitation and Redevelopment Fund	296,049	307,891	320,206	333,015	346,335	360,189
Environmental Remediation Matching Fund	98,683	102,630	106,735	111,005	115,445	120,063
LEED Certification Fund	49,341	51,315	53,368	55,502	57,723	60,031
Transfer to Bond Fund						
Total Expenditures	445,573	463,336	1,890,718	5,244,862	3,465,376	541,783
Ending Balance	1,751,265	1,819,650	514,907	129,860	1,368,277	1,456,830

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Table 6. Project Phasing, continued.

FY Ending June 30	2023	2024	2025	2026	2027	TOTAL
Revenues						
Beginning Balance	1,456,830	1,215,288	649,147	51,140	51,907	
Debt Proceeds						
Tax Increment Debt - Long Term	0		0		0	20,112,525
Tax Increment Debt - Short Term	300,000					3,504,473
Other						0
Interest	21,852	18,229	9,737	767	779	238,228
Total	1,778,683	1,233,518	658,885	51,907	52,685	23,855,226
Expenditures						
Administration	0	0	0	0	0	1,423,527
Bond Issuance Costs	1,500	0	0	0	0	516,313
Capital Projects						
Pringle Creek Access Improvements						2,292,923
Minto Island Property Acquisition and Multi-use Path						1,625,456
Multi-Use Path, Willamette River Front						1,751,620
Public Plaza, State Street Terminus						1,280,826
Street Connection to Boise Site/Signal						877,394
State Street Extension						640,413
Commercial Street Bicycle Lanes						1,332,059
Streetscape Improvements						4,001,661
Transit-Related Improvements						432,919
Total Capital Projects	0	0				14,235,270
Rehabilitation and Redevelopment Fund	374,596	389,580	405,163			4,684,953
Environmental Remediation Matching Fund	124,865	129,860	135,054			1,561,651
LEED Certification Fund	62,433	64,930	67,527			780,826
Transfer to Bond Fund						600,000
Total Expenditures	563,394	584,370	607,745	0	0	23,802,540
Ending Balance	1,215,288	649,147	51,140	51,907	52,685	

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VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The sequencing and prioritization of project activities authorized under this urban renewal plan will be done by the Urban Renewal Agency Board through the annual budget the 10 Year Spending Plan. It is estimated that all construction activities identified in the Plan will be completed by FY 2021/2022, with the ability to loan funds through loan programs extending to 2025.

VIII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 7 shows the yearly tax increment revenues and their allocation to debt service and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2027. The total amount of tax increment revenues required to service debt is \$30,887,713.

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Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves

Fiscal Year Ending	2010	2011	2012	2013	2014	2015	2016	2017
Beginning Balance	0	55,913	699,778	1,033,412	978,554	978,554	1,151,906	1,151,906
Tax Increment Revenues	55,913	713,733	1,098,192	1,140,366	1,183,701	1,314,882	1,334,494	1,482,516
Interest	0	1,118	13,996	20,668	19,571	19,571	23,038	23,038
Transfer from Bond Proceeds	0	500,000	100,000					
Total	55,913	1,270,764	1,911,965	2,194,446	2,181,825	2,313,007	2,509,438	2,657,460
Debt Service								
Bond 1		570,987	570,987	570,987	570,987	570,987	570,987	570,987
Bond 2			307,567	307,567	307,567	307,567	307,567	307,567
Bond 3						173,352	173,352	173,352
Bond 4								
Bond 5								
Total Long Term DS	0	570,987	878,554	878,554	878,554	1,051,906	1,051,906	1,051,906
Defeasance of Outstanding Bonds								
Reserve	0	570,987	878,554	878,554	878,554	1,051,906	1,051,906	1,051,906
Short Term Debt				337,339	324,718	109,195	305,626	453,649
Total Expenditures	0	1,141,973	1,757,107	2,094,446	2,081,825	2,213,007	2,409,438	2,557,460
Ending Balance	55,913	128,791	154,858	100,000	100,000	100,000	100,000	100,000

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SOUTH WATERFRONT URBAN RENEWAL PLAN

Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves, continued.

Fiscal Year Ending	2018	2019	2020	2021	2022	2023	2024	2025
Beginning Balance	1,151,906	1,151,906	1,151,906	1,558,768	2,090,874	2,103,722	2,508,749	3,369,872
Tax Increment Revenues	1,534,320	1,587,548	1,919,123	2,504,653	2,584,565	2,666,675	2,814,670	2,903,108
Interest	23,038	23,038	23,038	31,175	41,817	42,074	50,175	67,397
Transfer from Bond Proceeds								
Total	2,709,264	2,762,492	3,094,067	4,094,597	4,717,257	4,812,471	5,373,594	6,340,377
Debt Service								
Bond 1	570,987	570,987	570,987	570,987	570,987	570,987	570,987	570,987
Bond 2	307,567	307,567	307,567	307,567	307,567	307,567	307,567	307,567
Bond 3	173,352	173,352	173,352	173,352	173,352	173,352	173,352	173,352
Bond 4			483,392	483,392	483,392	483,392	483,392	483,392
Bond 5				468,424	468,424	468,424	468,424	468,424
Total Long Term DS	1,051,906	1,051,906	1,535,298	2,003,722	2,003,722	2,003,722	2,003,722	2,003,722
Defeasance of Outstanding Bonds								
Reserve	1,051,906	1,051,906	1,535,298	2,003,722	2,003,722	2,003,722	2,003,722	2,003,722
Short Term Debt	505,452	558,680	0	0	609,812	300,000		
Total Expenditures	2,609,264	2,662,492	3,070,596	4,007,445	4,617,257	4,307,445	4,007,445	4,007,445
Ending Balance	100,000	100,000	23,470	87,152	100,000	505,027	1,366,150	2,332,932

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Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves, continued.

Fiscal Year Ending	2026	2027
Beginning Balance	4,336,655	5,984,629
Tax Increment Revenues	2,993,977	3,087,346
Interest	86,733	119,693
Transfer from Bond Proceeds		
Total	7,417,365	9,191,668
Debt Service		
Bond 1		
Bond 2	307,567	
Bond 3	173,352	173,352
Bond 4	483,392	483,392
Bond 5	468,424	468,424
Total Long Term DS	1,432,736	1,125,169
Defeasance of Outstanding Bonds		
Reserve	1,125,169	1,125,169
Short Term Debt		
Total Expenditures	2,557,904	2,250,337
Ending Balance	4,859,461	6,941,330

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IX. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues of \$30,887,713 are based on projections of the assessed value of development within the Area.

Table 8 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues. These in turn provide the basis for the projected impacts on the Taxing Districts' Permanent Rate in Table 9.

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Table 8: Projected Incremental Assessed Value

Fiscal Year Ending June 30	2009	2010	2011	2012	2013	2014	2015	2016
Base Assessed Value	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200
Total Assessed Value	26,011,200	29,210,412	66,849,507	91,614,635	94,134,038	96,722,724	109,510,622	112,522,164
Incremental Assessed Value		3,199,212	40,838,307	65,603,435	68,122,838	70,711,524	83,499,422	86,510,964
Value New Development	0	2,483,904	36,835,808	22,926,767	0	0	10,128,023	0
Appreciation Percentage	0.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Appreciation Dollars		715,308	803,286	1,838,361	2,519,402	2,588,686	2,659,875	3,011,542
Total Property Tax Rate		18.3969	18.3969	17.6209	17.6209	17.6209	16.5760	16.2376
Tax Increment Revenues		58,856	751,298	1,155,992	1,200,386	1,246,001	1,384,086	1,404,730

Table 8: Projected Incremental Assessed Value, continued.

Fiscal Year Ending June 30	2017	2018	2019	2020	2021	2022	2023	2024
Base Assessed Value	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200	26,011,200
Total Assessed Value	122,117,994	125,476,239	128,926,835	150,421,776	188,379,819	193,560,264	198,883,171	208,477,244
Incremental Assessed Value	96,106,794	99,465,039	102,915,635	124,410,576	162,368,619	167,549,064	172,871,971	182,466,044
Value New Development	6,501,470	0	0	17,949,453	33,821,444	0	0	4,124,786
Appreciation Percentage	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Appreciation Dollars	3,094,360	3,358,245	3,450,597	3,545,488	4,136,599	5,180,445	5,322,907	5,469,287
Total Property Tax Rate	16.2376	16.2376	16.2376	16.2376	16.2376	16.2376	16.2376	16.2376
Tax Increment Revenues	1,560,544	1,615,074	1,671,103	2,020,129	2,636,477	2,720,595	2,807,026	2,962,811

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Table 8: Projected Incremental Assessed Value, continued.

Fiscal Year Ending June 30	2025	2026	2027
Base Assessed Value	26,011,200	26,011,200	26,011,200
Total Assessed Value	214,210,368	220,101,153	226,153,935
Incremental Assessed Value	188,199,168	194,089,953	200,142,735
Value New Development	0	0	0
Appreciation Percentage	2.75%	2.75%	2.75%
Appreciation Dollars	5,733,124	5,890,785	6,052,782
Total Property Tax Rate	16.2376	16.2376	16.2376
Tax Increment Revenues	3,055,903	3,151,555	3,249,838

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X. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area *without the Plan*. Revenues on growth in assessed value that would not occur but for the Plan cannot be considered as foregone.

It is reasonable to project that development within the Area without the Plan would take much longer to occur, would be less extensive and would have lower assessed values. The analysis summarized below in Table 9 assumes that the redevelopment of the Boise site would not occur without urban renewal. There are small impacts (increases) on tax rates for bonds approved by voters prior to October 5, 2001.

Table 9 below shows no impacts on the Salem Keizer School District or the Willamette Educational Service District. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets, therefore, property taxes foregone are replaced with State School Fund revenues.

Table 9: Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing

Taxing District	Present Value, Revenues Foregone - FY 2023	Present Value, Average Annual Revenues Foregone
Marion County	\$1,502,031	\$107,288
City of Salem	2,895,664	206,833
Salem Transit	377,829	26,988
Chemeketa Cooperative Regional Library Service	40,618	2,901
Marion Soil & Water District	24,828	1,773
Chemeketa Community College	\$310,794	\$22,200

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The average impact of foregone revenues as a percentage of the total permanent rate levy of each taxing district is shown in Table 10 below.

Table 10: Average Annual Revenues Foregone as Percent of Levy

Taxing District	Permanent Rate Levy, FY 06/07	Percent of FY 06/07
Marion County	\$48,235,718	0.2%
City of Salem	39,541,025	0.5%
Salem Transit	7,399,573	0.4%
Chemeketa Cooperative Regional Library Service	1,309,357	0.2%
Marion Soil & Water District	769,740	0.2%
Chemeketa Community College	\$10,010,580	0.2%

Table 11 shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FY 2027/2028. By FY 2035/2036 revenues added to the permanent rate levies would exceed the revenues foregone during the use of tax increment financing.

Table 11: Additional Revenues Obtained After Termination of Tax Increment Financing

Taxing District	Present Value, Revenues Gained
Marion County	\$48,335,035
City of Salem	42,518,950
Salem Transit	7,671,347
Chemeketa Cooperative Regional Library Service	1,311,785
Marion Soil & Water District	772,819
Chemeketa Community College	\$10,029,575

XI. RELOCATION REPORT

There are no businesses or residents to be relocated.