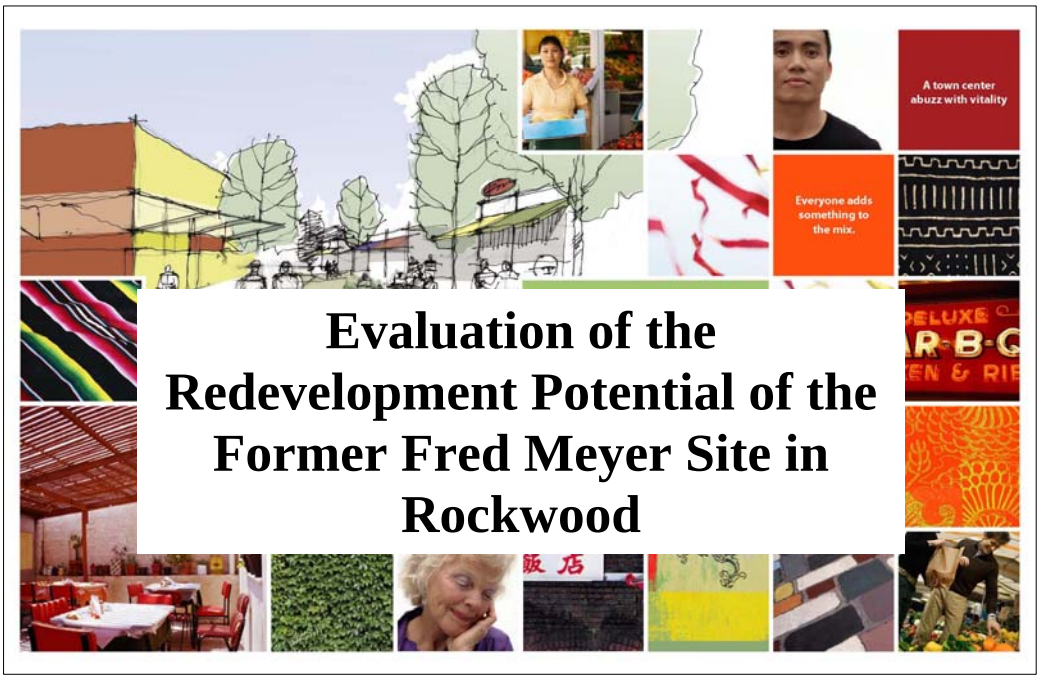

Evaluation of the Redevelopment Potential of the Former Fred Meyer Site in Rockwood

Prepared for the
Gresham Redevelopment Commission

Taken from information compiled by

ECONorthwest

99 W. Tenth, Suite 400
Eugene, OR 97401
(541) 687-0051

March 2006

Acknowledgements

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GRESHAM REDEVELOPMENT COMMISSION

Chair Charles J. Becker
Shane Bemis
Shirley Craddick
Karylinn Echols
Jacquenette McIntire
Paul Warr-King
David Widmark

CITY OF GRESHAM STAFF

Brendan Buckley, Planner, Urban Renewal, Office of Governance and Management
John Dorst, Deputy Director, Department of Environmental Services
Ed Gallagher, Director, Community and Economic Development
Erik Kvarsten, City Manager
Rebecca Ocken, Urban Renewal Manager, Office of Governance and Management
Ron Papsdorf, Lead Transportation Planner, Department of Environmental Services
Cecille Turley, Program Technician, Urban Renewal, Office of Governance and Management
Janet Young, Economic Development Manager, Community and Economic Development

ECONORTHWEST CONSULTANT TEAM

Terry Moore, ECONorthwest
Becky Steckler, ECONorthwest
Michael Gleason, The Gleason Group
Jerry Johnson, Johnson Gardner
Abe Farkas, The Farkas Group
John Echlin, SERA Architects
Dave Whitlow
Deb Meihoff, Communitas

ABSTRACT

In November 2005 the Gresham Redevelopment Commission (GRDC) purchased the former Fred Meyer store in the heart of the Rockwood Town Center. This is the first property acquisition of the GRDC. Because of the size and location, the 6.5 acre site is considered key to the redevelopment of the Rockwood Town Center.

To help identify future actions needed to initiate successful redevelopment of the site, the GRDC contracted with ECONorthwest to identify redevelopment opportunities and create an action plan to attract new development. A consulting team lead by ECONorthwest evaluated recent plans for redevelopment in the Rockwood Town Center; current market, policy, and financial conditions; conducted brief developer and staff focus groups; and compiled their findings during a design workshop. ECONorthwest presented their recommendations to staff, the GRDC and its advisory committee on March 23, 2006.

The team's broad conclusions included:

- The public purposes and redevelopment objectives for the Town Center are well documented and reasonable.
- The planning concepts for mixed-use development, with residential oriented to the light rail and commercial oriented to Stark) are reasonable.
- Market conditions are such that redevelopment in the Town Center is not likely to jump quickly to the full build-out plan. The GRDC should proceed with some smaller, immediate steps that will increase the odds of bigger steps occurring later on.
- Because the GRDC is so new (established in 2003), its financial resources are limited. Increasing assessed value of the entire urban renewal area should continue as a high priority while balancing the immediate needs of the Town Center.

The team proposed a number of actions for the site:

- Conduct a site specific development analysis to finalize use and market feasibility.
- Generate developer interest through focus groups and marketing information.
- Demolish the larger building to prepare the site for new development.
- Invest in interim improvements.
- Phase development.

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Introduction

The Rockwood/West Gresham Urban Renewal Area was established in November 2003 by city-wide vote. In November 2005, the newly formed Gresham Redevelopment Commission (GRDC) purchased its first property, the former Fred Meyer property in the Rockwood Town Center. The grocery store had long served as a neighborhood anchor until it closed for a number of reasons in January 2003. The prominent size and location of the property makes it key to the revitalization of the Town Center. Development here will set the standard for future growth in Rockwood.

The GRDC commissioned ECONorthwest (ECO) to determine a practical approach to redevelopment of the site. The ECO team assembled and evaluated information from prior studies; conducted a site visit; interviewed staff, developers, and property owners; and discussed draft conclusions with City of Gresham staff and the GRDC.

This plan summarizes the physical and market conditions related to the newly acquired property and reviews the previous planning work done. It recommends minimal refinements and suggests five action steps to begin redevelopment of this most important site.

Site Overview

The site is located at 18535 SE Stark. It is within what is commonly referred to as "The Triangle." The Triangle is formed by Burnside Road, 181st Avenue, and Start Street, as shown in Figure 1 below.

Figure 1: The Rockwood Triangle and the redevelopment site

Source: Aerial photograph from the City of Gresham 2004. Identification of Rockwood Triangle and the redevelopment site, ECONorthwest (Becky Steckler), 2006.

The site is 6.56 acres with two existing buildings. The larger building (88,570 square feet) was constructed in 1958 for Fred Meyer. The second smaller building (13,500 square feet) was constructed in 1974. Together, the buildings total 99,070 square feet.

The larger building was used by Fred Meyer as a grocery until 2003 when Fred Meyer shuttered the store for a number of reasons. The Oregon Association of Minority Entrepreneurs uses 6,796 square feet of the smaller building. Multnomah County uses approximately 1,500 square feet, and the remaining space is currently vacant.

Structural and environmental assessments conducted by the GRDC found that both buildings were in acceptable condition, although the buildings are considered obsolete for modern retail and in need of significant seismic upgrades if they are to be reused.

TRANSPORTATION

The adjacent arterials (Burnside Road, 181st Avenue, and Stark Street) provide excellent access to I-84, nearby employment centers, and other anchors such as Mt. Hood Community College, although direct access to the site from Burnside Road is limited due to the light rail tracks running down the middle of the street. In addition the interior of the Triangle lacks a complete street grid.

UTILITIES

The site is serviced by Rockwood water and City of Gresham sewer, and stormwater. Existing facilities are expected to have enough capacity to accommodate high-density residential, commercial, and office uses as recommended in existing planning studies.

LAND USE

The surrounding land use in the Triangle is predominately commercial and auto-oriented commercial, interspersed with medium-density townhomes and single-family homes. High-density apartment buildings and townhouses are concentrated along Burnside and Stark, and modest single-family homes make up the surrounding neighborhood.

The property is zoned Rockwood Town Center or RTC. The City of Gresham Development Code describes the RTC as, "the focus of more concentrated high-density residential, office, commercial, service, and institutional mixed-use development. (P)roposals to develop attached dwellings that front on streets are required to have a mixed-use component along the street frontage. Mixed-use consists of commercial, office, or community service uses or combinations thereof in combination with residential uses."[1] Table 1 details the development requirements of the Rockwood Town Center.

Table 1. Development requirements for the Rockwood Town Center, 2005

Requirement	Detailed description
Min. lot size	10,000 sf for residential; none for commercial and mixed-use
Min. street frontage	100 feet for residential; none for commercial and mixed-use
Min. lot width/depth ratio	.5 : 1 for residential; none for commercial and mixed-use
Min. FAR	.5 : 1
Min. residential density	18 units/acre for attached single-family dwellings; 20 units/acre for attached dwellings
Max. residential density	Unlimited inside the Triangle. 40 units/acre elsewhere
Min. building setbacks	0' front/side/rear for commercial, mixed-use and community service uses, 5' front/streetside, 0'interior side, 15' rear for residential
Max. building setbacks	Commercial & mixed-use: 10'front/ street side. None for interior side &rear. Residential: 20' front; None for interior side and rear; 20' street-side
Min. building height	2-stories
Max. building height	None
Transit design criteria apply?	Yes
Min. off-street parking req.	None required for commercial uses; 1 space/unit for residential
Max. off-street parking permitted	As provided in Section 9.0851 for commercial; 2 spaces/unit for residential
Screening and buffering req.	No, except where abutting Transit, LDR, or CMF, or CMU
Clear vision area required	Yes

Take from the City of Gresham Development Code, Table 4.0430 Development Requirements for Corridor Districts.

[1] City of Gresham Development Code, Section 4.0410.

Market Characteristics

DEMOGRAPHICS

Within a .5 mile radius of the Rockwood Triangle, the 2004 population was 8,572, approximately 9% of the city's total population. 38% of the Rockwood area population is Latino compared to the city's 14%. On average, households in this immediate Rockwood area are younger and have less disposable income when compared to the rest of the city. The median age is 27.4 years compared to the City's median age of 32.8. The average household size is 3.24, compared with the statewide average of 2.58 persons per household.

The median household income is $35,794 compared to the city's median household income of $48,504, a 26% difference. Despite the below average median incomes within Rockwood, there are clearly "pockets" of wealth nearby. Within a three mile radius of the Rockwood Triangle 7% of the households are earning in excess of $100,000 or more, of which 1.3% have incomes of $200,000 or more.

Rockwood area employment declined between 1999 and 2003 from approximately 8,700 jobs to 7,900 jobs. Yet, while employment is decreasing, the number of businesses has increased from 572 to 615 within the same time period. Real estate has had the largest gain in employment, while the largest gain in businesses is in restaurants, followed by specialty services and retail.

RETAIL ASSESSMENT

The Fred Meyer store was the traditional anchor in the Rockwood area. Its loss largely removed standard grocery, goods, and apparel from the immediate area. Given the demographics in the area, this situation is unlikely to be reversed by market forces alone. Furthermore, the development of significant retail in other close-in areas has eroded the competitiveness of retail and commercial uses in the Rockwood Town Center. However, the neighborhood could potentially support a variety of retail uses now and into the future as shown Table 2 below.

Table 2: Potential supportable retail in the Rockwood area, 2004-2014

Service Category	Unmet demand in 2004	New supportable sq.ft. in 2009	New supportable sq.ft. in 2014	Total sq ft. 2004-2014
Shoppers Goods				
Apparel	17,120	3,399	4,442	24,962
Home Furnishings	9,145	2,906	3,798	15,849
Home Improvement	5,705	1,458	1,906	9,069
Specialty Retail	19,622	4,288	5,604	29,514
Subtotal	**51,593**	**12,052**	**15,750**	**79,394**
Convenience Goods				
Grocery	33,051	18,675	21,151	72,877
Health and Personal Care	5,487	3,411	3,863	12,761
Subtotal	**38,538**	**22,085**	**25,014**	**85,638**
Restaurants	**0**	**10,676**	**11,161**	**21,837**
Entertainment	**5,284**	**621**	**650**	**6,555**
Personal Services	**13,247**	**4,661**	**4,873**	**22,782**
Total	**108,661**	**50,095**	**57,448**	**216,206**

Taken from the Rockwood Town Center Design and Redevelopment Plan - Market Analysis prepared by Marketek, November 2004. P 21.

The retail assessment indicates a current demand for grocery goods in the area, as well as apparel and miscellaneous specialty retail. These are sectors that would have been served by Fred Meyer, and are now probably served from outside of the trade area. As a result, there is little likelihood that a major grocery anchor could be attracted to the site. Potential may exist for specialty grocery, but the local demographic is considered not attractive for this type of use. A key exception may be for ethnic grocers, which may see the concentration of ethnic households in the area as attractive.

RESIDENTIAL ASSESSMENT

Potentially, the Rockwood Town Center could support an additional 367 for-sale units and 586 additional rental units over a 10-year period as estimated in Table 3 below.

Table 3: Residential potential for a 10-year period

	Potential capture for-sale housing units	Potential capture for rent housing units	Total potential capture
Year 1	28	50	78
Year 2	28	50	78
Year 3	28	50	78
Year 4	28	50	78
Year 5	42	50	92
Year 6	42	67	109
Year 7	42	67	109
Year 8	42	67	109
Year 9	42	67	109
Year 10	42	67	109
Total	364	585	949

Taken from the Rockwood Town Center Design and Redevelopment Plan.
Market Analysis by Marketek November 2004. P 33.

While market demand may support a range of uses at the site, current achievable lease rates in the area are largely considered to be inadequate to support new "urban scale" residential development, particularly any development with structured parking. Achieving higher residential pricing in the area would require a greater level of urban amenities. Additionally, the area has not seen a high quality urban residential development, and achievable pricing of this type of product is not established. Even if rent levels are adequate for new construction, getting an appraisal to justify these assumptions will be difficult. The GRDC or some other agency may have to participate financially if redevelopment of the site is to be realized in the near term.

OFFICE ASSESSMENT

The 2004 market assessment assumed that the Rockwood Town Center would be able to absorb approximately 10% of forecast employment for office space for the City of Gresham market area. Based upon these employment projections and the Urban Land Institute industry standards for office jobs generated by economic sector and standard office space demand by job, it is estimated that new office demand for Rockwood would be an additional 51,000 square feet between 2004 and 2009 and another 51,000 square feet between 2009 and 2014. Potential office uses include medical, education (public and non-profit), and professional services.[2]

[2] Marketek, P 36.

Financial Capacity

One of the important factors for redevelopment is the GRDC's capacity to provide financial resources, public facilities, and other incentives for private-sector development. With the establishment of the Rockwood-West Gresham Urban Renewal Area, the GRDC has some funding resources through tax increment financing. The latest financial projections indicate that currently, the urban renewal area has not accumulated enough reserves and annual increment to be able to pay for both the Fred Meyer property acquisition and substantial physical improvements to the property.

Despite these financial constraints, the GRDC can take smaller, affordable actions. Modest amounts of tax increment financing (TIF) can be used for the following

- *Second position debt.* Second position debt is when a bank and the GRDC both provide loans to an individual or business, and in case of default, the first lender (the bank) gets paid first from the sale of the assets. The GRDC is repaid only after the bank, if there are sufficient funds.

- *Land write-downs.* Public entities that own property can offer it to developers at a price lower than the going market rate to help make the project financially viable.

- *Tax abatements.* A defining purpose of an urban renewal area is to increase the assessed value of the area and invest the new tax revenue on that increased value back into the district. Thus, abating taxes on some of the development would seem, on the surface, like the wrong idea. But strategic tax abatements on some types of properties may lead to greater development of other, taxable uses. For example, moderate and middle-income housing is untested in the Rockwood area. An incentive may be necessary to encourage homebuyers in those income categories to purchase in the area. Their presence could decrease crime, increase disposable income, and generally increase the commercial development that is desired in the Town Center. This tool should be used on a limited-basis and phased out as new projects are built and the momentum for housing builds.

- *Gap financing.* Gap financing is a way of bridging any financial "gap" in a project to make it financially whole. Techniques include second position debt, land write-downs, tax abatements, and other financial incentives.

- *Homeownership assistance.* There are two homeownership assistance programs available in Gresham, the shared appreciation mortgage (SAM) program and the Oregon Housing and Community Services State Bond Program. The SAM is for first-time homebuyers that qualify for a loan, but cannot afford a modestly priced home. A SAM loan can be up to $30,000 and is used to help bring the first mortgage to an amount the homebuyer's income can support. The loan does not have to be repaid until the home is sold.

  Through a new partnership with Oregon Housing and Community Services, applicants may also qualify for a low-interest first mortgage through the State Bond Program. Applicants should ask their lenders about the Gresham Set Aside under the Oregon Bond Program.

There are other financing options besides tax increment financing (TIF), such as:

- *New Market Tax Credits.* NMTCs are part of the Community Renewal Tax Relief Act of 2000 and are designed to encourage private investment in qualified low-income areas. The program allows investors to receive a 39% credit on the cost of the investment on their Federal income taxes. There is a seven-year credit allowance, and for the first three years, the investor receives a 5% return on the total amount of his or her investment. That amount increases to 6% for the final four years. Investors can redeem their investments after a seven-year period. Commercial, mixed-use, industrial, and ownership housing are all eligible activities that may receive loans or equity funds through the sale of NMTCs. NMTCs can be used to finance up to 20% of an eligible project.

- *Section 108 Loan Guarantee Program.* Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. The loans are offered by the Housing and Urban Development Department (HUD). HUD requires local communities to use its existing and future CDBG allocation as a security for the loan.

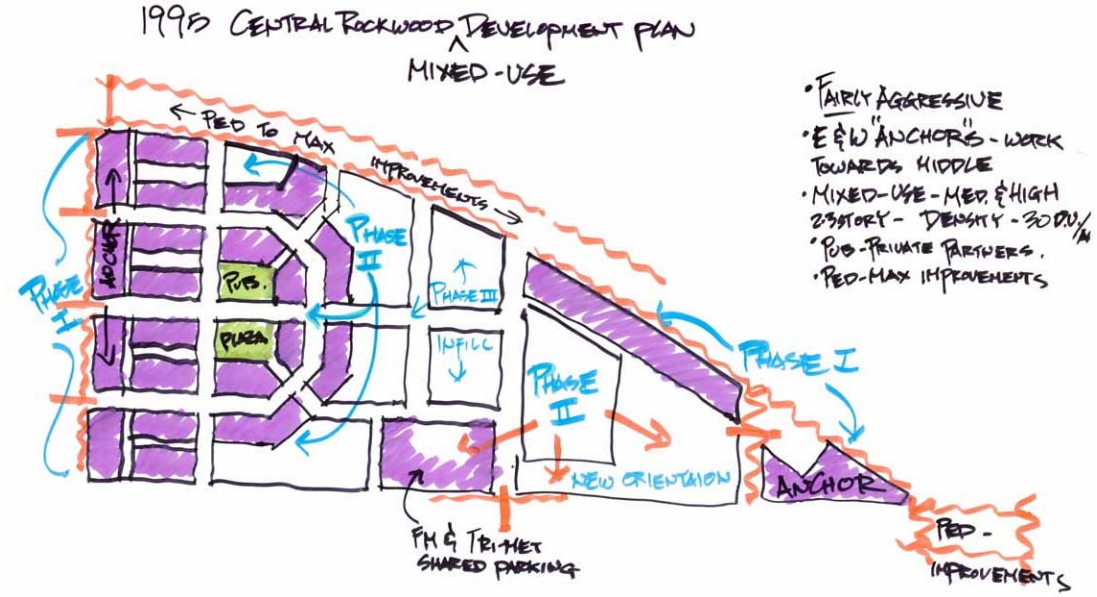
Planning

The Rockwood Triangle has been the subject of many plans, all of which support Rockwood as an energetic neighborhood with a strong community identity. Following are the plans that have influenced the land use within the Triangle.

CENTRAL ROCKWOOD MIXED-USE DEVELOPMENT PLAN

The Central Rockwood Mixed-Use Development Plan was adopted in 1995. It was the first of the visionary plans that focused on development of the Triangle. The Plan established east and west anchors of the Triangle along 181st and Burnside/Stark, with later development phases focusing on the middle of the Triangle. It proposed mixed-use, medium/high density development of 30 dwelling units per acre with two to three story buildings. The plan also recommended pedestrian and light rail related improvements. Figure 2 illustrates the general concept.

Figure 2 1995 Central Rockwood Mixed-Use Development Plan

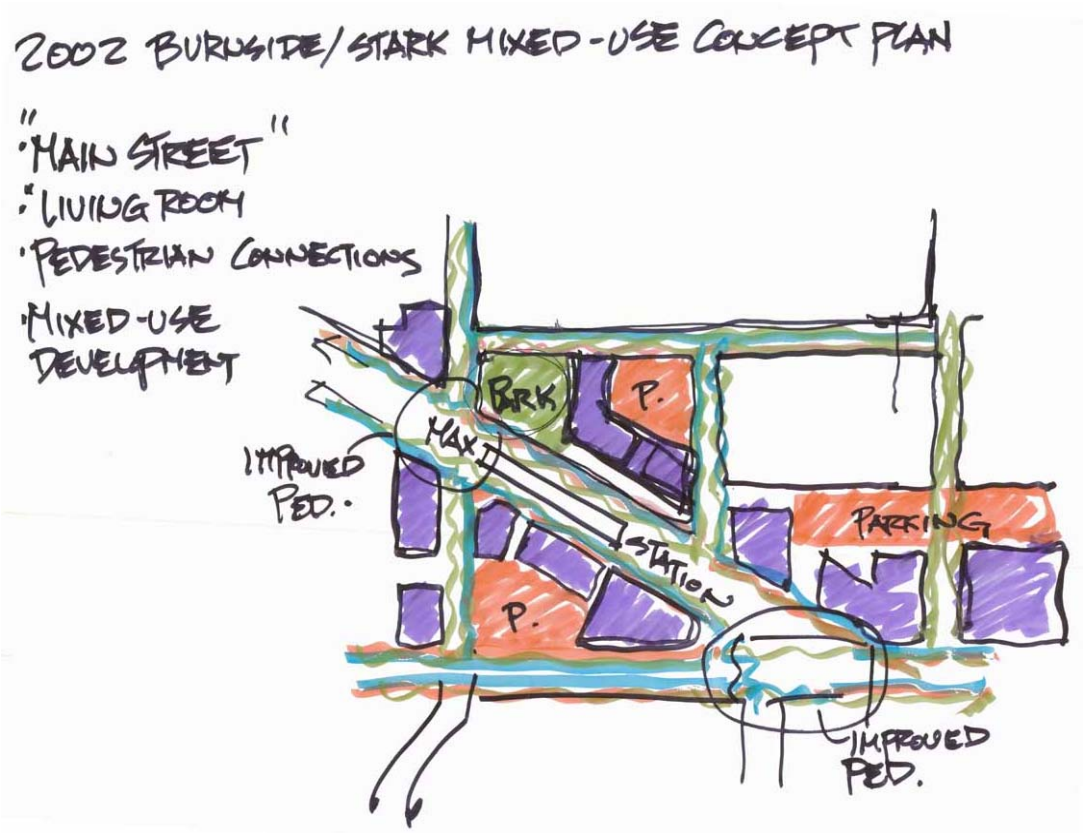


Source: Adapted from the plan by SERA Architects, 2006

BURNSIDE/STARK MIXED-USE CONCEPT PLAN

In 2002 the Burnside/Stark Mixed-Use Concept Plan was developed to assist the property owner in the creation of a feasible development approach. The focus of the plan is on property to the north of the intersection of Stark and Burnside. It proposed mix-use development fronting Burnside. Burnside was to function more as a Main Street with an improved pedestrian environment and open space identified at the corner of 188th and Burnside to serve as a "living room" for the area.

Figure 3: Burnside/Stark Mixed-Use Concept Plan



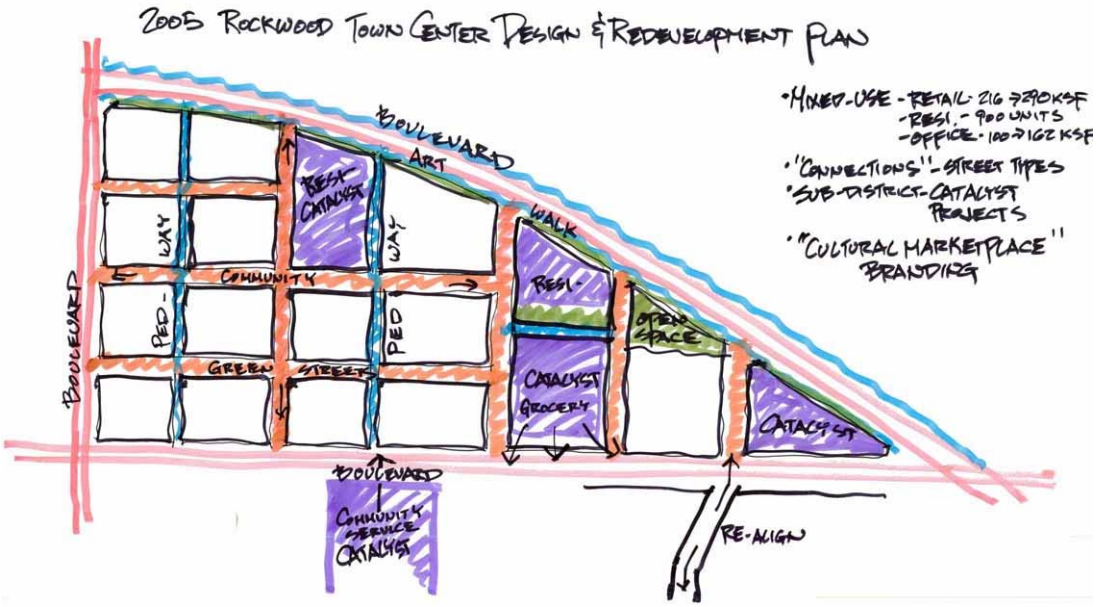
Source: Adapted from the plan by SERA Architects, 2006

ROCKWOOD TOWN CENTER DESIGN AND REDEVELOPMENT PLAN

In August 2005 the Rockwood Town Center Design and Redevelopment Plan was adopted by the GRDC. The Plan identified three catalyst sites within the Triangle. The former Fred Meyer site was considered the top priority site of the three identified. The Plan supported a mix of uses on site including retail, residential, and office, and recommended a stronger street grid be constructed for better access within the Triangle.

The Plan also illustrated potential neighborhood images or "brands" that could be used to promote the Town Center to potential developers. The branding images reinforced the sense of place and positive identity for Rockwood. Figure 4 shows the plan proposed for the Triangle

Figure 4. 2005 Rockwood Town Center Design and Redevelopment Plan



Source: Adapted from the plan by SERA Architects, 2006

Refined Design Concept

Using the previous design concepts for the Triangle, the ECONorthwest team created a refined proposal that takes into account the recent property acquisition, demonstrates the vision for the Triangle, and supports public/private investment.

This refined design concept, shown in Figure 5 below, integrates the strongest elements of the former design schemes and creates an energetic focal point for the Rockwood Town Center. Many of the uses introduced in earlier studies are continued in the refined plan, such as commercial uses along Stark Street and 181st, with a residential focus along Burnside. This study adds a stronger development node at the intersection of 188th and Burnside, which would incorporate the light rail station and areas just north of the Triangle.

Also, this plan reinforces previous proposals for a connected network of streets with a discernable hierarchy, including boulevards, community streets, green streets, and pedestrian paths. Burnside would serve a main street function by reducing the street to two lanes with on-street parking, wide sidewalks with large street trees, and ample public art. Open space is also provided for in two other areas of the Triangle. Phasing of future development will allow for future structured parking (when it is financially feasible and necessary).

This concept allows for phased development envisioned at the site for both private and public uses. Much of the new development will mix uses, such as a combination of retail/commercial/office/public space (library, community center, etc.) below and higher-density residential above.

Suggested private uses at the site are:

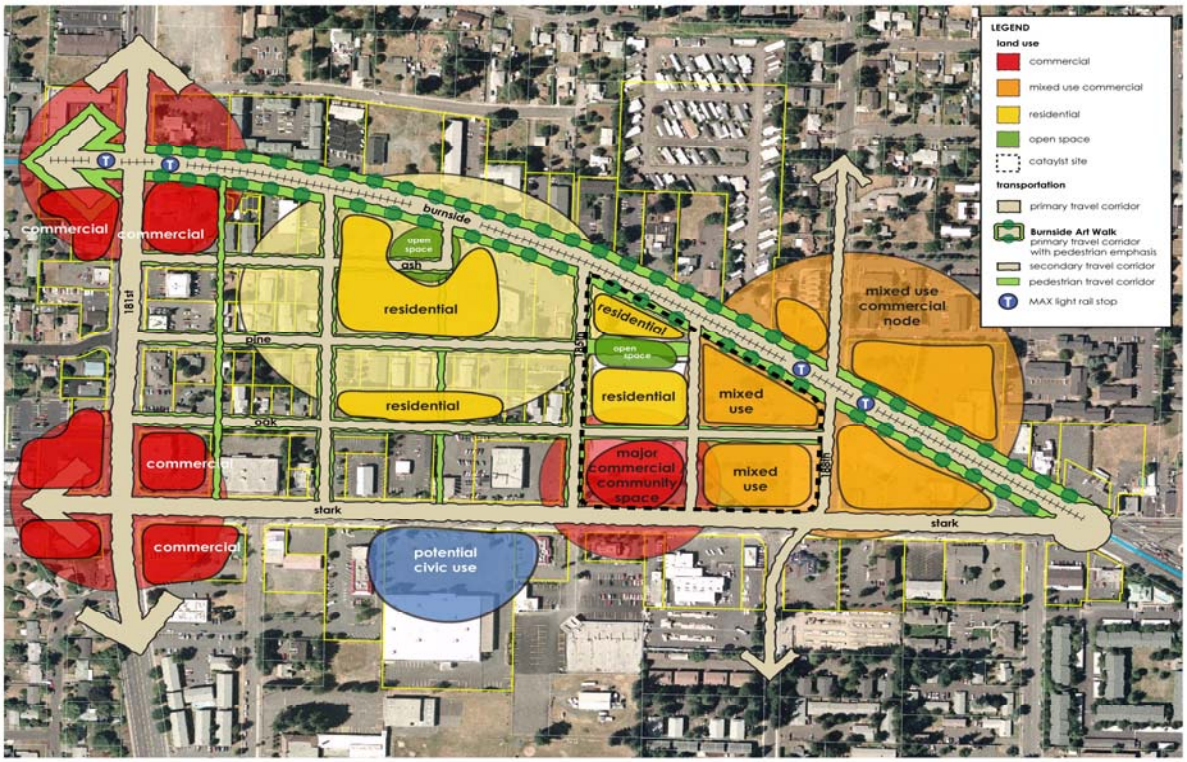
- Residential, mixed-income to moderate-income, ownership housing concentrated on Burnside, with podium parking and higher-intensity commercial uses concentrated on Stark.
- Specialty grocery store (15,000 sf) oriented to Stark.
- Active ground floor with residential uses on second floor and higher.

Suggested public uses at the site are:

- Police substation (1,000 sf). Previous plans have called for an increased police presence in the area. A police substation would provide a space for an officer to use while in the field, as well as serve as a resource for the neighborhood.
- Library (10,000 sf). A new library in the Triangle could replace the smaller, existing branch.
- Education (40,000 sf). An educational facility in Rockwood would provide a needed service for residents, as well as a training facility for local businesses.
- Business incubator (40,000 sf). Small businesses are important to the economic diversity found in Rockwood. A business incubator could help foster new and expanding businesses in the area.
- Plaza (10,000 to 20,000 sf). A plaza could link the MAX stations with the interior of the site and the Triangle.
- Public parking. Structured parking will be necessary to achieve density goals in the Town Center. Structured parking is not financially feasible in the short-term, but it should become more so as redevelopment occurs and the market improves.
- Open space that enriches the interior of the catalyst site and helps create rhythm along Burnside.

Figure 5 2006 Refined Design Concept for the Rockwood Triangle

Source: SERA Architects, 2006.



Action Plan

The GRDC should initiate activities in the Town Center that stop the cycle of disinvestment and generate positive activity on-site. Development of the site will be the result of a partnership between private and public interests. The following steps are a road map to move forward on redevelopment of the Town Center. Timing will be based, in part, on resource availability.

1. Conduct a development analysis

This analysis will include a site-specific market analysis for proposed uses, a recommended development approach, and recommendations on public contribution to development. The analysis will balance the proposed uses with the potential TIF revenue they can generate. TIF generating uses may be prioritized over non-TIF generating uses. It will also entail an extensive public outreach program that will include input from local businesses and area residents. The Rockwood branding effort will inform the design aspects of the project. An appropriate development analysis will signal a predictable development approach to private investors.

2. Generate developer interest

Assemble information about the site. The package should include detailed information about the site, the surrounding market, the concept plan, and GRDC resources and commitment to make something support the development. Conduct focus groups with developers to solicit their interest in the site, prior to issuing requests for development proposal. If needed, re-evaluate development approach based on comments from developers. This action will ultimately inform the RFP process and ensure a successful response.

3. Demolish the larger building

The GRDC can do as much as possible to prepare the site for redevelopment. It demonstrates the GRDC's commitment to the project. If the site is demolished, interim uses may be need to be identified depending on the time it takes to attract new development.

4. Invest in interim improvements

The GRDC can make visible change happen in the short-term with relatively little investment by making physical improvements to the smaller building. Establishing a police presence on site, even if only temporary, should be a priority.

5. Phase development

Phased development will likely be required to allow the market to realize the full redevelopment potential of the site. The site can easily be parceled into three of more sites. Also, build streets into the site to improve overall circulation and create a prime interior intersection. The capital infrastructure could be considered part of the public contribution to the site.

In addition, the GRDC should considering pursuing improvements throughout the entire urban renewal area. The industrial portion of the urban renewal area has the potential to substantially increase TIF revenues. The GRDC should explore opportunities to invest in this area and actively pursue industrial development.

Appendix A Synopsis of Rockwood Plans

The following is a synopsis of plans and regulations that guide development in the Rockwood Town Center.

Rockwood Design and Redevelopment Plan (2005) was the first plan adopted by the GRDC. It identifies development opportunities and development of an action plan for redevelopment. The Plan includes a design vision for the Town Center, a street plan, a market analysis, a redevelopment plan, and an implementation strategy. The Plan differs from earlier efforts and calls for more comprehensive street connections with different street types, including pedestrian-only connections. It also identifies sub-districts for commercial, residential, and mixed-use as well as catalyst sites. Finally, it acknowledged the image issues that Rockwood suffers from and recommended "branding" alternatives for the area.

Rockwood-West Gresham Urban Renewal Plan (2003) established the urban renewal area and tax increment financing. The Plan was ratified through city-wide vote and describes the program goals and target projects for the newly created urban renewal area. Approximately $92 million is expected to be available for projects in the urban renewal area over the 20-year life of the program.

Stark Street Boulevard Plan (2003) called for the undergrounding of utilities, wide sidewalks, and installation of street trees and small medians between 181st Street and 190th Street.

Burnside/Stark Mixed-Use Concept Plan (2002) developed four alternative scenarios for the redevelopment of the Burnside/Stark intersection. A market analysis and financial feasibility study found that increasing pedestrian and vehicle access is important for successful redevelopment. The financial feasibility analysis concluded that there is redevelopment potential for small service-oriented businesses and affordable (not market rate) high-density development.

Rockwood Commons Feasibility Study (2001) evaluated the feasibility of redeveloping the 185th Street Park and Ride lot as a mixed-use development. Key elements of the plan were a small Gresham Police precinct office, parking for TriMet users, a healthcare clinic, childcare, and a public market.

Capital Improvement Plan for Central Rockwood (1999) identifies infrastructure needs within the Rockwood Town Center.

The Rockwood Action Implementation Plan (1998) The Rockwood Action Plan focused on land use, transportation, and social actions needed to implement the Central Rockwood Plan.

The Central Rockwood Plan (1998) was adopted as a part of the City of Gresham's Community Development Plan to implement the Town Center designation. The Plan created new land use districts that are mixed-use, combining medium and high-density residential units, commercial, and retail space. The Plan also recommended future streets, and parks.

The Central Rockwood Mixed-Used Development Plan (1995) addressed the City's requirement to plan for the area's new Town Center designation. The Plan resulted in preliminary recommendations for land-use regulations, redevelopment partnerships, and ongoing community outreach.

Appendix B Focus Group Findings

This appendix provides more detail on the focus group meetings held on Friday, January 20, 2006 with developers, property owners, and City staff as part of the development strategy for the former Fred Meyer site.

PARTICIPANTS

The consultant team conducted two focus group meetings. The developer/property owner meeting had the following participants:

Arthur Daret, Daret Capital Management
Jean DeMaster, Human Solutions
Abe Farkas, The Farkas Group
Marc Guichard, Metro
Jerry Johnson, Johnson Gardner
Deb Meihoff, Communitas
Rebecca Ocken, Gresham Redevelopment Commission
Sue O'Halloran, Kohler, Myers, O'Halloran, Realtors
Mike Rossman, Peak Development

The staff focus group had the following participants:

Jillian Detweiler, TriMet
John Dorst, Gresham Department of Environmental Services
Ed Gallagher, Gresham Community and Economic Development
Terry Moore, ECONorthwest
Ron Papsdorf, Gresham Department of Environmental Services
Carla Piluso, Gresham Chief of Police
Becky Steckler, ECONorthwest
Janet Young, Gresham Economic Development Manager

VISION

Rockwood needs an identity that resonates with the surrounding neighborhood. Historically, Rockwood was a rocky place in the woods. The commercial activities supported surrounding agricultural activities. Future development could build on an agricultural theme.

APPROPRIATE USES

The Triangle should be primarily commercial and provide community and social services.
Less than 50 percent of uses should be public, and probably much less than 50 percent. Suggested private uses and square footage of each use include:

- Police substation (1,000 sf) (participants in both focus groups thought it was important to have an increased police presence)
- Library (10,000 sf)
- Education (40,000 sf)
- Business incubator (40,000 sf)
- Plaza (10,000 to 20,000 sf)
- Open space (1 acre)

Potential private uses:

- Residential, mixed-income to moderate income concentrated on Burnside, with parking.
- Commercial uses, concentrated on Stark.
- Ethnic grocery store.
- Local, ethnic, food-based businesses.
- Active ground floor with residential uses on top.
- Private recreation. Indoor soccer mentioned by participants in both focus groups.

Potential partnerships

- Rockwood will need more urban amenities—such as parks, restaurants, grocery stores, retail—to attract residential uses.
- Views of Mt. Hood and Mt. St. Helens are "spectacular" and will provide an important amenity for residential uses.
- Both focus groups thought that an open market (like Pike Market in Seattle, Washington, or Open Market in Vancouver, British Columbia) would be viable in Rockwood. Customers could potentially use transit to shop. It should be attractive to neighbors.

TRANSPORTATION IMPROVEMENTS

- Structured parking is needed to get the desired density, but the market cannot support structured parking.
- Need to slow traffic on Stark Street and Burnside Road.
- Improve access and flow of traffic in the Triangle by extending Oak Street into the Fred Meyer site.
- Some participants in the developer focus group thought that street improvements were not necessary to attract private development.
- Realign 187th and 188th Streets into a single intersection at Stark Street.

OTHER ISSUES

- Need to decrease crime and improve personal safety. Design buildings for safety.
- The Commission needs to demolish the existing Fred Meyer structures. They are not high quality buildings.
- Concentrations of poverty in the surrounding neighborhood make this a tough market. Need to preserve some low-income housing, but try to stabilize the neighborhood by emphasizing home ownership. Increased home ownership for attached and detached single-family housing will help stabilize the neighborhood. Need to bring some moderate income families into the neighborhood.
- Vertical housing tax credits might help speed development in Rockwood.
- Subsidies will be necessary to develop in the Triangle.