



Good in the Neighborhood 2007

NE Martin Luther King, Jr. Blvd. Economic Development Study



Henry V - Green Building



Groundbreaking for Vanport Development

Investing in Portland's Future

PDC
PORTLAND DEVELOPMENT COMMISSION

August 2007

Conducted for the Portland Development Commission

By the Business and Community Collaborative

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In Collaboration with Oregon Action

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R E P O R T

on the NE Martin Luther King Jr. Boulevard Economic Development Study

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I Executive Summary

Introduction

The Northeast Martin Luther King, Jr. (NE MLK) Boulevard corridor is a rapidly redeveloping area. The corridor between Lloyd Center and NE Rosa Parks Boulevard is included within the Oregon Convention Center Urban Renewal Area. One of Northeast Portland's major north-south thoroughfares, NE MLK serves an area historically populated by the city's African American community. Today identified as the "Soul of Portland," the corridor continues to be home to a richly diverse population. It also serves as an important corridor of commerce and employment for the Northeast, with at least 10 commercial nodes (business clusters) located along NE MLK intersections between NE Broadway and NE Columbia Boulevard.

While most of NE MLK's streetscape has been revitalized in recent years with the help of public funds – notably, improvements that restored some on-street parking, replaced the existing median, enhanced transit stops, improved pedestrian crossings, landscaping, and lighting – the corridor is still struggling to overcome its former reputation as an area of urban blight. Consequently, the city's redevelopment and economic development agency, the Portland Development Commission (PDC), adopted an MLK Blvd. Strategy Update and Action Plan in the summer of 2006 to guide further revitalization efforts in the corridor for the next five years. Among other action items, the plan authorized a study of NE MLK business owners and stakeholders. The study's goal was to identify perceived barriers to business success and opportunities for growth, so the PDC can best support business development in the corridor – particularly minority-owned businesses.

In September 2006, PDC contracted with the Rural & Urban Development League Community Development, LLC, (R&U) to conduct this NE MLK Economic Development Study (NE MLK-EDS). R&U served as the lead organization among a consortium of community organizations that carried out various parts of the study. Key organizations included Global Management Strategies, LLC, and The Beloved Community Journal which, in turn, brought in the expertise of Oregon Action (OA) and the Sabin Community Development Corp. (CDC). Collectively, for purposes of conducting the study, the consortium called itself the Business and Community Collaborative (BCC).

As specified in the study contract's scope of work, the BCC used several methods of collecting data to ensure maximum participation by identified stakeholders. These included a written survey conducted by mail, a public forum, focus groups and one-on-one interviews. In total, 101 NE MLK Boulevard business and property owners, developers, community representatives (e.g., members of business, neighborhood, or other local organizations) and residents participated in the study.

Highlights of Findings

The NE MLK-EDS gave participants opportunities to identify strengths and weaknesses of NE MLK Boulevard's business and social/cultural environments, public services and physical appearance. They were also able to identify where they most often purchase goods and services – along the boulevard or elsewhere in the Portland metropolitan area – and what kinds of new businesses they would most like to see locate on the boulevard. Finally, they were asked what strategies and incentives they would support to attract new development.



NE Martin Luther King, Jr. Blvd.
and Russel Street

Results indicate there are strong feelings among boulevard business owners and residents about the following:

- Public safety needs improvement along the corridor.
- More parking is needed to serve current businesses and incoming businesses.
- The median installed on MLK Boulevard has posed challenges that now need creative resolution.
- The community continues to struggle with its public image because of chronic eyesores, including graffiti, garbage dumping and ill-maintained abandoned buildings.
- Despite its challenges, NE MLK Boulevard has great potential as a thriving business district because of its strategic central location, high traffic exposure, strong sense of community, and unique cultural heritage.
- Residents would most like to see clothing stores, quality restaurants, professional services and an entertainment complex join the mix of businesses along the boulevard.
- A local supply of affordable housing must be a key component of any business development strategy.
- The city needs to expand on recent planning and development efforts in the area by creating a cohesive economic development strategy and toolbox of incentives.
- NE MLK's stakeholders want to be involved in decision-making as the area develops.

To help the NE MLK corridor emerge as a vibrant business district and attractive place to live, participants supported several actions:

- Improve public safety and public services along NE MLK Boulevard – particularly, address criminal activities, eyesores (e.g., graffiti, garbage, abandoned buildings) and the need for more parking.
- Better support existing NE MLK businesses – by ensuring equal access to public resources (both financial and technical assistance) now seen as going to new businesses or other areas of the city, and by involving the community in economic development decisions.
- Recognize, market and build on NE MLK's diverse community – by promoting and celebrating its cultural traditions and unique businesses.
- Recruit the right new businesses – including clothing retailers, quality restaurants, certain professional services and entertainment venues, to encourage longer business hours on the boulevard and more "living wage" jobs. Also encourage clusters of pedestrian-oriented small businesses.
- Offer the right mix of technical assistance and financial resources – from assistance navigating the city's development processes, to worker or business owner training, to low-cost loans or loan incentives...participants challenged the city to develop a creative mix of resources for the community.
- Other recommendations – participants indicated they want the city to keep lines of communication open with the business community, to address housing needs as part of any economic development strategy, and to ensure various city departments coordinate their efforts.



Troy Tate*Community Help Institute
for Learning & Development



Dan Bell, The Beloved Community Journal;
Inger McDowell, Community Reinvestment Group

II Study Objectives and Methodology

Objectives

PDC commissioned the NE Martin Luther King Jr. Blvd. Economic Development Study (NE MLK-EDS) to gain a better understanding of the current business environment along the boulevard and how the city can best help stimulate more development. Specifically, study objectives were to:

- Identify what businesses, developers and residents perceive as advantages to their NE MLK Boulevard location, as well as major barriers to business success.
- Explore best ways to support, strengthen and expand minority-owned business establishments along the boulevard.
- Determine what businesses should be recruited to meet community needs for a diversity of local goods and services.
- Identify strategies for recruitment.

Ultimately, the study's objective was to identify both general and specific business opportunities along MLK, and how PDC can best play a role in maximizing those opportunities to spur new investment.

Methodology

The study focused on NE MLK Boulevard from NE Broadway to NE Columbia Boulevard, which includes 362 addresses (occupied or vacant). To ensure as many NE MLK stakeholders were included in the study as possible, the lead organization contracted to conduct the NE MLK-EDS – the Rural & Urban Development League Community Development, LLC – organized a consortium of community organizations to help carry out various parts of the study. Key organizations included Global Management Strategies, LLC, and *The Beloved Community Journal* which, in turn, engaged the expertise of Oregon Action (OA) and the Sabin Community Development Corporation (CDC). The resulting study was conducted using the following four methods, which took place between September and December 2006. A more detailed description of each process follows this list.

- **Survey** PDC provided the names of 198 business owners or other stakeholders to which NE MLK-EDS surveys were mailed. A total of 42 surveys were returned.
- **Interviews** Some 13 NE MLK business owners/employers, business, community and neighborhood organization representatives, and property owners were selected for in-depth, one-on-one interviews.
- **Public forum** A public forum held in November involved 24 local business owners, employees and residents in exploring MLK's future.
- **Focus groups** Four (4) focus groups were held in the north/north-east community during October and November, engaging 22 small business owners and community members in discussions about the boulevard.

Outreach: To invite as much participation as possible, several outreach methods were used to alert NE MLK business owners and residents about the study:

- Distribution of business-to-business fliers
- Listings on Portland Community Media (cable access channel) calendar of events
- E-mails to targeted individuals and groups
- Web page hosted by Sabin Community Development Corporation

Table 1

Ethnic/Racial Composition of Study Participants			
A total of 101 NE MLK Blvd. community members participated in the fall 2006 NE MLK-EDS. Here are comparisons of the ethnic/racial composition of study participants with the ethnic/racial composition of the NE MLK Blvd. area and greater Portland.			
	Portland (citywide)*	NE MLK Blvd.*	Study Participants
White	75.5 percent	43.0 percent	24.0 percent
Black	6.2 percent	38.2 percent	61.0 percent
Hispanic	6.8 percent	9.8 percent	1.0 percent
Native Amer.	0.9 percent	1.1 percent	0.0 percent
Asian	6.3 percent	1.5 percent	7.0 percent
Pacific Islander	0.4 percent	0.8 percent	0.0 percent
Other race	0.2 percent	0.4 percent	0.1 percent
2+ races	3.8 percent	5.2 percent	N/A
Not identified	N/A	N/A	7.0 percent
* Data source: City of Portland Office of Transportation 2003 <i>Portland Commercial Corridors Study</i> , which provided demographics for a NE MLK Blvd. segment from Weidler to Lombard. This is very close to the MLK study's south/north boundaries of Broadway and Columbia Boulevard.			

- Neighborhood newspaper announcements
- Personal invitations to stakeholders
- US mail distributions
- Telephone contacts

In total, 101 NE MLK Boulevard business and property owners, developers, community organization representatives (e.g., business or neighborhood group members) and residents participated in the study.

WRITTEN SURVEY

A written survey was conducted in fall 2006. As noted, 42 surveys were completed and returned by business owners and/or area residents.

The comprehensive written survey, drafted by the BCC and PDC staff, asked more than 20 detailed, multiple-part questions. Respondents were asked to identify what they believed to be strengths and weaknesses of NE MLK Boulevard's business, social and aesthetic (community appearance) environments and public services. Additionally, respondents were asked where they most often purchase particular household goods and services – along MLK or elsewhere – and what kinds of businesses they would most like to see locate on the boulevard to serve their needs. Finally, they were asked what types of strategies and incentives they believe would most effectively stimulate new development.

Tabulated responses from the written survey and corresponding bar charts, as well as a detailed written summary of the survey's results, can be found in [Appendix A](#).

FINDINGS FROM STAKEHOLDER INTERVIEWS

Thirteen (13) selected stakeholders – representing local businesses/employers, organizations (e.g., business, community and neighborhood groups) and property owners – participated in the NE MLK-EDS interviews. They included:

- African-American Chamber of Commerce
- Construction Metro, Inc.
- Geneva's, Inc.
- Hispanic Chamber of Commerce
- Immigrants and Refugee Community Organization
- King Neighborhood Association
- National Association of Realty Brokers
- Neighborhood Wealth Associates
- Oregon Association of Minority Entrepreneurs
- Popeye's Chicken Franchises
- Portland Community Reinvestment Initiatives, Inc. (two participants)
- Providence Hospital

Table 2

BCC Survey Contributors	
Zip Code	Total
97211	13
97212	4
97217	3
97213	2
97205	2
97006, 07, 68, 80	4
97204, 70, 14, 21, 22, 29, 67	7
98682	1
Not Identified	6

The sessions were usually one-on-one and were conducted by two interviewers. Depending on the nature of the organization, the interviews were customized to focus on topics most relevant to the organization's area of expertise or experience. Interviewees were also asked selected questions from the core (written) survey, when appropriate.

The interviewers' complete notes from the stakeholder interview sessions, as well as tabulated results of selected survey questions asked of some stakeholders, can be found in [Appendix B](#).

PUBLIC FORUM

A public forum was held as part of the NE MLK-EDS on Nov. 10, 2006. The 24 participants included NE MLK business owners, employees of NE MLK businesses, and interested residents. (Seventy-five percent of participants were local residents, many for more than 40 years.)

The forum began with a 15-minute “virtual walking tour” and PowerPoint presentation to highlight the study area, followed by several interactive exercises, including one to identify boulevard strengths and weaknesses.

For one exercise – the “Boulevard Game” – participants divided into teams and determined how they could best invest \$9 million in “MLK credits” to leverage other funds and implement an effective development plan. Each team’s approach was different, showing the many possibilities for development along MLK Boulevard. One team focused most of its investment on a small manufacturing plant and vocational training program to leverage funds and create jobs. Two others focused on mixed-use developments incorporating entertainment/theatre/ restaurant or other retail uses with affordable housing.

Forum participants also had an opportunity to respond to selected survey questions posted throughout the room.

More details about the public forum, including tabulated responses to survey questions posed to participants, can be found in [Appendix C](#).

FOCUS GROUPS

The BCC also held four 90-minute focus group sessions at the Portland Community Media (PCM) studio on NE MLK on Oct. 24 and 31, and Nov. 7 and 27. A total of 22 small business owners and community members participated. Many minority- and women-owned businesses were represented, including owners of African American, Korean, Ethiopian, Hispanic and Russian descent. Besides ensuring outreach to NE MLK businesses and residents generally, the focus groups were specifically promoted to attract participation by members of surrounding neighborhoods, including Eliot, Boise, King, Woodlawn and Piedmont.

To encourage comprehensive discussion about NE MLK Boulevard, each session focused on identifying needs, challenges, opportunities and possible solutions in the following 11 areas:

- Business and community support
- Commercial space options
- Financial assistance/support
- Gateway and boulevard presence
- Home ownership & “live/work” opportunities
- Marketing assistance resources
- Parking options
- Sustainable environment and livability issues
- Technical assistance
- Transportation
- Workforce resources/opportunities



Samuel Cole* NW Funding Group

Each focus group session was also videotaped by a 10-person volunteer video crew and aired on a Portland cable access channel, which enabled viewing by up to 400,000 households. BCC members received many positive comments, via phone contacts and personal encounters in the community, about the NE MLK-EDS process being brought into people’s homes.

A full description of focus group methodology and notes from group discussion can be found in [Appendix D](#).

III Findings

The NE MLK-EDS gave participants opportunities to identify opportunities and challenges of NE MLK's business and social/cultural environments, public services and physical appearance. They were also able to identify where they most often purchase goods and services – along MLK or elsewhere – and what kinds of businesses they would most like to see locate on the boulevard to serve their needs. Lastly, participants in the economic study were able to weigh in on the types of strategies and incentives they would favor to create new economic development.

This section provides an overview of participant responses from the written survey, focus groups, public forum, and stakeholder interviews conducted. More detailed information can be found in the appendices.

Today: Perceived strengths & weaknesses of NE MLK Boulevard

By a 2-to-1 margin, respondents to the written survey indicated they believe NE MLK Boulevard is a better place to live than five years ago (see box). More than three-fourths (76 percent) of respondents recognized several advantages to owning a business, living, or working on NE MLK. When asked to list the four biggest advantages to doing business, living or working on the boulevard ("Focus 3" survey question), the most popular responses were:

Table 3

Written Survey: Opinion 1		
Is MLK Boulevard a better, the same, or a worse place to live than it was five years ago?		
Ranking	Responses	Percent
Better	22	59 percent
Same	10	27 percent
Worse	1	3 percent
Don't know	4	11 percent
TOTAL	37	100 percent

1 Central location: Close proximity to downtown and easy access to freeways, downtown, and other areas.

2 Strong sense of community: A diverse cultural atmosphere with a revered namesake, community events, unique one-of-a-kind businesses, owners who take pride in investing in the area, and locals who are loyal to area businesses.

3 High traffic exposure: Volume of traffic provides good visibility for businesses, which also benefit from strong public transportation and foot traffic.

4 Area growth: An expanding population and business base, with accompanying appreciation in property values and possible tax abatement.

Other advantages listed by survey respondents included unique businesses, safety improvements, neighborhood parks, and PDC's assistance in storefront beautification.

Similarly, participants in the November public forum found the boulevard's top strengths are:

- **Development opportunities:** Availability of incentives (e.g., business development fund; Rivergate Enterprise Zone), zoning, relative investment costs and available land.

- **Strategic location:** The significance of MLK Boulevard as a major inner-city arterial and the role it is expected to play in future development (as identified by the city, metro and the state).

Other strengths listed by forum participants included increasing land/building values, the area's significance as a center for the African-American community, and the local workforce.

WHAT FACTORS ARE IMPORTANT?

To put identified opportunities and challenges in perspective (weaknesses are discussed below under Identifying the challenges), the written survey asked respondents two questions about what factors are important to successfully operate a business or live in the vicinity of NE MLK.

Question 12 asked respondents to indicate the importance of different neighborhood aspects, such as housing, shopping and transportation. More than half of respondents indicated that "convenience to job," "ethnic diversity," and "convenience to public transportation" are extremely important. However, when all positive responses are combined (extremely, moderately and slightly important responses), all nine factors were seen as relatively important, including "strong sense of community," "affordable housing," "available shopping," "trees and landscaping," "good schools" and "convenience to friends/relatives."

Question 18 asked respondents to rate the importance of factors similar to those above, but

primarily from the perspective of their importance to business. When slightly, moderately and extremely important rankings are combined, a large majority of respondents (between 79 and 97 percent) indicated they found all 10 factors important to some degree.

When listed by

extremely important rankings, however, the results are:

- Crime rate/public safety – 75 percent
- Environmental quality – 56 percent
- Employment opportunities – 51 percent
- Friendly neighbors – 51 percent
- Local tax rates – 48 percent
- Business opportunity financing – 46 percent
- Quality school system – 44 percent
- Cost of housing – 38 percent
- Establishing an ethnic and cultural atmosphere – 38 percent
- Family in the area – 29 percent



Allyson Spencer, Portland Community Reinvestment Group; Diona Flora, African-American Alliance of Homeownership; Earlene Penson, National Association of Realty Brokers; Maxine Fitzpatrick, Portland Community Reinvestment Group; Darrum Fuller, Grace Property Management; Felicia Tripp, Portland Housing Center

IDENTIFYING THE CHALLENGES

The survey asked two questions about perceived problems along the MLK corridor. Question 11 asked respondents to rate the relative impact of certain problems (e.g., “vacant lots,” “crime,” etc.), while Question 19 probed for more information, asking how important they considered each of 26 specific problems.

By a sizeable margin, respondents identified crime as their top concern. The top three problems identified by those responding to Question 11 were “vandalism” (92 percent stated this as having high or medium impact), burglaries (82 percent) and “other crimes” (80 percent). Respondents listed armed robbery, drug dealing, graffiti, prostitution and shoplifting among the “other crimes” they believe have a high impact on NE MLK Boulevard’s development potential.

Other problems identified by 70 percent or more respondents as having high-to-medium impacts on development included:

- Transients and youth gangs/teenagers who have nothing constructive to do.
- Cost of housing/condition of housing. (Participants in the public forum who chose to respond to this survey question also identified housing costs as one of their top concerns.)
- Vacant lots/upkeep of yards and property.
- Abandoned vehicles.

Respondents to Question 19, which focused more on problems involving “land use and the environment,” identified parking, abandoned buildings, graffiti and trash issues as their top concerns. Of the question’s 26 categories, the three related to parking were among the top vote-getters for “extremely problematic.” Here are the seven categories that received more than 50 percent extremely problematic ratings:

- Abandoned buildings – 59 percent
- Lack of on-street parking – 58 percent
- Customers unable to park – 57 percent
- Lack of parking lots – 57 percent
- Littering – 56 percent
- Graffiti – 55 percent
- Dumping trash on boulevard – 54 percent

Respondents were asked in two other survey questions (Questions 1 and 2) to rate public services and certain physical conditions (e.g., “maintenance of sidewalks,” “storm drainage,” etc.) on NE MLK Boulevard. Full results can be found in [Appendix 1](#), but it is worth noting that

“public transportation” was the most highly ranked service, followed by fire protection, postal services, and garbage collection. Reflecting their crime concerns, respondents’ opinions were mixed on certain police services, such as traffic, drug and juvenile alcohol enforcement. (Survey Question 5 then asked respondents if they would be willing to pay more taxes to improve some of these services. Results were mixed; see [Appendix 1](#) for details.)

Survey respondents were also asked to rate employment opportunities (ranked the third most important factor earlier) along NE MLK Boulevard in survey Question 4. More than 50 percent of respondents ranked all of the following inadequate:

- Local opportunities for earning a living wage.
- Local job opportunities for high school graduates or graduates of other educational institutions, women, or minorities.
- Local government resource commitment to develop new jobs in Northeast Portland.

TOP CONCERNS

Opinion 4 in the written survey then asked respondents to prioritize these identified problems along NE MLK Boulevard by listing their top three and bottom three concerns. Crime again earned a top ranking. Of 104 most important responses received, 72 responses went to the following categories:

- Addressing crime (burglaries, graffiti, etc.) – 31 percent
- Maintenance of abandoned buildings – 19 percent
- Providing more parking and parking lots – 19 percent
- Addressing problems associated with transients and youth gangs – 11 percent
- Need to promote commercial expansion – 10 percent
- Cost of housing (need for affordable living spaces) – 10 percent

See Figure 1 on the next page for a visual presentation of these priorities, along with a sampling of respondents’ comments related to each category, provided in Table 1.

Similarly, public forum participants listed what they perceive as major barriers to NE MLK’s redevelopment on a posted comment sheet. The full list can be found in [Appendix C](#), but here is a sampling of their comments:

- Lack of knowledge among community about economic development
- Police profiling/harassment
- Site control issues
- Zoning difficulties
- Cost of development
- Ineffective minority business support
- Lack of coordination among government entities
- Not pedestrian-friendly
- Racism
- Unequal distribution of benefits/resources
- Administration of Business Development Fund by PDC

THE PROS/CONS OF NE MLK BOULEVARD'S CURRENT BUSINESS MIX

Survey Question 6 asked respondents to rate how well the boulevard currently provides 19 different categories of goods and services. Very few respondents gave exceptional ratings in any category. (The highest number of exceptional votes, 15 percent, went to "auto services.") However, a majority (50 percent or more) of respondents found the following categories at least adequately represented on the boulevard:

- Banking/financial services – 80 percent
- Hardware/lumber stores – 67 percent
- Fast food restaurants – 59 percent
- Couriers/parcel delivery – 52 percent
- Pharmacies – 52 percent

Receiving more than 50 percent inadequate ratings were:

- Tourism attractions – 82 percent
- Restaurants/fine dining – 74 percent
- Entertainment venues – 71 percent
- Retail services – 68 percent
- Clothing stores – 67 percent
- Catering – 56 percent
- Recreation – 56 percent
- Copying/Reprographics – 54 percent

Respondents were evenly split on the adequacy of grocery stores in the neighborhood.

Survey Question 9 took a closer look at where NE MLK residents and business owners purchase some 24 categories of goods and services. Respondents were asked where they most often buy these items and given five locations to choose from, including the NE MLK neighborhood, nearby Lloyd Center and downtown Portland, or the more distant Jantzen Beach or Clackamas Town Center shopping areas.

Results show that 10 types of goods/services – nearly half – are purchased most often in the NE MLK neighborhood. These include:

- Gasoline – 73 percent
- Hardware/lumber – 63 percent
- Video rentals – 61 percent
- Banking/financial services – 55 percent
- Fast food – 45 percent
- Groceries – 67 percent
- Prescriptions – 61 percent
- Automobile repair – 59 percent
- Check cashing – 49 percent
- Gifts – 32 percent

The NE MLK corridor was considered a second choice when purchasing five other goods/services – insurance, automobiles, health care, party/picnic supplies and "paycheck loan" services (although very few respondents used the latter).

Figure 1. Perceived Barriers to Business Success
along NE MLK Boulevard with Participants Comments.

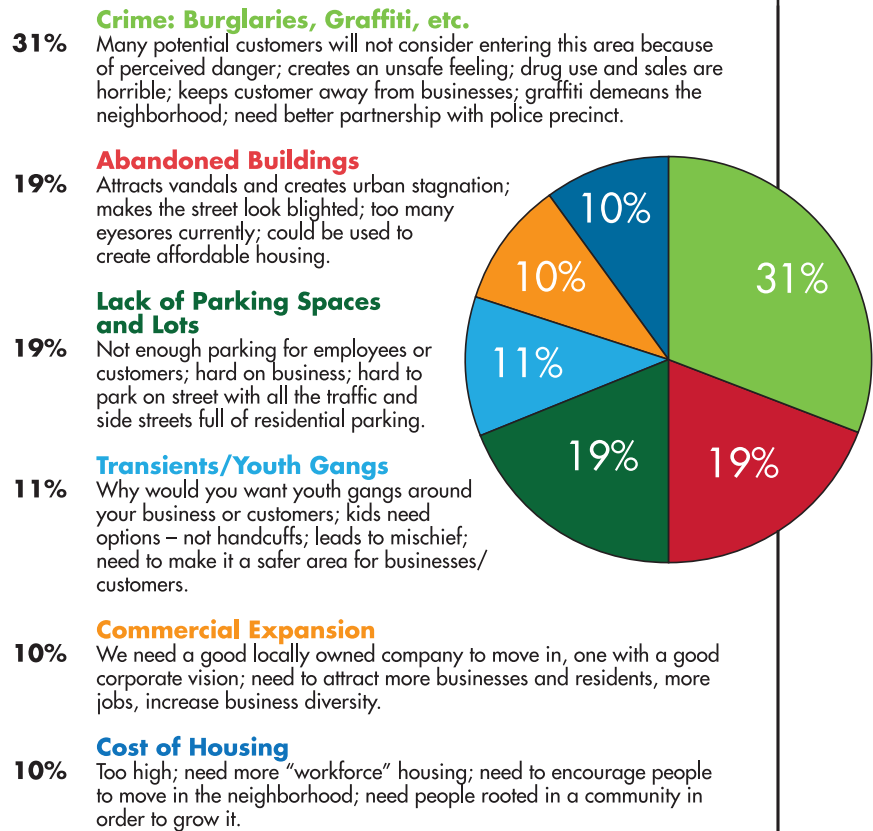


Table 4 Purchases by Location

Goods and Services	NE MLK	Downtown	Lloyd Center	Jantzen Beach	Clackamas	Multiple Areas	No Opinion
Automobile repair	59%	3%	19%	3%	5%	0%	11%
Automobiles	29%	0%	17%	0%	0%	0%	54%
Banking /financial services	55%	8%	24%	0%	3%	3%	8%
Check Cashing	49%	10%	18%	0%	0%	0%	23%
Clothing	3%	31%	31%	5%	5%	8%	18%
Fast food	45%	11%	16%	3%	0%	8%	18%
Fine Dining	15%	51%	8%	5%	0%	3%	18%
Furniture	14%	22%	6%	8%	3%	6%	42%
Gasoline	73%	8%	5%	0%	3%	5%	5%
Gifts	32%	16%	19%	3%	5%	11%	14%
Groceries	67%	0%	13%	3%	3%	8%	8%
Hardware, lumber	63%	5%	0%	16%	3%	0%	13%
Health care	28%	15%	3%	3%	5%	8%	38%
Insurance	31%	13%	8%	3%	5%	3%	38%
Attorneys/legal aid	10%	44%	5%	0%	0%	0%	41%
Movies /entertainment	18%	30%	36%	3%	0%	0%	12%
Party/picnic supplies	19%	8%	14%	11%	3%	3%	42%
Paycheck Loans	5%	0%	3%	0%	0%	3%	89%
Prescriptions	61%	11%	11%	3%	3%	0%	13%
Restaurants	26%	41%	12%	3%	0%	0%	18%
Small Appliances	18%	10%	10%	23%	5%	5%	28%
Major Appliances	16%	8%	11%	19%	8%	0%	38%
Sporting goods	13%	0%	5%	23%	3%	8%	36%
Video Rental	61%	5%	3%	0%	0%	0%	32%

Top choice 2nd choice/alternative

But when it comes to entertainment, restaurants (particularly fine dining), clothing, and legal services, respondents said they prefer or must go elsewhere – mainly downtown and the Lloyd District. Other study participants pointed out that there are no copy/print shops along the corridor.

See Table 4, above, for a visual presentation of respondents' purchasing habits.

Survey Question 13 then asked why residents and business owners go outside the NE MLK neighborhood for goods and services. The top six (extremely/moderately important) reasons identified were:

- More stores and services in one place – 83 percent
- Larger selection – 80 percent
- Higher quality – 58 percent
- Better service – 56 percent
- Close to other activities – 51 percent
- Quality of parking – 50 percent

Survey respondents were also given an opportunity to list their top two most positive and negative perceptions about goods and services on the boulevard (survey "Focus 2"). Identified pluses included a variety of ethnic, locally owned shops and restaurants and a friendly business atmosphere. Among identified minuses were lack of parking, pedestrian-oriented businesses separated by "long gaps," heavy traffic, too many fast-food restaurants and convenience stores, and not enough quality, family restaurants.



Scott Fogarty, Friends of Trees; John R. Paris, Compass Realty Inc.; LeRoy Patton, Fair Housing Council of Oregon

Interviewees for the NE MLK-EDS

Baruti Artharee,
EEO Officer
Providence Hospital

Sam Brooks,
President/Chairperson
Oregon Association of
Minority Entrepreneurs

Gale Castillo, Executive Director
Hispanic Chamber of Commerce

Chad Debnam, Chairperson
King Neighborhood Association

Maxine Fitzpatrick,
Executive Director

Allyson Spencer,
Director of Programs
Portland Community
Reinvestment
Initiatives, Inc.

Greg Holbrook, Owner
Popeye's Chicken Franchises

Roy Jay, Spokesperson
African-American Chamber
of Commerce

Paul Knauls, Owner
Geneva's Shear Perfection Beauty
& Barber Salon

James Posey, Owner
Construction Metro, Inc.

Sokol Tauch, Executive Director
Immigrant and Refugee
Community Organization

Wyman Winston, Principal
Neighborhood Wealth Associates

Findings from Stakeholder Interviews

As part of this study, interviews were conducted with 13 MLK Boulevard community leaders and business representatives (listed at left). This allowed more in-depth exploration of challenges and opportunities along the boulevard. The following summarizes the perceptions of those interviewed. A more detailed summary of interview methodology and comments can be found in [Appendix B](#).

KEY FINDINGS

Although conducted independently, the interviews showed that MLK community leaders and stakeholders share several priorities and concerns about economic development efforts along the boulevard. Key among them:

- Redevelopment efforts must recognize and support the area's ethnic and cultural diversity. As one of Portland's – and Oregon's – most historically diverse communities, it is imperative to preserve this special characteristic and build on it to achieve economic vitality, interviewees stated. Consequently, they said, any revitalization efforts should closely involve community members.
- All businesses must be treated equally. Whether an existing business or start-up, a small coffee shop or large lumber store, a for-profit or non-profit, or a minority-owned company or not, businesses operating along MLK should have access to the same level of service and resources as businesses located in other parts of the city. Several interviewees cited perceptions that new businesses, particularly owned by the majority population, were offered more services and benefits (e.g., technical assistance, low-cost loans or tax breaks) than those who have operated on MLK for years. Existing businesses that have "weathered the area's economic storms" may wish to expand, they said, but don't expect or know how to access PDC assistance.

Also, some interviewees said it appears city assistance is more readily available to developers in other areas of the city.

- PDC needs to establish trust in the MLK community. Several interviewees expressed skepticism about PDC's goals in helping the MLK business community, largely due to the perceptions noted above.
- Successful redevelopment will require addressing the following interrelated issues along MLK:
 - **Lack of parking** Inadequate parking for both employees and customers was often cited by interviewees as a barrier to business success. Like the larger group surveyed by mail, many said installation of the median was a mistake and now requires creative on- or off-street parking alternatives.
 - **Public safety concerns** Reiterating one of the foremost concerns identified by other study participants, particularly survey respondents, those interviewed said the area cannot reach its full potential until localized crime problems (e.g., burglary, vandalism, gang violence) are aggressively targeted and reduced.
 - **Local affordable housing** Enabling business owners and workers to live in the community where they work, and a diverse mix of residents to remain in the neighborhood so they can shop local stores, requires affordable housing, interviewees said. However, the definition of "affordability" needs to be carefully drafted. One interviewee noted, for example, that a recent downtown condominium project offered "affordable" \$300,000 one-bedroom units. To most MLK-area residents, affordable means targeted to low-income families, he said. Anything else ends up displacing the very people it is supposed to help.

Interviewees suggested several ways to address their concerns along MLK. Their recommendations are combined with those from the written surveys, focus groups and public forum, and summarized in the report's last section.

Tomorrow and the Future: Preferred Development Strategies and Actions

Study participants were engaged in several activities to help identify development priorities for NE MLK Boulevard, including what businesses should be recruited and what strategies and incentives should be used. The survey asked several questions on these topics and the four focus group sessions explored them in depth. This section of the report highlights what was learned from these activities.

What development/businesses do we need on MLK?

Two survey questions specifically asked respondents about new businesses or other land uses they would like to see on the boulevard. Question 10 focused on the relative importance of bringing certain types of development to the area while Question 14 asked “how much” of certain types should be in the community. In response to Question 10, a majority of respondents stated the following should be given high or medium priority for recruitment:



Troy Tate, Community Help Institute for Learning & Development; Chris M. DiLoreto, DiLoreto Architecture, LLC; Calvin Jackson Jr., Jeannis Jackson and Calvin Jackson Sr., CJ Jackson Construction

- Business offices – 84 percent
- Entertainment – 78 percent
- Affordable house – 73 percent
- Business incubator – 72 percent
- Movie theater – 62 percent
- Regional commercial center – 61 percent
- Allied business distribution center – 60 percent
- Home-based businesses – 56 percent
- Pocket parks – 54 percent

Survey respondents gave light industrial parks, convenience stores, fast-food restaurants, and warehouses much lower priorities.

Several focus group participants also considered business incubators and affordable housing important priorities, specifically advocating for more incubator-style commercial space to help start-up small businesses, more housing options for all income levels, and the addition of “live/work” spaces for entrepreneurial ventures. Nearly 50 percent of the respondents wanted to see more condominiums.

On the question of “how much,” an overwhelming majority of survey respondents favor adding “stores and services;” 95 percent indicated they want more of these (the other 5 percent said they want the amount to stay the same). Respondents were somewhat split on other types of business and land use (for example, 40 percent want more light industry while 45 percent want the same or less) with the exception of mobile homes, of which 85 percent of respondents would like to see less.

How best do we go about it?

Survey Question 17 asked how certain economic development strategies appear to be working along NE MLK Boulevard. For five of the six strategies listed, more respondents rated them inadequate than adequate/exceptional, although some ratings were very close.

Here is a closer look:

- Efforts to attract new industry or business – 50 percent inadequate; 40 percent adequate/exceptional
- City spending money to attract industry and business on the boulevard – 49 percent inadequate; 41 percent adequate/exceptional
- Efforts to encourage patronizing new businesses on NE MLK Jr. Blvd. – 45 percent inadequate; 42 percent adequate/exceptional
- City giving financial incentives to businesses to locate on the boulevard – 44 percent inadequate; 38 percent adequate/exceptional

- Efforts to prioritize resources and technical assistance to increase participation and success of minority businesses and developers on MLK – 44 percent inadequate; 44 percent adequate/exceptional
- City efforts to strengthen its business retention and expansion program – 41 percent inadequate; 43 percent adequate/exceptional

Finally, survey Question 16 asked which of 10 different types of development incentives respondents would support to attract new business and industry.

A majority of respondents favored offering more of all the following incentives:

- Reduce business building permit fees – 82 percent
- Provide planning assistance – 82 percent
- Provide low-cost loans to business – 81 percent
- Provide long-term loan incentives – 71 percent
- Reduce business utility connection fees – 66 percent
- Provide tax incentives – 66 percent
- Provide short-term loan incentives – 66 percent
- Provide incentives for businesses who partner with local minority businesses and/or hire local minority residents – 66 percent
- Compensate businesses when public works projects interfere with business – 62 percent
- Reduce cost of utility service to businesses – 50 percent

Likewise, focus group participants indicated they support many of the same incentives, with an emphasis on consistency and parity – e.g., long-term incentive programs with community-determined formulas for how funds are distributed.

Survey respondents also left no doubt as to who should take the lead in these efforts: 84 percent indicated PDC should “play an active financial role” in the corridor’s redevelopment. (Survey “Opinion 2.”)

The following section summarizes the findings of this NE MLK Boulevard Economic Development Study and lists a variety of steps suggested by participants to revitalize the boulevard and its N/NE Portland neighborhood.



Geri Sunvall, Environmental Justice Action Group;
Loretta Smith, Oregon U.S Senator Wyden’s office;
Fulton Burns, Ex-Offenders Association

SUMMARY OF FINDINGS

The majority of NE MLK-EDS participants agreed on the following key issues:

- Public safety needs improvement along the corridor.
- More parking is needed to serve current businesses and incoming businesses.
- The median installed on MLK Boulevard has posed some unintended challenges that now need creative resolution.
- The community continues to struggle with its public image because of chronic eyesores, including graffiti, garbage dumping and ill-maintained abandoned buildings.
- Despite its challenges, NE MLK Boulevard has great potential as a thriving business district because of its strategic central location, high traffic exposure, strong sense of community, and unique cultural heritage.
- Residents would most like to see clothing stores, quality restaurants, certain professional services (such as attorneys) and an entertainment complex join the mix of businesses along the boulevard.
- A local supply of affordable housing must be a key component of any business development strategy.
- The city needs to expand on recent planning and development efforts in the area by creating a cohesive development strategy and toolbox of incentives.
- Members of NE MLK’s business community want to be involved in decision-making as the area develops.

IV Recommendations

The NE MLK-EDS helped identify specific ways to improve livability and the business environment along NE MLK Boulevard, including strengths the community can build on and key challenges to address. From participants' responses and comments, PDC can determine where gaps exist and target resources to spur new investment and create a vibrant business corridor.

1. Improve public safety and certain public services along MLK Boulevard.

For NE MLK Boulevard revitalization to move forward, the city needs to provide a solid foundation for development. Specific suggestions for improving public safety and services:

- Address criminal activity, particularly burglaries and drug/alcohol activity, both proactively (e.g., with preventive education efforts, "neighborhood policing" or more frequent patrols, neighborhood watch programs, etc.) and through more aggressive enforcement.
- Address eyesores, particularly "tagging" (graffiti), in a timely manner. This can partly be accomplished by more aggressive enforcement of city codes – related to vacant lots or abandoned buildings, needed building repairs, removal of graffiti or garbage, etc. – to ensure property owners are held responsible for the appearance of their buildings or lots. But city assistance would also be appreciated in coordinating more community clean-up crews and events (such as the "Spiffin' Up MLK Boulevard" event held in April).
- Provide more on- and off-street parking. Given land constraints, this may take creative approaches.



John R. Paris, Compass Realty, Inc.; LeRoy Patton, Fair Housing Council of Oregon; Maxine Fitzpatrick, Portland Community Reinvestment Group.

One study participant, for example, recommended zoning changes to enable centralized parking structures, perhaps with local shuttle buses – similar to a Tri-Met "park and ride" station. (Note: a sizeable majority of study participants stated they did not favor additional paid street parking as a solution.)

- Encourage other modes of transportation – by making it safer to walk or bike, and by encouraging greater use of public transportation. Consider a localized "fareless square" or designated "free or half-price ride" periods on the boulevard. Encourage pedestrian-oriented businesses to locate in clusters (near each other).
- Ensure greater pedestrian safety by properly maintaining sidewalks, enforcing traffic laws and school zone speeds, and cracking down on loitering and crime.
- Examine how the median has impacted businesses and traffic/customers/pedestrians, and creatively address how to mitigate that impact.

2. Enhance support for existing NE MLK businesses.

Study participants repeatedly made the point that existing MLK businesses, not just those being recruited or located in other areas of the city, need equal access to technical and financial resources, whether to improve a tenuous profit-margin, make small building improvements or pursue larger-scale expansion. Since many local businesses are minority-owned, this would also help ensure diversity along the boulevard. To that end:

- Establish financial/technical assistance programs targeted to current business owners who could qualify based on demonstrated investment and ability.
- Ensure equitable and non-discriminatory access to financial and technical resources by the existing business community.

- Be sure current business owners and residents are aware of and know how to access existing PDC programs – not just those geared to business, but any programs that would help make the community stronger, including homeownership assistance.
- Tap the knowledge and expertise of the established MLK business community when making decisions about investing public funds along the boulevard. Consider establishing a small business/non-profit collaborative planning group so these stakeholders have a collective voice in the process.

3. Recognize, market and build on NE MLK's diverse community.

Given the right mix of businesses, attractions and marketing, study participants believe the NE MLK corridor could become a cultural center and tourist destination, similar to Chinatown. To help realize that vision, they suggest the city and community need to work together to:

- Build on the “Soul of Portland” theme with more signage and coordinated marketing efforts. In particular, market the unique diversity, friendliness and hospitality of boulevard businesses.
- Bolster NE MLK Boulevard’s “community spirit” by creating or expanding on neighborhood celebrations, festivals and events.
- Launch a campaign to encourage support of small businesses along the corridor annually in observance of Dr. Martin Luther King, Jr., Holiday and at other culturally strategic times.
- Create partnerships with minority developers, contractors and vendors as a viable option in developing the boulevard.
- Promote workforce and career training programs/partnerships to encourage local minority workers to stay in the area and enable them to flourish.

“Put the streetcar on MLK! It will slow traffic, increase pedestrian access and safety, and stimulate redevelopment and more dense development.”

Respondent's suggestion from
Survey “Opinion 6”

4. Recruit the right new businesses.

Study participants made it clear they believe certain businesses and services are underrepresented on NE MLK Boulevard. Their suggestions:

- Encourage clothing retailers, fine dining establishments and family restaurants, appliance and furniture outlets, and sporting goods stores to locate in the NE MLK corridor. Also recruit certain professional services that either don’t exist or are in short supply on the boulevard, such as law offices and copy/print shops.
- Attract an entertainment complex so locals don’t have to go outside the neighborhood, to promote longer business hours on the boulevard, and to attract customers from a wider area.
- Promote more living-wage jobs.
- Encourage “clusters” of pedestrian-oriented small businesses – retailers and service-providers – perhaps in shared retail spaces.
- Build on the area’s diversity by actively recruiting minority and women-owned businesses.

5. Offer the right mix of technical assistance and financial resources.

Results of the written survey and comments by focus group participants indicated the more incentives and assistance available to help businesses expand or locate in the MLK corridor, the better. In reality, limited public funds will have to be used carefully and creatively to leverage private investment. Among participants’ suggestions:

- Provide an innovative mix of financial resources and incentives to assist start-up and expanding small businesses as well as to recruit target businesses: Tax breaks, reductions in building permit fees or utility connection fees, low-cost loans, short and long-term loan incentives, tenant subsidies, lease-to-own programs, etc.
- Provide special incentives to new businesses that partner with local minority businesses and/or hire local minority contractors.

- Marketing assistance: Coordinate a corridor marketing strategy or “branding” campaign to help MLK’s small businesses advertise their products and position themselves as local sources of unique goods and services. Research other, similar corridors across the nation for marketing concepts used.
- Expand opportunities for business owner training in operational efficiencies, customer service and retailing techniques.
- Actively link businesses with other community resources that can help them with either technical training or financial needs, such as Small Business Development Centers.
- Re-evaluate zoning in the area, particularly on sites where thinking “outside the box” might engender creative development solutions (e.g., live-work space, parking structures).
- Encourage public-private partnerships with community developers.
- Develop a formula for compensating businesses for lost sales when public improvement projects severely impact customer access.

“Why aren’t some successful companies being scouted to the area – we need a strong company to encourage others to join.”

Respondent’s suggestion from
Survey “Opinion 6”

6. Other recommendations.

- Keep the lines of communication open. Study participants made it clear that the MLK business community wants more information from the city – from the availability of financial and technical assistance programs to the latest on development strategies and plans. In addition, they want ongoing two-way communication – to be involved in the area’s planning, development and recruitment process.
- Think about development holistically. Affordable and even subsidized housing must be part of the mix of development efforts – to ensure there are places for owners and workers to live locally and a local customer base for small businesses.
- Improve interdepartmental cooperation, e.g., be sure city departments are working together so economic development efforts are cohesive. The general perception among study participants is that “government units in the city need to cooperate more with each other.”

Additional suggestions can be found in [Appendix D](#), which contains notes of focus group discussions. Focus group participants specifically brainstormed on such topics as financial and marketing assistance, parking options and commercial space options.

Implementation of some of these recommendations may require more aggressive communication of already existing resources. Others, however, will require PDC and other city departments to evaluate priorities and available resources and to develop new and creative approaches specifically targeted to the NE MLK Boulevard community.

“We need to make the appearance of MLK more distinctive, perhaps with a branding campaign.”

Respondent’s suggestion from
Survey “Opinion 6”

*The Business and Community Collaborative wishes to thank
all those who took time to participate in the
NE Martin Luther King Jr. Boulevard Economic Development Study.*

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