

Will latest downtown group succeed?

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City manager's panel gets mixed reviews



Jim Sears, a member of the Downtown Clean Team, cleans a garbage can Oct. 29 on Commercial Street NE in downtown Salem. The Downtown Clean Team is a group of street cleaners and is one of initiatives of the city manager's 'steering committee' that is overseeing downtown promotions. / TIMOTHY J. GONZALEZ / Statesman Journal

Timeline

February 2007: The 35-year-old Salem Downtown Association disbands. The merchants group had received funding from the parking tax paid by downtown businesses. Escalating repair costs for the city-owned parking garages prompted the city to trim and eventually eliminate the association's budget. Business interests and city officials begin to discuss forming an Economic Improvement District, which would tax downtown property owners, to fund a new downtown promotions group. **January 2008:** Salem City Council moves forward with a downtown Economic Improvement District. The

district charges downtown property owners assessments on their commercial real estate holdings. Go Downtown Salem is awarded a three-year contract from the city to use the funds for marketing and other efforts to help downtown businesses. The approximately \$200,000 per year pulled from the district becomes the primary funding source for Go Downtown. Later, additional funding from the city's downtown parking district provided another \$100,000 for Go Downtown's annual budget. **March-April 2011:** As Go Downtown's three-year contract nears its expiration date, the organization appears to be unraveling. Go Downtown's executive director resigns. The Salem Area Chamber of Commerce criticizes Go Downtown as ineffective and lacking focus. **September 2011:** Go Downtown applies for the city contract, but turns in an incomplete application. A city committee awards stewardship of the downtown EID to Salem Downtown Partnership, a mixed group of property and business owners. **February 2013:** The City of Salem terminates its agreement with Salem Downtown Partnership. City Manager Linda Norris cites a lack of confidence in the partnership's stability and operations. The city takes over "interim responsibility" for services to promote downtown, according to a statement issued by the city. Source: Statesman Journal staff reports

Salem Downtown Association had a 35-year run before funding cuts killed it in 2007. Go Downtown started strong in 2008 and withered in three years. Salem Downtown Partnership lasted about one year.

Business booster groups for merchants have a rocky history in this city, but Salem City Manager Linda Norris has personally taken on the task of marketing downtown.

For about nine months, Norris has overseen marketing and beautification plans with advice from her hand-picked City Manager Downtown Steering Committee. The 16-member group, includes Norris, Urban Development Department Director John Wales and representatives of business interests.

Norris, with her advisory group, determines the use of about \$313,000 in funds collected from property owners in downtown's Economic Improvement District.

"It's not that business people haven't stepped up," Norris said. The problem of sustaining a downtown promotions group, she said, seems to be "setting up a framework" to manage Economic Improvement District funds for the best outcomes.

Like its predecessor Go Downtown, Salem Downtown Partnership was contracted by the city to administer the EID. Funds in the EID's budget can be used for marketing and promotion, public events, maintaining public spaces and other economic improvement activities.

In February, Norris terminated the city's contract with Salem Downtown Partnership, citing concerns about the partnership's competence.

Norris, herself, took over the role as EID Administrator.

A fresh, quiet start

So what's happened to the Economic Improvement District under the city's management?

The city manager and her steering committee established an agenda and took action.

First Wednesday promotions continued. Flower baskets and banners spruced-up the area. Street cleaners in lime-green shirts, contract employees known as the Clean Team, began picking up litter and collecting leaves.

"That has made, I think, a huge difference in how clean downtown is and how welcoming it is," Norris said of the Clean Team.

Casey Lucas, owner of Jonathan's restaurant and a member of the downtown steering committee, said the city manager's group has been effective. He was optimistic about attempts to create a "brand" for Salem and new promotions, such as a "Golden Ticket" program that offer discounts to patrons of participating businesses.

Jim Eastridge, the owner of Magoo's Sports Bar, said he has noticed "good crowds" in the downtown area and "less complaining among the merchants." Eastridge, who isn't part of the steering committee, also said the Clean Team has helped downtown's appearance.

Despite the visible signs of the City Manager Downtown Steering Committee's influence, the committee itself has kept a low profile.

"I don't even know who's running it," said Stephen Perkins, co-owner of Cascade Baking Co. Salem Downtown Partnership, he said, had more face-to-face contact with business owners.

Henri Dill, co-owner of Engleberg Antiks, said she misses the defunct Go Downtown group. First Wednesday hasn't drawn nearly as many customers to her antique shop as it once did.

"What promotions?" Dill said.

Sylvia Dorney, proprietor of Greenbaum's Quilted Forest, said she was uncomfortable with the city taking the lead in directing the use of EID funds. Dorney said she didn't feel the interests of her small business are being well represented.

'Transparency is important'

Unlike city advisory boards and commissions, the City Manager Downtown Steering Committee doesn't need to publicize its meetings or keep meeting minutes.

Assistant City Attorney Daniel Atchison stated in an email that the steering committee "is not subject to public meetings law, because it was selected by Ms. Norris to confer with her, as the City Manager."

The Statesman Journal asked the city for "meeting minutes" and was informed that none were available.

The newspaper followed up with a broader public information request for records regarding the steering committee's activities, including notes and emails kept by city officials. Norris said she would comply with the information request, although she was unable to gather the records by the Statesman Journal's press deadlines.

The city manager concedes that the city's new role in touting downtown isn't well known by some, but said the steering committee is working to improve communications with downtown stakeholders.

"Although the committee is advisory only to me, transparency is important," Norris stated in an email to the Statesman Journal.

Letters sent to downtown property owners in June and August outlined the status of the Economic Improvement District projects. The city manager also has provided reports to Salem City Council.

A roster of steering committee members was included in at least one of the mailings to downtown businesses.

Among the steering committee's members: representatives of the Salem Convention Center, the Salem Area Chamber of Commerce, Willamette University, Travel Salem and various downtown businesses.

"From what I can tell, it's very inclusive. Anybody in downtown can come and sit in on those meetings," said Angie Morris, president and chief executive officer of Travel Salem and a member of the steering committee.

Downtown property owners soon will get a "score card" in the mail from the city's urban development department. The postcard outlines the tasks completed under the City Manager Downtown Steering Committee's watch and what's "coming soon."

One of the coming soon projects: a downtown Salem website.

The committee also is working to establish a “Block Captain” program, where volunteers would receive and distribute information to business owners.

Will the EID last?

Go Downtown and Salem Downtown Partnership exposed the difficulties of running an EID. Norris contends her city-manager-led model has the best chance of succeeding — at least for the next few years.

Early next year, Salem City Council will decide whether to ask downtown property owners to renew the EID for another three years.

The current EID assessment ends June 30.

If the tax on downtown property owners is renewed, Norris said she would like to see the city continue to administer the Economic Improvement District for additional two to three years.

After downtown Salem has some solid momentum, the city could again consider hiring an outside contractor, she said.

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