

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: February 23, 2011
TO: Board of Commissioners
FROM: Bruce A. Warner, Executive Director
SUBJECT: Report Number 11-13
Update on Lents Town Center Business District Strategy

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

None – information only.

SUMMARY

The goal of the Lents Town Center Business District Strategy (LTC BDS) is to create a commercially vibrant town center by promoting and leveraging Portland Development Commission (PDC) services and investments with additional neighborhood-based resources to help grow a broad range of needed goods and services to serve the neighborhood community. The PDC Board of Commissioners will hear recommendations based on five principals:

- 1) Expand the size and scope of the consumer market;
- 2) Promote Lents' unique character;
- 3) Be attentive to looks;
- 4) Define the retail core and cluster businesses in the commercial corridor; and
- 5) Aggressively promote LTC.

BACKGROUND

The LTC (see Attachment A map) is an important commercial district for East Portland neighborhoods. PDC has invested more than \$65 million in the LTC Urban Renewal Area (URA) in the last decade. This substantial investment has yielded significant results ranging from improved public infrastructure, revitalization, affordable housing, and business recruitment and expansion.

The LTC BDS was initiated in 2010 to implement the City of Portland's Five-Year Economic Strategy and to test and implement a model for neighborhood economic development in the LTC URA and other Portland neighborhoods. The LTC BDS supports the draft Neighborhood Economic Development Action Plan that will come before the City Council and PDC Board of Commissioners this winter/spring and is intended to "stimulate neighborhood and small business vitality to expand wealth creation opportunities for Portland residents."

Public Involvement

The Lents community has a large number of community-minded citizens with enormous energy and passion for keeping and making Lents and Portland a great place to live, work, and recreate. The Lents community has a history of partnering with PDC and other City bureaus in this endeavor. PDC staff realized early in the process that we needed to tap into this community energy and develop organizational capacity in the neighborhood in order to successfully implement the LTC BDS (Attachment B – *Lents Town Center Business District Strategy*). As one of the first steps in developing the LTC BDS, PDC formed a Citizens Advisory Committee (CAC) to assist in strategy development and implementation. The CAC is made up of a diverse group of resident and business stakeholders, and has held seven meetings in the past year. The LTC BDS outlined in this report is a result of collaboration between the CAC, PDC staff, and economic development consultants to formulate a strategy that will attract, expand, and retain businesses in Lents, and build community organizational capacity to continue these efforts in the future, with or without direct assistance from PDC.

Goals and Implementation

The goal of the LTC BDS is to retain, expand, and attract businesses to the Lents town center to help create a vibrant, mixed-use, 20-minute neighborhood that is a walkable and business-friendly place to live, work, and shop. In order to achieve this goal, the LTC BDS borrows heavily from the well-developed and successful Mainstreet program sponsored by the National Trust for Historic Preservation. The LTC BDS is comprised of four major components:

- 1) property enhancement and quality design;
- 2) image development and promotion;
- 3) business support and diversification; and
- 4) organization and community support.

Design

The Mainstreet program has demonstrated the importance of good design in revitalizing a neighborhood commercial district. A commercial district that is attractive, unified, and appealing to pedestrians will draw customers and businesses. The LTC BDS proposes the following:

- 1) encourage properties to be in 'ready condition' for sale or lease;
- 2) encourage property owners and tenants to take advantage of PDC-sponsored programs, such as the Storefront Improvement, Development Opportunity Services (DOS), and Business and Commercial Property Redevelopment Loan programs;
- 3) assist with property marketing;
- 4) convey a unified business district through support for good design;
- 5) support and promote the LTC Urban Renewal Advisory Committee (URAC) in its efforts to improve the physical environment;
- 6) encourage upper floor redevelopment in existing buildings; and
- 7) revisit and refresh LTC redevelopment options.

The CAC and PDC staff has made progress in this area: one property owner has agreed to move forward with a Storefront Improvement project along SE 92nd Ave. Once completed, the project will significantly improve the look and character of this important street. In addition, another property owner is using a DOS grant to finalize revitalization plans on a vacant building

that has been a source of blight for the neighborhood on SE Woodstock near the Max light rail station.

Promotion

The second component of the LTC BDS is Image Development and Promotion. Many Lents citizens believe Lents suffers from a poor image relative to the quality and character of the neighborhood. This image is believed to be a barrier to commercial revitalization. To address this issue, the LTC BDS is implementing the following action items:

- 1) develop a marketing program to continue to generate positive press for Lents;
- 2) expand and enhance existing promotional marketing tools and program;
- 3) institute regular schedule of promotional / marketing activities;
- 4) expand and enhance events to attract visitors / shoppers and build awareness and generate support among key stakeholders; and
- 5) develop and launch LTC BDS web site as an information clearinghouse for business prospects, property owners, and investors.

To date, progress has been made in the development of a web site for the LTC that will contain, among other promotional materials, the comprehensive property database to assist in the marketing of PDC and other space in the town center. The CAC has also developed a logo to 'brand' the town center (see cover of Attachment B). A member of the CAC with a media background has been instrumental in having multiple positive news stories about Lents in *The Oregonian* and *Daily Journal of Commerce*. And finally, during the holiday season, the CAC coordinated the "Light Up Lents" event that dressed up vacant storefronts in the town center with art work from local artists and the children of Lents Elementary School.

Business Support

The third component of the LTC BDS is Business Support and Diversification. This component stresses support of existing and attraction of new businesses to strengthen and diversify the LTC Business District base. The elements of this component are as follows:

- 1) establish market data and potential incentives;
- 2) work with existing business to keep them or have them expand;
- 3) present business education when appropriate;
- 4) continue to generate business attraction campaigns and packages;
- 5) attract grocery anchor to LTC;
- 6) explore development of business incubator; and
- 7) revisit and refresh redevelopment options for the town center.

Progress has been achieved through development and refinement of marketing materials for the LTC, interviews with existing businesses to understand how PDC and/or the community can assist with business retention or expansion, creation of a list of 'most wanted' businesses, and recruitment of anchor tenants, primarily a grocery store. In addition, PDC staff and our economic development consultant have had conversations with an immigrant advocacy organization to explore locating a business incubator in Lents.

Organization

The fourth component of the LTC BDS is Organization and Community Development. This element seeks to build partnerships and capacity among key LTC stakeholders to provide effective management and advocacy for the LTC Business District. Subsections of this component include:

- 1) build capacity of LTC BDS CAC to assist with implementation of strategy;
- 2) conduct ongoing training to support the work of the CAC;
- 3) develop potential funding base to maintain business development activities; and
- 4) encourage Lents neighborhood involvement in business development activities.

Since its formulation in February 2010, the CAC has dramatically improved its knowledge of economic development and business recruitment. This knowledge, coupled with passion, energy, and understanding of the neighborhood, will drive this strategy forward. Currently this is a PDC-sponsored committee, but eventually the CAC may evolve into an independent community economic entity. In addition to the CAC, the project has also engaged the Lents Neighborhood Association, the Foster Area Business Association, and the LTC URAC.

Next steps for the remainder of the fiscal year include:

- 1) increase and broaden membership of CAC;
- 2) launch website;
- 3) refine marketing materials and property database;
- 4) complete storefront enhancements;
- 5) continue marketing of vacant storefronts to targeted businesses; and
- 6) recruitment efforts for grocery store.

ATTACHMENTS:

- A. Map of Lents Town Center
- B. Lents Town Center Business District Strategy

