Appendix A: Portland Development Commission 2015-2020 Strategic Plan

Pages 23-26

Portland Development Commission STRATEGIC PLAN



Measures of Success

The PDC Strategic Plan goal and objectives will be evaluated on the following indicators of success at the end of the five-year plan. These high-level metrics measure not only PDC's efforts but the collective impact of public and private partners. PDC will develop related performance measure for the implementation of the plan, which will be refined as specific initiatives progress.

Healthy, Complete Neighborhoods
 Access to Employment

DESIRED OUTCOME, METRIC & BASELINE METRIC EXPLANATION

Prosperous Households

Increase the percentage of households at or above self-sufficiency¹⁵ to 68% by 2020

BASELINE: 63%16 of households

The Self-Sufficiency Standard (see Appendix A) measures how much income a family of a certain composition must earn to meet basic needs. The standard is a measure of income adequacy that is based on the costs of the basic needs for working families: housing, child care, food, health care, transportation, and miscellaneous items, as well as tax impacts. An increase in the percent of households at or above the self-sufficiency standard benchmarks the city's ability to foster economic opportunity for all Portlanders.



Complete Neighborhoods

70% of Portland households live in complete neighborhoods¹⁷ by 2020

BASELINE: 63.7% of households

A complete neighborhood is one where people have safe and convenient access to the goods and services needed in daily life. This includes a variety of housing options, grocery stores and other commercial services, quality public schools, public open spaces and recreational facilities, affordable active transportation options, and amenities. A complete neighborhood is built at a walkable and bikeable human scale¹⁸. An increase in the percent of households that live in complete neighborhoods should indicate both that more people live in areas where such amenities exist today and amenities have increased in currently underserved neighborhoods.



Thriving Economic Core

Maintain the Central City as a vital regional employment hub with at least 33% of Portland's jobs *BASELINE: 33% of jobs*

Portland's Central City is a critical economic center for the region, home to a high concentration of jobs and industries that support the entire region, and a network of growing educational institutions. The Central City's quality of place and connectedness is critical to the region's economic prosperity and is reflected in the health of the Central City.



Mixed-Income Communities

By 2020, reduce the number of Portland households living in high-poverty neighborhoods¹⁹ by 50% without promoting displacement

BASELINE: 24,709 households

Research²⁰ suggests that high-poverty neighborhoods—places where 30 percent or more of the population live below the poverty line—exacerbate the negative effects of poverty. The consequences are multi-generational, as both adults and children in such areas have a much more difficult time transcending the high-poverty cycle.



Healthier East Portland

Increase resident satisfaction in East Portland to 80%

BASELINE: 64% satisfaction rate²¹

Increase prevalence of basic goods, services, employment opportunities, and community connections in East Portland.



Environmental and Human Health

Reduce local per capita carbon emissions to 52% below 1990 levels by 2020.

BASELINE: 35% below

Climate scientists have determined that significant reductions of carbon emissions are needed to avert climate change, the impact of which will disproportionately impact low-income and vulnerable residents. Redirecting investments toward efficiency improvements not only reduces carbon emissions but also increases business opportunities for locally produced goods and services.



¹⁵ http://www.selfsufficiencystandard.org/docs/Oregon2014.pdf

¹⁶ http://www.pdx.edu/ims/sites/www.pdx.edu.ims/files/Where_the_Ends_Dont_Meet_2014_final.pdf

¹⁷ "Complete Neighborhoods" methodology and analysis per Portland Bureau of Planning and Sustainability.

¹⁸ http://www.portlandonline.com/portlandplan/index.cfm?a=390208&c=58269

¹⁹ High-poverty neighborhoods defined as census tracts with 30% or more of households below the Federal Poverty Level

²⁰ http://cityobservatory.org/wp-content/uploads/2014/12/LostinPlace 12.4.pdf

²¹ http://www.portlandoregon.gov/auditor/article/507436

DESIRED OUTCOME, METRIC & BASELINE

METRIC EXPLANATION

Quality Economic & Job Growth

Increase percent of workforce in Multnomah County earning at least a middle wage²² to 48% by 2020 BASELINE: 45%

Workers earning a middle wage or higher (\$42,000+ per year in 2014 dollars) will have the necessary income to meet self-sufficiency standards in Multnomah County for various family sizes and types. Increasing the percent of workforce earning a middle wage from 45% to 48% by 2020 will add more than 28,000 quality jobs to the economy. Metric also measures continued economic growth, availability of quality jobs, and access to employment as it reflects industry wages and employment-to-population ratio.



Equitable Job Access

Close the unemployment rate gap between white workers and workers of color by 2020

Unemployment rate for white people: 8.9% Unemployment rate for people of color: 12.8%

Job access is a key element toward reduced income disparities between people of color and white Portlanders. The unemployment rate in Multnomah County for people of color has consistently been higher than the rate for the white population. Quality employment is the most direct path toward self-sufficiency and wealth creation. Reducing the unemployment rate gap signals equitable access to jobs for underrepresented populations.



New Middle-Wage Jobs

Create 13,000 new middle wage jobs²³ in Multnomah County by 2020, with significant net job growth adiacent to low-income neighborhoods²⁴ by 2020 BASELINE: 100,008 total middle wage jobs (21% of jobs)

Historic employment trends have seen a decline in middle wage jobs - occupations that pay \$42,000+ but require less than a Bachelor's degree - when compared to low educational attainment, low-wage jobs, and high educational attainment, high-wage jobs. This trend has disproportionately impacted underrepresented populations and residents from low-income neighborhoods. Increasing the number of middle wage jobs is key to creating a more balanced and equitable economy. Metric reflects needs both grow of number of accessible quality jobs and employees able to fill them.



New Middle-Wage Jobs in East Portland Create new middle wage jobs²⁵ in East Portland at a rate comparable to or greater than Multnomah County as a whole.

BASELINE: 7% growth rate in East Portland 9% growth rate in Multnomah County

East Portland has historically exhibited slower job growth than Multnomah County. Reaching parity in job growth is critical to creating healthy neighborhoods in East Portland and providing career track employment opportunities to one of the fastest growing populations in the City, including children and people of color.



Global Investment/Connections

Increase employees in regional foreign-owned establishments by 3,686 jobs (8.9%) by 2020 BASELINE: 41,314 jobs

Global trade is key to growing local economy; as foreign owned firms pay 20% more than average U.S. firm and invest 3.2 times more in research and development than average U.S. firm (per worker basis).



Business Owner Diversity

Increase percentage of small businesses registered in Multnomah County founded or owned by women or people of color by 2020²⁶

Methodology TBD

Small business ownership is key to long-term wealth creation for individuals and families. Increasing the number of entrepreneurs that are women or people of color will positively impact wealth accumulation for underrepresented populations in Portland.



²² Annual wage at or above \$42,000 requiring education level of associates degree or less.

²³ Annual wage at or above \$42,000 requiring education level of associates degree or less.

²⁴ Low-income neighborhoods defined as census tracts at, or below, 80% of the Portland MSA median family income.

²⁵ Annual wage at or above \$42,000 requiring education level of associates degree or less.

²⁶ Baseline, target, and methodology to be informed when data are released from 2015 Economic Census.

Measures of Success

Healthy, Complete Neighborhoods



Access to Employment



Equitable Wealth Creation



Civic Networks, Institutions & Partnerships

Equitable, Innovative, Financially Sustainable Agency

DESIRED OUTCOME, METRIC & BASELINE

METRIC EXPLANATION

Equitable Access to Capital

Increase investment in startups registered in Multnomah County founded or owned by or employing top executives that are women to 50% of all deals by 2020; increase investment in startups founded, owned or with top executives that are people of color by 500% by 2020

BASELINE: Demographic makeup of founders/top executives of companies receiving investment²⁷ = 19% Female, 10% Asian & E. Indian, 2% African American, 1% Latino

Measures access to capital for high-growth businesses founded by people of color or women. Access to capital is a critical factor for firm success and growth. Local and national data suggest that women and communities of color significantly lack male and white counterparts in accessing startup capital. Increasing investment in startups founded or owned by or employing top executives that are women or communities of color will positively impact wealth accumulation for underrepresented populations in Portland.



Profitable/Thriving Local Businesses

Raise annual income Sole Proprietors by 3% over 5-year period

BASELINE: Average income: \$25,254

Increasing annual income of business is an indicator for profitable and thriving local businesses; a sole proprietor is someone who owns an uninhas a large number of self-employed workers. A focus on increasing sole



Increased Wealth & Assets among People of Color Reduce gap in Multnomah County between households that are people of color and homeowners that are people of color from 6.2 to 5.0 percent.

BASELINE:

Percent of homeowners that are people of color in Mult. Co.: 15.2%

Percent of households that are people of color: 21.4%

corporated business by himself or herself. Compared to other cities, Portland proprietor income seeks to reverse a circular decline in annual income by doubling expected cost of living increases over five year period.

Commercial and home ownership can significantly increase long-term family



wealth. While PDC plays more of a role in commercial ownership and development, residential ownership is a good measure of asset base within in a specific community and—unlike commercial ownership rates—homeownership rates are consistently tracked. In the city of Portland there is significant disparity in net assets as well as homeownership rates between families of color and the white population. Socio-economic diversity of homeownership leads to healthier neighborhoods and economic prosperity among all communities in Portland.



Sustainable Agency Resources Increase percentage of non-TIF resources to 75% of

annual operating budget by 2020

BASELINE: 50%

With the projected decline of Tax Increment Financing in the next decade, PDC needs to diversify its resources to deliver on the strategic plan. Monitoring non-TIF resources as a portion of annual operating budget will measure progress toward long-term financial sustainability as well as the agency's ability to support priorities outside urban renewal areas and capital-improvement related projects.





Transforming an organization like PDC into an anti-racist multicultural institution commits to a process of intentional restructuring based on anti-racist analysis and identity, ensures full participation of people of color, applies inclusive decision-making, commits to dismantle racism in the wider community and views diversity as an asset. In this long-term process the ability to attract and retain a workforce that reflects the diversity of Portland is a



BASELINE: 21% PDC employees are people of color; 79% are white

total employees and managers by 2020

Increase diversity of PDC workforce to 30% of both

Equitable Agency Practices/Multi-Cultural

Strong Customer Satisfaction

Anti-Racist Institution

Establish and increase customer satisfaction rate in **PDC** services

Methodology TBD

PDC strives to provide high quality customer service and effectively engage the broader community. PDC will conduct a customer satisfaction survey to benchmark and then improve the quality of our services and engagement efforts.



critical and measurable step.

Appendix B: Redmond Downtown Urban Renewal Financial Overview (Quarterly Report) Summary Page

4Q FY20/2

(Preliminary / Un-Audited)



Key Financial Highlights

- * Property Tax Increment: Assessed Value: +7.6% (bgt +6.2%), +\$197k vs. bgt.
- * \$1.5M for parking lot construction on the Former City Hall property and 4th & Evergreen
- * \$653k paid to workforce housing development Midtown Place
- * \$69k of loan funding distributed to construction of Medical Building expansion
- * Additional project financing not likely needed until 21/22

Financial Performance (\$ in Millions)										
Activity *		YTD		Budget	YTD / Bgt		ITD		Plan	To Go
Project Administration	\$	0.466	\$	2.571	18%	\$	3.671	\$	8.427	\$ 4.757
Property Assistance Program	\$	0.090	\$	0.364	25%	\$	1.223	\$	4.906	\$ 3.683
City Hall	\$	-	\$	-	N/A	\$	2.300	\$	1.547	\$ (0.753)
Housing Development Opportunity Fund	\$	0.912	\$	3.668	25%	\$	1.994	\$	10.369	\$ 8.375
Circulation Study	\$	-	\$	0.050	0%	\$	-	\$	0.139	\$ 0.139
Highway 97 Reroute Beautification **	\$	-	\$	-	N/A	\$	0.670	\$	0.807	\$ 0.137
Business Park Master Plan	\$	-	\$	-	N/A	\$	-	\$	0.165	\$ 0.165
Wayfinding	\$	-	\$	-	N/A	\$	0.046	\$	0.026	\$ (0.021)
Business Development Services	\$	0.001	\$	0.010	10%	\$	0.031	\$	0.160	\$ 0.128
Restaurant Capital Improvements	\$	-	\$	0.101	0%	\$	0.055	\$	0.160	\$ 0.104
Alternative Mobility Project	\$	0.026	\$	0.063	42%	\$	0.267	\$	3.564	\$ 3.297
Business/Medical Park Development	\$	0.069	\$	0.740	9%	\$	0.701	\$	7.489	\$ 6.788
Industrial Opportunity Fund	\$	-	\$	0.202	0%	\$	0.115	\$	2.718	\$ 2.603
Redevelopment Opportunity Fund	\$	0.032	\$	4.216	1%	\$	5.328	\$	22.635	\$ 17.307
Evergreen Streetscape Improvements	\$	-	\$	0.040	0%	\$	0.031	\$	0.102	\$ 0.071
Circulation Improvements	\$	-	\$	0.001	0%	\$	0.120	\$	7.662	\$ 7.542
Public Open Space	\$	0.008	\$	-	N/A	\$	3.533	\$	4.858	\$ 1.325
Public Parking	\$	1.530	\$	2.110	73%	\$	1.877	\$	17.392	\$ 15.515
TOTAL EXPENDITURES	\$	3.135	\$	14.135	22%	\$	21.962	\$	93.125	\$ 71.163

Activities = 12th Amendment, ITD = Since 2012 (12th Amendment went into effect), Plan = 12th Amendment with approved adjustments

Key Statistics (\$ in	Milli	ons)		
Tax Increment (TI) Co				
FY20/21 (YTD)	\$	3.509		
FY20/21 (Projection)	\$	3.509		
FY20/21 (Budget)	\$	3.312		
FY19/20	\$	3.304		
FY18/19	\$	3.087		
	Ċ			
Assessed Value (AV)	Grov	wth		
Plan Inception Avg.		5.7%		
5 Year Avg.		6.2%		
FY20/21		5.7%		
FY19/20		3.9%		
FY18/19		6.0%		
Other Assessed Value	e Me	trics		
Total AV	\$	305.3		
Incremental AV	\$	232.5		
Frozen Base	\$	72.8		
Foregone Share of \$1	Dol	lar Spent		
Education	\$	0.37		
City of Redmond	\$	0.28		
Deschutes County	\$	0.21		
Redmond Fire & Resc.	\$	0.11		
Redmond Park & Rec	\$	0.02		
Debt Metrics (\$s in Mi	illion	<u>s)</u>		
New Debt Capacity	\$	11.0		
Outstanding Debt	\$	13.0		
Annual Debt Service	\$	1.6		
Average Interest Rate		4.3%		
Final Maturity (Years)		10		
Debt Coverage Ratio		1.54		
Project Administration / Expenses				
FY20/21 (YTD)		15%		
FY19/20		10%		
FY18/19		13%		
Finance Contact:		Jason Neff		
		.923.7729		
jason.neff@ci	.redn	nond.or.us		

^{**} ITD and Plan includes \$150k of Truck Reroute Bypass Activity funding which remained prior to the 12th Amendment

Appendix C: City of Salem Urban Development Department 2020 Annual Report





Annual Report 2020



The Urban Development Department Mission

To provide for the sustainable expansion of the community's prosperity, measured in terms of jobs and income growth, economic and human development, education, health and environmental sustainability.

The Urban Development Department administers and oversees a variety of programs and services aimed at strengthening Salem's economy including Salem's **seven** urban renewal areas. In addition, the Department provides loans and grants to finance activities that create emergency, transitional and permanent affordable rental housing for low and moderate income families in Salem and Keizer; allocates funds to non-profits to provide emergency services to homeless and families at-risk of being homeless; facilitates economic opportunities and reinvestment; invests in economic empowerment for individual prosperity and small business growth; issues financial incentives; performs real property management, acquisition, sales and leasing services for the City; manages downtown parking services and revitalization; manages Salem's Municipal Airport; and functions as the liaison to community organizations, businesses, and City Council and Agency Board appointed advisory groups.

Urban Development and the Strategic Plan

Urban Development plays an integral role in implementing many of the initiatives in the City's Strategic Plan.



Welcoming and Livable Community

HUD funded programs that support affordable housing Funding and oversight of social services programs



Strong and Diverse Economy

Business retention and recruitment efforts



Safe, Reliable and Efficient Infrastructure

Acquisition of property to support infrastructure projects Urban renewal funding for needed infrastructure



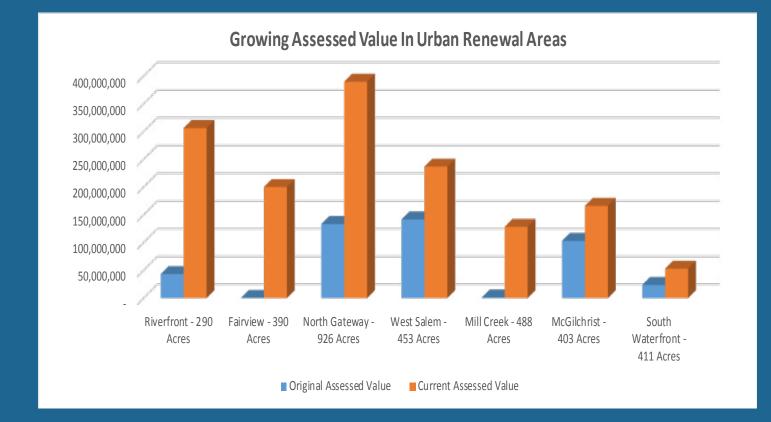
Natural Environment Stewardship

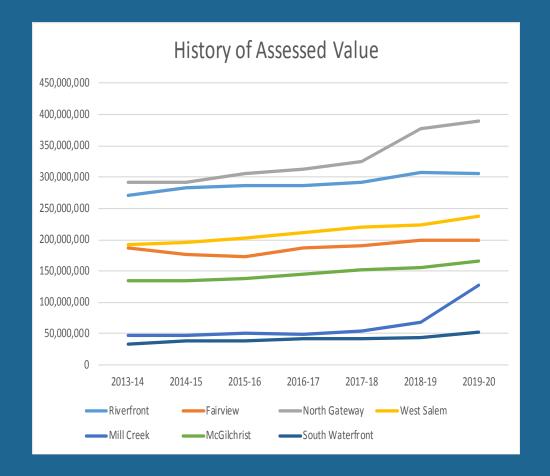
Protection and conservation of Oregon white oak trees at Salem Business Campus

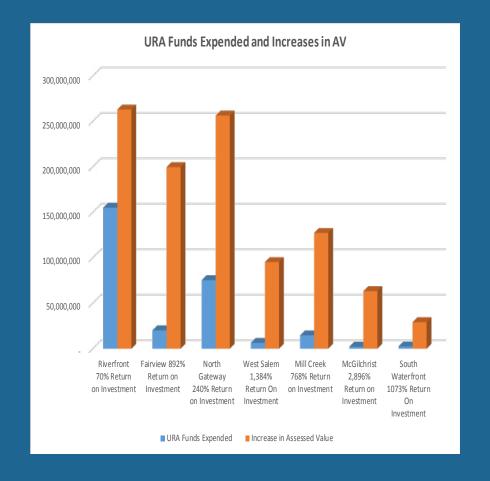
What is Urban Renewal?

Urban Renewal or Tax Increment Financing is a tool used by municipalities to finance improvements and redevelopment in specific areas of a city by reinvesting the increase in the area's property taxes. When the district is created, the assessed value of property within the district is set (or "frozen") and those taxes continue to go to the government (city, county, and school districts throughout the State). Any property value increase above that frozen amount is called the "increment". The amount of taxes on the increased value (or "increment") is what is collected for the urban renewal district to use for redevelopment projects. The State of Oregon created the legislation that allows for urban renewal; districts are created by local municipalities. In Salem, the City Council decides what areas should be included in urban renewal districts. The Council also creates a Plan for improving the area.

There are seven Urban Renewal Areas in Salem and each area's Plan includes a list of specific projects that were approved by the City Council.







City of Salem Urban Renewal Areas Maximum Indebtedness As of June 30, 2020

	Maximum Indebtedness	Borrowed to Date	Borrowing Capacity Remaining
Pringle Creek Urban Renewal Area (Closed)			
Riverfront/Downtown Urban Renewal Area	\$315,000,000	\$113,464,345	\$201,535,655
North Gateway Urban Renewal Area	\$101,466,402	\$ 74,998,004	\$ 26,468,399
Fairview Industrial Park Urban Renewal Area	\$ 6,286,000	\$ 6,281,615	\$ 4,385
West Salem Urban Renewal Area	\$ 31,000,000	\$ 11,227,425	\$ 19,772,575
Mill Creek Industrial Park Urban Renewal Area	\$ 26,000,000	\$ 15,336,299	\$ 10,663,701
McGilchrist Urban Renewal Area	\$ 11,000,000	\$ 6,600,000	\$ 4,400,000
South Waterfront Urban Renewal Area	\$ 24,000,000	\$ 3,077,000	\$ 20,923,000

Urban Renewal Grant Programs... Leveraging Private Investment

Three of Salem's Urban Renewal Areas have grant programs aimed at assisting property owners with new construction, building renovation, and capital equipment purchases. Our URA grants encourage private investment in development and redevelopment for the benefit of the community.



Gilgamesh Brewing: The Woods

Riverfront Downtown Urban Renewal Area

FY 2019-20 Total Committed to Grants	\$ 3.0 million
FY 2019-20 Private Funds Committed to Projects	\$ 29.0 million

North Gateway Urban Renewal Area

FY 2019-20 Total Committed to Grants	\$ 0.52 million
FY 2019-20 Private Funds Committed to Projects	\$ 1.5 million

West Salem Urban Renewal Area

FY 2019-20 Total Committed to Grants	\$ 0.36 millio
FY 2019-20 Private Funds Committed to Projects	\$ 2.06 millio

Affordable Housing

In 2020, Salem opened Redwood Crossings, the community's newest collaborative affordable housing project designed to address homelessness in our community, including permanent supportive housing and transitional respite care housing units.



Redwood Crossings

The 37-unit permanent supportive housing complex for the chronically homeless is the first of its kind in Salem. It includes six respite units being leased by Salem Health for chronically homeless patients that need additional recovery time. The ARCHES program is providing supportive services onsite with the assistance of additional partners.

Downtown Revitalization

The complete internal and external restoration of the 12,168 square foot historic 440 State Street Building (known now as Fork Forty) was completed in late summer 2020. The renovations took formerly unusable basement and second floor space and created rentable commercial/retail units, storage, and five second-floor rental housing units.

The ground floor space is home to seven



Fork Forty Food Hall micro-restaurants and a bar, similar to a "Food Hall" providing a new unique eating

In addition, several new businesses located in downtown Salem, including:

Masonry Grill - *Restaurant*

experience in downtown Salem.

- **La Familia -** *Cidery*
- **Azuls** Restaurant
- **Brandy's All City Sweets** Bakery



Salem Municipal Airport

There are 750 acres of land at the Salem Municipal Airport.

Over 39,800 operations are completed each year at the Salem Municipal Airport.

17 businesses are located on the Airport, employing over 500 people.

Accomplishments

Business Retention and Recruitment: Help local companies create or retain jobs; attract new companies to Salem.

- Committed \$4,013,145 in grants to help businesses locate and expand in the City's West Salem, North Gateway, and Riverfront Downtown Urban Renewal Areas (includes \$126,445 in Riverfront Downtown URA Strategic Grant Program commitments).
- Made 46 retention visits to local businesses and attended 23 business networking events (includes virtual), in support of the City's small business retention and expansion program.
- Responded to 25 inquiries from site selectors with information about locating businesses in Salem and the region.
- Six companies began receiving the Enterprise Zone benefit in the 20-21 tax year, totaling 1,214 new jobs and \$98,196,635 in private investment.

Public Improvements:

Support public improvement projects.

- Completed 7 public right-of-way acquisitions to support infrastructure projects.
- Completed the acquisition of 1 property for public use.
- Contributed \$4.2 million to Division Street improvements adjacent to the Salem Police Station.
- Contributed \$4.7 million to construction of the new Salem Police Station.
- Spent \$1.8 million to grade 23 acres for wetlands to serve as stormwater quality and detention area for future development of the southern Mill Creek Corporate Center. Project included a multi-use path to connect Mill Creek Drive to Turner Road.

Accomplishments (continued)

Public Improvements (continued): Support public improvement projects.

Contributed \$1.3 million toward a project to daylight Pringle Creek between Commercial Street and the Willamette River. The project eliminated creek obstructions to minimize flooding impacts; improved fish passage for salmonids; and graded the site for a future pedestrian path that will link Riverfront Park with south-central Salem. Stormwater utility funds were also used to construct the improvements.

Environmental Best Practices:

Promote environmental best practices for City and Agency projects

 Completed a Phase I and Phase II environmental site assessment to help facilitate the sale, purchase and/ or re-use of underutilized properties in Salem.

Affordable Housing:

Create and preserve affordable housing.

- Assisted 165 households retain or obtain housing through the security deposit and tenant based rental assistance programs.
- Provided funding to create or renovate 145 affordable housing units.

Social Services:

Provide critical emergency services to low income individuals.

- Provided funding for emergency food services to over 42,000 low income residents in Salem.
- Provided crisis hotline assistance to over 16,881 persons in need of general reassurance, service referrals, crisis intervention, suicide assessment and support.

Salem Housing Authority

The Salem Housing Authority's (SHA's) mission is to assist low- and moderate-income families to achieve self-sufficiency through stable housing, economic opportunity, community investment, and coordination with social service providers. SHA administers a variety of programs to support its mission, including the Housing Choice Voucher Program, Homeless Rental Assistance Program, and Security Deposit Program. In addition, SHA owns and manages over 693 rental units for Public Housing, Affordable Housing, and Senior Housing.

In 2019-20, the Salem Housing Authority:

- Assisted 308 citizens known by local service providers as least likely to find housing through the Homeless Rental Assistance Program (HRAP) and provided intensive case management, resource and referrals, housing placements, landlord engagement, and administered all rental assisance and barrier removal funds for the program.
- Added a Housing Navigator position to assist HRAP clients find housing resources and navigate housing barriers.
- Opened Redwood Crossings, a 37-unit Permanent Supportive Housing complex for the chronically homeless

 the first of its kind in Salem. Complex includes six respite units leased by Salem Health for chronically
 homeless that need additional recovery time and onsite supportive services through The ARCHES program.
- Continued the development process to add 175 additional affordable housing apartments.
- Leased 226 units to elderly residents through the Senior Housing Program.
- Housed 64 veteran families through the Veterans Administration Supportive Housing Program.
- Provided security deposit assistance to 165 households earning less than 50 percent of median family income.
- Served 119 households using family unification vouchers.
- Administered over 3,000 Housing Authority payment vouchers.



Salem Urban Development

www.cityofsalem.net/URA

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