

AGENDA

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

November 21, 2023

5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon

Via Zoom

<https://us06web.zoom.us/j/86259459367?pwd=Z0Nnd3E4bkxBUVhXQkRKtJkCdEJ6QT09>

Meeting ID: **862 5945 9367** Passcode: **292293**

Dial: 1-669-900-6833 or 1-253-215-8782

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES –October 17, 2023 (Sent under separate cover.)
6. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any subject that does not later appear on the agenda. Five minutes per person will be allowed.
7. ACTION ITEMS:
 - A. Urban Renewal Plan work session and board guidance
 - Historical review
 - Maximum Indebtedness update
 - Summary report examples
 - Goals and objectives
8. STAFF COMMENTS / PROJECT UPDATES
9. BOARD MEMBER COMMENTS / QUESTIONS
10. DISCUSSION ITEM
11. ADJOURNMENT

Meeting conducted in a room in compliance with ADA standards.

Prepared by/
Paula Webb, Secretary
Community Development Department



AGENDA STAFF REPORT

AGENDA LOCATION: 7.A.

MEETING DATE: Tuesday, November 21, 2023

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Dan Spatz
Economic Development Officer

ISSUE: *First work session to review Urban Renewal Agency history, goals and objectives; substantial and minor amendments; ROI historical analysis; validate remaining investment capacity and timeline to MI; review remaining goals and objectives for relevancy; review for Comprehensive Plan alignment.*

BACKGROUND

On March 21, 2023, Urban Renewal Agency (**Agency**) staff proposed a revision of the Columbia Gateway Urban Renewal Plan (**Plan**). This would include statistical and financial reporting, review of projects, reevaluation of goals and other aspects of the Plan. This would represent the first comprehensive review since a Substantial Amendment in 2009.

At the October 17, 2023, Agency meeting, staff reviewed a proposed schedule of monthly board work sessions (Attachment A) to accomplish this work. Board concurred with this approach. This staff report provides background on topics identified for the November work session:

Goal: *Identify lessons learned since 1990*

- Introduction: Why update the Urban Renewal Plan?
- Historical overview of Urban Renewal program, goals, objectives
 - Substantial and minor amendments, 1991-2015
 - Briefly review all projects in Agency's history: Lessons learned
 - Return on Investment (ROI) historical analysis
 - Ratio of public infrastructure, private investments
 - Summary report (See Rockwood - W. Gresham study as example)
- Timeline to Maximum Indebtedness (MI): Verify remaining investment capacity
- Review overall goals and objectives – Are these still relevant?
 - Do general and specific criteria still reflect guidance of the Agency?
 - Does Urban Renewal Plan align with Comp Plan amendments since 1990?

Introduction: Why update the Plan?

The current Plan has not been thoroughly revised since 2009. It lists several projects which have long since been completed; other listed projects may or may not still be considered relevant. Oregon statute requires that all urban renewal projects be listed.

Plan revision will also address several fundamental questions; other questions may arise:

- Has the Urban Renewal Agency achieved its purpose? What problems was it designed to address?
- Have those problems been resolved?
- Do goals and objectives still reflect guidance of the Agency board?
- How may the Agency most efficiently invest remaining fiscal capacity prior to termination of the District in 2029?
- Should the District terminate in 2029?
- Should the Agency continue beyond the District's termination, if this occurs?
- If so, what future projects should the Agency identify? What are the city's highest needs today?
- Should one or more new districts be considered if the Agency were to continue?

Historical Overview

On April 23, 1990, The Dalles City Council recognized blighted areas within the city and determined the need for an urban renewal agency (Ordinance No. 90-1106), in accordance with ORS 457.045(2). The City Council approved the Columbia Gateway Urban Renewal Plan on August 23, 1990 (General Ordinance No. 90-1113). In doing so, Council established goals and objectives for the Agency and an urban renewal district of the same name (referred to herein as **District**). This was and is the only urban renewal district in The Dalles. The original size of the district (which has changed through time) was 628.02 acres, of which 93 percent was inside city limits. The remaining 7 percent was in Wasco County jurisdiction. Councilors determined that the plan aligned with statewide Planning Goal 9: *Economic Development*. Councilors requested urban renewal coordination with the Historic Landmarks Commission, and found that the plan would encourage business diversity, promote clean industry and tourism, investment in the core commercial district, employment and training to reduce out-migration of young people, support vocational training and higher education, and encourage "low-cost housing for the elderly."

Description of the Amendments

Minor amendments clarify language, add or drop projects from the plan and change project scope, provided such changes do not alter the plan's goals and objectives. Substantial amendments expand district boundaries (limited by ORS 457.220) and increase maximum indebtedness. Following is a summary of all Plan amendments to date:

First Amendment (Resolution 91-007): Minor amendment adopted July 23, 1991, established that no bonded debt should be incurred beyond 2012-13 except through a Substantial Amendment to the Plan.

Second Amendment (Council Ordinance 93-1161): The first Substantial Amendment occurred March 15, 1993. This was a response to Oregon voters'

approval of Measure 5 (November 1991 general election) and subsequent enabling legislation in 1992 (HB 2550), which altered the calculation methodology for Tax Increment Financing. An unintended consequence was to create a significant disparity (7X) in tax burden between the two school districts serving The Dalles at that time, The Dalles School District 12 and Chenoweth District 9. The taxation disparity was resolved by removing all urban renewal district acreage from District 9 (deletion of either 32.14 or 71.86 acres – both estimates are referenced in various documentation). Included in the deletion was the western segment of West Second Street corridor (see Attachment B). This amendment also made various other changes to the Plan, including expansion of the Plan's Project list.

Third Amendment (Resolution 96-925): Minor amendment clarifying language regarding scope of proposed Projects and other public improvements.

Fourth Amendment (Council Ordinance 98-1223): The next Substantial Amendment occurred on June 22, 1998, when the Fourth Amendment established a maximum debt limit to comply with Oregon Constitutional changes approved by voters in 1997 (Measure 50). This amendment also established a table projecting costs of anticipated Urban Renewal Projects (Attachment C). However, the enabling ordinance was repealed through a referendum (Measure 33-22) in the November 1998 general election.

Fifth Amendment (Council Ordinance 98-1229): This Substantial Amendment, adopted December 14, 1998, responded to Measure 33-22. City Council adopted two related ordinances that day: Ordinance No. 98-1228, which established the City Council as the Agency Board (**Board**), and Ordinance No. 98-1229, which again reduced the size of the district (see Attachment D, removing 238.04 acres from the original 628.02 acreage). These measures complied with terms of a mediation agreement in October 1998 between the City, Agency, Wasco County, The Dalles Trade Center Association and Committee to Dissolve Urban Renewal.

Sixth Amendment (Council Ordinance No. 99-1232): This Substantial Amendment, adopted August 9, 1999, provided context for developments in the preceding year. Concerns leading to mediation reflected a view that Urban Renewal Projects did not contribute significantly to increased tax base. The Sixth Amendment revised the Project list, sought to ensure project compliance with Plan criteria, and reduced the amount of maximum indebtedness to \$14.23 million, a number later increased to \$29.13 million (see Tenth Amendment below). The amendment outlined a new list of Urban Renewal Projects. This list, which replaced the Fourth Amendment project list, together with minor, later changes in project descriptions, constitutes the first 13 projects that have carried forward ever since and continue to be identified in the current Plan. Several projects have since been accomplished. Following are the 13 projects from the Sixth Amendment and status as of November 2023:

1. *Downtown Streetscape improvements:* Second Street downtown was redeveloped in 2002, using a combination of Urban Renewal and City of The Dalles street funds. Third Street redevelopment was deferred in 2007-08.

Status: Incomplete. First Street reconstruction is the next major phase in this Project.

2. *Downtown Riverfront Access* including “boat dock near the old pier”: Accomplished through construction of the Union Street portal and Maritime Terminal. The undercrossing was completed in 2003 and the Maritime Terminal in 2012. The undercrossing alone was a \$6 million project. Urban Renewal funding leveraged at least \$2.25 million in state and federal funds. *Status: Washington Street railroad and I-84 undercrossings were envisioned but later cancelled.*
3. *Grain elevator demolition*: The former grain elevator was destroyed in a fire in 1999; Urban Renewal purchased the property and paid for cleanup following the fire, establishing land base for the City’s sewer treatment plant expansion and Lewis & Clark Park. *Status: Complete.*
4. *Commodore Building redevelopment*: Agency purchased the Commodore and leased it to Commodore II Limited Partnership on April 10, 2001. Agreement included an Agency loan of \$282,445 at one percent annual interest. Loan is payable on or before Dec. 31, 2026. *Status: Renovations completed; Agency interest continues until loan is repaid.*
5. *Commodore / Penny’s Block redevelopment*: This was later combined with Project #6. Concept was to demolish the former J.C. Penny’s building, and either rebuild the structure or replace it with a parking structure. *Status: Penney’s redevelopment cancelled. Surface lot combined with #6.*
6. *Downtown parking structure and surface lots*: Parking structure and surface lots are identified as project #6 in the current plan. *Status: Commodore lot acquired. Agency is exploring additional surface lot locations.*
7. *Civic Auditorium remodel and reconstruction*: The Civic Auditorium was saved from demolition when City of The Dalles conveyed ownership to the Civic Auditorium Historic Preservation Committee in 1990. Major and minor phases of repair and restoration continued for more than 30 years, including Urban Renewal investments and many other sources. The Civic celebrated its centennial on May 12, 2023. *Status: All major renovations complete. Balcony seating, lighting and audio upgrades pending.*
8. *Mill Creek Bridge reconstruction (West Sixth Street)*: Reconstruction used a combination of Urban Renewal and City of The Dalles street funds. This included deck reconstruction, replacement of the historic parapet and period lighting. *Status: Complete.*
9. *Mill Creek Greenway property acquisition*: Ongoing partnership with the Northern Wasco County Parks and District (**Parks District**). Urban Renewal budget reserves \$300,000 for this Project. Urban Renewal bought and demolished older structures prior to transferring property to Parks District. *Status: Incomplete.*

10. *Gateway Project* – West Second Street from Lincoln Street to western Urban Renewal boundary, including reconstruction of West Second, Webber and West Sixth Streets. *Status: Incomplete.*
11. *Redevelopment of Armory property / public works site.* Requiring nearly three decades of effort, this project concluded with construction of Ft. Dalles Readiness Center on the Columbia Gorge Community College campus in 2014 – a \$19.4 million project. The college leased part of its campus to the Oregon Military Department. This allowed demolition of the former armory (a 1940s-circa Quonset hut at West Sixth & Webber Streets) by Urban Renewal and enabled Wasco County to regain site control at that location. A separate, nearby project was the Urban Renewal-funded demolition of the former City of The Dalles Public Works building on West Sixth Street. Public Works relocated to West First Street, making way for an automotive dealership on West Sixth Street, representing a significant private investment on property formerly owned by Wasco County. *Status: Armory relocated. Property redevelopment resides with county.*
12. *Thompson Park sidewalk.* Urban Renewal paid for sidewalk along West Second Street west from Mill Creek, adjacent to pool extending to and along Cherry Heights Road, including rock retaining wall. There was no sidewalk previously. *Status: Complete.*
13. *Property rehabilitation grant and loan fund program.* Provides basis for Urban Renewal Incentive Program. Earlier projects (as of 2009-10) included renovation and repairs to Columbia River Bank building, Sigman’s Flowers Building, Granada Theatre, Civic Auditorium, The Dalles Art Center, Masonic Lodge/Second Courthouse (Clock Tower Ales), American Legion, Old St. Peter’s Landmark, IOOF Lodge façade, Craig’s Office Building, Hilco gas station demolition, Creek View townhouse demolition, and Mill Creek Greenway land donation. *Status: Ongoing. This program originally included roof repairs, façade repair and other improvements.*

Seventh Amendment (Resolution No. 01-040): Minor amendment allowed acquisition of a parking lot at First & Court streets to support redevelopment of the *Commodore Building*, adopted May 14, 2001.

Eighth Amendment (Resolution 03-052): Minor amendment adding *Wasco Warehouse & Milling Co.* property as an Urban Renewal project, adopted November 10, 2003. (This became Project #14 in the Urban Renewal Plan, now the “Sunshine Mill.” Project is complete.)

Ninth Amendment (Resolution 08-060): Minor amendment adding Union Pacific Railroad and Oregon Department of Transportation properties to the *Wasco Warehouse & Milling Co.* redevelopment Project, adopted January 28, 2008.

Tenth Amendment (Council Ordinance 09-1301): The last Substantial Amendment to the Plan occurred June 22, 2009. The Tenth Amendment made various textual edits throughout the Plan. Aside from later minor amendments, the

primary text carries through to the present day. The Tenth Amendment modified, added and deleted various items in the original Plan, including changes to the processes for property acquisition and land disposition. It modified the *Mill Creek Greenway* project from property acquisition to development, added *East Gateway / Brewery Grade Reconstruction* (this became Project #15 in the Urban Renewal Plan, the Sunshine Mill Roundabout), and *Third Place Street improvements* (Project #16 in the Urban Renewal Plan). Urban Renewal investment in the roundabout leveraged a \$2.4 million federal grant. Significantly, this Substantial Amendment increased Maximum Indebtedness of the Agency from \$14,227,353 to \$29,125,583, and deleted the provision regarding the duration of the District. That last change meant that the Agency does not necessarily sunset at any particular time, but rather when Maximum Indebtedness is achieved. The Tenth Amendment was accompanied by a detailed report and fiscal analysis. (Note: This staff report reflects ongoing file and other historical research; some details regarding the Tenth Amendment have been revised from the October 2023 staff report.)

Eleventh Amendment (Resolution 10-068): Minor amendment adding The Dalles Skateboard Park to *West Gateway Project #10*, adopted April 12, 2010.

Twelfth Amendment (Resolution 10-069): Minor amendment adding redevelopment of properties bordered by Washington and Court streets and First and Second streets (the Granada Block), adopted May 10, 2010, as Project #17.

Thirteenth Amendment (Resolution 14-001): Minor amendment adding a new goal of increasing value of properties within the district and enhancing opportunities for non-profit organizations to participate in the property rehabilitation and loan grant fund program. This allowed grants to for-profit, public, non-profit and civic organizations, and was approved May 12, 2014.

Fourteenth Amendment (Resolution 15-001): Minor amendment adding *Thompson Park Pool* as Urban Renewal Project #18 (slide, climbing wall, shade or other landscaping), adopted February 9, 2015.

Fifteenth Amendment (Resolution 15-002): Minor amendment adding redevelopment of the former *Elks Lodge* as an Urban Renewal Project #19, adopted March 23, 2015.

Sixteenth Amendment (Resolution 18-002): Minor amendment revising description of the proposed *Mill Creek Trail Greenway Project*, adopted April 17, 2018.

In addition, the historical record should note for clarification Resolution 23-002, amending the Urban Renewal Incentive Program, adopted on April 18, 2023. This amended an Urban Renewal program established in August 2022 but did not constitute a minor amendment to the plan itself.

On September 12, 2016, the City Council adopted General Ordinance No. 16-1346, which amended General Ordinance No. 90-1106. This restructured the Agency, removing the City

Council as Agency Board and restoring authority to the Board as it exists today, comprising representatives from each affected taxing district (Wasco County, Mid-Columbia Fire & Rescue, Northern Wasco Parks & Recreation, Port of The Dalles; three city councilors and two citizens at large. The Urban Renewal Advisory Committee was eliminated at that time.

This summary does not attempt to document all of the changes, challenges and progress achieved through the Agency since 1990. Its intent is to offer a historical foundation for the next – and final – phase of the District.

Review goals and objectives of the current plan

Following are goals and objectives in the current Urban Renewal Plan. Are these still relevant? Should any be discarded, modified or added? (Note: Alterations require Substantial Amendment.)

To accomplish its mission, the Agency will develop and implement an urban renewal program, the goals and objectives of which are:

- A. To make strategic investments of urban renewal funds and engage in various urban renewal activities which increase the value of properties within the Urban Renewal District.*
- B. To make strategic investments of urban renewal funds so that unused and underused properties can be placed in productive condition and utilized in a manner consistent with the City's Comprehensive Plan and implementing ordinances;*
- C. To participate by means of various urban renewal activities (e.g., land acquisition and disposition, rehabilitation loans, etc.) in specific opportunities for business, civic, residential, cultural, and tourist-related property to be developed, redeveloped, improved, rehabilitated and conserved in ways which will:
 - 1. Encourage the expansion and development of businesses that will produce jobs for the people of The Dalles and Wasco County; or*
 - 2. Increase property values so that the area will contribute its fair share to the costs of public services, provided by the city, county, schools, community college, port and park and recreation district; or*
 - 3. Ensure a more attractive, functional and economically viable city; or*
 - 4. Conserve historically significant places and properties;**
- D. To be responsive to the needs and the concerns of all people of the City of The Dalles in the details of amending and implementing the Urban Renewal Plan using multiple forms of outreach including: town hall meetings, the internet, news releases, and signs on projects; and*
- E. To encourage the maximum amount of public involvement and citizen participation in the formation and implementation of the Urban Renewal Plan by explaining and discussing the details of the Urban Renewal process:
 - 1. To the public at town hall type gatherings;*
 - 2. To special interest groups, public service organizations, public bodies and the general public by invitation to Agency meetings;**

3. *By issuing periodic news releases;*
 4. *By cooperating with the print and electronic news media by being available to discuss the Urban Renewal Plan and process;*
 5. *By use of the Internet;*
- F. *To provide an adequate amount of properly located and designed off-street parking, including disabled parking, in the downtown area, including a plan and program to effectively pay for, manage and maintain such parking;*
 - G. *To create positive linkages among the two sectors of the Urban Renewal Area – i.e., the Downtown and the West Gateway Area;*
 - H. *To cooperate, coordinate and assist in funding with the program to improve access and connections from downtown to the Riverfront, and to provide facilities, such as trails and a public dock, to enhance public use of the Riverfront;*
 - I. *To improve the visual appearance, capacity, and traffic flow of streets that carry the major share of vehicular and pedestrian traffic in areas where development would otherwise be inhibited;*
 - J. *To assist property owners in the rehabilitation of their buildings and property to the extent that it helps implement the intent of redevelopment goals, policies, and standards, especially where rehabilitation may spur additional redevelopment activity;*
 - K. *To install and maintain coordinated street furniture, night lighting and landscaping in areas of maximum pedestrian concentration, including alley rights-of-way in the Downtown area;*
 - L. *In conjunction with specific urban renewal development or redevelopment projects, supplement existing funding sources to construct, install or replace publicly owned utility systems such as water, storm drains, and sanitary sewers where existing facilities are inadequate, undersized or otherwise substandard;*
 - M. *To leverage the Agency’s financial resources to the maximum extent possible with other public and private investments and other public and private funding sources;*
 - N. *To install underground utilities in areas of urban renewal projects including alley rights-of-way in the downtown area.*

Attachments:

- Attachment A: Workshop timeline and topics
- Attachment B: District deletions – 1993
- Attachment C: Fourth Amendment project list
- Attachment D: Fifth Amendment district boundaries
- Attachment E: Debt service schedule
- Attachment F: Current district boundaries
- Attachment G: Rockwood and Columbia County fiscal analyses

**Columbia Gateway Urban Renewal Agency
Urban Renewal Plan: Timeline to March 2024 Plan Update**

October 2023

- Brief introduction to the urban renewal plan update
- Explore relationship between urban renewal agency and UR district
- Propose/review/modify agenda structure for November through January

November 2023: Work session. Goal: Identify lessons learned since 1990

- Introduction:
 - Why update the Urban Renewal Plan?
- Overview of urban renewal program history, goals, objectives
 - Major and minor amendments, 1990-2018
 - Briefly review all UR projects in agency's history
 - Lessons learned
 - ROI historical analysis
 - Ratio of public infrastructure, private investments
 - Summary report (See Rockwood study as example)
- Timeline to Maximum Indebtedness (MI)
 - Review / verify remaining investment capacity
- Review overall goals and objectives – Are these still relevant?
 - Do general and specific criteria still reflect guidance of the agency?
 - Does UR Plan align with Comprehensive Plan amendments since 1990?

December 2023: Work session. Goal: Roadmap to sunset Columbia-Gateway district

- Strategy to achieve MI by 2029
 - Goal-oriented strategy (goals set direction; projects are opportunity-driven)
 - Project-specific strategy (Identify specific projects now and get those done)
 - Hybrid strategy (mix of both)
- Review/formulate Development Funding Agreement (DFA) criteria
 - Tax value ROI or points matrix linked to UR Plan goals? Both?

January 2024: Work session. Goal: Review, affirm guidance from November, December

- Review proposed Urban Renewal Plan updates
- Incentive program modifications, continuation past 2029 as separate program?
- Review DFA criteria revisions, if any

February 2024: Work session: Goal: What is future of the Urban Renewal Agency?

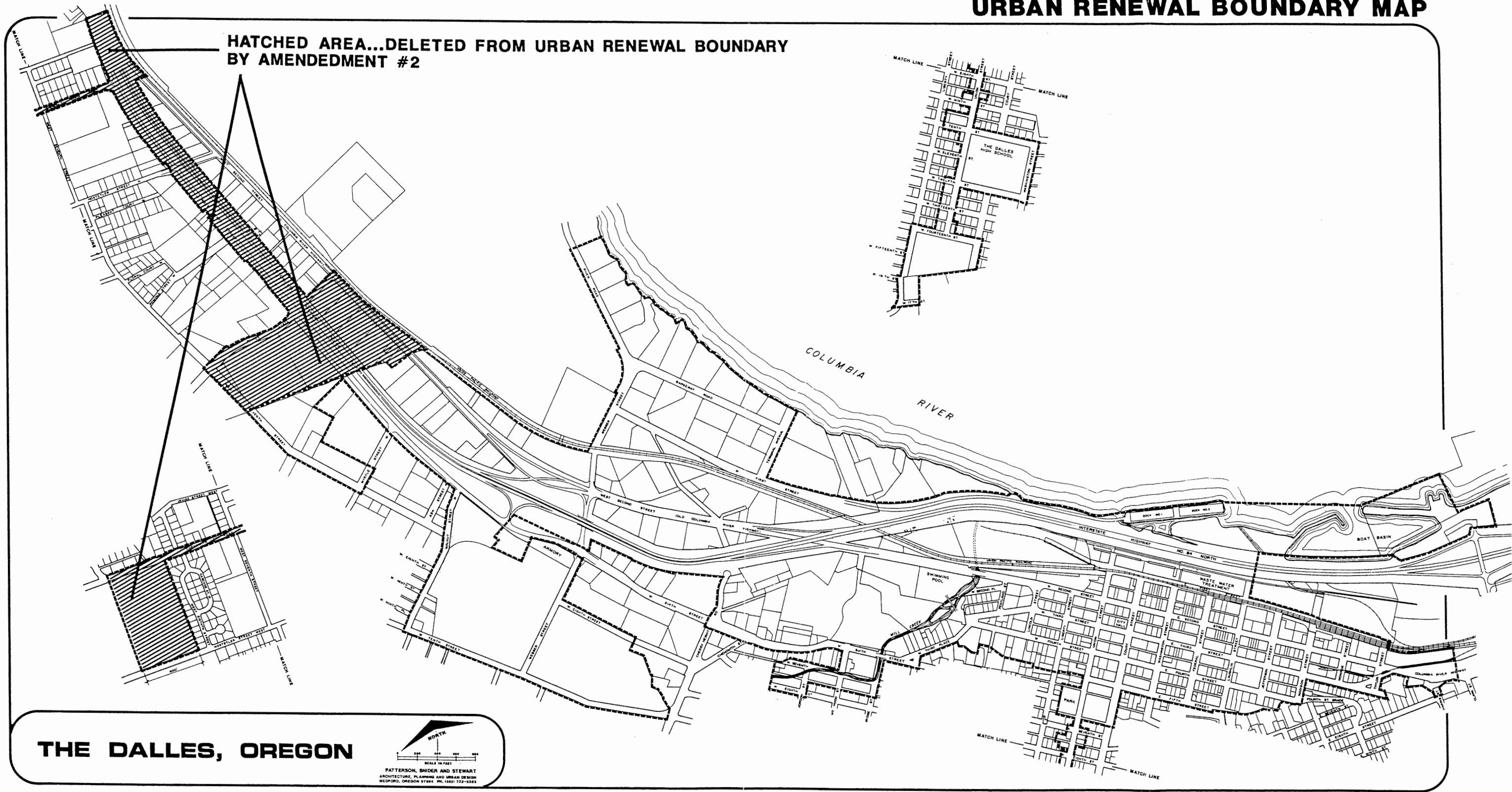
- Should URA have a broader economic mandate? If district sunsets, does the agency end? Should there be a new district or should URA take on other strategic roles?

March 2024

- Review, approve Urban Renewal Plan revisions (draft plan distributed in February)
- Provide guidance for city-wide economic development strategy

AMENDED URBAN RENEWAL BOUNDARY MAP

HATCHED AREA...DELETED FROM URBAN RENEWAL BOUNDARY
BY AMEDEDMENT #2



THE DALLES, OREGON











NORTH
SCALE IN FEET
PATTERSON, SNIDER AND STEWART
ARCHITECTURE, PLANNING AND URBAN DESIGN
MEDFORD, OREGON 97504 P.O. 1383 752-5282

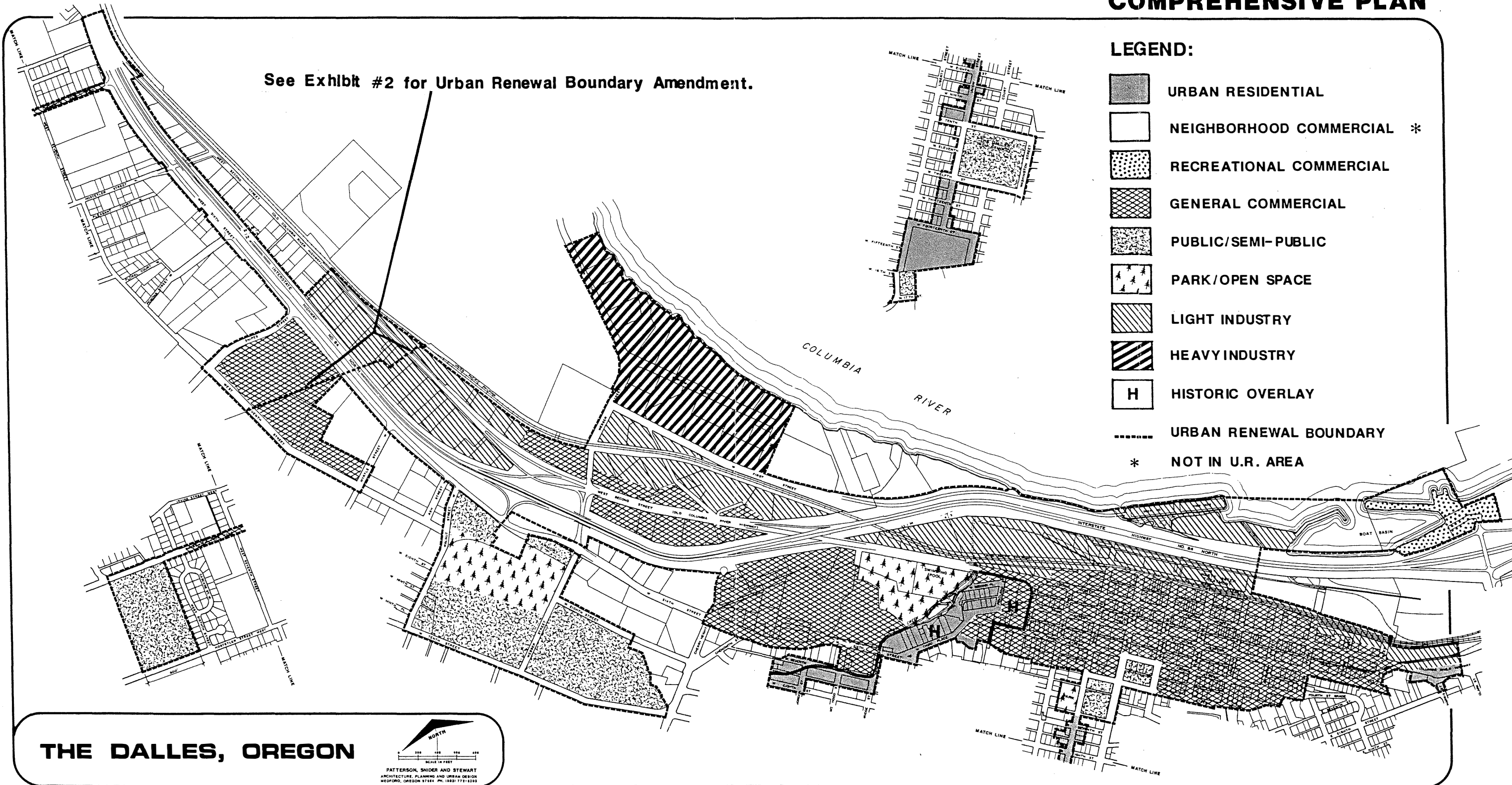
**EXHIBIT 2
AMENDED**

AMENDED LAND USE MAP... COMPREHENSIVE PLAN

See Exhibit #2 for Urban Renewal Boundary Amendment.

LEGEND:

-  URBAN RESIDENTIAL
-  NEIGHBORHOOD COMMERCIAL *
-  RECREATIONAL COMMERCIAL
-  GENERAL COMMERCIAL
-  PUBLIC/SEMI-PUBLIC
-  PARK/OPEN SPACE
-  LIGHT INDUSTRY
-  HEAVY INDUSTRY
-  HISTORIC OVERLAY
-  URBAN RENEWAL BOUNDARY
- * NOT IN U.R. AREA



THE DALLES, OREGON

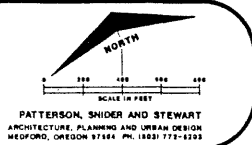
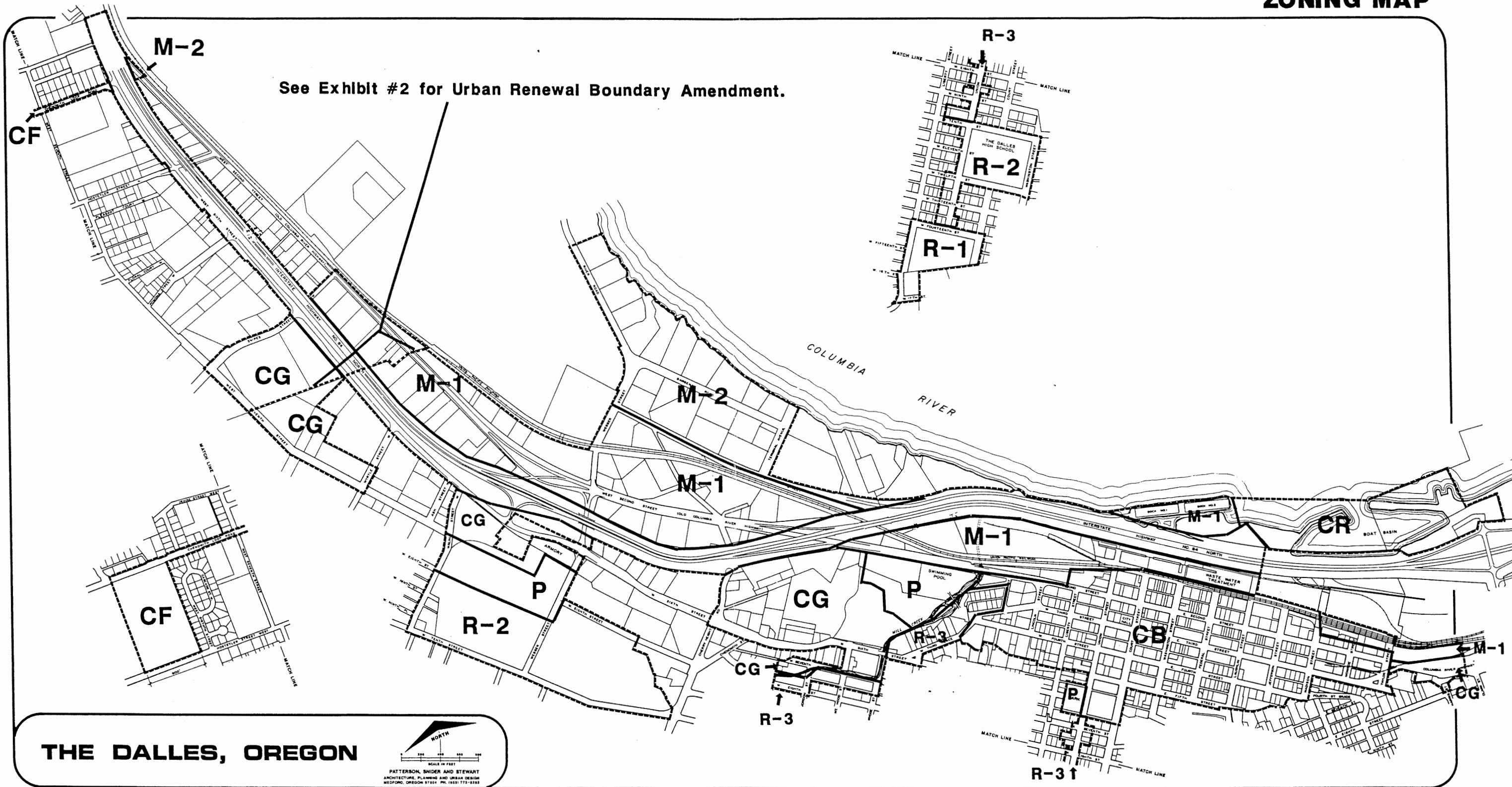


EXHIBIT 3
AMENDED

**AMENDED
ZONING MAP**



See Exhibit #2 for Urban Renewal Boundary Amendment.

**EXHIBIT 4
AMENDED**

ESTIMATED PROJECT COSTS UPDATED TO 1998 VALUES

<i>Total project Costs</i>	Aug. 1990	Mar. 1998
Treatment Plant	\$2,500,000	\$4,500,000
New Force Main Construction	\$506,250	\$625,776
Collection System Replacement	\$1,100,000	\$1,359,710
West Sixth Street	\$195,000	\$241,040
West Sixth Street	\$28,000	\$34,611
West Second Street	\$1,275,120	\$1,576,176
New River Water Treatment Plant	\$4,050,000	\$5,006,205
New Raw Water Pump Station	\$1,316,250	\$1,627,017
New Raw Water River Intake	\$337,500	\$417,184
New Raw Water Transmission Pipeline	\$236,250	\$292,029
New Distrib. Pipeline & Reservoirs	\$810,000	\$1,001,241
Full Improvements	\$1,408,910	\$1,741,554
Basic Improvements	\$1,285,570	\$1,589,093
Alleys/Underground Utility Systems	\$1,917,000	\$2,369,604
Public Off-Street Parkine	\$356,400	\$440,546
West Second to Sixth Street Connection	\$0	\$0
Traffic Signals	\$1,000,000	\$1,236,100
West Sixth Street Bridge	\$415,000	\$512,982
I-84 Freeway Landscape	\$755,980	\$934,467
West Second Street	\$168,470	\$208,246
Columbia Gorge Community College	\$0	\$0
Property Rehabilitation Loan	\$2,000,000	\$2,472,200
City's Swimming Pool	\$720,000	\$889,992
Mill Creek Pedestrian Path	\$186,610	\$230,669
Civic Auditorium	\$40,000	\$49,444
Commodore Apartments	\$35,000	\$43,264
Flour Mill	\$35,000	\$43,264
Riverfront Docks and Marina	\$30,000	\$37,083
Grain Elevator	\$35,000	\$43,264
Total Project Feasibility Analysis		
Disposition of City Property	\$1,020,000	\$1,260,822
District #12 High School	\$180,000	\$222,498
TOTAL PROJECT COST	\$23,943,310	\$31,006,075

501J. Administration

Section 501J is hereby changed to read:

Costs of administering the renewal plan are most appropriately covered from Agency revenues, or these costs become a burden on the City's general fund revenues. This amendment includes a 10 % administrative cost during the life of the plan. Total administrative costs are estimated to be \$ 3,345,413. This administrative cost is based upon information from the City of The Dalles staff.

City of The Dalles Urban Renewal Boundary

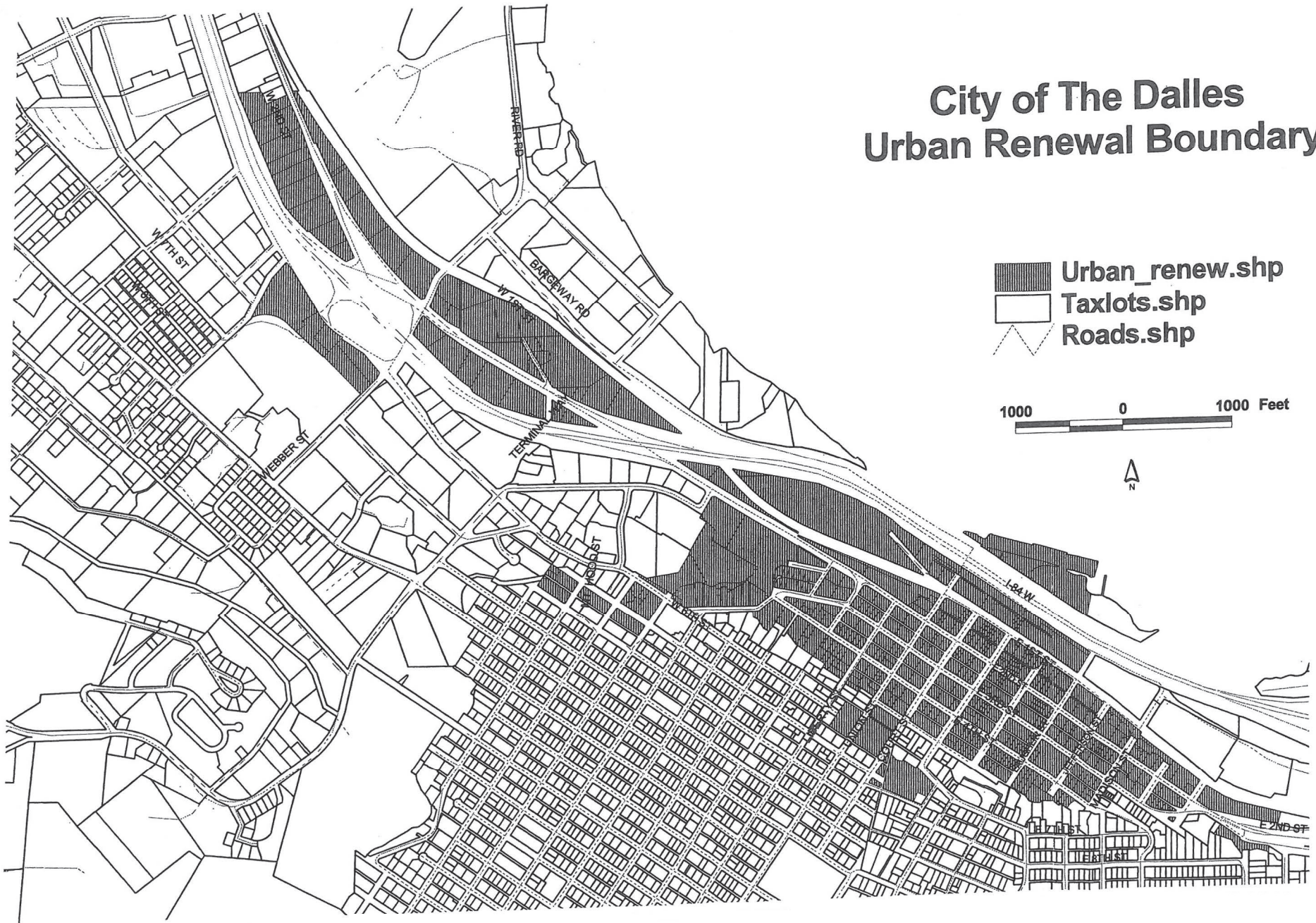




TABLE II

FY 2023-24 BOND DEBT SERVICES – URBAN REWENAL OBLIGATIONS

Fiscal Year	UR Share of Principal	UR Share of Interest	Total UR Share of 2009 FFCO	UR Interest Share – 84.4%
FY09/10	185,000	274,519	459,519	387,834
FY10/11	370,000	431,738	801,738	676,667
FY11/12	380,000	424,338	804,338	678,861
FY12/13	390,000	412,938	802,938	677,680
FY13/14	400,000	401,238	801,238	676,245
FY14/15	415,000	386,238	801,238	676,245
FY15/16	430,000	373,788	803,788	678,397
FY16/17	445,000	356,588	801,588	676,540
FY17/18	465,000	338,788	803,788	678,397
FY18/19	485,000	315,538	800,538	675,654
FY19/20	510,000	291,288	801,288	676,287
FY20/21	535,000	270,888	805,888	680,169
FY21/22	550,000	249,738	799,738	674,979
FY22/23	575,000	227,738	802,738	677,511
<i>FY23/24</i>	<i>600,000</i>	<i>200,425</i>	<i>800,425</i>	<i>675,559</i>
FY24/25	630,000	171,925	801,925	676,825
FY25/26	660,000	142,000	802,000	676,888
FY26/27	695,000	109,000	804,000	678,576
FY27/28	725,000	74,250	799,250	674,567
FY28/29	760,000	38,000	798,000	673,512
TOTALS	10,205,000	5,490,963	15,695,963	13,247,393



Columbia Gateway/Downtown Urban Renewal Boundary

June 2009

N



0 500 1,000 2,000
Feet

 Urban Renewal Area
 Parcels



Rockwood-West Gresham Renewal Plan



Status Report
NOVEMBER 2020

GRESHAM
REDEVELOPMENT COMMISSION

Acknowledgements

GRESHAM REDEVELOPMENT COMMISSION

Chair Karylinn Echols

Vice Chair Mario Palmero

Commissioner Jerry W. Hinton

Commissioner Eddy Morales

Commissioner Vincent Jones Dixon

Commissioner David Widmark

Commissioner Janine Gladfelter

STAFF

City Manager pro tem Eric Schmidt

Urban Renewal Interim Executive Director Emily Bower

Urban Renewal Program Technician Cecille Turley

Urban Renewal Program Technician Amy Evans

Finance Director Sharron Monohon

Economic Development Director Shannon Stadey

CONSULTANTS

Elaine Howard Consulting Elaine Howard

ECONorthwest Eric Bagwell

Sonya Bastendorff

GRESHAM
REDEVELOPMENT COMMISSION



Purpose of the Status Report

In 2003, in culmination of years of public engagement and City-led planning efforts, the residents of Gresham voted in favor of the Rockwood-West Gresham Renewal Plan (Plan). The Plan established the 1,211-acre urban renewal area (URA) and the Gresham Redevelopment Commission (GRDC)—made up of members of Gresham’s City Council—to serve as the final decision-making body. A citizen advisory committee also reviews proposed projects and policies and makes recommendations to the GRDC. City staff, led by the Urban Renewal Executive Director, perform the day-to-day activities that implement the goals, actions and urban renewal projects outlined in the Plan.

The duration of the Plan is limited to 20 years from its effective date, therefore no new projects may be commenced, and no new indebtedness may be incurred after 2023. As the duration provision deadline is now only three years away, the City’s urban renewal staff, in collaboration with consultants, collated a status report on the Plan that highlights the economic and community-wide impacts and projects completed to date.

This report is intended to inform decision makers—as part of a broader process—as they decide whether or not to extend the duration of the URA, and/or which projects should be prioritized for completion before the existing duration provision expires in 2023. Moving forward, the GRDC will need to:

- **Analyze the URA’s investment impact** on large- and small-scale businesses, residents, special districts, and outcomes for communities of color.
- **Identify potential initiatives** that align with existing and/or newly created goals, policies and current market realities.



Factors That Shaped the Development of the URA

During the past 17 years, many circumstances influenced Gresham's URA including the Great Recession, safety and public perception, and market readiness. Despite the considerable impacts of these factors, the completed projects demonstrate the effectiveness of urban renewal areas and tax-increment financing.

GREAT RECESSION

Like most urban renewal areas in Oregon, the URA was impacted by the Great Recession. Since the passage of the Oregon property tax limitation measures, most assessed values of properties in Oregon increase by the three percent annual limitation. During the four years from 2012-2015, this three percent increase in assessed value did not occur in the URA, limiting the resultant growth in tax increment revenue.

TRADED SECTOR PROGRAM IMPLEMENTATION

Collaboration between the Urban Renewal and Economic Development departments at the City supported industrial development and family-wage job creation within the URA and increased the value of the tax-increment financing (TIF) tool. The teams worked closely to market and administer the New Industries Grant program and the Pre-Development Services program. The use of these programs has resulted in a significant increase in assessed value of industrially zoned properties throughout the URA.

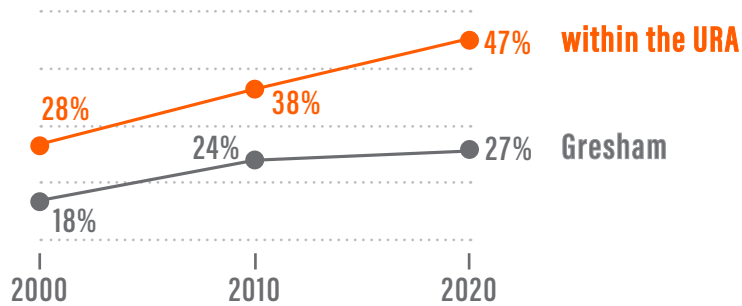
- **The New Industries Grant program** offered an incentive to new companies moving into the URA and supported expansions at industrial firms making new capital investments at their existing facilities.
- **The Pre-Development Services program** aided developers and property owners with preparing industrial land for new development through infrastructure support and other site readiness activities. These programs assisted both industrial recruitment and retention/expansion activities which are central to the City's economic development strategy.

CHANGING SOCIAL CONDITIONS

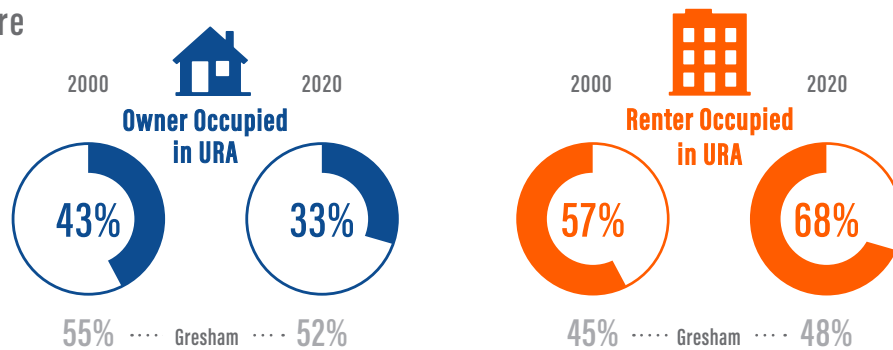
In the last two decades since the inception of the URA, the City has seen continual growth in the diversity of its residents and businesses, particularly in the West Gresham-Rockwood community. In 2000, only 28% of residents within the URA and 18% of all Gresham residents identified as non-white. Today in 2020, the growing multi-cultural community within the URA is nearly half Latinx, African American and other non-white races, and more than 70 languages are represented citywide. The demographic shift away from a historically White/Caucasian population is due partially to the URA's suburban location within the larger (and growing) Metro area and its relative affordability, as well as immigrant and refugee organizations that provide resources for resettlement in East Multnomah County.

Rockwood's diverse and young population (the median age is just 27) is set to contribute to and support a unique, multi-cultural market in the region. In order to meet the needs of its residents, ensuring a variety of mixed-income housing options is crucial. Between 2000 and 2020, the URA experienced a large decline in the number of people who own their home, from 43% owner-occupied housing to 33%. Whereas renter-occupied housing increased in this same time period from 57% to 68%. As staff reviews recommendations for the future of the Plan, further analysis will be done to provide a more detailed understanding of the URA's changing demographics and subsequent impacts.

Percent of Population Who Identify as Non-White



URA Housing Tenure from 2000-2020



Sources: Census 2000, 2020 ACS and ESRI



EARLY PUBLIC ENGAGEMENT

In the early years of the URA, the GRDC's primary connection point with the surrounding community was the GRDC advisory committee. While commission-appointed members have been engaged with community organizations and events throughout its tenure, the advisory committee was especially active during the interim improvements made to the Rockwood Rising catalyst site (2009-2014) and was instrumental in its program development, including the Rockwood Farmer's Market and Cinco de Mayo celebrations.

Community Impacts of the URA

A LEGACY OF IMPROVED COMMUNITY ENGAGEMENT

The commencement of the Rockwood Rising Redevelopment project (now called Downtown Rockwood), marked the beginning of a community engagement evolution for the City of Gresham. The strategy emphasized equitable community engagement as a foundational focus, prioritizing feedback at each stage of development, even before the design process started. During the project's infancy, this included extensive community mapping in Rockwood which documented existing resources, community organizations, and community needs. These initiatives informed the design process, which included over 80 public meetings, multi-lingual and/or culturally specific, and helped the GRDC gather additional input on community needs and desires. Later, after the selection of RkM Development in 2015, the development team held several meetings in the neighborhood with the public, providing updates and answering questions about the forthcoming community hub.

Most recently, Downtown Rockwood benefited from concurrent public engagement efforts taking place as part of Gresham's 2018 Active Transportation Plan, including the use of community liaisons jointly funded through a partnership with Multnomah County's Racial and Ethnic Approaches to Community Health grant. The primary goal of the community liaisons is to give citizens tools to understand City policy and organize relevant engagement activities that prioritize input from communities of color and build community-organizing capacity for participants. In addition, GRDC staff work with community stakeholders as part of an ongoing tenant selection committee for the Market Hall, working to evaluate cultural relevant products and services that meet the needs of the existing and growing community.

1995

2000

2005

URBAN RENEWAL PLAN HISTORY

Planning for the improvement of Rockwood-West Gresham began shortly after Gresham's annexation of the area in the mid-1980's. In 1992, the community-based Gresham 2020 Vision ranked Rockwood as a community center second only to downtown. In the years that followed, the City worked closely with Rockwood-West Gresham residents, and business and property owners to complete several planning efforts in the area:

- **1995** Central Rockwood Mixed Use Development study complete.

● **1997** Gresham's "Citizens First" listening process asks citizens for their views on Rockwood's strengths and challenges.

● **1998** Rockwood Action Plan and Task Force created.
- **2000** Rockwood Action Plan Implementation Committee ranked creation of an urban renewal area one of its top four priorities.

● **2001** City Council initiates an urban renewal feasibility study. The process gains public input through community surveys, two public community workshops, and a City Council work session and hearing.
- **2003** City Council adopts Rockwood-West Gresham Urban Renewal Plan.

Equitable and inclusive engagement of the Rockwood-West Gresham community will have long-term, positive impacts on the URA. The approach is based on a premise that there is inherent value—in terms of participants' time as well as positive economic repercussions—in community-led redevelopment. This approach could be a blueprint for future City projects.

AN EQUITABLE APPROACH TO URBAN RENEWAL

As a whole, URA investments focused on non-profit resources and service providers who support the underserved and underrepresented populations; small-business development; and traded-sector partnerships. This three-prong emphasis, informed by direct and frequent engagement with the community, promotes an equitable distribution of the benefits of redevelopment. It also reflects the unique characteristics of the URA which encompass a range of residential, retail and industrial uses.

More specifically, the City's approach to urban renewal largely reflects its community engagement efforts, exemplified in Downtown Rockwood, which resulted in newfound and improved partnerships with community-based organizations. As Gresham's youngest, most diverse neighborhood, Rockwood has the potential to be a place of economic opportunity. Through the URA (by implementing priority projects, actions, and investments) and through authentic public participation woven throughout the process, Rockwood residents will soon have access to services and resources (as part of the Downtown Rockwood project) to seek and gain employment, access healthy food and medical care, pursue education, receive training in vocational skills, and start businesses that reflect and maintain the unique character of the diverse neighborhood.

Implementing the URA Plan: How Far Have We Come?

URA PROJECT OVERVIEW

The projects outlined in the Plan include **public improvements, financial and technical assistance** to property and business owners, **purchase of land** from willing sellers, and the **sale or lease of public facilities** for redevelopment and development. Public improvement projects—including streets, streetscape, utilities, parks, plazas, parking and transit facilities—were intended to address inadequate infrastructure and amenities found in the URA, especially along 181st Street within the Rockwood Town Center area, and along the Stark Street and Burnside Street corridors west of 181st. Assistance to property and/or business owners took the form of land acquisition, loans, grants and technical assistance to rehabilitate, develop or redevelop property. These investments focused on supporting a diversity of housing opportunities, and supporting and creating more quality commercial and industrial space.

Supporting the development of businesses that create well-paying (family-wage) jobs and improving the quality of housing for current and future Rockwood residents are major themes of the Plan.

PLAN GOALS SUMMARY

Detailed goals and objectives from the Plan are listed in Appendix A.

GOAL 1: Public Involvement

Provide a variety of ways for the community to participate in and be informed about revitalizing Rockwood-West Gresham.

GOAL 2: Improve Rockwood Town Center

Improve Rockwood Town Center so it provides a mix of high-quality housing, jobs, shopping and services for the community. It will also serve as an attractive “front door” to Gresham, and as a focal point for Rockwood.



GOAL 3: Increase Availability of Quality Housing

Make ownership housing more available in terms of the number of units and their affordability for a range of household incomes. Improve the quality of existing rental housing while preserving affordability.

GOAL 4: Help Create and Retain Family-Wage Jobs by Improving Industrial and Commercial Areas

Improve the use of industrial and commercial lands in ways that retain and generate family-wage jobs and accommodate a diversity of business types, large and small.

GOAL 5: Develop Public Safety and Community Service Facilities

Facilitate development of public safety and service facilities to serve the URA.

GOAL 6: Parks and Recreation Facilities

Facilitate development of conveniently located parks and recreation facilities to the URA with strong pedestrian and transit links to residential neighborhoods.

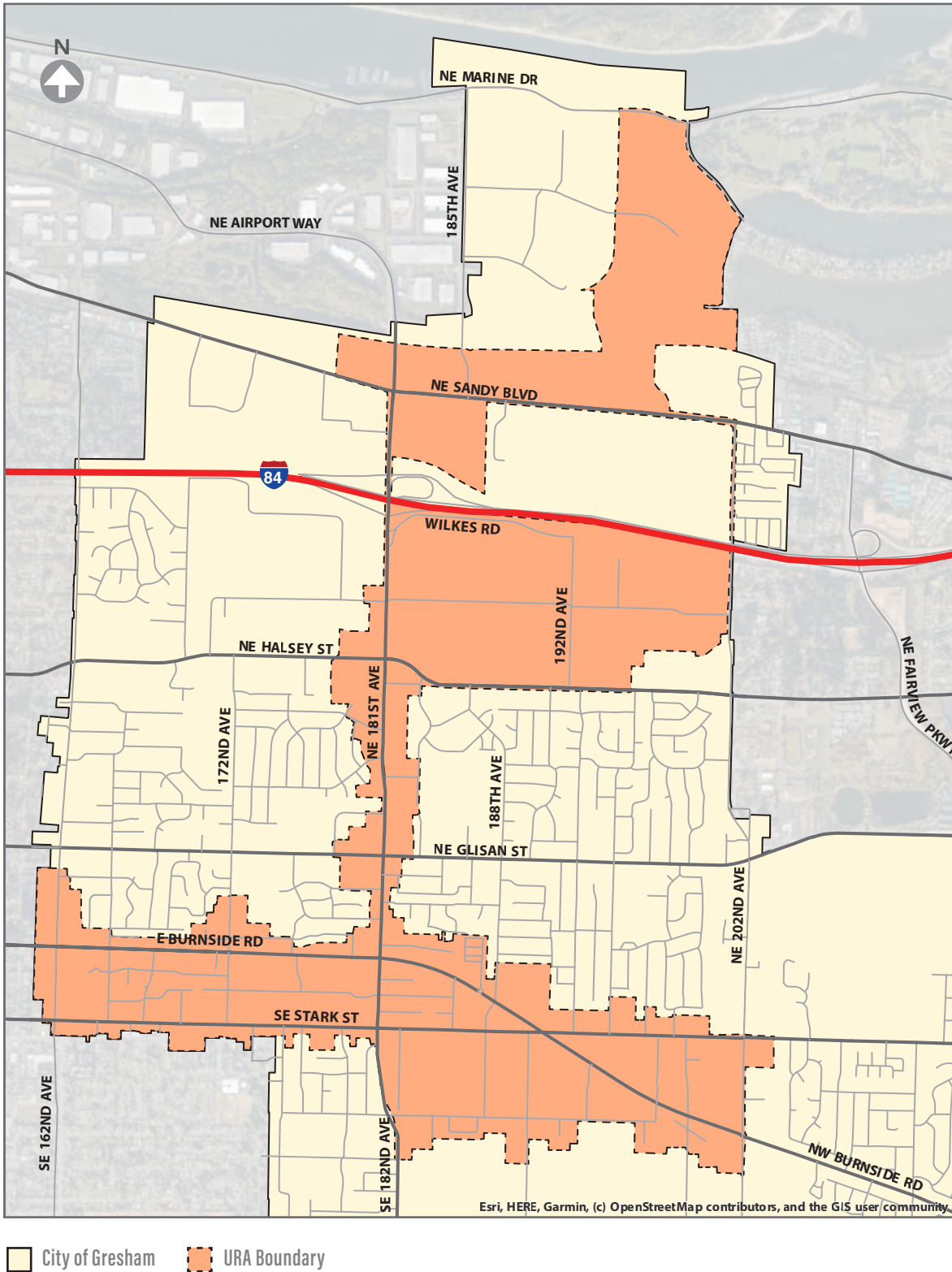
GOAL 7: Improve Transportation

Provide a safe, multi-modal transportation system for circulation within and around Rockwood-West Gresham.

GOAL 8: Promote Quality Development

Promote high-quality development, in keeping with the URA's importance to the community.

Figure 1. Rockwood-Gresham Urban Renewal Area Map



COMPLETED PROJECTS

The following pages highlight ongoing and completed projects identified in the Plan and their associated costs. A detailed description of completed, ongoing and uncompleted projects are included in Appendix B.

Figure 2. Current and Completed Project Highlights and Costs

Year	Project Name from Plan	Goals + Objectives Addressed*	Project Costs
PUBLIC IMPROVEMENTS: STREETS AND STREETScape			
2009	A) 181st Corridor Signal Improvements: Upgrade seven traffic signals on 181st between NE Glisan Street and NE Sandy Boulevard (CIP #UR1049).	4a, 7a, 8a	URA: \$308,279
2011	B) 181st Ave. Intersection Improvements at Burnside, Glisan and Halsey Streets and at I-84 interchange: Add turn lanes and upgrade controls.		
2011	C) Burnside Street, 181st to 197th: Retro-fit street with streetscape improvement to improve pedestrian, bicycle, and transit access and circulation in Rockwood Town Center.	7a, 8a	URA: \$713,508
2004-10	D) Stark Street, 162nd to 197th: Streetscape improvements for pedestrian, bicycle, and transit access and circulation in Rockwood Town Center	4a, 7a, 8a	URA: \$984,454
2012	E) Wilkes Street, 181st to 192nd: Improve Wilkes Street to urban street standards and provide slip ramp connection for eastbound I-84 onramp to enhance freight access and circulation.	4a, 7a, 8a	URA: \$330,000 Total Cost: \$674,570
2016	F) Oak Street Extension: SE 166th to SE 165th	6b, 7a	URA: \$270,000 Total Cost: \$443,719
2011-12	G) Pedestrian Improvements (CDBG)	7b	URA: \$194,557
2011	H) 187th/188th Realignment at SE Stark Street	4a, 7a	URA: \$1,591,402

*Detailed Plan goals and objectives are listed in Appendix A.





K) 188th Avenue Light Rail Station



I) Plaza del Sol



L) 188th Avenue Light Rail Station

PARKS AND PLAZAS			
Ongoing 2009	<p>I) Urban plazas in the Rockwood Town Center area, as determined by specific redevelopment plans.</p> <p>Ongoing: Rockwood Urban Plaza project to design and construct up to a 1-acre neighborhood urban plaza in the Rockwood Plan District. Construction begins Fall 2020.</p> <p>Portion completed: Plaza del Sol, temporary interim catalyst site improvement.</p>	2c, 6a	<p>Rockwood Urban Plaza URA (estimate): \$894,325</p> <p>Total Cost: \$4.7 million</p> <p>.....</p> <p>Plaza del Sol URA: \$35,297</p>
2009-10	<p>J) Neighborhood and community parks to serve areas between Burnside and Yamhill from 162nd to 201st, as determined by specific parks and recreation plans.</p> <p>Portion Completed: Interim park at catalyst site.</p>	6b	
TRANSIT IMPROVEMENTS			
2011	<p>K) MAX urban amenities, 181st to 191st: Convert track areas from gravel to paved and/or landscaped surfaces.</p> <p>Portion Completed: Landscaped surfaces added as part of the 188th Avenue Light Rail Station (CIP #UR1034).</p>	4a, 7c, 7d, 8a	URA: \$1,862,702
2011	<p>L) Appearance and safety improvements of the light rail corridor within the URA.</p> <p>Portion Completed: 188th Avenue Light Rail Station Improvements project (CIP #UR1034).</p>	4a, 7c, 7d, 8a	<i>Included above as part of costs for I)</i>



M) Rockwood Station Apartments



N) Roseanne's Salon



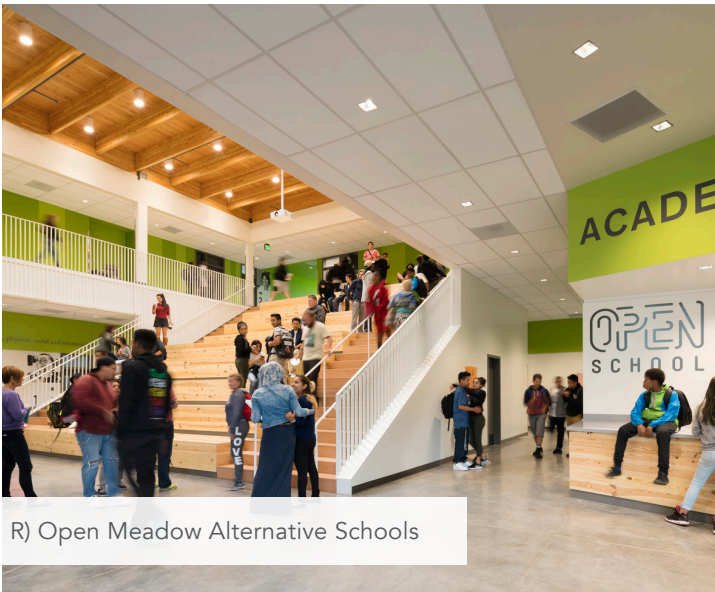
O) Henningsen Cold Storage



O) SEKO Worldwide

ASSISTANCE TO PROPERTY AND/OR BUSINESS OWNERS

closed 2012	M) Apartment Rehabilitation: 35 grants awarded, assisting 865 units, to improve and rehab multi-family dwelling units within the URA.	3b,8b	URA: \$646,913 Private: \$5,478,010 Leverage: 8.47
closed 2012	N) Storefront Improvement Grant: 12 grants awarded to improve commercial corridor businesses.	8b	URA: \$157,523 Private: \$972,456 Leverage: 6.17
closed 2019	O) New Industries Grant: 24 grants awarded to focus on attracting and supporting new industries to industrial area.	4a, 4b	URA: \$1,461,327 Private: \$90,802,743 Leverage: 62.14
closed 2018	P) Predevelopment Services Grant and Loan: 5 grants awarded to focus on attracting and supporting new development in the URA.	8	URA: \$101,453 Private: \$152,277 Leverage: 1.50
ongoing	Q) Technical Assistance: Establish trusted resources for culturally competent small-business development support.	4, 8	



R) Open Meadow Alternative Schools



U) Rockwood Innovation Hub

BUYING/RECEIVING AND SELLING/LEASING PROPERTY

<p>2013-ongoing</p>	<p>Provide community-based services to neighborhood.</p> <p>R) The City purchased property at 16519 SE Stark Street in 2013. A portion of the property sold to Boys and Girls Club, activated in 2017. Another portion of the property sold to Open Meadow Alternative Schools, Inc., activated in 2016.</p> <p>S) Property at 312 SE 165th Ave. was purchased in 2013. Latino Network leased the property in 2017 and will continue leasing until they can purchase and redevelop the site, acquisition by Q4 of 2022.</p> <p>T) Two properties were purchased along Burnside Street in 2016. 18801 Burnside Street, is currently leased to Asia Kitchen Restaurant. The current tenant of 18901 Burnside, the Sunrise Center, is the Community Development Corp. of Oregon (Rockwood CDC).</p> <p>U) Rockwood Rising catalyst site at 18535 SE Stark Street was purchased in 2005, currently in redevelopment status.</p>	<p>1, 2, 4, 7, 8</p>	<p>R) Boys and Girls Club and Open Meadow URA: \$2,281,219* Total Cost: \$6,300,000</p> <p>S) Latino Network Cost (estimate): \$11,000,000</p> <p>T) Sunrise Center/Asia Kitchen Site URA: \$2,150,000*</p> <p>U) Rockwood Rising URA: \$19,600,000* Cost (estimate): \$70,000,000</p> <p><i>*Includes property acquisition.</i></p>
---------------------	---	----------------------	--

PUBLIC BUILDINGS

<p>2012-13</p>	<p>V) The development of public facilities to provide public meeting space, cultural and recreational facilities, public safety facilities, educational facilities and social service facilities.</p> <p>Gresham Public Safety Facility at 675 NE 181st Ave.</p>	<p>5a, 5b</p>	<p>URA: \$5,632,832</p>
----------------	---	---------------	--------------------------------

ADMINISTRATION AND FINANCE FEES

<p>2005-20</p>	<p>W) URA operating costs, cumulative throughout the life of the URA.</p>	<p>5a, 5b</p>	<p>Administration: \$13,700,000 Fees + Interest: \$10,300,000</p>
----------------	--	---------------	--

Economic Impact of the URA

PUBLIC INVESTMENT LEVERAGES ECONOMIC GROWTH

In large part, the decision to extend the life of the URA depends on understanding the economic outcomes of investments made within the URA. To this end, the City engaged ECONorthwest for the purpose of this report to study the URA's contribution to employment and economic activity since the program's inception. This analysis looks at the grants, subsidy dollars and private investment in the URA over time (in today's dollars) and observes the role the URA and public investments have played on development, private business activity and growth within the URA.

Over the course of nearly two decades, the URA has attracted new spending and investment to the community, which went to support local jobs and businesses. For example, public grant contributions helped to finance the development of apartments, other commercial properties, and infrastructure within the URA. This contribution subsequently helped to support the hiring of construction workers, who in turn spent their wages at local businesses both inside and outside the URA. The following summary illustrates how the combination of public and private investment was leveraged to support economic growth both within the URA and in the broader regional economy.



City grants and infrastructure spending helped to leverage nearly 4 times more private investment within the URA.

86 grants awarded

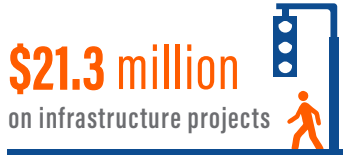
17 infrastructure projects

- Since the URA's inception in 2003, the City has **awarded 86 grants** (83 grantees) to non-profit organizations and businesses across a variety of industries who made a commitment to invest in the URA. The City also **funded 17 infrastructure projects**.
- As of 2020, **public investment from the City totaled \$44.1 million**.¹ In turn, **grantees contributed \$179.2 million in private investment within the URA**.²
- 26 of the grants (25 grantees) went to **support new industry businesses expand their operations** within the URA; 19 grants (18 grantees) went towards **storefront improvements** for retail and personal service businesses such as restaurants and salons; six grants went to **predevelopment services** to assist businesses reach the construction phase of the project.
- 35 grants (34 grantees) went to **apartment rehabilitation**, making improvements to energy efficiency and public safety for **1,652 units** within the URA.

¹ All capital dollars in this analysis have been inflated to 2020 dollars to account for inflation over the past two decades.

² Data for private investment only includes the hard costs of the development budgets and does not account for soft costs or other financings costs that the development would have incurred.

Public infrastructure spending accounted for 48 percent of the City's total investment in the URA



- The City contributed **\$21.3 million to infrastructure projects such as street, pedestrian right-of-way, and plaza improvements.** These investments tend to have a short-term effect on supporting jobs, but can help support long-run economic growth by having a more efficient transportation system that can help labor, goods, and services move through the transportation network more efficiently.

Combined public-private investment went to support middle-income jobs



- Over the **17 years the program has been in place, the cumulative public and private investment in the URA was just over \$223 million dollars (in 2020 dollars).** On average, this amounted to \$16 million in investment per year, over the lifecycle of the program, supporting 97 jobs and \$8.1 million in labor income. Many of these jobs were middle income construction jobs that averaged \$63,000 per worker.
- When including the **secondary effects of construction activities in the URA** from additional supply chain and consumption spending from the investment, the URA **supported a total \$23.7 million in economic activity, 140 jobs, and \$10.9 million in labor income per year, over the life of the program.**
- Although not directly measured for this analysis, the additional spending resulted in taxable revenue in the form of excise and income taxes that support future public investment in infrastructure, schools, and other public good. Additionally, the investment increased the assessed value of the properties, which increased property tax revenues.

Effects of construction activities over the life of the URA.

3 WAYS TO DEFINE ECONOMIC EFFECTS

Direct effects are those associated with an initial change in spending from a project, typically represented by new construction spending or expansion of operations spending. They also include the direct output of the activities associated with the private sector investment and URA match to support the project, which is estimated using an expenditure approach that sums labor and non-labor operating expenses.

Indirect effects are the goods and services purchased to support new construction and operations. Because these expenditures represent interactions among businesses, these indirect effects are often referred to as "supply-chain" impacts.

secondary effects **Induced effects** are the purchases of goods and services from new labor income. The direct and indirect increases in employment and income enhance the overall purchasing power in the economy, thereby inducing further consumption. These induced effects are often referred to as consumption-driven impacts.



Post-construction, operations of renovated and expanded businesses went to support hundreds of jobs annually

- As a result of the URA investments, **new businesses were able to start, relocate, or expand their operations in the City** to provide more economic opportunities for the local workforce. As a result of that investment, around **40 businesses relocated into the URA**. Although not all businesses added new jobs, the data suggest that businesses that moved into the URA resulted in close to **670 new jobs, averaging \$62,000 per year**. Based on the distribution of industries that moved into the URA, estimates indicate that these businesses **supported an additional \$161 million in revenue**.
- Employees and businesses within the URA have and will continue to spend their earnings in the local economy and contribute to the income and property tax base.

Supported jobs in the URA also have a broader economic effect by spending money at local businesses for services and entertainment. These local expenditures, in turn, support jobs in the city and the region.

CONTEXT WITHIN THE LOCAL, REGIONAL ECONOMY

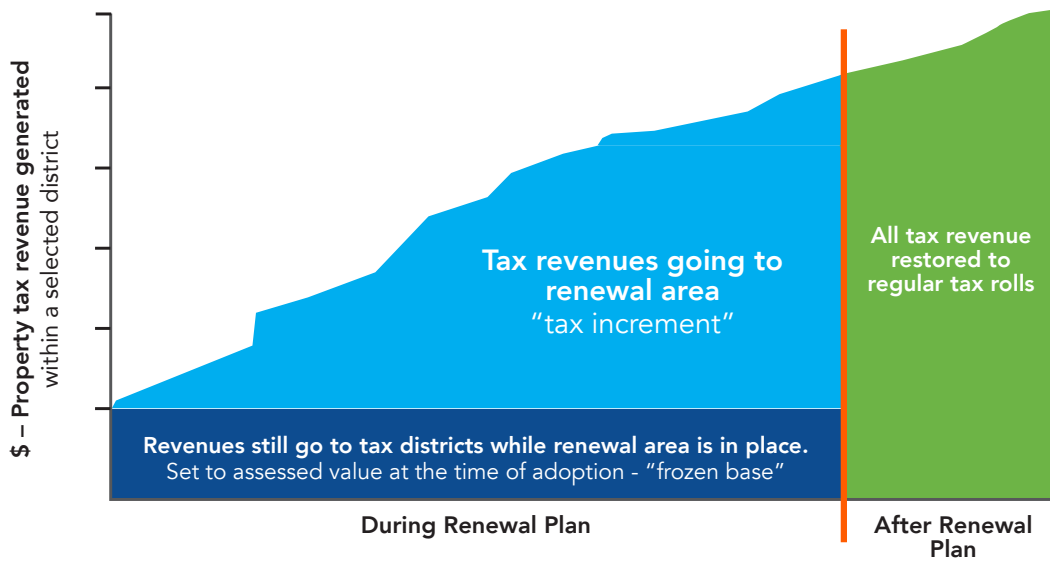
The Rockwood-West Gresham URA is composed of a diverse array of industries and services ranging from manufacturing and biotechnology to non-profit foundations and multi-ethnic restaurants. While employment within the URA remain small in comparison to Gresham, it still accounts for an important share of the City’s overall employment and economic output. Businesses within the URA who received grants directly employ 678 full-time employees to support their operations. According to the Bureau of Labor Statistics’

Quarterly Census of Employment and Wages, there were **6,493 employees** who work in the URA as of 2019, indicating that grantees account for **ten percent** of the area’s overall employment. Supported jobs in the URA also have a broader economic effect by spending money at local businesses for services and entertainment. These local expenditures, in turn, support jobs in the city and the region.

grantees make up
10%
of employment in
the URA

More details on the Economic Impact of the URA can be seen in Appendix C.

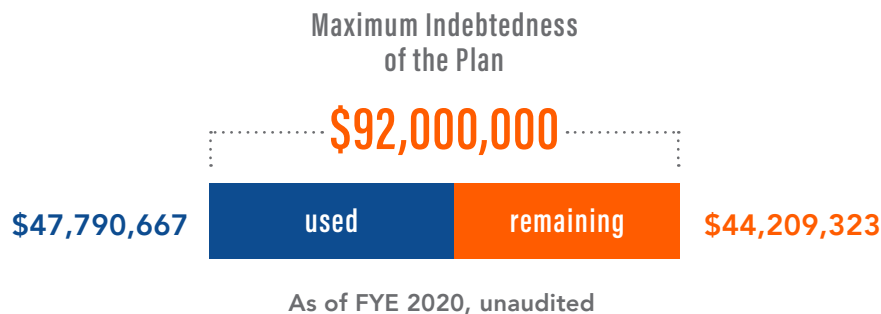
Figure 2. Visualizing Tax Increment Financing



URA REVENUES + DEBT

The Gresham URA is funded through a division of taxes known as tax increment financing (TIF). Since it was established in 2003, tax revenue from the increase of assessed property values in the URA (the tax increment) has gone to the GRDC to fund capital projects within the URA. These projects can either be financed directly or through the use of bond proceeds which are paid back through TIF revenues. Over this time, other taxing districts have continued collecting taxes off the assessed property value of the URA at the time it was created (the frozen base). When the URA terminates, all tax revenue will be restored to regular tax roles.

During the lifetime of the URA, \$45,531,586 has been collected through the division of taxes of the permanent rate levies. The impacts to local School Districts and Education Service Districts is said to be indirect due to the state school fund and the funding allocation on a per pupil basis. In addition to the permanent rate levy impacts, \$4,044,696 has been collected from general obligation bonds. The impact of general obligation bond collections is on the property tax payer, not on the taxing district. There are two remaining bonds being impacted, issued by the Reynolds School District and the Centennial School District.



Conclusion and Next Steps

Significant progress has been made to implement and complete the Plan's goals and priority projects. To date, the URA has benefited from more than \$220 million in combined public-private investments—public spending leveraging four times more in private investment. More than 80 non-profit and business grantees received funding for building expansions, storefront improvements, and apartment rehabilitation. During this time, there has also been an intentional, community-driven engagement approach that has not only imprinted the design and programming of Downtown Rockwood, but has seeded a new path for residents to engage with the City. This engagement process will be especially important as the GRDC considers how to move forward with the remaining years left in the district and whether the district will be renewed after 2023. It is important that the GRDC and staff continue to build on the portfolio of projects and are intentionally infusing equity into the urban renewal process.

The question remains: which projects should move forward and how? There are projects identified in the Plan that have not been completed, as well as additional projects to consider with potential to advance multiple goals for the URA. There is \$44,209,323 remaining capacity in the maximum indebtedness limit to allow for additional projects to be completed, however, under current Plan limitations, those projects must be commenced before fiscal year end in 2023. To extend this provision, it must be approved by Gresham voters.

WHAT COMES NEXT?

After reviewing this Summary Report, the GRDC should analyze the URA's investment impact on large-and small-scale businesses, residents, special districts, outcomes for communities of color and identify potential initiatives that align with existing and/or newly created goals, policies and current market realities.

The GRDC will provide direction to staff on the following actions:

1. Identify and prioritize those projects which can be completed within the existing termination date, **and/or**
2. Identify and prioritize potential future uses of urban renewal funds in the district that would go beyond the current duration of the Plan if voters approve an extension beyond fiscal year 2023.

This page intentionally left blank.



Rockwood-West Gresham Renewal Plan

STATUS REPORT 2020

GRESHAM
REDEVELOPMENT COMMISSION

Appendix A

Rockwood West Gresham Renewal Plan Goals and Objectives

Goal 1: Public Involvement: Provide a variety of ways for the community to participate in and be informed about revitalizing Rockwood-West Gresham.

- Objective A. The City of Gresham will provide ongoing ways for the public to be involved in creating and carrying out the urban renewal plan.
- Objective B. Public involvement efforts will include all of the City's diverse population.

Goal 2: Improve Rockwood Town Center: Improve Rockwood Town Center so it provides a mix of high quality housing, jobs, shopping and services for the community. It will also serve as an attractive "front door" to Gresham, and as a focal point for Rockwood.

- Objective A. Prepare a redevelopment plan for the town center.
- Objective B. Rehabilitate existing buildings.
- Objective C. Redevelop some existing properties.

Goal 3: Increase Availability of Quality Housing: Make ownership housing more available in terms of the number of units and their affordability for a range of household incomes. Improve the quality of existing rental housing while preserving affordability.

- Objective A. Facilitate development of ownership housing types.
- Objective B. Rehabilitate existing housing stock.
- Objective C. Ensure development of a diversity of housing types.

Goal 4: Help Create and Retain Family Wage Jobs by Improving Industrial and Commercial Areas: Improve the use of industrial and commercial lands in ways that retain and generate family wage jobs and accommodate a diversity of business types, large and small.

- Objective A. Renew and rehabilitate underused industrial lands and buildings.
- Objective B. Renew existing commercial/mixed use areas.

Rockwood West Gresham Renewal Plan Goals and Objectives

Goal 5: Develop Public Safety and Community Service Facilities: Facilitate development of public safety and service facilities to serve the Area.

Objective A: Develop public safety facilities to promote a safe environment for residents and business activity.

Objective B: Develop service facilities that address the greatest service needs in the Area.

Goal 6: Parks and Recreation Facilities: Facilitate development of conveniently located parks and recreation facilities to the Area with strong pedestrian and transit links to residential neighborhoods.

Objective A. Develop neighborhood parks where most needed.

Objective B. Improve access to existing and future parks and recreational facilities.

Goal 7: Improve Transportation: Provide a safe, multi-modal transportation system for circulation within and around the Rockwood-West Gresham area.

Objective A. Complete local street network.

Objective B. Develop pedestrian and bicycle facilities.

Objective C. Develop links to transit stations and promote transit-supported development to leverage the assets of the light rail corridor.

Objective D. Improve appearance and safety of MAX corridor and arterial street corridors in the Area.

Goal 8: Promote Quality Development: Promote high quality development, in keeping with the Area's importance to the community.

Objective A. Facilitate attractive, pedestrian- and street-oriented development in the Rockwood Town Center area and along Stark, Burnside and 181st Ave.

Objective B. Rehabilitate or redevelop existing structures that affect the appearance and value of the area.

Objective C: Work with City of Gresham as appropriate to revise existing, and propose new, development regulations and guidelines to ensure high quality development.

Appendix B PROJECTS COMPLETED

Year	Name in Urban Renewal Plan	Description	Relation to Urban Renewal Goals	Estimated URA Contribution
Public Improvements: Streets and Streetscape				
2011	a) 181st Ave Intersection Improvements at Burnside, Glisan and Halsey Streets and at I-84 interchange. Add turn lanes and upgrade controls	The southbound U-turn at NE San Rafael St. was eliminated; westbound right-turn-on-red restriction on San Rafael was lifted; and closed crosswalk over 181st on the north side of San Rafael due to the unusual signal phasing required at the intersection (having two crosswalks over 181st would have significantly reduced the efficiency of the intersection).	Goals and Objectives 4a, 7a, 8a	URA: \$308,279
2009	b) 181 st Corridor Signal Improvements	The 181 st Corridor Signal Improvements project (CIP #UR1049) upgraded the seven traffic signals on 181 st between NE Glisan St. and NE Sandy Blvd, including the ODOT signals at the I-84 freeway ramps, with new state-of-the-art, computer-controlled traffic signals running SCATS (Sydney Coordinated Adaptive Traffic System);	Goal 7a	
2011	c) Burnside Street, 181 st to 197 th : Retrofit street with streetscape improvement to improve pedestrian, bicycle, and transit access and circulation in Rockwood Town Center.	<u>A portion of project completed:</u> The Burnside Road Boulevard Phase I project (CIP Project #UR1014) improved the south side of Burnside between 185 th and 190 th Avenues with wider sidewalks; improved landscaping and street trees; new streetlights; and on-street parking between 185 th and 188 th Avenues and undergrounding of utilities. The 188 th Avenue at Burnside Road project (CIP Project #UR1020) redesigned the intersection at 188 th Ave. and Burnside with safer pedestrian crossings that included increased pedestrian-oriented street lighting and a distinctive pavement, sidewalk and crosswalk design that reinforces the message Rockwood is a special part of Gresham	Goals and Objectives 7a, 8a	URA: \$713,508
2004	d) Stark Street, 162 nd to 197 th : Streetscape improvements for pedestrian, bicycle, and transit access and circulation in Rockwood Town Center	<u>*A portion of project completed:</u> Stark Street Phase I from 181 st to 190 th : Improvements were installation of crosswalks and medians, street trees, bike lanes, and new streetlights.	Goals and Objectives 4a, 7a, 8a	URA: \$984,454
2010		Stark Street Boulevard (190 th to 197 th) (aka Stark Street Phase II) from 190 th to 199 th completed in 2010 made improvements on SE Stark St. from 190 th to 199 th . (UR CIP Project #UR1015 and City of Gresham Transportation Division CIP Project #517100A). Improvements were landscaped medians; pedestrian crosswalk islands; wider sidewalks; planter strips with street trees; bus shelters; rain-friendly pervious pavement; and green street treatments.		
2012	e) Wilkes Street, 181 st to 192 nd : Improve Wilkes Street to urban street standards and provide slip ramp	<u>*A portion of project completed:</u> A Wilkes Road improvements (UR CIP Project # UR1044: Industrial Area Investments) may have completed the "slip-ramp connection for eastbound I-84 on-ramp to enhance freight access and circulation" portion. The project	Goals and Objectives 4a, 7a, 8a	URA: \$330,000 to project of total project cost of \$674,570

Appendix B PROJECTS COMPLETED

Year	Name in Urban Renewal Plan	Description	Relation to Urban Renewal Goals	Estimated URA Contribution
	connection for eastbound I-84 on - ramp to enhance freight access and circulation.	provided direct access to NE Wilkes Rd. for southbound traffic on NE 181 st Ave., reducing over a mile of unnecessary travel to access NE Wilkes Rd., and improved access to NE Wilkes Rd. for northbound traffic on NE 181 st Ave.		
2016	f) Oak Street extension: SE 166 th Ave. to SE 165 th Ave.	Project extended SE Oak St. through the old Drake's 7 Dees Nursery & Landscape property at 16519 SE Stark St. , portions of which were sold to Boys and Girls Clubs of Portland Metropolitan Area and Open Meadow Alternative Schools, Inc. (extended from east property line west to SE 165 th Ave.). Street constructed to local transitional "green street" standards on its frontage with Open Meadow school. A half-street improvement was constructed on the frontage with the Boys and Girls Club, as the parcel on the north side of that frontage will be required to complete the street as a condition of its future development.	Goals and Objectives 6b, 7a	URA: \$270,000 to project of total project cost of \$443,719
2011-12	g) Pedestrian Improvements (CDBG)	The Pedestrian Crossing Enhancements CDBG project (renamed Pedestrian Improvements CDBG (CIP #UR1052) constructed a pedestrian crossing at 179 th and Stark and a pedestrian crossing at 182 nd and Main and sidewalk connection on 182 nd between Stark and Yamhill	Goal and Objective 7b	URA: \$194,557
2011	h) 187 th /188 th Realignment at SE Stark St.	(CIP Project #1021) created a direct north-south connection through the busy Rockwood Triangle by building a new street segment aligning SE 187 th and SE 188 th avenues. Created a safe pedestrian connection between the MAX station and the residential neighborhood south of Stark Street. Included a new signalized intersection at 187 th and Stark Street. Tied the landscape and sidewalk design to the boulevard design on Burnside. Replaced the old section of 188 th between Stark and Burnside.	Goals and Objectives 4a,7a	URA: \$1,591,402
ongoing	Sandy Boulevard, west boundary to east boundary of Area: Improve access to adjacent industrial land	<u>A portion of project in progress:</u> City of Gresham's Sandy Boulevard Street Improvements project (UR CIP #CIPUR00002) makes improvements from 181 st to east city limit. Construction in planned for 2021. Improvements will be: modernized traffic signal at 181 st Ave. and Sandy Blvd.; add a second westbound left-turn lane, from Sandy Boulevard to 181 st Avenue, increase safety; new curb and sidewalk ramps; new 12-foot wide multi-use path on the north side of Sandy Boulevard, between 185 th Drive and 201 st Ave., connecting to the Gresham Fairview Trail; new 12-foot wide multi-use path on the south side of Sandy Boulevard, between 18 st Avenue and the Boeing	Goals and Objectives 4a,7a	URA: \$291,500 Plus \$17,160 Riverside Drive

Appendix B PROJECTS COMPLETED

Year	Name in Urban Renewal Plan	Description	Relation to Urban Renewal Goals	Estimated URA Contribution
		entrance; new bike lanes; and environmental upgrades to the street's stormwater system.		
		Riverside Drive Improvement was done in coordination with the above. Project performs preliminary engineering on alternatives for a new road connecting Sandy Blvd and 185th, and includes the environmental assessment in preparation for the construction of the road, which crosses the Union Pacific railroad and Columbia Slough. This project was done in conjunction with Transportation and is also noted in the Transportation CIP.		
Parks and Plazas				
ongoing	i) Urban plazas in the Rockwood Town Center area, as determined by specific redevelopment plans.	<u>Rockwood Urban Plaza project:</u> Project will design and construct up to a 1-acre neighborhood urban plaza in the Rockwood Plan District. System Development Charges (SDC) Park project #19. Project is located on the west side of SE 187 th Ave. between SE Stark St. and E. Burnside St. and is included in Phase II of the Rockwood Rising project. Construction is planned for summer 2020.	Goals and Objectives 2c, 6a	Construction to begin Fall 2020 Estimated URA contribution \$894,325, total project cost \$4.7 million
2009		<u>Plaza del Sol (interim improvement)</u> – Project on the Catalyst Site property at the NW corner of the intersection of SE Stark St. and SE 187 th Ave. Project intended to provide a temporary amenity until the Catalyst Site could be redeveloped because redevelopment of the site could take longer than had been anticipated. The plaza has since been removed to make way for Building A in the Rockwood Rising project that is currently under construction.		Interim costs: \$35,297
2009-10	j) Neighborhood and community parks to serve areas between Burnside and Yamhill from 162nd to 201st Avenues, as determined by specific parks and recreation plans	<u>A portion of project completed:</u> Interim park developed at the former Fred Meyer property – aka the Catalyst Site. Park amenities were a walking path around a wildflower field completed in 2009 and a children's play structure for ages 5-12 completed in 2010. Play structure was relocated to Burnside Baptist Church to make way for the Rockwood Rising redevelopment project. (UR CIP Project #UR1043.)	Goal and Objective 6b	
Transit Improvements				
2011	k) MAX urban amenities, 181st Avenue to 191st Avenue: convert track areas from gravel to paved and/or landscaped surfaces	<u>Portion of project completed:</u> Landscaped surfaces added as part of the 188 th Avenue Light Rail Station (CIP Project #UR1034).	Goals and Objectives 4a,7c,7d,8a	URA: \$1,862,702

Appendix B PROJECTS COMPLETED

Year	Name in Urban Renewal Plan	Description	Relation to Urban Renewal Goals	Estimated URA Contribution
2011	l) Appearance and safety improvements of the light rail corridor within the Area.	<u>Portion of project completed:</u> 188 th Avenue Light Rail Station Improvements project (CIP Project #UR1034). TriMet and the Gresham Redevelopment Commission partnered to redesign and rebuild the station. The project modernized and improved safety at the stop. Improvements were a new combined platform for east/west travelers with transparent shelters for added safety; more lighting; security cameras; new ticket vending machines; and a prominent public art installation (Rockwood Sunrise).	Goals and Objectives 4a,7c,7d,8a	\$ Included above
Assistance to Property and/or Business Owners				
closed 2012	m) Apartment Rehabilitation	Improve and rehab multi-family dwelling units within the Urban Renewal Area -discontinued in 2012. Thirty-five grants were awarded assisting 865 units.	Goals and Objectives 3b,8b	\$646,913 URA paid, private match of \$5,478,010. 8.47 leverage
closed 2012	n) Storefront Improvement Grant	Provided grants to improve commercial corridor businesses- discontinued in 2012. Twelve grants were awarded.	Goal and Objective 8b	\$157,523 URA paid, private match of \$972,456. 6.17 leverage
closed 2019	o) New Industries Grant	Focuses on attracting and supporting new industries to industrial area. Twenty-four grants have been awarded to date.	Goal and Objectives 4a, 4b	\$1,461,327 URA paid, private match of \$90,802,743662. 14 leverage
closed 2018	p) Predevelopment Services Grant and Loan	Focus on attracting and supporting new development in the Urban Renewal Area. Program was adopted on May 17, 2007 and discontinued on December 18, 2018. Five grants were awarded.	Goal and Objective 8	\$101,453 URA paid private match of \$152,277. 1.50 leverage
ongoing	q) Technical Assistance	Establish trusted resources for culturally competent small business development support.	Goals 4,8	
Buying, Receiving and Selling, Leasing Property				
2016-17	Provide community-based services to neighborhood. r)	Property at 16519 SE Stark St. purchased in 2013. Portion of property sold to Boys and Girls Club in 2016. Boys & Girls Club and Sports Field built and activated in 2017. Another portion of property sold to Open Meadow Alternative Schools, Inc. in 2015. Open School built and activated in 2016.	Goals 1,2,4,7,8	Boys and Girls Club and Open Meadow URA \$2,281,219* Total project cost: \$6,300,000
2013-ongoing	s)	Property at 312 SE 165 th Ave. purchased in 2013. Latino Network began leasing the property in 2017 and will continue leasing until they can purchase and redevelop the site (Purchase and Sale Agreement executed in 2013. Latino Network is scheduled to acquire the property by quarter 4 of 2022.)		Latino Network Estimate Project cost \$11 million

Appendix B PROJECTS COMPLETED

Year	Name in Urban Renewal Plan	Description	Relation to Urban Renewal Goals	Estimated URA Contribution
2017-ongoing	t)	Two properties at 18801 and 18901 E. Burnside St. were purchased in 2016. The two parcels: 18801, is currently leased to Asia Kitchen Restaurant. 18901 The Sunrise Center. The Community Development Corp. of Oregon (aka The Rockwood CDC, is the current tenant		Sunrise Site URA: \$2,150,000*
2005-ongoing	u)	Rockwood Rising Site at 18535 SE Stark St. (aka the Catalyst Site). This was the old Fred Meyer store property, which is bounded by SE Stark St. and E. Burnside St. (south to north) and SE 185 th Ave. and SE 188 th Ave. (west to east). Property was purchased in 2005 and the site is currently in redevelopment status.		Rockwood Rising URA: \$19,600,000* Estimated project cost \$70 Million * Includes property acquisition.
Public Buildings				
2012-13	v)	The development of public facilities to provide public meeting space, cultural and recreational facilities, public safety facilities, educational facilities and social service facilities.	Developed a facility to improve Gresham Police presence and visibility in Rockwood that is welcoming to citizens and creates opportunities for new community partnerships. Gresham Public Safety Facility at 675 NE 181 st Ave.	Goal and Objectives 5a, 5b URA: \$5,632,832

Appendix B

PROJECTS NOT COMPLETED

A. Public Improvements

Public improvements authorized under the plan include developing, replacing or upgrading streets and utilities, sidewalks and streetscape, parks, plazas and open spaces, and public parking facilities. As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs.

1. Streets and Streetscape

- a) 181st Avenue: Halsey to Sandy: add travel lanes and improve railroad overcrossing.
- b) 184th Avenue, Wilkes to San Rafael: Construct new collector street to improve freight access and circulation for the surrounding industrial area.
- c) 185th Avenue, Sandy north to Area boundary: Widen and realign 185th and widen under crossing at railroad to improve freight access and circulation in the surrounding industrial and employment areas.
- d) 185th Avenue, Yamhill to Stark: Construct new local street to improve access and circulation within the Rockwood Town Center Area.
- e) 190th Avenue, Stark to Yamhill: Improve with street lighting, sidewalks and bicycle facilities and storm drains.
- f) 192nd Avenue Wilkes to Halsey: Improve to collector standards with street lighting, sidewalks and bicycle facilities.
- g) 197th Avenue, Yamhill to Stark: Improve to community street standard with street lighting, sidewalks and bicycle facilities and storm drain.
- h) Central Rockwood Future Streets Plan, to improve access and circulation within Rockwood Town Center Area, with construction of new local streets: Oak Street from 183rd to 185th; 183rd Avenue from Stark to Burnside; and 184th Avenue from Stark to Pine.
- i) Riverside Parkway extension: extend collector street from 190th to Sandy to improve industrial access.

- j) San Rafael Street, 181st to 201st: Complete collector street standards and remove frontage road to improve access to adjacent industrial properties.
- k) Yamhill Street, 181st Avenue to 197th Avenue: upgrade to urban street standards.

2. Utilities

Utility improvements include improvements to sanitary sewer, storm drainage and water lines related to the street improvement projects listed in Section V.A.1 above. Utility projects are listed in greater detail in the City of Gresham's Water, Sewer and Surface Water Master Plans.

Utility improvements will be coordinated with providers of non-municipal utilities, including power, cable and phones.

3. Parks and Plazas

Park and plaza improvements include:

- a) Trails, in particular the segments of the Gresham Fairview Trail that is contained within the Area.

4. Off Street Parking Facilities

Public parking facilities include surface lots and structure parking, where such facilities are needed, to allow more complete development of adjacent and nearby private property. The size and location of public parking facilities will be determined in specific parking plans and analyses.

5. Transit Improvements

Transit improvements will include:

- a) Transit shelters and amenities, 181st Avenue, Stark Street, Sandy Boulevard, San Raphael Street, Wilkes Street, 192nd Avenue or as required by future routes.

DATE: October 2, 2020
TO: Emily Bower, Gresham Redevelopment Commission
FROM: Erik Bagwell, Luna Ou, and Joel Ainsworth, ECONorthwest
SUBJECT: ROCKWOOD-WEST GRESHAM URA ECONOMIC ANALYSIS

Introduction

The City of Gresham is exploring opportunities to extend the life of the Rockwood-West Gresham Urban Renewal Area (URA) designation across all of its 1,211 acres. As part of this effort to understand the economic activity supported by these investments the Gresham Redevelopment Commission (GRDC) engaged ECONorthwest to study the URA's contribution to employment and economic activity since the program's inception. This analysis looks at the grants, subsidy dollars and private investment in the URA over time in today's dollars and observes the role the URA and public investments have played on development, private business activity and growth within the area.

Over the course of nearly two decades, the URA has attracted new spending and investment to the community, which went to support local jobs and businesses. For example, public grant contributions helped to finance the development of apartments, other commercial properties, and infrastructure within the URA. This contribution subsequently helped to support the hiring of construction workers, who in turn spent their wages at local businesses both inside and outside the URA.

In order to perform this analysis, the City of Gresham provided ECONorthwest with investment data by year, amount, and project type. Using that information, we were able to quantify the how the combination of public and private investment was leveraged to support economic growth both within the URA and in the broader regional economy. Our analysis of the City of Gresham's data found the following:

City Grants and infrastructure spending helped to leverage nearly 4 times more private investment within the URA

- Since the URA's inception in 2006, the City has awarded 86 grants (83 grantees) to non-profit organizations and businesses across a variety of industries who made a commitment to invest in the area. The City also funded 17 infrastructure projects.
- As of 2020, public investment from the City totaled \$44.1 million.¹ In turn, Grantees contributed \$179.2 million in private investment within the URA²
- 26 of the grants (25 grantees) went to support new industry businesses expand their operations within the URA; 19 grants (18 grantees) went towards storefront improvements for retail and personal service businesses such as restaurants and salons; 6

¹ All capital dollars in this analysis have been inflated to 2020 dollars to account for inflation over the past two decades

² Data for private investment only includes the hard costs of the development budgets and does not account for soft costs or other financings costs that the development would have incurred.

grants went to predevelopment services to assist businesses reach the construction phase of the project.

- 35 grants (34 projects / grantees) went to apartment rehabilitation, making improvements to energy efficiency and public safety for 1,652 units within the URA.

Public infrastructure spending accounted for 48 percent of the City's total investment in the URA

- The City contributed \$21.3 million to infrastructure projects such as street, pedestrian right-of-way, and plaza improvements. These investments tend to have a short-term effect on supporting jobs but can help support long-run economic growth by having a more efficient transportation system that can help labor, goods, and services move through the transportation network more efficiently.

Combined public-private investment went to support middle-income jobs

- Over the 14 years the program has been in place, the cumulative public and private investment in the URA was just over \$223 million dollars (in 2020 dollars). On average, this amounted to \$16 million in investment per year, over the lifecycle of the program, supporting 97 jobs and \$8.1 million in labor income. Many of these jobs were middle income construction jobs that averaged \$63,000 per worker.
- When including the secondary effects from additional supply chain and consumption spending from the investment, the URA supported a total \$23,7 million in economic activity, 140 jobs, and \$10.9 million in labor income per year, over the lifecycle of the program.
- Although not directly measured for this analysis, the additional spending resulted in taxable revenue in the form of excise and income taxes that support future public investment in infrastructure, schools, and other public good. Additionally, the investment likely increased the real market value of the properties, which increased property tax revenues to Multnomah County.

Post-construction, operations of renovated and expanded businesses went to support hundreds of jobs annually

- As a result of the URA investments, new businesses were able to start, relocate, or expand their operations in the City of Gresham to provide more economic opportunities for the local workforce. As a result of that investment, we found that around 40 businesses relocated into the URA. Although not all businesses added new jobs, the data provided by the City of Gresham suggest that businesses that moved into the area resulted in close to 670 new jobs, which average \$62,000 per year. Based on the distribution of industries that moved into the area, we estimate that these businesses supported an additional \$161 million in revenue.
- New businesses bring additional demand for local goods and services at existing businesses, along with labor income from new jobs. Our analysis suggests that the after accounting for new supply chain spending and additional labor income, these new

businesses support \$23.7 million in economic output per year, 140 jobs, and \$10.9 million in labor income.

- Employees and businesses within the URA have and will continue to spend their earnings in the local economy and contribute to the income and property tax base.

Rockwood-West Gresham URA is Integral to the Local Economy

The Rockwood-West Gresham URA is composed of a diverse array of industries and services ranging from manufacturing and biotechnology to non-profit foundations and multi-ethnic restaurants. While employment within the URA remain small in comparison to Gresham, it still accounts for an important share of the City’s overall employment and economic output. Businesses within the URA who received grants directly employ 678 FTE to support their operations. According to the Bureau of Labor Statistics’ Quarterly Census of Employment and Wages (QCEW), there were 6,493 employees who work in the URA as of 2019, indicating that grantees account for ten percent of the area’s overall employment. Supported jobs in the URA also have a broader economic effect by spending money at local businesses for services and entertainment. These local expenditures, in turn, support jobs in the city and the region.

Overview of Economic Contributions

Depending on the activity being analyzed, economic contribution can be classified by changes in economic value (benefits and costs) or economic activity (changes in spending levels). The most common approach measures the short-run economic contributions associated with a project’s or multiple projects’ operations and capital spending, as well as spending by employees and construction workers. This captures the effects (in terms of dollars and jobs) to the local and regional businesses as the money is spent on local good and services. We will use specific terminology to discuss the various economic effects in the Rockwood-West Gresham URA.

The three terms of interest are as follows.

- *Direct Effect* are those associated with an initial change in spending from a project, typically represented by new construction spending or expansion of operations spending. They also include the direct output of the activities associated with the private sector investment and URA match to support the project, which is estimated using an expenditure approach that sums labor and non-labor operating expenses.
- *Indirect Effects* are the goods and services purchased to support new construction and operations. Because these expenditures represent interactions among businesses, these indirect effects are often referred to as “supply-chain” impacts.
- *Induced Effects* are the purchases of goods and services from new labor income. The direct and indirect increases in employment and income enhance the overall purchasing power in the economy, thereby inducing further consumption. These induced effects are often referred to as consumption-driven impacts.

Results of Economic Contribution Analysis

ECONorthwest used the 2018 version of IMPLAN, the most recent version available, and built an economic input-output model for Multnomah County. The underlying data were provided to ECONorthwest from GRDC and other City staff. ECONorthwest then worked with GRDC to determine the appropriate assumptions about grants, private investment, industries, and operations spending after construction.

The URA's economic effects were measured across the following areas: staff payroll, goods and services expenditures, capital expenditures. We assume that all spending used for this analysis is new spending to the local economy since the URA's inception and did not crowd out any other economic activity in the area. However, this remains a *gross* calculation as we did not account for the counterfactual scenario.

Economic effects of renovating and expanding the facility

Since the establishment of the URA, the City of Gresham has invested \$44.1 million in grants and infrastructure improvements. In turn, the private sector invested \$179.2 million within the URA. The cumulative public and private investment totaled \$223.4 million over the lifecycle of the program, which was spent on renovations and new construction of business facilities, apartments, and infrastructure. On average, that amounted to \$15.9 million in additional investment spending per year. However, not all of that project spending occurred in the URA, the city or the county. Some construction materials may have been manufactured or purchased in other parts of the state.

Table 1. Average Annual Economic effect from construction

Impact	Employment	Labor Income	Value Added	Output
Direct	97	\$8,147,318	\$10,061,302	\$15,953,733
Indirect	15	\$1,124,780	\$1,791,355	\$3,185,189
Induced	28	\$1,597,246	\$2,836,401	\$4,572,637
Total Effect	140	\$10,869,345	\$14,689,059	\$23,711,560

Source: ECO estimates based on expenditure data provided by GRDC and IMPLAN software

These expenditures went to support nearly \$8 million in direct labor income. That labor income, in turn, supported 97 jobs that in the construction industry. Both the direct and indirect jobs went to further support 28 jobs local businesses such as restaurants and grocery stores.

Annual economic effect from additional operations

Investments and improvements for businesses within the URA enabled them to relocate or expand their operations. We estimate that tenants using the new facilities spend an additional \$42 million per year for labor compensation for 678 jobs.

Using industry averages, ECO estimates that \$18 million in labor compensation goes to vendors outside the URA to purchase materials and supplies for each grantee's operations. While that spending will have broad economic effects outside of the URA, most of it remains within the city or Portland Metro region.

Table 2. Total annual effect during operations

Impact	Employment	Labor Income	Value Added	Output
Direct	678	\$42,156,656	\$65,213,689	\$161,318,592
Indirect	256	\$18,442,761	\$28,649,782	\$51,179,269
Induced	172	\$9,886,534	\$17,572,647	\$28,326,056
Total Effect	1,106	\$70,485,950	\$111,436,118	\$240,823,917

Source: ECO estimates based on expenditure data provided by GRDC and IMPLAN software

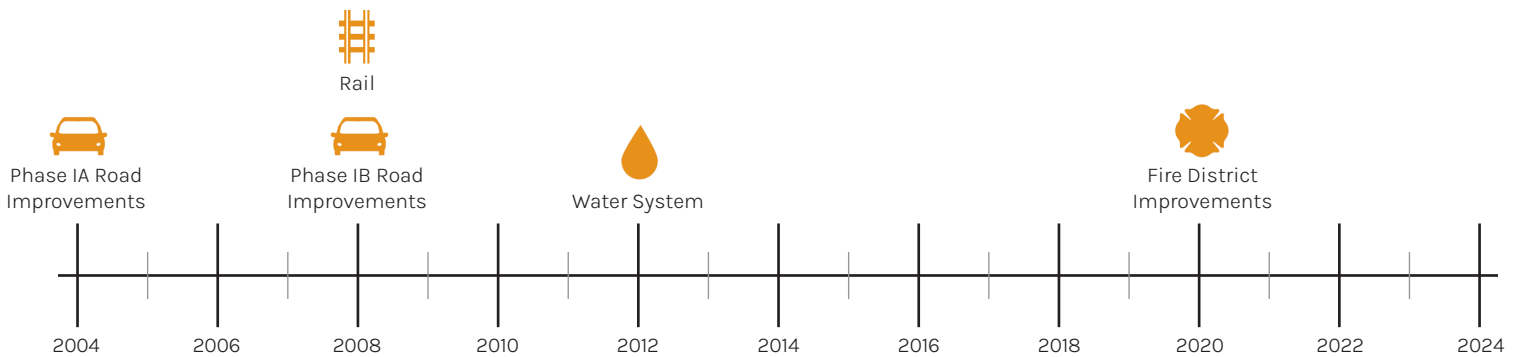
When indirect and induced multipliers are taken into account, the businesses that have moved into the URA as a result of the investment support \$241 million in gross economic activity. This new revenue coming into the region supports a total of \$70.5 million in labor income and 1,106 jobs from the additional local business purchases and consumption spending from employees.

Port Westward Urban Renewal Area at a Glance

The Columbia County Development Agency (“CCDA”) established the Port Westward Urban Renewal Area (“URA”) in 2001. Over the past two decades, the URA was instrumental in providing funding for infrastructure and economic development projects that support the Columbia County economy. Due to cost savings, leveraging private sources and state grants, and refinement of the eligible project list, the CCDA was able to accomplish the goals and objectives of the Plan at a lower cost to the impacted taxing districts than originally estimated.

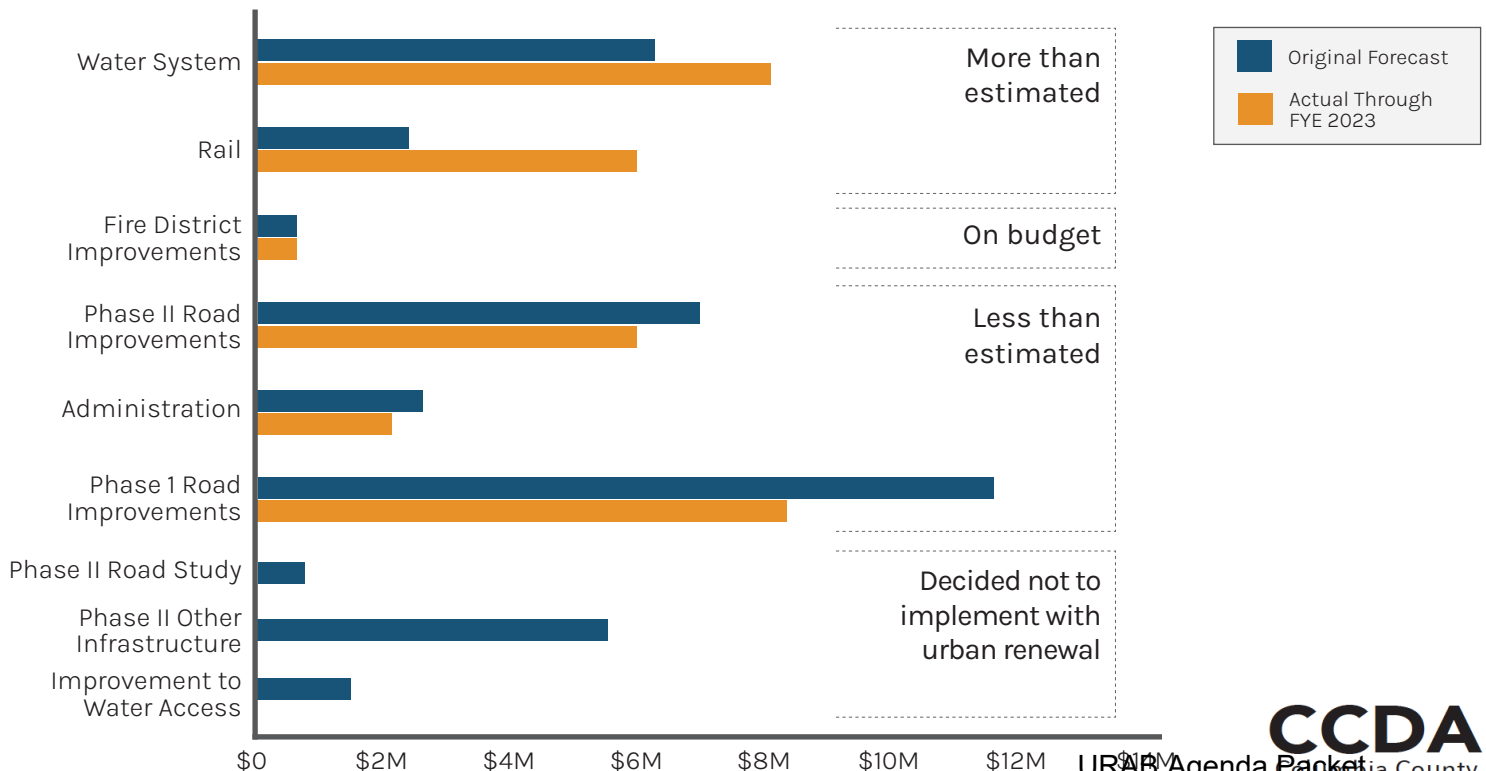
Project Timeline

The CCDA funded major public projects in the Area, including road, rail, and water system improvements, and payments to the Fire District for fire and life safety improvements. but the timing depends on funding from private-sector developers that would benefit most from the road improvements.



Project Costs

Although some projects proved more expensive than originally estimated, others were less expensive, and several planned projects were determined to be unnecessary, and ultimately were not implemented. Actual total costs for all projects were lower than the estimates in the original Plan.

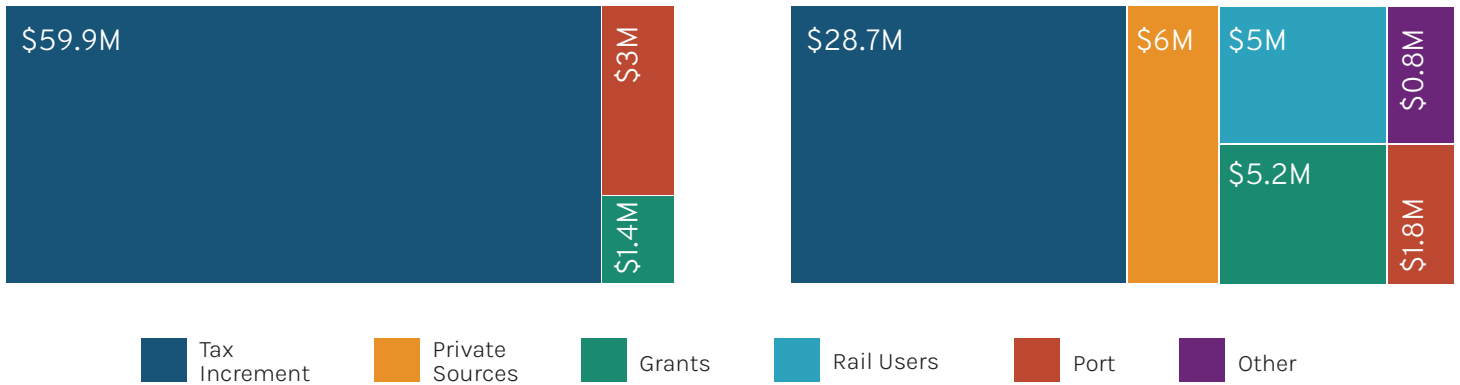


Sources of Funds

Property tax increment is the primary source of funding for most urban renewal areas. The original projections for the URA assumed tax increment would account for 93% of all project funding. The County was able to secure additional funding from State grants and private sources to reduce the need for tax increment. The reduced project costs combined with alternative funding sources resulted in the CCDA spending \$31.0 million less in property tax increment, compared to original projections.

Original Forecast Amount: \$64.1M

Actual Amount: \$47.7M



Maximum Indebtedness

Maximum indebtedness is the cumulative limit on the total amount of debt an urban renewal area can enter into using tax increment revenues. For the Port Westward URA, the maximum indebtedness was \$34 million. Over the life of the URA, the Area used \$19.2M of indebtedness, leaving \$14.8M unspent. This means the CCDA was able to accomplish the goals of the Plan at a lower cost to the impacted taxing districts than originally estimated.

