

# Funding for Downtown Revitalization

## 2018 Economic Improvement District Renewal

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Over the last nine years, nearly **\$42 million** in public and private investment has been made in Downtown Oregon City resulting in **28 net new businesses** and a drop in the vacancy rate from 34% to less than 10%. **38 buildings** have been rehabilitated in some way with many receiving substantial facade improvements, systems upgrades, and major interior renovations. More than **\$90 million is planned** within the next four years in addition to the Cove apartments.

The enhanced services made possible by the Economic Improvement District have bolstered downtown's revitalization, accelerated property value growth, and helped retain businesses. Inside, learn more about the projects and programs supported by the EID, proposed renewal, goals, and governance.



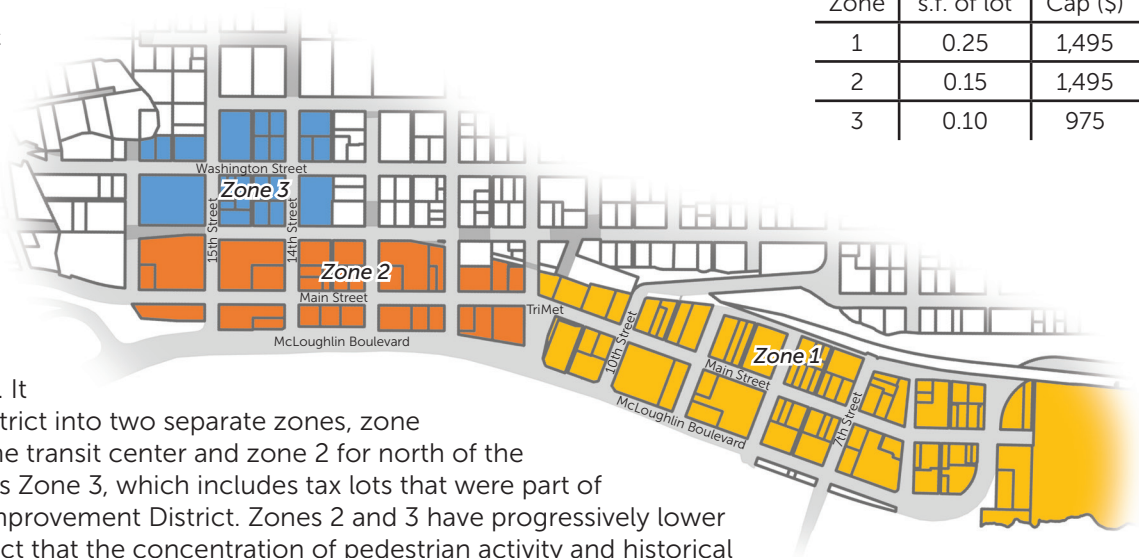


# Proposed Economic Improvement District

The proposed Economic Improvement District will be renewed for four years. This aligns with the horizons of several key dates including the opening of the first phase of the riverwalk, relocation of the courthouse, and the completion of other proposed developments. It

will break the current district into two separate zones, zone 1 for the core south of the transit center and zone 2 for north of the transit center. It also adds Zone 3, which includes tax lots that were part of the original Economic Improvement District. Zones 2 and 3 have progressively lower assessment rates to reflect that the concentration of pedestrian activity and historical investment over the life of the EID. Zones 2 and 3 are focus areas over the next four years in conjunction with planned development. As a match to EID assessments, the **City commits \$60,000 annually to offset the general and administrative costs associated with district revitalization services.**

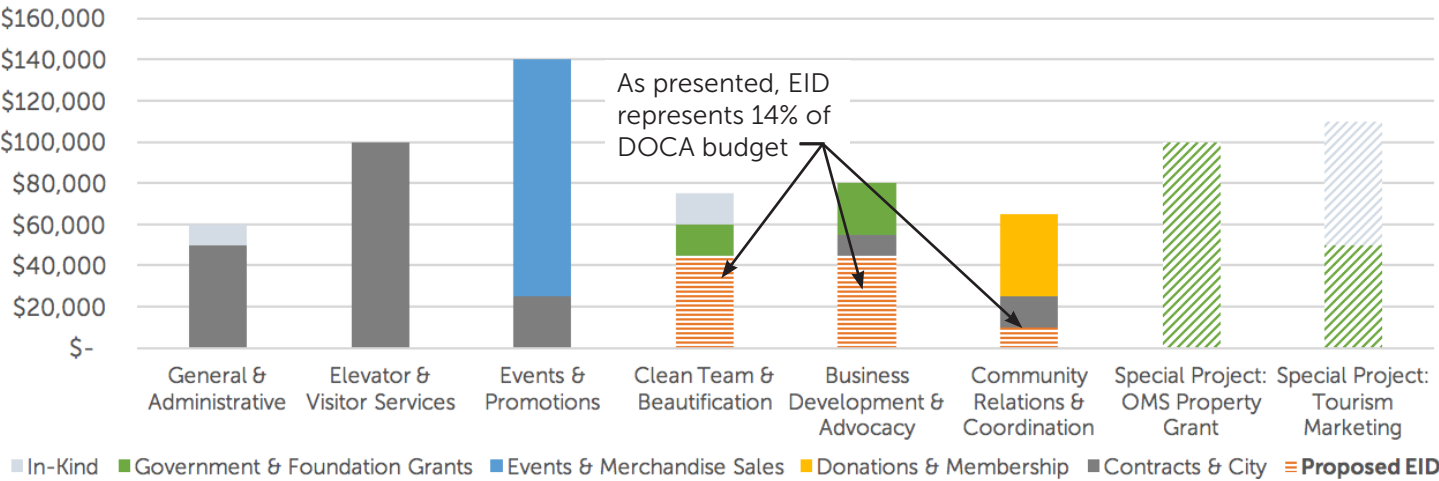
Zone	Rate (\$) / s.f. of lot	Annual Cap (\$)
1	0.25	1,495
2	0.15	1,495
3	0.10	975



## Governance

The City of Oregon City contracts with the Downtown Oregon City Association to administer the Economic Improvement District. DOCA’s bylaws require that EID ratepayers are represented by a proportionate number of board members to the total organization budget. Implementation of this proposal would increase the number of EID board seats from 2 to 3 based on a 13-member board. Members vote annually on all new candidates.

## Proposed Priorities With Illustrative Funding Sources



## 7th & Main from 2007 to 2017



## There's More To Do

### Four Year Goals

DOCA's Board of Directors identified the following goals for the next four years.

- **Full occupancy of existing buildings** and completed infill construction projects.
- Successful **integration with Willamette Falls Legacy Project** and private development at the mill site. Target riverwalk one open date is 2022.
- Successfully **replace courthouse and related functions**. The county has identified 2022 as a priority date to build a new facility on its Red Soils campus.
- **Improved pedestrian connectivity** to residential areas including Cove apartments.
- **Increased sales density** for food and beverage and retail businesses.
- Establishment of a **strong tourism marketing** organization.
- **Expanded public private partnerships** such as reintroduction of urban renewal and leveraging Oregon Main Street Revitalization Grants.
- Maintain a **clean and safe downtown**.
- Continued **investment in existing buildings** and **preservation of contributing historic resources**.

### Transformative Strategies

DOCA is a nationally-recognized and accredited Main Street program subscribing to a comprehensive approach to strengthen downtown's sense of place, community buy-in, and to address the underlying economic barrier to and opportunities of revitalization. Based on community and stakeholder feedback, DOCA's board has adopted the following key strategies:

1. Enhance our Small Town Charm
2. Reinforce downtown as the family-friendly civic heart of Oregon City
3. Take advantage of and prepare for tourism
4. Become a destination known for our retail and restaurant experiences
5. Become a mixed-use live/work district
6. Access to Willamette Falls

### Washington & 14th from 2007 to 2017



## Selected Projects & Programs

- ✓ **\$100,000 Oregon Main Street Revitalization Grant** for gateway building enhancements at 503 Main Street and along Railroad Avenue. Additional \$100,000 grants will be available in 2019.
- ✓ Year-round Clean Team and street tree lighting.
- ✓ Attract more than **20,000 attendees per year** to major summer events. Introduced new events with regional appeal including Oregon Trail Brew Fest and Oregon Trail Game 5k.
- ✓ Wrote grants, advocated for, and recruited **nearly \$4 million** in public investment for downtown from city, metro, state, and federal sources.
- ✓ **\$100,000 National Endowment for the Arts grant** prompting architectural façade and lighting upgrades of the municipal elevator.
- ✓ Secured **\$170,000 in tourism grant funding** to complete a City tourism plan and \$100,000 initial marketing campaign to be introduced in April 2018.
- ✓ **\$15,000 signage and nightscape micro-grant** program provided design advice and support for enhancements of 12 downtown storefronts.
- ✓ "Live it Up Downtown" **housing feasibility study** partnership with Portland State University.
- ✓ Redevelopment of **downtownoregoncity.org** and introduction of professionally managed promotional programs.
- ✓ Primary advocate for conversion from a 1-way to a **2-way Main Street** and **streetscape upgrades**; conduit for future downtown **high-speed fiber optic network**.
- ✓ Business recruitment campaigns including **Blue Collar Creative** and current Retail & Restaurant Recruitment campaign. Maintain annual market research and investment data.
- ✓ Maintain pedestrian and traffic analytics sensors
- ✓ Worked with property owners to secure local and regional grants for **façade and adaptive reuse projects**.
- ✓ Provide business training and seminars.
- ✓ Worked with city to introduce **Urban Renewal programs** for adaptive reuse.



## Renewal Timeline

DOCA has chosen to begin the renewal process early in order to allow enough time for stakeholder ratepayer engagement. If there is general support for the proposed plan, we will move forward with public hearings. If not, we will work to address ratepayer concerns prior to proceeding with public hearings.

- Ongoing - surveys and annual visioning sessions to refine program and set strategic priorities.
- August 2017 - PULSE survey to stakeholders to rate DOCA programming.
- September 2017 - Begin EID ratepayer outreach about renewal process.
- December 6, 2017 - Earliest possible first hearing at commission meeting for renewal by end of current EID.
- May 16, 2018 - Latest possible first hearing at commission meeting for renewal by end of current EID.

## About Downtown Oregon City Association & EID Stewardship

The Downtown Oregon City Association is a nonprofit formed in 2009 to lead the revitalization of downtown. In 2011, it contracted with the City of Oregon City to manage the Economic Improvement District. It is led by a 13-member board of directors, supported by professional staff and six volunteer committees.

As a 501c(3) non-profit, DOCA is able to utilize other funding sources to greatly reduce the cost of services to the district. Since its formation through the 2017-18 budget year, DOCA will leverage \$1.18 million EID funds for \$2.43 million in services and projects. Since the last EID renewal in 2015, the level of service has dramatically increased. Over the 2015-2018 assessment period, \$250 thousand in EID funds will leverage a total of \$1.33 million in services and projects. **DOCA is striving to maintain our current minimum service ratio of \$5 for every EID assessment dollar.**

### 8th & Main 2007 to 2017



### What is an EID and how are they created?

Economic Improvement Districts are designated commercial districts within which property owners agree to self-assess a fee that funds a higher level of service than otherwise provided by a municipality.

Per state law, funds may be used for the following:

- (a) The planning or management of development or improvement activities.
- (b) Landscaping or other maintenance of public areas.
- (c) Promotion of commercial activity or public events.
- (d) Activities in support of business recruitment and development.
- (e) Improvements in parking systems or parking enforcement.
- (f) Any other economic improvement activity for which an assessment may be made on property specially benefited thereby.

Oregon City's downtown Economic Improvement District has been in place since April 2011 with an initial period of four years. EIDs can be renewed indefinitely for up to five years at a time with the approval of district property owners. The current EID was formed in 2015 for a period of three years.

The creation or renewal of an EID requires a minimum of three City Commission meetings. The Commission must agree with the proposed rates and solicit feedback from affected property owners. Property owners are given a minimum of 30 days for testimony. An EID ordinance is not enacted if owners representing more than 1/3 of the total annual assessment object during the public hearing period.

EID assessments can be calculated by a number of methodologies but are restricted to a maximum of 1% of a property's assessed value. Downtown Oregon City's current and former districts were based on percent of assessed value. 0.5% with a \$975 cap and 1% with a \$1,950 cap respectively. The proposed EID renewal uses total lot area except when the statutory limit would be exceeded.

*Most districts in Oregon are renewed and have been in place for more than 20 years.*

