

Cost Benefit Analysis Update

June 23, 2021

Work to date on 10 strategies

Connecting with Subject Matter Experts to assess:

- Feasibility of the strategy and the analysis
- Cost and outcome data availability specific to Salem
- Extent strategy may overlap with efforts of other organizations and jurisdictions
- Insights needed for Salem from each strategy

Subject Matter Expert Interviews for each strategy have included:

- Total of 16 individual and small group interviews conducted
- Interviews with City of Salem staff across transportation planning, facilities management, Urban development, community development, CFO, financial services, parks
- Interviews with other organizations including: MWV-COG, Cherriots, Friends of Trees, City of Portland, Energy Trust of Oregon

- Based on interviews, of the original 10 strategies selected, 4 have been replaced
- Logic Models have been built for each of the 10 final strategies documenting inputs, activities and outcomes associated with each strategy

Initial Insights

- Strategy scoping assessed the extent the strategy was already being addressed and reframing as needed
- Many strategies analyzed have received some amount of prior attention either within the City, by the State, by other municipalities, and by civil society organizations in Oregon
- Strategies vary by the extent the investment needed is borne by the City, borne by the City in partnership with other organizations, or borne primarily by the private sector.
- Strategies vary by the extent they are for immediate implementation by the City vs. a part of long range planning
- Most strategies have both a GHG emissions and equity component

Next steps

- **Week of June 21:** Drafting cost-benefit analyses for the 10 strategies
- **Week of June 28:** Sharing draft of analyses with project team
- **Weeks of July 5 and 12:** Review of draft and revisions by Ecotone

Strategy List

	Strategy	Description
1	Charge for Parking	Charge for city-controlled parking (starting with on-street parking) using a supply/demand model intended to reduce parking in the central business district to 70-80% of supply, particularly where alternative transportation modes are available. The CBA will focus on costs and benefits of charging for on-street parking downtown.
2	Support energy efficiency and weatherization of existing buildings	Develop and implement a program that helps residents and business owners weatherize and increase the efficiency of residential and commercial buildings, with a priority emphasis on on properties with low-income renters, homeowners, and business owners. The CBA will focus on the city providing energy assessments and connecting to funding and service providers after.
3	Energy Efficiency benchmarking (municipal buildings)	Develop a comprehensive approach to increasing energy efficiency in municipal buildings, including benchmarking, deep energy retrofits, policies to require energy efficient practices, and regular reporting. The CBA will focus on monitoring and benchmarking energy use of municipal buildings.
4	Implement a gas tax	Research the feasibility of implementing a gas tax. The CBA will focus on costs and benefits of a Salem gas tax.
5	Connect bikeways	Prioritize and fund the City's planned comprehensive network of bikeways that connect major employment centers with areas of high density housing, essential services (schools, grocery stores, health care), and entertainment (restaurants, retail, event venues). The CBA will focus on a case study from the Kroc center to downtown/capital mall area.

Strategy List (cont.)

	Strategy	Description
6	Complete Salem's sidewalk network	Complete Salem's sidewalk network throughout the city, with a priority emphasis on areas within a half-mile of a transit route and areas such as NE Salem that have been historically neglected. The CBA will focus on the costs and benefits of completing the sidewalk network for those areas within a half-mile of bus stops throughout Salem.
7	Created dedicated bus lanes	Add "Bus and Turn" (BAT) lanes for specific corridors and consider creating bus-only lanes on select routes in along the Core Network. The CBA will focus on costs and benefits of BAT lanes in the Core Network.
8	Increase tree canopy	Provide a set of incentives to property owners (may include schools, state land, etc.) to support increased tree planting with particular emphasis on increasing coverage in underserved areas and neighborhoods. The CBA will take the form of a calculator to understand how people may respond to the size and type of the incentive provided by the City.
9	Make home EV charging accessible to renters	The City will require EV charging stations as part of the development of new multifamily residences (based on a 5 unit min) and incentivize the installation of EV charging stations at existing multifamily residences/complexes. The CBA will focus on the costs and benefits of installing EV charging stations at multifamily residences with 5 or more units.
10	Solar-ready new construction	Require all new commercial and multifamily housing to be built solar-ready. The CBA will focus on the costs and benefits of building for solar-ready - either PV or water heating. Consideration will be given to incentives the city can provide to support adoption of solar.

Strategies that were replaced

Strategy	Description	Rationale for Removal
Remove setback requirements	Remove setback requirements to allow for more dense development, which in turn promotes walkable neighborhoods.	With regard to mixed-use zones, the City code already has maximums, not minimums. If we assume it is intended to be applied more broadly, such as multi- and single-family residential zones, then there are both obstacles to having a manageable scope for this analysis and conflicts with other proposed CAP ideas, such as expanding the City's urban tree canopy cover. Going forward, as a part of Our Salem the City has a subcommittee of Councilors and Planning Commission members that are looking at six zoning options focused specifically on requiring denser development which may be positioned to better address this strategy and in a more comprehensive manner.
Trip reduction ordinance for Salem employers	Implement a trip reduction ordinance of Salem employers for the purposes of reducing single-occupancy VMT.	Strategy is under development at the State level and overlaps with efforts underway and in development at Cherriots. Costs may not apply to City of Salem for this one, but more so to Cherriots. Also, may be more appropriate to model a scenario that would align with what the State is going to be putting forward later this year.
Energy Efficiency benchmarking and reward system	Implement energy benchmarking and transparency policies in existing buildings with a publicly available "reward" system recognizing those who do well and a "recommendations" system that requires the property owners of lower-performing buildings to take action for improvement.	Analysis not feasible for this project due to limited data availability to inform what buildings would be included, their size and their baseline energy use. The strategy was instead repurposed to focus on Municipal buildings.
Reform SDCs to support walkable, mixed use neighborhoods	Reform the City's system development charges (SDCs) to support and encourage development in walkable mixed-use neighborhoods. Reduce SDCs for infill development. Waive SDCs for affordable housing. Reduce transportation SDCs for mixed-use, multistory and developments that provide less or no parking. SDCs should be revised so that outlying areas pay the full cost of providing needed infrastructure. The City should also require new developments in outlying areas to have storm runoff catchment structures to mitigate the vast majority of increased runoff.	The City is essentially already using SDCs to encourage mixed-use and compact development. City staff also noted that storm runoff is already addressed in our local plans and regulations through green stormwater infrastructure and flow control structures. While there is potential look at the implications of changing how transportation SDCs are assessed and utilized, this value is based on a nationwide standard. Even with a significant rescoping of the strategy, a CBA does not appear of value.

Interviews conducted

Date	Interviewees	Strategy(s) discussed	Topic(s)
6.10.21	Rob Romanek (City of Salem), Julie Warncke (City of Salem)	Sidewalk network, bike network, BAT lanes	Cost estimations, use of language for BAT lanes
6.7.21	Jay Ward (Energy Trust of Oregon)	Energy efficiency and weatherization, solar-ready new construction	Energy Trust of Oregon's work
6.1.21	Lea Wilson (City of Portland - Treebates)	Tree canopy incentive	Tree incentive program insights
5.27.21	Whitney Dorer (Friends of trees)	Tree canopy incentive	Tree planting and maintenance costs
5.26.21	Shelly Ehenger (City of Salem), Michael Brown (City of Salem)	Energy efficiency and weatherization	Scoping strategy
5.25.21	Jim Schmidt (City of Salem), Luke Bergerson (City of Salem), Alisha Garner (City of Salem)	Energy efficiency (municipal buildings)	Scoping strategy
5.24.21	Bob Barron (City of Salem), Josh (City of Salem)	Gas tax	Scoping strategy
5.21.21	Rob Romanek (City of Salem), Devin Doring (City of Salem)	Sidewalk network	GIS modeling
5.20.21	Chris French (Cherriots), Ted Stonecliffe (Cherriots)	BAT lanes, sidewalk network	Scoping TBEST modeling
5.19.21	Patricia Farrell (City of Salem), Deborah Topp (City of Salem)	Tree canopy incentive	Scoping strategy
5.12.21	Rebai Tamerhoulet (City of Salem), Ryan Zinc (City of Salem)	Energy efficiency benchmarking (no longer pursuing)	Scoping strategy
5.10.21	Patricia Feeny (Cherriots), Roxanne Beltz (Cherriots), Ian Davidson (Cherriots), Kiki Dohman (Cherriots), Chris French (Cherriots)	TDM (no longer pursuing), BAT lanes, Sidewalk network	Scoping strategy
5.10.21	Sheri Wahrgren (City of Salem), Sara Long (City of Salem)	Charge for Parking	Scoping strategy
5.7.21	Julie Warncke (City of Salem), Mike Jaffe (MWV COG)	Charge for Parking, TDM (no longer pursuing), bike network, sidewalk network, BAT lanes	Scoping strategies
5.5.21	Eunice Kim (City of Salem), Lisa Anderson-Ogilvie (City of Salem), Glenn Davis (City of Salem)	SDCS for walkable neighborhoods (no longer pursuing), EV charging, Setback requirements (no longer pursuing)	Scoping strategies



Measure Model Manage

Contact: will@ecotone-partners.com

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