

VIBRANT OREGON DOWNTOWNS

A RESOURCE GUIDE FOR SMALL AND MID-SIZED DOWNTOWNS



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The contents of this document do not necessarily reflect views or policies of the State of Oregon.

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TABLE OF CONTENTS

1 VIBRANT DOWNTOWN: THE HEART OF THE COMMUNITY 7

Chapter 1 describes the role and evolution of Oregon’s small and mid-sized downtowns and the need to make them vibrant, inclusive and welcoming for all residents and visitors. It describes the unique contributions of downtowns to state and regional identity and economies and outlines the Guide’s features and content for users.

ROLE OF DOWNTOWNS IN OREGON COMMUNITIES	7
<i>Evolution of Oregon Downtowns</i>	7
<i>Downtown Supporters, Leaders, and Advocates</i>	9
ABOUT THIS RESOURCE GUIDE	11
<i>Planning in a Time of Rapid Change</i>	11
<i>How to use the Vibrant Downtowns Resource Guide</i>	12

2 DOWNTOWN ECONOMY: SUPPORTING A THRIVING PLACE 15

Chapter 2 explores how downtowns contribute to a healthy and vibrant city. The chapter identifies the key building blocks for economic success and local prosperity including identity, land uses, development strategies and other keys to vitality.

Role of Downtown in Local Economies	15
<i>Revenue Generation and Economic Benefits</i>	15
<i>Economic Growth Potential and Private Investment</i>	16
<i>Small Businesses and Entrepreneur Development</i>	17
ISSUES, CONSIDERATIONS, AND OPPORTUNITIES	18
<i>Defining Downtown</i>	18
<i>Land Use and Development</i>	20
CASE STUDY: Independence Urban Renewal and Streetscape Improvements and Catalyst Projects	22
Development Patterns and Strategies	24
<i>Employment and Amenities</i>	26
<i>Tourism, Hotels and Hospitality</i>	32
CASE STUDY: Coos Bay Tioga Hotel	34
STRATEGIC ACTION	35
<i>Potential Tactical and Short-Term Actions</i>	35
<i>Positioning for Medium and Long-Term Actions</i>	37

TABLE OF CONTENTS

3 DOWNTOWN HOUSING: ACCESSIBLE AND CONVENIENT LIVING 39

Chapter 3 explores how housing fits into and contributes to downtown environments. The chapter identifies the benefits of downtown housing stock, challenges and barriers to residential development and other considerations for a healthy downtown that supports housing affordability and choice.

ROLE OF HOUSING IN DOWNTOWNS	39
<i>Housing Choice</i>	39
<i>Economic Development</i>	41
<i>Walkability, Convenience, and Active Streets</i>	41
ISSUES, CONSIDERATIONS, AND OPPORTUNITIES	42
<i>Meeting Demand</i>	43
CASE STUDY: Astoria Merwyn Apartments	45
CASE STUDY: Cornelius Place	48
<i>Barriers to Market-Rate and Affordable Housing</i>	50
CASE STUDY: Klamath Falls Upper Story Housing	54
<i>Attracting Developers</i>	56
<i>Making it “Pencil Out”</i>	56
STRATEGIC ACTION	57
<i>Potential Tactical and Short-Term Actions</i>	57
<i>Positioning for Medium and Long-Term Actions</i>	58

4 DOWNTOWN TRANSPORTATION: SAFE AND EFFICIENT CONNECTIONS 61

Chapter 4 identifies how mobility and connectivity benefit downtowns. The chapter explores strategies for creating a pedestrian-focused environment, ensuring safety, and increasing transportation options.

ROLE OF DOWNTOWN TRANSPORTATION INFRASTRUCTURE	61
<i>Safe, Attractive, and Interconnected System</i>	63
<i>Infrastructure that Serves Multiple Users</i>	64
CASE STUDY: Klamath Falls Oregon Avenue Protected Bike Lane	65
<i>Engaging Streets that Attract Visitors and Residents</i>	66

TABLE OF CONTENTS

ISSUES, CONSIDERATIONS AND OPPORTUNITIES	67
<i>Complete Streets</i>	67
<i>Vehicles in Downtown</i>	69
<i>Overcoming Barriers and Connecting Destinations</i>	72
<i>Right-of-Way Infrastructure Projects</i>	73
CASE STUDY: City of Ashland North Main Road Safety Reconfiguration	75
STRATEGIC ACTION	76
<i>Potential Tactical and Short-Term Actions</i>	76
<i>Positioning for Medium and Long-Term Actions</i>	77

5 DOWNTOWN ACTIVATION: FORM AND PLACEMAKING 79

Chapter 5 explores how a downtown’s built environment and public realm contributes to a sense of place and supports the other roles of downtown discussed above. The chapter identifies how design shapes downtowns, how to create a lively, inclusive and active downtown, and how to strengthen community identity.

ROLE OF URBAN FORM AND PLACEMAKING IN DOWNTOWNS	79
<i>Strengthening Downtown Identity</i>	79
<i>Creating Memorable, Functional, and Flexible Public Spaces</i>	80
<i>Supporting Activity, Civic Pride, and Social Cohesion</i>	80
<i>Ensuring a Walkable and Human-scaled Environment</i>	80
ISSUES, CONSIDERATIONS, AND OPPORTUNITIES	82
<i>Building and Site Design for a Human-scaled Downtown</i>	82
CASE STUDY: Independence Riverview Park and River’s Edge Concert Series	86
<i>Placemaking and Identity</i>	87
<i>Public Realm Activation and Programming</i>	88
CASE STUDY: McMinnville Dine Out(Side)	90
STRATEGIC ACTION	91
<i>Potential Tactical and Short-Term Actions</i>	91
<i>Positioning for Medium and Long-Term Actions</i>	92

TABLE OF CONTENTS

6 DOWNTOWN TOMORROW: INSPIRING ACTION AND IMPLEMENTATION 95

Chapter 6 provides inspiration for implementation by summarizing steps and considerations to get started.

GETTING STARTED	95
<i>Engage all Downtown “Communities”</i>	95
<i>Define the Vision</i>	96
<i>Create an Action Plan</i>	98
<i>Measure Success and Celebrate Results</i>	98

APPENDIX

A. Additional Resources	100
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Why Downtowns Matter

Downtowns are the iconic hearts of our communities.

Our city centers are where Oregonians come together to work, play, celebrate, live, worship, experience the arts, and remember our history. Every downtown in small cities across Oregon has a distinct history reflective of people, place, and change.



1 | VIBRANT DOWNTOWN: THE HEART OF THE COMMUNITY

ROLE OF DOWNTOWNS IN OREGON COMMUNITIES

Downtowns are at the core of civic life. Often centered around one or two main streets, city halls and courthouses, entertainment destinations, parks, and shared open spaces are all common ingredients of a downtown. Downtowns are where people live, work, and visit. Large festivals and events are often based in downtowns, as are cultural facilities such as historic centers, museums, or theaters.

Downtowns are the economic hub of our cities. Businesses and civic uses have long benefitted from being downtown so that they are easily accessible to many people. A concentration of shopping, dining, and entertainment draws more shoppers and visitors to downtown. Retail, in particular, benefits from what is known as the “cluster effect,” where having



Junction City Scandinavian Festival | Source: Wikipedia

more businesses in close proximity—even competing businesses—makes individual stores more likely to be successful.

Evolution of Oregon Downtowns

Historically, many small Oregon cities prospered due to timber or fishing industries, as well as the completion of key railroads.¹ Cities grew around town centers and along the most important road or

¹ <https://www.oregonhistoryproject.org/narratives/this-land-oregon/political-and-economic-culture-1870-1920/timber-and-salmon/#.Ypjo3ajMKbh>



Downtown Baker City | Source: Wikimedia Commons

intersection of key routes. These main streets became home to commercial, governmental, and social establishments.

As cities grew in scale and size, downtowns and main streets began to serve a larger geographic area, including more residents, ranches, and farms. As a result, cities evolved to provide pedestrian and vehicular access to downtown services and businesses. Many main streets provided the convenience of meeting residents' day-to-day needs in one location.

Downtowns in small cities across the

state were historically retail destinations, often anchored by a large department or general store. Traditionally, a Central Business District (CBD)—where the highest concentration of jobs and economic activity took place—defined many downtowns. Restaurants, cafes, shops, and services served the “9 to 5” working population. As cities have evolved and diversified, the CBD in many cities is no longer the center of life and commerce due to a variety of factors including a spiral of disinvestment.

Downtowns have the potential to serve as the “heart and soul” of Oregon

communities again though. Through attracting new investment and focusing on a vision of renewed growth, downtowns can experience a renaissance. Real estate and investment trends have reversed to favor convenient urban living with access to employment, arts, and entertainment. City planners, civic leaders, and community activists welcome this renewed vitality in city centers; however, sustaining services and investment while meeting the needs of these diverse and growing populations in and around downtowns has become a challenge.

Downtown Supporters, Leaders, and Advocates

Many actors influence and shape downtowns across Oregon. These include public, private, and non-profit organizations. These typically fall into the following categories:

Public Entities

- civic leaders, including elected City Council members, and appointed Commissioners



Addressing Oregon's Past and Future

Racism is a part of Oregon's history and is important context for the future. The original state constitution denied Chinese Americans citizenship and prohibited Black Americans from living in the state, including owning property.² While this provision was eventually repealed, the early 20th Century continued to see racism from incarceration of Japanese Americans during WWII to racist zoning practices or redlining in larger cities.³ As our society continues to confront racism, downtowns have a critical role in providing welcoming spaces and opportunities that improve outcomes for everyone.

² <https://www.oregonhistoryproject.org/narratives/this-land-oregon/political-and-economic-culture-1870-1920/railroads-race-and-the-transformation-of-oregon/#.YpjxEqjMKbh>

³ <https://www.oregon.gov/deiconference/Documents/Oregon%20Historical%20Society%20-%20Race%20in%20Oregon%20History.pdf> <?xml version="1.0" encoding="UTF-8"?><svg id="_Layer_"

- local government staff, including city planning, public works, transportation, economic development, and parks and recreation professionals
- state government, including the Department of Land Conservation and Development, Arts Commission, Housing and Community Services, Parks and Recreation, and particularly the Oregon Department of Transportation (ODOT) which often owns and maintains downtown roadways including state highways



Downtown Forest Grove | Source: MIG

Private Entities

- downtown and main street organizations that seek to revitalize and improve downtowns and commercial districts in the city center
- chambers of commerce and other associations (including minority business associations and young or emerging professional groups) who support business interests and owners through advocacy, training and networking
- downtown improvement associations, which are typically non-profit organizations formed and funded by private land and business owners to invest in a downtown or other business district (also known as economic or business improvement districts or EID/ BIDs)

<https://www.worldforestry.org/tracing-oregons-timber-culture/>

²<https://www.oregon.gov/deconference/Documents/Oregon%20Historical%20Society%20-%20Race%20in%20Oregon%20History.pdf>

- community volunteers and groups such as historical societies or bicycle and pedestrian advocates
- clean and safe organizations who contract with cities or BIDs to provide maintenance and security or hospitality functions in a downtown
- colleges and universities (including public institutions) that rely on all aspects of a downtown

ABOUT THIS RESOURCE GUIDE

Planning in a Time of Rapid Change

As Oregon downtowns evolve, grow, and become more diverse and complex, downtown planners and advocates need solutions to ensure that downtowns remain welcoming, accessible, and enjoyable for all as cities grow and evolve.

Even before the COVID-19 pandemic, which suddenly and profoundly changed our day-to-day routines, technology, climate change, and social justice movements were impacting downtown environments in unexpected ways. Some of the most pressing challenges include:

- supporting small businesses as online retail becomes more common and



Downtown Prineville | Source: MIG

downtown rents increase;

- addressing commercial vacancies, ground-floor and upper-floor;
- planning curb space for round-the-clock deliveries and vehicle pick-up/drop-off;
- preparing and responding to severe weather events and natural disasters;
- providing space and public safety measures for civic demonstrations;
- addressing social service provisions for people experiencing homelessness;
- balancing increasing demands for public space, including shifting private



Downtown Troutdale | Source: MIG

activities outdoors to allow for social distancing; and

- allowing the flexible design and use of streets for multiple modes and uses

The impact of COVID-19 has further altered urban dynamics, with more people working from home, moving out of large urban centers, and reconsidering their housing needs and preferences. Some changes, including the use of street rights-of-way and public space for dining and entertainment, are being institutionalized and made permanent in many communities in response to public and business support. Other services, including public transit, are facing uncertain futures after drastic declines in funding. Moreover, the COVID-19 pandemic highlighted underlying inequities in public health, labor markets, and economic stability.

How to use the Vibrant Downtowns Resource Guide

The dynamic nature of our world makes it challenging to plan for an uncertain future. However, strategic decision-making, investments and improvements can make downtowns more vibrant and sustainable. The Vibrant Oregon Downtowns Resource Guidebook (the Guidebook) presents enduring best practices, success stories and additional resources for improving small downtowns, recognizing that change is inevitable, the future is uncertain, and adaptability is paramount.

The Guidebook is written and designed for easy access, including callouts and sidebars with illuminating statistics and examples. Each of the following chapters (2-5) is dedicated to a specific topic and includes the following core elements and structure.

- the role of downtowns
- key issues, considerations, and opportunities
- best practices, lessons learned, and successful approaches
- implementation guide

Guidebook Benefits



CITY AND AGENCY STAFF; CIVIC LEADERS

Understand best practices and lessons learned from other cities

Consider trade-offs and priorities for local investments

Identify strategies to implement community visions



ADVOCATES AND INTERESTED RESIDENTS

Understand how city decision-making policies and projects impact downtowns

Learn about solutions to common downtown challenges

Identify partnerships and resources to support community priorities



DEVELOPERS AND BUSINESS OWNERS

Understand city objectives for downtown development and design

Identify funding tools and resources

Consider strategic sites, locations, and land uses

Identify successful strategies to attract residents, visitors, and employers to downtown

What is a Small to Mid-Sized Oregon Downtown?

This guidebook is generally intended for Oregon's small and mid-sized cities, defined as cities with a 2020 population between 5,000 and 50,000 people. Of all 241 cities in Oregon, 64 fall within this population range and account for 33% of the state's population. Between 2010-2020, cities within this population size grew an average of 9.5%, with approximately 34% that had double-digit growth rates.

Source: Population Research Center, PSU, April 2021.



2 | DOWNTOWN ECONOMY: SUPPORTING A THRIVING PLACE

ROLE OF DOWNTOWNS IN LOCAL ECONOMIES

Downtowns and business districts are the commercial hubs of our communities. As economic anchors for their regions, downtowns often act as the traditional center for business, transportation, education, and government. These centers generate sales and create jobs, and contribute to the quality of life for residents, workers, and visitors. While they almost always account for a small share of their city's land area, they have substantial impacts on the local and regional economy.

This chapter highlights the importance of downtowns to a city's local economy and further describes how downtowns:

- have an outsized impact on a city's tax revenue,
- have significant multiplier effects

throughout the city's economy, and

- are important for small business growth

Revenue Generation and Economic Benefits

Downtown real estate often captures and increases property values and generates higher levels of property tax revenues—revenues that are critical to local municipal and county government operations—than anywhere else in a city. This is because downtown zoning typically allows a variety of high-density (typically meaning high-value) land uses that are usually in demand but undersupplied. Downtown business districts and other mixed-use centers generate an average of five times the property tax revenue per acre compared to conventional development patterns, demonstrating the advantage of this compact development.¹

¹ Sonoran Institute. About Town: Building Revenue for Communities. 2012. <http://www.sonoraninstitute.org/abouttown.html>

Due to the high amount of business activity that takes place in downtowns, investing in its development typically provides a higher rate of return compared to other parts of the city. Despite their relatively small size (on average, less than 5% of all citywide land), downtowns deliver and contain an average of:



Downtown Ashland | Source: FPO



Source: International Downtown Association, *The Value of U.S. Downtowns and Center Cities*, 2017

With high rates of profit and efficient consumption of public resources, downtowns have a high private return on public investment. For this reason, they make great candidates for more public investment and establishing district-wide funding strategies, such as tax increment financing (TIF). TIF is a state-authorized funding mechanism in districts used by local governments to revitalize distressed downtowns and neighborhoods that otherwise would not attract new or ongoing businesses. When an urban renewal district is designated, its property tax base—or assessed value—is “frozen,”

meaning that it is taxed at a lesser rate even as the value of the area rises. Freezing the property tax base benefits the district because as the value continues to rise, the difference of the property tax base compared to what the area is worth gets put back into the TIF and therefore back into developing the district.

Economic Growth Potential and Private Investment

Downtowns represent economic opportunity and offer growth potential because of the concentration of existing infrastructure, real estate, and programs. Private investors tend to be attracted

to the higher values (rents, sale price) in downtowns as they support more efficient mixed-use and dense development that would not be feasible in other parts of the city.

Local businesses, which often make up a large share of downtown tenants, contribute largely to the local economy, with 52% to 79% of their revenues going back into the community. By comparison, national chain stores and restaurants only recirculate 14% to 30% of their revenues, back into the community.²

The combination of local businesses and the concentration of private investment results in additional jobs and tax revenues for the local and regional economies. Local businesses and vibrant downtowns are also more resilient to economic cycles, are more diversified across a range of business types, and place less demand on public infrastructure than big businesses and single-use centers.

Small Businesses and Entrepreneur Development

Downtowns play a significant role in small business support and entrepreneur development by naturally enabling collaboration and innovation. Small

businesses, startups, and entrepreneurs seeking to reduce risks and costs are attracted to dense, diverse, and collaborative environments found in downtowns. Small city downtowns can encourage entrepreneur development through the development of co-working spaces or innovation hubs that allow individuals to share space, collaborate, and network. Two recently developed coworking spaces and entrepreneurial hubs are Indy Commons in Independence and Gaucho Collective in Klamath Falls.



Indy Commons | Source: City of Independence

² Civic Economics. Indie Impacts Study Series: a National Comparative Survey with the American Booksellers Association.. 2012. <https://ilsr.org/key-studies-why-local-matters/>

ISSUES, CONSIDERATIONS, AND OPPORTUNITIES

Successful downtowns have a clear identity and represent a mixture of uses including apartment buildings, office space, services, restaurants, entertainment, hotels, and niche retail.

Defining Downtown

The downtown core must be the right size in terms of the land use mix, building density, and other built elements.

A balanced mix of retail, employment, and residential uses is critical, but the right balance is not an exact science; it depends on the economic, geographic, and market context. While the real estate mix in smaller cities' downtowns tends to be largely retail dominated, office space and residential development account for an increasing share as local markets respond to emerging technologies, trends, and pent-up demand.

Table 2.1: Roles in Supporting Downtowns

SECTOR	ROLE
Public Sector	<ul style="list-style-type: none"> • quality streets and sidewalks that emphasize the pedestrian over the automobile • plazas, parks, open spaces • civic buildings: city hall, library, arts/performance • signage and wayfinding • zoning and development code standards that allow a variety of uses and shape a downtown look and feel
Private Sector	<ul style="list-style-type: none"> • retail, restaurants, commercial • unique, local, small businesses • office, employment • housing • other: lodging, conference, healthcare, education
Non-Profit	<ul style="list-style-type: none"> • active management (events, festivals, maintenance) • social services and housing • management and maintenance • historic, cultural, and environmental resources • employment • education

Daytime office workers also add significant vitality to the retail environment. Yet there are typically too few workers in small towns because of limited jobs in office-using industry sectors. This is why getting more housing in downtowns is critical for smaller cities. Without the weekday influx of outside residents and office workers, downtown retail ends up relying on residents and tourists who primarily shop in the evenings and on weekends; this can lead to shorter business hours, lost revenue, and a quieter downtown environment.

The COVID-19 pandemic has also impacted the frequency of daily workers and other visitors to downtown environments, making the presence of downtown residents even more critical to the survival of small businesses and communities in dense urban districts. This highlights the value of mixed-use downtown environments and how the traditional, office-segregated central business district model may no longer be sustainable.

HISTORIC PRESERVATION

Many small Oregon cities have a historic building stock; Oregon has just over 100 districts with more than 2,000 properties listed in the National Register of Historic



Historic hotel, Redmond | Source: Wikimedia Commons

Places. These districts and their buildings (including old buildings not on the register) tell the unique story of their community and serve as significant economic assets that are often core to that community's identity. These buildings can encourage future economic development; however, many of these buildings are often in disrepair, and if they are not fixed, they may be lost. A healthy historic district includes well-maintained buildings that retain architectural integrity, vibrant activity, and high occupancy rates on all floors.

The home values within a historic district rise more quickly than comparable areas

because buyers are willing to pay a premium for homes in preservation zones (see studies by the Advisory Council for Historic Preservation). Historic districts tend to be walkable, convenient, and designed in a welcoming and interesting way. These places are also undersupplied throughout the U.S. and are tough to replicate with new development, so preservation and rehabilitation are very important. Adaptive reuse and rehabilitation can offer a higher return on investment in terms of job creation than new construction or manufacturing.

Land Use and Development

Downtowns are the economic hub of our cities and rely on a vibrant and balanced mix and balance of retail, office, entertainment, restaurant, and residential uses and a compact, walkable development pattern. There is also a lot to be desired in traditional downtown business districts in rural communities—amenities, walkability, access to local businesses and gathering places, and higher-speed internet services appeal to a broad cross-section of the population and workforce.

Downtowns that are walkable, compact, and have mixed-use development can maximize the revenue they generate and minimize the amount of land consumed. Since 2016, retail in regionally significant “walkable urban places” grew in 21 of the top 30 metro areas, remained the same in five, and declined in four.³

Redefining Community Prosperity

Economic success does not always translate to community prosperity. Monetary value and income growth alone should not be the sole measurements to define a vibrant downtown. A growing body of research has suggested that community livability and individual well-being should be used as indicators of prosperity and vibrancy of downtowns (Muraca 2012).⁴ As downtowns continue to evolve, community leaders and advocates should consider a wide range of factors valued by local communities to evaluate prosperity. (See also Chapter 5)

³ George Washington University School of Business and Smart Growth America, Foot Traffic Ahead: Ranking Walkable Urbanism in America’s Largest Metro Areas, 2019.

⁴ IPCC, Climate Change 2022: Impacts, Adaptation, and Vulnerability, 2022.

Development Barriers and Considerations

- **REGULATORY INCONSISTENCIES.** Downtowns are often zoned primarily for retail, entertainment, and services. Residential uses are sometimes overlooked in zoning codes, and traditional zoning generally discourages mixed-use development. Parking requirements can also be excessive, creating additional costs and limiting density.
- **LIMITED DEVELOPMENT COMPARABLES.** Lenders are often hesitant to lend to developers in markets without tested comparables (“comps”). In these markets, loans to developers can have requirements of up to 50% down payment, making development cost-prohibitive for almost any builder. Additionally, since housing is in high demand and supply is low, many landlords do not feel compelled to address deferred maintenance (thus, rental housing is not high quality, presenting an equity issue and often leading to poor public health outcomes).
- **LAND COSTS.** Downtown land generally costs more than land in surrounding areas of the city, meaning a developer needs to justify the additional investment by making sure the resulting development has a higher return on investment than it might achieve elsewhere.
- **CONSTRUCTION COSTS.** Construction costs are high due to labor and material shortages and continued demand for most land uses in more urban areas, and the costs of infrastructure climbing to such a level that building roads and utilities have become a sticking point for new development. However, these are relatively consistent regardless of geography.
- **LIMITED FINANCIAL RESOURCES.** Small cities typically lack enough funding for streetscape improvements, public facilities, and assistance to private development. Obtaining financing support for public investments (as well as private development) is critical to overcoming these obstacles. Small cities often rely more on grassroots community movements and private investment than local government-funded campaigns.⁵
- **TALENT DRAIN.** With smaller populations and many people seeking education and employment opportunities in larger metro areas, it can be a struggle for smaller cities to attract or retain skilled, reliable workers.
- **LIMITED DEVELOPMENT OPPORTUNITIES.** Downtown environments are often built out with few large sites for new development, meaning infill development, retrofitting, and rehabilitation of existing buildings become the necessary approaches. These approaches can be more complicated, riskier, and more expensive, so any technical or financial assistance that public agencies can provide is well received.
- **LACK OF DEVELOPERS AND TRADES.** A higher possible return on investments in larger metro areas often means that it can be difficult to attract developers and tradespeople to small and mid-size cities, especially those with knowledge and skills in adaptive re-use or historic buildings. This can hinder development prospects and delay new construction. In light of these challenges, some smaller communities are embracing an incremental development approach and are being much more proactive about developing partnerships.
- **ABSENTEE OR UNINVOLVED OWNERSHIP.** Many downtowns have one or multiple properties sitting idle due to out of town (or state) owners or those who aren't interested in additional investment.

⁵ Horbovetz (2016)



Independence Urban Renewal and Streetscape Implementation

Independence has supported many catalyst development projects and building improvements in the downtown area with several targeted actions and programs. One of the most pivotal has been the redevelopment of the Valley Concrete Site. Since its 1996 Downtown Development Plan, the city viewed the redevelopment of the Valley Concrete Site as a critical piece in revitalizing its historic downtown. The 18-acre site was one of the largest unobstructed riverfront sites anywhere along the Willamette and is adjacent to Independence's historic Main Street and Riverview Park. Over the next 20 years, several other planning efforts continued to refine the city's vision for the site to attract a boutique hotel that could support the region's growing wine tourism and Independence's own Main Street historic district.

The city purchased the site in 2015 after the concrete plant relocated and began coordinating the site preparation process in advance of issuing a developer request for qualifications (RFQ) to recruit a qualified developer to execute the vision for a hotel. The City subsequently selected Tokola Properties of Gresham to build the project, and after almost three years of negotiations, site development, and construction, the 78-room boutique hotel, The Independence, opened in August 2019. Despite the subsequent COVID pandemic, the hotel has been successful and has hosted tourists, sports teams visiting Western Oregon University, and even



Downtown Independence | Source: City of Independence

victims of the 2020 Santiam Fire. In a second adjacent phase, Tokola also developed 124 riverfront apartments and townhomes, helping address the region's severe housing shortage.

The city's relentless focus on economic development and its consistent political leadership kept the vision for the riverfront alive and made the project possible. By concentrating its efforts on downtown, Independence leveraged each element to create a whole that is greater than the sum of its parts. From new housing to the hotel to its civic center to a riverfront trail to Riverview Park with its amphitheater and events, Independence has transformed its Willamette River frontage from a closed-off industrial site to a vibrant place to live, work, and play.

Independence was proactive in identifying the needs of businesses by working closely with business and property owners and facilitating partnerships. For example, Brew Coffee & Tap House, a local coffee shop, partnered with a restaurant to offer quick order foods that could be purchased at the coffee shop. There are many other examples of businesses supporting each other and cross-collaboration within the downtown area, rather than competition. Business owners have recognized that they are team players and can work with other businesses to address needs rather than relying on just the city.

Development Patterns and Strategies

There are several ways that cities can support vibrant downtown economies.

- **Encourage Compact Development.**

Our cities must make strategic, targeted investments and take actions that will best support private investment in a diverse mix of uses and compact development both in the near and long term. These investments might include streetscape improvements, incentive zoning programs, façade improvement programs, etc., as well as site-specific actions like public-private partnerships, site acquisition, reduced parking requirements, and developing projects that encourage investment and development in surrounding areas. Private investment tends to maximize when public investment is strategically focused in specific target areas rather than dispersed across a large area.

- **Promote Adaptive Reuse.** Adaptive reuse encourages property owners and developers to remodel or repurpose vacant and abandoned buildings into uses other than their original intent. However, the cost of such projects is often exorbitant and

unprofitable without public support. In other cases, such buildings may be in zoning districts that now do not permit their reuse. An adaptive reuse program provides targeted assistance to property owners of existing buildings with significant challenges to redevelopment. This includes but is not limited to historic buildings, buildings located on brownfield sites, and long-vacant buildings that are out of compliance with existing code.

- **Encourage Infill Development.**

Infill development is the process of leveraging existing infrastructure to develop vacant or underutilized land within an established urban district. Most downtowns have vacant or underutilized land, which, for various reasons, has been passed over in the normal course of urbanization. Ideally, infill development involves more than the piecemeal development of individual lots. Instead, a successful infill development program should focus on the job of crafting a complete, well-functioning downtown district.

- **Support Historic Rehabilitation.**

Cities need to have regulatory structures and incentive programs that

support the reuse of historic buildings. It can be challenging to retrofit or rehab old and historic buildings, however, as these buildings are inflexible, can be in disrepair, lack many elements needed for ADA compliance and public safety, have dated systems and obsolete equipment, and offer up surprises throughout the process. Investors are sometimes reluctant to take on these risks. Financial incentives like the Oregon Main Street Revitalization, Diamonds in the Rough, and Preserving Oregon grants can be a spark for adaptive reuse and putting historic buildings back into productive use.

- **Determine the Land Use Mix.**
It is often necessary to do market research when deciding on the types of businesses that are needed in a city's downtown. City staff that have market intelligence can have informed conversations about the future of downtown and serve as resources to private property owners in recruiting tenants and other uses.

- **Clean Up and Redevelop Brownfield Properties.**

The term “brownfield” refers to a site where redevelopment may be complicated by the presence or potential presence of hazardous substances. The presence of brownfields downtown can be both a barrier and an opportunity. Brownfields are frequently identified in downtown areas of a community as these areas were developed for commercial and industrial uses prior to environmental regulations and the development of best management practices for handling hazardous substances and petroleum products. Cleaning up brownfields—the first step of any redevelopment project—can be expensive and prohibit investment. Brownfields are eligible for various grants targeting cleanup and redevelopment.⁶ For example, the EPA provides grant funding to help cities conduct research, planning, and development of implementation strategies to advance brownfield revitalization efforts. This can help bring certainty to developers wishing to purchase certain properties.

⁶ https://www.epa.gov/sites/default/files/2015-09/documents/epa_oblr_successsstory_greatfalls_mt_v5_release3_0.pdf



Preparing for Redevelopment

When selecting sites for future commercial development, there are a few core characteristics that commercial developers and brokers typically look for, including:

- appropriately zoned land
- high household density
- high median income
- presence of a major destination
- high traffic counts
- central location
- a significant concentration of jobs
- a balance of daytime (workers) population to nighttime (resident or visitor to businesses open at night) population

Employment and Amenities

A diversified industry and employment base is important to a resilient downtown and regional economy. While retail, hospitality, and tourism are important to downtown and are often the focus of a city's downtown revitalization strategy, these industries are among the lowest paying and the most cyclical. Office-based employment, such as finance and professional services, is more resilient to shifting consumer behaviors and economic downturns and typically offers higher wages. A diversified economy creates a sustainable cycle of economic activity where businesses continually feed off of one another and grow larger as it grows. As more and more businesses open their doors, it leads to the growth of similar and supporting industries.

Future of Downtown Office

The downtown office sector has been greatly impacted by the COVID-19 pandemic— especially the central business districts in the mid-size and larger cities. These areas, whose occupied office spaces consisted of tech companies and other professional services, have seen a drop off in visitors with the rise of remote working. As workers continue to work remotely and employers look to save

overhead costs, many businesses have chosen to either terminate their lease or shrink their office footprint. While the office sector appears to have fared better in smaller cities—where these industries are less prevalent and office space is more typically occupied by community-serving tenants (e.g., insurance, finance, medical)—these communities remain vulnerable to market cycles, national trends, and macroeconomic factors.

As more people—including high-skill and high-wage workers—find they can retain their jobs while enjoying the advantages of small towns and rural areas that offer a higher quality of life at a slower pace and lower cost of living, small and mid-sized cities may be able to capitalize on growing traditional and niche office space opportunities. These opportunities include coworking spaces that support small and emerging businesses, entrepreneurs, and telecommuting workers, as well as service-oriented office spaces that cater to new residents in need of professional, financial, and medical services.

Small Business and Entrepreneurial Opportunities

Downtown business districts and main streets in small and medium-sized cities

provide the perfect environment to support entrepreneurs and small local businesses' growth, especially as spaces in locations tend to be more financially accessible than downtowns in large urban areas. There is increasing demand among entrepreneurs and small business owners for shared workspaces and business amenities in downtown locations. Business amenities include high-speed broadband, conference and meeting facilities, and the use of business equipment and other online resources.

Cities can support entrepreneurial development by encouraging various startup-oriented formats, including (but not limited to) incubators, accelerators, and coworking spaces. Incubators are suitable for beginner startups to foster new ideas and focus on mentoring and helping to launch and grow a new business. They also provide a workplace to network in industry-specific environments, such as universities. Oregon cities can also support a culturally-nuanced small business landscape by allowing temporary pop-ups and street vendors.

Downtowns, can also provide the creative platform to foster innovation. Accelerators are usually housed in specialized office buildings and are more formal

VIBRANT OREGON DOWNTOWNS

organizations that offer mentorship, capital, and connections to investors and business partners. Coworking spaces are locations that provide a workspace for a reasonable price. Basic services for incubators and coworking spaces typically

include workspace and Wi-Fi access. Attracting these uses to a downtown environment can result in significant small business development and downtown investment.



GaUCHO Collective, Klamath Falls | Source: FPO



Fostering Equitable Economic Opportunity

Income and wealth inequality threatens the potential and well-being of the most vulnerable residents, and it places everyone's economic future at risk. A growing body of research shows that greater equality brings about more robust economic growth for everyone. Downtowns are one of the best places that cities can foster economic opportunity by supporting small and locally owned businesses, supporting job training, and better connecting low-income residents to jobs. The list below includes some potential actions cities can take:

- Partner with developers to provide discounted leases for independent and/or minority-owned businesses
- Work with business owners and landlords to develop programs that protect existing small businesses and ethnic shops that are part of the neighborhood's identity and serve a clear market
- Prioritize downtown revitalization projects that provide opportunities for local, minority- and women-owned businesses and contractors
- Consider creating flexible workspaces, tax incentives for independent businesses or new businesses establishing a presence in targeted locations, or an investment fund for entrepreneur
- Encourage downtown housing that helps connect people to jobs without the need for a car
- Create or improve public transportation services between job centers and downtown residential neighborhoods

Above: Multi-cultural market and incubator kitchen | Source: Flickr
Below: Incubator office space | Source: Flickr



Small-Scale Manufacturing

Small-scale manufacturing is often overlooked but lends itself to a small city downtown environment. It helps create distinctive destinations for residents and tourists alike. In fact, some of the best-known small-scale manufacturers in Oregon’s downtowns are in the wine industry, with many winemakers operating tasting rooms in front of the house while the wine-producing facilities are hidden in the back. Businesses often have a retail component to sell their product directly to customers, making them good candidates for downtown environments.

Cities can support small-scale manufacturers by ensuring the availability of real estate options, including shared and scale-up spaces, and providing or facilitating access to appropriate training and capital. This kind of access is notoriously limited to include only individuals with a historic connection to the investment community—excluding the majority of the community, and women, Black, Latino, and other business owners of color.

Small-scale manufacturing businesses generally need less than 5,000 square feet of space, and most end up needing less than 2,000 square feet. Due to small

space requirements, these businesses can operate in storefronts and other small facilities that are not considered “manufacturing” and do not need large industrial spaces to produce their product. More often than not, these businesses end up being quiet, clean, and great neighbors.

Retail and Other Commercial Uses

When it comes to downtown development, there are three general types of retail: those that meet people’s everyday needs (like pharmacies and dry cleaners), those that draw on a regional market (major shopping destinations), and those that are a unique destination (a sports stadium or major cultural complex).



Dog River Cafe, Hood River | Source: Flickr

The Role of E-Commerce

The retail industry is changing, driven primarily by the rapid evolution and expansion of e-commerce, but also exacerbated by the COVID-19 pandemic. E-commerce activity reached 21.3% of all sales in 2020, a sharp increase from 15.8% in 2019 and 14.3% in 2018. Retailers that sell standardized goods and products, such as big-box stores, have been hit the hardest, although the development of robust private logistics networks, such as Amazon Prime, has resulted in online retailers making headway into specialty goods. Even as e-commerce takes market share and national chain stores close, demographic shifts have created a growth market for downtown retail and mixed-use. This is because online platforms have not been able to replace the “atmosphere” or “experience” created by downtowns that offer a range of restaurants, bars, and entertainment uses.

Ideal retail tenants in downtown environments include retailers that offer specialty goods and services that deliver a unique combination of “product” (i.e., shops and restaurants) and “place” (i.e., physical and conceptual environment) and are unique and inspiring. Examples include restaurants and bars, beauty salons, tattoo parlors, and other food-, service-, health-, and entertainment-based tenants.

Cities should also seek to attract grocery stores to downtown that can serve as a vital food source that can bring a significant amount of customer traffic to

the center of a town. Downtown grocers often serve a sizable in-town market that includes the elderly and residents without cars. Many of these customers depend on the convenience of a downtown food store. In many small towns, the availability of a grocery store is a signal of a community’s viability. Downtown grocers can capitalize on the emerging trend of shoppers wanting easy access to stores. They can adapt their floor plans to fit urban environments and dedicate a larger portion of their stock to produce and prepared foods like salad bars and



Main street grocery store, Ashland | Source: Market of Choice

deli counters. Since grocery stores are almost entirely reliant on a residential customer base, a downtown grocery store requires a strong base of housing in the downtown and adjacent neighborhoods.

Dining and Entertainment

Eating and drinking establishments are important to downtown vibrancy and provide an experience that cannot be replicated online. Cities can support downtown dining by encouraging and supporting parklets, sidewalk dining, and other incremental, small-scale activations. These have been successful investments in both small and big cities and in

all types of climates. One important step is to make sure zoning accommodates mixed-use functions in otherwise residential areas. Retrofitting public spaces and exploring new architecture and use of space is also essential.

Tourism, Hotels and Hospitality

Tourism is critical to downtown vibrancy, as these visitors support retail and dining in the evenings and on weekends when office workers are typically absent.

As a result of the COVID-19 pandemic, domestic tourism and inner- and inter-



Hotel Oregon, McMinnville | Source: Wikimedia Commons

state travel has increased, with many people visiting destinations they could drive to (especially within three hours of a major metro area). Small and mid-size towns and cities throughout Oregon—particularly those near natural or outdoor attractions such as trails and wineries—have experienced an increase in visitation (see the Independence case study). Tourism can also be a core element of a city’s downtown identity, with specialty shops, lodging, and other amenities often catering primarily to tourists visiting the area because of attractions outside of downtown.

Hotels are critical to supporting tourism and can be valuable additions to downtowns by bringing leisure visitors and business travelers to the heart of a community. Because of their central location, downtowns often provide great market opportunities for hotel development. Hotels can generate sales for nearby retail and service businesses and capture tourism dollars in the community. Hotels also generate significant tax revenues while creating many new jobs for residents.

Traditionally, hotel developers sought locations on highways because of the

Coos Bay Tioga Hotel

The Tioga Hotel in Coos Bay, at nine stories and 110 feet tall, is reported to be the tallest building on the Oregon Coast. Construction was first started in 1925 but attempts to complete it was disrupted by first the Great Depression and later by World War II. The building was finally finished in 1948. The Tioga is one of the most historically significant buildings in downtown Coos Bay and one of nine buildings in the downtown core listed on the National Historic Register.



Tioga Hotel | Source: <https://www.flickr.com/photos/thomashawk/45929562052>

The Tioga Hotel changed ownership in late 2019, and the new owners have been remodeling the interior of the building. On September 1, 2020, the Coos Bay Urban Renewal Agency (URA) awarded a façade grant to the owners of the Tioga Hotel building. The façade improvement project includes repairing the exterior stucco/concrete (patch/fill cracks); repairing/resealing the exterior penetrations (windows, doors, vents); priming and painting all exterior surfaces; installing exterior LED cylinder wall lights and rope lights; refurbishing the historic Tioga sign; and installing black iron fencing

around the back perimeter of the property. The total cost for all of the improvements was estimated at \$737,575. The URA's façade grant provides nearly \$296,000 for the approved improvement projects for both buildings. Other sources are private.

The plan is to turn the 1920s-era building into 52 apartment units. Plans include upscale apartment units on the upper floors, moderately priced units on the middle floors, and a renovated ballroom on the ground level.

visibility. Now, downtown (sometimes boutique) hotels are gaining in popularity for many of the same reasons that make downtowns popular to a wide spectrum of people (described in this chapter). Downtown hotels can be anchors for broader tourism and employment goals. Downtown hotel sites are typically within close proximity to businesses and industry, colleges, hospitals, attractions, services, and entertainment. Market conditions in any given area have a significant impact on the feasibility of a new hotel, and there must be community drivers of demand that can fill rooms throughout the year.

While locals may be uncertain about increasing tourism, visitor spending helps make stores and restaurants viable year round. Tourism is a way to bring outside money into the city, creating a better quality of life for locals.

STRATEGIC ACTION

Potential Tactical and Short-Term Actions

- **Develop Plans.** Downtown vision plans, strategic plans, master plans, and other plans can help cities understand needs, opportunities, and necessary actions to achieve a vibrant downtown and communicate them to potential investors, developers, and residents.
- **Build Partnerships.** Downtown revitalization is a collective endeavor. Several organizations and professionals play key roles in downtown revitalization. Some of these organizations, such as community development departments, are embedded within the city government. Others, such as major employers, private consultants, and main street organizations, are in the private and nonprofit sectors, respectively. Cities should also engage anchor institutions such as colleges, hospitals, and arts organizations. Cities should also organize a local main street/downtown group if one doesn't already exist.
- **Solicit Private Sector Support.** Downtown development is more than just a city responsibility. New housing, retail, hotels, and offices are all private investments. Therefore, a city must reach out and involve local developers to get their buy-in, add creativity, and build support for the downtown vision. Some developers embrace the concepts associated with placemaking, a mix of uses, and the longer timelines and higher upfront costs typically associated with this type of development. Other developers prefer not to operate in

this model. Land control can enable a city to select one or more preferred developers.

- **Provide Staff Support.** It is important to have a dedicated economic development and/or downtown manager. These staff serve as the primary advocates for downtown and often have a major role to play in economic growth, especially in smaller cities where there tends to be less private-sector development activity. By simply conducting outreach to businesses and developers, these individuals can market development and business opportunities, identify barriers and implement corresponding strategies, and become the liaison between the city and the private sector.
- **Activate Empty Spaces.** Encourage pop-up shops through permitting and marketing, allow for interim uses of vacant lots and underutilized parking, encourage food trucks, invite artists to create installations, etc. Filling downtown gaps creates a virtuous cycle where a complete walking experience draws more pedestrian traffic and helps support on-street businesses.
- **Identify Funding Sources.** Identify funding sources for potential projects and programs, including district-wide funding mechanisms and programs like urban renewal (tax increment financing).
- **Meet the Owners.** Find and develop relationships with property owners, who are often not the same as the business occupants. This could be a job for the city and/or the local downtown association.
- **Additional Strategies.** Additionally, cities may:
 - › *conduct an inventory of vacant and underutilized land*
 - › *simplify the entitlement process and zoning ordinances to ensure flexibility in the code and development approach*
 - › *identify public-owned land that could be leveraged in public-private partnerships*
 - › *develop and promote downtown events*
 - › *develop marketing plans*
 - › *develop community engagement/public involvement plans*
 - › *encourage redeveloping upper floors*

- › *pursue creative strategies to address vacant properties*

Positioning for Medium and Long-Term Actions

- **Adopt an Urban Renewal Plan.** Urban Renewal enables cities to use tax increment financing (TIF) to focus investments in specific areas. TIF can be used for capital and permanent improvements like infrastructure, building upgrades, and streetscape investments.
- **Develop and Implement Façade Improvement Programs.** Encourage and fund high-quality façade improvement projects that enhance the pedestrian experience and make downtown a more attractive, pleasant, and vibrant place. Eligible activities often include door upgrades, window improvements, paint or stucco updating, installation of garages, security lighting, fascia/soffit work, etc. Property renovations may sometimes include efforts to enhance parking areas. Façade programs are typically implemented as part of urban renewal.
- **Consider Business Improvement Districts (BID).** A BID is also known by several other names such as economic

improvement areas or special service areas. BIDs are nonprofit organizations that provide supplemental services that promote or improve the district through advertising, promotion, sanitation, security, and business recruitment and development in the service area, and is funded by a voluntary or mandatory assessment on property and/or business owners. These districts can support business location and development in downtowns. While BIDs can be successful, many communities have experienced challenges such as non-renewal or decrease in boundaries in existing districts

- **Explore Tax Abatements.** Cities may apply to the Vertical Housing Development Zone (VHDZ) program. The VHDZ typically provides a 10-year property tax exemption for a portion of new construction. An additional exemption may be available for projects with affordable housing. This tax exemption reduces developers operating costs and enables them to use some or all of the savings towards front-end capital improvements. (Sometimes, the operating cost reduction increases net operating income and therefore increases project

value and lenders' willingness to make loans on the project.)

- **Develop a downtown arts district** and organize related programs like art gallery openings or “First Fridays”, art markets, or performance festivals. Arts districts often are organized in the form of a non-profit with a paid staff that works to create programming and events on a regular basis throughout the district. Tax incentives can be targeted towards arts industries to attract artists to the districts.
- **Assess Fee Structures and Explore Waivers.** Impact fee abatement, waivers, or reinvestment is another approach to reinvesting project-generated public revenues near a project site. For example, it is sometimes possible for agencies to direct the transportation or parks impact fees generated by large-scale projects into adjacent transportation or park improvements. Another approach is to “waive” impact fees by having one public agency pay the fees to other agencies (e.g., transportation or parks departments) on behalf of the developer. This is a common use of tax increment financing funding.



Mural in Downtown Sisters | Source: Nickie Bournias (Travel Oregon)

3 | DOWNTOWN HOUSING: ACCESSIBLE AND CONVENIENT LIVING

Downtowns are critical to diversifying the types of local housing options that support affordability and choice. A healthy downtown residential district strengthens retail activity and minimizes vacancies by generating a constant flow of foot traffic to support nearby retailers, services, restaurants, and other businesses. This chapter highlights the importance of downtowns to cities' housing needs and describes how downtown housing:

- creates an active, vibrant community district that includes not only office workers and shoppers but permanent residents
- creates a downtown market for retail, amenities, and commercial services
- attracts and retains a qualified workforce as the convenience of downtown living appeals to those working nearby

- increases options for residents, particularly for rental and affordable units
- adds to the quality of life in downtown and the community
- enhances public safety with more eyes and ears paying attention to activity and adding people to the street during evening hours
- supports non-auto forms of transportation

ROLE OF HOUSING IN DOWNTOWNS

Housing Choice

Downtown housing provides an opportunity to accommodate a variety of housing needs, including apartments, upper floor lofts, condos, and townhomes¹ for sale or rent. Downtown housing

¹ Townhomes are often overlooked in downtown locations but can be built at a density similar to many apartment projects and bring significant activity to downtowns and increase housing options for local residents. They can serve as excellent transitional land uses between the downtown core and surrounding neighborhoods.



Cottage cluster housing | Source: MIG

typically targets smaller households in studios, one-, and two-bedroom units; housing for larger families, families with older children, and other sorts of living arrangements are usually hard to find.

Recent trends that favor downtown housing can attract a diverse range of household types that want to live in walkable, mixed-use environments, including a growing number of seniors,

empty nesters, young/single people, baby boomers, and single-person households.² The close communal space is also appealing to the growing number of people that are looking to locate in smaller communities.

Downtowns are excellent candidates for housing that accommodates residents with special service needs because downtowns usually have the highest concentration of services and amenities than anywhere else in the city.³ This type of housing could be affordable, senior, or transitional, specialized (e.g., farmworker, migrant, supportive), cooperative housing, housing for people with disabilities, or a combination of these. Increasing the housing supply in downtowns can be part of a citywide housing strategy that helps to keep costs down and eases the pressure on subsidized and naturally affordable housing while also helping to mitigate displacement.

Middle Housing Types



Source: Washington County

² In 1960, only 13 percent of all U.S. households were single-person households; today, that number is almost 30 percent.

Economic Development

Downtown housing development has been the catalyst for economic revitalization in many communities. Residential density in and around downtown contributes significantly to the customer base for local merchants, as residents within walking distance of retail are significantly more likely to frequent those establishments. According to a study by the International Council of Shopping Centers, residents and workers within walking distance of retail shops spend up to three times as much at those retailers. Specifically, housing contributes to the demand for additional shops, services, home-oriented products, entertainment, and food facilities—smaller households tend to eat out more, helping downtowns attract restaurants.

Defining Displacement

Displacement occurs when long-term residents of a neighborhood are not able to stay in their neighborhood and must involuntarily relocate. Displacement can be caused by economic, physical, and cultural factors.

By incorporating a higher density of residents in the downtown mix, the purchasing activity also increases, so long as the appropriate mix of goods and services is available. This, in turn, creates an even more vital, desirable downtown economy. The City of Independence, for example, experienced population growth of 3-4% each year by deliberately promoting housing development and density in and around downtown, which continues to support businesses and grow the area.

Walkability, Convenience, and Active Streets

Downtown housing increases the number of people out and about throughout the day and in the evening. More people living downtown or along main streets create a sense of safety and allow people to be more watchful of streets and public spaces. Housing that is mixed with commercial uses also means downtown businesses and streetscapes remain active even after working hours.

Downtown living is particularly attractive to many who work in or near downtowns

³ It is also important to distinguish between regulated affordable housing and naturally affordable housing. The former is subsidized, typically through government programs that require applicants to meet specific application criteria like income thresholds or disability status.

because the proximity of shopping and business destinations shortens commutes and travel times. Downtowns typically have a much higher share of commuters that walk, bike, or use transit to get to work. Adding households to downtown areas reduces driving by increasing the number of people that can walk and bike to work or patronize downtown retail and other services. This produces monetary benefits for the residents in addition to environmental, public health, and safety benefits. The ability of residents to walk to work and services promotes energy conservation, reduces pollution and traffic congestion downtown, reduces chronic disease rates through physical activity, and reduces the need to build costly parking facilities.

ISSUES, CONSIDERATIONS, AND OPPORTUNITIES

Throughout Oregon, cities large and small are facing a housing crisis. While the COVID-19 pandemic negatively impacted downtown housing demand, brokers and real estate organizations like the Urban Land Institute (ULI) predict the downtown apartment market will make a full recovery. Many cities experienced a lack of construction during and even



Row housing | Source: MIG

before the pandemic, resulting in pent-up demand for downtown housing. Housing costs were climbing further out of reach for many even before the pandemic, and half of the renters in Oregon's cities were spending more than a third of their income on housing, an amount generally considered to impede the ability to meet other household needs (rent burdened).

There is also a general shortage of available housing. Vacancies are at critical levels for rental housing, and a constrained supply of for-sale housing have been exacerbated by limited new construction during the past two years. Housing shortages have left towns with several vacancies in critical jobs, including teachers, police, and hospital workers.

Downtowns are in a unique position to



Attached housing | Source: MIG

address these issues because:

- they can capture a specific market niche that desires walkability and access to amenities
- they tend to achieve higher housing rents and prices, allowing developers to build construction types that might not be feasible elsewhere because of high construction costs
- zoning is often supportive of higher density land uses, like apartments
- there is an existing building stock that can be renovated for housing
- A study completed by the University of Oregon found that approximately 50% of upper floors in Oregon downtowns

are unused and most will require significant renovation.⁴

Meeting Demand

Downtowns can accommodate a range of housing types and densities that might not be feasible or suitable elsewhere in a city. Citywide housing inventories are typically comprised predominately of single-family residential houses, most of which are owner-occupied, but many of which are rented. Apartments, traditional middle housing (duplexes, cottages, townhomes, etc.), and other higher-density housing types are typically under-supplied.

Rental and senior housing are the fastest-growing sectors of the residential industry, and cities are increasingly developing these housing types in downtown areas. Changing demographics are contributing to the increase in demand for these product types. As baby boomers become empty nesters and retirees, the opportunity to live in a compact, walkable neighborhood becomes more enticing. Most home buyers now demand housing that is close to employment, shopping, transit, and other uses or amenities. Further, one- or two-person households are more likely to rent and are more

⁴ University of Oregon Institute for Policy Research and Engagement. June 2022. "Improving Upper-Story Occupancy in Oregon Downtowns: Preliminary Findings & Recommendations." Project Leads: Aniko Drlík-Muehleck and Alli Langley. Team: Ashley Balsom, Jordan Totty, Tram Anh Hoang, Thea Chroman.

likely to choose housing that meets their current needs in location and size. This trend bodes well for downtowns that are seeking to attract new residents, especially young professionals, singles, childless couples, empty nesters, seniors, students, and those in need of affordable housing.

Affordable Housing

Communities do best when people have housing stability. When people can afford to live downtown, they fuel local businesses and depend less on driving and more on public transit, walking, or cycling. The quality of life increases for residents who have close access to jobs and amenities downtown, and businesses

benefit from increased density and greater activity at all times of the day.

Affordable housing developers will often go where the traditional market will not, taking on the projects that have been long overlooked by other commercial developers. Oregon's downtowns often have challenging conditions for new housing. But aging commercial districts and dilapidated light and heavy industrial sites can be repurposed as vibrant mixed-use developments that meet affordable housing needs. These needs may be met through a variety of housing types, including non-traditional models like co-ops, single-room occupancy (SRO) housing, micro-units, and community land trusts,



Micro-unit apartment | Source: FPO

Astoria/Merwyn Apartments



The Merwyn Building, Astoria | Source: Main Street America

The Merwyn Apartments in the coastal city of Astoria is an affordable housing project that was once an old hotel. The renovated apartment complex offers 40 units, mostly studios set at low monthly rents, reserved for people and households on limited incomes. Only four of the units rent at market rates. Affordable housing is in increasingly short supply in the region, with rents skyrocketing in the past decade.

The Merwyn opened in 1926. It operated as a hotel for years and had several owners. It was converted into affordable housing in 1980 and was known for a time as the Waldorf Hotel, after a late-in-life rebranding. The hotel closed for good in 1989 due to safety concerns. For the next two decades, it remained abandoned.

Innovative Housing, a Portland-based nonprofit, bought and renovated the Merwyn. Innovative Housing frequently works with people who are homeless or precariously housed. Innovative Housing faced several financial and regulatory challenges during the project. It needed the zoning to allow 40 to 60 residential units to make the project work because the operating budget was so tight.

The nonprofit secured \$2.8 million from Oregon Housing and Community Services—a critical piece of funding to round out the project's \$6.7 million renovation budget. Unexpected costs continued to pop up as renovation work revealed other issues, and the COVID-19 pandemic hampered progress on the Merwyn in 2020. Other grants filled funding gaps and work proceeded smoothly until its completion in 2021.



Cottages in Fairview | Source: City of Fairview

which all support deep affordability.

Affordable housing developers often have access to and a willingness to utilize a variety of complex state and federal programs, such as federal low-income housing tax credits, brownfield funding, historic tax credits, and energy efficiency programs. Leveraging these other sources in exchange for providing housing for low-income renters makes the bottom line easier to meet while creating opportunities and expanding offerings for the broader community. However, affordable housing finance is incredibly complex and typically requires developers who are willing to accept long timelines and have experience with putting together deals.

Funding opportunities for this type of housing are highly competitive and complex. If a project has to go through a conditional use process or some other zoning process, it could mean delays and the potential to miss out on key funding. That is why it is best to have sites ready with appropriate zoning.

There is a major opportunity at the intersections of energy efficiency, buildings, and public health. Buildings are Oregon’s second-largest source of climate and air pollution because they produce methane gas and other fossil fuels. Poorly insulated “leaky” buildings also drive up utility costs, contributing to high energy burdens, particularly for low-income households and renters. There is now momentum building around addressing climate, economic, and public health burdens through local action to decarbonize building stocks, with particular attention around equity to ensure affordability for low-income and renting populations.⁴

Traditional Missing Middle Housing

“Missing Middle” describes housing types traditionally built in the 1800s and early

⁴ See Oregon’s Healthy Homes Bill (HB 2842) and Clean Energy For All (HB 2021B).



and mid-1900s that have largely not been built over the past 50 to 60 years. The term refers to attached housing—townhomes, small apartment buildings, cottage clusters, and smaller mixed-use buildings—that were once common. They are in the “middle” between detached single-family houses and large apartment buildings. There is a distinct lack of middle housing types in Oregon’s downtowns.

Typically built at a smaller scale, middle housing fits more seamlessly into existing residential neighborhoods and supports walkability, locally-serving retail, and public transportation options. Missing middle housing can be delivered at a wide range of price points, addressing the mismatch between the available housing stock and consumer demand.

Aging in Place

The growth of the elderly population is

contributing to an increase in demand for downtown living, driven for the most part by the baby boomer age cohort, as noted above. There is now more interest in senior housing and a need to be close to downtown and services. Many of this group are baby boomers who began turning 65 in 2011 and are increasingly empty nesters. In its statistical brief Sixty-Five Plus in the United States, the U.S. Census Bureau projects that one in five Americans will be over the age of 65 by the year 2050. Cities can take advantage of this shift by intentionally positioning their downtowns to attract seniors as visitors, shoppers, and residents.

Downtowns already have key elements in place to attract seniors: compactness, essential services, and opportunities for personal contact. This can benefit nearby neighborhoods, too, where people can escape car-dependent sprawl by living

Cornelius Place



Cornelius Place | Source: Bridge Housing

In Cornelius, a public-private team of Bienestar, Bridge Housing, and the City of Cornelius combined to develop Cornelius Place, a mixed-use development located near downtown city services and amenities. The residential component of Cornelius Place includes 45 new affordable apartments for seniors with household incomes of up to 50-60 percent of Area Median Income (AMI).

The project is located in City of Cornelius' Civic Center district and was developed on city-owned land. Its downtown location provides access to many urban facilities and services including a library, a new medical wellness center, a pharmacy, educational services, grocery stores, parks, and a community center. In addition, the site has excellent public transportation service directly in front of the property.

This development is unique in that the housing is situated in the two stories above the Cornelius Public Library. The building also has a community room for seniors to socialize and participate in educational classes as well as a YMCA center.

The total project cost was \$14.3 million and was funded with a variety of public and private funding sources, including \$1.2 million from HOME Investments, \$9.9 million from Low Income Housing Tax Credits (LIHTC), \$0.6 million from other public funds, and \$2.6 million from private funds.

The public-private partnership was a great way to implement urban mixed-use development in a smaller town with a somewhat rural environment.



Juniper Gardens, Forest Grove | Source: HUD User

within walking distance of downtown amenities. Developers are addressing these demands with downtown communities that provide maintenance-free homes for active seniors and/or varying levels of care for those who require assistance with day-to-day living. These communities include high-end luxury homes as well as affordable housing options.

Farmworker/Migrant Housing

Agriculture is an important part of the economy for many of Oregon's small and mid-size cities and towns. However, the annual wages for agricultural workers are seldom high enough to afford the median gross rent in many cities. Further, housing occupied by farm workers and migrants

is often the most vulnerable. For example, many farmworkers and immigrants in Talent and Phoenix had their homes destroyed by the Almeda Fire in 2020. Therefore, there is a need to evaluate opportunities for housing available to these community members.

Cities can partner with specialized organizations like the Farmworker Housing Development Corporation (FHDC) to help meet these niche housing needs. FHDC is currently in the process of building Colonia Unidad in Woodburn, a workforce housing project, to support a changing community to increase career mobility and opportunities for advancement for farmworkers and other low-income individuals and families.

Transitional, Supportive, or Housing for People with Disabilities

For people with disabilities, there are far too many barriers to housing. Without affordable, accessible housing in the community, many are at risk of institutionalization or homelessness. An accessible home offers specific features or technologies such as no-step entrances, lowered kitchen counters and sinks, widened doorways, and wheel-in showers. For people who use mobility devices, finding housing with even basic



ADA compliant housing | Source: Shutterstock

accessibility features can be daunting, if not entirely impossible or unaffordable. Part of this reason is that visitable and accessible homes are also popular among people without mobility disabilities.

The availability of affordable, accessible housing remains far less than the need, leaving far too many people institutionalized, homeless, or paying too much in rent to afford other basics or living in severely inadequate conditions. Locating such housing in downtown further enhances the supportive nature of these homes by putting them close to critical services and amenities that meet residents' daily service and social needs.

Barriers to Market-Rate and Affordable Housing

There are many barriers to housing development that ultimately make new

construction more expensive, which reduces supply and intensifies a city's housing affordability problem.

On the regulatory side, land use policies and zoning regulations constrain the supply of affordable housing. Density limits, height restrictions, parking requirements, lengthy permitting and approval processes, and community opposition all contribute to an increase in housing prices. Over regulation can reduce the profitability of development and can discourage developers. Building codes for mixed-use or residential projects in downtown environments often include a requirement that some or all of the ground floor is commercial only; these projects may also be a conditional use and are subject to a long process that introduces risks for developers.

From a local planning agency's perspective, regulations must balance the future needs of the community with the present goals of developers. Regulations can make up more than 30% of development costs, further driving up housing prices. Developers often have to pass on the extra cost of development to their tenants in the form of rents, preventing affordability goals. The cost to produce new apartments must be brought down to increase the supply of "economical"



Townhouses | Source: MIG

housing—affordable housing with rents determined by market forces rather than government subsidies. Cities must also recognize that new market-rate housing is always going to be more expensive than existing units, but that introducing supply at the high end of the market serves a market demand while also reducing pressure on the existing and more affordable housing in the community.

The table on the following pages summarizes the development barriers that can effectively exclude rental and affordable housing development in a community.



Emerging Trends: In-Migration and Work- From-Home Populations

The COVID-19 pandemic has seen an unprecedented number of people migrating to smaller cities after most office-based companies were forced to shift their workforce to a work-from-home setting. Amid growing housing costs in larger cities, more mobile segments of the workforce (e.g., tech workers) are recognizing that small cities can offer equal or better qualities of life than large cities, and the pandemic showed that remote work is not only possible but just as productive as in-person work.

While many people are now returning to the larger cities they fled at the height of the pandemic as employers start requiring in-person work again, some companies will continue to operate remotely indefinitely. Additionally, other workers have taken the opportunity to change careers or leave the workforce altogether.

Table 3.1: Development Barriers

BARRIERS	DESCRIPTION
Market	<ul style="list-style-type: none"> • limited local developer experience and/or expertise • difficulty attracting developers • limited access to trades • availability of developable land • unfavorable demographic conditions for market-rate housing • lack of development comparables needed for financing projects • low rents
Economic	<ul style="list-style-type: none"> • high and rising construction costs • rising land and labor costs • high costs of renovating existing older buildings • city development fees, systems development charges (SDCs) that do not adjust for lower costs of serving downtown developments ⁵ • limited availability of tax credits and other financial support systems

⁵ SDCs, sometimes called impact fees (especially in other states), are an accepted and growing mechanism to finance the infrastructure and public services associated with new development. Although some impact fees reflect actual front-end infrastructure development costs, others reflect an unnecessarily high level of infrastructure investment, or are assessed in a regressive manner.

Table 3.1: Development Barriers (continued)

BARRIERS	DESCRIPTION
<p>Regulatory</p>	<ul style="list-style-type: none"> • land use policies and zoning regulations constrain the supply of affordable housing through density limits, height restrictions, setbacks, parking requirements, and lengthy permitting and approval processes • confusion around elevator requirements and lack of complex understanding about how to work around those • fire codes • difficult ground floor commercial requirements that require developers to provide a greater amount of commercial space than the market may be able to support • cities may require developers to build costly streetscape/ infrastructure as part of the project, increasing the cost of the project that must be reflected in unit prices/rents • parking requirements can be overly cumbersome and not reflective of the lower rate of car ownership in downtowns, especially for affordable housing developments that typically use less parking than market-rate housing • complexities of regulations (e.g., overly complicated or onerous development standards) • misuse of smart growth principles (many communities continue to enact affordable housing restrictions, use exclusionary zoning practices, and establish delaying tactics for project approvals) • Inefficient, slow, or burdensome permitting and approval systems.
<p>Socio/Cultural</p>	<ul style="list-style-type: none"> • community opposition to change ⁶

⁶ Often called NIMBYism, which is an acronym for "Not In My Backyard," and describes the phenomenon in which residents of a neighborhood designate a new development (e.g. shelter, affordable housing, group home) or change in occupancy of an existing development as inappropriate or unwanted for their local area. The opposition to affordable, supportive, or transitional housing is usually based on the assumed characteristics of the population that will be living in the development. Common arguments are that there will be increases in crime, litter, thefts, violence and that property taxes will decrease. The benefits for the residents of the development are often ignored.

Klamath Falls Upper Story Housing

The City of Klamath Falls recently recognized the importance of activating upper floors and connecting these spaces to residential uses and partnered with the Klamath Falls Downtown Association to pursue grants to fund apartment construction in downtown. In 2017 and 2019, Association received two grants totaling approximately \$250,000 from the Oregon Main Street Revitalization Grant Program to develop 24 residential units in upper-floor spaces.



Upper story apartments, Klamath Falls | Source: MIG

The Association and the City partnered to award these grants to downtown property owners to help fund necessary renovations and improvements to upper floors, including fire and safety code compliance, plumbing and electrical alterations, structural and mechanical elements, and other improvements that are necessary for a change of use to residential.

The first grant of \$100,000 went to redeveloping the upper floors in two other downtown buildings in 2017. The grant specifically funded the installation of elevators to address ADA barriers and accessibility. That project resulted in the addition of 10 residential units in the Kern Building and an additional 12 units that will be available in the McKay Building in summer 2022.

The second grant of \$149,751 is going towards the construction of apartments on the upper floor of the Lamb-Swansen Building located at 621 Main Street. When complete, the building will offer four new residential units above Vallejos Photography and Subway restaurant. The property owners plan to have the apartments occupied by summer 2022 and decided to renovate now because of the high demand for quality rentals and the ongoing revitalization projects in the downtown core, including the parks, the beginnings of the Timbermill Shores development, and the OHSU residency housing located downtown. The project was selected primarily because of its overall project readiness and the willingness and capability of the property owners to move forward. The Association also recognized the importance of the project's near-term benefits, including providing additional housing supply, amenities that attract people, and a stronger tax base. Together, these projects add to the stock of high-quality housing in Klamath's growing downtown.



Downtown Pendleton | Source: Wikimedia Commons

Restoring Upper Stories

The Pendleton Development Commission (PDC) partnered with other city departments, the Pendleton Downtown Association, and owners of downtown Pendleton historic buildings to produce an ongoing design charrette. Beginning in 2016, the PDC spent over two years identifying 14 downtown historic buildings with empty upper stories over first-floor commercial spaces. To get more residents and workers downtown, the PDC encouraged building owners to redevelop the upper stories. If the empty upper stories of all 14 buildings were restored to use, the assessed value would more than double, leading to increased property tax revenue that the city can use to further improve public and private facilities.

Attracting Developers

Downtown development is complex and requires extensive expertise, skills, and access to capital. In small towns and cities where most new development is one-off single-family homes or smaller commercial buildings, there is often not a plentiful supply of willing and experienced developers capable of undertaking larger mixed-use and higher-density downtown projects. Additionally, the strength of the real estate market in bigger metros attracts many smaller-scale developers and skilled contractors, exacerbating the existing shortage in smaller cities.

Public agencies, therefore, must be able to get the attention of qualified mixed-use developers and provide access to trades and services to compete with larger metros. While cities must have a regulatory framework that supports new development, a proactive marketing and recruitment strategy can grab the attention of developers, tell the story of downtown, and demonstrate the market for housing or other uses. Cities may also attend trade events and presentations in which networking might facilitate developer connections.

Direct outreach is also critical to attracting prospective developers, rather than simply

waiting for others to take action. This is true for both out-of-town developers and creative entrepreneurs in the community. Creative entrepreneurs might be interested in doing a project that might not meet the profitability threshold to attract out-of-town investors but might be attractive to a local investor with ties to the community who wants to make a legacy impact on their hometown.

Making it “Pencil Out”

A third important factor is that downtown housing needs to be profitable to real estate developers, or it won't happen at all. Developers will not take on the risk of a new project if they perceive that the return on investment (ROI) downtown is lower than elsewhere in the city or that of alternative investment opportunities. If the ROI in downtown housing is lower than alternative sites, developers are also unlikely to engage in remodeling of existing buildings into residential units or in new housing construction downtown.

Cities must balance the future needs of their community with the developers' present goal to help meet local housing needs. While local governments cannot create demand for downtown housing, governments can affect the supply side of the equation. This means modifying

or simplifying regulations, providing incentives for desirable project types (and disincentivizing the undesirable projects), facilitating programs, entering into partnerships, targeted marketing, and other strategic actions that support diverse housing developments. Such government actions can assist in bringing the cost of providing downtown housing into balance with demand and establish a viable housing market for developers.

Because infill development is riskier and more expensive to build than building new housing in the suburbs, even when developers undertake the remodeling of underutilized buildings downtown it may be financially out of reach for those households that wish to live there. Government intervention through cost savings to developers can help ensure a variety of housing types is provided in the downtown. The public sector can also facilitate the provision of downtown housing by making information available to private and nonprofit housing providers.

STRATEGIC ACTION

Potential Tactical and Short-Term Actions

- **Build partnerships.** For example, work with Oregon Housing and Community Services to identify appropriate assistance and alternative approaches to downtown housing projects.
- **Develop a Package of Available Tools and Incentives.** A ‘tools and incentives’ package can help spur downtown housing. Market this package to prospective developers and existing property owners, particularly those with vacant upper stories. Local incentives can help encourage risk-taking and include tools like tax abatement, loan pool, fee reduction, flexible parking program, etc.
- **Consider Density bonuses.** A developer may agree to provide an additional number of affordable housing units in a new project in return for the city permitting a higher number of market-rate units per acre than would otherwise be allowed in the zoning district.
- **Consider Parking modifications.** Reducing or eliminating parking requirements for downtown housing can help the economic feasibility of downtown housing. Allow developers to utilize existing parking lots to meet tenant needs for vehicle storage.
- **Simplify zoning.** Zoning code complexity or ambiguity and the time

and cost for applications, review, and permitting are all barriers to housing. Recent state legislation has required most medium-to-large-size cities in Oregon to remove discretionary standards for housing or policies that create additional costs and delay to produce housing.

- **Engage the Development Community.** Engage with the housing development community on an ongoing basis: Conduct ongoing outreach to the development community through forums, workshops, studies, outbound mailer or e-newsletter, and other means. Continue to research market conditions, provide education, explore policy changes, and other topics.
- **Provide Ongoing Staff Assistance and Guidance; Entitlement and Process Assistance:** Streamlining development approvals and providing appropriate entitlements more quickly at less cost to the project. In development, time is money. Developments in particular locations become more attractive when the project's required approval time can be reduced. This is often achieved through zoning and other codes that are clear and predictable, and through assistance

by public-sector officials to ensure that entitlements (design review approvals, building permits, certificates of occupancy, and other required approvals) are awarded efficiently.

- **Provide Assistance to Obtain Tax Credits that Reduce Capital Requirements.** Assist developers in obtaining tax credits for projects, including New Market Tax Credits (NMTC), energy efficiency, Low Income Housing Tax Credits (LIHTC; by coordinating with allocating body), historic, and others enabled in Oregon.

Positioning for Medium and Long-Term Actions

- **Conduct Housing Studies and Strategies.** Conduct a Housing Market Analysis and/or Housing Production Strategy (citywide or downtown focused), including a pro forma analysis, to understand barriers to housing development, establish local and regional housing needs, and develop targeted strategies.
- **Develop an Adaptive Reuse Program.** Provide targeted assistance to property owners of existing buildings that have significant challenges to redevelopment. This may include historic buildings, buildings located

on brownfield sites, and long-vacant buildings that are out of compliance with existing code. Adaptive reuse programs can offer direct grants, technical assistance, prioritized access to programs, and incentives to transform buildings that would involve complex engineering, storefront systems, building additions/modifications, or a change of use. More often than not, an adaptive reuse program is a specific project in an urban renewal district; the cities of Madras and Oregon City both have such programs.

- **Provide Gap Financing.** Cities in Oregon can provide low-interest and forgivable loans or grants to developers to assist in gap financing for certain housing projects, either directly through urban renewal programs, or indirectly from state, federal, and nonprofit organizations (mostly for affordable housing). Cities could play a key role in working with partners (local, state, and nonprofit agencies as well as private banks) to explore the creation of lending pools or resources that would be available to affordable or market-rate housing. Cities that are seeing decent market-rate development activity can consider

Construction Excise Tax as a revenue source to incentivize multi-family and affordable housing.

- **Consider Implementing Tax Abatements Programs.** Public agencies may enable private developers to retain or receive back a portion of taxes (property, sales, or other) generated by the project to assist the economics of the project. Municipalities in Oregon may adopt a Vertical Housing Tax Abatement program to extend partial tax reduction (varying between eight and 12 years of taxes) to projects that include a mixed-use component (including housing and ground floor commercial), achieve certain densities, and/or provide affordable housing. This reduces developers operating costs and enables them to use some or all of the savings toward front-end capital improvements. (Sometimes, the operating cost reduction increases net operating income and therefore increases project value and lenders' willingness to make loans on the project.)
- **Consider Fee Waivers.** Reduce or defer system development charges (SDCs) for particular development types

(e.g., infill, ADUs, missing middle). Fee waivers at the city level can serve as a financial incentive for developers. SDCs, especially for parks, can be waived or exchanged for a project, such as a park or public plaza, that is constructed by the developer instead of paying the required fee. It typically costs cities less to provide services in a developed area than it does to provide services to a new greenfield development on the fringe. Therefore, it is reasonable to charge downtown developers less or give them a credit for public amenities that they are providing with the development. Fee waivers could tip the balance for marginally feasible projects, allow for a higher quality product, or additional amenities that would help attract residents.

- **Create a Development Opportunity Study (DOS) Program.** A DOS program helps property owners of underutilized properties reimagine what they could be. For example, cities may pay for the architect fees for the initial

phase of a project to create a new design and obtain cost estimates for implementing that design.

- **Explore Site Assembly and the Acquisition of Potential Catalyst Sites.** Cities, redevelopment agencies, and other public agencies may acquire and “assemble” multiple contiguous sites, to bring to market a site that is larger or more logically shaped for development. In addition, agencies may conduct related activities such as the demolition of underutilized buildings on-site, lot line adjustments or subdivisions, “site preparation” due diligence such as site-specific geotechnical or environmental reports, etc. The purpose of these actions is to prepare sites for development and eliminate as many obstacles or questions about development feasibility as possible.

4 | DOWNTOWN TRANSPORTATION: SAFE AND EFFICIENT CONNECTIONS

A safe, connected, and accessible transportation system is fundamental to downtown development, land use, economy, and character. Downtown streets, sidewalks, and pathways connect people to the many assets and amenities in a downtown including jobs, schools, services, parks, events, and civic facilities.

This chapter highlights the importance of the transportation system in downtowns and further describes how downtowns:

- prioritize people walking, biking, and taking transit while also accommodating people driving;
- can better manage the use of public rights-of-way, parking areas, and supporting infrastructure;
- can provide a street network that is welcoming and supportive of the local economy; and

- contribute to an interconnected, healthy, and vibrant community

ROLE OF DOWNTOWN TRANSPORTATION INFRASTRUCTURE

Downtowns are usually the most mobile district in the city, generally scoring higher than other areas in cities in terms of walking, biking, and transit.

Downtowns with safe and interconnected transportation routes are also more economically resilient. A 2019 study found that increased economic productivity is associated with walkability.¹

Transportation systems impact environmental and community health by affecting air quality and climate pollution, and encouraging (or discouraging) physical activity through mobility options. Reducing dependence on vehicles and providing safe and comfortable travel

¹ George Washington University School of Business and Smart Growth America, Foot Traffic Ahead: Ranking Walkable Urbanism in America's Largest Metro Areas, 2019.



Ashland's Main Street | Source: Wikipedia

alternatives benefits both the individual and the community.

Equity and access are also key considerations in transportation planning. About one-third of Americans do not drive. This includes children, youth, many seniors, and people with disabilities. Latino and Black households are much more likely to not have access to a vehicle, and people of color who are also low-income are even less likely not to have a car.² Residents who cannot or do not drive, and those who

cannot afford a private vehicle, depend on transit or paratransit to connect them to jobs and for their day-to-day needs such as groceries and medical appointments.

Transit systems, particularly in small cities, are challenged to provide consistent, frequent, and reliable service due to fiscal and other constraints. Transportation plans and projects have often disrupted and displaced communities of color and exacerbated inequalities by restricting access to amenities and jobs, and

² Ernst, M. & Shoup, L. (2011)



Eugene Transit Stop | Source: Wikipedia

exposing residents to environmental hazards including air pollution.

Safe, Attractive, and Interconnected System

Land use and transportation planning go hand-in-hand. Downtowns with transit stops, sidewalks, and bike paths close to amenities make it convenient to walk, bicycle, or take transit between homes, offices, stores, and other destinations. As a result of this expanded transportation choice, physical activity can be incorporated more easily into

daily routines, transportation costs can be reduced, and low-income individuals, seniors, disabled individuals, and others who don't own a car can have more freedom and mobility.

Connectivity improves safety. Grid street networks help create a safer road system and tend to have fewer collisions. Trip distances are shorter and routes are more direct. Pedestrians benefit from additional signalized, safe crossing opportunities at intersections, and drivers and other users benefit from regular street geometry with



Pedestrian flashing beacon and crossing | Source: ODOT

predictable patterns.

Downtowns that encourage walkability and active lifestyles also contribute to the resiliency of the urban core by providing social cohesion and community health. Downtown environments create a culture that supports walking that is perfect for carrying out the strategies identified by the U.S. Surgeon General's Call to Action to Promote Walking and Walkable Communities, which aims to increase access to safe and convenient places to walk and wheelchair roll.

Infrastructure that Serves Multiple Users

The way in which public right-of-way is designed and allocated to various travel modes determines how convenient and comfortable it is to travel to and within downtown environments. Balancing the need for efficient vehicle traffic with the safety and comfort of people walking and biking (and micro-mobility users such as scooter riders) is a challenge for every downtown. The street design in many Oregon cities has been exclusively for cars, with roadway systems moving drivers into,

City of Klamath Falls - Oregon Avenue Protected Bike Lane



Protected bike lane, Klamath Falls | Source: MIG

The City of Klamath Falls partnered with Sky Lakes Medical Center to identify strategies for improving community health, focusing on active transportation improvements in areas of the community with the greatest need. Along with improving access to active transportation options and improving community health, the project also served to support the local economy and the emerging downtown business district.

Following a nearly five-year-long process, the community-supported initiative helped identify an improved bike lane project along Oregon Avenue.

The first step involved a comprehensive outreach and partnership-building effort to build support from community members, stakeholders and local businesses to launch and sustain future phases. Working alongside local health experts, the partnership team then mapped data to identify clusters of chronic disease throughout the community that helped identify 'hot spots' and related transportation infrastructure in need of improvements

Following data collection and infrastructure prioritization, the city, healthcare providers, downtown business groups, and other stakeholders developed a fundraising campaign to implement future street improvements along Oregon Avenue. A key part of the process was documenting the data and related connection between community health and desired outcomes related to active transportation and a healthier, more active community.

E-Scooter Parking | Source: <https://commons.wikimedia.org/w/index.php?curid=90168905>



Monmouth Micromobility Ordinance

The City of Monmouth developed an ordinance to allow a private operator to provide electric scooter rentals to the public. The ordinance requires a permit and a renewal fee every two years. A portion of the fee goes to fund future parking, helmet, and other safety issues associated with the use of e-scooters. Other provisions of the law require that scooter users are at least 16 years old and restrict the use of e-scooters in a public park.

through, and out of downtowns as quickly as possible.

In contrast, when streets and downtown environments are designed for multiple users, more appealing mobility options are available. This includes cyclists, pedestrians, people living with temporary disabilities, and wheelchair or other mobility device users. Residents pushing strollers, pulling wheeled luggage, and carrying bags or packages also benefit from street infrastructure that prioritizes pedestrians.

Engaging Streets that Attract Visitors and Residents

The street-level pedestrian environment is profoundly shaped by transportation infrastructure. Inclusive, welcoming streets contribute to vibrant downtown retail districts where people feel safe, comfortable, and engaged when they walk or bike. Streets with vacant storefronts, large blank walls, little activity, and surface parking lots create an inhospitable environment and make it difficult for businesses to thrive.

A successful streetscape attracts residents and visitors to downtowns, supports local commerce, brings people together, and offers a range of activities and experiences. It creates a sense of



Shared street, street festival | Source: MIG

place and can reflect local context and history. Streetscape elements that can work together to create a cohesive design include special pavers and intersection treatments; furnishings, seating, and lighting; stormwater treatments, landscaping and tree canopy; and signage, public art, and gateway treatments.

ISSUES, CONSIDERATIONS AND OPPORTUNITIES

Complete Streets

The Complete Streets design enables safe use and support mobility for all users rather than prioritizing automobiles and fast-moving traffic. These roadways prioritize safety, comfort, and access, especially for children, older adults, people

living with disabilities, and others who cannot or do not drive. When downtown streets are “complete,” people can easily and safely cross the street, walk to shops, bike to work, and enjoy active mobility.

Each Complete Street is unique and responds to its community context. It may include a wide range of elements, such as sidewalks, bicycle lanes, transit lanes, transit stops, crossing opportunities, median islands, accessible pedestrian signals, curb extensions, modified vehicle travel lanes, public art, streetscape, and landscape treatments.

Complete Streets may require transportation agencies to rethink their approach to community roads, departing from traditional auto-centric design



Complete street elements | Source: NACTO

manuals and using guides such as the NACTO Guide for Urban Street Design and Oregon Department of Transportation’s (ODOT) Blueprint for Urban Design. With a Complete Streets policy in place, planners and engineers design and operate the entire right of way to prioritize speeds that are safe for all users. Complete Streets often go beyond the legal requirements of the Americans with Disabilities Act (ADA) and incorporate universal design features that provide for the comfort and safety of people of all ages and abilities. Examples of these features include high-contrast

tactile paving, seating with arms, and audible pedestrian signals.

Downtown roadways and sidewalks are also host to “micro-mobility” vehicles, most notably rentable scooters and bicycles. ADA-compliant sidewalks and intersections provide a clear path of travel for mobility device users that is unobstructed by trees, benches, or utility poles. Cities must consider the benefits and costs of allowing scooters on sidewalks, bike lanes, or roadways, and develop rules for use in downtowns.

Vehicles in Downtown

Downtown streets are needed to move vehicles with people and goods, not just during business or evening hours, but around the clock to allow service deliveries, waste management, and emergency access. Every downtown must plan to accommodate and balance the needs of personal, transit, and service vehicles. Curb space design and planning in many small urban downtowns were typically for vehicle access to adjacent uses, including customer parking and loading zones directly adjacent to stores. With the rise of online shopping and meal delivery, before and during the COVID-19 pandemic, cities are challenged with how to manage curb space for these multiple uses.

In a multi-modal environment, designing curb spaces for flexible and shared uses is key to maintaining a successful downtown environment and balancing the needs of business owners. This involves prioritizing and allocating space for transit, pedestrians, and cyclists above the convenience of private vehicle users. Curbs should provide space for commercial loading as well as the public use of spaces including parklets, curb extensions, or outdoor commerce. Providing some on-street parking is



Retail streetfront | Source: MIG

fundamental to the success of many small downtown businesses, particularly retail, but increased competition for right of way and curb space requires a shift in thinking by both customers and planners.

Active parking management can support economically healthy, mixed-use downtowns and promote walking and transit use. Strategies include:

- **Shared parking:** shared parking based on use is the best way to maximize use of existing parking spots—e.g. office gets daytime priorities, and residential and/or downtown visitors gets evening through early morning

- **Unbundled parking:** rather than requiring residential or commercial tenants at a fixed rate, lease a portion of off-street parking to users who elect to pay for the use of off-street parking spaces
- **Coordinated parking:** privately managed structured and surface parking lots can maximize their use through better coordination with each other on inventory and parking capacity and pricing monitoring
- **Permitted parking:** develop a parking enforcement program to manage on-street parking in mixed-use, commercial and/or residential areas in or adjacent to downtown; setting rates for on-street parking to facilitate shorter-term stays with spaces that turnover to support adjacent activities and encourage mid or long-term parking to occur off-street—automated license plate readers are a newer way to allow timed parking to be easily monitored and enforced
- **Consolidated parking:** encourage developing parking structures with active ground floor uses in lieu of multiple surface parking lots as downtown development pressures, and demand for parking, increase

Downtowns can combine strategies and tactics to create a “park once” environment where drivers can leave their vehicle and easily access multiple destinations by foot, transit, bike, or scooter rather than moving their cars and making multiple trips.

Transit stops can be sited and designed to support multiple downtown goals, including placemaking, efficiency, and safety. Stop location and configuration depend largely on the amount of right-of-way available and dedicated to transit stops and platforms. In general, far-side stops (immediately after an intersection) and in-lane stops are the most efficient, but several factors must be considered when locating and designing accessible and comfortable stops that encourage ridership. Communication is also important and public agencies and transit providers should prioritize alternative forms of transportation by targeting potential users or specific groups. For example, the City of Salem used an AARP grant to better engage the senior community to understand how to improve access to public transportation. The city launched a mobile app targeted towards seniors to improve access to transit, as well as other incentives to encourage transit use.



Mosier Twin Tunnels Trail | Source: Flickr

Main Street Mosier

Along the Columbia River, the City of Mosier has experienced increasing tourism due to the city's proximity to outdoor recreation opportunities and the nearby cities of Hood River and the Dalles. An increase in cyclists, hikers, boaters and other users has also resulted in a positive benefit to the city's main street and local economy. The city's Main Street Mosier non-profit has capitalized on the increasing popularity of the city and has been actively organizing community events and other projects including those that use the public street. One example is the Green Chair Project. The non-profit purchases durable Adirondack chairs and places them in various locations across the community. The program helps encourage residents and visitors to explore local streets, relax and enjoy the surrounding views.



Pedestrian refuge and street crossing | Source: MIG

Overcoming Barriers and Connecting Destinations

Successful downtowns are pedestrian-friendly. Often, downtown infrastructure, including roadways, highways, and rail lines, as well as natural features, can create barriers for pedestrians, including residents, employees, and visitors. These barriers can discourage walking, shopping, and visiting downtown. Other features of downtowns, such as surface parking lots and blank building walls, also discourage visitors from exploring multiple neighborhoods and destinations. Grade separations (i.e., underpasses or overpasses) can be particularly challenging and often feel unsafe to people travelling outside vehicles.

A healthy downtown allows pedestrians

to easily access multiple destinations and provides a seamless, engaging streetscape to encourage visitors to keep walking. Depending on the size and scale of downtown, the design and character of blocks and neighborhoods may change, but connecting them to one another is paramount.

Strategies to overcome barriers and improve connections include:

- using lighting and art to increase the safety and comfort of underpasses and enhancing blank walls with art and lighting
- seeking alternatives to above-grade pedestrian bridges, which tend to discourage use, increase trip length, and attract unwanted behavior
- re-establishing vehicular connections and sidewalks or through-paths (for example, if streets have become dead-ends or cul-de-sacs)
- filling in gaps in sidewalk, bicycle routes, and trail systems
- activating vacant lots with art and programs
- encouraging infill development on empty lots in key locations
- filling ground-floor vacancies with art installations

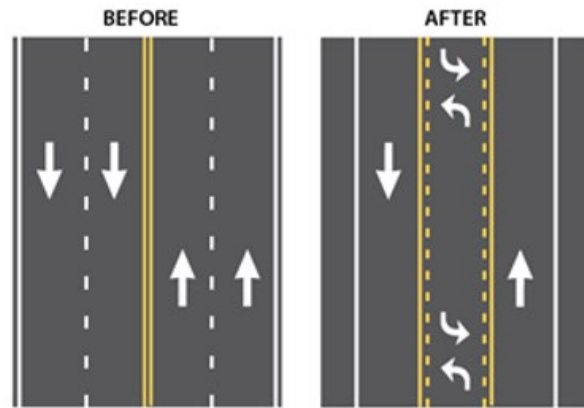
- increasing the visibility of nearby destinations through lighting, gateway treatments, or signage
- using wayfinding systems to orient travelers and encourage them to travel to other destinations

In Oregon, where outdoor recreation and tourism are major economic drivers, it is especially important to connect downtown to nearby trails and recreation destinations. In addition to improving multi-modal connections for travelers, signage, wayfinding, branding, communications, programs, and promotions can encourage outdoor enthusiasts to visit downtowns. This allows cities and local businesses to benefit from visitor spending and capture revenue from tourists, including taxes on lodging.

Right-of-Way Infrastructure Projects

Many projects can be implemented on a temporary basis, or as pilot projects, with lower-cost materials. This allows road users to get used to changes and provide feedback before more fixed and costly changes are made. An example of this type of “quick-build” project is painting and installing temporary bollards around bike lanes at dangerous intersections.

More extensive capital projects can



Road diet example | Source: FHWA (https://safety.fhwa.dot.gov/road_diets/resources/fhwasa16072/)

create opportunities for other public improvements to the public realm and can ideally be timed with other infrastructure improvements (e.g., sewer upgrades). Planners should closely coordinate with partner departments and engage the community to identify opportunities for additional upgrades. Potential improvements may include:

- placemaking enhancements
- new signage
- transit shelter upgrades
- new street trees or landscaping
- pedestrian and bicycle improvements (e.g., walk signals and bike racks).
- green infrastructure and sustainable practices (e.g., stormwater treatment).



Benefits of Two-Way Streets

Streets designed for two-way traffic provide many benefits in a downtown. Two-way streets:

- reduce vehicle speeds and severe collisions
- increase safety for people walking and bicycling
- improve visibility of and access to businesses while helping to create a more balanced development pattern
- provide more direct vehicle and bicycle access
- allow for more flexible options for on-street parking and access to driveways and off-street lots

Road safety projects (sometimes known as “road diets”) reconfigure roadways to create dedicated turn lanes and add room for pedestrian and bicycle infrastructure while reducing lane widths or the number of through car lanes. Changes to on-street parking can typically be accomplished through re-surfacing and/or painting the street. Other improvements such as curb extensions and converting one-way streets into two-way involve more complex and disruptive construction.

Downtowns should also explore adding electric vehicle (EV) charging stations and infrastructure to existing lots and structures or as part of new developments. Many potential EV customers are reluctant to purchase a vehicle due to the lack of publicly-available charging stations. Adding this infrastructure can encourage drivers to adopt this new technology and make it easier for organizations, includes cities, to convert their fleets to less polluting vehicles.

Becoming an “EV-Ready” community involves adding supportive policies and regulations; establishing a clear permitting process; developing or implementing supportive programs for property owners and consumers; and demonstrating the viability of EV use with public vehicles.

City of Ashland North Main Road Safety Reconfiguration



North Main Road, Ashland | Source: LoopNet

In 2012, the City of Ashland conducted a temporary pilot project to diversify travel lanes on North Main Street extending from Helman Street to the northern city limits. In conjunction with ODOT, the city re-striped a four-lane roadway with no bike lanes to three vehicle lanes (two lanes in each direction and a center turn lane) and bicycle lanes. The temporary project allowed the City to test conditions before and after the changes and allowed residents to experience the new lane configuration while walking, biking, or driving.

Based on results of the pilot project, the majority of community members agreed that the project helped to slow speeding vehicles while making North Main Street friendlier to people walking and biking. Due to the success of the temporary project, the city permanently transformed the section of North Main Street into the new configuration.

STRATEGIC ACTION

Potential Tactical and Short-Term Actions

- **Audit the transportation system for accessibility.** Coordinate with other mobility service providers including transit agencies, school districts or colleges, and employers as part of the City's Transportation System Plan (TSP) update.
- **Engage priority community groups.** Identify and proactively reach out to communities disproportionately burdened by inequitable transportation decision-making to inform future, more equitable plans, and investments.
- **Use low-cost wayfinding to orient users in and around downtown.** Wayfinding can come in many forms and does not need to be limited to traditional signs. Laminates can be applied directly to streets and sidewalks.
- **Provide outdoor dining areas.** To meet temporary physical distancing requirements, identify restaurant clusters and designate 'dining street' zones where on-street parking or a travel lane is temporarily or permanently closed and used exclusively for pedestrians and outdoor dining. On sidewalks in mixed-use commercial corridors, demarcate outdoor dining and retail areas with raised beds or pots instead of conventional railings to provide a desirable advertisement for uses such as restaurants, cafés, gardening stores, etc.
- **Expand bicycle parking.** Encourage the installation of bicycle parking corrals that replace a single auto parking space or that can provide and can generally fit 8 to 12 bicycles. Bicycle parking corrals should be in areas with high bicycle parking demand, such as near commercial spaces or civic uses, and often at corners where daylighting requirements in Oregon law prohibit car parking.
- **Identify 'pedestrian priority' streets.** These are streets that allow or have the potential for, social gathering spaces, wayfinding features, multi-modal mobility and access for all abilities, and designated places with capacity for events and programming.
- **Identify 'pedestrian priority' streetscape elements.** ODOT's Blueprint for Urban Design (2020)

provides guidelines and principles using a performance-based, context-sensitive, practical design approach to accommodate all modes of transportation affecting all urban roadway users. The guidebook provides a range of design treatments including pedestrian improvements for busy streets and highways throughout Oregon, including downtown main streets.

Positioning for Medium and Long-Term Actions

- **Develop a transportation or streetscape plan with prioritized implementation actions.** Future streetscape improvement projects and project priorities must include the participation of affected residents, businesses, and other stakeholders. Following project selection and funding, communication should continue to inform the public about potential impacts, construction timing, and ongoing maintenance and operations.
- **Develop a parking management program.** Shared parking based on use is the best way to maximize the utilization of existing parking. Offices get the daytime, and residential and/or downtown visitors get the evening through the early morning. Explore a program to offer free parking on a weeknight and/or free or discounted valet on certain days. Relocate some on-street parking and replace it with parklets, expanded sidewalks, etc.
- **Explore parking reduction strategies.** Parking can be a determining factor in the financial success or failure of a project. Permitting parking reductions or in-lieu parking fees, which allows new development to make a case to pay a fee up to a certain number of spaces for some projects, are ways to encourage new development that may not otherwise be feasible. This is especially successful for:
 - › *development of new transit stops;*
 - › *needed housing (senior housing, affordable housing, group housing);*
 - › *development that provides space(s) for car sharing programs; and*
 - › *projects with a site-specific trip reduction plan (such as employer-provided transit passes, telecommuting, ridesharing, carpooling, car-sharing, bicycling, and flexible work schedules)*
- **Promote a “park once” strategy.** Develop a parking enforcement program to manage on-street parking.



Sandy Area Metro transit stop | Source: Wikimedia

For retail areas that require parking turnover, time-limited, paid parking for clients and shoppers may be necessary in the future. In residential or mixed-use areas, parking permits could also be evaluated. While cities often manage parking enforcement, some communities also contract with private parking management companies or partner with the local downtown business association to manage on-street parking.

- **Formalize partnerships.** The rising costs of materials, the complexity

of right-of-way projects, and maintenance needs require an organized and wide-reaching partner base to sustain implementation.

- **Work with businesses to create a Commute Trip Reduction (CTR) Program.** Encourage employers to establish and maintain a commute trip reduction program that supports and promotes reducing the number of drive-alone trips by encouraging non-driving modes of transportation such as transit, vanpool and carpool, walking or biking to work, working from home, or a compressed workweek.

5 | DOWNTOWN ACTIVATION: FORM AND PLACEMAKING

Each Oregon downtown has a different history, setting, and character conveyed through people and place. As the economic, social, and cultural hubs of most small cities, downtowns should be a dynamic place where people feel connected and welcomed to explore and enjoy. The built form of a downtown—from streets and street frontages to the design of buildings and public spaces—profoundly affects the experience of downtown visitors, workers and residents. Programs, events, art and entertainment are equally critical in making downtown flourish, bringing multiple benefits to each community.

This chapter explores several aspects of placemaking and the way that downtowns can use design and programming to:

- foster civic pride
- enable social connections
- support small, local businesses and artists

- attract families, visitors, and residents
- encourage walking, and
- improve public safety

ROLE OF URBAN FORM AND PLACEMAKING IN DOWNTOWNS

Strengthening downtown identity

Cohesive and distinctive design elements contribute to a strong sense of place by accentuating the features of a downtown and its surroundings. These can include architectural elements or cultural resources (e.g., an iconic building, or commemoration of a historic event) as well as natural features or iconic destinations (e.g., a river or bridge). Strengthening the identity of a downtown area helps promote it to residents and visitors alike and leads to investment and economic development. It is also an opportunity to reflect on and celebrate local history and culture.



Pedestrian-scale signage | Source: MIG

Creating Memorable, Functional, and Flexible Public Spaces

Successful public spaces are safe, comfortable, active, accessible, and adaptable. They allow people to gather, rest, play, and learn about the community. Downtown public spaces include parks, plazas, streets, sidewalks, alleyways, and other open areas. Closing streets to vehicle traffic for specific days or times creates additional public space. Well-designed public spaces are flexible enough to allow for a variety of uses at different times of the day, week, and year and are designed for universal accessibility and to be welcoming and safe for all.

Supporting Activity, Civic Pride, and Social Cohesion

Downtowns can serve as a public commons, bringing people together for activities ranging from fun runs to movie nights to demonstrations. Downtown public spaces allow residents to come together to socialize, play, or learn. Organized events can help bring larger crowds into downtown that help generate economic activity. Events can also help generate awareness for and interest in staying and revisiting downtown, especially for new residents or visitors.

Ensuring a walkable and human-scaled environment

Some of Oregon's most successful small downtowns have several common ingredients. Safe and connected sidewalks, street crossings, and street furnishings are all needed to provide a framework to stroll, explore, and shop. Buildings and entrances close to the sidewalk, with parking and driving aisles to the side or rear of lots, help minimize conflicts with motorists while creating a cohesive street front. And ground floors that embrace their role along the street through large windows, covered entries, outside dining, and signage scaled to people on foot. A walkable and human-scaled downtown creates comfortable, safe, and memorable environments



Street trees | Source: MIG

The Benefits of Trees in Downtown

Trees can provide so many benefits in a downtown, like traffic calming and noise reduction, beautification, shade, and a host of environmental benefits. Studies have shown that street trees and landscape enhancements can positively affect property value and help calm traffic and even reduce traffic accidents. Yet trees can typically be a lower priority in most municipal budgets, and often times a higher level of maintenance is needed to keep the urban tree canopy healthy. In some cases, street trees can also be compromised by narrow tree wells, utilities, and other infrastructure. Some considerations for trees in the downtown should include:

- developing a tree inventory and include street trees as a part of stormwater management system
- creating a street tree list specific to the needs of the downtown and selecting tree species that reinforce key streets or downtown gateways
- designing landscaped areas that allow for adequate room for tree root growth and providing adequate spacing between parked cars and a minimum of four-foot-wide tree grates



Outside dining and ground floor retail | Source: MIG

which can support personal health and economic vibrancy.

ISSUES, CONSIDERATIONS, AND OPPORTUNITIES

A typical small Oregon downtown is usually where a city's oldest and most human-scaled development exists: the historic main street theater, small retail stores with apartments or offices above, and the public plaza. Yet urban renewal efforts in many communities through the 1960s and 1970s changed the face of many downtowns by expanding parking and eroding many historic structures

and smaller-scale development patterns. Drive-through uses, large-format single-story buildings (big boxes), corporate architectural styles, and expansive parking lots have had profound impacts on the street environment and can contribute to, or detract from, people's experiences of a downtown. Thriving downtowns embrace development built at a human scale, promote a common identity or brand, embrace their unique character and sense of place, and offer a variety of public spaces and programs.

Building and Site Design for a Human-Scaled Downtown

Thinking about how people experience a downtown as they navigate on foot can help create a "human-scaled" environment that is comfortable, safe, welcoming, and dynamic. In contrast, planning and designing for people moving quickly through a space in a vehicle creates street environments that may be uncomfortable and inhospitable to people walking or cycling. The design, orientation, and organization of buildings are key to shaping the human experience and creating "curb appeal." The following are key considerations that create successful downtown environments.

Building Scale and Massing

Redevelopment in small downtowns should be compatible but not duplicative of existing architecture. Large buildings designed to allow abundant light, air, and views and prevent a “cavernous” feeling. Building features such as setbacks and stepbacks (or step-downs) can create open space and break up the bulk of a building so that it does not overwhelm the sidewalk or create extensive shadows. Likewise, long buildings can have notches, recesses, or varying setbacks to contribute to the comfort of people walking. Along Main Street in the center of Downtown Prineville, several blocks of one- to two-story buildings maintain a consistent scale in downtown and include historic structures such as the Bowman Museum, with repurposed buildings that now house a variety of services, offices, and dining and retail.

Architectural Features

The articulation of a building’s façade, windows, balconies, and other elements also help create a human-scaled street environment. Articulation breaks down large surfaces, emphasizes unique qualities, and creates visual interest. This can be accomplished through using varying materials, colors, and shapes



Retail (repurposed gas station) | Source: MIG

on the exterior as well as off-setting or bumping out building elements. Architectural features are also important to preserving the historic character of a downtown or the character of other defining features of a downtown. In Downtown Troutdale, redeveloped buildings feature covered entry ways, upper story decks, gabled windows, decorative cornices, and other details that blend with older architectural styles that give the street a sense of cohesiveness.

Building Orientation

The positioning of a building on a parcel can create a welcoming and engaging



Downtown Troutdale | Source: <https://www.flickr.com/photos/smcdevitt/3042552926>

environment. Doors and accessways should be regularly spaced and face the street and sidewalk. Buildings on corner lots should have entryways at the corner, so that individuals can experience the building's character and accessibility from both sides. Adjacent to the popular Millennium Plaza Park in Downtown Lake Oswego, the Lake View Village mixed-use development serves as a prominent gateway to the downtown by addressing the busy street front and public space by providing continuous ground-floor windows and covered entries including, at the street corner.

Connectivity and Access

Providing connections between or through

buildings and lots is also important when supporting a comfortable street environment. It shortens the distance that people need to navigate, connects buildings and blocks, and encourages street-level activity and safety. In Downtown Hood River, redevelopment along Oak Street created a pedestrian mid-block connection linking adjoining uses while providing additional opportunities for retail use and housing within the block.

Ground-Floor Activity

In addition to its design, the first floor's use within a multi-story building can profoundly impact the environment

outside it. Downtown buildings should have active ground-floor uses whenever possible. This use traditionally includes commercial or retail space, but other uses also contribute to a walkable downtown. Co-working spaces, fitness centers, libraries, and even small-scale manufacturing (e.g., clothing or jewelry) can fit well in ground floors. Successful uses bring foot traffic and activity to the building and the street. Active ground floor restoration throughout several blocks of two-story buildings in Downtown Baker City include retail, restaurants, and galleries.

Transparency

Being able to see into and out of the ground floor is a key component of urban design and planning. The first floor can welcome visitors, support safety with more “eyes on the street,” highlight products or services and lets in natural light. In Downtown Milwaukie, recently developed multi-story townhomes along SW Harrison Street feature transparent front doors and continuous upper story windows that face the adjacent city hall plaza that encourages surveillance of the street and public space.

Proximity and Activity

Locating activities near one another



Milwaukie townhomes | Source: MIG



Craft brewery in Downtown Redmond | Source: Visitredmondoregon.com

supports a vibrant downtown and create hubs of activity that can become downtown destinations. Clustering retail and other commercial activities can activate a block, street, or district and help support these businesses by attracting more foot traffic. Despite a highway bypass that redirected through

Independence Riverview Park and River's Edge Concert Series



River's Edge Concert in Independence | Source: City of Independence

Riverview Park is the largest park in the City of Independence and home to the Independence Amphitheater. Completed in 2005, the Amphitheater hosts numerous events, including the annual River's Edge summer movie and concert series. The series provides free movies and concerts throughout the months of July and August. Lawn seating, concessions, restrooms with sanitizing stations are there to make a memorable experience for all. The summer concerts feature an all-ages beer garden as well as local food vendors. Additionally, the city encourages visitors to visit downtown businesses before the show. Riverview Park is also the starting point for the Willamette River Trail, a 5k soft-surface path providing excellent river views and birdwatching. A disc golf course and biker/boater campground were installed in the park to welcome visitors.

traffic around Downtown Redmond in 2007, breweries, restaurants, retail, and offices between SW 5th and 6th Streets are flourishing and are all located within a relatively small multi-block area of Downtown.

Placemaking and identity

Placemaking is the practice of creating spaces that are distinctive, engaging, and that attract people. Placemaking reflects and bolsters the identity of a place, whether it is a block, a district, or a city. It is a multidisciplinary approach that can take many forms, including art, events, streetscape, signage, landscaping, logos, and social media and marketing.

Strengthening a sense of identity for a city or downtown is not limited to branding or developing a logo and tagline. It should be a comprehensive effort that considers economic development, built environment, programs, marketing, etc. Critically, placemaking involves community engagement to unearth relevant and meaningful themes that can guide public realm and other improvements.

Placemaking can take the form of a custom piece of gateway signage or other infrastructure, or can be the culmination of small incremental changes and improvements over time. Downtown



Columbia River Gorge signage, Troutdale | Source: MIG

identities can be expressed through banners, murals, maps, and marketing collateral. Often, small community-led projects can lead to a critical mass of activity and excitement that activates a public space. An approach called “Lighter, Quicker, Cheaper,” (LQC) credited to Eric Reynolds, involves accessing local resources to make moderate, incremental improvements, using low-cost or low-maintenance materials and designs. Pilot projects or temporary installations are a great way to test the community reaction to an idea before investing heavily or making permanent changes to a space. This approach can also build excitement and community buy-in for larger scale or more expensive projects.

Successful efforts encourage walking and exploring downtown and imparts a sense



Sherwood Saturday Market | Source: City of Sherwood

of wonder and exploration that makes places worthy of revisiting. Placemaking is about “making a there, there” by creating distinctive, memorable places and experiences that uplift places and people.

The ArtPlace America collaboration called out the following four tools as critical to successful creative placemaking. These principles focus on arts and culture, but can apply to any placemaking effort grounded in a local asset or identity.

- **Anchoring:** Leveraging a key institution, organization, or building, such as a theater, college, or sports

arena, attracts local and regional visitors to downtown. These anchors attract additional foot traffic and business and become a strong source of identity for the city.

- **Activating:** Bringing performing arts into the public realm activates the space while creating interest, activity, and engagement. More people and eyes on the street drives curiosity to explore and establishes a sense of safety.
- **Fixing:** Taking vacant, underutilized, or blighted spaces in a neighborhood and treating them as an opportunity for new art and design projects. This can change how people think about these spaces and make downtown feel more safe and welcoming.
- **Planning:** Bolster stakeholder enthusiasm to encourage valuable input for community design and placemaking. Bringing new participants into the planning process can encourage creativity and out-of-the-box thinking.

Public realm activation and programming

Complementing the built environment

² Places in the Making: How placemaking builds places and communities, MIT

with programs is another key to successful downtowns. Downtown programming is a method of “continuous placemaking” that can generate regular and continuous activity downtown.² It also creates opportunities for more people to visit downtown for low- or no-cost experiences. The cities of Silverton and Salem host monthly First Friday events that have open galleries, outdoor shopping, and food and beverage options to bring people to downtown and highlight local amenities.

Flexibility

Successful programming requires public spaces that allow different uses at different times of the day, week and year. Flexible spaces are typically used more often for an array of events that attracts a diversity of people. Programming can range from large community events to outdoor fitness classes to farmers markets and pop-up villages. These can be annual, once a week, or one-time-only events led by the city or community-based organizations. Programming can be as simple as providing movable chairs and tables in parks or plazas so that people can rearrange to accommodate different size groups, desired sun or shade exposure, and allow caretakers to keep an eye on children playing.



Food cart pod with seating | Source: MIG

Programming Streets and Sidewalks

Other tactics can create downtown activity on a day-to-day basis. Allowing and encouraging businesses to “spill out” of the building into the sidewalk with outdoor seating or product displays is a common method. Interactive public art and wayfinding bring sidewalks to life while sharing information and celebrating local identity.

Responses to the COVID-19 pandemic included moving many activities and events from private indoor spaces to public areas, including parks, sidewalks and streets. This was, in part, a strategy

McMinnville Dine Out(Side)



Outside dining in McMinnville | Source: Visit McMinnville

McMinnville's Dine Out(Side) program developed out of necessity in 2020, as pandemic restrictions forced many restaurants to offer outdoor seating due to capacity restrictions. The City made certain streets car-free on weekends to provide an attractive and safe environment for outdoor dining. McMinnville's Downtown Association estimates about 600-700 people took advantage of street seating in 2020, sampling the local wines and delectable foods while enjoying an atmosphere designed to host people rather than cars.

Up to 30 participating restaurants ranged from full-meal restaurants to tasting rooms and tap houses, with opportunities for both indoor and outdoor dining. The car-free streets provided ample room and ease for cyclists to enjoy the streets. "We absolutely loved it," a local who ventured out into the program said, "With no through traffic, our kids could play and scooter while we enjoyed a cool drink. It really allowed you to enjoy the magic of downtown Mac without worrying about cars."

Source: Visit McMinnville(<https://visitmcminnville.com/about/articles/what-to-expect-dine-outside/>)

to support downtown businesses during a time when fewer people had a reason to go downtown. Parklets are parking spaces that are temporary or permanently repurposed to provide small seating areas in front of businesses. The popularity of this strategy is leading many cities to continue or modify the practice, often institutionalizing the practice through change in regulations and code.

This practice requires a shift in thinking and policy to consider public space more broadly—streets, sidewalks, transit stops, medians, and parking lots can all be used creatively for the community benefit.

Vacant Spaces and Strategic Management

Programming can also be used to activate vacant parcels and parking lots. This mitigates gaps in the streetscape, engages pedestrians, and encourages visitors to keep walking to the next block or destination. Events or installations can bring life to downtown while providing family-friendly events, outdoor recreation opportunities, and exposure for small local businesses. Activities can be sited and designed to create a connection between activity nodes or destinations. Programming a public space can also benefit the built and natural environment.

Strategically located pathways keep pedestrians from impacting sensitive landscapes. It can also discourage graffiti, littering, or property damage by providing more eyes on the street.

STRATEGIC ACTION

Potential Tactical and Short-Term Actions

- **Identify under-used or vacant spaces in downtown.** An inventory is a critical first step in understanding potential opportunities for placemaking. Different criteria can address priorities and potential opportunities for design treatments. For example, vacant storefront windows might be candidates for leasing advertising space for other downtown businesses, and vacant lots could be suitable for temporary art installations. The inventory should focus on city or public-owned parcels where a public agency has a greater influence over different options.
- **Employ a “temporary to permanent” model.** Local artists, community members, and stakeholders must have a way to test new ideas. Local jurisdictions should develop a policy for downtowns that allows

for temporary placemaking ideas to reduce risk, but also allow for a more permanent design. The policy should require criteria to measure success of an idea, with an opportunity to recalibrate future designs as needed. The most important measurement is to compare use of a space before and after any intervention.

- **Use moveable street furnishings. Café seating and movable places to sit** allows users to customize the setting and encourages flexibility. Movable planters can also be added in areas throughout the downtown that lack street trees or to add greenery near seating areas or downtown gateways. These can usually be less costly than most permanent products and can be moved or relocated as needed.
- **Integrate public art with other public utilities.** Stormwater swales, utility boxes, bike parking, and even trash and recycling cans are all opportunities to incorporate art into the downtown. Consulting with local artists to showcase their work can offer creative ideas to address specific locations.
- **Assess regulations, zoning, and downtown design standards.** Specific standards for downtowns

should prioritize pedestrian-scale development and uses, relating building, and street standards to a human scale. For example, ordinances that allow outside dining or permit a limited amount of outdoor retail displays can create more visual interest and generate more foot traffic in downtown. Policies should also consider the downtown as a whole district, rather than individual parcels. Instead of public space dedication requirements for individual developments, cities could require an in-lieu fee to direct funding to a more suitable location for a public space.

Positioning for Medium and Long-Term Actions

- **Create a downtown placemaking toolkit or streetscape plan.** A focused toolkit of recommendations or plans should help guide programs and projects specific to the needs of a downtown. A streetscape plan should guide street trees, street crossings, furnishings, signage, and even public art. For example, a menu of street furnishings using images from other cities could allow for property owners to consider a pallet of different choices.

- **Develop a cultural arts plan for downtown.** A plan for cultural arts provides vision and direction for downtown capital projects, programming, events, infrastructure, operations, and management. Perhaps most importantly, the planning process provides an opportunity to involve all different segments of the community in addressing cultural, racial, and ethnic values in understanding artistic preferences for the downtown.
- **Form a public/private partnership.** A downtown can benefit when cities work in partnership with private resources. Partnerships can take on a variety of forms from launching a new idea to implementation to maintenance to ongoing management. Private partners often bring expertise in programming which is often the most critical aspect of a successful public space. Larger businesses or corporations oftentimes look for opportunities to invest in the local community, especially where investments can help attract or retain talented workers to smaller city.
- **Provide utilities for programs and events.** Incorporate utility infrastructure, such as electrical outlets and water connections in public streets and public spaces, to accommodate and encourage events downtown.
- **Design barrier-free streets.** Curb-less streets encourage more flexible use of the public right-of-way for events and programs and can help transform certain streets to pedestrian-only use temporarily or even permanently. Bollards, planting strips, and contrasting pavement materials or colors can help indicate the curb zone instead of a curb.



Downtown Jacksonville | Source: Flickr (<https://www.flickr.com/photos/mytravelphotos/3818013871>)

6 | DOWNTOWN TOMORROW: INSPIRING ACTION AND IMPLEMENTATION

GETTING STARTED

Great streets, thriving businesses, and popular public spaces all take tremendous effort, time, and leadership. As the American Planning Association notes, a successful process for downtown revitalization is additive, incremental, cumulative, and long-term.¹ Most success stories begin with an idea that eventually grows into a common vision shared by a larger supporting cast.

Each of the case studies and success stories highlighted in the preceding chapters occurred under a unique set of circumstances. Replicating the same solution from one community will likely produce substantially different outcomes for another community. But nearly every example followed a similar process that started with a local champion to carry the idea through to implementation.

The following are basic steps and overall considerations to turn inspiration into action.

Engage all Downtown “Communities”

Changes can affect different community members in different ways, so any initiative should start with an understanding of potential audiences, partners, and stakeholders. As a community member, the best place to start is by consulting city staff, a downtown association, a chamber of commerce, or a similar organization. There is a good chance that local government staff know a good place to start or have more specific knowledge from a previous plan or community meeting. The local business community, community organizers and faith-based groups, and civic leaders are valuable resources in understanding the many different communities that visit, live, and work in

¹ PAS Report 590, *Downtown Revitalization in Small and Midsized Cities*, Burayidi, Michael A., 2018; and *A New Approach to Revitalizing the Centers of Small and Medium City Downtown*, Routledge, 2013



Downtown Tigard | Source: www.exploredowntowntigard.com

downtown. Oregon Main Street (OMS) is also an excellent resource to help with technical assistance in organizing the right approach for each community. Key questions to ask in this step:

- Have Indigenous people, people of color, people with disabilities, or other traditionally underrepresented groups been involved in the decision-making process?
- What will happen to feedback? Is there a plan to report back and continue engagement for the long-term?

- Who will be impacted by potential changes? What are the communication channels that will be used to inform or engage the community and respond to any changes?

Define the Vision

Successful ideas for a downtown start with an envisioned outcome and organized effort. A report commissioned by ArtPlace America notes that communities that are self-organized and politically connected are more likely to



Community meeting | Source: MIG

receive transportation improvements² But background research will help provide a more guided and structured process. Market studies, demographic data, and other contextual information are also critical in understanding trade offs and decision-making choices. This step is oftentimes an opportunity to learn more about previously related efforts and to adjust strategies or refine the vision accordingly. With adequate research and an overarching vision, this step should also

involve a list of objectives, opportunities, and challenges to compare with any information gathered from public outreach results. Key questions to ask in this step:

- What is the desired outcome, and for whom does it benefit? Are there any potential side effects that could create a negative outcome?
- What are the shared values that bring general alignment?

² Arts, Culture and Transportation: A Creative Placemaking Field Scan, Transportation for America, 2017.

- What is the history? Are there lessons learned from a previous or recent effort?

Create an Action Plan

Advancing new initiatives requires a shared vision and strategic leadership. It is important to be focused yet flexible and to take advantage of time-limited opportunities or resources while ensuring coordinated decision-making. An action plan should identify specific projects or activities, and potential costs and resources to adequately fund and support the vision. An action plan matrix that identifies specific strategies, task leaders and partners, and timing can help organize all the critical elements needed to get started. Information gathered during earlier phases should help understand these different categories as well any gaps or additional needs. Key questions to ask in this step:

- If the idea isn't location-specific, where is a good place to start? Is there a location to test the idea first?
- What are the immediate and long-term costs?
- Who are some partners to help? Who

will be responsible for long-term management?

Measure Success and Celebrate Results

Organizers, project champions, and the broader community will need a way to know about progress towards the vision. The community values identified during the visioning stage can typically serve as a starting point to measure outcomes. Depending on the vision, some of the most common measurements are typically whether the resulting outcome has generated increased revenue, drawn more visitors, or resulted in positive feedback from users. Measuring several different aspects of the project is also helpful to fully understand the true impact of a project. A report by Massachusetts Institute of Technology recommends developing a specific set of metrics to measure secondary outcomes such as number of volunteer hours or turnout at meetings or events.³ Recognition is also important, both during key milestones of a process, and after implementing a new project, program, or policy. For example, Oregon Main Street recognizes success stories across Oregon through the annual

³ Places in the Making: How Placemaking Builds Places and Communities, MIT, 2013.



Milwaukie Riverfront Park grand opening | Source: City of Milwaukie

Excellence on Main Awards event. Key questions to ask in this step:

- How will success be defined? Are there measurements that can demonstrate a successful result?
- What steps should take place if measurements fall short? How will this information be used to make any needed changes?
- How can successes be used to leverage additional resources, or ongoing funding needs?

APPENDIX A: ADDITIONAL RESOURCES

ECONOMIC DEVELOPMENT

Articles and Guidebooks

COVID-19 – Impacts on Cities and Suburbs: Key Takeaways Across Multiple Sectors, Urbanism Next:

- <https://www.urbanismnext.org/resources/covid-19-impacts-on-cities-and-suburbs-impacts-to-the-urbanism-next-framework>

First – Next – Later; Safeguarding Small Businesses During the Pandemic: 26 Strategies for Local Leaders, Institute for Local Self-Reliance:

- https://ilsr.org/wp-content/uploads/2020/07/ILSR_26PandemicTakeaways_LR.pdf

The Impact of Oregon's Main Streets, Oregon Main Street:

- https://www.oregon.gov/oprd/OH/Documents/2022OMS_Impact_Report.pdf

Websites

Main Street Approach Design Handbook, Main Street America:

- <https://www.mainstreet.org/howwecanhelp/resourcecenter/designhandbook>

Navigating Main Streets as Places, Main Street America:

- <https://www.mainstreet.org/howwecanhelp/navigatingmainstreets>

Smart Growth America:

- <https://smartgrowthamerica.org/>

TRANSPORTATION

Articles and Guidebooks

Blueprint for Urban Design, Oregon Department of Transportation (ODOT):

- https://www.oregon.gov/odot/Engineering/Documents_RoadwayEng/Blueprint-for-Urban-Design_v1.pdf

Guidelines for Regulating Shared Micromobility, National Association of City Transportation Officials (NACTO):

- <https://nacto.org/sharedmicromobilityguidelines/>

Small Town and Rural Multimodal Networks, Federal Highway Administration (FHA):

- https://www.fhwa.dot.gov/environment/bicycle_pedestrian/publications/small_towns/fhwahep17024_lg.pdf

Urban Street Design Guide, National Association of City Transportation Officials (NACTO):

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Anne T. and Robert M. Bass Center for Transformative Placemaking, Brookings Institution:

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