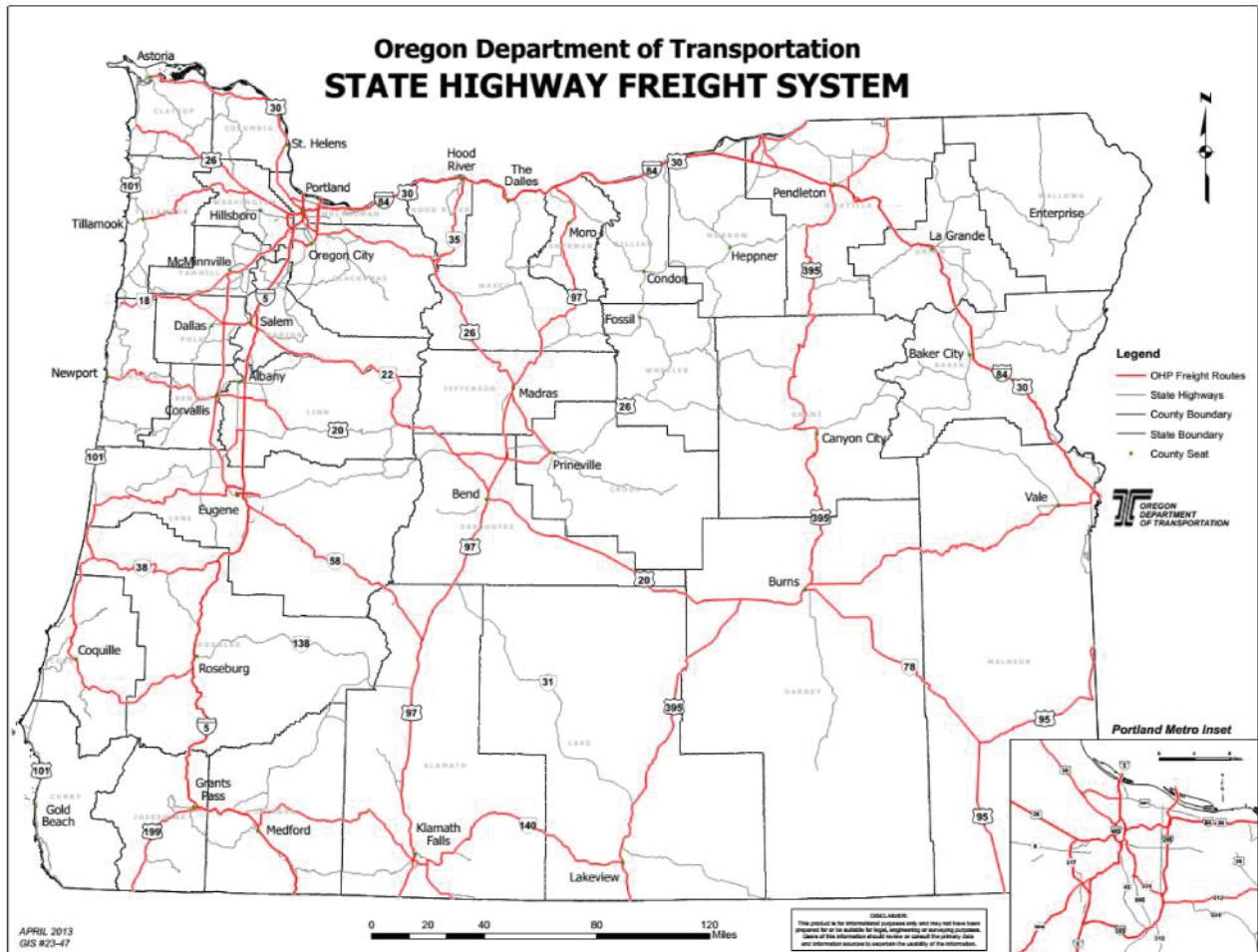


OREGON HIGHWAY CORRIDOR ECONOMIC DEVELOPMENT TOOL BOX



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Economic and Development Services

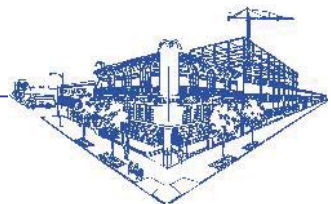


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TOOL BOX INTRODUCTION

This document is aimed to provide an economic development tool box – a set of resources useful to assist with the development and revitalization of industrial and commercial activity along Oregon’s highway corridors. This resource guide is prepared for the State of Oregon Department of Land Conservation and Development (DLCD).

A **tool box** represents a collection of tools (or resources) that may be applied individually or in combination to encourage, leverage and shape development along the urban and rural highways of Oregon. Tool box resources considered with this compendium include planning and regulatory tools, technical assistance, funding resources, and workplace resources – together with other best practice and case study resources.¹

The tool box resources identified in this document are intended to support improved economic opportunity along major freight and passenger corridors that are already designated for industrial and/or commercial use. The aim is not to encourage conversion of non-employment land to employment use; re-designation would require a comprehensive land use planning process with considerations that extend beyond the scope of this report.

Rather, this document focuses on resources that may serve to facilitate increased tax base, employment, and appeal of corridor areas already in industrial and commercial use. More intense development of areas already planned for employment use also may serve to reduce pressure to convert other non-employment lands for future industrial and commercial activity.

The listing of economic development tool box resources contained in this report has been compiled as part of a DLCD funded assessment conducted for Umatilla County with a *Highway 395 North Economic Development/Planning Study*. The planning study was conducted for an unincorporated portion of the Oregon Highway 395 corridor between the cities of Hermiston and Umatilla.

Zoned for industrial and commercial use, this corridor is acknowledged as an unincorporated Goal 14 exception area consistent with Oregon land use law. Many of the opportunities and challenges faced by Umatilla’s Highway 395 corridor likely are similar to those experienced on other highway corridors with existing commercial and industrial development both in and outside of incorporated communities across the state.

Most of the tool box resources identified with the listings in this resource guide are not limited in applicability only to highway corridors. With the notable exception of Oregon Department of Transportation (ODOT) responsibilities for state highway construction and maintenance, the programs of other agencies and organizations with statewide reach generally extend to also encompass non-highway corridor geographies, as well. This report focuses on those tools that have or could have utility for corridor-specific economic development and revitalization.

DEVELOPMENT TOOL BOX RESOURCES

Like the collection of tools that a homeowner or renter keeps handy for home improvements or repair, a development **tool box** is intended to serve as an organized repository of resources readily available for application to encourage, leverage and shape development along the urban and rural highway corridors of Oregon.

Not all tools are applicable to all situations. The objective is to pick the right tool for the job at hand. Having the right tool means a resource that is available, user-friendly and effective to address the user's objective.

This development tool box is limited to tools generally useful and potentially applicable for highway corridor development and revitalization activities in both smaller and larger communities across the state of Oregon. The focus is on employment related industrial and commercial activity. Not included are resources related to residential use or mixed use involving a combination of commercial and residential activity. Web site addresses are provided for many of the tool box resources – current as of year-end 2014.

Resources in the development tool box are compartmentalized as comprising:

- A. Planning & regulatory tools
- B. Technical assistance
- C. Funding resources
- D. Workplace resources
- E. Other best practice/case study resources

Resources to consider with each compartment are described, in turn.

A. PLANNING & REGULATORY TOOLS

Planning and regulatory tools tend to be primarily *place-based*. That is, a planning framework together with implementing regulations will be defined for a specific geographic area – as for a city, county or a sub-portion of a local jurisdiction.

Planning tools also often have *business-based* applications. This often occurs with use-based zoning regulations that may vary by type of business activity, typically ranging from uses defined as being of heavy or light industrial nature, or office/service and retail commercial.

Land Use Planning / Zoning Mechanisms

This overview addresses traditional use-based zoning (common to most jurisdictions in Oregon) and more recent approaches of performance and form-based zoning.²

Use-Based Zoning typically provides geographically defined zones. Within each zone there is a list of uses permitted outright versus permitted on a conditional basis or not permitted. With

employment activities, uses categories are often defined on the basis of widely accepted classifications such as the North American Industrial Classification System (NAICS).

This traditional method is often also referred as Euclidean zoning, premised on the concept of separating, controlling, or buffering what are perceived as incompatible activities. A typical zoning system may involve distinctions between heavy industrial, light industrial, retail commercial, office/service commercial, residential and park/open space use. In Oregon, distinctions between industrial versus commercial use have been encouraged by Goal 9 stipulations that statutorily defines “industrial use” separately from “other employment use.”³

However, jurisdictions have often blended industrial with commercial uses as for, example, with business or industrial park designations that combine different variations of commercial and industrial use. More recently, urban jurisdictions have allowed for inclusion of residential with commercial in mixed use zones.

These combinations may make the analytical work of a Goal 9/Economic Opportunities Analysis (EOA) more challenging. However, they may also better reflect economic reality on the ground as for public live/work preferences or policy objectives for more livable communities.

Performance-Based Zoning is focused more on limiting impacts of development (such as traffic, noise, glare, odors) on neighboring properties than on the uses that may be outright or conditionally permitted. Nationally, performance zoning was first used in industrial areas to control effects such as vibration, noise, glare, or heat that reached beyond the property line.

Few, if any, communities in the Pacific Northwest have pure performance zoning. Use of this tool as an overall framework for local zoning appears to be declining elsewhere across the U.S. or switching to more of a hybrid approach (combined with traditional use-based zoning).

Form-Based Zoning is focused on the form, scale, and detailing of buildings, blocks and streets, often as a means of community *place-making*. Lists of permitted uses as a means to regulate development may be minimal to non-existent.

Form-based zoning is most prevalent in areas with a clearly established character intended to be maintained (as with historic downtowns), with as yet undeveloped areas being master planned, or with a well articulated vision for future development especially within a non-traditional mixed use environment. Form-based codes have been used across other parts of the U.S., but have been slow to come to the Pacific Northwest.

Oregon Applications

Wilsonville is an example of a jurisdiction that has applied **performance standards** to industrial developments in any zone. The City also allows office uses related to corporate HQ, technology, and R&D uses in its Planned Industrial Zone.

Lebanon further divides all use-based types into Class I, II and III categories based on the **types of impacts** and public review (from least to most significant).

Pendleton has a **form-based zoning overlay** in its Central Commercial zone (as part of its *River Quarter Enhancement Plan*) including provision for artisanal manufacturing with on-site retail.

Comparing Alternative Methods of Zoning Regulation

Performance and form-based zoning offer the distinct advantage of avoiding traditional segregation of uses. This is important as there is greater demand for mix of uses that may be more marketable and create more livable communities.

More flexible use mechanisms also respond better to businesses that no longer conform well to traditional business distinctions (as may be classified, for example, by sometimes confusing NAICS listings). Increasingly, businesses often conduct more than one type of business activity under one roof. A business may conduct a mix of manufacturing, wholesale, retail and office related functions on-site. And the mix of these functions on-site may change over time.

A disadvantage of performance and form-based regulatory methods is that they can consume more time to formulate (including community discussion) and then to administer. In cases where a new technique is added on to existing zoning as a hybrid ordinance (as with a zoning overlay), the complexity for the applicant actually may be increased and/or the flexibility lessened.

While Oregon experimentation with non-Euclidean zoning techniques remains somewhat limited to date, it is coming – especially in industrial and business park or mixed employment areas where tenant demand increasingly requires a mix of manufacturing and distribution together with amenities of employee oriented retail services.

Experimentation is also on the rise in areas closer to urban centers and in master planned developments. Most often, performance and form-based applications are occurring as hybrid variations on use-based zoning.

As one added example, the Juniper Ridge development in Bend includes in employment sub-district with an overlay zone. Permitted uses range from light to heavy industrial with office, vocational/business schools, small scale personal and business services including dining of up to 2,500 square feet, or in some cases to 10,000 square feet when located on an arterial or collector street.

Portland Hybrids

As Oregon's largest city, Portland has maintained Euclidean distinctions in some areas while encouraging more mixed use innovations in others. EX Central Employment zones allow for industrial, business and service mixes together with residential.

The Central Eastside industrial district (across from downtown Portland) maintains the exclusion of residential use from its general industrial zone but has created an Employment Opportunity Subarea (EOS) between Water Avenue and MLK, Jr Boulevard for size limited retail use and office use – better accommodating emerging industries to “increase the diversity of density of employment uses in the district.”

Intergovernmental Agreements

Oregon Revised Statutes (ORS 190) provides for intergovernmental agreements (IGAs) between units of local government to all the performance of functions or activities by one unit of government or another. The agreement may provide for the performance of a function or activity by means including a consolidated department, jointly providing administrative officers, joint facilities or equipment, and/or new intergovernmental entity created and governed by a board or commission acting on behalf of the units that are parties to the IGA.

One provision (ORS 190.083) relates to county agreements for transportation facilities – for operation, maintenance, repair and modernization. Included is bonding and taxing authority, with taxing authority subject to voter approval.

Umatilla Army Depot Reuse

The IGA approach has been successfully applied to the transition of a federal military base closure back to local control. In September 2014, an initial local redevelopment authority was re-organized through a Section 190 IGA as the Columbia Development Authority with board representation from the Counties and Ports of Morrow and Umatilla and the Confederated Tribes of the Umatilla Indian Reservation. The 17,165 acre former chemical depot is managed with 7,500 acres for National Guard training, a 5,700 acre multi-use refuge, and with 3,965 acres for industrial, agricultural, and right-of-way redevelopment.

Website address (as of Jan 2015):
<http://www.umadra.com/>

Intergovernmental Agreements – The East Multnomah County Experience

Perhaps the best known example of an intergovernmental agreement (IGA) re-organizing the delivery of urban services in Oregon was the 2004 IGA between the City of Portland and Multnomah County that set the stage for transition of the unincorporated area between Portland and Gresham to the jurisdiction of the two cities. This occurred subsequent to the 1983 adoption of an Urban Services Policy by the City of Portland and subsequent resolution by Multnomah County to stop providing “municipal services” within unincorporated areas of the County.

From 1986-94, Portland annexed 27 square miles and 113,000 residents into the City. This was followed by extension of sewers through a Mid-County Sewer Project, completed by 1998 under budget and years ahead of schedule. While focused on residential areas, the extension of services also proved to be of benefit to area industries and commercial businesses that were also brought into the City. A report by the East County Sanitary Sewer Commission had found that “the lack of sanitary sewers was deterring businesses from locating in east county and was negatively impacting job creation there.”

For a review of the experience for the portions of East Multnomah County that were annexed into the City of Portland, see the document: *East Portland: History of City Services Examined*, prepared by the Office of the City Auditor, April 2014.

Web site address is:

<http://www.portlandonline.com/auditor/index.cfm?a=488003&c=64479>

B. TECHNICAL ASSISTANCE

For public agencies and non-profit organizations, technical assistance often represents the *bridge* between planning/regulatory tools and funding resources. Technical assistance may be either place- or business-based. Unlike an academic education, technical assistance is most effective when targeted to address specific questions about how best to take on a locally articulated issues affecting highway corridor revitalization.

Technical assistance resources that may be potentially useful for corridor development across Oregon are identified as primarily associated with state agency and non-profit resources.

Oregon Based Technical Assistance

Programs provided that may be of value for corridor revitalization include the following.

Business Oregon Industrial Land and Infrastructure Programs are available to assist with industrial site certification. Recognized as “one of the most comprehensive shovel-ready programs in the country,” certified sites are intended to be *shovel-ready* for construction within six months or less. Sites become certified by going through a more recent decision-ready designation as a fast-track tool to quickly assess site readiness before achieving full certification. As of year-end 2014, there were 68 certified industrial sites in Oregon, with 15 communities in the process of application for added site certification.

Business Oregon also provides programs to assist with site assessment to cleanup of brownfield (or environmentally contaminated) properties.

Web site information is available at:

<http://www.oregon4biz.com/Oregon-Business/Infrastructure/>

Regional Solutions Centers (RSC) represent an innovative, collaborative approach to community and economic development statewide. In partnership with Oregon colleges and universities, 11 Regional Solutions Centers have been established. Each center aims to identify local priorities and “works from the bottom up to solve problems and complete projects.” Five core state agencies – ODOT, DLCD, DEQ, OHCS and OBDD/Business Oregon – have co-located regional staff in these centers to form Regional Solutions Teams (RSTs), with coordination from the Governor’s Office. Since RSC inception in 2011, over \$640 million in public, non-profit and private sector funds have been invested in priority community and economic development projects statewide, so that that projects are finished as quickly and cost-effectively as possible.

For added information, see:

<http://www.oregon.gov/gov/policies/regional-solutions/Pages/default.aspx>

Oregon Department of Land Conservation & Development (DLCD) plays a coordinating role for industrial projects of statewide significance. Pursuant to Senate Bill 766, there is opportunity for an applicant for a project deemed to be of statewide significance to bundle the land use permitting with state permit approvals. This removes the land use decision-

making authority from the city or county that would normally review the application and give it to the Economic Recovery Review Council.

Web site information is available at:

http://www.oregon.gov/LCD/ECODEV/pages/industrial_development_projects.aspx

Oregon Department of Transportation (ODOT) provides several technical assistance programs available to local jurisdictions. ODOT provides Statewide Planning and Research (SPR) funds which can be used to pay for a highway refinement plan. Projects are identified and selected by a Region Management Team based on improvement needs to the state highway system.

Web site information is available at:

<http://www.oregon.gov/ODOT/TD/TP/Pages/spr.aspx>

Also available is the ODOT Speed Zoning Program which includes guidelines for changing a speed zone on a state highway including local jurisdiction requests that can be made for an ODOT speed zone review and investigation.

Web site information is available at:

http://www.oregon.gov/ODOT/HWY/TRAFFIC-ROADWAY/pages/speed_zone_program.aspx

Oregon Main Street Program was formerly operated under the auspices of the Oregon Downtown Development Association and is now part of the Oregon Parks & Recreation Department (OPRD). The Oregon Main Street Network works with 78 communities across the state to assist with implementation of the national 4-point Main Street approach. While primarily focused on downtown areas, the National Main street approaches also been used with neighborhood district and commercial corridor revitalization.

Oregon Main Street information is available at:

<http://www.oregon.gov/oprd/HCD/SHPO/pages/mainstreet.aspx>

Oregon Transportation and Growth Management Program is a cooperative initiative of with ODOT and DLCD with competitive grants available to local jurisdictions. TGM funds are now awarded on an annual basis.

TGM resource information site can be found at:

<http://www.oregon.gov/LCD/TGM/Pages/index.aspx>

Rural Development Initiatives (RDI) is a non-profit organization created by the Oregon Legislature – initially to address rural forest and natural resource related issues. RDI is now primarily focused on leadership development but also with emphasis on collaborative partnerships for rural economic vitality. RDI conducts economic vitality summits and in 2012 launched a Home Town Competitiveness (HTC) program in the Western Treasure Valley area along the Oregon/Idaho border.

RDI's web site is:
<http://www.rdiinc.org/>

Nationwide Technical Assistance Resources

While not specifically focused on highway corridor economic development, there are several national organizations that provide services directly or indirectly related to corridor revitalization. Most of these organizations are oriented more to commercial than industrial corridors. Some focus on urban areas; others are involved more often in non-metro and rural communities.

American Planning Association (APA) is a professional institute for certified planners including research projects aimed to provide practical, up-to-date information about best practices in urban and regional planning.

The APA Planning Advisory Service publishes a Commercial Corridor Revitalization information packet (available for purchase as PAS Essential Info Packet 29). The packet contains articles and guidebooks showing how communities can use public investments and private development regulations to divide commercial corridors into distinct segments with concentrated nodes of mixed use development. Provided are examples of local plans and development regulations written specifically to encourage redevelopment along aging commercial corridors. APA also conducts research related to form-based and performance zoning (addressed separately with discussion of tool box resources).

Web site link is:
https://www.planning.org/store/product/?ProductCode=EIP_E_IP29

Context Sensitive Solutions (CSS) is self-described as a “collaborative, interdisciplinary, holistic approach to the development of transportation projects” under the auspices of the Federal Highway Administration (FHWA). The CSS web site page for “Fostering Downtown Revitalization” includes links to a great number of case studies across the U.S. Included are links to the 1999 Oregon specific document prepared by ODOT *Main Street ... when a highway runs through it: A Handbook for Oregon Communities* which includes corridor case studies for Heppner, Newberg and Sisters. The CSS site also provides a separate link to a case study for Oregon corridor project through the Taft portion of Lincoln City on the Oregon coast.

Web site link to the full case study listing is:
<http://contextsensitivesolutions.org/content/topics/rural-livability/fostering-downtown-revitalization/>

Local Initiatives Service Corporation (LISC) is a national technical assistance organization working in collaboration with local community development groups nationwide. LISC identifies eight principles required for successful commercial corridor revitalization – that it be driven by the community, comprehensive, collaborative, vision directed, design supported, capital intensive, diverse, market oriented, and sustainable.

The LISC Institute provides a wide range of articles and research documents (at no charge) related to commercial and economic development – including articles specific to commercial corridors (albeit primarily in more urban or small town settings rather than for adjoining unincorporated corridors).

Links to available publications can be found at:

<http://www.instituteccd.org/-How-To-Do-It-/6-3-Retail-Renaissance.html>

National Main Street Center (NMSC) assists more than 2,000 older commercial districts across the U.S. including linkages with Oregon Main Street communities, using the 4-point approach that also serves as an organizing method for the implementation agenda with this economic development/planning study.

While NMSC serves commercial corridors as well as neighborhood and downtown centers, there appears to be no specific emphasis on corridor revitalization as distinct from other commercial areas. NMSC has successfully implemented the national 4-point approach of economic development, design, promotion and organization.

A listing of publications available to NMSC members is provided at:

<http://www.preservationnation.org/main-street/resources/sample-documents/publications.html#.VKGxVsAw>

Urban Land Institute (ULI) serves as a nonprofit research and education organization oriented to real estate development industry across the U.S.

ULI provides web site access to an extensive list of research reports and articles through its *Commercial Corridor and Neighborhood Revitalization – ULI Resource List*. While oriented to primarily to metro urban and suburban corridors, a wealth of information is available, some of which can provide information useful in smaller community settings as well.

Web site link is:

<http://uli.org/general-posts/commercial-corridor-neighborhood-revitalization-uli-resource-list/>

U.S. Environmental Protection Agency (EPA) is a federal agency best known for its regulatory functions but also actively involved with *smart development* initiatives both in urban and smaller rural communities.

EPA maintains a web site page for *Small Growth in Small Towns and Rural Areas*. Included are links to general publication resources and technical assistance reports with case studies for communities across the U.S. –including some smaller communities with in-town and rural corridor related assessments (as for the Highway 33 corridor between Driggs and Victor, Idaho).

Web site link is:

<http://www.epa.gov/smartgrowth/topics/rural.htm>

C. CAPITAL FUNDING RESOURCES

This listing is organized to cover federal, then state and municipal (city/county) resources, followed tools that may be available to other public agencies, and public-private partnerships. The focus of this discussion is on funding for capital development projects – whether by public agencies or private firms and non-profit organizations. Capital funding programs listing include a mix of place- and business-based resources.

Federal Funding Resources

Community Development Block Grant (CDBG) funds are allocated by the U.S. Department of Housing and Urban Development (HUD) and administered either by larger cities or counties (as entitlement communities) or states (for smaller cities). CDBG funds may be used for infrastructure improvements that emphasize downtown redevelopment and job creation. Funding is limited to projects that can be shown to be of benefit to low and moderate income households.

The federal web site portal for CDBG is:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs

Economic Development Administration (EDA) traditional programs include public works and economic adjustment programs for infrastructure aimed to leverage existing regional assets and support the implementation of local or regional economic development strategies. Planning and local technical assistance programs are also available, especially for established economic development districts. A newer program consists of regional innovation grants aimed to foster, connected, innovation-centric economic sectors supportive of commercialization and entrepreneurship.

Web site link is:

<http://www.eda.gov/funding-opportunities/>

Environmental Protection Agency (EPA) provides a number of grant and funding programs for brownfields cleanups. Resources include an area-wide planning program, targeted brownfield assessments and sustainability pilots. Grant funds are available for assessments, revolving loan funds, cleanup, workforce development and job training, multi-purpose pilot project, training, research and technical assistance. Many of these programs can be accessed through or in coordination with Business Oregon.

Web site link is:

http://www.epa.gov/brownfields/grant_info/index.htm

TIGER Funding through the U.S. Department of Transportation (DOT) could be extremely useful to consider (depending on future funding rounds) for major highway corridor-related development. A competitive application process prioritizes projects that can detail long-term benefits for safety, economic competitiveness, state of good repair, livability and environmental sustainability. Each project also needs to demonstrate a positive benefit to cost

ratio which may prove challenging and requires detailed assessment to be submitted with competitive funding applications.

Since 2009, Congress has dedicated over \$4.1 billion for six rounds of competitive funding awards. A seventh round with \$500 million in nationwide funding is anticipated for 2015.

Web site link is:

<http://www.dot.gov/tiger>

Other Federal Funding Support includes federal economic development, transportation and/or stimulus funding programs available for infrastructure improvements that support economic development investment including corridor redevelopment and job creation. Recent examples of stimulus programs have included the American Reinvestment and Recovery Act (ARRA) and the Local Jobs for America Act (LJAA).

These types of *one-shot* programs currently appear less likely now with economic recovery and changing national legislative priorities. However, underinvestment in infrastructure continues to loom as major unaddressed nationally. Economic development experience over the last fifty years also provides repeated examples of programs that can arise on fairly short notice – including special appropriation situations.

State of Oregon Resources

Infrastructure Finance comprises comprising programs administered through Business Oregon by the independent Infrastructure Finance Authority (IFA). IFA was created to ensure that community infrastructure needs – especially for water and wastewater system – are better identified and prioritized. Specific state and federal infrastructure programs that are supported by IFA include community development block grants (CDBG), the marine navigation improvement fund, port revolving fund, port planning and marketing fund, safe drinking water revolving loan fund, special public works fund, special public works emergency projects and water/wastewater system financing.

Web site address is:

<http://www.orinfrastructure.org/>

Access to Capital Programs of Business Oregon include a business development fund, capital access program, credit enhancement fund, industrial development bonding, and entrepreneurial development loan fund. Other tools including sources in which Business Oregon is direction involved and others involving referral to other programs include angel funding support, “aggie” bonds, a business expansion program, business retention services program, small business credit initiative, new market tax credits, and brownfields redevelopment assistance.

Web site address is:

<http://www.oregon4biz.com/How-We-Can-Help/Finance-Programs/>

Enterprise Zones authorized as of year-end 2014 included 53 rural and 13 urban Oregon communities for property tax abatement as an incentive for eligible business investment, job creation and employee compensation. The program is administered by Business Oregon. Separate but related designations are available for long-term rural enterprise zone facilities, electronic commerce zones for assets that serve e-commerce operations, and reservation zones.

Web site information is available at:

<http://www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones/>

Other Tax Incentive Programs of Business Oregon include: property tax abatement with the strategic investment program (for very large capital investment projections); construction-in-process program, tax credits as with employer-provided dependent care, federal work opportunity, and research tax credits; and other incentives including the Oregon investment advantage, business expansion program, and film/video incentives.

Web site address is:

<http://www.oregon4biz.com/Oregon-Business/Tax-Incentives/>

Oregon Transportation Infrastructure Bank (OTIB) is a statewide revolving loan fund administered by ODOT's Financial Services office and designed to promote innovative financing solutions for transportation needs. Eligible projects include highway improvements, transit capital projects, and bikeway or pedestrian access project on highway rights-of-way. Loan repayment can be for a term of up to the 30 years or at the end of the useful life of a project.

Web site information is available at:

<http://www.oregon.gov/ODOT/CS/FS/pages/otib.aspx>

City / County Resources

Applicability of direct city and/or county funding resources is governed by Oregon statute. This discussion focuses on resources typically available for economic including corridor development purposes. Provisions of Oregon Revised statutes (ORS) are noted as applicable.

Local Improvement District (LID) and Economic/Business Improvement District (E/BID) Assessments are widely used around the state for a range of public improvement and related activities. The *LID mechanism* is based on property owner assessments to pay for infrastructure benefitting a specific set of properties (as might be possible with the downtown area, interchange development and/or industrial district).

LID assessment districts may be formed that involve a single to multiple adjoin owners that would benefit from a street, utility or other public improvement. This funding source also provides the ability to spread improvement payments over time, as compared with a single up-front payment by the property owner.

Related tools include an *economic improvement district (EID)* or *business improvement district (BID)* to pay for ongoing operating costs as for business district marketing, management and maintenance. BIDs can also include a fee or surcharge to benefitting business owners.

Statutory LID authority is found at ORS 223 (most specifically 223.387 to 223.401); EID authority at 223.112 to 223.161. Bancroft bonding provisions for financing local improvements are described at ORS 223.205 to 223.295.

Urban Renewal provides a funding mechanism by which incremental (or added property taxes) generated from new development can be used to repay for public improvements and related public purposes. Funding is subject to creation of an urban renewal plan within a defined portion of a city or county, subject to specific statutory provisions. A single urban renewal plan and authority may overlap multiple city and/or county jurisdictions, provided that the affected jurisdictions approve and that the urban renewal plan does not conflict with underlying adopted comprehensive plans.

Urban renewal has been recognized as one of the most potent tools for encouraging local economic development in both urban and rural communities of the state. However, this funding mechanism has also been subject to considerable public debate with somewhat diminished use in recent years.

Statutory authority for urban renewal in Oregon is found at ORS 457.

General Obligation and Revenue Bonding also may be used for public capital improvements of benefit to economic development and corridor revitalization. *General obligation (GO) bonds* are backed by the full faith and credit including taxing power of the issuing jurisdiction, and must be approved by ballot election.

Assuming adequate capacity for added debt, this resource is typically viewed as most acceptable if the resulting project can be shown to benefit not just a small set of properties, but the entire jurisdiction paying taxes to repay bonded indebtedness. This could occur, for example, if highway corridor improvements could be demonstrated to achieve improved safety, reduced congestion and/or job creation benefitting the entire community.

Revenue bonds may be issued by a municipality and repaid by a dedicated funding stream – typically without voter approval and without requiring backing by the full faith and credit or taxing power of the City. Also noted are full faith and credit bonds, which may be issued and backed by the full faith and credit of the city without a specific revenue source being identified other than the City’s general fund. Bonding is issued for capital improvement projects that typically cannot be funded on a one-time annual budget basis.

Statutory provisions governing bonding can be found at ORS 287A, and more specifically or GO use at 287A.050 to 287A.145. Revenue bonding authorization is at ORS 287A.150 and 352.805 to 352.820.

Other City Incentives conceivably may range from reductions in Systems Development Charges (SDCs) for locations with in-place infrastructure to regulatory streamlining to consideration of an incentives tool-kit for high priority economic development initiatives as for commercial district improvements or target industry marketing. SDCs may be in place for improvements related to water, wastewater, drainage/flood control, transportation and parks/recreation capital improvements. Funds can be used to pay for approved improvements and may be used as dedicated funding stream to repay revenue bonds.

SDCs are governed by ORS 223.297 to 223.314.

Other Public Agencies

There are other public entities that are authorized to engage in economic (including corridor-related) development in Oregon. Within the Portland metro area (or Multnomah, Washington, and Clackamas Counties), Metro is a regional entity with elected representatives and authority ranging from transportation planning to management of major public event facilities (such as the Oregon Convention Center) and assistance with economic development (particularly with transit oriented development).

More generally applicable throughout many areas of the state are port districts. While most commonly associated with marine transportation and shipping terminals, ports also have authority ranging from airport development and operations and industrial development.

Statutory authority for Oregon ports is provided by ORS 777.

Partnership Opportunities

Public-Private Partnership opportunities may be stimulated by private sector initiatives for job-creating investment including consideration of master planning and development agreements that specify local jurisdiction and other public funding support in exchange for negotiated private development and redevelopment commitments. Another form of public-private partnership occurs when a property owner agrees to specified privately funded improvements on-site in exchange for public improvements in the adjoining street right-of-way.

In some cases the partnership may involve a non-profit entity or public corporation that serves as a conduit for public funding participation in a private redevelopment. With the notable exception of urban renewal districts, this mechanism is not as widely used in Oregon as in neighboring Washington which has statutory provision for entities including public development authorities (PDAs) and public facility districts (PDFs) which also have independent taxing authority.

D. WORKFORCE RESOURCES

In recent years, work force education and training programs have come to represent an increasingly important part of the economic development equation – nationally and locally. Employee-based alternatives have become more prominent for reasons ranging from more

evident need for worker retraining with business restructuring in the wake of the Great Recession to retirements of the large *baby boomer* generation now underway.

Work Source Oregon

In Oregon, a single statewide group serves to coordinate a network of public and private partners that “work together to provide an available supply of trained workers ready for the needs of today’s businesses. Work Source Oregon encompasses participating state agencies including the Oregon Economic and Community Development (Business Oregon), Oregon Employment Department (OED), the Department of Human Services (DHS), community colleges and workforce development, vocational education, the Oregon University System, Oregon Disabilities Commission, Commission for the blind, Working in Oregon, and Oregon Jobs. The network also includes local providers designated as coordinators of training delivery at the county and/or regional level across the state.

Web site information for the statewide system and local providers is found at:

<http://www.worksourceoregon.org/>

E. OTHER BEST PRACTICE / CASE STUDY RESOURCES

This tool box listing concludes with a sampling of **best practice** examples for industrial-commercial corridor redevelopment both in Oregon and nationally. The listing begins with documents focused on urban commercial corridors, then proceeds to industrial corridors, rural community highway corridors and then Oregon corridor studies. Web site addresses are as of November 2014. Strategies are place-based but often with business-based implementation.

Urban Commercial Corridors

Several examples of statewide and local jurisdiction case studies are noted. These are indicative of the range of evaluation work for commercial corridors outside the Pacific Northwest.

New Orleans & Commercial District Revitalization. Prepared for a metro focused project, this analysis includes reference to the 4-point Main Street approach and its utility for commercial revitalization. The thesis is titled: *On the Right Track: A Framework for Evaluating Commercial Corridor Revitalization in New Orleans*, December 2012.

The thesis can be found at:

http://whodata.net/docs/On%20the%20Right%20Track_A%20Framework%20for%20Evaluating%20Commercial%20Corridor%20Revitalization%20in%20New%20Orleans.pdf

Minneapolis Great Streets Program. The City of Minneapolis has one of the nation’s more extensive and systematic neighborhood business district programs – covering 116 areas including commercial corridors, nodes, transit station areas, and other activity centers. The program is perhaps most distinctive for its use of diverse public investment tools and commitment to measuring results.

Information and links to specific programs and districts assisted can be found at:
http://www.minneapolismn.gov/cped/ba/cped_great_streets_home

Industrial Corridors

As noted with discussion of national sources, few of the national organizations referenced in this report appears to have given much attention to development of industrial highway corridors. However, there has been action at the local level, primarily in the U.S. rust belt but also increasingly in major metro areas of the West Coast, illustrated by the following examples.

Utica, New York Central Industrial Corridor. A draft 2014 *Utica, NY Central Industrial Corridor ReVITALization Plan* covers an approximate 1,100 acre study area along the historic Eric Canal in upstate New York. The study area comprises four sub-areas – each with distinctive character and differentiated strategic recommendations.

The web site link is:

<http://www.cityofutica.com/Assets/Departments/Urban-and-Economic-Development/PDF-Documents/Bagg-Square/BOA-Step-1/BOA%20Step%201.pdf>

Milwaukee, Wisconsin 30th Street Industrial Corridor. With a 2011 master plan in place, the City of Milwaukee is in the midst of what is described as an “ambitious effort to transform an existing 880-acre industrial corridor into a “major modern employment center and economic hub.” Information is available regarding the economic development master plan, catalytic projects and project news/updates.

Web site for the City of Milwaukee’s 30th Street Industrial Corridor project is:

<http://city.milwaukee.gov/Projects/30thStreetIndustrialCorridor.htm#.VFBS3CJ4ocY>

Long Beach Redevelopment Agency. To help address the state of California’s budget deficit, local redevelopment (i.e. urban renewal) agencies across California were dissolved effective October 1, 2011. While the functions of the Long Beach Redevelopment Agency have ceased or been merged into the City of Long Beach (but without the prior financial capacity), previous programs of the redevelopment agency are of note due to emphasis on façade improvements for commercial and industrial buildings in several business districts of the City.

For the last (2010) Annual Report of the redevelopment agency, see the web site:

<http://www.longbeachrda.org/civica/filebank/blobdload.asp?BlobID=2902>

Frederickson Manufacturing / Industrial Center. Within the Pacific Northwest, one of the more aggressive industrial development initiatives is currently underway south of Tacoma, Washington. Located within unincorporated Pierce County, Fredrickson comprises over 2,650 acres zoned for Employment Center related uses. In addition to the County, public agencies that have played a major role include the Port of Tacoma (with early land acquisition) and the City of Tacoma (re-establishment of rail service). Financial incentives represent an integral key part of the development package available for a wide range of national and regional employers.

A summary 2013 presentation of the Fredrickson Manufacturing/Industrial Center is at:
<http://www.psrc.org/assets/9465/06b-FredericksonMICPresentation.pdf>

Other Statewide & Local Jurisdiction Case Studies

Links to two other studies are provided for corridor planning projects well removed from the Pacific Northwest.

Rockford, IL – Kishwaukee Street Corridor Revitalization Plan. This planning document addresses industrial, commercial and residential *nodes* of development for the central highway artery of Rockford, a suburb in the metro Chicago region.

Web site link is:
http://www.rmapil.org/assets/documents/kish_full.pdf

Delaware Valley Regional Planning Commission, Mobility & Industrial Corridor Reuse Study. This study focuses on industrial mobility and reuse of an aging industrial corridor that serves three communities in the metro area of Philadelphia.

Web site link is:
<http://www.dvrpc.org/reports/05006.pdf>

END NOTES

¹ Tool box information used with this report have has been compiled from sources generally deemed to be reliable – with detailed citations including web site or statutory links as applicable. However, the accuracy of information obtained from third party sources is not guaranteed and information is subject to change without notice.

In considering the utilization of any economic development tool, referral to specific agency or related publicly available documentation is recommended. This is important to obtain a more detailed explanation of tool features, requirements and applicability, as well as updates over time.

² A good review of zoning techniques and model ordinances (including use-, performance- and form-based zoning) is provided by a *Commercial and Downtown Districts Evaluation* conducted by Siegel Planning Services for the City of Pendleton (as Task 2 Technical Memorandum), dated March 2011. This document can be found on the internet via the following link:

http://www.pendleton.or.us/sites/pendleton.or.us/files/File/community_development/downtown_plan/Task_4.2Memo3-3-11.PDF

³ See, for example, definitions per ORS 660-009-0005 for industrial and other employment use, including continuing analytical distinctions made throughout other provisions of the statute as with ORS 660-009-0025 designation of lands for industrial and other employment uses.