



# Rockwood-West Gresham Renewal Plan



Status Report  
NOVEMBER 2020

**GRESHAM**  
REDEVELOPMENT COMMISSION



## Acknowledgements

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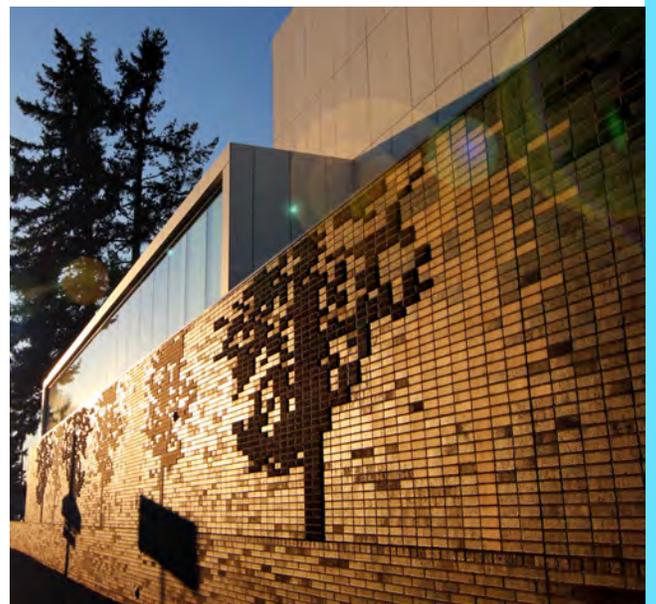
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## Purpose of the Status Report

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.

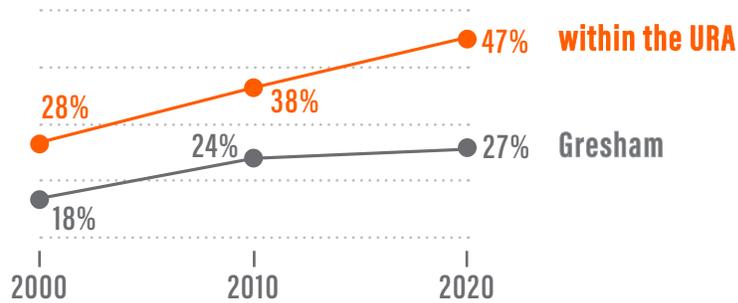
- **The New Industries Grant program** offered an incentive to new companies moving into the URA and supported expansions at industrial firms making new capital investments at their existing facilities.
- **The Pre-Development Services program** aided developers and property owners with preparing industrial 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

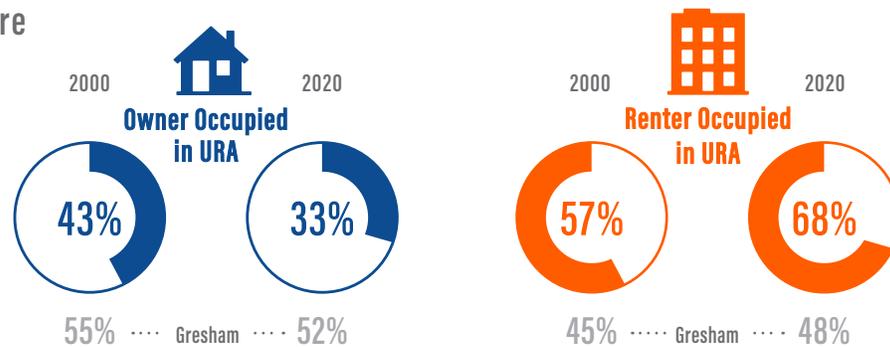
In the last two decades since the inception of the URA, the City has seen continual growth in the diversity of its residents and businesses, particularly in the West Gresham-Rockwood community. In 2000, only 28% of residents within the URA and 18% of all Gresham residents identified as non-white. Today 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.



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.

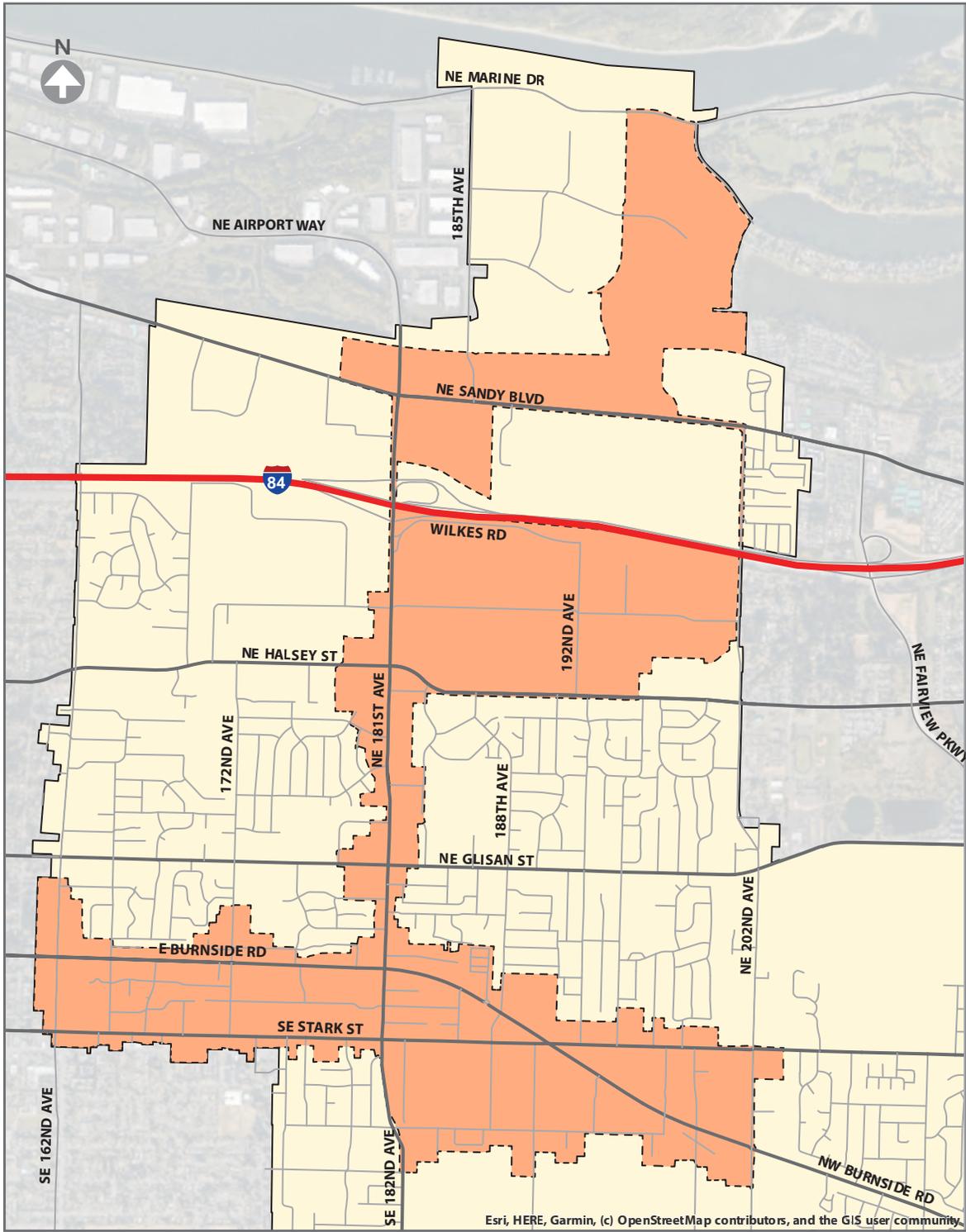
### GOAL 7: Improve Transportation

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



City of Gresham URA Boundary

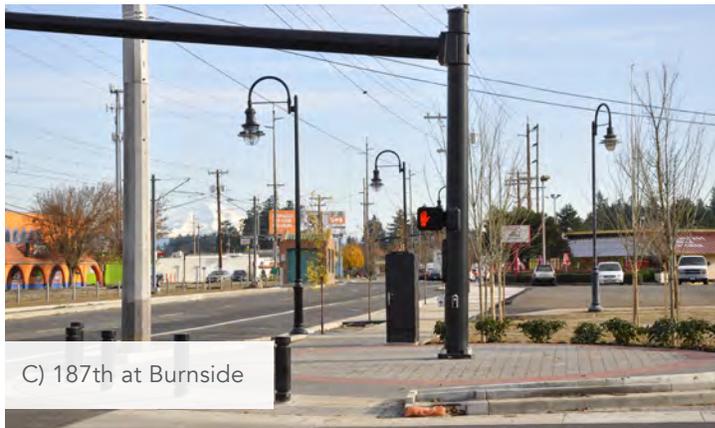
## COMPLETED PROJECTS

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**

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

Year	Project Name from Plan	Goals + Objectives Addressed*	Project Costs
<b>PUBLIC IMPROVEMENTS: STREETS AND STREETScape</b>			
2009	<b>A) 181st Corridor Signal Improvements:</b> Upgrade seven traffic signals on 181st between NE Glisan Street and NE Sandy Boulevard (CIP #UR1049).	4a, 7a, 8a	<b>URA: \$308,279</b>
2011	<b>B) 181st Ave. Intersection Improvements at Burnside, Glisan and Halsey Streets and at I-84 interchange:</b> Add turn lanes and upgrade controls.		
2011	<b>C) Burnside Street, 181st to 197th:</b> Retro-fit street with streetscape improvement to improve pedestrian, bicycle, and transit access and circulation in Rockwood Town Center.	7a, 8a	<b>URA: \$713,508</b>
2004-10	<b>D) Stark Street, 162nd to 197th:</b> Streetscape improvements for pedestrian, bicycle, and transit access and circulation in Rockwood Town Center	4a, 7a, 8a	<b>URA: \$984,454</b>
2012	<b>E) Wilkes Street, 181st to 192nd:</b> 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	<b>URA: \$330,000</b> <b>Total Cost: \$674,570</b>
2016	<b>F) Oak Street Extension:</b> SE 166th to SE 165th	6b, 7a	<b>URA: \$270,000</b> <b>Total Cost: \$443,719</b>
2011-12	<b>G) Pedestrian Improvements (CDBG)</b>	7b	<b>URA: \$194,557</b>
2011	<b>H) 187th/188th Realignment at SE Stark Street</b>	4a, 7a	<b>URA: \$1,591,402</b>
Ongoing	<b>I) Sandy Blvd:</b> Improve access to adjacent industrial land. <b>Ongoing:</b> Sandy Boulevard Street Improvements Project (UR CIP #CIPUR00002)	4a, 7a	<b>URA: \$291,500</b> Plus \$17,160 (Riverside Drive)





L) 188th Avenue Light Rail Station



J) Plaza del Sol



M) 188th Avenue Light Rail Station

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



N) Rockwood Station Apartments



O) Roseanne's Salon



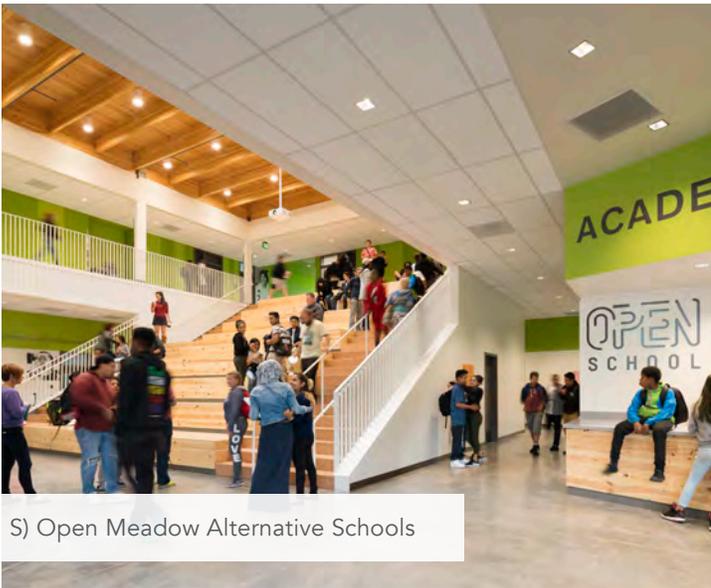
P) Henningsen Cold Storage



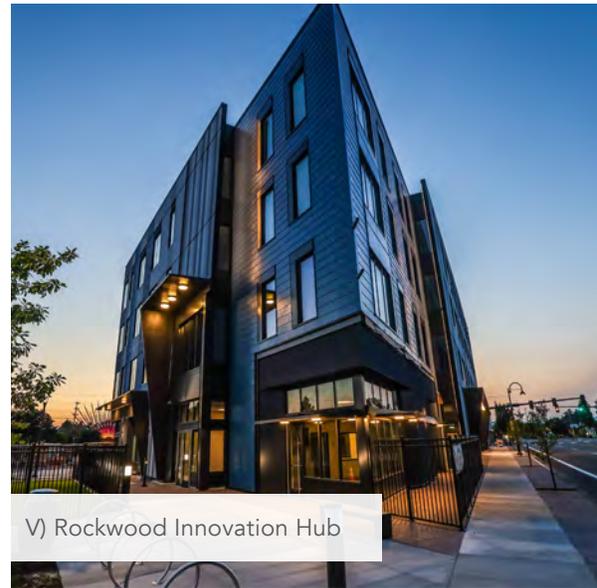
Q) SEKO Worldwide

#### ASSISTANCE TO PROPERTY AND/OR BUSINESS OWNERS

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



S) Open Meadow Alternative Schools



V) Rockwood Innovation Hub

**BUYING/RECEIVING AND SELLING/LEASING PROPERTY**

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

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

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

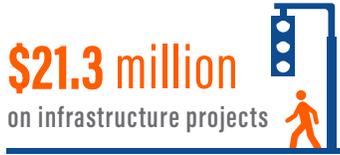
**17** infrastructure projects

- 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**.<sup>1</sup> In turn, **grantees contributed \$179.2 million in private investment within the URA**.<sup>2</sup>
- 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**



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



Effects of construction activities over the life of the URA.

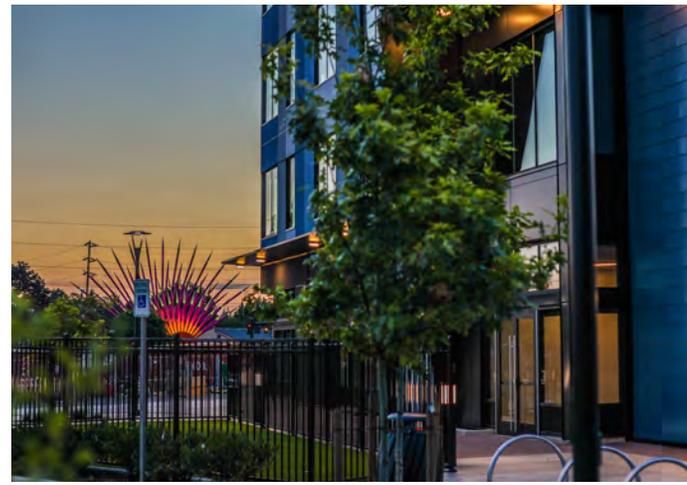
- The City contributed **\$21.3 million to infrastructure projects such as street, pedestrian right-of-way, and plaza improvements.** These investments tend to have a short-term effect on supporting jobs, but can help support long-run economic growth by having a more efficient transportation system that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

**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** 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.

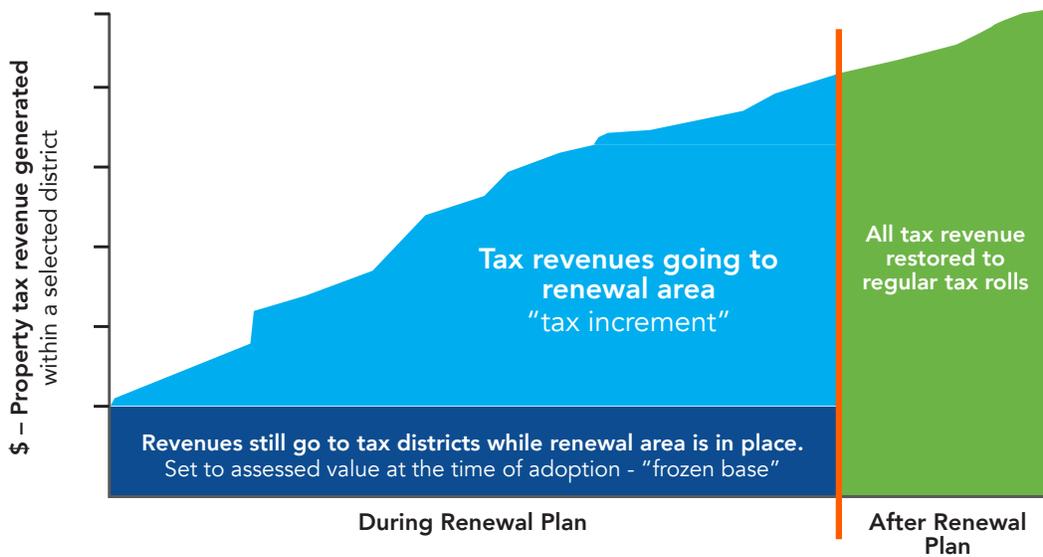
### CONTEXT WITHIN THE LOCAL, REGIONAL ECONOMY

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

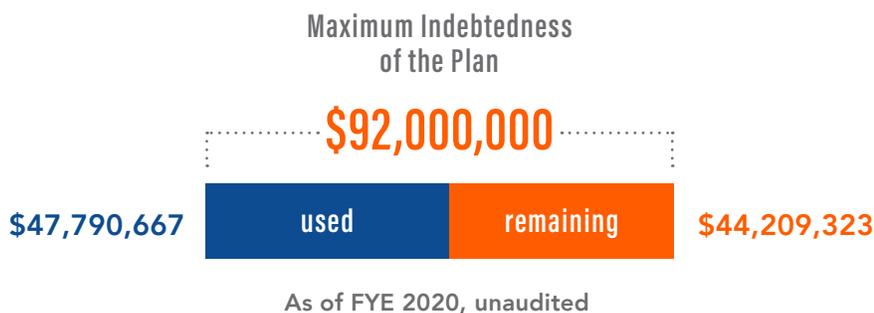
Figure 2. Visualizing Tax Increment Financing



### 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.

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# 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 181<sup>st</sup> 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
<b>Public Improvements: Streets and Streetscape</b>				
<b>2011</b>	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
<b>2009</b>	b) 181 <sup>st</sup> Corridor Signal Improvements	The 181 <sup>st</sup> Corridor Signal Improvements project (CIP #UR1049) upgraded the seven traffic signals on 181 <sup>st</sup> 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	
<b>2011</b>	c) Burnside Street, 181 <sup>st</sup> to 197 <sup>th</sup> : Retrofit street with streetscape improvement to improve pedestrian, bicycle, and transit access and circulation in Rockwood Town Center.	<p><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<sup>th</sup> and 190<sup>th</sup> Avenues with wider sidewalks; improved landscaping and street trees; new streetlights; and on-street parking between 185<sup>th</sup> and 188<sup>th</sup> Avenues and undergrounding of utilities.</p> <p>The 188<sup>th</sup> Avenue at Burnside Road project (CIP Project #UR1020) redesigned the intersection at 188<sup>th</sup> 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</p>	Goals and Objectives 7a, 8a	URA: \$713,508
<b>2004</b>	d) Stark Street, 162 <sup>nd</sup> to 197 <sup>th</sup> : Streetscape improvements for pedestrian, bicycle, and transit access and circulation in Rockwood Town Center	<p><u>*A portion of project completed:</u> Stark Street Phase I from 181<sup>st</sup> to 190<sup>th</sup>: Improvements were installation of crosswalks and medians, street trees, bike lanes, and new streetlights.</p>	Goals and Objectives 4a, 7a, 8a	URA: \$984,454
<b>2010</b>	Stark Street Boulevard (190 <sup>th</sup> to 197 <sup>th</sup> ) (aka Stark Street Phase II) from 190 <sup>th</sup> to 199 <sup>th</sup> completed in 2010 made improvements on SE Stark St. from 190 <sup>th</sup> to 199 <sup>th</sup> . (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.	Stark Street Boulevard (190 <sup>th</sup> to 197 <sup>th</sup> ) (aka Stark Street Phase II) from 190 <sup>th</sup> to 199 <sup>th</sup> completed in 2010 made improvements on SE Stark St. from 190 <sup>th</sup> to 199 <sup>th</sup> . (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.		
<b>2012</b>	e) Wilkes Street, 181 <sup>st</sup> to 192 <sup>nd</sup> : Improve Wilkes Street to urban street standards and provide slip ramp	<p><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</p>	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 <sup>st</sup> 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 <sup>st</sup> Ave.		
2016	f) Oak Street extension: SE 166 <sup>th</sup> Ave. to SE 165 <sup>th</sup> 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 <sup>th</sup> 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 <sup>th</sup> and Stark and a pedestrian crossing at 182 <sup>nd</sup> and Main and sidewalk connection on 182 <sup>nd</sup> between Stark and Yamhill	Goal and Objective 7b	URA: \$194,557
2011	h) 187 <sup>th</sup> /188 <sup>th</sup> 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 <sup>th</sup> and SE 188 <sup>th</sup> 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 <sup>th</sup> and Stark Street. Tied the landscape and sidewalk design to the boulevard design on Burnside. Replaced the old section of 188 <sup>th</sup> 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 <sup>st</sup> to east city limit. Construction in planned for 2021. Improvements will be: modernized traffic signal at 181 <sup>st</sup> Ave. and Sandy Blvd.; add a second westbound left-turn lane, from Sandy Boulevard to 181 <sup>st</sup> Avenue, increase safety; new curb and sidewalk ramps; new 12-foot wide multi-use path on the north side of Sandy Boulevard, between 185 <sup>th</sup> Drive and 201 <sup>st</sup> Ave., connecting to the Gresham Fairview Trail; new 12-foot wide multi-use path on the south side of Sandy Boulevard, between 18 <sup>st</sup> 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.		
<b>Parks and Plazas</b>				
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 <sup>th</sup> 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 <sup>th</sup> 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	
<b>Transit Improvements</b>				
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 <sup>th</sup> 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 <sup>th</sup> 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
<b>Assistance to Property and/or Business Owners</b>				
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	
<b>Buying, Receiving and Selling, Leasing Property</b>				
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 <sup>th</sup> 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 <sup>th</sup> Ave. and SE 188 <sup>th</sup> 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.					
<b>Public Buildings</b>					
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 <sup>st</sup> Ave.	Goal and Objectives  5a, 5b	URA: \$5,632,832

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

- j) San Rafael Street, 181<sup>st</sup> to 201<sup>st</sup>: Complete collector street standards and remove frontage road to improve access to adjacent industrial properties.
- k) Yamhill Street, 181<sup>st</sup> Avenue to 197<sup>th</sup> 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, 181<sup>st</sup> Avenue, Stark Street, Sandy Boulevard, San Raphael Street, Wilkes Street, 192<sup>nd</sup> 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

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## 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.<sup>1</sup> In turn, Grantees contributed \$179.2 million in private investment within the URA<sup>2</sup>
- 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

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

<sup>2</sup> 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.

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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

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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
<b>Total Effect</b>	<b>140</b>	<b>\$10,869,345</b>	<b>\$14,689,059</b>	<b>\$23,711,560</b>

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.

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**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
<b>Total Effect</b>	<b>1,106</b>	<b>\$70,485,950</b>	<b>\$111,436,118</b>	<b>\$240,823,917</b>

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.