

# PDC

## PORTLAND DEVELOPMENT COMMISSION

**DATE:** September 23, 2009

**TO:** Board of Commissioners

**FROM:** Bruce A. Warner, Executive Director

**SUBJECT:** Report Number 09-116  
PDC Neighborhoods: An Overview of Urban Development's Neighborhood Division

### EXECUTIVE SUMMARY

#### BOARD ACTION REQUESTED

None — information only.

#### SUMMARY

The Portland Development Commission's (PDC's) recent reorganization created a unique opportunity to refocus our efforts within the City's diverse neighborhoods. A new Neighborhood Division was created within the recently formed Urban Development Department. This Division is charged with implementing PDC's strategic initiatives in the neighborhood-based Urban Renewal Areas, including Gateway Regional Center, Interstate Corridor, Lents Town Center, and the Martin Luther King Jr. Boulevard portion of the Oregon Convention Center. In addition, the Division is responsible for implementation of key parts of the newly adopted City of Portland Economic Development Strategy, with a priority focus on small business, neighborhood commercial districts, and family-wage job creation. With a more robust delivery structure for the neighborhoods, PDC is poised to provide relevant and prioritized services and investments to Portland's neighborhood residents and businesses. This report is an informational briefing on the Division's new structure and program development to date.

### BACKGROUND

This informational report provides a briefing on the Neighborhood Division, including a review of the organizational structure, key work programs and initiatives, and a discussion of where the Division is heading strategically.

Recent polling data indicates strong backing for PDC's work to create and retain jobs, support small businesses, and increase the quality of livability in the neighborhoods. There has been particularly strong support for creating family-wage jobs and for PDC's popular Storefront grant programs. This data helps support PDC's new direction and validate the creation of a dedicated team of experts focused on neighborhoods.

PDC is implementing this holistic approach. Working closely with a wide variety of internal staff, knowledgeable experts from other bureaus, and stakeholders in the neighborhoods, PDC is

making real progress in connecting with neighborhood residents and businesses in the furtherance of our shared strategic goals. Streetscape work, storefront grants, business loans, redevelopment assistance, and strategic planning are being deployed in a coordinated and efficient way. One positive result already of this approach has been the openness these neighborhoods have had to significant new initiatives, including the recent approval of \$175 million in new future indebtedness in the Lents Town Center.

In order to efficiently manage through these changes, support implementation of the City Economic Development Strategy, and focus resources more effectively, the Neighborhood Division has been organized into three sections:

- **North/Northeast** focuses on the Interstate Corridor and the Martin Luther King Jr. Boulevard portion of the Oregon Convention Center Urban Renewal Areas;
- **South/Southeast** works in the Lents Town Center and Gateway Regional Center Urban Renewal Areas; and
- **Community Economic Development** administers a number of general fund programs, including the Economic Opportunity Initiative, the Green Main Streets program, the Small Business Portal project, and the Economic Gardening program.

We have designed our work teams to provide for ample opportunity for work across these sections, and indeed, across the entire department, and much cross-fertilization is now underway.

There are four primary areas of work that the Division is engaged in. These include:

- **Commercial District Revitalization.** This is a key focus area where both redevelopment and economic development approaches can be used effectively in targeted areas such as Downtown Kenton in Interstate Corridor and Halsey-Weidler in Gateway Regional Center.
- **Community Economic Development.** The new City Economic Development Strategy spelled out specific priority programs we are now building-out with the goal of support and creation of small business opportunities.
- **Transit-oriented and Corridor Redevelopment.** This work includes our sustainable development efforts and implementation of the adopted Metro 2040 framework.
- **Planning and Strategic Initiatives.** This includes important targeted efforts like the Green Line station area planning in Lents Town Center and the Martin Luther King Jr. Action Plan in Oregon Convention Center.

The Neighborhood Division work plan has a great deal of variety, reflecting the many different neighborhoods we work in. A brief sample of some of this wide variety of projects and programs currently managed by the Division include:

- **Neighborhood Storefront Improvement program**, with an overall budget this year of more than \$1.5 million and in excess of 100 distinct storefront projects underway;

- **Streetscape enhancement projects**, such as the Denver Avenue, Russell Street, and Foster/Woodstock projects now in progress;
- **Community Livability Grant program**, an extremely popular small-scale grant program begun in Interstate Corridor and being considered for expansion in Lents Town Center;
- **Proposed N/NE Plan Amendments**, which could provide additional capital resources for economic development in one of Portland's most diverse communities;
- **92/H mixed-use transit-oriented-development**, a catalyst project immediately adjacent to the new Lents Town Center MAX station;
- **Freeway Land "shovel-ready" project**, part of a larger planning and implementation initiative along Johnson Creek focused on cluster sector job formation; and
- **Central Gateway Redevelopment project**, which aims to provide redevelopment opportunities for job growth in the new Regional Center.

Efforts are underway to help ensure that the Neighborhood Division's work is prioritized with emphasis on the job creation goals of the City Economic Development Strategy and in alignment with PDC's Strategic Plan and relevant Urban Renewal Area Plans, and that new opportunities are not missed by a lack of flexibility. Staff are being cross-trained and there is now an expectation that a redevelopment expert should know about business finance loan products and the Streetscape project manager should know about mixed-use redevelopment.

The future success of PDC's efforts in the neighborhoods is predicated on continued refinement and feedback from neighbors and stakeholders. We anticipate a great deal of focus around further strategic planning to support lasting commercial revitalization and small business assistance, improving and developing strong partnerships with the Alliance of Portland Neighborhood Business Association and local neighborhood coalitions, developing innovative commercial and mixed-use projects supporting 20-minute livable neighborhoods, prioritizing projects that support family-wage jobs, integrating long-term sustainability into current and future projects, and creating an on-going partnership with the new Portland Bureau of Housing around neighborhood stability and livability.

Long-term, PDC hopes to provide more of a presence in the large number of neighborhoods outside of urban renewal boundaries through initiatives like the new Green Main Streets program, the city-wide storefront improvement program, and various flexible business loan products. This presence will require continued investments of tax increment financing within the urban renewal areas as well as continued targeted investment by the City general fund in these initiatives. Neighborhood Division staff are also doing outreach through local business district associations, neighborhood coalitions, and other venues to get the word out that PDC is active in the neighborhoods, is respectful of diversity, and is pledged to be a strong partner going forward. Finally, we recognize that investment is only part of the answer, and that long-term capacity building among existing and new neighborhood organizations is key to ensuring Portland's continued reputation for outstanding livable neighborhoods.