

APPENDIX 37

GRESHAM DOWNTOWN PLAN

Section 1

Introduction

The purpose of this document is to summarize the planning process, public involvement, and the major elements of the Downtown Plan for the City of Gresham. This document summarizes the factual information that is the basis for the Downtown Goals and Policies and the Downtown Land Use Framework Plan found in Volume II. This Downtown Findings document replaces the Findings document of Volume I – Appendix 37, The Gresham Downtown Plan of April 1995.

Metro has identified the Downtown Gresham area as one of seven Regional Centers. Regional Centers are defined by Metro as compact, mixed-use areas of economic activity with high density housing, employment and retail opportunities. Regional Centers such as Downtown Gresham/Civic Neighborhood are to be pedestrian oriented and well-served by public transportation and roads. Downtown Gresham/Civic Neighborhood is the Regional Center for East Multnomah County.

The 2008-2009 Downtown Plan as described in the Community Development Plan Volumes reflects the current community aspirations and needs for the Downtown and sets the stage for the vibrant redevelopment of Downtown Gresham.

1.1 EXECUTIVE SUMMARY

The Downtown Plan was developed by the City of Gresham through a 2 year planning process involving residents and property owners, area stakeholders, City staff, appointed and elected officials, and consultant team members.

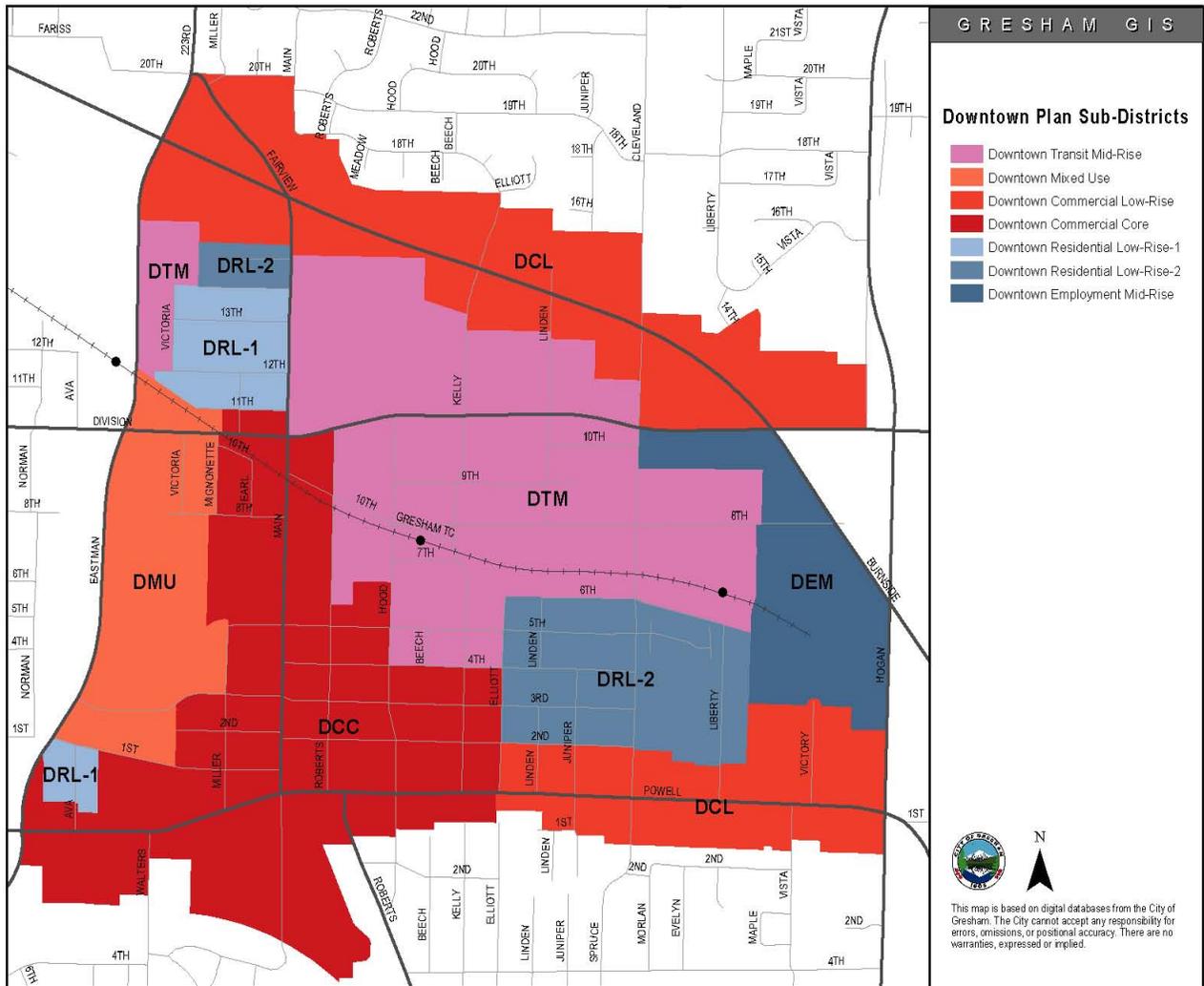
The Downtown Plan District contains approximately 550 acres. This area generally encompasses properties between NW Eastman Parkway on the west, NE Hogan Drive on the east, both sides of NE Burnside Road to the north and both sides of E Powell Boulevard to the south.

The Downtown Plan is the blueprint for a Downtown that is an exciting center of mixed land uses which function as the focus of the community. Downtown Gresham is to be a special place that is visually interesting with excellent design quality. The Downtown will have a multi-modal transportation system that is pedestrian friendly, providing for the safe and efficient movement of people, bicycles, automobiles, transit venues and other vehicles. The Gresham Transportation System Plan and the Capital Improvement Plan support the Regional Center concept through provisions for motorized and non-motorized vehicles and pedestrians. Light rail and frequent transit serves this area with two stations to ensure good connectivity with other Regional Centers and Downtown Portland.

The Downtown is envisioned as a wonderful place where people live, work, shop and play in an exceptional, sustainable environment. It will have a series of linked extraordinary public and private parks, plazas, courtyards, gardens and pedestrian pathways to enhance the livability of the Downtown. The Council identified an aspirational goal of 3,300 housing units and 6,000 jobs through a mix of commercial, office, mixed-use and residential uses that provide unique opportunities for excellent development while allowing the flexibility to respond to market conditions.

The Downtown is to be seamlessly connected to the Gresham Civic Neighborhood northwest of the Downtown Plan area into the Gresham Regional Center. With active public-private partnerships and broad community support, the Downtown will be a successful mixture of exciting new developments and reinvigorated existing developments.

Figure 1 –Final Downtown Plan



The Downtown Plan Process Summary

There were two major planning efforts in the creation of the new Downtown Plan. The first planning effort began in 2007, the second in 2008.

2007 Downtown Regional Center Development Strategy (DRCDS)

The first planning effort, entitled the Downtown Regional Center Development Strategy (DRCDS), began in 2007 to examine and update the 1995 Downtown Plan with a new land use and urban design framework plan. This 2007 DRCDS planning effort included the following major steps:

- Obtain a Transportation Growth Management Grant: This \$86,000 grant opportunity enabled the City to initiate the process to revise its Downtown Plan.
- Create a Scope of Work: A scope of work was created for the City and its hired consultant to follow throughout the 8 month Downtown Plan process.
- Form Downtown Advisory Groups: The Stakeholder Advisory Committee (SAC) was formed of a group of individuals representing the Gresham Downtown Development Association, the Downtown Neighborhoods, business owners, developers, real estate agents, DCNARS and Planning Commission. At the same time, a technical staff called the Technical Advisory Committee (TAC) was also established. TAC consisted of City staff, Metro, Department of Land Conservation and Development, Oregon Department of Transportation and the Gresham Downtown Development Association.
- Perform Research and Analysis: This phase involved preparing an existing conditions inventory and analysis of base conditions and reviewing the current policy, plan and “best practices.” Once the inventory was completed, projections of land-use, transportation, parking, resources, and infrastructure needs were created. This step also included an inventory of Downtown stakeholders’ perceptions regarding living, working and owning a business Downtown.
- Prepare Market Analysis: The consultant evaluated current market conditions and trends generally impacting economic development of the Downtown. Growth forecasts, an evaluation of land supply and an examination of socio-economic changes was also performed.
- Prepare Opportunity Sites Analysis: This step, also performed by the consultant, addressed development potential associated with three opportunity sites in the Downtown study areas. The process included site identification, possible use evaluation, development programs outline, project costing, financial analysis and strategies to overcome financial gaps.
- Assess Transportation System: The existing transportation system and the current Gresham Transportation System Plan in place were evaluated relative to pedestrian, motorized and non-motorized vehicular and transit functions, designs and connections. This phase of the project also included: an evaluation of the parking availability and needs; an evaluation of the Capital Improvement Projects related to transportation; and recommendations for transportation improvements and funding strategies in the future.

- Identify Assets, Barriers and Opportunities: This step analyzed the assets, barriers and opportunities for Regional Center type development in Downtown.
- Provide Recommendations: This concluding step of the 2007 process included recommendations regarding the following:
 - Development Plan Changes
 - Revised Architectural Requirements
 - General Land Use Strategies
 - Incentives for Desired Development
 - Funding Strategies

2008 Regional Center Planning Implementation (RCPI or the Downtown Plan)

A second planning effort was initiated in 2008 to look more carefully at the Downtown Regional Center Development Strategy (DRCDS) work completed in 2007 with goals of refining the 2007 project, securing greater community feedback on the Downtown Plan and implementing the recommendations and strategies necessary to realize the Downtown Vision. This second planning effort, entitled the Regional Center Planning Implementation (RCPI) or the Downtown Plan, began in 2008 and included these major steps:

- Establish Project Goals and a Work Plan: This phase involved establishing the goals for the project and then planning the Downtown project chronologically with its numerous phases and tasks.
- Form Advisory Committees: The City formed several project advisory groups. An internal Downtown Technical Advisory Staff Project Team was formed to evaluate the technical veracity of the Downtown Plan. A Downtown Focus Group was created that included members of the Gresham Downtown Development Association, the development community, real estate professionals, the neighborhood associations and representatives from the Downtown Civic Neighborhood Architectural Review Committee and the Planning Commission. Other Downtown Plan reviewing bodies included the Design Commission, the Planning Commission and the City Council.
- Review and Evaluate 2007 Research and Analysis Documents: The work completed in 2007 was reviewed and evaluated with an emphasis on refining the Downtown Vision.
- Issues and Opportunities: Major issues and opportunities were identified and prioritized.
- Develop and Evaluate Land Use Alternatives: This step included a City led, public outreach process that developed and then evaluated three different land-use scenarios for Downtown. Out of this process, a single Land Use Framework Map was created that provided a land use vision for the future of Downtown Gresham that illustrated land use sub-areas with various characters, improved transportation connections, and potential park/plaza locations.
- Create Design Commission: City staff worked together with the Planning Commission and City Council to establish a Design Commission whose primary purpose is:
 - To assist in the creation of the Downtown Design Manual;

- To review development proposals for compliance with design principles, standards and guidelines; and
- To advise the City Council on design excellence in the built environment.
- Develop Downtown Design Concepts: The consultant, working with City staff and the Advisory Committees, created two detailed urban design development concepts for each of the three Downtown areas. Each of the scenarios was evaluated and a consensus urban design Preferred Development Concept Plan for the subject sites was created.
- Create Design Manual: The consultants, again working with City staff, the Advisory Committees and the public, assembled the Design Manual with Design Principles, Guidelines and Standards by which the Design Commission and staff can evaluate the design of proposed projects in the Downtown.
- Implement Code Amendments and Legislative Process: This phase made changes to the City’s Development Code that incorporated findings, goals, policies, action measures and map and code changes developed throughout the process.
- Initiate Public Outreach: In each step, the public process was engaged to gather public input and provide information by utilizing open houses, workshops, presentations, newsletters and other mailings, surveys, and posting of draft documents, schedules, and other information on the web at <http://www.greshamoregon.gov/city/city-departments/planning-services/comprehensive-planning/template.aspx?id=5384>. In this way, the City was able to update community preferences and aspirations for the Downtown and reach community consensus on the new vision and strategies necessary to promote development in the Downtown.

1.2 PURPOSE

2007 Purpose

The creation of a new Downtown Plan for Gresham began with the desire to re-evaluate the 1995 vision that the City had for its Downtown area. Much of the 1995 Downtown Plan data and many of the Plan assumptions that originated in the late 1980’s and early 1990’s were no longer relevant to the Gresham of today or the desired Gresham

What is DRCCDS? DRCCDS stands for the Downtown Regional Center Development Strategy process which began in January of 2007 with the implementation of a Transportation Growth Management Grant. The purpose of the project was to update the existing 1995 Gresham Downtown Plan.

of tomorrow. Downtown development had proceeded at a much slower pace than anticipated by the 1995 Plan. Downtown and the Civic Neighborhood had been identified by Metro as the Regional Center designated to serve East Multnomah County. In compliance with the State mandate to periodically review planning efforts, the City of Gresham began the Downtown Plan project to set the stage for the future of Downtown Gresham.

2008 Purpose

A second planning effort began in January of 2008. The purpose of this planning effort was to refine and implement the 2007 Downtown

What is RCPI? RCPI stands for the Regional Center Planning Implementation. This planning effort began as a follow-up to the Downtown Regional Center Development Strategy (DRCCDS) of 2007. It is also known as the Downtown Plan project.

Regional Center Development Strategy (DRCDS). This follow-up planning project was called the Regional Center Planning Implementation and was also known as the Downtown Plan. The Downtown Plan project was to set the stage for the future redevelopment of Downtown Gresham. It was a more detailed planning approach to the DRCDS background work accomplished in 2007. The Regional Center for East Multnomah County includes both Downtown and Civic Neighborhood but the focus for the project was on the Downtown area as a vibrant hub or social center for Gresham and East Multnomah County where people can live, work, shop, find entertainment and own a business in a pedestrian-friendly setting.

1.3 PLAN AREA

2007 Plan Area

The study area consisted of the Downtown Plan district of the Gresham Regional Center described in **Figure 2**. The area was bounded by NW Division Street to the north, NE Burnside Road and NE Hogan Drive to the east, E Powell Boulevard (both sides) to the south and NW Eastman Parkway to the west. The entire area contained approximately 330 acres excluding public right of way. The MAX Light Rail Transit (LRT) line serves the district with two LRT stations.

2008 Plan Area

The study area for the 2008 planning effort remained the same as in the 2008 study. The Downtown Plan area as shown in **Figure 2** was bounded by NW Division Street to the north, NE Burnside Road and NE Hogan Drive to the east, E Powell Boulevard (both sides) to the south and NW Eastman Parkway to the west.

2009 Plan Area

The Downtown study area was expanded in 2009 to encompass additional properties north of NW Division Street up to the NE Burnside Road Corridor. The new Downtown Plan District area includes all properties between NW Eastman Parkway on the west, NE Hogan Drive on the east, both sides of NE Burnside Road to the north and both sides of E Powell Boulevard to the south.

The Downtown Plan District area was expanded to include these additional lands for the following reasons:

- **METRO Regional Center Location.** The additional properties are inside or adjacent to Metro's Regional Center as indicated on the Metro 2040 Growth Concept Map. Metro has defined this area as a center for commerce and local government services for the East Multnomah County region.
- **Mass Transit Access.** The area is currently served by the MAX and a high-quality transit system of bus and vehicle service that have a major transit hub at the Gresham Transit Center on NE 8th Street and NE Kelly Avenue.
- **Growth and Redevelopment Potential.** The properties that were added to the new Downtown Plan District area are characterized by underutilized, low density employment and housing developments that are generally less than three stories in height with a concentration of auto-oriented development along NE Burnside Road.

An analysis of the improvement value to the value of land by parcel determined that the improvement value for many parcels was low compared with the land value. Therefore, the land is considered more likely to redevelop. Including this area into the new Downtown Plan District area increases the potential for more dense urban development.

- **High Visibility and Proximity to Major Arterials.** The location of many of the new Downtown properties north of NE Division Street, NE Burnside Road and NW Eastman Parkway provide prime exposure along major traffic corridors. This high visibility not only offers economic benefits to the potential individual businesses but also provides potential marketing opportunities to the City. Currently, the Downtown core is located on Main Avenue with a minimal amount of visibility either on NW Division Street or on E Powell Boulevard. Many visitors to Gresham never know that a Downtown core shopping area exists in the City. Additional exposure along the major streets of high-quality new development can help create a very positive image for Downtown Gresham and can provide a stronger relationship to the original Downtown Core along Main Avenue.
- **Establish High-Quality Urban Design.** With the creation of the Design Commission, the City made a commitment to improving the quality of design in the City. The first area elected in which to establish Design Principles, Guidelines and Standards was the Downtown Plan District. The City identified a need to enlarge the Design District for the Downtown in order to more closely regulate the built environment throughout the Regional Center. The Design regulations include street, site and building Design Principles, Guidelines and Standards in categories such as the building placement along streets, walkway design, sustainable landscape design, building massing, gateway recognition, and architectural façade design. The design regulations provide the City with more control over the appearance of the future built environment and will help to create an active, vibrant, attractive community center.
- **Downtown Design District Area Consistency.** The new 2009 Downtown Plan District area is consistent with the larger Downtown Design District. An expanded Downtown Plan District will affect design changes for the built environment which will be more visible to the public along the major traffic corridors like NE Burnside Road and NW Division.



FIGURE 2 – 2007 DOWNTOWN PLAN AREA BASE MAP

Section 2

Downtown Plan Process

2.1 2007 DOWNTOWN PLAN PROCESS IN DETAIL

2.1. (1) 2007 Purpose

The creation of a new Downtown Plan for Gresham began with the desire to re-evaluate the 1995 vision that the City had for its Downtown area.

2.1. (2) 2007 Preliminary Steps

The first step taken in the 8 month 2007 Downtown Regional Center Development Strategy (DRCDS) process was to secure funding through a Transportation Growth Management (TGM) Grant from the Oregon Department of Transportation. City staff, working with elected officials and consultant Spencer & Kupper, established the plan area, the project goals and a project work plan. A Downtown stakeholders group called the Stakeholders Advisory Committee (SAC) was created with participants from the Gresham Downtown Development Association (GDDA), the Downtown Neighborhoods, the Downtown businesses, the development community, the real

estate businesses, the Downtown Civic Neighborhood Architectural Review Committee and the Planning Commission for the necessary public input into the DRCDS process. A Technical Advisory Committee (TAC) was also formed to provide technical expertise and ensure that findings and recommendations were consistent with local, regional and state plans and policies. TAC included City staff from various departments, GDDA, Metro, Department of Land Conservation and Development (DLCD) and Oregon Department of Transportation (ODOT).

There were nine reports produced for the 2007 Downtown Regional Center Development Strategy. They were as follows:

1. Existing Conditions Analysis
2. Updated Downtown Vision & Graphics
3. Changes to Conditions & Circumstances
4. Updated Conditions and Analysis
5. Market Research Report
6. Opportunity Sites Report
7. Transportation Analysis
8. Assets, Barriers and Opportunities/ Strategies and Implementation
9. Downtown Regional Center Development Strategy Memo- Final Report & Draft Recommendations

2.1. (3) 2007 Research and Analysis

The 2007 work began with the collection and analysis of data and existing conditions. This phase, as detailed in the “Gresham Downtown Regional Center Development Strategy Technical Memo 1 Existing Conditions Analysis,”¹ reviewed and analyzed data from the existing Downtown Plan, the existing land uses, the existing and needed infrastructure, the existing transportation conditions and needs, and the socio-economic and demographics conditions.

2007 Examine Guiding Principles 1995

One of the first tasks was to examine for relevance the 1995 Downtown Plan Vision which described the kind of place that the Downtown is to become in the future. The research found that many of the Guiding Principles for the 1995 Downtown Plan were still appropriate to the current Downtown Vision but some needed deleting or modification. Comments on the 1995 Downtown Vision are noted in parentheses below.

1. Mix residential and employment use with shopping and public facilities.
(This statement was found to be still applicable to the Downtown Vision.)
2. Encourage the most intensive uses close to transit stations:
 - High density housing (up to 60 units/acre)
 - Moderate density housing (30 units/acre)

¹ Spencer & Kupper, Gresham Downtown Regional Center Development Strategy Technical Memo 1 Existing Conditions Analysis, April 18, 2007.

- Retail Commercial
 - Office/employment
- (Intensity close to the transit stations was found to be still appropriate but the actual density numbers needed to be re-examined.)
3. Provide multiple, direct street connections to transit stops and shopping.
(This statement required modification to address pedestrian needs and access as well.)
 4. Design for pedestrians, without excluding the car.
(This statement should have also incorporated cyclists.)
 5. Develop design guidelines for important streets and buildings.
(This statement was found to be still applicable to the Downtown Vision.)
 6. Permit and encourage the mixing of residential and commercial uses in all areas.
(This statement was found to be generally still applicable with some minor modifications.)
 7. Intensify development within walking distance (1/4 mile) of MAX stations, especially around Central Station and a proposed new station on Main. Allow for reduced densities in areas more remote from MAX stations.
(This statement was found to be generally still applicable with some minor modifications.)
 8. Encourage a wide variety of moderate and high density housing types, including row houses, garden apartments, condominiums, carriage houses, and podium apartments.
(This statement needed modification to read a balance of quality housing types.)
 9. Seek an average density of at least 15 units/acre in new residential developments to support economic transit usage.
(This statement was found not to be relevant and deletion was recommended.)
 10. Where possible, encourage similar land use types and building scales to face each other across streets.
(This statement was found to still be applicable to the Downtown Vision.)
 11. Preserve and promote the existing historic core, its notable design characteristics, and its commercial mix, dominated by small-scale specialty retail and offices. Allow for enlargement of this traditional store front environment throughout the central core area.
(This statement was found to still be applicable to the Downtown Vision.)
 12. Except for auto-oriented commercial uses around the perimeter of the Downtown area, seek a general inward orientation for the remainder of the Downtown, with the following sub-areas maintaining distinctive, complementary characteristics:

- Historic Downtown core
 - Central station area
 - Cleveland station area
 - New MAX station at N. Main
 - Ava Avenue neighborhood
- (This statement needed updating and modification.)
13. Acknowledge existing development patterns around the perimeter of the Downtown area. Existing auto-oriented commercial uses on the perimeter will continue to serve passing traffic on adjacent arterials. Through redevelopment, encourage existing and new businesses on the perimeter to move closer to streets and to also open to adjacent residential neighborhoods.
(This statement needed to be revised to engage the street and the rest of Downtown.)
 14. Encourage redevelopment for more intensive commercial, residential, and mixed-use development throughout the Downtown area while preserving the traditional storefront character of the historic core.
(This statement was found to still be applicable to the Downtown Vision, but depending on the new districts, the Downtown districts may be redefined.)
 15. Create a pedestrian friendly environment throughout the Downtown by:
 - Encouraging all new buildings to be placed close to abutting sidewalks and streets, with parking placed behind, under or to the side of buildings. The primary orientation of buildings should be to the street rather than to parking lots.
 - Prohibiting blank walls where buildings abut public streets and requiring door and window openings or other features to enhance attractiveness and pedestrian interest at ground level.
 - Regulate the size, placement and appearance of parking lots.
 (This statement was found to be generally still applicable to the Downtown Vision.)
 16. Extend key streets to enhance pedestrian and vehicular circulation, to break up oversized blocks, to increase street frontage, and to extend the existing small block grid beyond the historic core area.
(This statement was found to be still applicable to the Downtown Vision.)
 17. Include a town square public space to serve as a focal point for the Downtown area. Design this space to be suitable for community scale and regional events, such as a farmers market, outdoor performances, promotional events and displays. The town square should be convenient to MAX and close to the historic core.
(This statement was found to be still applicable to the Downtown Vision with a minor change to address the Center for the Arts plaza in the statement.)

Finding:

Most of these guiding principles were generally still applicable with some minor variation as noted in parentheses above. The changes were then incorporated into the revised Goals and Policies Document of Volume II.

2007 Analyze Existing Downtown Land Use (Zoning) Districts

The research by Spencer & Kupper also found that the Comprehensive Plan, which provides the basis for current zoning designations in the Downtown study area, needed to be updated.

The existing Gresham land use districts and uses research in 2007 found the following to be true:

- Section 4.1100 of the City of Gresham Community Development Code (GCDC) established a Downtown Plan District and defined several sub-districts for the study area;
- A Central Urban Core district designation focused on N. Main Avenue and the historic Downtown area;
- A Downtown Transit district applied along both sides of the Light Rail Transit line and at the two LRT stations located near NE Hood Avenue and east of NE Cleveland Avenue;
- A Downtown General Commercial district applied to more auto-oriented shopping areas along NW Eastman Parkway; and
- A Moderate Commercial district was found along Powell Boulevard.
- Downtown Moderate and Low Density residential districts were found within the study area.
- The City of Gresham Development Code in Section 4.1100 included permitted uses and development standards for the Downtown sub-districts. In general, all commercial districts permitted a wide range of commercial uses with more limited building footprint sizes in the DC-2 district. Commercial uses were also permitted in the residential districts, but limitations on building size, percent of commercial use in mixed-use buildings and other restrictions apply. Auto-dependent uses were only permitted in the DC-1 and DC-2 districts. See **Figure 3** Comprehensive Plan/Land Use (Zoning) Districts Map.

Finding:

The analysis of the current policy governing land use and development in the Downtown found that the current land use districts were outdated and must be addressed as part of the project. However, zoning and development standards allowed mixed-uses at relatively high densities, had highest densities near MAX stations, and included development standards that supported pedestrian activity. Overall, zoning appeared appropriate for a Regional Center.

The research also found that the architectural design standards were general and advisory only. There was support for more mandatory standards related to design that would be focused on Downtown Gresham, and for approval procedures including design review.

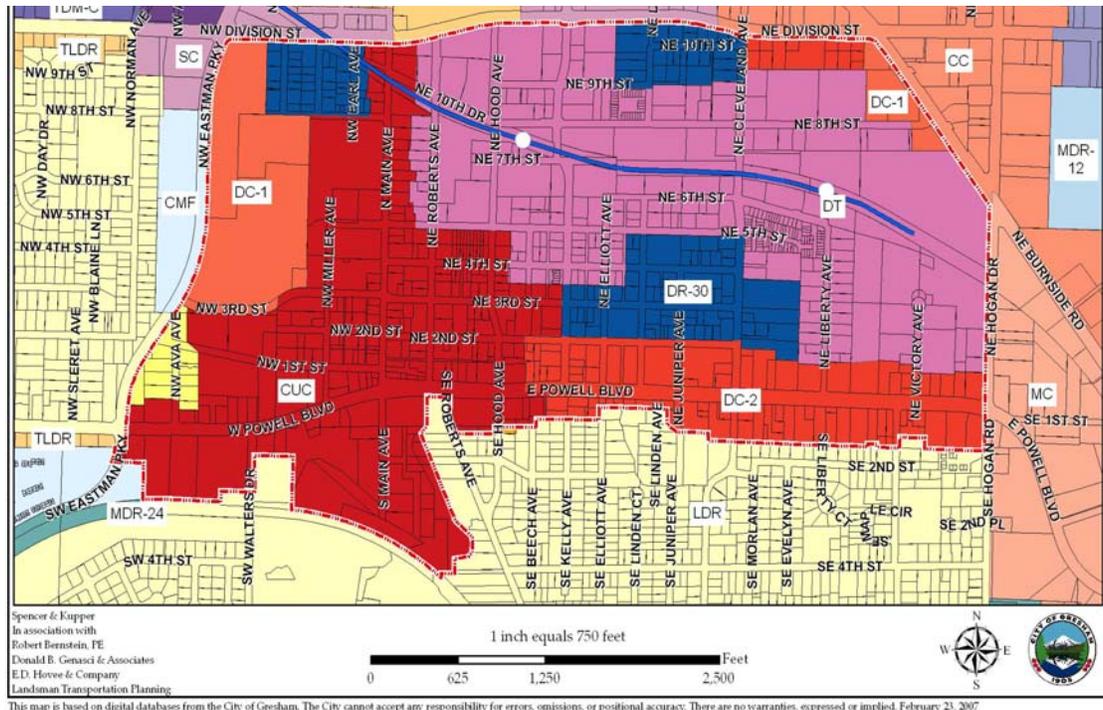


FIGURE 3 – CURRENT COMPREHENSIVE PLAN/ LAND USE (ZONING) DISTRICTS MAP

2007 Inventory Existing Land Uses and Conditions

Existing land uses were compiled by the Gresham Downtown Development Association within the study area and are shown on **Figure 4**. In general, a commercial and office sub-district formed the western portion of the study area to NE Hood Avenue with residential uses along NW Roberts Avenue north of NW 5th Street. East of NE Hood Avenue, a mixed-use and residential area predominated south of the MAX Line to NE Liberty Avenue and north of NE 8th Street. Commercial uses were located around the perimeter of the study area on Division, Burnside, Hogan, Powell and NW Eastman Parkway. **Table 1** summarizes existing land uses for the study area.

The study area was a mixed-use area, including significant commercial, civic, residential and open spaces uses. Commercial uses comprised the most land area in Downtown at 26% of the land area. Most of these commercial uses were located along the periphery of the Downtown Plan area with some also in the historic Main Avenue core. Detached single-family and multi-family development comprised the next highest land use at 11% and 10%. Recent development activity, particularly moderate and high density housing projects, had occurred throughout the study area and was helping to establish a more urban character. Many of these newer projects were clustered along NE 3rd Avenue.

Non-conforming outdoor storage and industrial/auto services uses were located along the MAX light rail line and dominated the area between Cleveland Avenue and Hogan Drive.

Finding:

The entire area, currently a mixed-use area, was found to be in transition to a denser urban district.

TABLE 1
Summary of Existing Land Use

EXISTING LAND USE			
Land Use	Number of Parcels	Acreage	Percent of Total
Civic (government properties, schools, and transit facilities)	27	29.24	9.69%
Commercial	140	78.78	26.10%
Industrial - Other	26	14.47	4.79%
Industrial-Utilities	8	19.75	6.54%
Office	45	16.32	5.41%
Open Space / Parks	23	17.06	5.65%
Parking	74	24.31	8.05%
Residential-Single Family	168	33.47	11.09%
Residential-Single Family Attached	76	4.79	1.59%
Residential-Multi-family	62	32.25	10.68%
Transportation	12	9.94	3.29%
Undeveloped	100	21.47	7.11%
Total	761	301.84	100.00%

Civic Uses

Major public civic uses were documented and analyzed as well. The following is a brief description of the civic uses that were within the study area:

- Proposed Center for the Arts- Located at NW 3rd and Hood, this facility will be constructed on a 2 acre site that was donated to the City by the Fourier/Larson family. The conceptual design calls for two 2-story buildings, with a total floor area near 38,000 sq. ft., which are separated by a central community plaza. The plaza is currently under construction. The future buildings will include a performance theatre and classrooms for arts/crafts instruction as well as large flexible spaces that can accommodate exhibitions, meetings, banquets and conferences.
- Multnomah County Aging Services Facility- Located on NE 8th near Kelly, this 87,000 sq. ft. three story brick building was constructed in 2001. It serves seniors and people with disabilities that live east of 162nd Ave. in Multnomah County.

- National Guard Armory - Located on Division St. near Kelly, this 12,000 sq. ft. one story building was built in 1956. It is the headquarters of Infantry Company C-2 of the Oregon National Guard.
- Alpha High School- Located on NE 8th near Cleveland, this 16,000 sq. ft. facility is an alternative high school serving the needs of students who have been unsuccessful in a traditional high school environment.
- Tri-Met Parking Garage - Located on NE 8th near the Gresham Central light rail station, this reinforced concrete building has three levels and serves the Max light rail facility. The first level includes ground floor commercial uses that face NE 8th and the Max station. It is the only public parking structure east of the I-205 freeway in Multnomah County.
- Multnomah County Library - Located on NW Miller near 3rd, this 20,000 sq. ft. one story building from 1989 is the Gresham branch of the Multnomah County library system serving the residents of Gresham, Troutdale, Fairview, Corbett and other East Multnomah County communities. Besides a large book collection, it contains meeting rooms and a computer lab.
- U.S. Post Office - Located on W. Powell near Miller, this historic one story 18,000 sq. ft. masonry building was built in 1939 to provide postal related customer services and distributes mail and packages to Gresham and the adjacent East Multnomah County area.
- West Gresham Elementary School - Located on W. Powell near Walters, Gresham Barlow School District operates this historic 33,000 sq. ft. elementary school from 1923 for classroom instruction of children attending kindergarten through 5th grade.
- Oregon Justice Center (Gresham Circuit Court) - Located on W. Powell near Miller, the State 4th Judicial District Court leases this 16,000 sq. ft. building from the City to conduct trials for certain crimes committed in the East Multnomah County area.
- Main City Park - Located on W. Powell near Main, this is a 17 acre City community park. It has a picnic shelter/barbeque facilities, basketball court, Little League ball fields, soccer fields, and horseshoe pits. It also connects to the Springwater Trail and Johnson Creek greenway area located directly to the south.

Finding:

There were several existing important civic uses which should continue to be encouraged as public anchors in the Downtown. More civic uses were determined to be needed to encourage a thriving Downtown community.

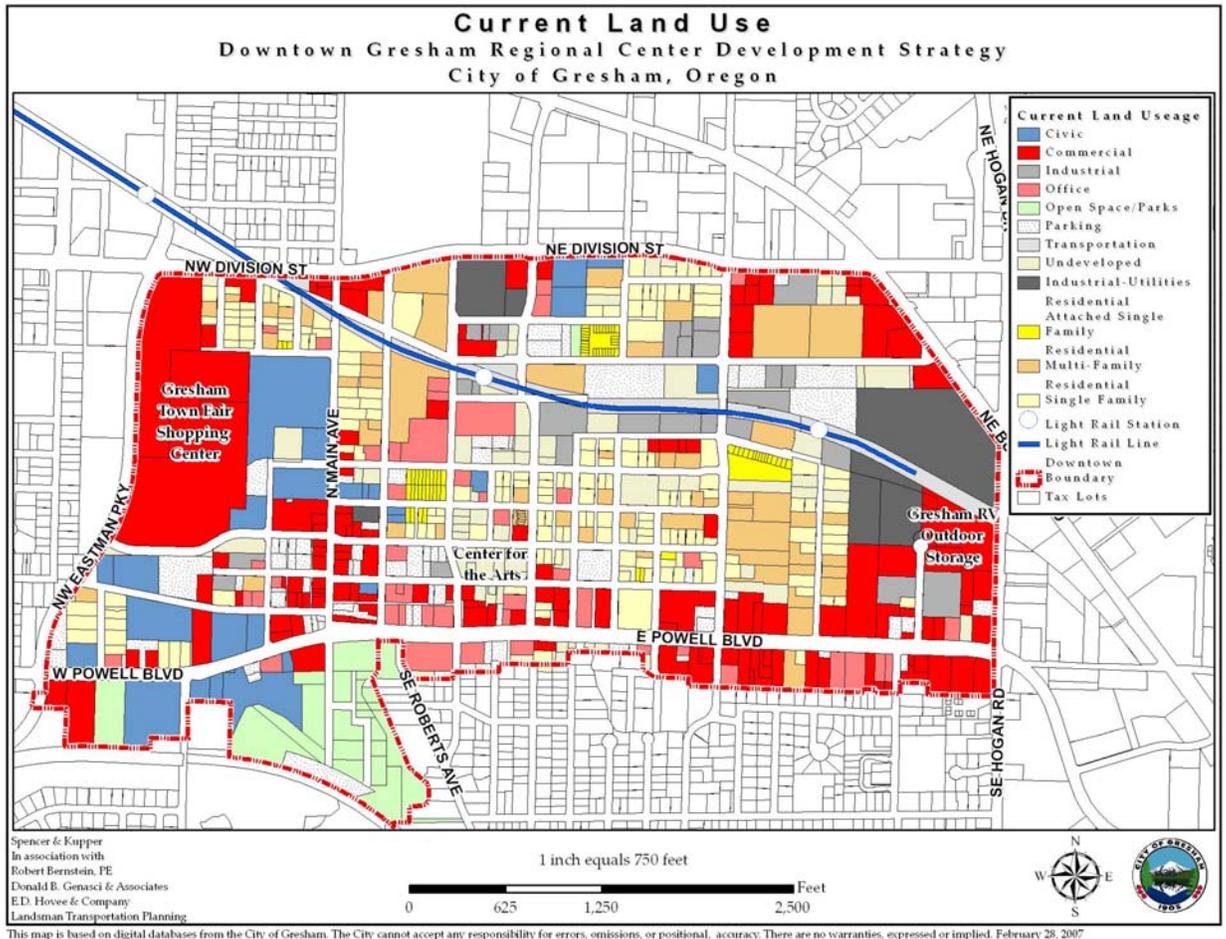


FIGURE 4 –CURRENT LAND USE MAP

Property Ownership

Property ownership was also investigated and it was found that there were large land holdings within the Downtown Plan area. The two largest property owners were the Gresham Town Fair along NW Eastman Parkway and the PGE properties at the end of the MAX Line east of NE Liberty Avenue along Burnside Road and NE Hogan Drive. Properties controlled by both originations offered long term redevelopment opportunities. The City of Gresham, Tri Met and Multnomah County were also large public property owners, and these publicly owned parcels currently represented redevelopment opportunities. The information is summarized in **Table 2**.

Finding:

The large property owners such as Gresham Town Fair, PGE and the public property owners offered long term redevelopment opportunities.

TABLE 2
Property Ownership

Parcels > 40,000 square feet			
	NUMBER OF PARCELS	ACREAGE	Percentage of Total (Total is all parcels in Downtown area)
All Other	57	101.86	33.76%
Gresham Town Fair	3	25.39	8.41%
Utilities (PGE)	5	18.76	6.22%
Total		146.01	48.39%
Multiple Parcels by Same Ownership totaling 40,000 - 100,000 sq. ft.			
All Other	71	33.97	11.26%
Gresham Town Fair	0	0.00	
Utilities	0	0.00	
Total		33.97	11.26%
Multiple Parcels by Same Ownership totaling 100,001 sq. ft. or more			
All Other	190	82.99	27.51%
Gresham Town Fair	3	25.39	8.41%
Utilities	11	20.23	6.71%
Total		128.61	42.63%

Property Values

Analyses considering property values within the study area were conducted. The analyses used current appraised values for land and improvements from the County Assessor’s data base in order to identify general trends within the planning area. In general, the highest value commercial and residential properties existed along NW Eastman Parkway, NE Hood Avenue north of NW 5th Street, and NE 8th Street. Multiple parcels totaling 2.2 acres, under one ownership, comprised 40% of Downtown. Lower value properties were typically vacant or single family residential uses. The PGE site at Hogan and Burnside and the Gresham Town Fair site were the largest property ownerships at 15% of the Downtown area.

The ratio of improvement value to the value of land by parcel was also investigated to establish where the improvement value was low compared to the land value. These were the areas most likely to redevelop. In general, properties with improvement to land value ratios of 1/1 or less suggested long-term redevelopment possibilities. These properties are indicated in **Figure 5**. Properties with ratios of 2/1 or greater were less likely to redevelop in the near future.

Finding:

Over half of the total parcels in the Downtown area, representing 45% of the land area, had low value ratios less than 1/1 and almost 65% of the land area had value ratios of less than 2/1. This

suggested that there was significant long term development opportunity throughout the Downtown study area. The PGE and the Gresham Town Fair sites offered significant redevelopment opportunities.

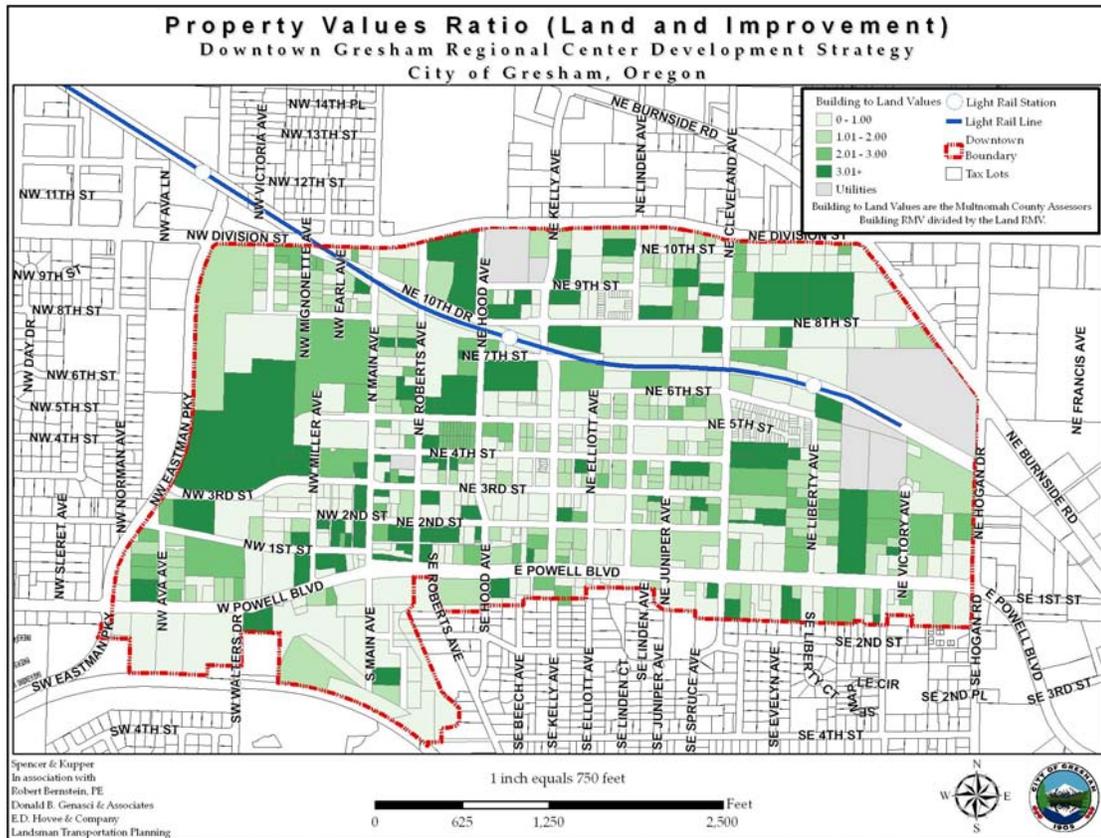


FIGURE 5 –PROPERTY VALUE RATIOS MAP

Downtown Subsidized Housing

The research also identified four publicly subsidized housing projects within the study area that were constructed with federal, state and private funds. They were as described below:

- Central Station Apartments- Portland Supportive Housing, located at 777 NE 8th St.: A 23 unit apartment building, with elevators, to serve the accessibility, affordability and supportive service needs of people with severe physical disabilities such as quadriplegia. Funding: CDBG, federal and private funding.
- Chestnut Lane – Sixth Avenue Investors, located at 1219 NE 6th St.: A 70 unit special needs housing and services facility for the elderly deaf and deaf/blind community. The unit mix is 62 studio and 8 one bedroom units. HOME funds will be used to support 8 HOME-assisted units (floating). Funding: HOME funds from Gresham and Multnomah County, Washington Mutual Bank, Elderly & Disabled Bonds.

- Mt. Hood Community Apartments - Mt. Hood Special Housing, located at 208 NE Cleveland: A rehabilitation of 15 garden style apartment units that serves chronically mentally ill persons. Funding: HOME funds and State funds.
- Ava House - Mt. Hood Mental Health, located at 97 SW Ava Ave: A duplex with one unit having 3 bedrooms and 3 baths and the other unit with 2 bedrooms and 2 baths. Each unit has a common kitchen, dining & living room areas. A small central courtyard connects to Ava House. The duplex is for very low-income persons with psychiatric disabilities who have a preference for shared housing. Funding: CDBG, SIP, Mt. Hood Community Mental Health Center, State, private and Seattle Federal Home funds.

Finding:

Public housing had been provided in the Downtown but there was still a need for subsidized public housing in a more integrated manner for a range of different income levels.

Existing Historic & Cultural Resources

The analysis also found that there were eight (8) significant properties within the Downtown project area that were classified with the Historic and Cultural Landmarks Overlay District. **See Figure 6 Historic Buildings Map.** There was a Historic Resources Advisory Committee and public process in place to review the alteration or demolition of Class 1 and 2 historic landmarks under the standards of Section 5.0321 and 5.0322 of the Gresham Community Development Code. Below is a list of the Downtown properties with a historic overlay designation and a statement of their historic significance from the City’s Historic Resources Inventory Report:

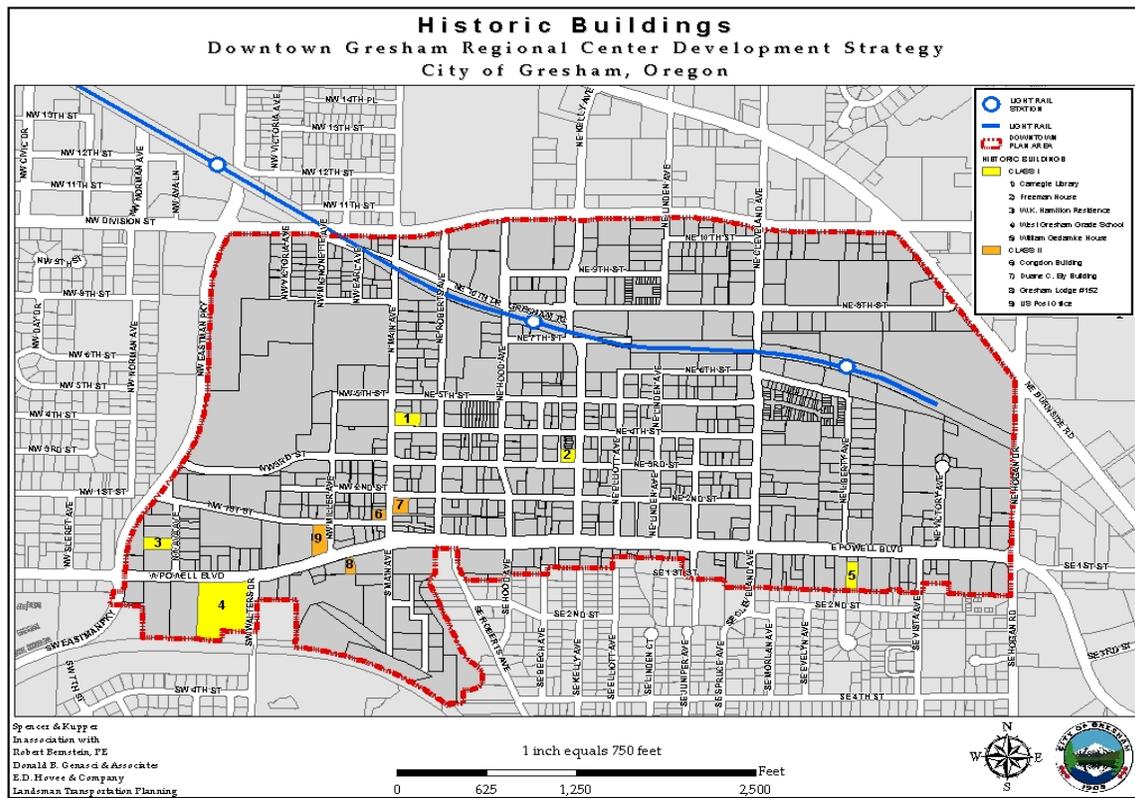
- Carnegie Library on Main and 4th (Class 1)
Significance: The Gresham Library, established in 1903, was housed in various buildings until 1913 when this building was constructed. The steel magnate Andrew Carnegie donated \$11,568 which paid for the construction of the building. Its lead glass windows portray a colophon, the symbol for a printer which dates from the medieval period.
- Duane C. Ely Building on Main and 1st (Class 2)
Significance: Former hardware and implements store.
- Congdon Building on Main and 1st (Class 2)
Significance: The Gresham Anchor store and the Congdon Hotel once occupied the building.
- U.S. Post Office on Powell and 1st (Class 1)
Significance: Built in 1939 for \$75,000, the post office design was drawn by Theodore Ballew, a Philadelphia architect who won a design competition that was sponsored by the federal government.
- Freeman House on 3rd and Kelly (Class 2)
Significance: Constructed in 1913. The house was originally owned by Emmett Kelly, the famous circus clown.
- W.K. Hamilton Residence on N.W. Ava (Class 1)
Significance: This house was built before 1926. It was constructed by W.K. Hamilton, who was a well known carpenter and builder in Gresham.

- W. Gresham Grade School on Powell near Walters Dr. (Class 1)
Significance: Built in 1923 by the Stockton brothers, this grade school was constructed for \$65,000. Originally, an early Gresham high school occupied this site.
- Gresham Lodge #152 on Powell near NW Miller (Class 2)
Significance: The Masonic Lodge #152 was built in 1931. The cornerstone reads; “Gresham Lodge #152 A.F. & A.M., laid by Otto C. Hagmeir, M.W. Grandmaster, A.L. 5931 A.D. 1931.”

Finding:

There were a number of historic structures that should be respected and preserved to enhance the Downtown fabric.

FIGURE 6 – HISTORIC BUILDINGS MAP



Existing and Needed Infrastructure and Improvements

The City of Gresham Capital Improvement Plan (CIP) for 2006/7-2010/11 identified both funded and unfunded water, sanitary sewer, stormwater drainage and parks and open space facility improvements. A number of needed infrastructure improvement projects in the Downtown Plan area had been identified in the CIP including the Center for the Arts Plaza and a skateboard facility in Main Street Park but the many of these projects were unfunded.

Finding:

There were a number of projects needed to support the more intense development of the Downtown. Identifying funding sources for many of these projects was found to be a key challenge for the ultimate development of the Downtown.

Existing and Needed Transportation Improvements

The Gresham Transportation System Plan (TSP adopted 2002), the Capital Improvement Program (2005) and the Downtown Parking Plan (1999, UPDATED 2002) were also reviewed to identify issues or conditions to be considered in the Downtown Gresham Regional Center Development Strategy. TSP policies, streets, transit, bicycles and pedestrian facilities, parking and capital projects were all examined. The City is also currently undertaking a Transportation System Plan Update City-wide.

The Gresham Transportation System Plan and the Capital Improvement Plan was found to support the concept of a Regional Center through provisions for motorized vehicles, bicycles and transit. Light rail and frequent transit, with 2 transit stations, 15 minute Division Street bus service and 30 minute Powell Boulevard bus service, served this area to ensure good connectivity with other Regional Centers and Downtown Portland. The TSP implemented Division Street and Powell Boulevard "boulevard style" street improvements with landscaped medians, wider sidewalks, defined crosswalks, ornamental street lights and the under-grounding of overhead electric/telephone wires. Cleveland Street between Powell and Division Street was scheduled for similar improvements in the TSP. The TSP also called for strategies to expand the pedestrian/bike pathway system with an extended MAX pathway. The TSP also encouraged more rapid turn-over of the approximately 1,550 on-street parking spaces in Downtown.

Finding:

Most streets within the Downtown were operating at acceptable levels of service. Most of the major arterial intersections at the perimeter of Downtown were approaching their designed maximum capacity. A number of needed transportation improvement projects had been identified for improvements to intersections and were included in the City's Transportation Systems Plan and CIP. As was the case with the water, sanitary sewer, stormwater drainage and parks and open space facility infrastructure improvements, many of these transportation projects were unfunded. Identifying funding sources for many of these projects was determined to be a major issue.

The parking study forecasted demand for future parking under different growth scenarios and determined:

- Estimated Downtown parking utilization under both the existing and an aggressive development scenario would reach approximately 50% under forecast conditions. However, in the Downtown core area, utilization was expected to grow from 51 percent to approximately 83 percent under the more aggressive development scenario. While the total supply would be adequate, the core area would be full and expanded development outside the core would result in parking shortages in selected blocks.
- Pressure for on-street parking would grow and it would be increasingly difficult for visitors to park in the Downtown core. A large number of spaces were privately controlled. Unless their use

was increased by regulation, the parking supply would not be adequate. This was reflected under existing conditions in the core where the utilization of public spaces was about 51 percent while privately controlled parking spaces reached a utilization of less than 30 percent during the weekday peak. Forecasted development would effectively expand the Downtown core, and associated parking pressures, to Kelly Street in the aggressive land use scenario.

Socio-Economic and Demographic Study

Several distinctive demographic attributes to the Downtown Plan area were noted in the research and analysis of the socio-economic and demographic study. Downtown's trade area included Downtown itself as the "primary trade area" and the area within a 15 minute drive of Downtown as the "secondary trade area." The secondary trade area extended from I-205 in east Portland to Gresham, Fairview and Troutdale and south to Clackamas County, Damascus and Sandy. Downtown Gresham, (the primary trade area), consisted of only 2% of the Gresham's residents or 2,300 people. That statistic was only 7 people per acre. The secondary trade area was much larger at 315,900 people. The Downtown population had experienced the slowest growth (for the geographies considered) at approximately 1.0% per year since 2000, while population for the entire Portland metro area had increased by 1.7% per year.

The majority of Downtown's housing units were attached (2+) rental units, while the majority of secondary trade units were owner occupied detached single family dwellings. The housing appreciation rates in the Downtown had kept pace with the surrounding secondary trade area at approximately 9.5% per year. Downtown housing construction had not kept pace with the secondary trade area with only 300 new housing units since 1990 and only 48 of those had been added since 2000. This amount was only .5% of the number of new housing units constructed in the secondary trade area and only 1% of the housing units in the City of Gresham as a whole.

It was also found that Downtown Gresham retailers depended on the secondary trade area for their sales. The Downtown retailer sales in 2006 amounted to \$112 million dollars which was 8 times the purchasing power potential of the residents of Downtown (\$14 million dollars). The purchasing power of the secondary trade area was \$3 billion dollars. The Downtown did not capture much of the secondary trade area retail sales in home furnishings, electronics, appliances, clothing, building/garden supplies and internet sales. It was also found that the Downtown was underserved by specialty grocers.

Finding:

The Downtown was not as densely populated as one would expect for a downtown area. This immediate Downtown population consisted of relatively large households, was younger, not as well educated, more racially and ethnically diverse, had larger households and a much lower median family income than much of the rest of Gresham and the Portland metro region. The economic data for Downtown Gresham suggested a working household and moderate income market. Labor force participation was relatively high and commute times were favorable, but incomes appeared to be below what was indicated for the entire Portland metro area.

Only 15% of the Downtown Gresham housing was owner occupied as of the 2000 census, although generally housing values in the Downtown appeared to be appreciating at a rate similar to that of homes in the surrounding Portland metro areas.

Downtown retailers were currently capturing \$112 million or 3% of the combined trade area sales of \$3.5 billion dollars. With a potential of 869,000 square feet of commercial space projected for the secondary trade area, additional Downtown retail growth would be dependent upon capturing additional secondary trade area retail sales.

2.1. (4) 2007 Market Analysis

The next phase of the Downtown Plan process was the creation of a detailed assessment of needed market conditions for the transformation of the Downtown into a Regional Center. The market study was performed by E.D. Hovee & Company, LLC and is described in detail in a document entitled “Gresham Downtown Regional Center Development Strategy- Market Research Report” of June 6, 2007.²

The market analysis performed a detailed review of study area current market characteristics and potentials for residential, retail and office development. It analyzed Downtown Gresham relative to other successful centers in the Portland metro area. The purpose of the market analysis was to determine if there was a market feasibility gap indicating a difference between land and development costs and the achievable sales or rental rates for medium to high density residential development and commercial/office development.

2007 Study: Examine the Residential Market

In the residential market, the study noted that despite some recent modest increase in homeownership, the Downtown study area’s residential inventory was comprised primarily (78%) of rental units – including both apartments and a still substantial component of older single-family housing stock. The average apartment rental rate was low compared to Portland at \$0.69 per square foot, compared to Portland’s \$0.83/sq.ft. The Downtown’s apartment vacancy rate was 3.87% or about the same as the national average. Apartment sizes in Gresham were larger than the regional whole with 79% of the units having two or three bedrooms, while only 48% of the region’s apartment had 2 or more bedrooms.

Between 2000 and 2006, housing values appreciated more rapidly in Downtown than throughout Gresham or the Portland metro area due, in part, to new construction at mid to upper price points. However, available data indicated that added occupied housing had totaled only 5-6 added units per year between 2000-2006 – with the majority of added units consisting of rental rather than owner-occupied housing. Of the four townhouse and one condominium project sampled between 1996 and 2007, the townhouse units ranged from 1,300 sq. ft to 1,750 sq. ft. and sold for \$165,000 to \$265,000. The condominium project had units from 994 sq. ft, average and sold for \$231,000.

Downtown appeared to account for less than 1% of new construction activity city-wide. The national demographics firm ESRI had forecast a continued slowdown for the Downtown area through 2011 – due to expectations of a slowed housing market nationally combined with potential reduction of population growth.

² E.D. Hovee & Company, Gresham Downtown Regional Center Development Strategy-Final Market Research Report, June 6, 2007.

Finding:

In effect, there were changes in residential market composition in the immediate Downtown area experienced in the 1990s that were indicative of a market that may be in transition. As was indicated by substantial change in rental housing and housing values, the transition was from what was a relatively low cost and somewhat isolated area toward increased integration as part of a rapidly urbanizing metro area. This increased integration had been stimulated by proximity to the MAX rail line, the on-going revitalization of the Downtown retail core, and urban growth boundaries creating greater incentive for increased density of development.

It was noted that these factors can be expected to influence the types of new residential development that best fits the Downtown Gresham market – to the extent that development aims to serve and/or strengthen existing market demographics. While housing values within the Downtown area appeared to be appreciating at a rate similar to that of homes in the surrounding trade area, residential construction did not appear to be keeping pace.

Residential land use was identified as a land use that is critical to the economic health of the Downtown, as it has the greatest potential to stimulate other desired kinds of development. The success of the Downtown residential market was found to be dependent upon the following elements:

- Creating Downtown amenity value to support higher sales prices and rental rates. Amenity value included more convenient access to MAX stations, more retail development, more public open spaces, the Center for the Arts development, streetscape improvements and economic incentives such as urban renewal assistance;
- Encouraging owner occupied, mixed-use developments; and
- Identifying pricing and unit feature opportunities, particularly for owner occupied housing products. It was predicted that if the low pricing levels continued, Downtown could only be expected to add about 10-20 new housing units per year or about .5% to 1% of all Gresham housing; and
- Examining the market demand relative to stepped density increases; and
- Pursuing an active public presence through additional public and cultural uses Downtown.

The study determined that the Downtown could compete for a larger share of city-wide and regional housing demand in the future if careful consideration is given to thoughtful density increases, unit price points and unit features.

2007 Study: The Downtown Commercial Retail Market

The Downtown Gresham trade area accounted for approximately 4% of the commercial retail space situated within a 15-minute drive of the Downtown with an estimated 468,300 square feet of retail and shopping center space. By comparison, the Downtown population comprised less than 1% of the population of the 15-minute drive time secondary market area. The Downtown retail rental rates, at \$12.30/sq.ft. to \$14.10/sq.ft., were well below Portland metro rates while Downtown independent stand-alone rates appeared to exceed those of the immediate 15-minute trade area. Retail vacancies in Downtown Gresham, above 25% for stand alone spaces, were

above comparable rates for the secondary trade area and for the entire Portland metro area, at 5% to 10%, indicative of a lack of demand.

In the short term, the baseline retail demand forecast, (based upon past performance), indicated that any added retail space could be accommodated in the existing vacant Downtown building spaces.

Finding:

Urban retail has proven to be successful on Main Street in Downtown Gresham. Projecting retail demand for a small geographic area like Downtown Gresham was determined to be inherently problematic, but a baseline forecast for the future was that net absorption demand for Downtown space could range from perhaps 10,000 to 20,000 square feet of retail, dining and entertainment space per year. With this forecast, the added retail space would increase Downtown's overall share of the total existing secondary trade area retail space inventory to well above the current 4% share to 8%. An expanded demand scenario indicated that Downtown could potentially absorb 40,000 sq. ft. of retail space annually. This would represent a 4% to 16% Downtown secondary trade area share of retail space.

The following elements were found to be critical to the success of the Downtown commercial retail market:

- Growing thriving local retailers;
- Attracting successful and compatible new specialty retail (both regionally and nationally recognized names);
- Achieving a consistent pattern of rents adequate to support new construction;
- Securing sites for free-standing retail plus multi-tenant retail including potential integration with mixed-use development;
- Attracting at least one mixed-use development with 100,000 to 200,000 sq. ft. of multi-tenants retail space for economies of scale;
- Reporting retail leasing information consistently for prospective retail developers and tenants;
- Attracting increased visitor spending from non-residents;
- Implementing programs such as tax increment financing (Urban Renewal) to help defray land assembly, construction, transportation, parking and infrastructure costs; and
- Pursuing an active public presence through additional public and cultural uses Downtown

2007 Study: Examine the Commercial Office Market

Commercial office space was noted as designed to house employees of companies that produced a product or service primarily for support services such as administration, accounting, marketing,

information processing and dissemination, consulting, human resources management, financial and insurance services, educational and medical services, and other professional services. Office buildings were rated as Class A, B or C. Class C buildings, the lowest rating, tended to be older structures with inadequate electrical, mechanical and telecommunications systems. Using the national real estate data firm CoStar as a primary source of information, this study found that Downtown Gresham study area had an estimated competitive rentable building area of over 180,000 square feet in 25 office buildings. This was roughly 6% of the 2.85 million square feet of office space in the 15-minute trade area and only 0.3% of the nearly 71 million square feet on the ground throughout the Portland metro area.³ Gresham had Class B and C office building but no prestigious Class A office buildings which offer higher quality construction and amenities as found in the Portland metro area. Office vacancies for the Class B spaces were fairly low but Class C office spaces had a high 18% vacancy rate. Downtown office rental rates were \$19 per square foot for Class B and \$8 per sq. ft. for Class C buildings.

Finding:

The study noted that Gresham's office market had proven resilient in recent years, especially for Class B space. Downtown Gresham future office space demand appeared modest under baseline conditions. The baseline conditions indicated that office space demand could range from 5,000 to perhaps 10,000 square feet of net new space per year. The upper end of this range equated to about 10% of office space absorption in the 15-minute drive time area in 2006 (which was above the 6% share that Downtown currently had of the total existing secondary trade area office space inventory). Demand potential could most readily be accommodated in the short-term (5 years) as existing vacancies reduced to normalized levels of 5-10%. Mid- to long-term space additions may become challenging if rents do not continue to move up at rates necessary to support costs of constructing new Class B space.

An expanded demand scenario in the study determined that 15,000 sq. ft of additional office space per year could be possible. This equates to one office building every two years. The conditions needed for meeting a successful, expanded office demand scenario included:

- Developing a Class A market. Class A office space is typically stimulated by attraction of regional or national tenants accustomed to the higher quality of Class A space and associated rents. If non-local tenants could be attracted to Class A space, some local tenants (typically professional service firms such as lawyers and accountants) would then follow suit;

³ Definitions of office types from CoStar are:

Class A – investment-grade property with the highest quality construction and workmanship, finish and trim, materials and systems, significant architectural features, abundant amenities, first rate maintenance and management; usually occupied by prestigious tenants with above average rental rates and in an excellent location with exceptional accessibility. International and national investors are willing to pay a premium for quality.

Class B – more utilitarian space without special attractions, typically have ordinary architectural design and structural features, with average interior finish, floor plans, systems and overall condition; maintenance, management and tenants are average to good; typically without the abundant amenities and location of a class A building. Typical investors are some national but mostly local; generally considered to be more of a speculative investment.

Class C – no-frills, older building that offers basic space with below-average maintenance and management, a mixed or low tenant prestige, and inferior elevators and mechanical/electrical systems.

- Increasing Downtown Gresham office space rent to at least the metro area average for Class B buildings;
- Implementing active marketing of Class A non-local business prospects both by local/regional brokers and economic development organizations;
- Reporting of office leasing information in a consistent fashion to convince prospective developer and tenant interests of the competitiveness of the Downtown market to support additional office space;
- Integrating Class A office space in a mixed-use development;
- Providing City incentives like land assembly, infrastructure incentives and other economic incentives; and
- Pursuing an active public presence through additional public and cultural uses Downtown.

2.1. (5) 2007 Opportunity Sites Analysis

This step included a focused evaluation of three opportunity sites and their potential to support development. The study addressed the possible development/use potential, project costs and financial analysis associated with three distinct opportunity sites in the Downtown study area with the thought that redevelopment scenarios such as these could spur broader core area revitalization. A map of the three potential areas is shown in **Figure 7**. Based upon opportunity sites and potential uses, the following three project prototypes were selected for more detailed evaluation.

The three project prototype areas noted in the study⁴ were:

Site A- 3rd & Roberts: An approximately 62 unit condominium development situated above 18,750 square feet of ground floor retail and a 62 space below grade parking garage. The total development cost (including land, site prep, construction and soft costs) was estimated at \$17.4 million.

Site B - 5th & Hood: A mixed-use development with 186 units including 57 townhomes and 129 condominium units together with 12,960 square feet of ground level retail and 232 spaces of below grade parking. 5-6 story condos on one of the two block faces with 2-3 story townhomes on the other block face. Total development cost (in 2007 dollars) was estimated at \$51.3 million.

Site C - Powell & Elliott: This was identified as the best of potentially available sites for a specialty grocery store of 25,200 square feet together with 83 on-site parking spaces – at an effective ratio of close to 3.3 parking spaces per 1,000 square feet. Total development cost of a “vanilla shell” before tenant improvements was estimated at \$5.2 million.

⁴ E.D. Hovee & Company, Downtown Regional Center Development Strategy-Opportunity Sites Report, July 13, 2007.



FIGURE 7 –OPPORTUNITY SITES MAP

A pro forma analysis was conducted to assess the financial feasibility of the proposed real estate projects. Project valuation was compared to the cost of development.

Findings:

The results of the study as detailed in the Downtown Regional Center Development Strategy-Opportunity Sites Report indicated that in all scenarios except Site C, the development costs would exceed the valuation upon completion of the project. This determination essentially made projects A and B not feasible to build unless some redevelopment strategies were implemented to close the financial gap. These potential redevelopment strategies could have potential future application throughout the Downtown, not simply in these three study areas. The potential strategies included:

- Increasing pricing to achieve financial feasibility
- Providing additional streetscape and pedestrian amenities
- Providing added off-site parking for overflow residential use

- Engaging in value engineering but not at the cost of project quality
- Providing public off-site infrastructure by the City
- Waiving or deferring of System Development Charges
- Providing Downtown marketing services
- Providing Tax Increment Financing or Urban Renewal assistance

2.1. (6) 2007 Transportation System Analysis

The Transportation System Analysis was completed to evaluate the pedestrian, transit and street improvements necessary to make the Downtown a more successful center. The study is detailed in the “Gresham Downtown Regional Center Development Strategy- Technical Memorandum Transportation Analysis of July 30, 2007”.⁵

The analysis determined that all of the roads, (NW Eastman from Powell to Division, W Powell from NW Eastman to Hogan, NE Burnside from Hogan to Division and NE Division from NE Burnside to NW Eastman), surrounding the Downtown study area were classified as Boulevard Streets with one exception. NE Hogan from Powell to Burnside was an arterial in this location. NW Third between NW Eastman and N Main, NE 5th between Main and Cleveland, N Main, NE Kelly, NE Hood and NE Cleveland within the study area had the City’s community street designations. All other Downtown streets were considered local streets. Much of the Downtown had a well connected street network but the Gresham Town Fair site cut off the connectivity of the Downtown from NW Eastman and the Civic Neighborhood.

The research determined that the Downtown Plan area had a very high level of transit service with the two MAX stations and the transit center within its boundaries. The Downtown area also had bicycle lanes on Cleveland, Division (between Cleveland and Hogan), Hogan, Burnside, Powell and Eastman. The Downtown had been identified as a pedestrian district and the existing street standards generally supported this.

The parking study indicated that the existing Downtown parking supply of 7,300 parking spaces, including approximately 1,550 on-street spaces were probably adequate at this time with some parking management regulations. Peak parking utilization in the Downtown was during the lunch hour where parking utilization was at approximately 34%. There were no limits on parking space occupation and more than 3/4’s of the parking vehicles in Downtown had a parking duration of more than one or two hours. Twenty-four percent stayed three or more hours.

Finding:

The Downtown was in need of a connection to the west through the Town Fair site. Street and pedestrian connections to NW Eastman and the Civic Neighborhood were critical to the success of the Downtown. The east part of the Downtown study area in the area of east of Cleveland and

⁵ Spencer & Kupper, Downtown Regional Center Development Strategy-Technical Memorandum Transportation Analysis, July 30, 2007.

then west of Cleveland, north of NE 6th Street on Elliott Street and Linden, also needed greater connectivity.

Additional parking in the Downtown in the near future was not needed, however, the City may wish to take on an active role both in the management of the existing parking and in the future acquisition of parking areas in order to spread out the parking distribution and procurement of the necessary land for future parking structures. Limiting public on and off-street parking within the Downtown to no more than 2 hours would free up many parking spaces for customers and visitors.

The Transportation System Plan had numerous important street, bike and pedestrian Capital Improvement Projects in the Downtown which should be implemented but many were not funded at this time. Often, even if the funding was available for Capital Improvement Projects, the funding was often not available for operating costs. Local Improvement Districts, System Development Charges, Tax Increment Financing, State Gas Tax Revenues, City General Fund, Federal Transportation grants such as SAFE-LU, Economic Improvement Districts and possible future parking revenues were all suggested as possible capital and operational funding sources.

2.1. (7) 2007 Assets, Barriers and Opportunities

A report entitled “Gresham Downtown Regional Center Development Strategy-Assets, Barriers and Opportunities Strategies and Implementation”⁶ was written by the City’s consultant Spencer & Kupper which first examined any physical, social or institutional barriers that might discourage the desired Regional Center development. The document summarized the vision statements for land use and development, mobility, access and circulation, housing, design, special and attractors, and neighborhood opportunities.

The overall 2007 vision for the Downtown had three key points:

- Downtown Gresham shall be the focus and heart of the community. The Downtown is to be a dynamic, people oriented place with ample live, work, commercial and entertainment opportunities.
- The Downtown is seamlessly connected to the Gresham Civic Neighborhood and together these two districts form the Gresham Regional Center.
- An effective public-private partnership with broad community support is critical to the success of the Downtown. On-going investments in the area and a stable funding source for needed improvements are essential to the success of the Downtown.

2007 Study: Develop a Downtown Gresham Vision

The following 2007 vision statements describe in more detail how Downtown Gresham was anticipated to look in the future.

⁶ Spencer & Kupper, Downtown Regional Center Development Strategy-Assets, Barriers and Opportunities, Strategies and Implementation, August 7, 2008

Land Use & Development

1. Downtown Gresham includes residential and employment uses, restaurants and shopping opportunities, cultural amenities and public facilities making it an 18 hour mixed-use district with traditional storefront character.
2. The most densely developed areas with moderate and high density housing, retail commercial and office employment uses are within walking distance (1/4 mile) of MAX stations, and high volume transit streets.
3. Taller buildings close to MAX stations are carefully placed so as to maintain view corridors to Mt. Hood to the east and the buttes to the south. Building heights along Main Avenue are compatible with the character of the Historic Core.
4. Downtown has a balanced mix of residential and commercial/office uses.
5. Existing auto-oriented commercial uses on the perimeter of the Downtown continue to serve passing traffic on adjacent boulevards. Through redevelopment, existing and new businesses on the perimeter are oriented to adjacent streets, and are also well connected to adjacent Downtown neighborhoods.
6. Auto repair and service uses have relocated from areas near LRT stations to well designed developments in locations with good access to surrounding arterials.
7. Major employment anchors, including multi-story office buildings are located Downtown.

Mobility, Access & Circulation

8. Downtown is safe for pedestrians and bicyclists and is designed for pedestrians without excluding the car.
9. Downtown and MAX stations have north-south linkages to surrounding neighborhoods and activity centers such as Mt. Hood Community College, Mt. Hood Medical Center, Springwater, Damascus and Troutdale/Fairview/Wood Village by frequent transit service (MAX extension, streetcar/trolley line or 15 minute bus service) and by safe pedestrian and bicycle facilities.
10. MAX not only connects the Downtown to the rest of the region, it provides intra-city connections to more local activity centers such as the Civic Neighborhood, Rockwood, and others.
11. MAX stations and the rail line itself are more urban in character, safe and convenient for pedestrians and designed with lighting, furnishings, shelters and pavements appropriate for a mixed-use center. The MAX right-of-way and adjacent area is a green, design element that helps unite Downtown with Civic Neighborhood.
12. Tree lined boulevards with separate bikeways and pedestrian paths form the perimeter of the Downtown.

13. Multiple, direct street, pedestrian and bicycle connections are provided to transit stops, shopping, Main City Park and the Springwater Trail. A special pedestrian/bicycle boulevard, (the Art Walk), connects the Arts District to Main City Park, the MAX stations, the Civic Neighborhood, and other nearby attractors, and includes a wide variety of art projects incorporated into the design.
14. Key streets and pedestrian connections have been extended to enhance pedestrian and vehicular circulation, to break up oversized blocks, to increase street frontage, to extend the existing small block grid beyond the Historic Core area, and to connect to the Civic Neighborhood.
15. Adequate parking is available that matches need with parking supply. On-street and public and private off-street parking is managed for the benefit of the area.

Housing

16. A wide variety of moderate and high density housing exists in the Downtown. Housing is well designed and attractive, well maintained, and meets the housing needs of the range of people working in the Downtown. Accessory housing is also permitted.
17. A mix of owner-occupied and rental housing and a wide variety of housing types are located in the DGRC and are affordable by a range of income levels.
18. Average residential densities are achieved that support economic transit usage.
19. Similar land use types and building scales face each other across streets.

Design

20. Enforceable design regulations are in place for the built environment.
21. The notable design characteristics found in the Historic Downtown Core, its commercial mix dominated by small-scale specialty retail and offices, is preserved and enhanced.
22. A pedestrian friendly environment that is safe, inviting and friendly has been created throughout the Downtown.
23. Sub-districts within Downtown will maintain distinctive, complementary characteristics.
24. Historic resources such as churches, the Mayor's House and Carnegie Library have been restored and integrated into the fabric of the area.
25. Public art and private art projects within new developments are evident throughout the Downtown, particularly in the Arts District.

26. Sustainable design and green development practices contribute to the character of the area, for both public and private projects.

Special Places & Attractors

27. The Center for the Arts and plaza serve as a focal point for the Downtown with possible uses including community scale and regional events, such as a farmers' market, outdoor performances, promotional events and displays.
28. Parks, plazas and other open spaces are easily accessible from anywhere in the Downtown and provide green places for visitors and residents alike.
29. Main City Park is connected to the Downtown from the Main Avenue Historic Core and to the Springwater Corridor.
30. Major attractors for residents and tourists such as the Arts Center, an all season Farmers' Market, Community College and Hotel/Conference Center serve as anchors for the Downtown and offer significant employment opportunities.
31. The Downtown Art Walk is a regional attraction.

Sub-Area Neighborhood Opportunities

32. Historic Downtown Core
 - The Historic Core on Main Avenue and mixed-use corridor on Roberts Avenue south of 5th Street
 - 3rd Street provides an east-west link to the Arts and Gresham Town Fair Districts
 - Main Avenue at Division is a gateway into the Downtown:
 - Redevelopment opportunity
 - MAX Station, park, visitor center
 - The west side of Main Avenue north of 5th Street
 - Redevelopment opportunity
 - Pedestrian-oriented uses
 - Campus environment
 - Shared parking
33. Gresham Town Fair
 - As shopping center redevelops, connections to the Historic Core emphasized
 - Redevelopment opportunities along 2nd Street and Victoria Avenue
 - Shared parking
34. Arts District
 - Center for the Arts and plaza
 - Studios, galleries, lofts and live-work spaces
 - Small neighborhood park

- Mixed-use residential areas
 - Grocery store opportunity
 - Art Walk along Beech Avenue, connecting to Main City Park and MAX
 - Good auto access for businesses along Powell Boulevard
35. Industrial Transition Area
- Service cluster opportunity
 - Redevelopment of PGE sites-Hotel/Conference Center opportunity
 - Connect Hogan Drive and Burnside Road areas to MAX
 - East-west street connections needed to link this area to the rest of the DGRC
36. Civic Service Center Mixed-Use Area
- Civic Service Center around Gresham Central Station MAX Stop:
 - County facilities, Tri Met parking structure already there
 - Shared parking opportunities
 - Redevelopment opportunities
 - City Hall complex opportunity
 - Employment focus area
 - Mixed-use residential redevelopment south of Division Street

Assets

There were several Downtown assets identified in the 2007 Downtown Plan process. The major assets were as follows:

- **City Participation.** The City had enthusiastically undertaken the revision to the Downtown Plan that will reflect current thinking about the future of the Downtown area.
- **Downtown Development Policies.** Volume II of the Comprehensive Plan policies did promote the mixed- uses and higher densities desired for an urban center. Some policies need revision but generally they were consistent with the Downtown Vision.
- **Downtown Development Standards.** The current Downtown zoning and development standards allowed mixed-uses at relatively high densities, had the highest densities located near the MAX stations, and included standards that supported pedestrian activity. Some changes, such as the maximum building height, will need to be made but generally the development standards were appropriate for the Regional Center.
- **Existing Active Downtown.** The Downtown already was a focus for many civic and public facilities.
- **Development Potential.** Within the Downtown, there were large properties in single ownership, vacant or publicly owned which offered potential development and redevelopment opportunities.

- Existing Infrastructure. Existing utility infrastructure for water, sanitary sewer and stormwater transmission was already in place.
- Effective Transportation System. The City had a variety of transportation modes in place accommodating vehicles, pedestrians, bicyclists and mass transit with the MAX and bus service. There were two existing MAX stations in Downtown.
- Effective Implementation Tools. Many needed implementation tools were in place including an Economic Improvement District (EID), a Vertical Housing Development Zone, and a Community Development Block Grant Program.
- Public/Private Partnership. The City and the Gresham Downtown Development Association (GDDA) had been successful in undertaking several Downtown projects. The EID had provided funding the GDDA.
- City Experience. The City had experience and proven success implementing a successful Regional Center development in the Gresham Civic Neighborhood.

Barriers

There were also barriers to overcome in order to make the Downtown Plan successful. The major barriers were as follows:

- Current Land Use Districts. The current zoning or land use districts were not in line with the new Downtown vision.
- Zoning Map Amendments. Amendments to the zoning map such as modifying the DC-1 and DT zoning will be necessary to implement the vision.
- Advisory Architectural Review Standards. Specific standards will need modifications to implement the Downtown Plan. In particular, the architectural review standards were currently advisory only and will need to be revised to require high quality, architectural design.
- Design Commission. A Design Commission must be created that has quasi-judicial decision authority over architectural design.
- Small Parcels. Small parcels and individual land ownership patterns existed east of Roberts Avenue.
- Poor Connections. There were poor connections between the Downtown and Civic Neighborhood, especially for pedestrians.
- Market Demographics. Market area demographics had changed since the mid-1980's so that incomes were now below region-wide averages. The current population, now much more ethnically diverse, was growing at a rate that was below that of the Portland metro region. The Downtown needed to more tightly define its market niche.

- Residential Development. Gresham needed to attract more people through residential development to support a vital Downtown. Gresham needed to decide how to transition from townhomes to more urban scale, higher quality, higher density residential products.
- Office Space. There was no Class A office space in Downtown so a challenge for Gresham was to identify how to attract Class A building developments and the corporate tenants to rent those spaces.
- Civic Facilities. Additional civic facilities needed to locate within the Downtown in order to maintain and re-energize the Downtown area.
- Infrastructure Needs. Infrastructure needs were identified but the current funding was inadequate.
- Transportation Needs. Transportation needs were identified but current funding was inadequate to implement proposed projects.

Opportunities

The Downtown was found to have many opportunities such as:

- Large Redevelopment Parcels. Large properties offered large scale redevelopment opportunities- over 40% of the Downtown was owned by property owners who owned more than 100,000 sq. ft. of contiguous property.
- High Redevelopment Potential. The Downtown had high redevelopment potential with publicly owned properties, properties with small, single family dwellings, and other properties with improvement to land value of 1:1 or less.
- Retail Potential. Downtown retail could capitalize on the public's growing desire for village scale retail.
- Office Potential. Access to a substantial labor force and access to the MAX were two strong attractants for office development.
- Residential Potential. Available land at reasonable prices and convenient location could attract the necessary residential development.
- Civic Uses. The City had engaged in the creation of a Center for the Arts and was examining other civic uses that might be appropriate for the Downtown as a visible demonstration of public commitment to the Downtown.

2.1. (8) 2007 Downtown Recommendations

The final step in the 2007 Downtown Plan project was the presentation of implementation tools and recommendations and strategies, in order of priority.⁷ It described specific strategies and actions to overcome any barriers to successful development in Downtown Gresham and described ways to capitalize on and leverage Gresham's assets in order to fulfill the Downtown Gresham Vision.

2007 Study: Utilize Existing Implementation Tools

It was noted that many implementation tools essential to successful Downtown development were currently in place. An Economic Improvement District (EID), Vertical Housing Zone, and a Community Development Block Grant program already existed in the City. Transportation Impact Fees and System Development Charges associated with development proposals were in place for transportation, infrastructure and parks improvements. Some existing Downtown property owners were still taking advantage of the Transit Oriented Development Tax Exemption, although this program was ended in 2007 for new developments. All these tools are proven implementation tools for a successful Downtown.

2007 Study: Foster Public/Private Partnerships

The City was also fortunate to have an active Gresham Downtown Development Association (GDDA) in place to partner with on a wide range of projects. The GDDA consists of Downtown property owners, developers and real state professionals. Funding for GDDA through an Economic Improvement District provided Downtown stability and continuity. The Historic Downtown Business Association, consisting of Downtown business owners, was another active group of individuals interested in the future of the Downtown.

Strategies and recommendations were outlined to achieve the Vision for Downtown Gresham. There were four main categories of these strategies and implementation recommendations: City plans, codes and development standards; Funding for transportation and infrastructure improvements; Organization, marketing and recruitment; and Support and incentives for desired development types. The 2007 strategies and recommendations were as follows:

2007 Study: Revise City Plans, Codes and Development Standards

Comprehensive Plan and Land Use Plan Changes

The first recommendation presented in the 2007 Plan was that the City should pursue revisions to plans, codes and standards in order to address the implementation of the Downtown Vision. The amendment of specific Downtown goals and policies in the Comprehensive Plan to reflect the Downtown Vision was one specific recommendation. The review and amendment of all zoning map classifications in the Downtown area to ensure that they permit implementation of the Downtown Vision was also suggested. In particular, the base zoning map must accommodate the type of mixed-use development encouraged in the Downtown Plan area, particularly in the western portion of the Plan area. Consideration also must be given to amend the zoning map to provide an area for the existing non-conforming auto uses to relocate where they would be permitted (conforming) uses.

⁷ Spencer & Kupper, Downtown Regional Center Development Strategy-Downtown Regional Center Development Strategy Memo Final Report & Draft Recommendations, August 15, 2008.

The study also recommended that the Gresham Community Development Code be revised to provide a regulatory architectural design reviewing body for the Downtown such as a Design Commission. The advisory status of the architectural review code provisions needed to be amended to include required design guidelines and standards for the entire Regional Center through streamlined, approval procedures that would offer both an administrative and quasi-judicial approval track to applicants. Reasonable design standards were found to be essential to improving the quality of development in the Downtown Plan area in a financially feasible manner. Offering incentives for early stage development was one opportunity to off-set the increased regulatory complexity or cost. Other Code amendment suggestions included permitting increased building heights in select areas such as near the MAX and the arterial transit streets. Code standards also needed modification to permit limited improvements for non-conforming commercial and industrial uses for reasonable building and property maintenance.

It was also recommended that the Transportation System Plan be revised to include the additional transportation improvements and standards as recommended in the *Transportation Assessment Memo*, June 28, 2007. These transportation related improvements included pedestrian street designation, traffic calming and sidewalk improvements, way-finding, greater street connectivity, new MAX transit stations and parking management including possible public parking structures, high-capacity transit connections to areas outside the Downtown.

2007 Study: Utilize Urban Renewal as a Primary Funding Source

Adopting an Urban Renewal plan for the Downtown District and possibly the entire Regional Center in order to provide a reliable funding source for capital improvement projects, and a mechanism to carry out long term economic development activities was also a strong recommendation. Urban Renewal is in use in many cities and counties throughout Oregon, including Gresham, as an important funding tool for capital improvement projects.

An Urban Renewal Plan must first be adopted by the City and meet requirements set out in ORS 457. Once in place, the County Assessor certifies the assessed value within the urban renewal district at the time of plan adoption, then any property taxes paid on increases in assessed value beyond the initial certified value go to the urban renewal agency. This is called Tax Increment Financing. The Urban Renewal agency can then spend tax increment funds on projects authorized in the Urban Renewal plan area. Being within or outside an Urban Renewal district has no impact on property taxes paid by individual property owners. An Urban Renewal Plan should include both the Downtown and Civic Neighborhood portions of the Regional Center. Conclusions regarding these forecasts were that approximately \$62 million, (assuming modest new growth), could become available for improvements over the next 25 years. This funding could be utilized to complete many of anticipated public improvements, development incentives and marketing programs recommended, as well as possible housing assistance and incentives, mixed-use assistance and incentives, residential rehabilitation assistance and incentives, and façade improvements assistance and incentives.

2007 Study: Identify Organization, Marketing and Recruitment Programs

Strategies were suggested that focus on Downtown organizations, marketing and recruitment. These strategies involved both the City of Gresham and the GDDA. Strategies included the

continuation of funding for GDDA through an Economic Improvement District. A multi-faceted public relations/advertising program for the Downtown and Regional Center was also proposed. The implementation of a parking management program was another suggestion with GDDA taking a lead role. A business recruitment program was also suggested to attract Class A office tenants and to capitalize on pedestrian scale, village retail. In Downtown Gresham, four major civic facilities were identified in the Vision as critical to implement:

- Center for the Arts
- Plazas and neighborhood parks
- A new City Hall Civic Center Complex
- A new Convention Center and Hotel

2007 Study: Prioritize Projects and Identify Funding for Transportation, Infrastructure and Other Public Improvements

There were a number of needed transportation, infrastructure and other public improvement projects that were identified and were included in the City's Transportation Systems Plan and Capital Improvement Program. The majority of these projects, however, were unfunded. A key strategy for a successful Downtown Gresham Regional Center noted was to prioritize the projects and then identify new or expanded funding sources for many of these projects, a number of which were needed to support more intense mixed-use development.

Key funding sources to augment current funding for transportation, infrastructure and public improvements that were recommended were:

- The formation of an Urban Renewal district to include the entire Regional Center;
- The formation of Local Improvement Districts to augment other funding sources such as tax increment financing; and
- Transportation Impact Fees and System Development Charges (SDC) with prioritization of the spending of Transportation Impact Fees and System Development Charge revenues within the Regional Center.

The City should focus capital improvement planning, grants, SDC and Transportation Impact Fee projects to areas within the Downtown that have high public visibility, the opportunity to use incentives on private sector investments, build on momentum created by known or already funded projects, and create significant impact. Investment in public investments was identified as critical to improve the look and functionality of the District. Some important projects noted were improved vehicular street connections in the Downtown, the Center for the Arts, Beech Street, the Arts Walk, pedestrian connections to the Downtown and Civic Neighborhood, Downtown parking management, transit connections between the Downtown and neighboring communities to the north and south, a new MAX station Downtown and Main City Park improvements. The City has actively begun the revision of the current Transportation System Plan.

2007 Study: Develop Incentives for Desired Development Types

The 2007 Vision called for exciting new development types emerging in the Downtown District. These included mixed-use projects, mid-rise office developments, and high quality multi-family housing. To encourage the desired development types, one recommended strategy was to implement developer initiatives such as the opportunity for participation in a loan or grant program, a technical architectural or marketing assistance program, and fee waivers or reductions. Funding sources for the desired incentives were also investigated. There would be significant financial returns for the Downtown from these private developments in terms of taxable values, and intangible returns to the community in terms of convenience, choice, and even in community image, character, and livability.

2007 Study: Implement a Parking Management Strategy

This recommendation required that the City determine its role in parking management. Though it had been documented that there was an adequate number of parking spaces, a monitoring system for utilization of the parking spaces was advised in order to increase parking space availability. Limiting public on- and off- street parking within the Historic Core Area to no more than 2 hours was one parking management strategy. Other elements of the strategy included developing a time restriction map with long term-eight (8) or more hours, short term-two (2) hours and very short-fifteen (15) minutes, charging for parking, purchasing and installing signage, hiring and training parking enforcement officers, developing, web posting and advertising parking by time restriction.

2.2 2008 DOWNTOWN PLAN PROCESS IN DETAIL

2.2. (1) 2008 Process: Purpose

A second planning effort began in January of 2008. The purpose of this planning effort was to refine and implement the 2007 Downtown Regional Center Development Strategy (DRCDS). This follow-up planning project was called the Regional Center Planning Implementation also known as the Downtown Plan. The Downtown Plan project was a more detailed planning approach to the DRCDS background work accomplished in 2007.

In summary, the 2008 Downtown Plan project consisted of three parts:

1. Creating a Refined Downtown Plan and Vision. Replacing the 1995 Downtown Plan with a new vision and plan for its land use and urban design framework. A special focus was placed on the location of new land uses, as well as a variety of urban design issues, such as those involving building height, scale and massing, open spaces, and the pedestrian environment. The Downtown Goals and Policies were clearly delineated and Downtown Development Concepts for three areas were created.
2. Creating a Design Commission. Creating a Design Commission with the authority to apply mandatory design principles, guidelines, and standards to new development in Downtown and other special districts.

3. Developing Design Principles, Guidelines, and Standards. Developing Design Principles, Guidelines, and Standards that will regulate the design of Downtown's buildings, streetscapes, pedestrian environments and open spaces. The purpose of the Design Principles, Guidelines and Standards is to ensure high quality development and a Downtown physical environment that is consistent with the new Downtown Plan Vision.

2.2. (2) 2008 Process: Preliminary Steps

The first step taken in the two year 2008 Regional Center Planning Implementation (RCPI) or Downtown Plan process was for City staff, working with elected officials to establish the project goals and a project work plan. Again, there were advisory groups formed to assist in the project. The internal Downtown Technical Advisory Staff Project Team included staff members from various departments and professions. A Downtown Focus Group was also created for public input with members from the Gresham Downtown Development Association, the development community, real estate professionals, the neighborhood associations and representatives from the Downtown Civic Neighborhood Architectural Review Committee and the Planning Commission. Other Plan reviewing bodies included the Design Commission, the Planning Commission and the City Council.

2.2. (3) 2008 Process: Research and Analysis Documents, Including 2007 Study

The work completed in 2007 was reviewed and evaluated with both the Downtown Focus Group and the Downtown Technical Advisory Staff Project Team to provide the necessary background materials for the Downtown Plan. The work, including the 2007 Downtown Draft Vision, was also reviewed with the Planning Commission and the City Council, as well as at a Public Forum. The public involvement is described in greater detail in Section 3 of this Findings Document. The parties were generally in agreement with the 2007 Downtown Draft Vision work, findings and recommendations completed in 2007. One important diversion from the 2007 Downtown Vision was that the participants supported have arts related uses dispersed throughout the Downtown rather than concentrating them in one particular "Arts District" area.

The City followed a Type IV legislative amendment to the Comprehensive Plan to replace the existing 1995 Downtown Plan Vision.

2.2. (4) 2008 Process: Issues and Opportunities

Major issues and opportunities as noted in the 2007 documents were discussed with all parties and again were generally found to be accurate and thorough. Staff developed a map which consolidated the key issues and opportunities. The map identified key existing land uses, development opportunity areas, areas within ¼ mile of MAX station, major gateway areas, potential street and transit connections, and existing and potential bike and pedestrian linkages. See **Figure 8** below.

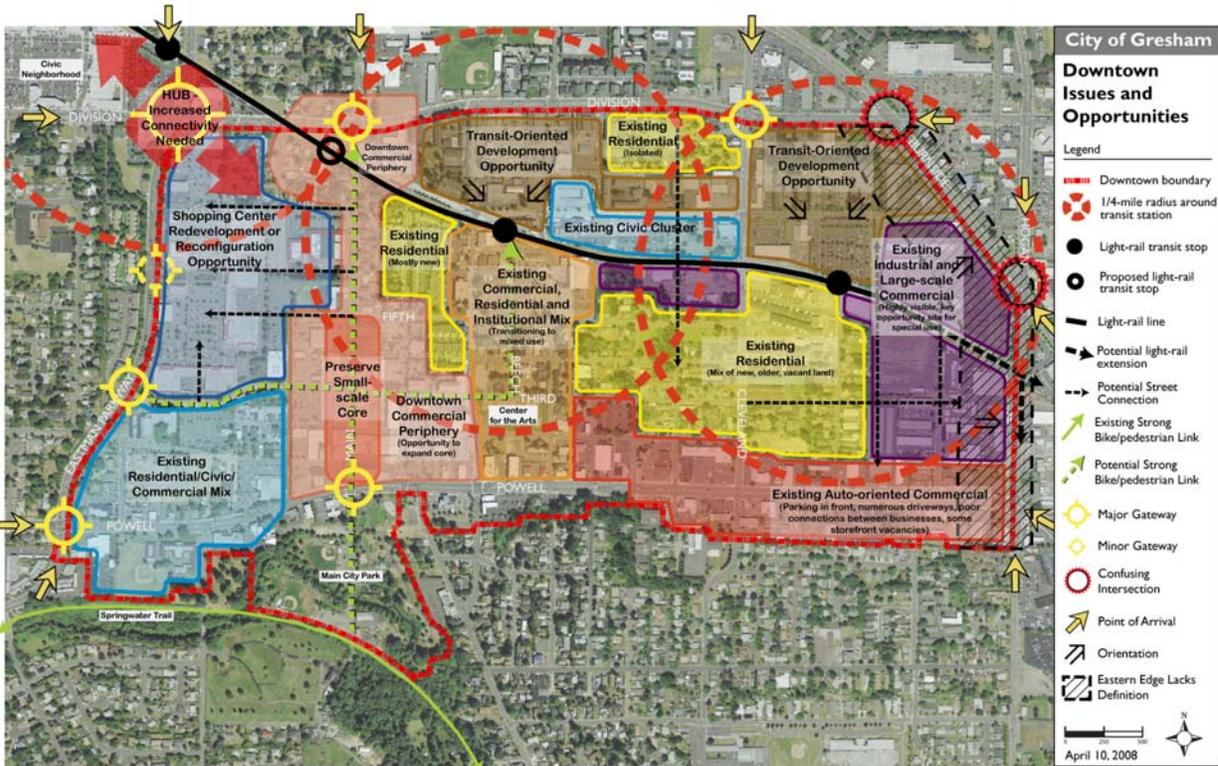


FIGURE 8 – ISSUES AND OPPORTUNITIES MAP

2.2. (5) 2008 Process: Three Land Use Alternatives.

This step included a public outreach process where City staff developed and then presented the three different Downtown land-use scenarios to the public for evaluation. The three land use alternatives were presented at a June 4, 2008 community forum. See Figure 9.

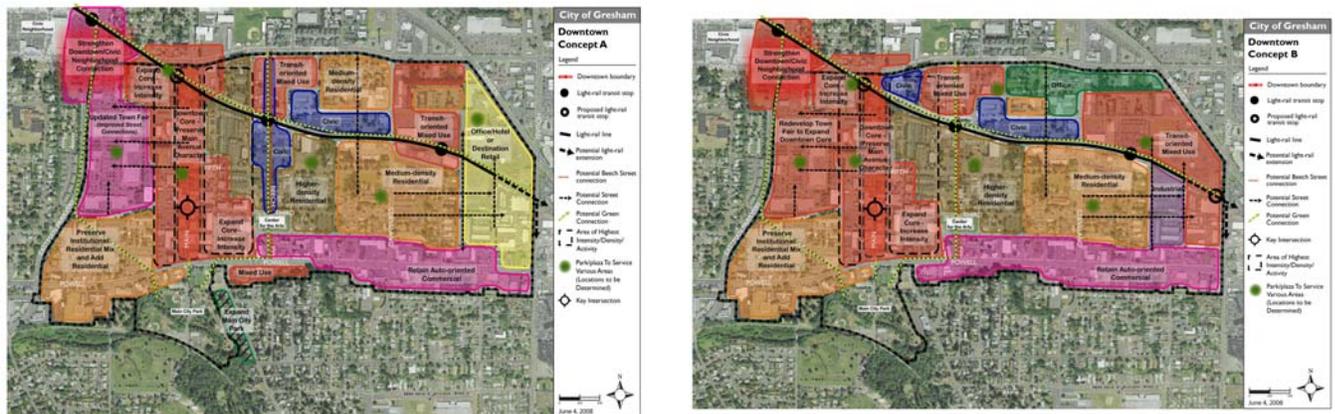


FIGURE 9 – THREE LAND USE ALTERNATIVES MAPS

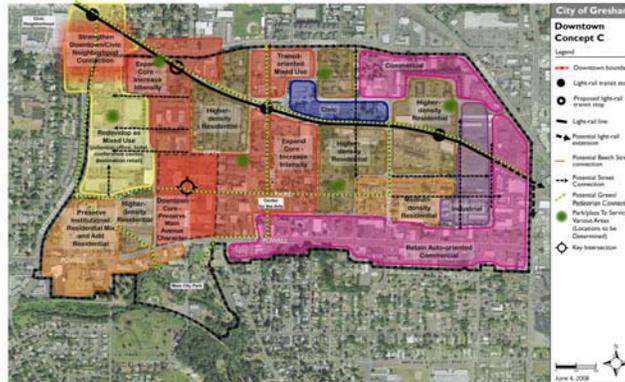


FIGURE 9 – THREE LAND USE ALTERNATIVES MAPS (CONTINUED)

The three scenarios had similarities and differences. All three alternatives reflected a need to create a strong connection between the Civic Neighborhood and the Downtown Plan area. All three alternatives preserved the Downtown Core Main Avenue area and reflected a need for increased street and pedestrian movement throughout the Downtown, particularly through the western portion of the Downtown Plan area connections. The southwest corner of the Downtown area centered on Ava Street retained its existing institutional and residential mix with some additional residential uses in all three alternatives. Auto-oriented commercial uses along Powell Boulevard were retained in all plans. Civic uses within the Downtown were identified as key to the success of the Downtown, although locations varied. Transit-oriented mixed-use, medium and high density residential land uses were considered in all plans as well in varied locations.

- Downtown (Land Use) Concept Plan A envisioned the Gresham Town Fair shopping mall remaining essentially intact with some streets extended through to connect the Downtown to NW Eastman Parkway. The Downtown Core was extended with 1 and 2 story building to Division Street with taller, mixed-use buildings both east and west of the Main Avenue area and along the MAX. Higher density residential was located east of Main Avenue. Civic uses were concentrated around Beech Street and along the MAX with the Center for the Arts as the street's terminus. Medium density residential was located east of Beech Street. An office/hotel or destination retail was located along Hogan and Burnside to create a highly visible eastern edge. Main City Park was expanded to Roberts Avenue to increase the park's amenities and its visibility from Powell Boulevard.
- Downtown (Land Use) Concept Plan B imagined Town Fair as a redeveloped site with office, retail and residential development and street extensions through it to the west to connect Main Avenue with NW Eastman Parkway. The Downtown Core of 1 and 2-story buildings was extended north to Division with taller, mixed-use buildings would be found both east and west of the Main Avenue area and along the MAX. This alternative had a strong office component along Division Street. Higher density residential was located east of Main Avenue. Gateway civic uses were located north of the MAX. Medium density residential area was located east of Beech Street and an existing industrial area was preserved east of NE Liberty Avenue. Transit oriented mixed-use occupied areas along the MAX and in the northeast corner of the Downtown Plan area to provide additional visibility to the Downtown.

- Downtown (Land Use) Concept C depicted the Gresham Town Fair as a major redevelopment site with office, hotel and conference center uses as well as destination retail. The street extensions were shown going through to NW Eastman Parkway. The Downtown Core of 1 and 2-story buildings was expanded to the east for a multi-block shopping district. Higher intensity mixed-uses were shown north along Main Avenue and east toward the Center for the Arts. This alternative has a mixed-use office component along Division Street and also along NW Eastman. Mixed-use high density was located along the MAX. Civic uses were located north of the MAX. Beech Street was a green corridor surrounded with mixed-use development. Medium density residential area and an industrial area were located east of Beech Street. A large office retail component is also located on Burnside north of the MAX tracks.

TABLE 3
Summary of Similarities and Differences: Land Use Alternatives A, B, and C

	A	B	C
Small-scale Downtown core	Linear along Main	Linear along Main	Compact
Expanded core shopping district	North-south	West	East
Town Fair future	Upgraded with improved street connections	Redeveloped - Downtown core expansion	Redeveloped - office, conference center
Civic uses (City Hall?)	South of Gresham Central MAX stop	Main and Division “focal point”	None, or in Town Fair redevelopment
Destination retail	East along Hogan	None	Town Fair
Office	Hogan and Burnside	Division	Town Fair
Industrial/service uses	None	East side small	East side larger
Link to Civic Neighborhood	Yes	Yes	Yes
Pedestrian links	Beech Street, Eastman, along MAX	Beech Street, Eastman, along MAX	Beech Street, Eastman, along MAX, Third Street, Cleveland
Auto-oriented commercial	Retain along Powell	Retain along Powell	Along Powell, Hogan, Burnside, Division
	A	B	C
Residential	High density near core; medium to east	High density near core; medium to east	Pockets of high density near mixed-use zones
Southwest Corner (Ava St.)	Retain mix of residential, commercial, institutional (schools, churches)	Retain mix of residential, commercial, institutional (schools, churches)	Retain mix of residential, commercial, institutional (schools, churches)

Out of this process, a single Land Use Framework Plan was created that provides a land use vision for the future of Downtown Gresham, showing land use sub-areas with various characters, improved transportation connections, and potential park/plaza locations. See **Figure 10**.

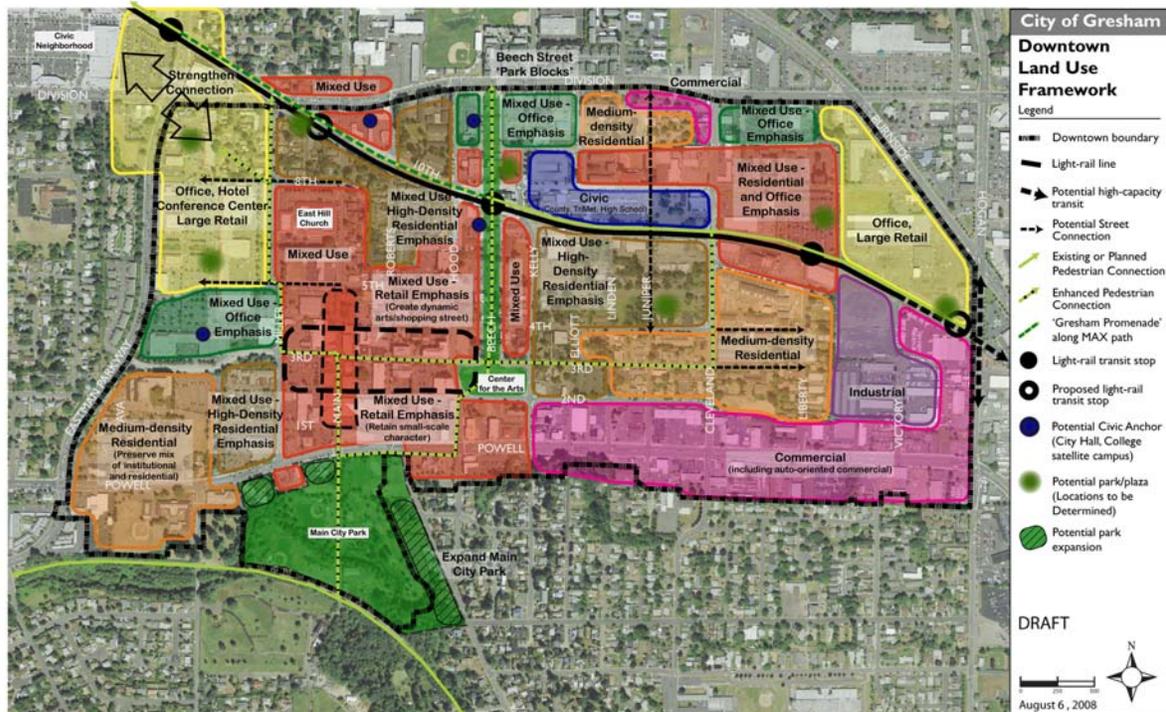


FIGURE 10 – DRAFT LAND USE FRAMEWORK PLAN

2.2. (6) 2008 Process: Draft Land Use Framework Plan

The Draft Land Use Framework Plan provided a land use vision for the future of Downtown Gresham. The Draft Land Use Framework Plan provided a block by block map detailing which uses and relative heights were appropriate for the area. The Draft Land Use Framework Plan is described in more detail in Section 3. It indicated transportation opportunities such as potential transit expansion locations, pedestrian connections and light rail transit stations. Potential locations for civic anchors such as City Hall, College Satellite Campus and park or open spaces were also identified.

The key elements of the 2008 Draft Land Use Framework for the Downtown Plan were:

- **Main Street Mixed-Use – Small Scale Retail Emphasis**
 This sub-district was often referred to as the heart of historic Gresham with 1-story and 2-story buildings along the intimate Main Avenue. The area retained a small-scale, mixed-use character with commercial uses on the ground



level such as restaurants, shops and offices, and residential or office uses on upper floors.

- **Third Street Mixed-Use –Intense Retail Emphasis**
This Third Street sub-district was a more intense district with taller buildings than along Main Avenue. It provided a link between the Center for the Arts, Main Avenue and commercial areas along Eastman Parkway. This more intense mixed-use core featured ground-floor retail and envisioned an area that redevelops over time with taller buildings with a mix of residential, office, retail, and service uses. Creative, concentrated development would create more activity, more pedestrian customers and ultimately more economic viability for the historic core businesses.



- **Mixed-Use- General**
This sub-district north of 1st Street extending up to 8th Street and along the MAX tracks was a mixed-use designation but the Land Use Framework envisioned stand-alone condominium or office buildings in this area as well. This area also would allow taller buildings to inject more activity into the Downtown area.



- **Mixed-Use – Office Emphasis**
This mixed-use/office sub-district designation was located primarily along the Downtown perimeter on Division and Eastman Parkway. Mixed-uses were envisioned for these locations in the future the sites may also be targeted for office uses because of their locations along busy streets or their proximity to the core. Office development was encouraged Downtown to bring needed employment to Downtown.



- **Mixed-Use – Residential and Office Emphasis**
A mix of uses was envisioned for these locations along the MAX tracks near Cleveland in the future, with office and residential emphasized but retail allowed on the ground floor.



- Mixed-Use – Residential Emphasis**
 This mixed-use sub-district was envisioned as locations for apartments and condominiums that were four stories tall or taller as well as denser townhomes and rowhomes. Some commercial space would be allowed on the first floor to provide services to residents in this district. The new residents would help support the businesses Downtown and would have easy access to the variety of available transportation modes.



- Strong Downtown/Civic Neighborhood Connection**
 Downtown and the Civic Neighborhood were two integral parts of the Gresham Regional Center. The need to strengthen the physical connection between the two areas has been identified as critical to the success of the Regional Center. This designation indicates an integrated area through features such as gateways, artistic street intersection treatments, more intense development and/or pedestrian plazas.



- Office, Hotel, Conference Center, Large Retail**
 The sub-district at the intersection of Eastman Parkway and Division was imagined as an opportunity for large-scale uses that provide retail and job opportunities for the city near the Downtown core and Civic Neighborhood. The area had easy vehicular access and also had access to light rail. A hotel and conference center in this area could complement nearby businesses and events.



- Office, Large Retail**
 This designation on the east end of the Downtown area along Burnside could also provide an opportunity for large-scale, highly visible developments that would provide employment and retail. This site served as a gateway to Gresham coming from the east and as a jumping-off point for the recreational opportunities that abound on Mt. Hood.



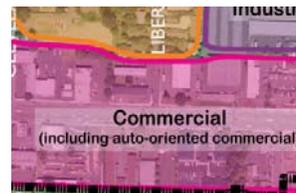
- Medium-Density Residential**
 This sub-district envisions this area as appropriate for 1-story to 3-story apartment buildings and condominiums, townhomes and rowhomes. These medium-density residential areas were farther from light-rail stations and the core.



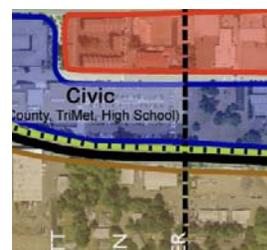
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- **Industrial**
Light industrial and auto-service uses were envisioned for this industrial sub-district area to provide jobs and needed services to Downtown residents and visitors. The PGE sub-station was also anticipated to remain in this area.

- **Commercial**
The commercial sub-district areas followed Powell in the east side of the Downtown Plan area. These areas contained retail, restaurant, and service uses and were typically oriented toward the streets. Many existing businesses were configured with the building behind the parking. The emphasis for future commercial development was to place the building nearer to the street with parking behind or beside it.



- **Civic**
Civic areas containing public institutions were envisioned along the MAX tracks to give the Downtown greater visibility. Institutions such as government offices, schools and transportation facilities were possible uses.



- **Special Public Places**
Main City Park, the Center for the Arts, the Beech Street "Park Blocks", pedestrian open spaces and pathways represent special public places. They were envisioned as an emerald necklace of social and recreational centers for the Downtown. These areas would receive special, aesthetically pleasing urban design treatments like green space, plazas, site furnishings, trees, pavers, artwork, statues and landscaping.



- **Mobility, Access and Circulation**
An integral feature of a successful Regional Center was a multi-modal transportation system that ensures connectivity. The Downtown was to have a series of key street, transit and pedestrian connections to facilitate mobility, easy access and circulation. Additional vehicular and non-vehicular movement was made available with the extension of numerous east to west streets through to Eastman Parkway in the Draft Land Use Framework Plan. An additional MAX station and an extension of the MAX tracks was also proposed to enhance public transit services.

The section below describes in more detail what the 2008 Draft Land Use Framework envisioned for Downtown over the next 10 to 20 years.

Downtown Core

The Framework showed the small-scale, historic shopping district of 1- to 4-story applying to buildings facing Main Avenue from First to Fifth. It also showed a shopping street along Third Street that connected the Downtown Core with a potentially redeveloped Town Fair shopping center on the west and the Center for the Arts on the east. This area would have taller buildings and more intense development but would be designed to feel more like a small-scale shopping street to transition from the small-scale character of Main Street. The larger Downtown area was envisioned as a mixed-use district with a variety of heights and intensities and a variety of buildings. The area would feature some buildings with a mix of retail or office and residential uses and some stand-alone condominium and office buildings. These areas would provide a more flexible building environment Downtown and could hold more offices to bring workers and energy to the Downtown during the day residential development that would add people, especially at night.

Downtown-Civic Neighborhood Connection

The Framework showed a stronger connection between Civic Neighborhood and Downtown, which could mean taller buildings or a plaza at the intersection of Division and NW Eastman Parkway. A new configuration here could indicate to passersby that they had entered a special district – a place that seemed more like a center of the community. The connection between Downtown and Civic Neighborhood also could be enhanced by the MAX path, which the City of Gresham is planning to construct between Downtown and Rockwood on the north side of the MAX light-rail line.

Gresham Town Fair

At the Gresham Town Fair shopping center site, the Framework envisioned a major redevelopment to provide a third component to Gresham's regional center. It could add a major office/hotel/conference center element to the Regional Center to complement the historic, small-scale shopping of the Downtown core and the larger-scale retail and housing found in the Civic Neighborhood. A job center would add more daytime activity on the west side of the Downtown Core, which would bring customers and diners Downtown just as added residential on the east side would add more nighttime activity. The redevelopment would provide additional street connections to Downtown and help create a better connection between Civic Neighborhood and the Downtown core. A redeveloped Town Fair could also host civic anchors such as City Hall or a Mount Hood Community College satellite campus.

Southwest Corner/Ava Street

On the southwest corner of Downtown, the mix of single-family homes, small businesses, churches, schools, and social service agencies remained in the future.

Main City Park

In the long-term, this showed an expanded Main City Park that extended to Roberts Avenue down to Southeast Fourth Street and expanded to Powell on the north in some areas. This would expand the park for recreational uses and might increase its visibility to passers-by.

Residential

High-density residential uses was tucked in around Downtown core as a way to feed more customers into this area and provided housing opportunities for people who want to live near a vital, mixed-use core and convenient transit. High-density residential, such as apartments and condominiums, was located at the west of the historic core (southwest of Miller and Third), north of Fifth near the MAX tracks and Division Street, and east of the Center for the Arts and the special Beech Street corridor. Some first-floor commercial would be allowed to provide services for the residents of these taller buildings. Medium-density residential was encouraged farther from the core and the train, mostly in the southwest and southeast corners of Downtown.

Civic

The Framework showed several potential locations for a “civic anchor” in Downtown. A “civic anchor” could be a new City Hall, a small college or university campus or satellite campus, a library, or another large, high-traffic, government-oriented use. Four locations were proposed in Downtown, with all four being adjacent to or near the Downtown core and visible from major streets or a MAX station. Large civic anchors Downtown could add activity and customers for the restaurants and shops.

Highly Visible East Edge

The Draft Framework provided a new direction for the largely industrial area on the east side of Downtown by imagining the area as a spot for office campuses or a destination-type retailer that would attract shoppers from a wide area. (Destination retailers could be a department store or large outdoor store. Macy’s, Cabela’s (a national outdoor outfitter), REI, and Dick’s Sporting Goods are examples.) These uses would take advantage of the excellent visibility to motorists on Division, Burnside and Hogan and the location on the route between Portland and Mount Hood. Office campuses at this location would be near Downtown and MAX stations and could provide jobs for the City. The Draft Framework also envisioned some of the development being oriented toward the Cleveland Avenue MAX station or a potential new MAX station at Hogan Road.

Powell

The retail environment along Powell would remain much the same, with many businesses that people access by driving. The future Powell Boulevard, though, could have those businesses in buildings that were placed near the sidewalk along Powell with the parking in back and a wider landscape strip adjacent to the curb. This would provide better visibility for the businesses and make a more interesting and walkable street for pedestrians. Under this concept, a mixed-use zone would be located on the south side of Powell (at the end of Hood Avenue) to mirror’s the look of the Downtown Core.

Mixed-Use Nodes Around Train Stations

The Draft Framework showed transit-oriented mixed-use areas around the existing and proposed MAX stations in Downtown. Transit-oriented development located more intense residential and commercial development around the train stations to take maximum advantage of the increase transportation access the train provides.

Industrial/ Service

The Draft Framework preserved a small light industrial district along Victory Avenue on the eastern end of Downtown. This area would continue to provide a place for small businesses and possibly some service businesses where people could stop on their way to and from work (and MAX) to get work done on their car or similar services.

Improved Connections

In addition to the various land-use ideas conveyed in the three concepts, improved pedestrian and automobile connections also are part of the Framework.

Pedestrian

Gresham is home to part of the Springwater Trail, which is a regional amenity that runs through Main City Park. The City also plans to build a MAX path along the MAX line from Downtown to Rockwood. Over time, artwork, special paving, landscaping, and other features could be added to the MAX path to create a Downtown “promenade.” New buildings also could take advantage of the amenities by orienting windows, doors, and possibly sidewalk cafes onto the promenade. Improving connections between these regional amenities and making sure walking and biking brings people through Downtown would be important for the future. Beech Street, Third Street, the MAX path, and Eastman Parkway all were shown as important pedestrian connections in the future. The Beech Street connection from Center for the Arts to Division Street could include urban design elements such as pavers, park blocks, or artwork to indicate its role as an important or special place Downtown.

Automobile

Potential street connections were shown throughout the Framework to improve the ability of travelers to get into Downtown and move around inside the Downtown once they were there. This includes improved access to the Town Fair site and Civic Neighborhood on the west side and additional north-south and east-west connections on the east side.

2.2. (7) 2008 Downtown Design Concepts

The City hired LMN Architects to assist the City in the creation of an urban design framework. This urban design study looked at the building envelope of height, scale, massing, setbacks and step-backs while paying attention to the public realm of streetscapes and open spaces. LMN Architects, the City’s urban design consultant, in conjunction with the City, began the process with review of the 2007 Regional Center Development Strategy Report, fieldwork, a review of the Draft Land Use Framework Plan, a brief zoning analysis and a Downtown walking tour with the Design Commission. Ultimately, LMN Architects, with City staff, created two different urban design concepts for each of three key development opportunity areas within the Downtown Plan area and one final Preferred Development Concept. The three key development opportunity areas were:

- **Gresham Town Fair-** This area was the Gresham Town Fair site along NW Eastman Parkway from the MAX tracks just north of Division Street south to Third Street.
- **Third Street-** This area included Third Street between NW Eastman Parkway and NE Kelly Avenue, and 2nd Street and 4th Street.

- **Beech Street-** This area included NE Beech Street between Third Street and Division Street, and Hood Avenue to Kelly Avenue.

2008 Create Several Land Use Framework Design Concepts

The first urban design concept for the three key areas was called the Land Use Framework Concept as seen in **Figure 11**. The urban design was intended to implement the general land use principles reflected in the August 6, 2008 Draft Land Use Framework Plan.

2008 Land Use Framework Design Concept

Gresham Town Fair

The Gresham Town Fair Mall area in the Land Use Framework Concept was redesigned as a regional employment center with a gateway conference center and hotel anchoring the NW Eastman Parkway and Division Street intersection. The intersection was given special pavement and pedestrian amenity treatment to act as a Downtown gateway feature. This Land Use Framework Concept concentrated taller 5 to 6-story office uses along NW Eastman Parkway with large retail behind it to the east. An important component of this concept was the series of vehicular street extensions east to west connecting the Town Fair site with the historic Downtown. The pedestrian access to Downtown was also addressed with public pedestrian spaces and greens running north/ south from the NW Eastman/Division intersection south to Third Street and east/ west along the new street extensions. Two parking garages were located in this area. A new gateway park and library was proposed at Third Street and Miller to create a focal point for the new north/south street and to draw people down Third Street.

Third Street

The Third Street Corridor under the Land Use Framework Concept proposed a mixed-use development and civic use combination near the Center for the Arts. This concept had a residential component primarily integrated into mixed-use buildings above retail. One parking garage was proposed in this area. It also featured a major plaza/open space at the intersection of N. Main Street and Third Street. Pedestrian movement was primarily in the Third Street corridor.

Beech Street Corridor

The Beech Street Shopping Promenade in the Land Use Framework Concept was a live/work/shop/eat/play mixed-use street with slow one way vehicular traffic, large pedestrian walks, bicycle facilities and angled on-street parking. Employment/office uses were concentrated to the north of Beech Street with residential uses in mixed-use buildings south of the MAX tracks. Buildings were generally taller, 5-story buildings along Beech Street with one of the buildings combining residential mixed-use with a garage. City Hall was located just south of the MAX tracks to act as a gateway element to announce the Downtown and attract people to Beech Street. This street has large pedestrian walks in a promenade style.

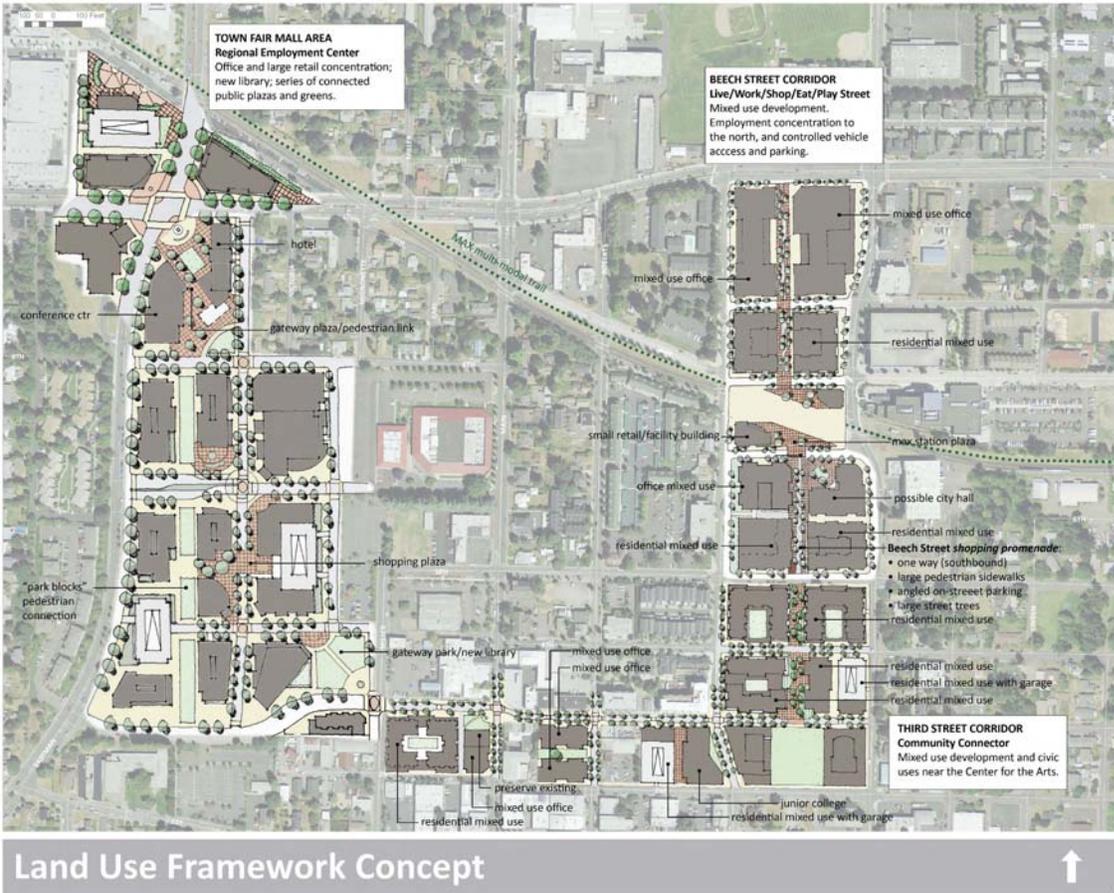


FIGURE 11 – LAND USE FRAMEWORK DESIGN CONCEPT

2008 Scaled Integration Design Concept

The second concept for the three areas was called the Scaled Integration Concept as seen in **Figure 12**. The urban design was intended to provide an alternative, smaller scale concept for the Downtown areas.

Gresham Town Fair

The Gresham Town Fair Mall area in the Scaled Integration Concept was redesigned as a mixed-use residential and employment district. A gateway conference center and hotel anchored the Downtown and anchored the NW Eastman Parkway and Division Street intersection. The hotel had an integrated parking structure with an additional parking structure provided along NW Eastman parkway. This Scaled Integration Concept concentrated 4 to 5-story mixed-use, (retail and office), and small office uses along NW Eastman Parkway. Mixed-use buildings on the east side of the Town Fair site combined ground floor retail with residential above. An important component of this concept, as with the Land Use Framework Concept, was the series of vehicular street extensions east to west connecting the Town Fair site with the historic Downtown. This Town Fair Mall area redevelopment was organized around a formal large town square providing a centralized pedestrian open space. Pedestrian movement was accommodated through the sidewalk network along the proposed streets. A library and residential mixed-use building was proposed at Third Street near Miller.

Third Street

The Third Street Corridor under the Scaled Integration Concept proposed small scale infill development that was woven into the existing fabric along Third Street. Much of the development was residential with a possible civic use such as a college annex near the Center for the Arts. There was a Third Street permanent market proposed utilizing an existing building and a new plaza that ran along Third Street terminating at N Main Street. One parking garage was provided to serve the Center for the Arts. Pedestrians in this concept could move both along Third Street and into a plethora of open spaces.

Beech Street Corridor

Beech Street in the Scaled Integration was proposed as a “woonerf” or multi-modal shared street where pedestrians and cyclists would have legal priority over motorists. The street corridor was a cultural garden with a strong live/work loft focus and a range of housing choices that activated the street both day and night. Residential mixed-use dominated the street south of the MAX with alley access. There was an office campus, City Hall and a new parking structure located just north of the MAX tracks with institutional uses concentrated along Division Street.



FIGURE 12 – SCALED INTEGRATION DESIGN CONCEPT

After significant public input, including meetings with the Downtown Technical Advisory Staff project Team, the Downtown Focus Group, the Design Commission, the Council Transportation Advisory Subcommittee, the Planning Commission, the City Council and the general public at Community Forums, the urban design elements of the two concepts were combined into a Preferred Development Concept.

Specific input was received from the January 7, 2009 workshop on the two draft development concepts for the three key areas Downtown. This input helped inform the Preferred Development Concept.

2009 Preferred Development Concept.

The resultant final concept for the Downtown area was titled the Preferred Development Concept. It contained the following attributes:

Gresham Town Fair

The Gresham Town Fair Mall area in the Preferred Development Concept was a mixed use residential district organized around a grand, formal village green or town square. The concept contained a signature gateway intersection at NE Division Street and NW Eastman Parkway with a large pedestrian plaza space forming a direct connection between the Civic Neighborhood and the Downtown. Other features included a prominent hotel anchor, mixed use or large scale retail development, office and townhouse development, a parking structure and a new library and plaza terminating views both in Town Fair and Third Street.

Third Street

The Third Street Corridor proposed small scale sensitive, infill development to enliven the street as a primary Downtown shopping street. Third Street featured a market and a series of smaller pedestrian friendly plazas and courtyards. The performing arts center plaza and buildings anchored the east end of the street.

Beech Street Corridor

Beech Street was a shared, “woonerf” multi-modal street which favored pedestrians but accommodated vehicles and bikes as well. The street consisted of live-work units, townhouses, residential mixed-use buildings, offices and a possible City Hall location at the MAX. The mix of uses was intended to enliven the area with activities through the day and evening.

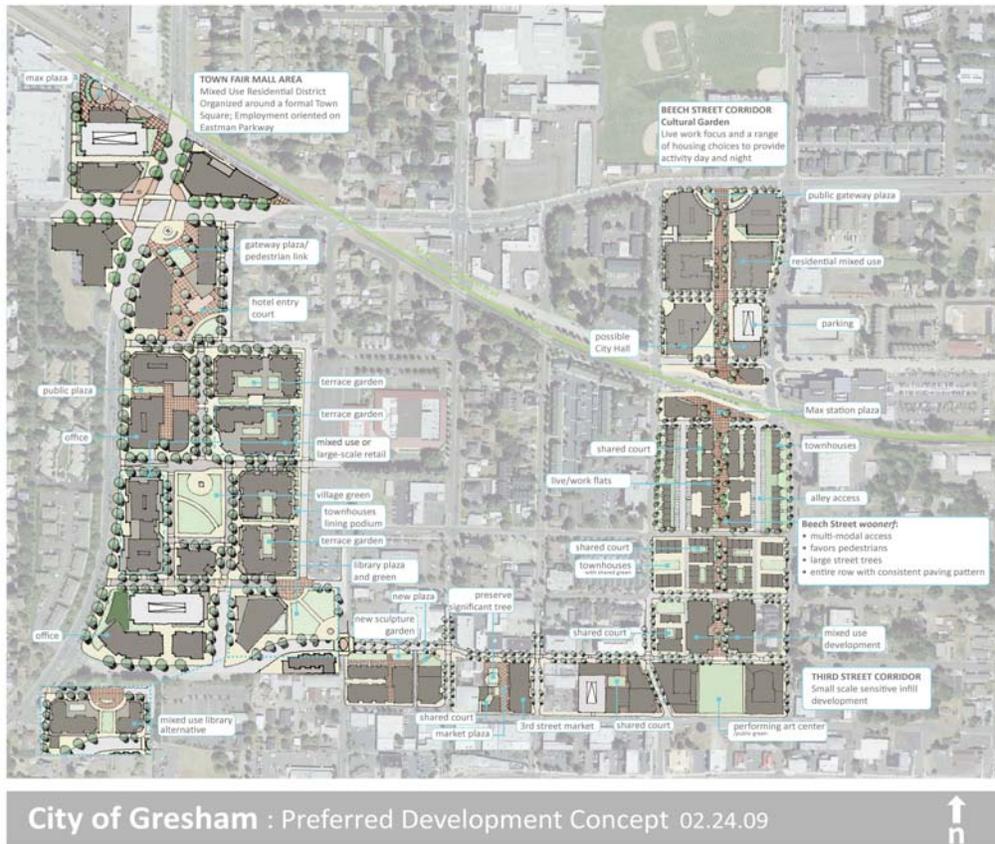


FIGURE 13 – PREFERRED DEVELOPMENT CONCEPT

2.2. (8) 2008 Design Commission

City staff worked together with Planning Commission and City Council to establish a new architectural review body for the Downtown called the Design Commission. The primary functions of the Design Commission are to review development proposals for compliance with the mandatory, established design principles, standards and guidelines, to advise the City Council on design excellence in the built environment, and initially to assist in the creation of the Downtown Design Manual.

The Design Commission effectively replaced the Downtown and Civic Neighborhood Architectural Review Citizen Advisory Subcommittee (DCNARS) which was an advisory architectural review board for the Downtown area.

The Design Commission proposal was developed using the Planning Commission City Council Advisory Coordinating Committee process but also included members from DCNARS. This followed recommendations of a Functional Analysis of the Planning Commission and Design Commission as reported to the Council on May 13, 2008. City staff recommended amendments to the Gresham Revised Code to establish the Design Commission as a quasi-judicial reviewing body. City staff working with the DCNARS recommended an established set of design review types for the Design Commission as text changes to the Gresham Community Development Code. The proposed text changes to Planning Commission, CCAC and Coordinating Committee

were recommendations of the Functional Analysis. On July 15, 2008, the City Council unanimously approved the first reading of Council Bill No. 06-08.

The second reading of Council Bill 06-08 was approved by the City Council and the Design Commission became an official reviewing body on September 1, 2008. The Design Commission is now the review authority for development applications in design districts, including the Downtown Plan area. Membership includes seven (7) members with design experience in professions such as architecture, urban design, landscape architecture and planning.

2.2. (9) 2008 Design Manual

The City, working with LMN Architects, the Design Commission, Advisory Committees and the public, has established a new Downtown Plan District and new Downtown Plan District regulations referred to as the Downtown Plan District Design Manual. The Design Manual includes Design Principles, Standards and Guidelines by which the Design Commission and staff can evaluate the design of proposed projects in the Downtown Plan District. The Design Manual's purpose is to encourage quality design consistent with the community's vision for Downtown.

Establish Design Principles

Principles are general statements that guide the design of the built environment in design districts. They are the connection between the general planning goals and policies and the implementing design guidelines and standards.

Establish Design Guidelines

Guidelines are a set of design parameters for development in design districts that are based upon established design principles. Design guidelines are discretionary in nature and provide an opportunity for creative design flexibility. Design guidelines provide a statement of intent and are used to evaluate the acceptability of a project's design.

Establish Design Standards

Design standards are a set of requirements for development in design districts that are based upon design principles. Design standards provide a clear and objective way of evaluating the acceptability of a project's design.

The Downtown Plan District and Design Manual adoption schedule in 2009 is noted below:

Planning Commission Hearing – May 11, 2009

City Council Hearing – June 2, 2009

City Council Enactment – June 16, 2009

2.2. (10) 2008 Code Amendments and Legislative Process

This phase made changes to the City's Community Development Plan that incorporated new Downtown Findings, Goals, Policies and Action Measures in Volumes 1 and 2 and also amended Volume 3 to include a new Downtown Plan District and corresponding regulations. The legislative process includes:

Revision of the Downtown Findings Document in Volume I with the following approvals

- Type IV Recommendation for Approval by Planning Commission
- Type IV Legislative Approval by the City Council

Revision of the Downtown Goals, Policies & Action Measures in Volume II

- Type IV Recommendation for Approval by Planning Commission
- Type IV Legislative Approval by the City Council

Revision of the Downtown Land Use Framework Plan in Volume II

- Type IV Recommendation for Approval by Planning Commission
- Type IV Legislative Approval by the City Council

Revision of the Gresham Community Development Code in Volume III

- Type IV Recommendation for Approval by Planning Commission
- Type IV Legislative Approval by the City Council

Planning Commission

The Planning Commission review process is noted below:

- June 23, 2008 Downtown Plan Overview, Issues & Opportunities, and 3 Land Use Concepts
- August 11, 2008 Draft Land Use Framework Plan
- October 13, 2008 Consultant Selection for Urban Design/ Downtown Plan
- November 24, 2008 Downtown Goals, Policies & Action Measures
- December 22, 2008 Development Concepts Review
- February 23, 2009 Downtown Plan & Design Manual Review
- March 9, 2009 Downtown Plan & Design Manual Review
- April 27, 2009 Downtown Plan & Design Manual Review
- May 11, 2009 Downtown Plan & Design Manual Hearing

City Council

The City Council input process is noted below:

- August 19, 2008 Initiate 2008 RCPI Downtown Plan Update
- September 2, 2008 Draft Land Use Framework Plan
- October 7, 2008 Consultant Selection for Urban Design/ Downtown Plan

- November 18, 2008 Downtown Plan Review
- December 16, 2008 Downtown Goals, Policies & Action Measures
- March 3, 2009 Downtown Goals, Policies & Action Measures
Type IV Hearing
- March 10, 2009 Downtown Plan & Design Manual Review
- April 7, 2009 Downtown Goals, Policies & Action Measures Enactment
- June 2, 2009 Downtown Plan District & Design Manual Type IV
Hearing
- June 16, 2009 Downtown Plan District & Design Manual Enactment

Section 3

Public Involvement

3.1 INTRODUCTION

In each of the discussed 2007 and 2008 Downtown planning efforts, the public was engaged to gather public input from the public and to provide information to the public. The City held community forums, open houses and workshops, mailed newsletters and other mailings, distributed surveys, and posted draft documents, schedules, and other information on the web to actively pursue public participation.

Early in the planning processes, public involvement was used to update community values and aspirations for Downtown and reach community consensus on the new Downtown Vision and strategies necessary to promote development in the Downtown. The public involvement process continued through development of the Downtown Plan to gain public input, to help evaluate issues and alternatives, and to guide the process in order to maximize the interests of all community stakeholders.

The goals of the public involvement and information program for the Downtown Plan were to:

- Include City and regional stakeholders in the planning process;
- Maximize the community's voice;
- Consider the existing diversity of the communities;
- Provide information and answers about the plan and the process;
- Provide community education;
- Gain community consensus;
- Coordinate with other agencies; and
- Consider all possible issues and initiatives.

3.2 KEY METHODS

3.2. (1) 2007 Downtown Regional Center Development Strategy (DRCDS)

To achieve the above stated goals of the public involvement and information program in 2007, the Downtown staff project team developed a public involvement and outreach plan that included the following elements:

- Establish Project Advisory Committees- a Stakeholders Advisory Committee (SAC) and a Technical Advisory Committee (TAC)
- Establish Project Website
- Distribute Gresham Newsletter Mailings to all Gresham households
- Present Planning Commission updates
- Send City Council Updates including Council Connections articles every 2 weeks

Meeting Activities included:

- January 18, 2007 Project Kick-off Meeting with the Stakeholders Advisory Committee (SAC) to discuss project goals, history, major tasks and timelines.
- February 1, 2007 City staff, Consulting Firm, SAC and Technical Advisory Group (TAC) meeting to review Draft Existing Conditions Report.
- February 8, 2007 City staff, Consulting Firm, SAC and TAC meeting to discuss the existing 1995 Downtown Plan Vision statement to recommend changes and discuss possible sub-district development visions within Downtown.
- March 8, 2007 City staff, Consulting Firm, SAC and TAC meeting to review Draft Downtown Vision Report.
- March 12, 2007 Planning Commission meeting to review project purpose and status with City staff.
- May 10, 2007 City staff, Consulting Firm, SAC and TAC meeting to review Draft Changed Conditions and Centers' Comparison Report and Draft Market Analysis and Financial Gap Report.
- May 24, 2007 City staff, Consulting Firm, SAC and TAC meeting to review Draft Transportation Assessment Report.
- June 25, 2007 Planning Commission meeting to review Draft Downtown Vision Statements and provide project status update.
- June 28, 2007 City staff, Consulting Firm, SAC and TAC meeting to review Draft Assets, Barriers and Opportunities Report and Draft Development Strategies and Implementation Report.

- June 29, 2007 City Council meeting for City staff to summarize the Downtown Existing Analysis and Market Research.
- August 16, 2007 City staff, Consulting Firm, SAC and TAC meeting to review Final Report Products.
- September 26, 2007 City Council meeting for City staff to present Gresham Downtown Regional Center Development Strategy Project Report.

Through these efforts and through the personal communications of the project team, a number of stakeholders were included in the 2007 Downtown planning process.

3.2. (2) 2008 and 2009 Regional Center Planning Implementation (RCPI or the Downtown Plan)

Likewise for the 2008 and 2009 Downtown Planning effort, significant efforts were made to engage the Gresham residents, elected and appointed officials, interested parties and the general public. The Downtown staff project team developed a public involvement and outreach plan that included the following elements:

- Creation of two Downtown project advisory groups including an internal Downtown Technical Advisory Staff (TAS) formed to evaluate the technical components of the Downtown Plan and a Downtown Focus Group formed to garner Downtown Plan input from the GDDA, the development community, real estate professionals, the neighborhood associations, representatives from the Downtown Civic Neighborhood Architectural Review Subcommittee and the Planning Commission. Numerous meetings have been held with the TAS. Five meetings have been held with the Downtown Focus Group as well as four meetings with the Development Group.
- Generation of one survey, implemented in conjunction with the April Community Forum and used to gather community input on the Downtown Vision;
- Implementation of an extensive multi-media public outreach effort including a project website, newsletters, postcard mailings to property/business owners within ¼ mile of the Downtown Plan area and periodic press releases to the Oregonian and the Gresham Outlook newspapers to update the community on the Downtown plan process and to announce the Community Forums;
- Scheduling of five Community Forums to date used to gain input regarding preferred development patterns, issues to address, and ideas to consider on April 10, 2008, June 4, 2008 and August 6, 2008, as well as on January 7, 2009 and March 4, 2009;
- Involving the newly formed Design Commission in the Downtown Plan update;
 - October 16, 2008 Downtown Plan area walking tour with LMN Architects
 - November 6, 2008 Downtown Plan Process and Draft Land Use Framework
 - November 20, 2008 Downtown Goals and Policies and Design Principles
 - December 4, 2008 Downtown Urban Planning Concepts

- | | |
|-------------------|-------------------------------|
| January 15, 2009 | Downtown Street Typologies |
| January 29, 2009 | Downtown Plan & Design Manual |
| February 26, 2009 | Downtown Plan & Design Manual |
| March 5, 2009 | Downtown Plan & Design Manual |
| March 19, 2009 | Downtown Plan & Design Manual |
| April 2, 2009 | Downtown Plan & Design Manual |
- Construction of informational displays at the forums, and for viewing at the Gresham City Web Site;
 - Distributing Downtown Plan process information to the Gresham Downtown Development Association and the Historic Downtown Gresham Business Association; and
 - Initiation of community and agency briefings with City of Gresham elected officials and appointed commissions as noted in Section 2.2. (10) of this Findings document. Meetings and briefings with business and neighborhood groups, Metro, Department of Land Conservation and Development, the Planning Commission, City Council and the Design Commission, and other interested groups.

3.3 KEY FINDINGS

3.3. (1) 2007 Findings

Because of the relatively short 8 month time table for the 2007 DRCDS Downtown Plan study, there were no community forums held. The primary public input was from the Stakeholders Advisory Committee and the Technical Advisory Committee and the Planning Commission and City Council meetings.

For the 2008 and 2009 Downtown Plan project, however, one of the key purposes for the additional project was to gather community input and support. A series of community forums were held to maximize the community's voice.

3.3. (2) 2008 Community Forum 1 on April 10, 2008

This meeting format was designed to allow participants to learn more about the Regional Center Planning Implementation (or Downtown Plan) project and to provide written and oral comments about the materials presented. The first part of the group discussions at the tables was about the DRCDS 2007 Draft Downtown Vision. A vision questionnaire was used as a guide. It listed statements based on key points discussed in the vision and asked whether the person strongly disagrees, disagrees, is neutral, agrees or strongly agrees with the statement. The statements were grouped under the following five categories:

- Land Use & Development
- Mobility/Access/Circulation
- Housing

- Design
- Special Places & Attractors.

Survey

The Survey comments and their support were as noted below.

Land Use & Development

1. Downtown should have a balanced mix uses (housing, shops, offices, parks, restaurants, galleries, etc.).
2. The tallest building should generally be located near MAX and arterial streets.
3. It is important to preserve views of the southerly buttes and of Mt Hood.
4. There should be streets that have a quiet residential character, while other streets should have more activity.

Most participants were in agreement with the four statements (1-4) under this category. There was particularly strong agreement with Statement #1. While a majority agreed that the tallest buildings should be located near the MAX line and along arterial streets, there was comment that buildings along Powell Blvd. should not be so tall as to block the easterly view of Mt. Hood along this thoroughfare.

Mobility, Access and Circulation

5. Downtown should be designed primarily for pedestrians but without excluding autos.
6. It is important to have frequent bus or MAX service to outlying areas, such as Mt. Hood Community College, Mt. Hood Medical Center, Troutdale, Fairview, Wood Village, Springwater and Damascus.
7. It is important that the MAX line (stations/right-of-way) that goes through Downtown be upgraded and that MAX should help connect Downtown with Civic Neighborhood.
8. It is important to extend Downtown streets to Eastman and other bordering arterial streets in order to better connect Downtown with adjacent areas and improve vehicular/pedestrian circulation.

Most participants agreed with the four statements under this category. There was strong agreement with #6, 7 and 8. People also commented that providing for adequate vehicle circulation and parking needs was also important.

Housing

9. Downtown should have a wide variety of well designed moderate and high density housing types.
10. Downtown should have a mix of owner-occupied and rental housing.
11. Housing should be affordable by a wide range of income levels.

12. Housing density should support transit (MAX and bus).

Most participants agreed with or were neutral about the four statements #9-12 with strong agreement for #9 and 10.

Design

13. Similar land use types (residential or retail buildings) and building scales (height/bulk) should face each other across streets.

14. There should be mandatory standards for how new Downtown buildings should look.

15. The key design characteristics of the Historic Shopping Core, such as its small scale retail/office uses along Main, should be preserved and enhanced.

16. Downtown buildings and streetscapes should be designed so they support a safe, inviting and pedestrian friendly environment.

17. Historic buildings, such as churches, the Mayor's House and Carnegie Library, should be restored and integrated into the fabric of Downtown.

18. Public and private art (outdoor sculpture, wall murals, signage, etc.) should be an important part of Downtown.

19. Sustainable design and green practices should be encouraged.

Most participants agreed with or were neutral about statements #13-19 under this category. There was strong agreement with # 14, 16, 17, 18 and 19.

Special Places/Attractors

20. Downtown should have an arts district with galleries, studios, love-work spaces, etc. that is centered around the Center for the Arts.

21. Parks, plazas, courtyards and other open spaces should be found throughout Downtown.

22. Main City Park needs to be enhanced and there needs to be good pedestrian/bicycle connections between Downtown and the park/Springwater Trail.

23. Besides the Center for the Arts, Downtown should have other amenities that attract more visitors to Downtown, such as an art walk, all-season farmers market, MHCC campus annex and a hotel/convention center.

The four statements under this category speak about the kinds of uses Downtown should have in order to attract more visitors and residents. There was strong support for the three statements, #'s 21-23., not for the concentration of a specific "arts district" as noted in 20.

Downtown Issue and Opportunities Commentary

Additional commentary was gleaned from the small group tables as they discussed the Issues and Opportunities Map. The participants favored maintaining the small scale building character of existing Main Avenue and expanding it north but preserving its vitality. Vehicular and pedestrian connectivity was seen as important. The Town Fair site was seen as a necessary redevelopment opportunity. Powell was seen as remaining auto-oriented in its uses. Gateways

to the Downtown were seen as important. The public comments are available on the City's web site in the "Regional Center Planning Implementation Public Input Summary Community Forum 1".⁸

3.3. (3) 2008 Community Forum 2 on June 4, 2008

This purpose of this forum was to review and receive comment on three City generated land use concepts, Downtown Concept A, B, and C, (see **Figure 9**) from a wide variety of participants. The land use concepts were intended to stimulate discussion about the Downtown's future not to limit choices or ideas about the Downtown. The groups were told that reaching a consensus about specific issues, although desirable, was not necessary. Referencing the questionnaire, each table was asked about the following:

- Within the core area, where should small scale (1-4 story) retail/mixed-use buildings be located?
- Where should the core shopping district expand?
- What should be the future of the Gresham Town Fair shopping center?
- Where should civic uses (e.g. new city hall, MHCC satellite campus) be located?
- Should Downtown have large footprint destination retail and where should it be located?
- What are appropriate locations for office/employment uses?
- Should areas be set aside for light industrial/auto service uses?
- How do we achieve a better connection between Downtown and Civic Neighborhood?
- Where are important pedestrian linkages needed?

A summary of the comments was as follows:

Downtown Shopping Core: Participants favored the idea of limiting building height to 2 stories along Main Avenue and allowing higher buildings elsewhere. They also supported expanding the core either north to Division St. (Concept A) or to the east (Concept C). Some people thought expanding to the east would be easier since this is the current trend.

Gresham Town Fair: There was support for redeveloping the site with offices, hotel/convention center and destination retail (Concept C). Participants also favored extending 5th and 8th streets and other east-west streets to Eastman Parkway in order to create shorter blocks and greater connectivity with Civic.

Civic Uses: There was support for creating a civic cluster south of MAX, near Beech St. (Concept A). It was stated that a public parking structure here would also support the parking needs for the nearby Center for the Arts. Some participants would like to site a new City Hall in this cluster, some thought it should be located in the redeveloped Gresham Town Fair (better visibility), while others did not favor any Downtown location. A Mt. Hood Community College satellite campus was suggested for Cleveland Ave. A plaza and farmers' market was also suggested as a way of creating a public activity area in the redeveloped Gresham Town Fair, near the key intersection of Eastman/Division.

⁸ John Pettis, Regional Center Planning Implementation Public Input Summary Community Forum 1, April 10, 2008.

Destination Retail: Most participants favored locating the main destination retail center near Hogan/Burnside (Concept A). A Cabela outdoor sports or REI store were suggested as potential tenants. It was also acknowledged that the redeveloped Gresham Town Fair could also have some destination retail (Concept C).

Residential Locations: Concept B was favored for placing the high density residential directly east of the core area and centered on Beech St., with the medium density to the east. It was thought that having the high density next to the core would better support retail businesses.

Major Road Corridors: It was suggested that the properties along the south side of Division, east of Cleveland, would be a good location for offices, as shown in Concept B. However, the Transit Oriented Development designation shown in “B” should be extended along Division east to Cleveland. It was also suggested that this office designation should be extended along Burnside/Hogan to the future MAX line extension. Most seem to favor having auto oriented commercial along Hogan, south of MAX, and continuing along Powell to Beech.

Office Locations: Most participants favored having the major office center located on the Gresham Town Fair site (Concept C) rather than at Hogan/Burnside (Concept A). It was thought that locating large scale office development at Gresham Town Fair would better support the stores in the adjacent core area. As discussed above, Division St. was also seen as having potential for smaller scale office buildings (Concept B).

Light Industrial/Service Uses: Most supported having a large area set aside for industrial/service uses near the Hogan/Burnside, as shown in Concept C. This area could be behind the auto service commercial uses along Powell and Hogan.

Link to Civic Neighborhood: The participants agreed that a stronger linkage to Civic Neighborhood was desirable. The redevelopment of Gresham Town Fair was seen as the key means of achieving this connection and “pulling people into Downtown”.

Pedestrian Linkages: Third and Beech streets were seen as the major pedestrian linkages, as shown in Concept C.

Other Comments:

- A fare-less transit square should be established for Downtown. This could include using Pedi cabs.
- Downtown should have landscaped areas, pocket parks and tree lined streets.
- The area east of Cleveland is underutilized.
- A new MAX stop at Main/Division is not needed or should only be built if the core expands to Division (Concept A).
- There was strong support for a Downtown grocery store.
- Main City Park should be expanded east to Roberts (Concept A).
- Center for the Arts becoming a reality will be key for redevelopment of the Beech St. area.

Additional information can be found in the “Regional Center Planning Implementation Public Input Summary Community Forum 2”.⁹

3.3. (4) 2008 Community Forum 3 on August 6, 2008

After reviewing the initial three Land Use Concepts presented in Community Forum #2, this Community Forum provided the opportunity for the public to review and comment on the new composite Draft Land Use Framework Plan, (see **Figure 10**).

A summary of the commentary was as follows:

Industrial Area

- Participants liked setting aside area near Victory Ave. for industrial uses.
- Suggested transitional use (Office or Mixed-Use?) between Industrial and Medium Density Residential.
- Also suggested new street as a buffer element between Industrial and MDR.

Office Area (Hogan/Burnside)

- Large scale office development on this site should generate a large amount of traffic onto Hogan and Burnside. This will probably require that the primary entrance on Burnside be signalized in order to permit left hand turns movements. A secondary “right turn only” driveway may be appropriate on the Hogan frontage.
- Office area should be expanded to include the Hogan/Burnside/Division triangle.

High Density Residential

- Small scale commercial services (like coffee shop or deli) should be allowed on ground floor of apartment/condominium buildings as a convenience to residents in buildings.

Main/Third Ave. Retail

- Liked requiring lower building height along Main and allowing higher buildings elsewhere. This concept however should be extended down to include Main/Powell area (maybe south side of Powell too) to make people more aware of the Downtown core at this major gateway.
- Also liked concept of allowing higher buildings (5+ stories) with pedestrian oriented base or podium and requiring upper stories to be set back from the base. This would prevent shadowing of street and protect views. This could be a good strategy to use along parts of Third (near Main) as a height transitioning tool.

Pedestrian/Bicycle Connections/Parks

- Parks and plazas should be aligned or next to pedestrian paths.
- Need safe places for bicyclists. Should have defined bike paths along some interior Downtown streets, not just on the arterials.

⁹ John Pettis, Regional Center Planning Implementation Public Input Summary Community Forum 2, June 4, 2008.

- Need more parks and opens spaces. Consider closing some streets, to traffic, even if only on weekends, in order to create safe places for people to gather. Beech St. would be ideal for this if you had civic uses on one side (that wouldn't be open on weekends) and retail on the other side.
- Main City Park needs to be connected with the Beech Ave. parks block.
- When Tri-Met parking lot and Gresham Town Fair redevelop at corners of Division/Eastman, consider having pedestrian bridge across intersection connecting to buildings.
- Pathways should have consistent design treatment, so they say "Downtown path".
- Sidewalks need to be wide enough for outdoor cafes, display areas, etc.
- Connect the "green" of Main City Park with the Beech Ave. park block and then extend it to Gresham High School.

Civic Use Anchor

- Participants thought a new City Hall should anchor the north end of the parks blocks (at Division St), opposite the Center for the Arts.

Overall

- Overall, participants liked the types of land uses proposed and their locations.
- Some participants thought that the Downtown boundary should be expanded to include both sides of Division St. (like Powell) and the Hogan/Division/Burnside triangle.
- Create building nodes at major intersections of Powell/Hogan, Hogan/Division, Powell/Eastman, and Eastman/Division.

The document "Regional Center Planning Implementation Public Input Summary Community Forum 3"¹⁰ provides additional forum summary information.

3.3. (5) 2009 Community Forum 4 on January 7, 2009.

At this forum held on January 7, 2009, the City presented its draft development concepts for three key areas Downtown: Town Fair shopping center, Third Street and Beech Street. The concepts provided a variety of ideas about how Downtown could develop in the future, suggesting such things as land uses, building heights, and park and plaza locations. The workshop was designed to elicit input that would influence the Downtown Plan and the Design Manual.

A summary of the commentary was as follows:

¹⁰ John Pettis, Regional Center Planning Implementation Public Input Summary Community Forum 3, August 6, 2008.

January 7, 2009 Input – Summary

Participants at the small-group discussions were presented with the following questions:

1. What parts of the Land Use Framework concept do you like? Why?
2. What do you like about the Scale Integration Concept? Why?
3. What opportunities did we miss in these two concepts? Any issues/concerns not addressed in the concepts?
4. If the City could do ONE thing to make Downtown a better place, what would it be?

The input summary for each concept was as described below.

Land Use Framework Concept

Town Fair: The hotel and conference center configuration with the diagonal pedestrian access was preferred. Office/employment uses along Eastman Parkway were favored because the diagonal orientation of the pedestrian/plaza spaces provided a direct walking route and good site lines to the Downtown core. Office uses in the Town Fair area were well received.

Beech: A new City Hall near the MAX station was well received. Participants favored a mix of land uses around the transit center. A special shared street was preferred. A new City Hall south of the Transit Center was favored. Arts uses across from the Center for the Arts would be welcome, but arts uses should be found throughout the Downtown.

Third: Terminating the view west down Third Street (possibly with a new library) was favored.

Scaled Integration Concept

Town Fair: The mix of office, retail, and residential uses in Town Fair was well received. The large town square was favored. A library and the public plaza as a bridge to the core and Third Street also was favored.

Third Street: The re-use of the former Hicks department store building (at Third and Roberts) as a market was favored.

Beech: The lower-scale townhomes and live-work units were favored for part of the intimate scale, “woonerf” (shared street). An office campus with a gateway open space at the north intersection of Beech and Division was preferred.

The document “Downtown Plan & Design Manual Public Input Summary-Development Concepts” (footnote 12) provides additional forum summary information.

3.3. (6) 2009 Community Forum 5 on March 4, 2009

This community forum held on March 4, 2009 presented the 2nd draft of the Downtown Plan District Design Manual which is to be used to regulate the built environment in the Downtown. The Manual draft had written descriptions of land use districts, permitted uses, heights and intensities of development, as well as illustrations that were intended to help explain the regulations. The meeting’s purpose was to secure community input, ideas and comments on the most recent draft of the Downtown Plan District Design Manual for incorporation into the 3rd draft. The forum included an exercise in the use of the Manual to evaluate potential

development proposals. The Manual was well received as a positive step forward in regulating the future built environment for the Downtown.

3.4 GOALS AND POLICIES ADOPTED

A key part of the Downtown Plan project was to adopt new goals, policies and action measures for Volume II of the Comprehensive Plan that reflected direct the work that has been done during 2007-2008 and provided direction for completing the Downtown Plan and undertaking follow-up measures. Goals, policies and action measures are defined by the Comprehensive Plan as follows:

Goal: A general statement indicating a desired end or the direction the City will follow to achieve that end.

Policy: A statement identifying Gresham's position and a definitive course of action. Policies are more specific than goals. They often identify the City's position in regard to implementing goals.

Action Measure: A statement that outlines a specific City project or standard, which if executed, would implement goals and policies.

The City began its revision of the Goals, Policies & Action Measures by reviewing the same with the Downtown Technical Advisory Staff Project Team, the Downtown Focus Group, the Planning Commission and City Council. The goals are now as follows:

Vision: Downtown will be the recognized center of Gresham, and will include most significant civic and governmental functions, including public parks and the Center for the Arts. It will include large numbers of professional sector jobs, medium and high density residential development and a thriving and unique entertainment, nightlife and shopping district.

Land Use: Make Downtown a thriving, mixed-use, active part of the Regional Center and the focus of the community and visually connected with the Civic Neighborhood.

Urban Design: Make Downtown a special place that is visually interesting and that has buildings and streetscapes of high design quality.

Transportation & Connections: Develop a transportation system that supports the vision of a vibrant Downtown and provides for the safe and efficient movement of pedestrians, automobiles, bicycles, transit and emergency vehicles.

Parks & People Places: Create a cohesive and linked public and private system of parks, plazas, courtyards, gardens, and major pedestrian streets/paths, etc. that will help make Downtown a great place to live, work and visit.

Economic Development: Use development tools and incentives to encourage redevelopment of Downtown and the creation of more businesses and housing.

The Goals, Policies and Action Measures are described in more detail in Volume 2.

Section 4

Downtown Plan

4.1 INTRODUCTION

The Downtown Plan District/Downtown Design Manual (Code Standards) project establishes a new vision for a vibrant Downtown Gresham that envisions Downtown as an active, mixed-use, pedestrian oriented center of the community where people can live, work, shop and play in an exceptional, sustainable environment. The Downtown Plan has an aspiration for approximately 3,300 housing units and 6,000 jobs through a mix of commercial, office, mixed-use and residential uses that provide unique opportunities for high-quality development while allowing the flexibility to respond to market conditions.

The Downtown Plan reflects the current community aspirations and needs; sets the stage for the redevelopment of Downtown; establishes greater physical and visual connectivity with the Civic Neighborhood as a Regional Center; and promotes a strong public-private sector partnership to ensure future investment and realization of the Downtown vision.

4.2 DOWNTOWN PLAN LAND USE SUB-DISTRICTS

The new Downtown Plan District has established seven Sub-Districts. Development within each Sub-District is governed by a different combination of basic regulations like uses, height limits, allowable floor area ratios and densities. See **Figure 1 –FINAL DOWNTOWN PLAN**. The land use Sub-Districts are as follows:

4.2. (1) Downtown Commercial Core (DCC)

The DCC is the City’s long-standing center and features unique local businesses, small-scale storefronts, and intimate sidewalks. Main Avenue has a small-scale, walkable quality appreciated by residents and visitors. This Sub-District is intended to preserve this small-scale character on Main Avenue while encouraging an active, engaging mix of old and new uses.

The DCC Sub-District allows a wide range of uses – retail, service, office and residential – that will help create a vibrant Sub-District that is active all day and much of the night.

4.2. (2) Downtown Mixed Use (DMU)

This Sub-District is intended to evolve over time from a shopping center largely organized around automobile trips and parking into a mixed-use Sub-District with jobs, housing and commercial opportunities. This full-service Sub-District will contain new shopping streets, public spaces and better pedestrian and automobile connections to the DCC Sub-District and to the Civic Neighborhood.

This DMU Sub-District allows a mixture of employment, retail, office and residential uses in a very dense, compact urban form by permitting the most intense, tallest development in Downtown.

4.2. (3) Downtown Transit Mid-Rise (DTM)

This mixed-use Sub-District provides a mid-rise, mixed-use character in the center of Downtown near the light-rail stations. Because of its proximity to transit, this Sub-District provides access opportunities for those who live Downtown to use buses and the MAX light rail to get to jobs and other destinations. It also supports the creation of employment uses Downtown so those who live outside the Downtown have opportunities and easy access to work Downtown.

This Sub-District supports the continued presence of institutional uses, such as government offices. It also allows a mix of residential, commercial and employment uses at a mid-rise intensity.

4.2. (4) Downtown Employment Mid-Rise (DEM)

This mixed-use area is envisioned as an area that could support significant employment, whether retail or office in nature. It has excellent access to light rail as well as several major streets – Hogan, Burnside, and Division. Buildings are allowed to have multiple stories with larger footprints here to accommodate market demand.

This Sub-District allows for a substantial amount of general office, financial, corporate and institutional uses that employ large numbers of people. It also allows a significant retail presence and residential uses.

4.2. (5) Downtown Residential Low-Rise-1 (DRL-1)

This mixed-use Sub-District will encourage some residential areas to gently transform into a broader mix of residential uses. This Sub-District is intended to create distinctive, walkable neighborhoods within a short distance of transit and the Downtown core.

The Sub-District encourages single-family homes to remain and allows duplexes and townhomes but not attached dwellings on a single lot. This Sub-District also will allow small-scale commercial uses only on certain streets where it is most appropriate.

4.2. (6) Downtown Residential Low-Rise-2 (DRL-2)

This mixed-use Sub-District will allow a gradual transformation into more varied and full-service residential neighborhoods that can take advantage of their proximity to transit and nearby shopping and job centers.

This predominantly residential Sub-District will allow single-family homes to remain while also allowing attached single-family houses, small-scale apartments and condominiums, and small-scale commercial activities.

4.2. (7) Downtown Commercial Low-Rise (DCL)

This Sub-District contains major corridors with the types of businesses, services, stores, and offices that demand a higher level of automobile access for employees and customers. Structures

may be single use and aimed at regional traffic. This Sub-District will still serve this role, but the corridors will become more balanced over time to meet the needs of pedestrians as well as automobile traffic. The Sub-District's character will evolve as buildings and more walkable streets become prominent and parking is located to the side or rear of properties. This Sub-District allows commercial, residential, and employment uses, including auto-related uses such as service stations, auto repair, and car washes.

Generally the new Downtown Plan Land Use Sub-Districts provide more flexibility in permitted land uses, including permitting less intense residential development in some areas, and allowing small-scale manufacturing (as an accessory to other commercial uses), information services, and live-work uses. Some areas also were changed from primarily commercial districts to allowing a range of office, retail, service, and housing. The changes provide additional limits on auto-dependent uses, drive-throughs, and outdoor storage.

The Sub-Districts also include a new approach for areas where commercial uses are required on the ground floor. The current approach is to require first-floor commercial in the existing Central Urban Core, Downtown Commercial-1 and Downtown Commercial-2 Sub-Districts. The proposed approach limits the commercial requirement to certain key shopping streets: Main, Stanley (a new street envisioned as Town Fair redevelops), Third and part of Powell. All-residential buildings (condominiums and apartments with no first-floor commercial) will be allowed in those districts, except on those key shopping streets. The new Sub-Districts permit additional building height in most of Downtown.

4.3 DOWNTOWN PLAN DISTRICT DESIGN MANUAL

The Downtown Plan District Design Manual is the regulatory framework that provides specific urban design strategies and recommendations to ensure that the City's physical environment – uses, buildings, streetscapes, pedestrian environments and open spaces – matches the City's vision for Downtown.

The Downtown Plan District Design Manual establishes:

- A two-alternative Design Review Process with a discretionary process and a clear and objective process.
- Design Principles that are the general, over-arching statements and considerations that guide the design of the built environment.
- Downtown Sub-districts and Development Standards that prescribe the basic building envelope, permitted uses, building heights, floor area ratios, densities, setbacks and other regulations.
- Street Type Standards that provide direction concerning building locations and relationships to adjacent streets, multi-modal circulation, and provision of public spaces and pedestrian amenities.

- Guideline and Standards that provide the means for a development to show consistency with the Design Principles. Guidelines are the basis for the discretionary process and Standards for the clear and objective process.

4.3. (1) Two Track Process

The Downtown Plan District has been established as a Design District in which new developments are to be regulated primarily by the Design Commission. Under the two-track process, an applicant may choose either a discretionary process governed by Guidelines or a clear and objective process governed by Standards. The Design Commission is the review and decision body for all the larger developments following the Standards track and any applications following the discretionary Guidelines track. The purpose of the two-track system is to permit greater flexibility, creativity and excellence in architectural and site design.

4.3. (2) Downtown Design Principles

The Design Principles are the general, over-arching statements and considerations that guide the design of the built environment in design districts like Downtown. The Guidelines and Standards are written to support and carry out the Principles on a project-specific level. In instances where the applicant chooses the discretionary process, the relevant principles will be reviewed for compliance during the decision making process.

Design Principles

A. Offer a Vibrant Mix of Uses and a Variety of Housing Types.

Mixing uses and a variety of housing types shall be developed to support a more diverse, vibrant, 18-hour Downtown for a broad range of ages and backgrounds. Mixed-use development may be either horizontal or vertical, depending on the scale and intensity appropriate for a specific sub-area.

B. Promote Excellence in Design and Architectural Expression.

Each site, building and streetscape improvement must be treated as a long-term addition to Downtown. Exterior design and building materials shall exhibit both the permanence and quality appropriate to an urban district setting. Great visual interest and innovative design are critical elements of this Principle with buildings that assist in defining, enlivening the public realm and accentuating the main Gateways into the Downtown.

C. Create a Unique and Exciting Public Realm.

Emphasize building and site design elements that reinforce the experience of walking and biking, and promote active streets and lively public spaces. This helps achieve the Downtown Plan area goal to create a cohesive, linked system of animated public and private open spaces, parks, plazas and pedestrian pathways.

D. Create strong connections between Sub-Districts and Plan Districts.

Each development shall contribute aspects of City-wide connectivity, whether through big moves like through-block connections, or small surprises like distinct lighting, to sustain attention and lead the eye down the street. The Downtown Sub-Districts shall have a strong connection to Civic Neighborhood.

E. Incorporate Sustainability.

A project's design approach to infrastructure and site development shall reflect a commitment to sustainable development that contributes to a healthier and greener community.

F. Provide Context Sensitivity.

The Downtown Plan District is composed of several sub-areas, each with their own unique characteristics and potential to enhance district identity. Context-sensitive redevelopment must take into account proximity to existing uses, height and massing relationships, surrounding building character, street widths and functions, open spaces, desired land uses and view corridors.

G. Preserve and Enhance Historic Character.

Where appropriate, new developments shall build on historic and other cultural assets by recognizing the smaller patterns of the townscape without being historicist.

H. Create Appropriate Transitions in Height, Bulk and Scale.

New development must strive to be compatible in scale with its surroundings. Elements which contribute to the perceived scale of new construction are addressed in the context of specific site conditions, as well as in relationships between Sub-Districts.

I. Increase Transportation Accessibility.

Building, site and street design shall increase accessibility to and within the Downtown Plan area by encouraging transportation by many modes including pedestrians, automobiles, bicycles, transit and other vehicles in a functional and visually attractive manner.

4.3. (3) Street Types

The Downtown Plan District process also established a set of Street Types specific to Downtown. The respective Street Type Standards provide important direction concerning building locations and relationships to adjacent streets, efficient multi-modal circulation, and the provision of public spaces and pedestrian amenities. For example, Main Avenue, Third Street and a future Stanley Street have been identified as unique streets with a commercial emphasis and therefore commercial is required on the first floor on these streets. The Street Types are indicated in **Figure 14** below.

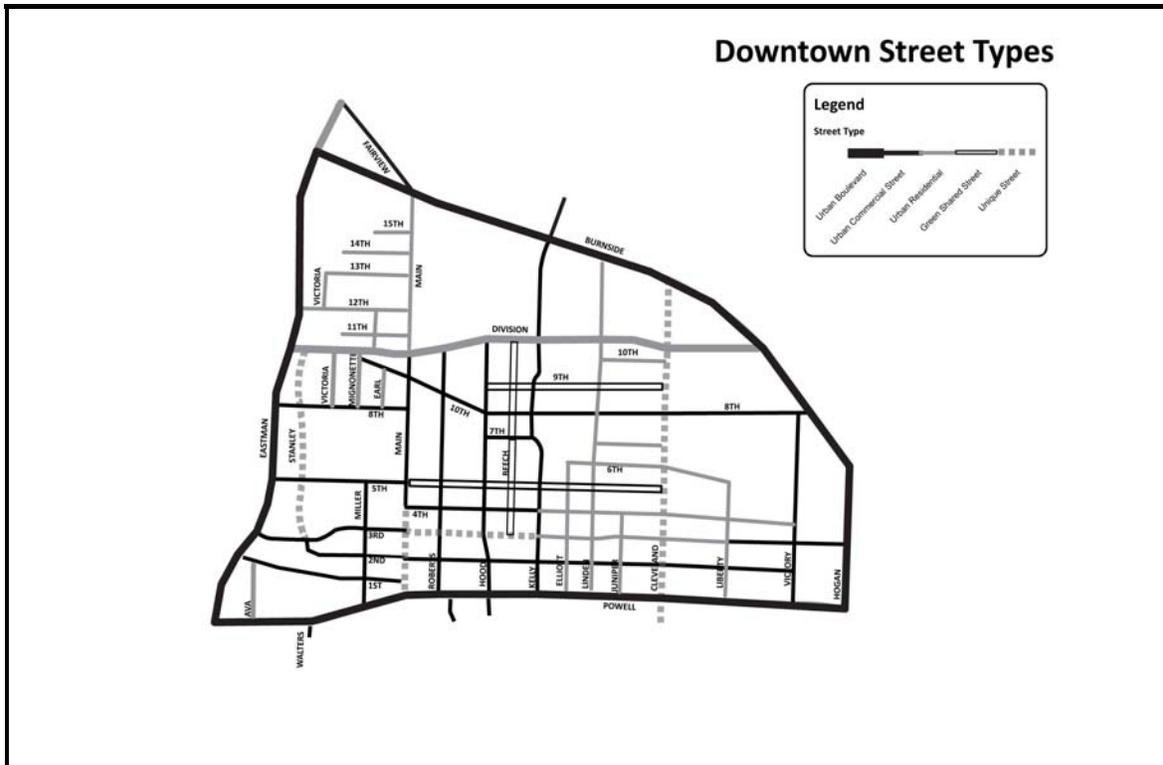


FIGURE 14 – STREET TYPES MAP

4.3. (4) Guidelines and Standards

As part of the new Downtown Plan District process, a set of mandatory development Guidelines and Standards have been created that require design excellence in the built environment. The Design Guidelines are the discretionary design parameters for development that provide a statement of intent by which to evaluate the acceptability of a project’s design. Design Guidelines provide the opportunity for creative design flexibility. The Design Standards are the objective requirements for development in design districts that are based on Design Principles. Design Standards provide a clear and objective way of evaluating the acceptability of a project’s design.

4.4 CONCLUSION

The City has taken the appropriate steps to implement the Downtown Plan District vision. The Downtown Plan will be implemented with the new land use Sub-Districts and the new development standards which are consistent with the new Goals, Policies and Action Measures as stated in Volume 2 of the Community Development Plan, Section 10.314. Additional implementation measures consistent with the Action Measures discussed in Volume 2 will also assist in achieving the vision of a vibrant Downtown Gresham as a lively, mixed-use, pedestrian oriented center where people live, work, shop and play in an excellent, sustainable environment.