CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT, AND LEAST COST FASHION

AGENDA

KEIZER CITY COUNCIL
REGULAR SESSION

Monday, October 5, 2009
7:30 p.m.
Robert L. Simon Council Chambers
Keizer, Oregon

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC TESTIMONY**
   This time is provided for citizens to address the Council on any matters other than those on the agenda scheduled for public hearing.

5. **PUBLIC HEARINGS**

   a. **ORDER – In the Matter of the Interpretation of the Term “Energy Facility” in the Keizer Development Code and Associated Interpretations**

6. **ADMINISTRATIVE ACTION**

   a. **ORDER – No Parking Bailey Road**

7. **CONSENT CALENDAR**

   a. **RESOLUTION – Approving Engineer’s Report for Magee Estates Street Lighting District**

   b. **RESOLUTION – Authorization for Appropriation Transfer for Civic Center Furnishings and Television Equipment**

   c. **Approval of September 8, 2009 Regular Session Minutes**

d. **Approval of September 14, 2009 Parks Tour Minutes**

e. **Approval of September 21, 2009 Regular Session Minutes**

8. COMMITTEE REPORTS

a. **Community Development Block Grant and HOME Investment Partnership Program – City of Salem and City of Keizer - Consolidated Annual Performance and Evaluation Report**

9. OTHER BUSINESS
This time is provided to allow the Mayor, City Council members, or staff an opportunity to bring new or old matters before the Council that are not on tonight's agenda.

a. **New Business or Old Business Issues**

10. WRITTEN COMMUNICATIONS
To inform the Council of significant written communications.

11. AGENDA INPUT

October 12, 2009
5:45 p.m. – City Council Work Session
*****CANCELED*****

October 19, 2009
6:00 p.m. Keizer Civic Center Building Dedication

7:00 p.m. City Council Regular Session

November 2, 2009
7:00 p.m. – City Council Regular Session

12. ADJOURNMENT

[redacted]

COUNCIL MEETING: <u>October 5, 2009</u>

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **NATE BROWN**
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: **PROPOSED INTERPRETATION BY CITY COUNCIL OF KDC 2.114.03(E)(1) AND 2.425.01 REGARDING ENERGY FACILITIES**

<u>BACKGROUND:</u> As the Zoning Administrator, I have been asked to provide direction on the zoning requirements for locating a natural gas powered energy facility in the Industrial General (IG) zone. After lengthy review and investigation, the issues regarding such use is unclear and therefore, a request for interpretation has been made of the Council in my letter to the Council on September 22, 2009 (see Attachment 1). Because of the importance of the issues surrounding locating such a facility, staff has made provisions to notice this as a public hearing in the Keizertimes in both its September 25, and October 2 issues, and invited all interested parties to participate in the discussion.

<u>ISSUE:</u> Keizer Development Code (KDC) section 2.114.03(E)(1) (IG zone) allows for an "Energy Facility" as a Special Permitted Use subject to the "applicable standards" in Section 2.4. The KDC lists various energy facilities in 2.425.01, and provides a list of types of energy facilities. This section then lists standards that must be met by those facilities listed. Natural gas-fired electric generating facilities are not specifically included in this list. However, the list of facilities is preceded by the word "includes" which does not necessarily mean it is exclusive of other uses. A copy of the Energy Facilities chapter is attached as Attachment 2.

Adding to the uncertainty is the fact that the KDC is dependent upon the Standard Industrial Classification (SIC) system wherein electric generating facilities are listed in "Major Group 49" which is included in the Industrial General zone as an outright permitted use under "Transportation, Utilities, and Communication", with no siting requirements of any kind.

Further adding to the lack of clarity in the KDC is the fact that though the Energy Facilities chapter lists those types of facilities that are allowed to be sited with conditions listed under "Specially Permitted Uses"--there are no conditions listed for "hydro-electric facilities" in that chapter even though such facilities are included in the list, indicating that the list contained in that chapter is indeed intended to be by example and not exclusive.

Based upon the ambiguity of the development code, the argument can be made that a gas fired energy facility is intended to be either an outright "Permitted Use" under SIC Major Group 49, or a "Special Permitted Use" under KDC 2.114.03(E)(1). Staff believes because there is a specific category of "Energy Facilities" in the KDC, that the intent of the code structure is, rather than a general listing of such use in the SIC, a stated intent that energy facilities listed are intended to be considered as a Special Permitted Use under the same general standards identified in that section of the KDC.

In addition to providing clarification for the specific question of how should a gas fired electric generating facility be considered, the Council may wish to limit the interpretation to gas-fired generation facilities. Arguably, the uses listed as examples under Energy Facilities are the type of uses that minimally impact the environment, and natural gas-fired plants can fit in this category. However, staff recommends to Council clearly limit the interpretation to the question asked; namely, whether natural gas-fired plants are allowed. Therefore, this interpretation cannot be expanded to other types of generation facilities (for example, oil and coal plants) without further Council action.

Included in the attachments (Attachment 3) is a copy of the letter from Michael Robison, an attorney representing Keizer Energy LLC.

RECOMMENDATION: Staff recommends the Council adopt the attached Order declaring gas fired electric generating facilities are intended to be allowed as a special permitted use under General Standards of the Energy Facilities (Section 2.425), and is not intended to be allowed as an outright permitted use under SIC Group 49. In addition, the interpretation provides that "Public and private utilities" (KDC 2.114.02(L)) does not include Energy Facilities. Finally, the interpretation is clearly limited to the question of natural gas-fired generation facilities.

KEIZER

City of Keizer

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COPY

September 22, 2009

Mayor Lore Christopher and
Keizer City Council

Dear Mayor Christopher and Councilors:

A question has arisen as [illegible] mea[illegible] "Energy [illegible] et forth in the Keizer Development Code [illegible] ques[illegible]

Keizer Developm[illegible] de is unclear or conflicts with an[illegible] etermined by the Zoning Administr[illegible] oning Administrator may request that the [illegible] ty Council resolve the conflict or uncertainty. KDC 1.[illegible]

This letter is my formal request as [illegible] rator for the City Council to interpret the Keizer Development Code in [illegible]

The uncertainty or conflict arise[illegible] nergy Facility" in the General Industrial (IG) zone and the me[illegible] tation, Utilities and Communications" use in KDC 2[illegible] ally, a question has arisen as to whether natural gas-fired power [illegible] ed in either the term "Energy Facility" or in the "Transportation, Utilities and [illegible] unication" use.

I request that the City Council hold a public hearing and address this matter. Consequently, a public hearing has been scheduled for October 5, 2009. Please contact me if you have any questions in this regard. Thank you.

Sincerely,

Nate Brown
Community Development Director

C: City Manager
City Attorney
City Recorder

2.425 ENERGY FACILITIES

Where permitted as a special use, Energy Facilities shall meet the following additional use and development standards. (5/98)

2.425.01 General Standards

Energy facilities including hydro-electric facilities, transmission facilities, wind facilities, biomass facilities, and geothermal facilities, where permitted as a special use, shall meet the following additional use and development standards where they are referred to in the specific facility standards for the particular type of energy facility in this section. (5/98)

A. Location Limitation. An energy facility shall not be located in the areas listed in 1., through 3., unless a facility complies with 4.. (5/98)

1. National wildlife refuges, BLM Outstanding Natural Areas, BLM Areas of Critical Environmental Concern, Federal Research Natural Areas, U.S. Forest Service Special Interest Areas, wilderness areas under the Federal Wilderness Act and areas recommended for designation as wilderness areas pursuant to Section 603 of the Federal Land Policy Management Act of 1976, Federally designated Wild and Scenic Rivers or any rivers recommended for designation by the National Park Service. (5/98)

2. State of Oregon parks, waysides, refuges, wildlife management areas, and natural area preserves, scenic waterways and adjacent lands designated pursuant to ORS 390.845, wild fish streams designated by the Oregon Department of Fish and Wildlife, and experimental areas established by the Rangeland Resources Program, School of Agriculture, OSU. (5/98)

3. Energy facilities shall not be located in areas designated as slide hazard areas and, except for hydroelectric facilities, in areas designated as floodplain. (5/98)

4. An energy facility may be permitted as a conditional use in an area listed in 1., and, 2., if. (5/98)

    a. It is compatible with adjacent uses and resources. (5/98)

    b. It is accessory to a permitted use. (5/98)

    c. The application is authorized or the use is approved by the public agency responsible for designation or management of the protected area in which an energy facility is proposed. (5/98)

    d. An applicant provides resources equal or better in quantity and quality to those adversely affected by a facility. (5/98)

2.425.02 Transmission Facility

A. Location Requirements. The facility shall be built in an existing public road or utility right-of-way; and. (5/98)

1. Shall not increase the average width of the clearing for the existing cleared right-of-way by more than 50 percent nor result in clearing of a right-of-way with an average width of more than 125 feet, whichever is less, and

2. Will not increase the extent to which the right-of-way is in an area identified in 2.425.01 1., through 3., except as permitted in 2.425.01, 4. (5/98)

2.425.03 Wind Energy Conversion System (WECS)

A. Height. The WECS or wind measurement device shall be not more than 200 feet in height. (5/98)

B. Number. No more than 2 (two) WECS shall be located on the same lot. (5/98)

C. Setbacks. The WECS shall be set back from lot lines 5 (five) rotor diameters (horizontal axis) or the total WECS height (vertical axis) whichever is greater, or the applicant shall obtain easements on adjacent properties that comply with ORS 105.900 to 105.915 for the positive area of the setback area located on adjacent properties. (5/98)

D. Setback Restrictions. The WECS or wind measurement device (including guy wires) shall not encroach into required setbacks for primary structures in the zone or be closer than 12 feet to any major structure or right-of-way for primary aboveground telephone or electrical transmission and distribution lines. (5/98)

E. Access Restrictions. Public access to a WECS shall be restricted by one or more of the following methods, provided that vertical access WECS shall comply with (3). (5/98)

1. Removal of tower-climbing fixtures to 12 feet from the grade; or

2. Installation of a landscaping, anti-climb device on the tower; or

3. Installation of a minimum 8 foot high security fence. (5/98)

2.425.04 Biomass Facility

A. Accessory Use. The Biomass facility shall be accessory to an industrial or farm use that provides at least 50 percent of the biomass fuels. (5/98)

B. Fuel Limitation. The Biomass facility shall not use municipal solid waste as a fuel. (5/98)

C. Combustion Limitation. If the Biomass facility involves direct combustion, it shall be located. (5/98)

1. At least 5 miles from land with an elevation higher than the elevation at which the facility discharges airborne wastes; and

2. At least 5 miles from a Class I Prevention of Significant Deterioration Area. (5/98)

2.425.05 Geothermal Facility

A. Prospect Well. The Geothermal facility shall be a prospect well, a producing geothermal well providing energy through off-site transmission pipes to off-site development. (5/98)

B. Waste Discharge. Waste facilities shall be discharged or collected so they do not enter lakes and Class I or II streams untreated (as classified by the State Department of Water Resources). (5/98)

C. Outdoor Storage. Any structure and outdoor storage areas for the facility shall be at least 100 feet from adjacent property. (5/98)

D. Access Restrictions. Public access to the facility site shall be restricted by providing protective fencing around well sites and temporary fencing of pits, sumps, and recently vegetated areas. (5/98)

E. Transmission Facilities. Off-site transmission pipes shall be placed underground within a surveyed right-of-way. (5/98)

2.114 GENERAL INDUSTRIAL (IG)

2.114.01 Purpose

The purpose of the IG (General Industrial) zone is to provide appropriate areas suitable for warehousing primary and secondary processing, packaging, fabricating of finished goods and equipment with related outdoor storage and incidental sales. The General Industrial zone is appropriate in those areas designated General Industrial in the Comprehensive Plan where the location has access to an arterial street or highway for transport of bulk materials and where the noises, lights, odors, and traffic hazards associated with permitted uses will not conflict with local and collector streets. (5/98)

2.114.02 Permitted Uses

The following uses, when developed under the applicable development standards in this Zoning Ordinance, are permitted in the IG zone:

A. **Dwelling unit or guest room for a caretaker** or watchman on the premises being cared for or guarded. (5/98)

B. **Recycling depots**. (5/98)

C. **Agricultural services** (07). (5/98)

D. **Construction contractor's offices** and related outdoor storage (15, 16, 17). (5/98)

E. **Manufacturing and Assembly** (20-39); BUT EXCLUDING. (5/98)

1. Pulp, paper and paper board mills (261, 262, 263, 266). (5/98)
2. Agricultural chemicals (287) and miscellaneous chemical products (289). (5/98)
3. Leather tanning and finishing (311). (5/98)
4. Cement (324); structural clay products (325), concrete, gypsum and plaster products (327) and abrasive, asbestos and miscellaneous non-metallic mineral products (329). (5/98)
5. Metal forgings and stamping (346) and ordnance and accessories (348). (5/98)
6. Storage batteries (3691) and primary batteries (3692),. (5/98)

F. **Transportation, utilities and communication** (40 - 49), BUT EXCLUDING travel agencies (4722). (5/98)

G. **Wholesale trade** (50, 51), BUT EXCLUDING scrap and waste materials establishments (5093) livestock (5154). (5/98)

H. **Food stores and eating and drinking places** (58). (5/98)

I. **Business and Professional Services**: The following business and professional services are permitted provided the gross floor area shall not exceed 10,000 square feet. (5/98)

1. Cleaning services, including power laundries, family and commercial (7211), dry cleaning plants (7216), carpet and upholstery cleaning (7217), industrial launderers (7218) and laundry and garment services, not elsewhere classified (7219). (5/98)

2. Business services (73). (5/98)

3. Repair shops and related services, not elsewhere classified (7699). (5/98)

4. Vocational schools, except vocational high schools, not elsewhere classified (8249). (5/98)

5. Miscellaneous services (89). (5/98)

J. **Research, development and testing services** (873)

K. **Fire protection** (9224). (5/98)

L. **Public and Private Utilities**. (5/98)

M. **Uses clearly accessory to and subordinate** to the above. (5/98)

2.114.03 Special Permitted Uses

The following uses, when developed under the applicable development standards in the Ordinance and special development requirements, are permitted in the IG zone:

A. **Partitions**, subject to the provisions in Section 2.310. (5/98)

B. **Subdivision**, subject to the provisions in Section 2.310. (5/98)

C. **Planned unit development**, subject to the provisions in Section 2.311. (5/98)

D. **Accessory structures** and uses prescribed in Section 2.203. (5/98)

E. The following special uses subject to the applicable standards in Section 2.4:

1. **Energy facility** (Section 2.425). (5/98)

2. **Wireless Telecommunications Facilities** (Section 2.427). (5/98)

2.114.04 Conditional Uses

All uses in SIC categories 20 to 51 and not specifically identified as a permitted use in, or specifically excluded from, Section 2.114.03 may be established by a conditional use permit. The following shall also require a conditional use permit:

A. **Wrecking yards**. (5/98)

A. **Solid waste transfer facility**. (5/98)

2.114.05 Prohibited Uses

A. The following uses are prohibited on properties within the Keizer Station Plan boundary: (02/03)

1. Manufacturing of grain mill products (204) (02/03)

2. Manufacturing of biological products, except diagnostic substances (2836) (02/03)

3. Soaps, detergents, and cleaning preparations, perfumes, cosmetics, and other toilet preparations (284) (02/03)

4. Miscellaneous plastic products (308) (02/03)

5. Motor freight transportation and warehousing (42) (02/03)

2.114.06 Dimensional Standards

A. Minimum Lot Dimension and Height Requirements

LOT SIZE	The parcel size shall be adequate to contain all structures within the required yard setbacks.
STRUCTURE HEIGHT	100 feet (1)

(1) Required setbacks shall increase 1 foot for every foot the height exceeds 50 feet. (5/98)

(2) Within the Keizer Station Plan boundary, one additional foot in height is permitted for every five feet of additional setback within fifty feet from property lines adjacent to residential uses. (02/03)

B. Minimum Yard Setback Requirements

ADJACENT PROPERTY USE

SETBACKS	Single Family or Duplex	Multi-Family	Commercial	Industrial
Front	5 feet	5 feet	5 feet	5 feet
Side	(1), (2)	(1), (2)	(1)	(1)
Rear	(1), (2)	(1), (2)	(1)	(1)
Street-side	5 feet	5 feet	5 feet	5 feet
Garage entrance (3)	20 feet	20 feet	20 feet	20 feet

(1) The setback shall be no less than the minimum rear yard setback of the zone on the adjacent property. For the IG zone, the rear yard setback is 0 feet. (5/98)

(2) A sight-obscuring fence shall contain yards adjacent to residential zones, wall, or hedge a minimum of 8 feet in height. (5/98)

(3) The garage entrance setback shall be measured from the property line or edge of private access easement to the entrance of the garage. The centerline of the driveway shall be measured if the driveway to the garage entrance is not perpendicular to the property line or private access easement. In no case shall a garage be set back less than the minimum front, side, and rear setbacks. (5/98)

2.114.07 Development Standards

All development in the IG Zone shall comply with the applicable provisions of this Ordinance. The following includes referenced items as well as additional development requirements:

A. **Off Street Parking**. Parking shall be as specified in Section 2.303. (5/98)

B. **Design Standards** - Unless specifically modified by provisions in this Section, buildings located within the IG zone shall comply with the Development Standards in Section 2.315. A caretaker's dwelling shall comply with the design standards in Section 2.314. (5/98)

C. **Subdivisions and Partitions**. Land divisions shall be reviewed in accordance with the provisions of Section 2.310. (5/98)

D. **Yards and Lots**. Yards and lots shall conform to the standards of Section 2.312. (5/98)

E. **Signs**. Signs shall conform to the requirements of Section 2.308. (5/98)

F. **Accessory Structures**. Accessory structures shall conform to requirements in Section 2.313. (5/98)

G. **Landscaping**. A minimum of 10% of the property shall be landscaped, including all required yards. Landscaped areas shall be landscaped as provided in Section 2.309. (5/98)

H. **Lot Coverage**. The combined maximum building and parking area coverage shall not exceed 90%. (5/98)

I. **Open Storage**. Open storage of materials used for the manufacture or assembly of goods, and equipment is prohibited in required yards, but is otherwise permitted provided that such storage is enclosed with a sight-obscuring fence, wall, hedge, or berm a minimum of 8 feet in height. (5/98)

Plat: The final map which is a diagram, drawing, re-plat or other writing containing all the descriptions, locations, specifications, dedications, provisions, and information concerning a subdivision or partition. (5/98)

Portable Sign [Sign]: Any sign that is not originally designed to be permanently affixed to a building, structure, or the ground. A sign originally designed, regardless of its current modification, to be moved from place to place. These signs primarily include, but are not limited to, A-frame or sandwich board signs, signs attached to wood or metal frames and designed to be self supporting and movable, and also including trailer reader boards. Portable signs are not to be considered temporary signs as defined and used in this chapter. (5/98)

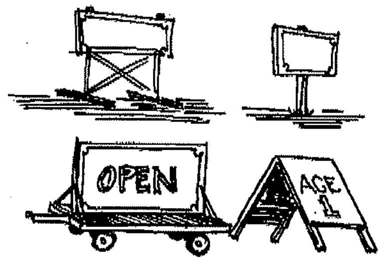

Figure 24 – Portable Signs

Primary Building Façade:
Primary building façade means the side of a building that faces the street and has a main pedestrian entrance from the street. (01/02)

Professional Office: An office occupied by an accountant, architect, attorney-at-law, engineer, surveyor, city or regional planner, insurance agent, real estate broker, landscape architect, or practitioner of the human healing arts, or other professional business similar in type, scale and character. (5/98)

Projecting Signs [Sign]: A sign the face of which is not parallel to the wall on which it is mounted, projecting more than 12 inches from a structure. (5/98)

Public Facilities and Services: Projects, activities, and facilities which are necessary for the public health, safety, and welfare. These may include, but are not limited to, water, gas, sanitary sewer, storm sewer, electricity, telephone and wire communication service, and cable television service lines, mains, pumping stations, reservoirs, poles, underground transmission facilities, substations, and related physical facilities which do not include buildings regularly occupied by employees, parking areas, or vehicle, equipment or material storage areas. (5/98)

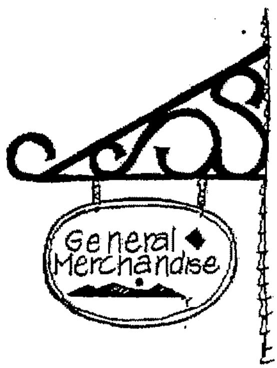

Figure 25 – Projecting Sign

Quasi-Judicial Review: A decision affecting land use within the City which requires the interpretation and/or amendment of existing standards or maps contained in this Ordinance. (5/98)

Use: The purpose for which land or a structure is designed, arranged or intended, or, for which it is occupied or maintained. (5/98)

Utility: See "Public Facilities and Services." (5/98)

Vanpool: A group from 5 to 15 commuters, including the driver, who share the ride to and from work or other destinations on a regularly scheduled basis. (5/98)

Vegetative Fringe [Greenway]: A line generally parallel with the water line at least 30 feet upland from the ordinary high water mark including riparian and other vegetation screening upland development or activity areas from visibility from the water surface in the summer months. (5/98)

Vehicle: For purpose of this Ordinance vehicle shall have the same meaning as the definition in the rules and regulations of the Oregon Department of Transportation Driver and Motor Vehicle Division. (5/98)

Veterinary Clinic: A facility designed to contain treatment and temporary care facilities for domestic animals, including both pets and farm animals, under the direction of a licensed veterinarian. (5/98)

Vision Clearance Area: A triangular area at the intersection of two streets, or a street and a driveway, two sides of which are lines measured from the corner intersection for a specific distance. The third side of the triangle is a line across the corner of the lot joining the ends of the other two sides. Where the lines at the intersections have rounded corners the lines will be extended in a straight line to a point of intersection. The vision clearance area shall be measured from the face of the curb and extend at right angles the designated distance in both directions along the intersection. Where there is no curb, the vision clearance area shall be measured from the edge of the pavement and extend at right angles for the appropriate distance in both directions along the intersection. (5/98)

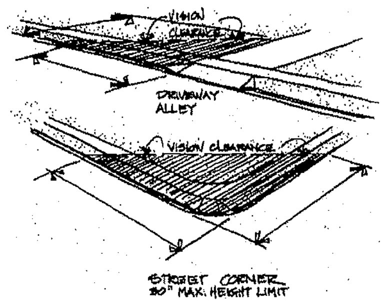

Figure 31 – Vision Clearance Area

Figure 32 – Wall Sign

Wall Sign [Sign]: A sign attached to, erected against or painted on a wall of a building or structure, with the exposed face of the sign in a plane approximately parallel to the face of

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September 30, 2009

VIA EMAIL

Mayor Lore Christopher
City of Keizer, Oregon
City Hall
930 Chemawa Rd. NE
Keizer, OR 97303

Re: Request for Interpretation by City of Keizer Zoning Administrator

Dear Mayor Christopher and Members of the Keizer City Council:

This office represents Keizer Energy LLC ("Keizer Energy"). I am writing on Keizer Energy's behalf to support the proposed interpretation of the Keizer Zoning Ordinance ("KZO") that an electricity generating plant fired by natural gas is an "energy facility" allowed as a specially permitted use in the General Industrial ("IG") zoning district.

The Zoning Administrator initiated the interpretation for two (2) reasons. First, to clarify that an electricity-producing facility fired by natural gas is one of the allowed energy facilities in KZO Section 2.114.03(E). Energy facilities are described in KZO 2.425.01 as follows:

> **"Energy facilities including hydro-electric facilities, transmission facilities, wind facilities, biomass facilities, and geothermal facilities, where permitted as a special use, shall meet the following additional use and development standards where they are referred to in the specific facility standards for the particular type of energy facility in this section."**

The City Council adopted KZO Section 2.114.03(E) using the word "including," which means the listed kinds of energy facilities are not the exclusive list. The Zoning Administrator wants to clarify that a gas-fired electricity-generating plant is an energy facility.

Second, the Zoning Administrator wishes to clarify that KZO Section 2.114.02(F) is not available for this use. KZO Section 2.114.02(F) is entitled "Transportation, Utilities and Communications." This use is allowed in a number of zoning districts (including the MU, CM, GC, IG districts). The Standard Industrial Code ("SIC") definition of this use provides as follows:

> **"This major group includes establishments engaged in the generation, transmission and/or distribution of electricity or gas or steam. Such establishments may be combinations of any of the above three services and also include other types of services, such as transportation, communications, and refrigeration. Water and irrigation systems, and sanitary systems engaged in the collection and disposal of garbage, sewage, and other wastes by means of destroying or processing materials, are also included. If one service of a combination system does not constitute 95 percent or more of revenues, the establishment should be classified as a combination in Industry Group 493, with the subgroup being determined by the major service supplied."**

KZO Section 2.114.02(F) allows electricity-generating plants. The Zoning Administrator wishes to clarify the fact that this allowed use does not mean that a gas-fired, electricity-generating plant is not an energy facility in the IG zoning district.

Keizer Energy supports the proposed interpretation for three (3) reasons. First, nothing in the KZO precludes a use from being allowed in one zone even if it is allowed in another zone. The City Council's use of the word "including" means that a particular type of electricity-generating plant is not precluded as an "energy facility" in the IG zoning district simply because it is not listed. It is common to describe a few uses and preface those uses with the word "including" so that other uses are not precluded. This is often done because it is not possible to list all of the possible uses that would fit into a particular use category.

Second, the interpretation before the City Council is not about the use itself. Energy facilities in the IG zoning district are specially permitted uses subject to the standards in

KZO Section 2.425. They are not conditional uses and the conditional use approval criteria in KZO Section 3.103 do not apply. Instead, if an energy facility meets the specified conditions in KZO Section 2.425, it is a permitted use. Therefore, the issue before the City Council is not whether an energy facility will occur in the IG zoning district, but whether an electricity-generating plant fired by natural gas is one of the specially permitted energy facilities.[1]

Third, this interpretation is well within the discretion of the City Council. The City Council has the ability to interpret its enactments as long as they are reasonable and not inconsistent with the context or purpose of the enactment. *Western Land & Cattle, Inc. v. Umatilla County* (A141408, August 5, 2009); ORS 197.829(1).

For these reasons, Keizer Energy respectfully requests that the City Council adopt the interpretation advocated by the Zoning Administrator and determine that an electricity-generating plant fired by natural gas is an energy facility and, is therefore, a specially-permitted use in the IG zoning district.

Very truly yours,

Michael C. Robinson

MCR:crl

cc: Mr. Chuck Sides (via email)
Mr. Don Jensen (via email)
Mr. Nate Brown (via email)
Mr. Shannon Johnson (via email)
Mr. Chris Eppley (via email)

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[1] The KZO defines "special permitted use" as a "permitted use in a particular zone subject to compliance with the applicable Standards of Section 2.400."

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

ORDER

IN THE MATTER OF THE INTERPRETATION OF THE TERM "ENERGY FACILITY" IN THE KEIZER DEVELOPMENT CODE AND ASSOCIATED INTERPRETATIONS

WHEREAS, Keizer Development Code (KDC) Section 1.102.03 provides that the Zoning Administrator may request City Council to interpret or resolve conflict or uncertainty in a certain provision of the KDC;

WHEREAS, interpretation of allowed uses under the term "Energy Facilities" is necessary to determine the allowed uses in the General Industrial (IG) zone;

WHEREAS, additional associated interpretations and clarifications are necessary;

WHEREAS, the Zoning Administrator has requested such interpretations by way of letter dated September 22, 2009 to the Mayor and City Council;

WHEREAS, the City Council held a public hearing on October 5, 2009 and considered testimony submitted at such hearing;

NOW, THEREFORE;

IT IS HEREBY ORDERED by the City Council of the City of Keizer as follows:

Section 1. <u>Interpretation</u>. After public hearing and full consideration of this matter, the City Council of the City of Keizer interprets the term "Energy Facility" and other terms and provisions of the Keizer Development Code as set forth in Exhibit "A" attached, and by this reference incorporated herein.

Section 2. Formal Filing of Interpretation. The Zoning Administrator and City Recorder are directed to file this Order as a formal interpretation of the matter as set forth in Exhibit "A".

PASSED this ____________ day of ____________________, 2009.

SIGNED this ____________ day of ____________________, 2009.

____
Mayor

____
City Recorder

EXHIBIT "A"

INTERPRETATION BY KEIZER CITY COUNCIL OF TERM "ENERGY FACILITY" IN KEIZER DEVELOPMENT CODE SECTIONS 2.114.03(E)(1) AND 2.425.01, AND ASSOCIATED INTERPRETATIONS

1. Introduction.

Keizer Development Code ("KDC") Section 1.102.03 provides as follows:

> **"When a certain provision of this Ordinance conflicts with another provision of this Ordinance or is unclear, the correct interpretation of the Ordinance shall be determined by the Zoning Administrator. The Zoning Administrator may, at his/her discretion, request that City Legal Council [sic], the Planning Commission or the City Council resolve the conflict or uncertainty."**

The subject of this interpretation is the meaning of the phrase "Energy Facility" and associated terms and provisions. Because, as explained below, the meaning of this phrase is currently unclear and might conflict with another provision of the KDC, the Zoning Administrator has requested that the City Council resolve the conflict or uncertainty. The Zoning Administrator's letter dated September 22, 2009 requesting such action is part of the Record in this proceeding.

2. Relevant KDC Sections.

The first relevant section is KDC 2.114.03(E)(1), "Energy Facility." This section is found in the General Industrial ("IG") zoning district and is included under "Special Permitted Uses." Special permitted uses are allowed "when developed under the applicable development standards in the Ordinance and special development requirements…" KDC Section 2.114.03.

The second relevant section is KDC Section 2.425.01. This section is found in the "Energy Facilities" chapter and the relevant language provides as follows:

> **"Energy facilities including hydro-electric facilities, transmission facilities, wind facilities, biomass facilities, and geothermal facilities, where permitted as a special use, shall meet the following additional use and development standards where they are referred to in the specific facility standards for the particular type of energy facility in this section."**

The uncertainty or conflict arises from the use of the phrase "energy facility" in the IG zoning district and the presence of the use "Transportation, utilities and communication" also found in the IG zoning district. KDC Section 2.114.02(F). The Zoning Administrator has requested clarification of whether the phrase "energy facility" includes a natural gas fired electric generation plant as an energy facility and whether that use is allowed in the "Transportation, utilities and communication" use. For the reasons explained below, the City Council interprets the phrase "Energy Facility" as including natural gas fired electric generation plants.

3. Analysis.

The Keizer Development Code cites the relevant Standard Industrial Code ("SIC") page describing the "Transportation, utilities and communication" use (SIC Code 40-49). This use is found in other zoning districts within the City. The SIC describes this use as including electric generation facilities, without limitation. While the City Council finds that this use seems to allow for energy electric generation facilities, it also finds, for the reasons explained below, that the phrase "Energy Facility" in KDC 2.425 does not exclude a facility where electricity is generated through natural gas.

The City Council notes that KDC Section 2.425.01 lists five (5) types of energy facilities, but prefaces the list of energy facility types with the word "including." The use of the word "including" means that the City Council, when it adopted this section, did not intend to limit energy facilities to only those expressly listed in KDC Section 2.425.01. The City Council finds that energy facilities can include electric generation plants using natural gas for the electric generation because of the word "including." The City Council finds that this section did not intend to eliminate other types of energy facilities.

The City Council also finds that use "Transportation, utilities and communication" (KDC 2.114.02(F)) should not be interpreted to include electric generation facilities, notwithstanding the above noted SIC Code provision. The City Council finds that such reference is a scrivener's error in that the SIC Code was overly broad in this Section.

Additionally, the City Council finds that energy facilities are not included in the term "Public and Private Utilities" found in KDC 2.114.02(L). KDC Section 1.200.04 defines "utility" as "See "Public Facilities and Services." "Public facilities and services," in turn, are defined in a way that does not include energy generation facilities, but instead is limited to the lines transmitting public facilities and services such as water, gas, sanitary sewer, storm sewer, electricity, telephone and wire communication service lines as well as other types of transmission facilities and substations, but not energy facilities.

Finally, the City Council finds that this interpretation does not necessarily extend to all types of Energy Facilities. Natural gas generation facilities are similar to the other listed examples in that they have a low impact environmentally. Other types of facilities may not fit the type of listed facilities in this regard.

The City Council finds that these interpretations are consistent with Oregon law. ORS 197.829(1) provides the City Council is a legislative body with the authority to interpret its enactments provided they are consistent with the context, language and purpose. The City Council finds that that is the case in this matter because the context and purpose of the phrase "energy facility" is to, without limitation, provide for energy facilities in the IG zoning district.

4. Conclusion.

For the reasons contained herein, the City Council adopts the following interpretations:

a. The term “Energy Facility” (KDC 2.425) specifically includes natural gas-fired electric generation facilities.
b. The use “Transportation, Utilities and Communication” (KDC 2.114.02(F)) does not include any type of electric generation facilities, notwithstanding the above referenced SIC Code provision. This interpretation shall apply to this use consistently throughout the Keizer Development Code.
c. The use “Public and Private Utilities” (KDC 2.114.02(L)) does not include any type of electric generation facilities. This interpretation shall apply to this use consistently throughout the Keizer Development Code.
d. The interpretation of Energy Facilities does not necessarily extend to all types of Energy Facilities. Other types of Energy Facilities not listed in KDC 2.425 are not allowed without further Council interpretation.

CITY COUNCIL MEETING:____________________

AGENDA ITEM NUMBER:________________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: ROB KISSLER
DIRECTOR OF PUBLIC WORKS

SUBJECT: NO PARKING ON BAILEY ROAD NE ADJACANT TO
NEW CIVIC CENTER

DATE: SEPTEMBER 28, 2009

BACKGROUND:

With completion of the Keizer City Hall and Civic Center access and egress to the Police Department (PD) along Bailey Road is impaired due to new security walls and deliveries in the combined driveway serving the catering facilities for the Community Rooms. Improved vision clearance at the entrance and exit of the PD is needed by restricting parking north and south of the entrances along Bailey Road using yellow curbs. The attached exhibit shows location of the proposed no parking zones. Public Works field survey has determine this minimal no parking design will improve visibility when exiting and entering PD facilities and still allow parking along Bailey for Community Rooms events.

FISCAL IMPACT:

Estimated cost to complete this project is $250. Funds are available in the street fund budget line item 82.

RECOMMENDATION:

Staff recommends City Council adopt the attached order establishing a No Parking Zone along Bailey Road per the attached exhibit. Please contact me if you have questions.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

ORDER

DESIGNATING "NO PARKING" ZONES IN
CERTAIN AREAS OF BAILEY ROAD

WHEREAS, the City Council of the City of Keizer has authority pursuant to state statute and Keizer Ordinance No. 2005-535 to establish "no parking" zones;

WHEREAS, the creation of a new security wall on the east side of Bailey Road between Chemawa Road and Dearborn Road and deliveries in a combined driveway serving the catering facilities for the community rooms has created a safety hazard for public safety vehicles and citizens;

WHEREAS, the Police Department has requested that "no parking" zones be placed in certain areas of Bailey Road;

WHEREAS, the City Council has reviewed the matter and finds that it is appropriate to designate certain areas as "no parking".

NOW, THEREFORE;

IT IS HEREBY ORDERED by the City Council of the City of Keizer that "no parking" zones are hereby established in certain areas of Bailey Road as indicated on the attached exhibit.

IT IS HEREBY FURTHER ORDERED that the costs of installation and maintenance of the yellow curbs in the "no parking" zones be paid from the Street Fund.

IT IS HEREBY FURTHER ORDERED that this Order shall take effect immediately upon its passage.

PASSED this ____________ day of ____________________, 2009.

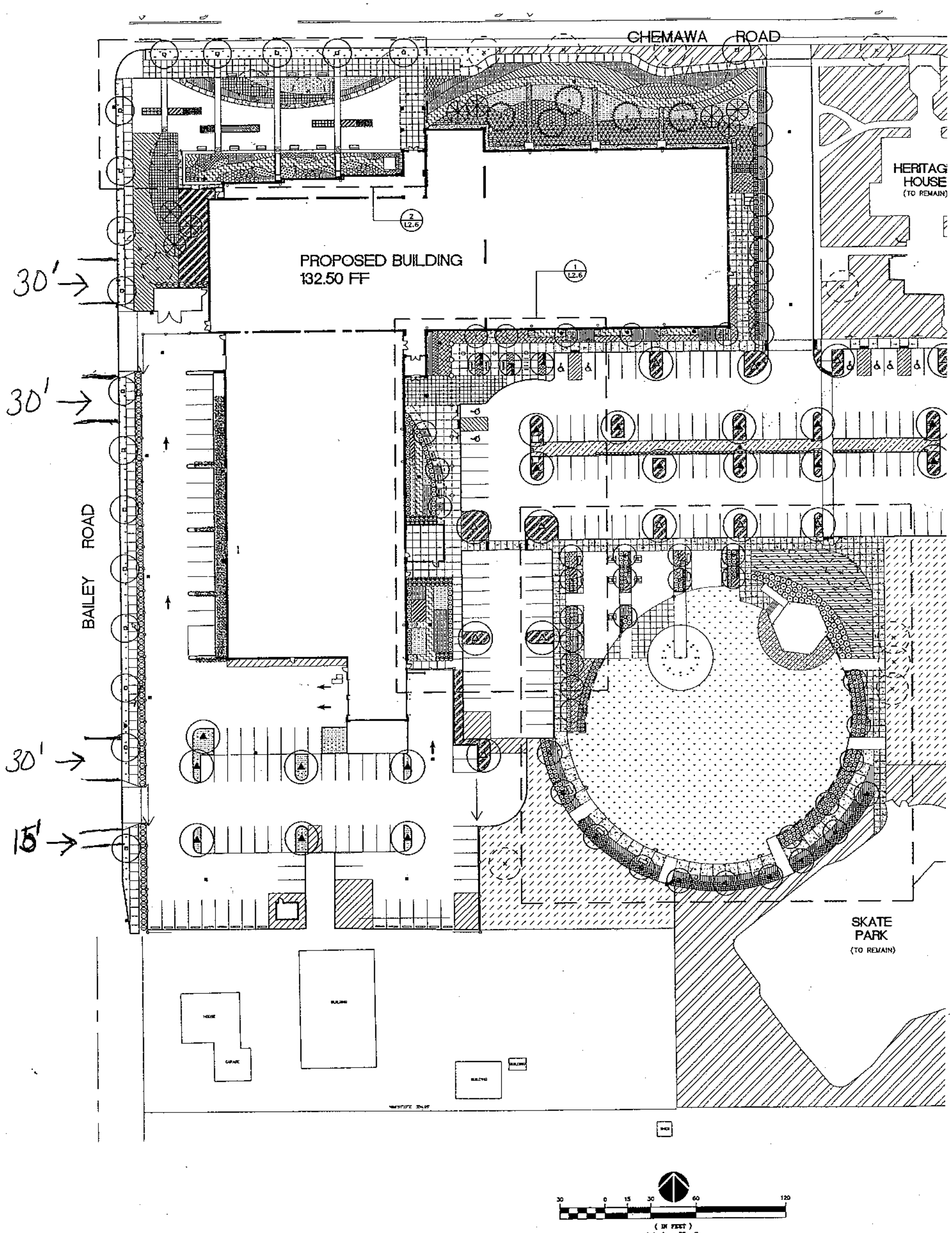
SIGNED this ____________ day of ____________________, 2009.

____

Mayor

____

City Recorder



CHEMAWA ROAD
HERITAG
HOUSE
(TO REMAIN)
2
L2.6
PROPOSED BUILDING
132.50 FF
1
L2.6
30'
30'
BAILEY ROAD
30'
15'
SKATE
PARK
(TO REMAIN)
30 0 15 30 60 120
(IN FEET)
1 inch = 30 ft.

COUNCIL MEETING: <u>October 5, 2009</u>

AGENDA ITEM NUMBER: ________________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: TRACY L. DAVIS, MMC
CITY RECORDER

SUBJECT: MAGEE ESTATES SUBDIVISION STREET LIGHTING LOCAL IMPROVEMENT DISTRICT

ISSUE:

On September 8, 2009, the City Council adopted Resolution R2009-1976 declaring the City's intent to initiate Magee Estates Subdivision Street Lighting Local Improvement District and directing the City Engineer to make a survey and file a written report with the City Recorder.

Attached to this staff report is a City Engineer's report filed for Magee Estates Subdivision Street Lighting Local Improvement District. The report was reviewed by the Public Works Department and found to meet the guidelines as outlined in the City of Keizer Ordinance for development of street lighting districts. Upon adoption of the report by the City Council, a public hearing will be scheduled to receive any remonstrances to the formation of this street lighting district.

FISCAL IMPACT:

The costs for establishing the district in the first year include a fee for the engineers report and an administrative fee to cover the costs for advertising and staff time in establishing the district. The City receives reimbursement from the property owners for these costs and the actual electricity used through assessments placed on the tax rolls. All activity is budgeted through the Street Lighting District Fund.

RECOMMENDATION:

It is recommended City Council adopt a Resolution approving the City Engineer's Report and set the public hearing date for November 2, 2009 to consider remonstrances and other comments on the district's formation and objections to proposed assessments.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2009-________

APPROVING THE CITY ENGINEER'S REPORT; DECLARING THE CITY'S INTENT TO FORM MAGEE ESTATES STREET LIGHTING LOCAL IMPROVEMENT DISTRICT; PROVIDING NOTICE AND SETTING HEARING

BE IT RESOLVED by the City Council of the City of Keizer, Oregon:

Section 1. That the City Council hereby finds the City Engineer's Report, marked as exhibit "A" and by this reference incorporated herein, containing preliminary plans and an estimate of probable costs for Magee Estates Subdivision Street Lighting Local Improvement District which was filed with the City Recorder on September 29, 2009 to be satisfactory, and the same are hereby approved and adopted.

Section 2. That the City Council hereby declares its intention to form Magee Estates Subdivision Street Lighting Local Improvement District and to make the lighting district improvements to serve Magee Estates Subdivision Street Lighting Improvement District.

Section 3. That the City Council hereby directs the City Recorder to give notice of its intention to form Magee Estates Subdivision Street Lighting Local Improvement District and to make the improvements by sending notice to the property owners within the district stating a public hearing will be held on November 2, 2009, said notice to also provide that information required under City of Keizer Ordinance 94-278, an ordinance providing for procedures for municipal lighting districts and special assessments.

PASSED this ____ day of _______________, 2009.

SIGNED this ____ day of _______________, 2009.

____
Mayor

____
City Recorder

City of Keizer
Phone: (503) 390-3700 • Fax: (503) 393-9437
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, OR 97307-1000

ENGINEER'S REPORT

FOR

MAGEE ESTATES SUBDIVISION

STREET LIGHTING DISTRICT

For City Council Action October 5, 2009

REGISTERED PROFESSIONAL ENGINEER
OREGON
JULY 12, 1968
WILLIAM I. PETERSON

Renew date: December 31, 2010

PREPARED BY:
Peterson Eng. Consultants, Inc.
4300 Cherry Ave. N
Keizer, OR 97303
(503) 390-7402

Date: September 21, 2009

Project File: 2007-1061

TO: The Hon. Mayor and City Council

FROM: City Engineer's Office

SUBJECT: Street Lighting District for Magee Estates Subdivision

Authority and Purpose: This report is submitted in accordance with the requirements of City of Keizer **Ordinance No. 94-278** and Council **Resolution 2009-1976** for the purpose of creating the subject Street Lighting District.

District Boundaries and Map: A Map of the proposed District is attached showing the areas benefitted by the street lights proposed to be installed.

Lighting Plan The lighting improvements will consist of 1, 100 Watt, high pressure sodium, flat lens luminary attached to a 30 foot, gray fiberglass pole. This design is selected to meet current standards and provide the most efficient light coverage. It is recommended that installation be accomplished by the following method:

> The Developer would supply and install the luminaries and poles. Portland General Electric Co. (PGE) would install the underground wiring and supply the electrical power to the District. The luminaries and poles would be owned by the City and maintained by PGE (Option B).

Estimated Costs:

Developer -	
1 Pole & 100 Watt luminary @ $7.11 per month each x 12 mos. =	$85.32
Administrative Fee @ $8.10/Lot:	48.60
Engineering @ $14.00/Lot:	84.00
Total Assessment	$217.92
(1)Per Lot Assessment (First Year, 6 Lots)	$36.32

(1) Includes tax roll preparation, audit, delinquencies and miscellaneous administrative costs to the City as authorized by Res. 94-716.

Method of Assessment: It is recommended that the costs be assessed on a per lot basis to each parcel in the district.

For the developer, the first year assessment would include the one time costs for District formation and engineering. Subsequent years assessments would reduce to $14.22 per lot.

Assessment Roll: The attached preliminary assessment roll identifies the benefitted properties and the first year assessments to be levied against each.

Respectfully submitted,

William I. Peterson, PE

PRELIMINARY ASSESSMENT ROLL

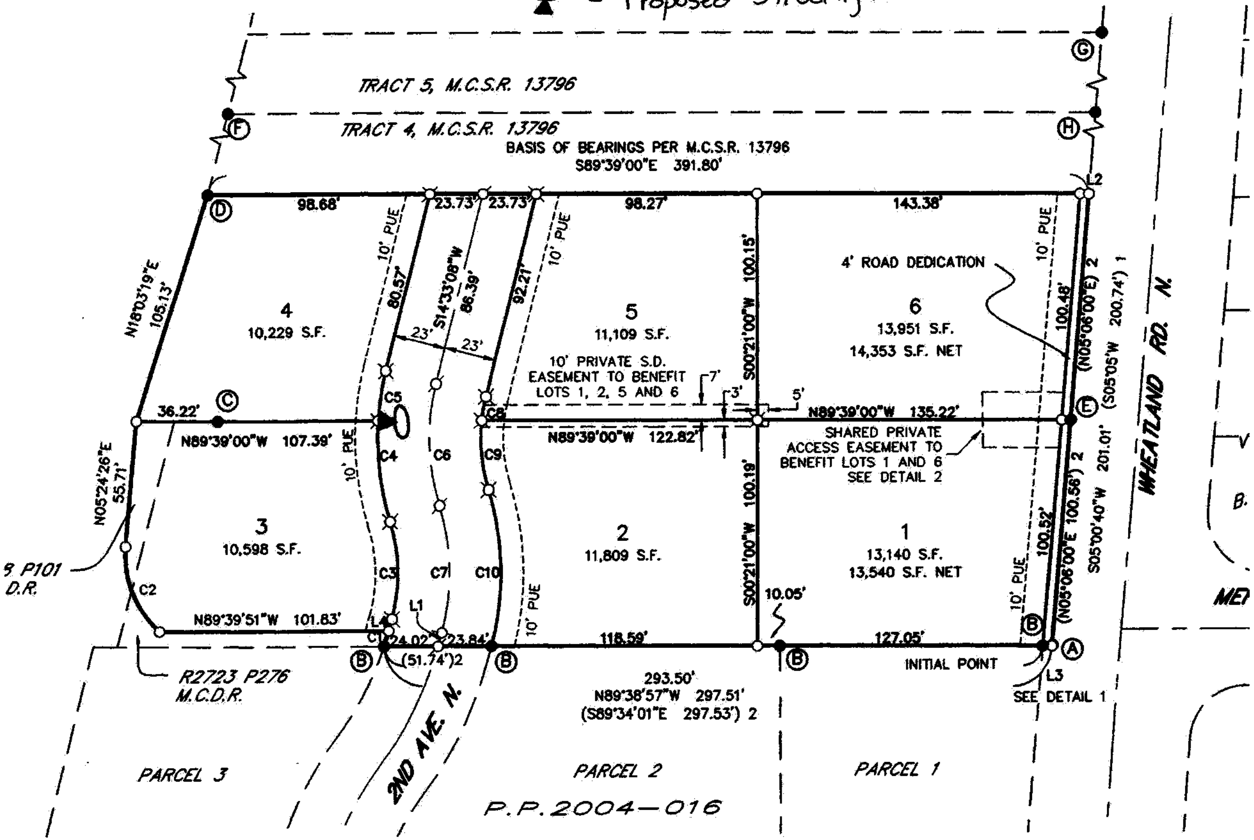
MAGEE ESTATES SUBDIVISION
STREET LIGHTING DISTRICT

*Assessors Maps 06 3W 23CD

Lot #:	Owners Name and Address	Cost per Lot	Lots	Assessment
1	BEACH, SHANE M PO BOX 507 VANCOUVER, WA 98666	$36.32	1	$36.32
2	MCVAY, BRIAN D & MCVAY, APRIL J 1289 70TH AVE SE SALEM, OR 97317	$36.32	1	$36.32
3	MURRAY, MICHAEL M & MURRAY, DONNA L 7288 PARK TERRACE DR NE KEIZER, OR 97303	$36.32	1	$36.32
4	MARKEE, MATTHEW C 7521 2ND AVE N KEIZER, OR 97303	$36.32	1	$36.32
5	BEDINGFIELD, JAMES D & BEDINGFIELD, HOLLY J 1456 HORIZON RIDGE DR NE KEIZER, OR 97303	$36.32	1	$36.32
6	SMITH, TIM C 60% & SMITH, ALEXANDREA B 40% PO BOX 21209 KEIZER, OR 97307	$36.32	1	$36.32
	TOTAL ASSESSMENT:	$217.92		

BY:
MULTI/TECH ENGINEERING SERVICES, INC.
1155 13TH ST. S.E.
SALEM, OREGON 97302
503-363-9227

- Proposed Streetlight



NG	DISTANCE
1'54"W	6.32'

COUNCIL MEETING: October 5, 2009

AGENDA ITEM NUMBER:______________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: **Authorization for Appropriation Transfer for Civic Center Furnishings and Television Equipment**

ISSUE: Oregon Budget Law allows for the transfer of appropriations within a fund during the fiscal year (ORS 294.450);

Oregon Budget Law further provides that a resolution or ordinance be passed to provide authority for the expenditure of these funds.

The attached resolution identifies the budget adjustments needed and a brief description of each adjustment.

FISCAL IMPACT: The attached budget adjustments 1) transfer funds to the Internal Services Fund for the purchase of civic center furnishings costing up to $8,500, 2) computer equipment in the PEG fund for television productions up to $3,100, and 3) replacement cost of furnishings in the Community Center Fund for up to $3,000. The total budget impact is a $14,600 increase in expenditures for the City of Keizer FY09-10 budget.

RECOMMENDATION: Staff recommends the council adopt the attached resolution authorizing the expenditure of funds as described above.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON
Resolution R2009-_____

AUTHORIZATION FOR APPROPRIATION TRANSFER FOR CIVIC CENTER FURNISHINGS AND TELEVISION EQUIPMENT

WHEREAS ORS 294.450 allows for the transfer of appropriation authority within a fund;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Keizer, that the following appropriations be made for fiscal year ending June 30, 2009:

		Adopted/ Amended Budget	Adjustment DR	Adjustment CR	Revised Budget
General Fund					
Expenditures	Contingency	38,000		(5,800)	32,200
Transfers	Transfers Out	1,037,300	5,800		1,043,100
		1,075,300	**5,800**	**(5,800)**	**1,075,300**
General Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.					
Street Fund					
Expenditures	Contingency	50,500		(400)	50,100
Transfers	Transfers Out	119,900	400		120,300
		170,400	**400**	**(400)**	**170,400**
Street Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.					
Sewer Fund					
Expenditures	Contingency	15,800		(300)	15,500
Transfers	Transfers Out	139,100	300		139,400
		154,900	**300**	**(300)**	**154,900**
Sewer Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.					
Water Fund					
Expenditures	Contingency	88,700		(1,400)	87,300
Transfers	Transfers Out	288,300	1,400		289,700
		377,000	**1,400**	**(1,400)**	**377,000**
Water Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.					
Street Lighting District Fund					
Expenditures	Contingency	21,100		(100)	21,000
Transfers	Transfers Out	35,700	100		35,800
		56,800	**100**	**(100)**	**56,800**
SLD Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.					

		Adopted/ Amended Budget	Adjustment DR	CR	Revised Budget
Storm Water Fund					
Expenditures	Materials & Services			(500)	(500)
Transfers	Transfers Out	75,700	500		76,200
		75,700	**500**	**(500)**	**75,700**

Storm Water Funds share of chairs replaced in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file. Sufficient funds are available in the Engineering line item to cover the cost.

		Adopted/ Amended Budget	DR	CR	Revised Budget
Internal Services Fund					
Expenditures	Capital Outlay	2,000	8,500		10,500
Resources	Transfer In	2,077,100		8,500	2,085,600
		2,079,100	**8,500**	**8,500**	**2,096,100**

Replaced chairs in the council chambers; the ones previously purchased were unacceptable and were exchanged for better quality chairs. Also purchased folding table, power cable, shelf and vertical file.

		Adopted/ Amended Budget	DR	CR	Revised Budget
PEG Fund					
Expenditures	Capital Outlay	-	3,100		3,100
Expenditures	Contingency	60,000		(3,100)	56,900
		60,000	**3,100**	**(3,100)**	**60,000**

Purchased a MacPro Notebook for television projections.

		Adopted/ Amended Budget	DR	CR	Revised Budget
Civic Center Fund					
Expenditures	Capital Outlay	-	3,000		3,000
Expenditures	Transfers Out	37,600		(3,000)	34,600
		37,600	**3,000**	**(3,000)**	**37,600**

PASSED this _____ day of ___________________, 2009

SIGNED this _____ day of ___________________, 2009

____
Mayor

____
City Recorder

MINUTES
KEIZER CITY COUNCIL
Tuesday, September 8, 2009
Keizer City Hall Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Christopher called the regular meeting to order at 7:00 pm. Roll Call was taken as follows:

Present:	Staff:
Lore Christopher, Mayor (left at 8:06 pm)	Shannon Johnson, City Attorney
Jim Taylor, Council President	Chris Eppley, City Manager
Richard Walsh, Councilor	Kevin Watson, Assistant to the City Manager
Brandon Smith, Councilor	Rob Kissler, Public Works
Cathy Clark, Councilor	Susan Gahlsdorf, Finance Director
Mark Caillier, Councilor	Marc Adams, Chief of Police
	Tracy Davis, City Recorder

Absent:
David McKane, Councilor

FLAG SALUTE

Mayor Christopher led the pledge of allegiance.

PUBLIC TESTIMONY

Jerry McGee, Keizer introduced the T.D. Keizur Statue artist, Gareth Curtiss and reported that the Statue Task Force had met and, following minor suggestions, approved the statue unanimously. He explained that the horse was not transported to Keizer but viewed through photographs and that the target date for the dedication is still good. He concluded noting that Councilor Caillier would have more information on the dedication ceremony as the date nears.

Christine Dieker, Keizer Chamber:

- Reported that the unveiling of the statue is set for January 30, 2010, and it will be part of a joint event called "Winter Art Solstice" that will incorporate the Mayor's Invitation for artwork for year-round lobby art.
- Circulated a promotional welcome service folder produced free of charge to be used to hold promotional materials from various venues throughout the city and showed reusable bags that have been developed as well.
- Reviewed planned signage directing visitors to the visitors' center and efforts being made to restore signage that was removed, Chamber website statistics and updates, dates and times for several upcoming events and invited anyone interested to attend the next Chamber Tourism Advisory Council meeting.

Clint Holland, Keizer, reported on upcoming events at the Keizer Rotary Amphitheater, suggested that following the last event a committee be formed to review operations and urged that booking efforts for next year begin as soon as possible. Council agreed by consensus to direct the City Manager to come back in two weeks with a plan and recommendation to initiate this process.

PUBLIC HEARING

a. RESOLUTION – Authorization for Supplemental Budget to Pay Repairs for Damage to Storm Drain System

Public Works Director, Rob Kissler, explained that a landslide occurred in the late spring of 2009 damaging the storm drain system which was installed in the 70s. The $280,000 repair was not anticipated in the budget because the landslide occurred after budget adoption. He then provided detailed information and fielded questions regarding alternate methods of funding and a temporary rate increase with Finance Director Susan Gahlsdorf providing additional clarification.

Council President Taylor opened the Public Hearing. With no testimony, Council President Taylor closed the Public Hearing.

Councilor Walsh moved to adopt a Resolution Authorizing Supplemental Budget to Pay Repairs for Damage to Storm Drain System. Councilor Clark seconded.

Councilor Smith offered a friendly amendment to increase the transfer by $50,000 rather than taking that amount from contingency. Councilor Clark did not accept the amendment.

Councilor Smith moved to amend the resolution to increase the transfer by $50,000 rather than taking that amount from contingency. Councilor Caillier seconded.

Discussion followed with Director Gahlsdorf providing additional clarification and explanation and Councilor Walsh verifying that the $50,000 contingency funds were from the Storm Fund contingency, not the General Fund.

Councilor Smith withdrew his motion to amend.

Original motion passed as follows:

AYES: Walsh, Smith, Caillier, Taylor and Clark (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and McKane (2)

RESOLUTION – Authorization for Interfund Loan to the Storm Fund from the Transportation Improvement Fund

Councilor Walsh moved to adopt a Resolution Authorizing an Interfund Loan to the Storm Fund from the Transportation Improvement Fund. Councilor Clark seconded.

Motion passed as follows:

AYES: Walsh, Smith, Caillier, Taylor and Clark (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and McKane (2)

ADMINISTRATIVE ACTION

None

CONSENT CALENDAR

A. RESOLUTION – Authorizing the City Manager to Execute Extension of Street and Right of Way Landscape Maintenance Services Contract With All Seasons Ground Care
B. RESOLUTION – Authorizing the City Manager to Enter Agreement with H & H Paving for Candlewood Bike Path Paving Project
C. RESOLUTION – Initiating Magee Estates Street Light District
D. RESOLUTION – Initiating McNary Heights Street Light District
E. RESOLUTION – Appropriation Transfer
F. Approval of August 3, 2009 Regular Session Minutes
G. Approval of August 10, 2009 Work Session Minutes

Councilor Walsh pulled Item G.
Councilor Clark pulled Item B

<u>Councilor Walsh moved to accept Items A, C, D, E and F of the Consent Calendar. Councilor Clark seconded. Motion passed unanimously as follows:</u>

AYES: Walsh, Smith, Caillier, Taylor and Clark (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and McKane (2)

<u>Councilor Walsh moved to accept Item B of the Consent Calendar. Councilor Smith seconded.</u>

Councilor Clark interjected that this was an important safety improvement for the area and commended Public Works for their perseverance in completing the project. Mr. Kissler responded that this has been beneficial for the neighbors and it will be the final piece to connect the bikeways to the Salem Parkway at the east end.

<u>Motion passed as follows:</u>

AYES: Walsh, Smith, Taylor, Caillier and Clark (5)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: Christopher and McKane (2)

<u>Councilor Walsh moved to accept Item G of the Consent Calendar. Councilor Smith seconded. Motion passed as follows:</u>

AYES: Smith, Taylor, Caillier and Clark (4)
NAYS: None (0)
ABSTENTIONS: Walsh (1)
ABSENT: Christopher and McKane (2)

COMMITTEE REPORTS

a. Marion Polk Yamhill County Storm Water Solutions Presentation

Taken out of Order. Elizabeth Sagmiller, Stormwater Manager, gave an abbreviated report because of technical difficulties with the projector. She encouraged participation in the program noting that Keizer does not have the resources to do it alone. She noted that the Homebuilders Association is involved in the program and invited participation in a series of workshops that will be held in the area. The workshops are being held by the Oregon Environmental Council in collaboration with DEQ, the OSU Extension Service and Oregon Sea Grant and are: (1) Making Low-Impact Development a Reality in Your Community, (2) Rain Gardening Training, (3) Green Streets, and (4) Untangling the Codes and Maintaining Stormwater Systems. Ms. Sagmiller agreed to give her presentation at the next meeting.

Councilor Walsh noted that the Attorney General has made this a new priority and is doing floats down Oregon waterways with an eye towards prosecuting offenders. Ms. Sagmiller noted that the AG is using the word “crime” for the offenses and is asking for input from citizens.

b. Salem Keizer Transit District – System Redesign Presentation

Taken out of Order. Shelly Hanson, Transit District, introduced Board Member Ron Christopher and Alan Pollock, General Manager. She was unable to give the power point presentation due to technical difficulties. Alan Pollock reviewed changes in the transit system noting that service is now being offered to the Kroc Center and Keizer Station and that, if the transit center is built on the preferred site, the District will look into a shuttle throughout Keizer Station. He noted that although the district is unable to serve the entire area, the area which it serves now has better service. He then reviewed the process undertaken to develop the new service and improvements, adjustments made to accommodate riders and attract major employers, routes, high-frequency services, and fares.

Other Committee Reports

Councilor Clark commended Transit leaders for their service redesign and reported that

- K-23 Advisory Committee is considering televising sports, especially football.
- Salem-Keizer Area Transportation Study discussed and approved stimulus package projects.
- Mid-Willamette Area Commission on Transportation is starting the 2010-2013 Transportation Improvement Plan.

She also extended invitations to the 9-11 Memorial at the Keizer Fire District at 7 a.m. and the upcoming West Keizer Neighborhood Association meeting at the Keizer Civic Center.

Councilor Caillier reported that

- The 10th Anniversary of EVAK celebration was a success with many attending and everyone having fun.
- The Salem Wastewater Task Force has determined that starting January 1, 2010, there will be a 6.5% increase in sewer bills but Keizer citizens will have a 5.5% increase because they will be getting a 1% reduction each year until the surcharge has been phased out. He

added that citizens might expect similar increases in their sewer rates in the next few years because the system has $200 million in bond indebtedness that needs to be paid back.

He also reminded everyone of upcoming Planning Commission, Gubser Neighborhood Association, Stormwater Advisory Committee and Claggett Creek Watershed Council meetings.

Councilor Walsh reported that the Music Festival at Keizer Rotary Amphitheater turned out well in spite of the rain. He added that another free concert was scheduled for the weekend and requested input from everyone regarding likes/dislikes at the amphitheater. Lastly, Councilor Walsh strongly urged Councilors and citizens to provide feedback on the bridge project: What does Keizer want, how much do we want it and how do we want to pay for it?

Councilor Smith reported that KURB had approved the request for grant funds for the Copeland Project and authorized the final payment on the Sonic project. He added that the Town & Country project is in the design stage.

Council President Taylor

- Reminded Councilors of the upcoming Commissioners Breakfast
- Reminded everyone that the Volcanoes are in the championship playoffs and invited all to attend and give their support.
- Congratulated Kevin Watson on receiving a permanent Rotary badge.

OTHER BUSINESS

a. New Business or Old Business Issues

Chief Mark Adams provided an update on the Police Department recruitment process. He added that the department will soon have an Honor Guard. The selected candidates will be going to academy and all the equipment and uniforms are being purchased through a grant. He concluded that this will be a great public outreach tool.

Assistant to the City Manager, Kevin Watson, reported that

- The EOC was set up for the anniversary EVAK event to show how it would be set up and all are satisfied with how it will look.
- The Emergency Management Committee quarterly meeting will discuss the hazard mitigation plan which the City has been working on with the county. The review process is underway and as soon as the committee reviews it, the plan will be offered for public review and input.
- The Statue Committee has approved the clay statue so the next step will be bronzing. There have been some minor changes but the project is moving ahead .

WRITTEN COMMUNICATIONS

Taken out of order. Mayor Christopher reminded everyone of an upcoming Community Forum by Salem Hospital and a Town Hall meeting sponsored by Marion County to address regional safety issues.

She then read letters from:

- Taylor Chappell, “If I Were Mayor” Contest winner, thanking Council for the Target gift card.

- Oregon Fire Service Honor Guards and the Department of Public Safety Standards and Training inviting everyone to the Oregon Fallen Firefighters Memorial Ceremony.
- John Rizzo, a citizen involved in a motor vehicle accident, commending Officer Eric Jefferson for his organized, polite and professional service, and the Keizer Fire District for their clean-up efforts.
- Bob and Shirley Rose commending the Public Works Department for their professional work and continued contact regarding the water slide that occurred on the bank behind their house.
- Marjorie Newcomer commending Officer Jeremy Fletcher for his services and his compassion when her husband passed away.
- Ron Anderson complimenting Rob Kissler, Bill Lawyer and Public Works field employees for their continued support of the Bikeways Committee.

Discussion then took place regarding the Flag Raising and the Dedication of the Building with the time/date ultimately being set for October 19.

AGENDA INPUT

September 14, 2009

5:45 p.m. City Council Work Session

- City of Keizer Parks Tour

September 21, 2009

7:00 p.m. City Council Meeting

October 5, 2009

7:00 p.m. City Council Meeting

ADJOURNMENT

Mayor Christopher adjourned the meeting at 8:32 p.m.

MAYOR: APPROVED:

Lore Christopher

Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

~ Absent ~
Councilor #1 – David McKane

Councilor #4 – Cathy Clark

Councilor #2 – Brandon Smith

Councilor #5 – Richard Walsh

Councilor #3 – Mark Caillier

Councilor #6 – James Taylor

Minutes approved:

MINUTES
KEIZER CITY COUNCIL/PARKS ADVISORY BOARD
WORK SESSION
Monday, September 14, 2009
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER The Work Session convened at 5:50 in the Council Chambers with the Council members present agreeing that because the Mayor and Council President were absent Richard Walsh would chair the meeting. Meeting moved to the kitchen for sandwiches. The following were present:

Councilors:	Parks Advisory Board:	Also Attending:
Lore Christopher, Mayor (6:00 pm)	Vickie Hilgemann	Mark Richards, K-23
Richard Walsh, Councilor	Marlene Quinn	**Staff:**
Cathy Clark, Councilor	Garry Whalen	Rob Kissler, Public Works
Brandon Smith, Councilor	Rick Day	Bill Lawyer, Public Works
David McKane, Councilor	Clint Holland	Terry Witham, Parks
Mark Caillier, Councilor	Alex Pelico	Debbie Lockhart, Deputy City Recorder
Absent:	Jeanne Bond-Esser	
Jim Taylor, Councilor	Christine Dieker	
	Absent:	
	David Philbrick	

Agenda Change Members agreed to visit the parks listed on the agenda in the opposite order.

Civic Center Fountain The fountain area of the civic center park was visited first with Terry Witham explaining the operation of the fountain and control button. He noted that because the permit is for the calendar year, the fountain will not be operational until 2010 and that it would be winterized soon. Discussion also took place regarding resurfacing the skate park.

Wallace House Park Members walked around the park viewing the permeable surface parking lot, kiosk, play structure and walking trail. They discussed locations for the benches and picnic tables and planned trail to the river.

Palma Ceia Park The parking lot and results of the clean-up efforts along the bank and under the trees were viewed. Mr. Witham explained that a kiosk is planned for the park as well as additional signage. Members discussed park boundaries, making this park the next riverfront park, improving the pathways to the lower "shelf" and placing picnic tables there.

Keizer Station Park Rob Kissler explained that this park was a piece of ground set aside by the developer as part of the Master Plan green space. It is a maintained wetland with irrigation, a fountain, and stormwater features. He noted that the aspen trees were part of the original nursery and were retained. The group walked over Labish Creek with Mr. Kissler pointing out that the area is being used to improve the wetland for birds and waterfowl. Christine Dieker suggested that a portion of the dirt area near the park could be paved for parking and possibly used for the Iris Festival tent, the Farmers Market, and basketball courts. She noted that Schreiber-Donahue has indicated a willingness to do this until the area is developed. Mayor Christopher urged Councilor Smith to bring this suggestion to the Keizer Urban Renewal Board for consideration.

Keizer Little League Park

Discussion took place regarding changing the name of the park from "Keizer Little League Park" to "Keizer Ball Park" or "Keizer Diamonds Park". Lengthy discussion took place regarding improving drainage in the fields, automating the irrigation system and possible funding options as well as marketing the fields to bring in tournaments.

Civic Center Parking Lot

Councilor Smith noted that he would work with Community Development Director Nate Brown regarding paving the area discussed at the Keizer Station Park as a multi-use surface. Staff agreed to work with Keizer Little League and Keizer Youth Sports Association to determine if funding is allocated for irrigation improvements. All those in attendance commended Public Works staff for the park improvement efforts and Council also commended the Parks Board for their efforts.

ADJOURNMENT

Meeting adjourned at 8:10 p.m.

APPROVED:

MAYOR:

Debbie Lockhart, Deputy City Recorder

Lore Christopher

COUNCIL MEMBERS

Councilor #1 – David McKane

Councilor #4 – Cathy Clark

Councilor #2 – Brandon Smith

Councilor #5 – Richard Walsh

Councilor #3 – Mark Caillier

~ Absent ~

Councilor #6 – James Taylor

Minutes approved: ______________________

MINUTES
KEIZER CITY COUNCIL
Tuesday, September 21, 2009
Keizer Civic Center, Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Christopher called the regular meeting to order at 7:02 pm. Roll Call was taken as follows:

Present:	**Staff:**
Lore Christopher, Mayor	Shannon Johnson, City Attorney
Jim Taylor, Council President	Chris Eppley, City Manager
Richard Walsh, Councilor	Kevin Watson, Assistant to the City Manager
Brandon Smith, Councilor	Rob Kissler, Public Works
Cathy Clark, Councilor	Nate Brown, Community Development
Mark Caillier, Councilor	Marc Adams, Chief of Police
David McKane, Councilor	Tracy Davis, City Recorder
Brian Holt, Youth Councilor	

FLAG SALUTE

Mayor Christopher led the pledge of allegiance.

PUBLIC TESTIMONY

Ron Christopher and *Kate Tarter,* representing the Transit District, provided an update noting that they planned on reporting to Council monthly. They reviewed information regarding the status of the environmental assessment and Emerald Pointe service and summarized changes that had occurred with the redesign adding that those changes will be reviewed monthly. Lengthy discussion then took place regarding options for providing safe access to the transit system for residents of Emerald Pointe.

Holly Graf, Keizer, representing the Planning Commission reported that the Commission had two new members, one being sworn in at the last meeting and the other at the next meeting. The Commission is reviewing General Provisions of the Zone Code through a Public Hearing which has been continued for two meetings in order to address all the details. The next Commission project will be review of the Wireless Communication section.

Jim Hanson, Rick Hammerquist, Rhonda Rich and *Bob Warberg, Keizer,* expressed displeasure regarding the noise level at the amphitheater during concerts. Chief Adams noted that the department has been proactive and done several readings from different locations and the noise level always complies with the City ordinance. Discussion then took place regarding possible further study, park hours and bringing in a more mellow music. Council asked citizens to give them time to work through this and come up with some strategies.

Ron Anderson, Keizer, Bikeways Committee Chair, requested $617.49 to purchase 60 helmets for distribution. He explained that this money would be reimbursed to the City upon receipt of the reimbursement funds from the ACTS Oregon Grant and provided details of expenditures already made through the grant. Council directed City Manager Chris Eppley to provide this money to Bikeways as requested.

Stella Horsely, Keizer, provided statistics for the library noting that some cash donations had been received and 31 new memberships have been processed bringing the total to 1500 patrons. She invited everyone to the Fall Book Sale and the next Friends of the Library meeting.

PUBLIC HEARING
a. RESOLUTION – Forming New Day Subdivision Street Lighting District

City Manager, Chris Eppley, provided the history of the formation of this Street Lighting Local Improvement District and noted that the Public Hearing was to consider remonstrances to the project and objections to proposed assessments. Staff recommendation is that City Council open a Public Hearing to consider oral objections and written remonstrances to the formation of New Day Subdivision Street Lighting Local Improvement District and if there are no objections, close the public hearing and consider adoption of the resolution forming the district and the proposed assessment ordinance.

Mayor Christopher opened the Public Hearing. With no testimony, Mayor Christopher closed the Public Hearing.

Councilor Taylor moved to adopt a Resolution Forming New Day Subdivision Street Lighting Local Improvement District. Councilor Walsh seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ORDINANCE – Spreading Assessments to New Day Subdivision Street Lighting District

Councilor Taylor moved to adopt an Ordinance Spreading Assessments to New Day Subdivision Street Lighting Local Improvement District. Councilor Walsh seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ADMINISTRATIVE ACTION
a. Management of

City Attorney Shannon Johnson reminded Council that at the last meeting they had directed staff to come back with a recommended process to determine management services for Keizer Rotary Amphitheater. He

Keizer Rotary Amphitheatre	explained that staff recommends that an ad hock task force of three Councilors meet with staff and make a recommendation to the full Council. Councilors Clark and Walsh and Mayor Christopher agreed to serve on the task force along with staff liaisons Chris Eppley, Rob Kissler, Kevin Watson and Shannon Johnson. Discussion then took place regarding keeping the overall management of the amphitheater and maintenance of the grounds in-house but not the marketing and event scheduling. Mr. Eppley also provided information regarding the marketing plan for the community center.
b. RESOLUTION – Authorizing the City Manager to Enter Engagement Letter with Beery, Elsner and Hammond as Special Legal Counsel for Telecommuni-cations/Utility Regulatory Update	City Attorney Shannon Johnson explained that telephone franchise fees have declined partially because of increased use of cell phones. For this reason staff has explored the possibility of changing the current franchise model to a "Master Telecom Ordinance" method. He explained that more jurisdictions are moving to this type of regulatory scheme and it would help level the playing field by charging wireless/cellular providers a fee based on annual revenues. Mr. Johnson then explained that because telecom law is complex, he advised engaging outside legal counsel to assist in this endeavor. Discussion then took place regarding adjusting the agreement to an hourly service rather than a lump sum, various forms of telephone services, utility pole ownership, right-of-way, budgeting and distribution of funds, similar actions by other cities, and the cost of technology and providing public safety. Mr. Eppley added that the State, the League of Oregon Cities and the legislature have taken a significant look at this and it will come back again and again until something passes through the legislature. What they are working toward is the state collecting a wireless franchise fee and doling it out based on some formula that they come up with. The question is should Keizer jump out in front and protect its rights so that it is grandfathered in, or allow the state to do it. <u>Councilor Taylor moved to adopt a Resolution Authorizing City Manager to Enter Into Engagement Letter with Beery, Elsner and Hammond as Special Legal Counsel for Telecommunications/Utility Regulatory Update. Councilor Walsh seconded. Motion passed as follows:</u> AYES: Christopher, Walsh, Smith, Caillier, Taylor and Clark (6) NAYS: McKane (1) ABSTENTIONS: None (0) ABSENT: None (0)
RESOLUTION – Authorization for Appropriation Transfer (Legal	<u>Councilor Taylor moved to adopt a Resolution: Authorization for Appropriation Transfer (Legal Fees for Telecommunications Regulatory Update). Councilor Smith seconded.</u>

Fees for Telecommunications Regulatory Update)

Councilor Walsh offered a friendly amendment to split the allocation between the Legal Contractual Services and the City Contingency funds. Councilor Taylor did not accept the amendment.

Councilor Walsh moved to amend the resolution to split the allocation between the Legal Contractual Services and the City Contingency funds. Councilor Smith seconded. Motion failed as follows:

AYES: Walsh and Smith (2)
NAYS: Christopher, McKane, Caillier, Taylor and Clark (5)
ABSTENTIONS: None (0)
ABSENT: None (0)

Vote on original motion (not amended):

Motion passed as follows:

AYES: Christopher, Walsh, Smith, Caillier, Taylor and Clark (6)
NAYS: Mckane (1)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

A. RESOLUTION – Authorizing the City Manager to Enter Agreement through Auto Leasing Specialist, LLC for Police Patrol Vehicles
B. Approval of August 17, 2009 Regular Session Minutes
C. Approval of September 8, 2009 Regular Session Minutes

Councilor McKane pulled Item C.

Councilor Taylor moved to approve Items A and B of the Consent Calendar. Councilor Walsh seconded. Motion passed unanimously as follows:

AYES: Christopher, Walsh, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Discussion took place regarding clarification of a portion of the Minutes (Item C). It was agreed that they would be adjusted and offered for approval at the next meeting.

COMMITTEE REPORTS

a. Yamhill-Marion-Polk Workshops Presentation

Taken out of order. Elizabeth Sagmiller, Stormwater Manager, explained that the presentation was to provide a foundation for a series of workshops that were going to be offered. She urged Councilors to attend the workshops and provided details through a power point presentation. The presentation covered the effects of urban development, heavy rains, stormwater pollutants, and managing development to mimic natural systems. Discussion then followed regarding eco-friendly lawn and garden care.

b. Ben Miller Park Restoration Overview

Taken out of order. Elizabeth Sagmiller, Stormwater Manager, gave a presentation regarding a riparian restoration project at Ben Miller Family Park explaining that the project is made possible through a $5000 grant from RCAP (Riparian Conservation Action Program) through the Soil and Water Conservation District. The project is a required BMP (Best Management Practice) for the TMDL (Total Maximum Daily Load) Implementation Plan and this site has been chosen because that portion of Claggett Creek has poor water quality (due to its proximity to Salem and the neighborhoods), it is a small site, there is a high probability of success, it has high visibility, and there is irrigation already in place. She reviewed the concerns: littering, dumping, erosion, lack of shade, and invasive species; and goals: to improve water quality, provide opportunities for the community, develop an example project and satisfy DEQ requirements. She then reviewed work that has been done and what is planned.

Other Committee Reports

Councilor Smith reported that the September KURB meeting was cancelled and reviewed dates for the KROC center opening and the League of Oregon Cities conference.

Councilor Walsh reviewed dates and times for the Economic Development and Government Affairs and Chamber Tourism meetings as well as the upcoming concert at Keizer Rapids Park. He also brought forward the possibility of receiving email from citizens during council meetings in order to facilitate testimony during public hearings.

Councilor Taylor reviewed recent activities of the Bikeways Committee and noted Keizer Points of Interest Committee next meeting date.

Councilor Caillier reviewed upcoming Salem Wastewater Stormwater Task Force, Claggett Creek Watershed Council, Stormwater Advisory Committee and Planning Commission meetings.

Councilor McKane thanked the Keizer Fire District for their September 11 ceremony, commended the Parks Board for the recent successful parks tour, and invited citizens to the upcoming Traffic Safety Commission meeting.

Councilor Clark reviewed recent events she had attended including the Health Forum at the Civic Center, Commissioners Breakfast, and West Keizer Neighborhood Association meeting. She encouraged those interested to check out the Chemawa interchange website to view alternatives before the open house and reviewed upcoming meeting dates for K-23 Advisory Committee and the League of Oregon Cities conference. She then noted that the October 5 Council meeting is the same night as the Emergency Services Open House and requested that the Council meeting be delayed for 30 minutes. Council agreed by consensus to delay the October 5 Council meeting by 30 minutes.

Mayor Christopher reported that the Salem Hospital held a forum at the community center to discuss regional services and had a good turnout in spite of several other events taking place on the same night.

OTHER BUSINESS

a. New Business or Old Business Issues

Chief Adams reported that the new Honor Guard has graduated and is now available to post colors for various events.

Public Works Director, Rob Kissler advised everyone that projects funded by the American Recovery and Reinvestment Act would be starting. He encouraged everyone to watch for signs and expect some traffic delays and provided scheduling and location details.

Community Development Director Nate Brown reported on progress of the Martial Arts/Copeland project and that the

- Population projection issue would be addressed within the next few days and it would play a crucial and pivotal role in the urban growth boundaries.
- City is noticing in the Keizer Times a request that will be made of Council for clarification of the ordinance and interpretation on power plants and gas powered plants which are not specifically referred to in the ordinance.

Assistant to the City Manager, Kevin Watson, encouraged everyone to check out the Keizer website which now includes marketing material for the Keizer Civic Center and an opportunity to provide feedback on the Hazard Mitigation Plan. Following the public input, the Plan can be submitted to FEMA so that the City can apply for various grants.

Youth Councilor Brian Holt reported on upcoming McNary sports events.

Additional discussion took place regarding responding to a request from the West Keizer Neighborhood Association regarding enforcement of Park Rules. Mr. Eppley suggested that response to this might be appropriate for the ad hoc task force.

WRITTEN COMMUNICATIONS

Mayor Christopher read an email commending Keizer Public Works for their quick response.

AGENDA INPUT

October 5, 2009
7:30 p.m. City Council Meeting
October 12, 2009
5:45 p.m. City Council Work Session - Cancelled
October 19, 2009
6:00 p.m. Building Dedication and Flag Raising
7:00 p.m. City Council Meeting

ADJOURNMENT

Mayor Christopher adjourned the meeting at 10:13 p.m.

APPROVED:

MAYOR:

Lore Christopher

Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

Councilor #1 – David McKane

Councilor #4 – Cathy Clark

Councilor #2 – Brandon Smith

Councilor #5 – Richard Walsh

Councilor #3 – Mark Caillier

Councilor #6 – James Taylor

Minutes approved:

COUNCIL MEETING:________October 5, 2009___

AGENDA ITEM NUMBER:____________

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

FROM: **CHRIS EPPLEY**
CITY MANAGER

SUBJECT: **COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PARTNERSHIP PROGRAM BY THE CITY OF SALEM – SALEM/KEIZER CONSORTIUM – 2008-2009 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT.**

Toni Peysano from the City of Salem will present the 2008-2009 Consolidated Annual Performance and Evaluation Report. The Report is attached.

Fiscal Year 2008-2009

(July 1, 2008 to June 30, 2009)

Hoover Park "before"

Hoover Park "after"

Winter Street Apartments

A report on the use of Federal Community Development Block Grant and HOME Investment Partnership Program by the City of Salem, Oregon Salem/Keizer Consortium

NOTE: IDIS reports included in this CAPER will be incorrect due to the conversion and the related software problems.

Prepared by City of Salem, Urban Development Department, Federal Programs Division, September 2009
Contact Rena Peck, 503.588.6178 x 7546
Approved by City Council

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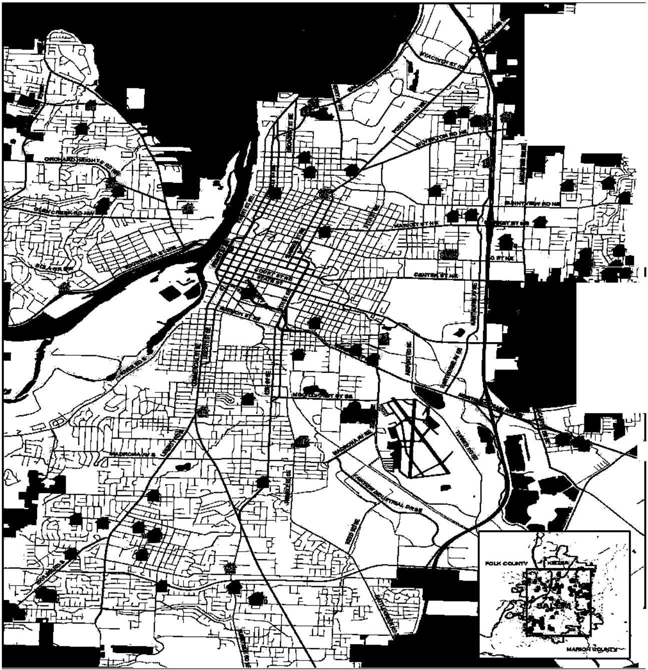

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Map printed 7 November 2007
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PROPERTY DESIGNATIONS

- Public Housing Multi-Family
- Public Housing Scattered Site
- Project Based Subsidized, Private
- Salem Housing Authority Administrative Building
- Property ID
  See attached table for property ID and detail

Public Housing Properties
City of Salem, Oregon

0 0.25 0.5 1 Miles

EXECUTIVE SUMMARY

The City of Salem Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year (PY) 2008-2009 will provide an assessment of the year's accomplishments as well as a look at the accomplishments made during the past four years. The CAPER reports CDBG and HOME resources and expenditures during the period from July 1, 2008 through June 30, 2009, which coincides with the City of Salem fiscal year.

The City of Salem is committed to assisting the citizens of Salem and Keizer reduce the number of homeless or at risk of homelessness obtain safe and affordable living conditions and provide community and economic development. In the following pages, the CAPER documents the accomplishments of CDBG and HOME program investments in the cities of Salem and Keizer.

- **CDBG – the Community Development Block Grant**
  The CDBG program assists the City of Salem in addressing affordable housing, homelessness, community development and economic development needs. CDBG is administered by the City of Salem, Urban Development Department, Federal Programs Division.

- **HOME – the HOME Investment Partnerships**
  The HOME program funds the acquisition, construction, rehabilitation of affordable housing as well as assists renters and first-time homebuyers. The City of Salem and the City of Keizer entered into a Consortium agreement to allow both communities to benefit from the affordable housing objectives.

Both the HOME and CDBG grants are from the United States Department of Housing and Urban Development (HUD). To maintain eligibility to administer these programs the City of Salem must periodically prepare and submit a series of documents for HUD approval. These documents include a five-year Consolidated Plan, an annual one-year Action Plan and an annual CAPER.

The City of Salem Consolidated Plan for 2005-2009 and all associated documents, including the Annual Action Plan for 2008-2009 and this CAPER for 2008-2009, are prepared in accordance with a HUD-approved Citizen Participation Plan. The full text of the Citizen Participation Plan is included as Appendix E of this document.

Overall Goals In Relationship To The Consolidated Plan

The City of Salem's 2008-2009 Action Plan was guided by priorities developed in the *Plan*. Projects with HOME dollars committed were undertaken in both Salem and Keizer while CDBG dollars were allocated to projects targeting only the City of Salem. The 2008 projects were selected following a citizen participation process prior to the development of the 2008-2009 Action Plan. These projects were funded based on their ability to meet funding priorities of the *Plan*. A description of projects for report year 2008, produced in Integrated Disbursement Information System (IDIS), is available in Appendix A.

In 2008-2009 the City of Salem expended $1,977,982 from the US Treasury in CDBG funds to support the priorities in the *Plan*. This total includes funds from previous program years. CDBG funds were used to support a wide range of projects which included case management services to the homeless, child abuse services, domestic violence prevention programs, resource assistance, youth intervention, rehabilitation of a public facility and energy updates to elderly housing. Projects also included community development through the removal of architectural barriers, neighborhood stabilization, rehabilitation of owner-occupied housing, rehabilitation of affordable rental housing, acquisition of new affordable rental housing stock, and providing business opportunities and housing options for clients exiting incarceration and interim housing.

The City executed a contract with the HUD on July 21, 2003, for Section 108 Loan Guarantee Funds in the amount of $7,200,000 to assist in the construction of the Salem Conference Center. This loan is scheduled to be repaid over the next 20 years and continues to play a role in the City's goals in economic development. The conference center continues to provide employment opportunities to the low and moderate individuals within the City.

In PY 2008 the City of Salem expended $1,433,662 from the US Treasury in HOME funds to support the *Plan*. HOME funds were used to support a wide range of projects including homeownership, homeowner rehabilitation, Tenant Based Rental Assistance, Security Deposit assistance and preservation of new and rehabilitated rental units.

The following information outlines the progress made toward reaching the goals and overall accomplishments of the programs.

Summary of Resources and Distribution of Funds

During PY 2008-2009, $2,214,364 in CDBG and $1,489,778 in HOME Federal funds were committed for furthering the objectives of the consolidated plan. The program income for the 2008-2009 PY was $502,634.52 for CDBG and $263,363.40 for HOME.

The total amount of funds expended during the reporting period was $3,704,142, which includes projects with funds committed in previous years and not completed until this program year.

- **Catholic Community Services**
  - Community Housing Development Organization (CHDO)
- **Salem Keizer Community Development Corporation**
  - Community Housing Development Organization (CHDO)
  - MERIT Microenterprise
  - Acquisition-12 unit apartment complex
  - Rehabilitation-10 unit apartment complex
- **Salem Housing Authority**
  - Robert Lindsey Tower senior housing
  - Security Deposit Program
- **Teton Nonprofit Housing**
  - Englewood Apartment energy efficiency updates
- **Interface Network, Inc.**
  - Latino Microenterprise Program
- **Parks Operations**
  - Hoover Park improvements
- **Habitat for Humanity**
  - Property acquisition
- **Mid-Willamette Valley Community Action Agency**
  - Tenant based rental assistance
- **Urban Development Department Public Services Support**
  - HOST Program
  - Interim Housing Program
  - Homeless transportation, Salem-Keizer SD
  - YWCA Resource Assistance Program
  - Mid-Valley Women's Crisis Center
  - Salem Outreach Shelter Case Management
- **Urban Development Department**
  - Single Family Rehabilitation program
  - Homebuyer Program
  - Critical Repair program
- **Young Women's Christian Association**
  - Salem Outreach Shelter acquisition/rehabilitation
- **Cascadia Behavior Health Care**
  - Detoxification Services
- **Public Works Department**
  - Audible signal installation at 3 intersections

The maps located in Appendix F identify the geographic distribution and location of expenditures in conjunction with levels of income and areas of minority concentration. Additional information is available in Appendix A [1]CDBG Financial Summary Report (PR26).

[1] This report may not reflect all financial information due to a change in the reporting program and information not being available.

GENERAL NARRATIVES

Assessment of the Progress Toward Goals and Objectives

The City, through the development of the 2005-2009 Housing and Community Development Consolidated Plan (Plan) established the four (4) primary goals listed below for allocating Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds. Projects receiving an allocation of CDBG or HOME funds in PY 2008-2009 or those being carried over from previous years, helped the City meet the four (4) goals of the Plan by assisting individuals and families earning 80% or less Median Family Income (MFI).

The following is a summary to assess progress in meeting the long term goals outlined in the Plan:

Goal 1 Reduction in the number of Homeless Persons or Persons at risk of Homelessness
Goal 2 Preservation and development of affordable housing
Goal 3 Removal of accessibility barriers to housing
Goal 4 Community/Economic Development

This table identifies the total number of projects/programs the City committed funding for with CDBG/HOME.

Goal 1 - Homelessness	10	11	14	12/10
Goal 2 – Affordable Housing	9	11	10	8/8
Goal 3 – Access and Barrier Removal	2	1	0	1/1
Goal 4 – Community Development	1	2	2	4/3

Goal 1 – Homelessness: Strides have been made in 2008-2009 to reduce the Number of Homelessness Persons or Persons at Risk of Homelessness through the following projects and programs;

- Rehabilitation of the Salem Outreach Homeless Shelter

- Rental assistance including:
  - Security Deposit
  - Interim Assistance
  - Tenant Based Rental Assistance

- Social Service programs providing homeless assistance through:
  - Cascadia Behavioral Detoxification
  - The HOST youth shelter
  - Salem Keizer School District homeless transportation
  - Mid-Valley Women's Crisis Service
  - The YWCA Resource Assistance Program
  - SOS homeless case management

These projects and programs provided a great deal of assistance to the homeless and more individuals and families were reached. The table indicates the City committed funding for 10 out of the 12 projects however these programs affected the lives of more people therefore the City met the overall goal of providing services to more individuals in the Salem and/or Keizer.

The following are projects or programs completed to assist the homeless or those at risk of being homeless in the 2008-09 PY:

[redacted]			
Salem Outreach Shelter Rehabilitation	CDBG	$35,000	136
Salem-Keizer School District	CDBG	$3,730	143
Cascadia Behavioral Detox	CDBG	$35,000	546
Mid-Valley Women's Crisis	CDBG	$59,500	1036
YWCA, Resource Assistance	CDBG	$59,400	255
NWHS: HOST	CDBG	$36,730	132
SOS Case Management	CDBG	$14,390	159
Tenant Based Rental Assistance	HOME	$80,000	13
SHA – Interim Housing	CDBG	$79,310	395
Security Deposit	HOME	$30,000*	61
Total		**$433,060**	**2,876**

*Increased $10,000 from Annual Plan figures due to program demands

Goal 2 – Affordable Housing: The following table reflects the progress made toward the preservation and development of affordable housing. Through the projects listed below, the City met the annual goal:

[redacted]			
Homebuyer	HOME	$130,000	12
Single Family Rehabilitation	HOME	$630,481	12
Critical Repair	CDBG	$120,560	11
Habitat, Ford Street	CDBG	$70,000	2
Winter Street	HOME	$377,000*	12
River Road	CDBG	$85,884	10
Englewood East Apartments	CDBG	$78,400	50
Robert Lindsey Tower	CDBG	$200,000	62
Total		**$1,692,325**	**171**

*Includes funds carried over from 2007-2008

Goal 3 – Removal of Accessibility Barriers: Progress was made to remove accessibility barriers to housing. All housing rehabilitation and construction projects undertaken meet ADA guidelines. Funding was allocated for the rehabilitation of a homeless day center which is nearly completed. Rehabilitation at that site includes upgrades to the facility to eliminate barriers for persons with disabilities in need of family housing assistance. The City of Salem is committed to inclusion and universal access for all participants of projects and programs funded. This year the City committed funds to the following project to remove a barrier for visually impaired citizens:

[redacted]			
Audible pedestrian signals	CDBG	$35,000	3
Total		**$35,000**	**3**

Goal 4 – Community/Economic Development: Helping individuals achieve self sufficiently is vital to the overall economy of the community and the neighborhoods families live in. The City provides funding through a variety of programs so individuals can achieve self sufficiency and stabilize the neighborhoods in which they live. Economic development and diversification has been achieved through:

- The MERIT MicroEnterprise Program and the Latino MicroEnterprise Program. Together these two programs have resulted in the upstart of 23 new businesses in the Salem community during the past year.
- Hoover Park, located in a low income neighborhood, was renovated to provide a safe play area for children.
- A Neighborhood Revitalization Strategy Area (NRSA map, Appendix F) was established in March 2009 to increase stability in a low income neighborhood through revitalization activities. The designated area will be a funding priority during future application cycles. Staff attended a number of neighborhood association meetings as part of the development of the NRSA to create a plan to eliminate slum and blight in a delineated low income neighborhood.
- Staff participated in training and supported the "No Meth: Not in My Neighborhood Program".

The following programs or projects were completed in 2008-2009.

MERIT Microenterprise	CDBG	$30,000	3	25
Latino Microenterprise	CDBG	$50,000	20	80
Hoover Park renovation	CDBG	$144,580		
Total		**$224,580**	**23**	**105**

Additional information regarding the accomplishments in attaining the goals and objectives for the 2008-2009 reporting period are outlined in the following attached tables; *Priority Housing Needs/Investment Plan (Table 2A on Pages 30-32), Annual Housing Completion Goals (Table 3B on Page 33), Priority Community Development Needs (Table 2B on Page 34) and Summary of Specific Annual Objectives (Table 1C, 2C, 3A on Pages 37-38).*

Effective Spring 2009, oversight of the Social Services Advisory Board (SSAB) became the responsibility of the Federal Programs Division. During program year 2008-2009, $288,060 was committed to Social Service programs using CDBG. An additional $384,690 was committed for social services by the City of Salem General Fund.

The City has been very effective in meeting the goals outlined in the Plan. The City was able to increase the number of individuals and households served with fewer projects or programs funded. The increase of individuals is due in part to the current economic situation and the City's ability to leverage more dollars.

Affirmatively Furthering Fair Housing

The City of Salem supports affirmative marketing efforts and training programs undertaken by local organizations such as the Multi-Family Housing Council and the Board of Realtors. All successful applicants agree to develop and follow an approved affirmative marketing program based on federal requirements and the City affirmative marketing requirements.

The City also requires all housing projects include an Affirmative Fair Housing Action plan. These plans must indicate how they will market housing units in the community fairly. The City ensures that all public notices comply with fair housing and that all protected classes are included.

The City markets the Home buyer and Single Family Rehabilitation programs in local papers and Hispanic publications. The City provides flyers to all neighborhoods and known minority organizations. The City continually updates the sponsor list as staff becomes aware of additional organizations that could benefit from HOME funds.

The Human Rights and Relations Advisory Committee (HRRAC) and its staff are supported with CDBG and City of Salem General Fund dollars. The Human Rights Specialist is active in several areas of fair housing. That includes staffing and oversight of the HRRAC, creation of partnerships at the state and local levels to enhance human rights within the community and administration of the Salem City Ordinance for protected classes.

The HRRAC and Federal Program staff attempt to mediate and find resolution of citizen issues to the satisfaction of the parties concerned. In PY 2008-2009 the City received seven complaints related to rental housing or tenant issues. Four of those have been resolved through the City of Salem Human Rights process. Three complaints have been referred to other agencies and are closed pending further contact by complainant.

The Fair Housing Council of Oregon receives complaints from citizens throughout the state on housing and other issues. During the 2008-2009 program year, they received 54 telephone calls relating to fair housing issues in Salem. Below is a breakdown by protected class with disability being the most common complaint due to lack of reasonable accommodations. Issues involving service animal were over half of the disability complaints received, most frequently over the size or reputation of the service animal:

55% Disability
17% Familial Status
10% Age
6% Race
6% Sexual Orientation
4% National Origin
2% Gender

Ongoing efforts are made to educate staff, sponsors, the public and other governmental agencies on housing needs and fair housing laws within the community. This includes notifying partners as fair housing classes or training is offered; ensuring partners include the fair housing logo on publications and certification of non-discrimination training as part of the application process. All applicants submitting CDBG or HOME housing applications are required to include an Affirmative Fair Housing Marketing Plan that includes the outreach efforts made to reach a diverse tenant population.

In recent years, fair housing programs and practices have made great strides towards addressing many actual and potential impediments in the cities of Salem and Keizer. The City's 2007 Analysis of Impediment to Fair Housing identified the following as setbacks in Salem and Keizer;

Impediment: Language and Cultural Barriers
As Salem and Keizer's minority population continues to grow, increasing cultural and language differences become impediments in various forms. Complaints filed with HUD and City of Salem Human Rights and Relation Commission indicate that even though language is not a protected class, it aligns with national origin, ethnicity and sometimes race. When adequate communication is absent, issues of discrimination arise either intentionally or

unintentionally. The City encourages sponsors to have bi-lingual staff or resources available to assist tenants who are not fluent in English.

Impediment: Lack of Knowledge of Fair Housing Resources/Rights
Housing consumers, especially those classified as protected classes in the community need sensitization on their housing rights. Lack of knowledge of the complaint process and availability of housing resources is acknowledged to be an impediment to fair housing. This is because it intensifies discriminatory practices by failing to identify and eliminate them. When the City is made aware that potential discriminatory issues have occurred, citizens are referred to the Human Rights and Relations Commission. This issue is also included during Social Service Advisory Board meetings so subrecipients are aware of the steps to take when issues occur.

Impediment: Housing Industry Practices
Housing industry practices as well as additional requirements and cost make both rental and owner occupied residential housing inaccessible to low and moderate-income families.

The City's Analysis of Impediments to Fair Housing promotes actions which includes increasing funding for fair housing activities and improving education and outreach programs to persons providing (including lenders, real estate agents, landlords) or receiving (renters/homeowners) housing services. In addition to the strategies above, the supply of educational tools to non-English speaking residents in both Salem and Keizer is crucial to mitigating potential and actual discrimination. Overall, providing additional affordable housing options to residence in the area is paramount to alleviating housing discrimination in the area. Affordable housing is the second priority highlighted in the 2005-2009 Consolidated Plan. City staff monitor past projects to ensure tenant rents are within the published HUD rates and ensure utility rates are correctly calculated so low-income tenants have affordable housing.

The City continues to inform and educate affordable housing developers and property managers to the rules and requirements under the Fair Housing Act.

AFFORDABLE HOUSING

Progress has been made in meeting affordable housing objectives during the 2008-2009 PY. Table 2A on Pages 30-32 includes the goals and actual progress made in housing to low income citizens. The greatest assistance for both the HOME and CDBG programs was provided through a rental assistance program. The City had originally estimated all rental assistance would be provided through HOME and indicated no assistance for CDBG. However, CDBG was used to fund an interim housing assistance program which produced assistance to 158 households. The rental assistance goal for the HOME program was assisting 28 households but 66 were assisted, which exceeded the projection.

CDBG funds:

- Three rehabilitation projects were completed, exceeding the goal of 1.
- Production of new owner units missed the goal by one with only 2 projects being completed with CDBG funds due to the delay in Habitat for Humanity projects. Habitat has set a goal to complete 4 units by the end of the current program year. The City is expecting to exceed the goal next year.
- Acquisition of rental units was funded completely with HOME. Therefore, there was a short fall with the use of CDBG.

HOME funds:

- The City had estimated participating in the acquisition of two rental properties. In working with the local CHDO staff some changes occurred and the City participating in one acquisition. Funds have been used to construct two affordable housing units. These units will be for individuals with living wage jobs and the developmentally disabled. A goal was to produce one new rental unit, the City exceeded this goal.
- The City partnered with the Salem/Keizer Community Development Corporation for the acquisition and rehabilitation of a property that was not considered a part of the affordable housing stock. This partnership increased the number of affordable housing options by 12 units.

- The homeownership assistance goal was to assist 16 homebuyers. The City provided decent, safe, sanitary housing to 12 new home buyers.

The challenges with the economy seem to play a role in the number of projects completed and the number of requests for funds as it relates to home buyer and single family rehabilitation. Fewer homeowners have expressed interest in rehabilitating their homes in spite of ongoing marketing outreach efforts. The goal is expected to be met as the economy improves. There continues to be a need for low-income housing in the area which will continue to be a priority as funds are allocated in future.

Table 3B on Page 33 outlines the annual housing completion goals. The actual number of rental housing completed was 335 units, which exceeds the goal of 183 units. The affordable owner goals fell short, primarily due to the lack of new units produced.

Table 2B on Page 34 outlines the priority of community development activities, which includes both the goals and actual accomplishments. In some cases the City fell short of meeting the number of activities however, the number of individuals and families served exceeded the expectations. The City was able to participate in helping more families with less funding. This is accomplished through increasing the partnerships with local organizations serving the same clients.

The summary of specific annual objectives can be found in Table 1C, 2C, 3A on Pages 37-38.

Over the past four years the City has increased the partnerships, the marketing of funds and efforts to promote fair housing. In many cases the annual accomplishments were met with the five year goal falling short as it relates to activities.

Accessibility to decent housing by offering homeless and those at risk of homelessness assistance exceeded the goal in 2008 but has overall fallen short since 2005.

- Providing assistance to the first time homebuyer exceeded the goal in 2008 and nearly met the overall goal since 2005, falling short by only 5%.

- The rehabilitation of multi-family units exceeded the goal in 2008-2009 with the overall goal falling short by 25%.

- The maintenance of affordable/safe/decent housing to low income families fell short during 2008, reaching only 82% of the goal. The overall goal also fell short by 23%. The lack of requests for rehabilitation for home owned units is likely due to the difficulties in the current economic conditions.

- The social service needs for the homeless or those at risk of homelessness missed the goal by 8% in 2008 but overall has exceeded the goal since 2005.

Section 215 requirement of affordable housing for both CDBG and HOME programs:

PY 2008 HOME PROGRAM
TYPES OF HOUSEHOLDS ASSISTED*

	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-to Moderate INCOME	TOTAL
RENTER	60	16	2	78
HOMEOWNER/HOMEBUYER	2	6	16	24
TOTAL	62	22	18	102

PY 2008 CDBG PROGRAM
TYPES OF HOUSEHOLDS ASSISTED*

	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-to Moderate INCOME	TOTAL
RENTER	192	95	59	346
HOMEOWNER/HOMEBUYER	3	2	8	13
TOTAL	195	97	67	359

In 2008-2009, the interim housing, security deposit and tenant based rental assistance programs were allocated $149,310 to address worst case needs of low-income renters with severe cost burden, those in substandard housing, or those involuntarily displaced. The public service programs were allocated $288,060 to assist worst case emergency needs throughout the city. Table 2A on Pages 30-32 indicates, there are still an unmet need within the City of Salem and Keizer although ongoing efforts will continue to be made to meet those needs.

Efforts were made to address the accessibility needs of persons with disabilities with the rehabilitation of all rental and construction projects funded with CDBG or HOME. All construction and rehabilitation projects are required to meet ADA guidelines as applicable.

CONTINUUM OF CARE

The Mid-Willamette Community Action Agency (MWVCAA) is the lead agency for the Continuum of Care. They provide leadership and funding to local non-profits who support those who are homeless and at risk of homelessness. Through the efforts of MWVCAA a collaborative of all Continuum of Care contractors gather to discuss local homeless issues and ways in which the contractors can address the local homeless needs. The collaborative is currently working on a ten-year goal and strategic plan to end homelessness within the City of Salem.

The City of Salem and the City of Keizer supports Continuum of Care applications from other agencies in the community. In addition, the Consortium has provided funding for specific types of housing, targeted to the Continuum of Care, one of its *Plan* priorities. This would include projects for transitional housing, emergency housing and special needs housing. The City provides funds to MWVCAA for tenant based rental assistance (TBRA) combined with the Arches Program MWVCAA which supports individuals and families and connects them to housing and other Continuum of Care programs. The City of Salem staff does outreach to private sector developers and agencies that can produce additional shelter capacity, transitional and special needs housing.

To support the effort to prevent homelessness the City has partnered with several local non-profit agencies to provide funding to assist the homeless. The services offered include providing care to those who are currently homeless while providing education and housing to those who are at risk of homelessness. The programs with funds committed in 2008-2009 include case management for a domestic violence crisis shelter, case management for transitional housing, TBRA, health care and a resource assistance program that provides a place to coordinate direct services within the City.

MWVCAA took a lead role in the Homeless Connection Program held in April 2009. This one day program was held at a church located in the center of Salem which brought over 78 social service agencies together to aid over 630 homeless individuals. Assistance for the homeless ranged from offering help in maneuvering the social service system, free clean clothing, a warm meal, care for animals, dental and medical assistance and many other needed services. The event was a huge success with plans in place to become an annual event.

MWVCAA has a close working relationship with the HOPWA Program, who has an office located in their Arches facility. Being in close proximity to that program allows an opportunity to make housing referrals and other supportive services to people with HIV and AIDS.

MWVCAA conducted their annual homeless count and survey to determine the number of homeless individuals and family and assess the needs within the community. The 10 year Plan to End Homelessness can be found at www.mwvcaa.org, along with all the findings from the one night shelter count. These reports enable the community and social service agencies to better understand and address the needs of the homeless individuals who are part of the Salem community.

MWVCAA and their social service partners continue to outreach with other agencies to prevent homelessness and to help homeless persons make the transition to permanent housing and independent living. In the 2009-2010 PY, the Homeless Prevention and Rapid Re-housing Program will be coordinated with this agency. The goal of this program is to provide homelessness prevention assistance to households who would otherwise become homeless and to provide assistance to rapidly re-house persons who are homeless.

OTHER ACTIONS SUPPORTING THE "PLAN"

All of the actions taken by Federal Programs in the management of HOME and CDBG funds are completed in support of the CDBG or HOME program goals and/or to help successfully meet the *Plan* goals.

Each year the Mayor for the City of Salem proclaims one week in September to be a call to action in support of the 10 year plan to end homelessness. This proclamation states that "Salem, Oregon supports development of the plan and will strive to achieve its goals through working with other government partners at all levels, non-profit organizations, the private sector, the faith community and interested individuals to reach the goal."

Coordination between public and private housing and social services agencies is an extremely important activity. The City participates in the Continuum of Care Collaborative, which is comprised of various housing and social service agencies. The collaboration of many local stake holders provides better service to the underserved though many different services. Partnering with these institutions is vital to overcoming any gaps in institutional structure

The City has committed to provide 15% of its total allocation of CDBG to organizations that serve individuals and families living below the poverty line. Some of these services include funding to organizations such as Mid Valley Women's Crisis Shelter, HOST (youth homeless/crisis service) and Salem Keizer School District for local public bus passes for the homeless. Through the City's general fund other organizations such as Marion-Polk Food Share, Salvation Army, Mano a Mano, Congregations Helping People provide emergency services for low income families. These programs help to alleviate the obstacles many of these families face due to living below the poverty line while providing tools to help them move beyond their current living conditions.

Affordable housing is the City's number two priority. The City continues to help foster and maintain affordable housing by providing HOME funds to Community Housing Development Organizations (CHDO) and other non-profit housing organizations. These partnerships have helped to remove some of the many housing barriers. These barriers can consist of cost, availability and location of housing. For the past several years the City has provided System Development Charge waivers for organizations constructing new affordable housing using federal funds. This helps keep the cost of construction down which in turn allows for lower rents. These organizations are then required to maintain the property as affordable housing for a prescribed number of years. To ensure affordable housing is maintained the City follows all compliance monitoring requirements on a regulated schedule.

The City partners with both the local housing authority and the adjacent county housing authority to provide grant funds for project improvements. This coordination of funds and agencies reduces gaps and improves public housing for the citizens of Salem and Keizer.

The evaluation and reduction of lead-based paint hazards is included in standard operation procedures for all funded projects and programs. For the Homebuyer program, all homes built after 1978 must pass a visual lead inspection. Lead based paint inspections are required on all single family rehabilitation projects built after 1978. If lead based paint is found at a level unacceptable by HUD, mitigation will be required. Lead based paint abatement loans are available up to $10,000 and are forgivable after one year.

To ensure that housing assisted by CDBG and HOME funds are safe, the City of Salem continues to do lead-based paint inspections on all CDBG or HOME supported rehabilitation activities. This effort is in support of HUD's goals of having all homes lead-safe by 2011. The City of Salem completes HOME rental housing inspections on all projects funded with HOME dollars. These inspections are part of the HOME monitoring effort. All units inspected must meet Salem's Local Housing Codes. The City's local housing codes exceed the requirements of Housing Quality Standards (HQS).

When property is acquired or rehabilitated, steps are taken to cause as little disruption as possible for tenants. Actions are taken to avoid displacement as much as possible. Required notices are sent to tenants as part of the application process. Staff attends Uniform Relocation Act (URA) training whenever offered and trains sponsors on the importance of compliance.

Geographical Distribution of CDBG & HOME Funds

The City of Salem provides CDBG assistance to low income persons or families within the city limits of Salem. HOME funds can assist low-income persons or households within the city limits of both Salem and Keizer. The Salem/Keizer HOME Consortium allows for a wider distribution of HOME funds in the community. In compliance with the Fair Housing Act, the Salem-Keizer Consortium attempts to avoid undue concentrations of affordable housing development within areas of low income or minority concentration. The Consolidated Plan promotes housing choices throughout Salem and Keizer for very low and low-moderate income individuals and families, especially near employment, shopping and supportive services.

CDBG infrastructure projects, such as parks, benefit specific geographic areas and are located in low and moderate-income areas based on available census data.

Specific CDBG and HOME project locations are included in the maps, Appendix F, which identifies the areas with a concentration of low income households and includes the areas of minority concentration based on the 2000 census information as well as other maps. Within the Salem area, persons of Hispanic descent represent the largest minority population in the community.

Income Distribution of Benefits

CDBG and HOME activities benefit low-income individuals and households who may be homeless, at risk of homelessness, transitional housing residents and individuals with special needs.

Activities targeting prospective or existing homeowners benefit households earning from 50-80% of the local area MFI. CDBG funded projects that met the requirements of area benefit including neighborhood revitalization activities and are located in areas where at least 51% of the population is low/moderate income.

The City of Salem is committed to assisting the citizens of Salem and Keizer in obtaining clean, safe, affordable living conditions.

Economic Opportunities for Low and Very Low Income Persons and Minorities

Economic Opportunities for Very Low and Low Persons (Section 3) is a federal requirement stating, "any project receiving federal financial assistance must, to the greatest extent feasible, provide opportunities for employment and training on the project for lower income residents in the project area."

The City requires all contractors and sub-contractors receiving contracts utilizing federal funds comply with Section 3 requirements and use minority or women based business whenever possible. The City has a marketing and application process for all contractors interested in working on the Single Family Rehabilitation program.

The City encourages the participation of Minority Business Enterprises and Women-Owned Business Enterprises in contracts funded with CDBG and HOME. In partnership with the local Latino microenterprise organization the City was able to market to and approve new Minority/Women owned business.

The City requires all recipients/subrecipients with construction/rehabilitation projects to provide documentation of their efforts to hire minorities or women owned businesses The City also provides a mailing list of women and minority businesses to ensure outreach efforts include those businesses as contract bid packets are published.

Assistance to Minorities

The following two tables summarize assistance to individuals by race and ethnicity. The information is provided by sponsors though quarterly progress reports. The tables are broken down between the HOME and CDBG programs and include race and ethnicity.

2008 CDBG Programs
Race/Ethnicity of Those Assisted
Totals for All Objectives/Outcomes*

RACE	PERSONS TOTAL
White	1,326
Asian	25
Asian and White	2
Black/African American	54
Black/African American/White	8
American Indian/Alaskan Native	37
American Indian/Alaskan Native/Black	1
American Indian/Alaskan Native/White	3
Native Hawaiian/Other Pacific Islander	15
Other Multi-Racial	137
TOTAL	1,608
ETHNICITY	
Hispanic	566
Russian	91

*Figures include all CDBG carryover projects completed this year.

The Hispanic population constitutes an ethnic, not racial category and is included in the white race numbers above. Hispanic participation in CDBG programs was 35%, which is higher than the 14.6% of the population reported in the 2000 census. Noting the increase in the number of Russian families migrating to the area, the City captures data and will continue reporting that information in the future. In 2008-2009, nearly 6% of the families assisted were Russian. The CDBG programs also reported serving 109 disabled persons and 177 elderly persons.

2008 HOME Program
Race/Ethnicity of Persons Assisted
Totals for all Objectives/Outcomes*

RACE	TOTAL
White	98
Black/African American	3
Other Multi-Racial	1
TOTAL	102
Hispanic	21
Russian	0

*Figures include all carryover projects completed this year.

The HOME Program serves the metropolitan areas of Salem and Keizer. The Hispanic and Russian population constitutes an ethnic, not racial, category and is included in the white race. Hispanic participation in HOME programs was nearly 21%, which is higher than the 14.6% reported in the 2000 census. The Russian population is being tracked but no Russian households were reported as receiving assistance through the HOME program. The HOME programs reported serving 29 disabled persons.

Salem Conference Center

A total of $502,634.52 was paid into the Loan Repayment Investment Account in order to make debt service on the Salem Conference Center Section 108 loan payment. These funds were a combination of CDBG program income, Riverfront-Downtown Urban Renewal Funds and Conference Center operating income. In 2008-2009, there were 565 events held at the center with 81,608 attendees.

LEVERAGING RESOURCES

Federal, state and local funds are used to fill in the financial gap in support of the *Plan*. The City participates in many projects through the, Oregon Housing Trust Funds, Oregon Lender Low Income Tax Credits, weatherization, special needs housing and the state's own homebuyer program.

Mid-Willamette Community Action Agency (MWCAA) is the lead organization for the City's Continuum of Care. The partnership between MWCAA and the City is essential to the reduction of homelessness and the personal wealth creation for the citizens of the City.

A key objective for the City of Salem and the Salem/Keizer Consortium is to leverage resources to the maximum extent possible. Private sector lenders and private non-profit agencies provide some of these resources. CDBG/HOME/ADDI fund allocations are leveraged through the City's partnerships. These partners leverage the allocations they receive from the City through private loans, grants received from local non-profits, LIHTC, Oregon Housing Tax credits, Weatherization grants, donations, volunteer support and through other state or federal agencies.

The City continues to look for ways to leverage additional dollars for all the projects funded with CDBG and HOME. For all programs/projects (regardless of federal funding source) the City requires a 25% match.

MATCHING RESOURCES

The HOME program requires a twenty-five percent match for all activities (excluding administration) completed during a program year. The match liability for PY 2008 was $140,368.80. Total match contributed was $472,303. (See Appendix C). Match contributions include volunteer time, in-kind donations, grants, System Development Charges waivers and property tax waivers.

CITIZEN COMMENT

No citizen comments were received during the 15-day comment period.

SELF-EVALUATION

Many factors determine the outcomes of any program. The City's objectives and outcomes focused on the affordability, sustainability and accessibility. Tables 1C, 2C, and 3A on Pages 37-38 compare the expected number of accomplishments to the actual. Many of the objectives exceeded the City's expectation while a few did not.

- Address the needs of accessibility to decent housing by offering rental assistance to the homeless and those at risk of homelessness
    - Exceeded expectations by 169% for the year, 62% overall

- Address the needs for affordable decent housing by offering first-time homebuyer assistance:
    - Exceeded expectations by 17% for the year, 95% overall

- Address the needs for sustainable housing by offering rehabilitation of multi-family rentals:
    - Exceeded expectations by 120% for the year, 71% overall

- Address the needs for special needs/elderly housing by funding new accessible living environments:
    - Exceeded expectations by 563% for the year, 75% overall

- Address the needs to maintain affordable safe/decent housing to low income families:
    - Exceeded expectations by 82% for the year, 77% overall

- Address the social services needs of the homeless or those at risk of homelessness
    - Exceeded expectations by 92% for the year, 104% overall

- Provide economic opportunity through new and improved accessibility:

- Exceeded expectations by 239% for the year, 168% overall

- Provide accessibility by funding improvements to public facilities:
  - Exceeded expectations by 100% for the year, 100% overall

- Provide sustainability by funding improvements to local neighborhoods:
  - Exceeded expectations by 100% for the year,s100% overall

This year the objectives that exceeded the annual projects were those associated with first time services. The increase partnership with local service organizations has enabled the City to increase the number of people receiving services. The City has been able to increase the marketing efforts of programs and projects therefore having an impact on the community.

MONITORING

The City's Urban Development Department uses established policies and procedures to ensure long-term compliance with the requirements of the CDBG and HOME programs. When carrying out housing and community development activities under CDBG and HOME, the City of Salem and the Salem/Keizer Consortium adhere to the following:

Community Development Block Grant (CDBG)

CDBG monitoring is performed to ensure compliance with the CDBG eligibility requirements. Site visits are coordinate until the completion of projects. All CDBG rehabilitation activities undertaken must ensure compliance with City building codes and income eligibility. For all projects triggering Davis Bacon prevailing wages, a staff member is designated responsibility to oversee the project to ensure compliance throughout.

A well executed, project specific, loan agreement is essential to successful monitoring. All project (CDBG and HOME) agreements must consider the following:

- Statement of work, work to be performed, schedule and a detailed budget
- Minority Business Outreach
- Terms of Affordability
- HOME Assisted Units, Fixed or Floating
- Terms of Public and Project Benefit
- Uniform Administrative Requirements
- Property and Fair Housing Standards
- Disbursement of Funds Request
- Records to be Maintained and Reports to be Submitted
- Terms of Repayment
- Terms of Security/Collateral
- Program Income repayment
- Duration of Agreement
- Conditions for Religious Organizations
- Reversion of Assets
- Uniform Relocation Act
- National Environmental Protection Act
- Conflict of Interest policy or statement

Subrecipient Monitoring

Based on the HUD schedule, CDBG projects are monitored as they close or at the end of their program year. Monitoring and technical assistance are a vital part of a successful subrecipient/Participating Jurisdiction relationship. The City recognizes it has the responsibility to mentor and manage all subrecipients.

The City provides an orientation session for all funded subrecipients to explain their role and responsibility to the CDBG program and the City's monitoring policy. This orientation includes a review of CDBG eligible activities and documentation requirements.

The level of subrecipient monitoring is dependent on the length of time a subrecipient has been receiving CDBG funds and their performance level. All first year subrecipients have onsite monitoring. All subrecipients are required to submit quarterly progress reports.

HOME Investment Partnership Program (HOME)

HOME programs are tracked through a matrix and monitored according to the prescribed guidelines. HOME monitoring ensures that recipients manage projects in compliance with HOME eligibility and record keeping requirements. Property inspections must meet the requirements of the State and local codes and City Rehabilitation standards for projects in the cities of Salem and Keizer. The number of housing units in a given project determines the required frequency of property inspections. The schedule is as follows:

- 1 – 4 units, every three years
- 5 – 25 units, every two years
- 26 units or more, annually

In addition to frequency of visits, the total amount of HOME funding in a project determines the duration the project must comply with HOME regulations. An annual report must be submitted by all sponsors with housing projects that are still within affordability period. The only sponsors not required to submit annual reports are those with properties that are monitored annually due to the number of units in the project. Annual reports are reviewed by staff to determine if risk levels have increased resulting in the need of more frequent monitoring, technical assistance or if personal contact is needed.

The City performs on-site inspections for all funding requests for acquisition and rehabilitation of rental housing. The on-site inspections are analyzed using local codes and ordinances and rehabilitation standards. The inspections performed during the 2008-2009 PY indicated all HOME projects are being maintained in a manner that increases the life of affordable housing and the property.

Internal programs, including the Homebuyer, Single Family Rehabilitation and Critical Repair Programs, are monitored annually by staff not associated with the daily operation of the program. At the completion of monitoring, a report is sent to the Federal Programs Manager who addresses any issues discovered.

A number of checklists have been created for projects and programs to ensure monitoring is consistent and to provide file documentation. When programs or projects are found to be out of compliance, staff works with sponsors to correct issues and provide training so staff is aware of expectations to ensure requirements and issues are resolved. This includes coaching sponsors so procedure manuals are created and kept up to date.

Projects or programs receiving CDBG and/or HOME allocations are completed in a timely manner. In some cases, due to various situations, delays occur. The following projects/programs will be carried over due to project delays that could include project permitting, program design and lease up issues:

- Woodmansee Apartments: rental housing for 11 developmentally disabled individuals.
- Tenant based rental assistance: MWVCAA began the lease up process late in the year. This program was designed to be a two year program.

Grant disbursements are done in a timely manner. Due to the city being on a cash accrual basis, the end of the year reports may not reconcile actual expenditures to the letter of credit.

PROGRAM NARRATIVES

CDBG and HOME Accomplishments

This section is an evaluation of the City's progress in meeting its specific community development objectives. Below are the accomplishments achieved in PY 2008 under the HUD-administered CDBG and HOME Program grants:

CDBG PROGRAM

Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program assists citizens in the metropolitan area of Salem, Oregon address affordable housing, the needs of the homeless, community development and economic development. CDBG is administered by the City of Salem, Urban Development Department, Federal Programs Division. Eligible applicants are households and individuals whose income does not exceed 80% of the median income for a family equivalent to their size. These income limits are provided to the City of Salem from HUD in the spring of each year.

Assessment of Relationship of CDBG to priorities:

The City markets the application cycle in such a way that could provide the largest range of submissions. Historically the majority of fund requests have been to provide additional affordable housing through acquisition and/or rehabilitation. PY 2008-2009, the City received eight requests for CDBG funding that served the homeless or those at risk of homelessness and three requests for affordable housing.

When reviewing the number of homeless or at risk of homeless individuals served, the City met the projected goal (Table 2A on Pages 30-32). The City fell short this year in addressing the social services needs of the homeless but has met the overall goal (Table 1C, 2C, 3A on Pages 37-38). The City has met the goal of offering rental assistance to the homeless (Table 1C, 2C, 3A on Pages 37-38) and the City will continue to market the CDBG program to organizations who provide assistance to meet the City's priorities. The City will continue to fund projects that align with the priorities defined in the Plan.

Assessment toward the CDBG Goals and Objectives

The City of Salem reports the commitment and expenditure of program funds as shown on the tables on Page 24 (CDBG) and Page 27 (HOME) and in addition provides a more detailed analysis of progress by each of the programs.

The reported 2008 expenditures do not always correspond to the 2008 commitments, as some of the expenditures reflect prior PY commitments, depending on the activity and the lag time between commitment and actual expenditure.

The City received the following applications for CDBG assistance they relate to the Plan:

Priority 1 – Homelessness
- Salem Housing Authority – Interim Assistance
- YWCA Outreach Shelter-Acquisition/Rehabilitation
- Cascadia Detoxification Program
- Salem Keizer School District Homeless Bus Pass Program
- Salem Outreach Shelter Case Management
- Mid-Valley Women's Crisis
- YWCA: Resource Assistance
- NWHS: HOST Youth Shelter

Priority 2 Affordable Housing
- Critical Home Repair
- Habitat for Humanity- Samaritan Lane
- Salem Housing Authority-Englewood East Apartment Rehabilitation
- Salem Housing Authority – Rehabilitation Robert Lindsey Tower, Senior Housing

Priority 3 – Removal of Accessibility Barriers
- Audible Signals

Priority 4 – Community and Economic Development
MERIT Microenterprise
Latino Microenterprise
Hoover Park

The City plays an important role in helping organizations meet the completion dates and comply with Federal regulations. Site visits and other technical assistance are used to help organizations overcome hurdles that can impede timely completion. Actions have been taken to increase timeliness of project completion and to actively troubleshoot on behalf of recipients who encounter permitting hurdles or require approval from other city departments before proceeding with their projects.

Availability of CDBG Funds

For PY 2008, a total of $2,214,364[2] was awarded to various programs and projects. These funds were used to benefit those individuals and families with extremely low-income, low-income and moderate income.

Distribution of CDBG Funds

The application cycle began in November 2008. The method of application distribution adopted for PY 2008 was based on the City of Salem's desire to impact the needs of the community. Local stakeholders were notified of the current application process and marketing was also conducted in the local newspaper and online. Informal communication with recipients, potential applicants and various professionals around the City were conducted and potential applicants were encouraged to apply. All applications received were reviewed for eligibility and submitted to the Housing and Urban Development Advisory Committee (HUDAC) for review and adoption. The committee meetings were public and held in conjunction with the development of the Annual Action Plan. This competitive award process was extensive and included site tours and was open to all interested non-profit and for-profit organizations. The priorities, needs and goals as well as the specific objectives in the consolidated plan will continue to dictate the use of CDBG funds. The following tables provide additional information regarding accomplishments towards established goals: *Priority Housing Needs/Investment Plan (Table 2A on Pages 30-32), Annual Housing Completion Goals (Table 3B Page 33), Priority Community Development Needs (Table 2B on Page 34) and Summary of Specific Annual Objectives (Table 1C, 2C, 3A on Pages 37-38)*.

PY 2005 was the first year in which Federal Programs created a Special Needs set-aside in order to fund projects on a "ready-to-go" basis. In PY 2008 the City was able to award remaining set-aside funds for rehabilitation to the Salem Outreach Shelter's kitchen.

The Salem Interfaith Day Center rehabilitation is expected to be completed by the end of September 2009. This project experienced challenges due to the replacement of the Executive Director. The new Executive Director has done an excellent job ensuring this project is completed without further delays.

Habitat for Humanity of the Mid-Willamette Valley has not begun work on the project with committed funds for 2008-2009, resulting in meetings being held with the board to try to determine changes in their procedures so projects can be completed more timely.

Acquisition of the Salem Outreach Shelter has been delayed due to zoning issues. Currently the Salem Outreach Shelter is working to complete a lot line adjustment with the adjacent property owner. All the documentation has been submitted to the City. Once the adjustment is made the City plans to move forward with the acquisition.

The following table outlines the progress made towards meeting the goals of providing affordable housing using CDBG funds, including the number and types of households served.

[2] Figure does not includes $33,975 funded to Salem Outreach Shelter from set-aside CDBG funds

2008-2009 Projects Completed			
Critical Repair	CDBG	$120,560	12/11
Englewood East Apartments	CDBG	$78,400	50/50
Salem Outreach Shelter Rehab	CDBG	$35,000	183/136
SHA – Interim Housing	CDBG	$79,310	158/135
2008-2009 Projects Pending			
Salem Interfaith Hospitality	CDBG	$128,562*	120/0
Salem Outreach Shelter	CDBG	$319,000**	183/0
Samaritan Lane (Habitat)	CDBG	$180,000	3/0
2007-2008 Projects Completed			
Robert Lindsey Tower	CDBG	$200,000	62/62
Habitat, Ford Street*	CDBG	$70,000	2/2
River Road	CDBG	$85,884	10/10
Total		**$1,296,716**	**783/406**

*Amount increased by $3,000 from Annual Plan
**Includes funds carried over from 2007-2008

The following table indicates the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income and moderate income persons:

Table 1

2008-2009 Projects Completed	HH assisted	HH assisted	HH Assisted
Critical Repair	3	2	6
Englewood East Apartments	30	19	
Salem Outreach Shelter Rehab	82	8	
Audible Signals			
Hoover Park Rehabilitation			
2007-2008 Projects Completed	HH assisted	HH assisted	HH Assisted
Habitat, Ford Street*		2	
Robert Lindsey Tower		58	4
River Road		10	
2008-2009 Programs Completed	Persons Assisted	Persons Assisted	Persons Assisted
Cascadia Detox	429	95	22
MERIT Microenterprise	13	12	
Interface Network	25	28	1
SHA – Interim Housing	80	55	
YWCA: SOS case management	87	9	
NWHS: HOST	113	17	2
Mid-Valley Women's Crisis Services	132		
Salem Keizer School Dist Homeless Transport	136	7	
YWCA: Resource Assistance	98	14	
Total Households Served	**1228**	**336**	**35**

Objectives, Outcomes and Activities

City of Salem has undertaken a variety of activities in pursuit of its general goals. The following table integrates these activities into HUD's new classification method for objectives and outcomes as follows:

Performance Measure Categories
HUD Suggested Projects/Program Types

OBJECTIVE	OUTCOME	CODE	ACTIVITY
Decent Housing	Availability	DH-1	(CDBG or HOME)
	Affordability	DH-2	Multi-Family Acquisition/Rehabilitation (HOME)
			Rental Lead Rehabilitation (CDBG)
			Homebuyer Acquisition/Rehabilitation (HOME)
			Security Deposit (HOME)
	Sustainability	DH-3	Critical Home Program (CDBG)
Suitable Living Environment	Availability	SL-1	Public Services (CDBG)
	Affordability	SL-2	Single Family Rehabilitation (CDBG & Home)
	Sustainability	SL-3	Public Facility Improvements (CDBG)
Community/Economic Opportunity	Availability	EO-1	(CDBG)
	Affordability	EO-2	(CDBG)
	Sustainability	EO-3	Microenterprise Program (CDBG)

In the Program Narratives, additional information is provided that outlines the progress made on meeting the Outcomes and Activities in both the CDBG and HOME programs.

Distribution of CDBG Funds by Use and HUD Objective/Outcome

Under HUD's new Performance Measurement framework, the City of Salem is required to determine prescribed objectives and outcomes for all. The City has determined the following prescribed objectives and outcomes for the City CDBG funds:

PROGRAM YEAR 2008
CDBG FUNDS COMMITTED AND EXPENDED*
BY PROGRAM, OBJECTIVE/OUTCOME CODE AND ACTIVITY

PROGRAM	CODE**	ACTIVITY	RESOURCES	
			COMMITTED*	EXPENDED*
CDBG	DH-1	Public Facility, SOS rehabilitation, SOS acquisition carried over	$354,000	$57,661
	DH-2	Single Family Acquisition H4H Samaritan Lane carry over	$180,000	$9,225
		Ford Street carry over completed	$70,000	$1,172
	DH-3	Multi-Family Rehabilitation, Englewood East, River Road, Robert Lindsey Towers	$364,284	$315,438
	SL-2	Critical Home Program	$120,560	$117,671
	SL-3	Public Services	$288,060	$280,730
	SL-3	Public facility, Day Center rehabilitation carried over (NOTE: increased by $3,000 from Annual Plan)	$128,562	$49,995
	EO-3	Public Facilities: Hoover Park, Audible Signals	$179,580	$173,844
	EO-3	Microenterprise Program, MERIT, Interface	$80,000	$80,000
		Section 108	$400,000	$502,635**
		Project monitoring, Management, Reporting	$366,780	$389,611**

**The Code column is the required identifier for HUD's performance measures. These numbers are explained in the performance measure section of this CAPER. *Includes projects carried over from previous years that were completed this program year.
**Additional funds were received.

OBJECTIVE/OUTCOME = DH-1 (increasing the availability and accessibility of decent housing)
The City of Salem committed $354,000 in CDBG funds for the acquisition of property for low income and special needs families obtain a suitable living environment. The rehabilitation was completed during this program year, however the acquisition is pending.

OBJECTIVE/OUTCOME = DH-2 (increase the affordability of decent housing)
The City of Salem committed $250,000 to a variety of activities intended to increase the affordability of decent housing. This included acquisition of single family housing for low income families. The acquisition for Samaritan Lane is still pending.

OBJECTIVE/OUTCOME = DH-3 (sustainability of decent housing)
The City of Salem committed $364,284 to rehabilitate a multifamily apartment rental complex. River Road and Robert Lindsey Towers were funded in 2007-2008 but were completed this program year.

OBJECTIVE/OUTCOME = SL-2 (increasing the affordability of suitable housing)
The City of Salem committed $120,560 in CDBG funds to the rehabilitation of owner-occupied, single family housing.

OBJECTIVE/OUTCOME = SL-3 (sustainability of a suitability of living environment).
The City of Salem committed $128,562 in CDBG funds for to rehabilitate a day center for homeless families (project not completed) and $288,060 for public services benefiting low-income people.

OBJECTIVE/OUTCOME = EO-3 (provide economic opportunity through new and improved accessibility and opportunities).

The City of Salem committed $179,580 in CDBG funds to improve a public park and to add three audible signals to busy intersections to assist the visually impaired community members. An additional $80,000 was committed to provide training and technical assistance through the MERIT and Interface Microenterprise Programs.

The following projects are still pending with funds not being fully expended:

- A rehabilitation project for Salem Interfaith (SL-3). This project is nearly completed.
- Salem Outreach Shelter (DH-1) acquisition carried over funds to 2008. Project is expected to be completed within the next 6 months.
- Habitat for Humanity, Ford Street (DH-2) was completed. Samaritan has been carried over.

Changes in Program Objectives

During the 2008-2009 PY the City did not change the program objectives as it pertained to the Consolidated Plan and the Annual Plan. The City received 16 applications; Eight of those applications were for Homelessness, the number one priority; four applications were for Affordable Housing, priority 2 one application was for removal of accessibility barriers, and three applications were for Economic Development, priority 4.

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NEIGHBORHOOD REVITALIZATION STRATEGIES

A Neighborhood Revitalization Strategy Area (NRSA) was established in conjunction with the 2009-2013 Consolidated Plan to increase stability in a low income neighborhood through revitalization activities. Staff attended a number of neighborhood association meetings as part of the development of the NRSA to receive public feedback. The designated area will be a funding priority during future application cycles. Progress made regarding the NRSA will be reported in the CAPER in following years.

HOME PROGRAM AFFORDABLE HOUSING GOALS

To assist the City in achieving its number two *Plan* goal, Affordable Housing, the City employs a number of techniques and leverages other community resources. The City currently provides assistance to local home owners by funding single-family rehabilitation and homebuyer activities in Salem and Keizer. These programs encourage homeownership and the preservation of affordable housing.

The City partners with non-profit agencies who provide housing and services to families with the worst case needs. The City has funded programs that provide TBRA, affordable rents and social services. The City provides onsite inspections of affordable housing which includes reviewing rent roles, tenant income review, as well as rent and utility allowances to ensure there is no cost burden and the living conditions are not substandard.

The City of Salem and the City of Keizer also supports affordable housing development efforts by a local Community Housing Development Organizations (CHDO). Salem Keizer Community Development Corporation, one of the City's local CHDOs, is active in developing and rehabilitating multi-family housing in both Salem and Keizer. Catholic Community Services became an active CHDO in 2006 and has purchased affordable housing units, acquired property and will be constructing affordable housing units in PY 2009. The City of Salem and the City of Keizer also collaborate with the Oregon Department of Housing and Community Services to fund affordable housing projects with the use of Low Income Tax credits, homebuyer programs and trust funds.

Table 1 on Page 23 provides a breakdown of the citizens served in 2008-2009 by levels of income. Over 60% of rental assistance provided was to families between 0-30% MFI. Over 86% of rental assistance provided was to citizens at 50% or less MFI.

Measuring and Reporting Performance

The HUD Performance Measurement System

In PY2006, HUD implemented a new performance measurement system. Under this system a participating jurisdiction, in preparing Consolidated Planning documents, must relate CDBG and HOME-funded activities to a matrix of objectives and outcomes created by HUD. HUD specifies three broad objectives for the CDBG and HOME programs: decent housing; suitable living environment and economic opportunity. In addition, HUD specifies three outcomes of CDBG and HOME-funded activities: availability/accessibility (hereinafter cited as availability): affordability and sustainability. Cross classifying these objectives and outcomes, HUD created the following matrix:

HUD Performance Measurement Matrix

Objective ↓ / Outcome →		Availability 1	Affordability 2	Sustainability 3
Decent Housing	**DH**	DH-1	DH-2	DH-3
Suitable Living Environment	**SL**	SL-1	SL-2	SL-3
Economic Opportunity	**EO**	EO-1	EO-2	EO-3

HUD requires all states and participating jurisdictions to attribute CDBG and HOME-funded activities to one and only one of the nine-objective/outcome pairs defined by the matrix. In addition, HUD has pre-determined which individual activities may be attributed to a specific objective/outcome pair. For example, homeownership rehabilitation activities must be attributed to DH-1, rental rehabilitation activities must be attributed to DH-2 and rehabilitation of "eyesore" properties must be attributed to DH-3. The City of Salem Annual Action Plan for 2008, which is the subject of this CAPER, was submitted to HUD introducing HUD's new performance measurement system for categorizing CDBG and HOME-funded activities by objective and outcome. City of Salem continues to work, in cooperation with HUD, to implement this system. This CAPER is the second report which includes the HUD required performance measures which allows the City of Salem to track performance of the approved programs and projects from the 2008 Annual Action Plan.

Assessment of Relationship of HOME funds to Goals and Objectives

The HOME Investment Partnerships Program (HOME) was established by Title II of the National Affordable Housing Act (NAHA) of 1990 to provide funds to acquire rehabilitate or construct affordable housing, to assist renters and first-time homebuyers. Urban Development Department (UDD) administers the City of Salem's HOME program in partnership with the City of Keizer.

The City uses HOME funds to meet the number 2 priority, Affordable Housing. Partnerships with local housing authorities and CHDO's are vital to provide affordable decent housing within the community. The City provided approximately $1million in HOME for the preservation of affordable housing. These projects consisted of acquisition, rehabilitation and construction. The intent of the projects is to provide affordable housing to those families with income less than 60% median income. In some cases projects serve families at 30% of median income. Providing housing to families at 30% is important to reduce any cost burden.

Availability of HOME

A total of $1,489,778 was awarded to various projects including $6,971 for the American Dream Downpayment Initiative (ADDI). These funds were used for the homebuyer program, single family homeowner rehabilitation, security deposit assistance, TBRA, rehabilitation and acquisition of multi-family units to help provide affordable housing to low income individuals. These funds include the allocation from HUD, estimated program income and cost savings from previous years.

Distribution of HOME Funds

HOME Program funds were provided to eligible applicants to acquire, construct or rehabilitate affordable housing, including both owner-occupied and rental housing; for tenant-based rental assistance and for administrative expenses of public entities and not-for-profit organizations that undertake program activities. The City of Salem uses a competitive process for distributing its HOME funds. In this process:

- 15% of each annual allocation is reserved for Community Housing Development Organizations (CHDO's):
- 5% of each annual allocation is reserved for CHDO operating assistance.
- 10% of each annual allocation is reserved for administration costs. This includes administration costs for all Tenant Based Rental Assistance programs;
- All remaining funds are distributed to various stakeholders through a competitive application process in conjunction with the priorities of the Consolidated Plan.

Distribution of HOME Funds by Use and HUD Objective/Outcome

Under HUD's Performance Measurement framework, the City of Salem is required to determine prescribed objectives and outcomes for all projects and programs.

HOME FUNDS COMMITTED AND EXPENDED*
BY PROGRAM, OBJECTIVE/OUTCOME CODE AND ACTIVITY

PROGRAM	CODE**	ACTIVITY	RESOURCES	
			COMMITTED	EXPENDED
HOME	DH-1	CHDO support	$44,340	$44,340
	DH-1	Winter Street NOTE: Includes funds carried over from 07/08	$377,000	$360,386
	DH-2	Homebuyer, Single Family Acquisition, H4H Windsor Island, Builders Blitz Mildred Lane projects carried over	$322,500	$180,050
	DH-3	Multi-Family Acquisition Rehabilitation, Woodmansee carried over	$200,000	$41,408
	SL-2	Single Family Rehabilitation	$630,481	$607,611
	SL-3	Tenant Based Rental Assistance, Security Deposit NOTE: expended includes carryover TBRA, 08/09 Security Deposit increased by $10,000 from Annual Plan	$70,000	$80,227
		Administration	$119,957	$119,640

**The Code column is the required identifier for HUD's performance measures. These numbers are explained in the performance measure section of this CAPER.

The City of Salem's distribution of HOME funds among uses and objectives is based on the type of project and how they meet the allowable activities

OBJECTIVE/OUTCOME = DH-1 (increasing the availability and accessibility of decent housing)

The City of Salem committed $421,340 in HOME funds for the acquisition of property for low income and special needs families obtain a suitable living environment and for CHDO support.

OBJECTIVE/OUTCOME = DH-2 (increase the affordability of decent housing)

The City of Salem committed approximately $322,500 to a variety of activities to increase the affordability of decent housing. These activities include homeownership assistance (including down payment and closing cost assistance for single family housing) and acquisition of single family housing for low income families.

OBJECTIVE/OUTCOME = DH-3 (sustainability of decent housing)

The City of Salem committed approximately $200,000 to acquire new rental housing.

OBJECTIVE/OUTCOME = SL-2 (increasing the affordability of suitable housing)

The City of Salem committed $630,481 in HOME funds to the rehabilitation of owner-occupied, single family (1-4 units) housing.

OBJECTIVE/OUTCOME = SL-3 (sustainability of a suitability of living environment).

During the 2008-2009 program year, the City of Salem committed $70,000 in HOME funds for the Security Deposit and Tenant Based Rental assistance programs to assist low income families obtain a suitable living environment.

HOME

- Habitat for Humanity, Mildred Lane (DH-2) and Windsor Island projects were carried over.
- Tenant based rental assistance program (SL-3) is on a two year cycle.

PY 2008 HOME PROGRAM
TYPES OF HOUSEHOLDS ASSISTED*
OBJECTIVE/OUTCOME=SL-2 + SL-3 + DH-2

	EXTREMELY LOW-INCOME 0-30% MFI	VERY LOW-INCOME 31-50% MFI	LOW-INCOME 51-80% MFI	TOTAL
RENTER	60	16	2	78
HOMEOWNER/HOMEBUYER	2	6	16	24
TOTAL	62	22	18	102

*Figures include all carryover projects completed this year.

The City is committed to serving its neediest households. As can be seen from the Table 1 on Page 23, 82% of the households assisted with HOME funds had incomes at or below 50% of area median. In addition, nearly 61% of assisted households had extremely low income, ranging between 0 - 30% of area median income.

For additional information on HOME program funding, see the Priority Housing Needs/Investment Plan (Table 2A on Pages 30-32), Annual Housing Completion Goals (Table 3B on Page 33) and IDIS Report PR23, Appendix A.

SALEM HOUSING AUTHORITY

Activities Which Address Plan Priority Needs

Housing Choice Program

At the beginning of the City's 2008 fiscal year, 2,957 units were under contract in the Housing Choice Program (Section 8 rental assistance). The number under contract at the end of the PY 2008 was 2,828. Current utilization is 100% of the number allocated which has fluctuated and will likely continue to fluctuate in the coming year. The number under contract at any one time is a delicate balancing act between families leasing new units and families terminating from the program. The time it takes for new families to find and lease a unit, once they have been issued a voucher, can take up to four months.

Table 2A
Priority Housing Needs/Investment Plan Goals

Renters						
0 - 30 of MFI	495	99	99	99	99	99/170
31 - 50% of MFI	608	121	121	122	122	122/157
51 - 80% of MFI	1221	244	244	244	245	245/5
Owners						
0 - 30 of MFI	89	17	18	18	18	18/5
31 - 50 of MFI	136	27	27	27	27	28/8
51 - 80% of MFI	104	20	21	21	21	21/24
Homeless*						
Individuals	220	44	44	44	44	44/93
Families	80	16	16	16	16	16/93
Non-Homeless Special Needs						
Elderly	155	31	31	31	31	31/136
Frail Elderly						
Severe Mental Illness						
Physical Disability						
Developmental Disability						
Alcohol/Drug Abuse						
HIV/AIDS						
Victims of Domestic Violence						
Total						
Total Section 215						
212 Renter	2,324	464	464	464	466	466/332
215 Owner	329	64	66	66	66	67/37

* Homeless individuals and families assisted with transitional and permanent housing

Table 2A
Non-Homeless/Special Needs

Elderly	2	50
Frail Elderly	2	12
Severe Mental Illness	2	10
Physical Disability	2	75
Developmental Disability	2	60
Alcohol/Drug Abuse	1	25
HIV/AIDS	0	0
Victims of Domestic Violence	1	80

*Some of the individuals count may appear in more than one category

Priority Housing Activities/Investment Plan Table

Table 2A
Priority Housing Activities

Priority Need		**Yr. 1 Goal Plan/Act**	**Yr. 2 Goal Plan/Act**	**Yr. 3 Goal Plan/Act**	**Yr. 4 Goal Plan/Act**	**Yr. 5 Goal Plan/Act**
Acquisition of existing rental units	10	2	2	2	2	2/0
Production of new rental units						
Rehabilitation of existing rental units	5	1	1	1	1	1/3
Rental assistance						0/135
Acquisition of existing owner units						
Production of new owner units	15	3	3	3	3	3/2
Rehabilitation of existing owner units	60	12	12	12	12	12/11
Homeownership assistance						
Acquisition of existing rental units	10	2	2	2	2	2/1
Production of new rental units	3	1	1	0	0	1/0
Rehabilitation of existing rental units	5	1	1	1	1	1/0
Rental assistance	140	28	28	28	28	28/66
Acquisition of existing owner units						
Production of new owner units	10	2	2	2	2	2/0
Rehabilitation of existing owner units	80	16	16	16	16	16/12
Homeownership assistance	80	16	16	16	16	16/12
Rental assistance	0					
Short term rent/mortgage utility payments	0					
Facility based housing development	0					
Facility based housing operations	0					
Supportive services	0					
	0					
	0					

Table 2A
Priority Housing Needs/Investment Plan Table

Renter	Small Related	0-30%	1	467
		31-50%	2	608
		51-80%	2	1221
	Large Related	0-30%	1	176
		31-50%	2	487
		51-80%	2	991
	Elderly	0-30%	1	495
		31-50%	2	0
		51-80%	2	0
	All Other	0-30%		0
		31-50%		0
		51-80%		0
Owner	Small Related	0-30%	1	69
		31-50%	2	89
		51-80%	2	25
	Large Related	0-30%	1	20
		31-50%	2	47
		51-80%	2	76
	Elderly	0-30%	1	99
		31-50%	2	56
		51-80%	1	
	All Other	0-30%		
		31-50%		
		51-80%		
Non-Homeless Special Needs	Elderly	0-80%	2	155
	Frail Elderly	0-80%		
	Severe Mental Illness	0-80%		
	Physical Disability	0-80%		
	Developmental Disability	0-80%		
	Alcohol/Drug Abuse	0-80%		
	HIV/AIDS	0-80%		
	Victims of Domestic	0-80%		

Annual Housing Completion Goals
(Table 3B)

Grantee Name: City of Salem **Program Year: 2008-2009**	**Expected Annual Number of Units To Be Completed**	**Actual Annual Number of Units Completed**	**CDBG**	**HOME**
Homeless households	2	1	☒	☒
Non-homeless households			☐	☐
Special needs households			☐	☐
Total Sec. 215 Beneficiaries*	2	1	☒	☒
Acquisition of existing units	7	12	☐	☒
Production of new units			☐	☐
Rehabilitation of existing units	89	122	☒	☒
Rental Assistance	87	201	☐	☒
Total Sec. 215 Affordable Rental	183	335	☒	☒
Acquisition of existing units	0	0	☐	☐
Production of new units	26	2	☒	☒
Rehabilitation of existing units	18	24	☐	☒
Homebuyer Assistance	18	12	☐	☒
Total Sec. 215 Affordable Owner	62	38	☒	☒
Acquisition of existing units	7	12	☐	☒
Production of new units	26	2	☒	☒
Rehabilitation of existing units	107	146	☒	☒
Rental Assistance	87	201	☐	☒
Homebuyer Assistance	18	12	☐	☒
Combined Total Sec. 215 Goals*	245	373	☒	☒
Annual Rental Housing Goal	183	335	☒	☒
Annual Owner Housing Goal	62	38	☒	☒
Total Overall Housing Goal	245	373	☒	☒

* The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.

Priority Community Development Activities
(Table 2B)

Priority Need	**5-Yr. Goal Plan/Act**	**Yr. 1 Goal Plan/Act**	**Yr. 2 Goal Plan/Act**	**Yr. 3 Goal Plan/Act**	**Yr. 4 Goal Plan/Act**	**Yr. 5 Goal Plan/Act**
Acquisition of Real Property						2/1
Disposition						
Clearance and Demolition						
Clearance of Contaminated Sites						
Code Enforcement						
Public Facility (General)						
Senior Centers						
Handicapped Centers						
Homeless Facilities						303/136
Youth Centers						137/132
Neighborhood Facilities						
Child Care Centers						
Health Facilities						
Mental Health Facilities						
Parks and/or Recreation Facilities						1
Parking Facilities						
Tree Planting						
Fire Stations/Equipment						
Abused/Neglected Children Facilities						
Asbestos Removal						
Non-Residential Historic Preservation						
Other Public Facility Needs						
Infrastructure (General)						
Water/Sewer Improvements						
Street Improvements						1/1
Sidewalks						
Solid Waste Disposal Improvements						
Flood Drainage Improvements						
Other Infrastructure						
Public Services (General)						
Senior Services						
Handicapped Services						
Legal Services						
Youth Services						
Child Care Services						
Transportation Services						139/143
Substance Abuse Services						900/546
Employment/Training Services						
Health Services						
Lead Hazard Screening						
Crime Awareness						
Fair Housing Activities						
Tenant Landlord Counseling						
Other Services						2,021/1,450
Economic Development (General)						
C/I Land Acquisition/Disposition						
C/I Infrastructure Development						
C/I Building Acq/Const/Rehab						
Other C/I						
ED Assistance to For-Profit						
ED Technical Assistance						
Micro-enterprise Assistance						44/105

Transition Table 2C
Summary of Specific Housing/Community Development Objectives
(Table 2A/2B Continuation Sheet)

Obj #	Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/ Objective*
	Rental Housing					
1.	Address the needs of accessibility to decent housing by offering rental assistance to the homeless and those at risk of homelessness	CDBG HOME	Number of people receiving first time service.	284	481	DH1.1
2.	Address the need for sustainable housing by offering rehabilitation of multi-family rentals	CDBG HOME	Number of households that received service.	50	60	DH3.1
3.	Address the need to maintain affordable safe/decent housing to low income families	HOME CDBG	Number of low-mod households that receive home rehabilitation loans/grants.	28	23	SL2.1
	Owner					
4.	Address the need for affordable decent housing by offing first-time homebuyer assistance	CDBG HOME	Number of new loans.	12	14	DH2.1
	Community Development					
5.	Provide sustainability by funding improvements to local neighborhoods	CDBG	Number of improvements to local neighborhoods completed.	1	1	SL3.2
	Infrastructure					
	Public Facilities					
6.	Provide accessibility by funding improvements to public facilities.	CDBG	Number of public facilities improvement projects completed.	1	1	SL1.2
	Public Services					
7.	Address the social service needs of the homeless or those at risk of homelessness	CDBG	Number of homeless or those at the risk of homelessness served.	2620	2407	SL3.1
	Economic Development					
8.	Provide Economic opportunity through new and improved accessibility.	CDBG	Number of new entrepreneurs to use service.	44	105	EO1.1

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	O-3

***Outcome/Objective Codes**

Transition Table 1C
Summary of Specific Housing/Community Development Objectives
(Table 1A/1B Continuation Sheet)

Obj #	Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/ Objective *
	Homeless Objectives					
9.	Address the social service needs of the homeless or those at risk of homelessness	CDBG	Number of homeless or those at the risk of homelessness served.	2620	2407	SL3.1
10.	Address the needs of accessibility to decent housing by offering rental assistance to the homeless and those at risk of homelessness	CDBG HOME	Number of people receiving first time service.	284	481	DH1.1
	Special Needs Objectives					
11.	Address the need for special needs/elderly housing by funding new accessible living environments	CDBG	Number of persons receiving a benefit	11	62	SL1.1
	Other Objectives					

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

OUTCOME PERFORMANCE MEASUREMENTS
(Table 1C, 2C, 3A)

Specific Objective		Source of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
DH1.1	Address the needs of accessibility to decent housing by offering rental assistance to the homeless and those at risk of homelessness	CDBG HOME	Number of people receiving first time service.	2005	250	250	100%
				2006	300	192	64%
				2007	303	0	0%
				2008	284	481	169%
				2009			
			MULTI-YEAR GOAL		1500	923	62%
DH2.1	Address the need for affordable decent housing by offering first-time homebuyer assistance	CDBG HOME	Number of new loans.	2005	20	19	99%
				2006	22	36	164%
				2007	26	26	100%
				2008	12	14	117%
				2009			
			MULTI-YEAR GOAL		100	95	95%
DH3.1	Address the need for sustainable housing by offering rehabilitation of multi-family rentals	CDBG HOME	Number of households that received service.	2005	55	45	81%
				2006	64	70	109%
				2007	82	0	0%
				2008	50	60	120%
				2009			
			MULTI-YEAR GOAL		245	175	71%
SL1.1	Address the need for special needs/elderly housing by funding new accessible living environments	CDBG	Number of persons receiving a benefit.	2005	129	129	100%
				2006	0	0	0%
				2007	62	0	0%
				2008	11	62	563%
				2009			
			MULTI-YEAR GOAL		253	191	75%
SL2.1	Address the need to maintain affordable safe/decent housing to low income families	HOME CDBG	Number of low-mod households that receive home rehabilitation loans/grants.	2005	78	78	100%
				2006	50	33	60%
				2007	18	21	116%
				2008	28	23	82%
				2009			
			MULTI-YEAR GOAL		202	155	77%
SL3.1	Address the social service needs of the homeless or those at risk of homelessness	CDBG	Number of homeless or those at the risk of homelessness served.	2005	2500	3971	150%
				2006	1960	2673	136%
				2007	3397	3395	99%
				2008	2620	2407	92%
				2009			
			MULTI-YEAR GOAL		12,000	12,446	104%

Community Development Objectives
(Table 1C, 2C, 3A)

	Specific Objective	Source of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
EO 1.1	Provide Economic opportunity through new and improved accessibility.	CDBG	Number of new entrepreneurs to use service.	2005	25	61	244%
				2006	75	55	73%
				2007	55	114	207%
				2008	44	105	239%
				2009			
			MULTI-YEAR GOAL		199	335	168%
SL 1.2	Provide accessibility by funding improvements to public facilities.	CDBG	Number of public facilities improvement projects completed.	2005	0	0	100%
				2006	0	0	100%
				2007	0	0	100%
				2008	1	1	100%
				2009			
			MULTI-YEAR GOAL		1	1	100%
SL 3.2	Provide sustainability by funding improvements to local neighborhoods	CDBG	Number of improvements to local neighborhoods completed.	2005	1	1	100%
				2006	1	1	100%
				2007	0	0	100%
				2008	1	1	100%
				2009			
			MULTI-YEAR GOAL		3	3	100%

Table 4A
Priority Public Housing Needs
Local Jurisdiction

Capital Fund Program (CFP)

The Capital Fund Program table shows FY, 2005, 2006, 2007 and 2008 budget allocations and actual expenditures.

Capital Fund Budget and Expenditures		
Year	**Budget**	**Expended as of 6-30-09**
2005	$790,262	$790,262 (100%)
2006	$758,185	$758,185 (100%)
2007	$736,682	$411,737.31(55.45%)
2008	$777,539	$197,437.16 (25.39%)

The Housing Authority is on schedule for obligation and expenditure of funds in all CFP programs. Their performance as a Public Housing High Performer under the HUD Public Housing Assessment Program, has qualified them for a financial bonus over the last four years.

Public Housing Improvements

The Capital Fund Program provides funds to Public Housing Authorities for facility rehabilitation activities. Improvements to public housing facilities in FY 2008-2009 included:

- Robert Lindsey Tower brick and deck project
- Exterior painting Meadowlark Village
- Demolition Orchard Village
- Roof repair Glenn Creek Village
- Robert Lindsey Tower HVAC upgrades
- Robert Lindsey Tower energy upgrades
- Exterior painting Glenn Creek Village
- Emergency call system Robert Lindsey Tower
- Elevator controls Robert Lindsey Tower
- Scattered Site Energy Upgrades
- Scattered Site reroofing

Public Housing Need Category	PHA Priority Need Level High, Medium, Low, No Such Need	Estimated Dollars To Address
Restoration and Revitalization		
Capital Improvements	Medium	$5,100,000 aggregate
Modernization		
Rehabilitation		
Other (Capital Improvement Administration)	Medium	$ 900,000 aggregate
Management and Operations	High	$2,500,000/yr.
Improved Living Environment		
Neighborhood Revitalization (non-capital)	High	$8,000,000 aggregate
Capital Improvements		
Safety/Crime Prevention/Drug Elimination	High	$2,000,000/yr.
Other (Social Service Delivery to Neighborhoods near Public Housing)	High	$2,000,000/yr.
Economic Opportunity		
Resident Services/ Family Self Sufficiency	Medium	$80,000/yr.
Other (Specify)		
Total		$20,580,000

Capital Improvements - If Salem Housing Authority had $5.1 million, all public housing properties could be thoroughly modernized. The above table captures about 7 years worth of current capital needs backlog. It would take an additional 15% ($900,000) to administer that work. Management/Operations.- At this point about $2 million is spent each year on a bare-bones budget. If an additional $500,000 in funding were available, it would be a large benefit to achieving the organizational goals.

Neighborhood revitalization If funds were available for neighborhood revitalization about $8 million could be used to renovate properties near Shelton Village and Northgate Village.

Drug Elimination – With $4,000,000 available, additional police and social service support would provide a much needed benefit for the citizens living in the Shelton and Northgate Village properties. The funds would also assist the health, financial and employment needs for both areas.

Currently, about $65,000 is spent each year on resident self sufficiency for public housing. The $80,000 allowance would fully support that effort and need.

OTHER COMMUNITY DEVELOPMENT ACTIVITIES

The City of Salem is actively engaging in a variety of community development activities. These activities revitalize the downtown core and underutilized sites in urban renewal areas, as well as, increasing the housing options for citizens of Salem.

North Broadway Redevelopment

Growth and redevelopment on the northern periphery of downtown Salem has enhanced the vibrant retail core and new housing development in downtown. The Urban Renewal Agency sold its three properties in the north downtown area for mixed-use redevelopment.

Site A: Broadway between Belmont and Market

The 2.2 acre site was redeveloped by Telos into Broadway Town Square: a mixed-use development featuring over 18,000 square feet of retail and office space at street level and 21 upscale apartments on three floors above. In addition, a small scale movie house is featured at the corner of Broadway and Market. Off of Belmont, 16 new, custom townhomes are for sale. Construction was completed early 2009.

Site B: Market and Broadway

In 2008, a mixed-use building opened at Market and Broadway with 55 affordable housing apartment units, 12,500 square feet of office and administration space for the YWCA and 3,900 square feet of ground floor, retail space. Total investment at the site was more than $11 million dollars. The development team was successful in securing Low-Income Housing Tax Credits from Oregon Housing and Community Services, which provided the equity to develop studio and one-bedroom units for individuals earning 55% or less of the median family income.

Site C: Broadway and Gaines

Salem Alliance Church plans to develop a 50,000 square foot site accommodating a multi-story mixed-use development with leasable space for commercial and office use, programmatic space for the Church, on-site parking and a 400-seat multi-purpose auditorium for public events. The building will feature a large lobby intended to become a community gathering place complete with a coffee stand. The Church began construction in summer of 2009.

Union Street Railroad Bridge

The City acquired the Union Pacific Railroad Bridge in 2004 and secured over $3 Million in grant funding from Oregon Department of Transportation and other sources, to convert the historic bridge for bicycle and pedestrian access. Conversion of the Bridge (Phase I) started in spring 2008 with a grand opening in April 2009. The bridge, which spans the Willamette River, provides a key bicycle and pedestrian connection between Wallace Marine Park in West Salem and Riverfront Park, in downtown Salem. Additional east- west pedestrian linkages are planned further south. The bridge was placed on the National Register of Historic Places in January 2008.

In February 2009, the City was awarded $3.5 million in Federal American Reinvestment Act funding, through Oregon Department of Transportation, for the encapsulation of lead based paint on the structure (Phase 2). The lead based paint encapsulation project is anticipated to start in November 2009 and be completed by May 2010.

North Gateway Redevelopment

In the North Gateway Urban Renewal Area the Agency has created a vibrant mixed use development on five and a half-acre lot referred to as “Hollywood Station.” This area is bound by Portland Road (east), Brooks Street (west), Pine Street (north) and new City of Salem Senior Center (south). The new 30,000 square foot Senior Center, known as “50+” opened October 6, 2008. The new facility includes a wood shop, computer lab and lapidary. It provides room to grow and offers more leasable space for senior service organizations.
Just north of the new Center, local developer, Hollywood Renewal LLC, constructed 23 townhomes and is nearing completion of 23,000 square feet of commercial office space adjacent to Portland Road.

Ms. Joan Kroc, heiress to the McDonald Food Corp, donated $1.5 billion to the Salvation Army. This money was for the construction and operation of family facilities throughout the United States. The Salem Salvation Army was selected as one of the six locations to receive a $60 million grant from the Ray Kroc foundation. The City of Salem sold land located in north Salem to the Salvation Army and donated the development of the required off-site improvements.

This Aquatic/Youth KROC Center will include a competition-sized pool, indoor aquatic leisure center and a recreation pool with water slides; multi-activity gymnasium, fitness center, rock climbing pinnacle and aerobics and dance facility; outdoor amphitheater and sports field; playground, child development center, day-care facility and an arts and crafts room as well as other amenities. A ground-breaking ceremony occurred in the summer of 2008 and construction is nearing completion. The KROC Center opened on September 25, 2009

Mill Creek Corporate Center

A partnership between the City of Salem and State of Oregon, the Mill Creek Corporate Center will transform an underutilized 650 acre parcel in southeast Salem into a regional employment center, with manufacturing, light industrial and service center uses, to bring an estimated 5000 jobs and $400 Million in private investment, over the next 15-20 years. More than 100 acres of open space may be preserved to provide wetland mitigation and stormwater detention, to support the surrounding development. In August, 2008, the City of Salem and State of Oregon secured a $1.9 M grant from the Economic Development Administration to construct infrastructure and other development opportunities that will support further job creation at the Mill Creek Corporate Center.

Construction of a 50,000 square foot facility for Federal Express was completed in October 2008. The Mill Creek Corporate Center expects to receive $400,000 in federal funds to assist with the cost to provide water service to development parcels within Mill Creek. The remaining parcels are actively being marketed and end users continue to express strong interest.

Salem Renewable Energy and Technology Park

Located on prime industrial land, between Culver and Gaffin Road in southeast Salem, this 80-acre site is poised to attract companies involved in renewable energy research, manufacturing and related services to Salem and the region. The property is being subdivided to include a mixture of small (2-5 acre) and mid size (10-15 acre or more) lots, where renewable energy producers, related research and supporting uses can co-locate. The site has been certified "permit ready" in Oregon's industrial site certification program. Situated just minutes from Interstate-5, 45 minutes to the Port of Portland and 8 hours south to Sacramento, this site offers excellent access for west coast distribution, connection to Oregon's major ports and beyond. The City of Salem and the surrounding region offers a ready and skilled workforce and willing and motivated partners.

The City of Salem welcomed SANYO Solar of Oregon, LLC as anchor tenant to the SRETP at a groundbreaking ceremony on October 15, 2008. SANYO is constructing a 130,000 SF facility to manufacture silicon ingot and solar wafers on the first 19.77 acres, on the southern portion of the site. The facility will open November 2009. 200 jobs are expected at the end of the first phase of operation.

Portland General Electric will build a 30 mega watt electric substation on the northern five acres of the SRETP that abut Culver Road. The substation will provide a redundant, dedicated power supply for SANYO and future users of the Park.

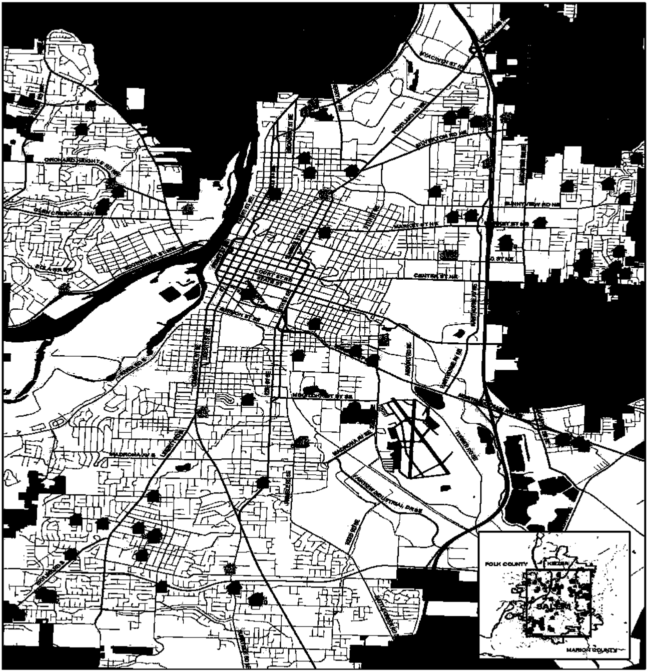
The City of Salem aims to make the Salem Renewable Energy and Technology Park a model for sustainable industrial development.

South Waterfront

The City of Salem, SEDCOR and Boise Cascade received advisory services from the Urban Land Institute (ULI) in 2006 regarding the retention of jobs in Salem in regard to the possible redevelopment of Boise's industrial site in the downtown area. Based on ULI's input the City has embarked on several initiatives to support the redevelopment of this site. The City completed a zone change for this site and set design standards for the South Waterfront Urban Renewal Area.

In 2007, developers purchased this site from Boise Cascade with the goal of developing a mixed-use development to include office buildings, shops, restaurants and condominiums that compliment the city's existing downtown businesses. The development team is now completing demolition of the site and preparing for the first phase of improvements.

The City is working with the developer to coordinate potential city related improvement projects in connection with this site including Commercial Street landscaping, Bellevue Street traffic lighting, day lighting of Mill Creek for a pathway connection from the Salem Civic Center through the Developer's Phase 1 project to Salem's Riverfront Park and the replacement of the Commercial Street Bridge. Communication is also underway with Boise Cascade toward development of an easement agreement for a pedestrian crossing of their 310 acre Minto Island property connecting Salem Riverfront Park and Minto/Brown Island Park.



Map printed 7 November 2007
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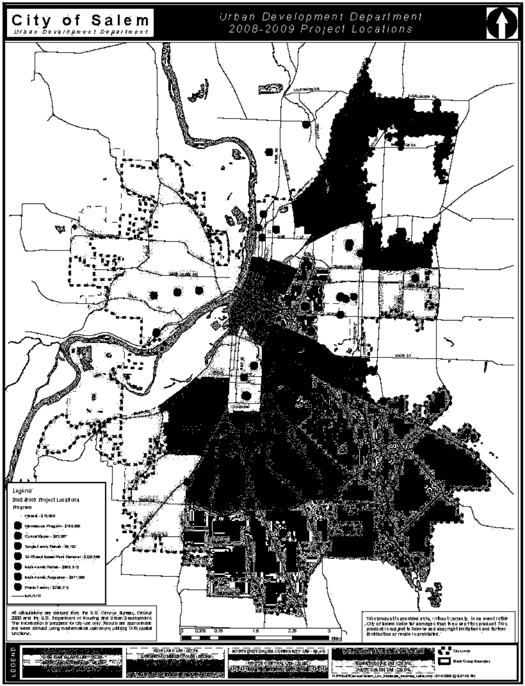
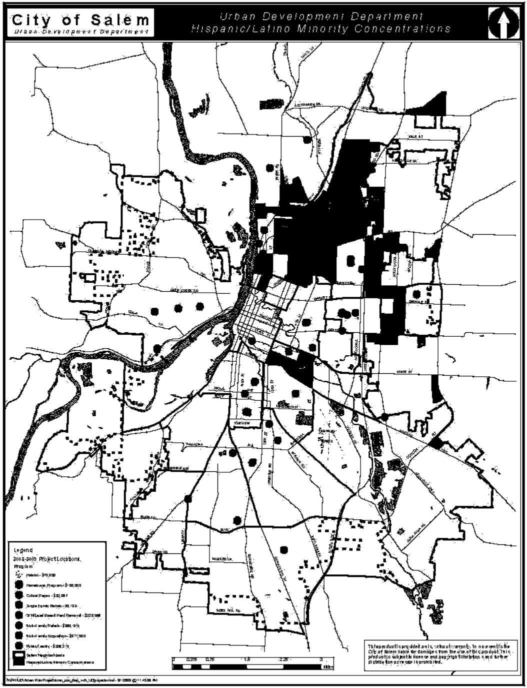
PROPERTY DESIGNATIONS

- Public Housing Multi-Family
- Public Housing Scattered Site
- Project Based Subsidized, Private
- Salem Housing Authority Administrative Building
- Property ID
  See attached table for property ID and detail

Public Housing Properties
City of Salem, Oregon

0 0.25 0.5 1 Miles


City of Salem
Urban Development Department
Urban Development Department
2008-2009 Project Locations
STATE ST
Legend
2008-2009 Project Locations
Program
Multi-Family Rehab
Multi-Family Acquisition
Public Facility
All calculations are derived from the U.S. Census Bureau, Census 2000 and the U.S. Department of Housing and Urban Development. This information is prepared for city-use only. Results are approximate and were derived using mathematical operations utilizing GIS spatial functions.
0 0.375 0.75 1.5 2.25 3
Miles
LEGEND
City Limits
Block Group Boundary


City of Salem
Urban Development Department
Urban Development Department
Hispanic/Latino Minority Concentrations
Legend
2008-2009 Project Locations
Program
0
0.375
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1.5
2.25
3
Miles