

MISSISSIPPI HISTORIC DISTRICT TARGET AREA ECONOMIC DEVELOPMENT STRATEGY

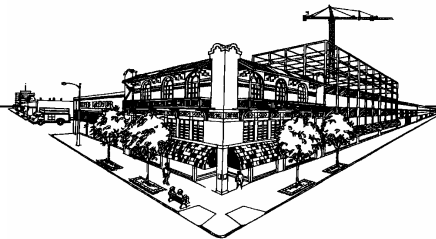
Prepared for:

Mississippi Historic District Target Area

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Economic and Development Services



Mississippi Historic District Target Area Economic Development Strategy

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I. INTRODUCTION

The Mississippi Historic District Target Area (MHDTA) is located within the Boise neighborhood. The MHDTA project began in 1999. The primary purpose of the project and its Action Plan is “to encourage redevelopment within its boundaries and direct change for the long-term benefit of its current and future inhabitants.”

BACKGROUND & PURPOSE

A number of significant changes have occurred since the inception of the target area. These include: creation of the Interstate Corridor Urban Renewal Area (of which MHDTA is part), participation of local property and business owners in the Storefront Improvement Program, and the opening of new businesses and addition of new housing on Mississippi Avenue.

The purpose of this economic development strategy is to provide an analysis of key economic development opportunities within the target area that could have the most significant impact on area revitalization and assist in identification of potential target area economic goals/strategies.

QUALIFICATIONS & LIMITATIONS

This report has been prepared for the Mississippi Historic District Target Area (MHDTA) in cooperation with Portland Development Commission (PDC) by the economic and development consulting firm E.D. Hovee & Company. PDC has provided funding for this project through the Development Opportunity Strategy (DOS) Program.

Information contained in this report is taken from sources generally deemed to be reliable. However, the accuracy of information derived from third party is not guaranteed. Observations and findings are those of E.D. Hovee & Company and should not be construed as representing the opinion of any other party without that party’s express endorsement, whether in whole or part.

ORGANIZATION OF REPORT

The remainder of this report is organized to cover the following topics:

- Analysis of Economic Development Opportunities
- Economic Development Goals/Strategies

II. ANALYSIS OF ECONOMIC DEVELOPMENT OPPORTUNITIES

This section includes an assessment of key Mississippi Avenue economic development opportunities followed by an update of some elements of the 1999 MHDTA economic analysis. The combination of topics is intended to paint a broad picture to inform the community decision making process. The focus was placed on Mississippi Avenue properties because these properties represent the front door of the target area, and development/redevelopment of these properties is likely to have a significant effect on the area's revitalization.

ASSESSMENT OF KEY DEVELOPMENT OPPORTUNITIES

The first three sections focus on the process of determining the key economic development opportunities. The components of this process include:

- *A survey of Mississippi Avenue (and/or notable target area) property owners* regarding their plans, needs, and resources.
- *A value based development potential assessment* whereby assessors data and a series of economic assumptions are used to determine parcels within the target area that are most likely to develop or redevelop.
- Based on the two previous items and professional opinion *identify up to 10 key sites/opportunities* that could have the most significant impact on area revitalization.

Property Owner Survey

A survey of primarily Mississippi Avenue property owners was conducted to get a better sense of existing building uses, rents, and the property owner's plans, needs, and resources. The survey instruments were developed cooperatively by both MHDTA and E.D. Hovee & Company staff and are provided as Appendix A. MHDTA staff conducted the interviews. Thirty-six property owners were interviewed representing 67 parcels/tax lots.

Twenty-eight property owners reported square feet of building area by use for their mixed use, commercial, and industrial buildings. The space in these buildings totals over 282,000 square feet. Wholesale, manufacturing, and other light industrial uses account for 48% of the total building area. Vacant space accounts for the next largest proportion at 13%, followed by office (12%), commercial retail or service (10%), and residential (at 8% of the total reported building area). The majority of those surveyed regarding commercial or industrial space (26% of respondents) indicated the amount of building space in active use has increased over the last three years, the remaining respondents indicated space use has stayed the same.

Figure 1. Reported Use Distribution (2001)

Use	Estimated SF	Percentage
Wholesale, manufacturing, light industrial (including warehousing)	134,800	48%
Office (alone and part of other uses)	34,200	12%
Commercial retail or service	29,500	10%
Residential	21,900	8%
Vacant	35,400	13%
Basement storage	12,500	4%
Other (school, church, childcare, art studio)	14,000	5%
Total	282,300	100%

Source: Property owner survey and E.D. Hovee & Company.

A number of property owners also provided information on the rents they were charging for various uses. Apartment rents on Mississippi Avenue were reported for 23 occupied units. Figure 2 compares apartment rents on Mississippi Avenue with average rents in North and Northeast Portland, and the four county Metro Area.

Figure 2. Average Apartment Rental Rates for Seasoned Units (2001)

Unit Type	Mississippi Ave. Sample Size	Mississippi Avenue	North Portland	Northeast Portland	Metro Area
Studio/Efficiency	1	\$500	N/A	\$444	\$497
1 Bedroom	14	\$587	\$491	\$524	\$577
2 Bedroom	5	\$575	\$556	\$602	\$626
Loft	3	\$1,032	N/A	N/A	\$760
Survey Average (\$ per SF)	23	\$636 (\$0.66)	\$537 (\$0.73)	\$580 (\$0.73)	\$623 (\$0.80)

Note: Seasoned units are those originally constructed 1979 or earlier. The average Metro Area Loft rent is for units built between 1980 and 1995.

Source: Property owner survey, Millette Rask Report (Spring/Summer 2001), and E.D. Hovee & Company.

Mississippi Avenue units are larger on average than comparable units elsewhere in the city. As a result, Mississippi Avenue rents are higher with a survey average of \$636 per month per unit compared to \$537 for North Portland, \$580 for Northeast, and \$623 for the Metro area. However, average rent per square foot for Mississippi Avenue units (at \$0.66) is lower than each of the same comparison areas (at \$0.73 for North & Northeast Portland and \$0.80 for the Metro Area).

Three property owners reported office space rents. The rents vary greatly, from \$5.70 to \$12.70 per square foot per year. In comparison, Portland's eastside office space averaged \$14.60 per square foot per year in the first quarter of 2001.

Figure 3. Commercial and Industrial Rents (2001)

Category	Mississippi Avenue			Comparison
	Sample Size	Rent Range	Rent	Location
Office	3	\$5.70 to \$12.70	\$14.60	Portland Eastside average
Retail	4	\$7.00 to \$10.90	\$14.85	North Portland average
Light Industrial/Warehouse	3	\$0.21 to \$0.36	\$0.27 to \$0.36	Metro Area range

Note: Rents are per square foot and are expressed on an annual basis for retail and office space and a monthly basis for light industrial/warehouse space.

Source: Property owner survey and E.D. Hovee & Company.

Retail rents were reported for four properties and appear more consistent (less difference between the high and low asking prices) at \$7.00 to \$10.90 per square foot per year. The upper end of this range is notably lower than the North Portland average of \$14.85.

Rents were provided for three Mississippi Avenue light industrial and warehouse properties and ranged from \$0.21 to \$0.36 per square foot per month. This range is consistent with average asking lease rates for warehouse and distribution space throughout the Metro area (at \$0.27 to \$0.36).

One in ten respondents indicated leasing vacant building space is less difficult now than three years ago, the remaining respondents indicated their experience was about the same as three years ago.

Rents in the Mississippi Historic District are currently low to moderate for most development types. So, attracting these types of development could require higher rents/sales prices than are represented on average in existing buildings and/or non-profit developers, subsidy, or public-private partnership (especially for innovative or pioneering development).

In addition to gleaning information about Mississippi Avenue properties, the interviewers inquired about property owner’s plans, needs, and obstacles. The following table reflects the plans or lack therein expressed by the 36 surveyed property owners.

Figure 4. Property Owner Plans (2001)

Plans Identified	# of Owners
Improvements to existing building(s) while maintaining the same use	11
No plans	8
Combination of improving existing structure(s) and addition of building new space	7
Construction of new commercial or residential development	4
Improvements to existing building(s) allowing new uses	2
Sell property	2
Undecided	2
Total	36

Source: Property owner survey and E.D. Hovee & Company.

Those surveyed can be placed in three nearly evenly proportioned groups: those with plans to improve existing structures for the current use/user, those who have no plans or are undecided, and those who plan to improve existing structures and/or build new space (increasing the amount of activity on Mississippi Avenue). A couple of the owners expect to sell their property.

Property owners identifying what they need to achieve planned objectives for their properties most often gave the following responses:

- Financial assistance (grants, loans, subsidy)
- Predevelopment assistance (architectural design, engineering, market analysis)
- Advocacy with government agencies
- Help with property valuation

Lack of time for improvement, development, or redevelopment processes was also cited as a barrier to moving forward. Tasks specifically identified include planning and getting properties through the architectural design and development engineering process.

For those property owners with commercial or industrial activity on site, only 11% felt existing parking was insufficient to meet their needs. Of the remaining respondents who felt current parking was adequate, a couple expressed some concern about accommodating future growth.

Value Based Assessment

The value based assessment is used to determine those properties most likely to develop or redevelop. Year 2000 sales data for a north/northeast Portland area were evaluated to determine dollar value thresholds for each planning zone. The geographic boundaries selected for gathering sales data were Columbia Boulevard to the north, Broadway to the south, 33rd Avenue to the east, and Wall Avenue and the Willamette River to the west.

Nearly 2,250 individual sales were categorized and evaluated to determine the approximate dollar value level that indicated properties likely to redevelop (meaning the total value of land and improvements is low enough one might remove or need to renovate any existing structures). The following value thresholds were determined to indicate redevelopable properties (vacant properties in N/NE typically have even lower values):

Figure 5. Developable/Redevelopable Land Value Thresholds

Zoning	Total Value per Square Foot
Commercial Storefront (CS)	\$12.00
Central Employment (EX)	\$12.00
Industrial Sanctuary (IS)	\$6.00
Attached Residential (R2.5)	\$8.00
Multi-Dwelling (R2, RH)	\$11.00

Note: The values in this table were determined to indicate redevelopable properties (meaning the total value of land and improvements is low enough one might remove or need to renovate any existing structures)

for the north/northeast Portland area bounded by Columbia Boulevard to the north, Broadway to the south, 33rd Avenue to the east, and Wall Avenue and the Willamette River to the west.

Source: RLIS Lite from the Metro Data Resource Center and E.D. Hovee & Company

A value based assessment was then made of tax lots (properties) located between Skidmore and Monroe Streets, Michigan and Albina Avenues, and as far east as Borthwick Avenue between Fremont and Monroe. Using the tax assessor's estimates of market value, the total value (land and improvements) per square foot of each tax lot was compared to the thresholds. Those properties whose total value per square foot is at or below the thresholds were deemed developable or redevelopable.

The results indicate that of the 30.4 acres (203 properties) within the target area that were analyzed, approximately 9.5 acres are potentially developable or redevelopable. Three of the 9.5 acres have been identified by the tax assessor as vacant.

Key Sites/Opportunities

This subsection outlines the results and evaluation process used to determine ten key Mississippi Avenue development/redevelopment sites or opportunities. Discussion begins with criteria used in the evaluation process, followed by an overview of the opportunities, likely timeline, and aggregate development/redevelopment potential.¹

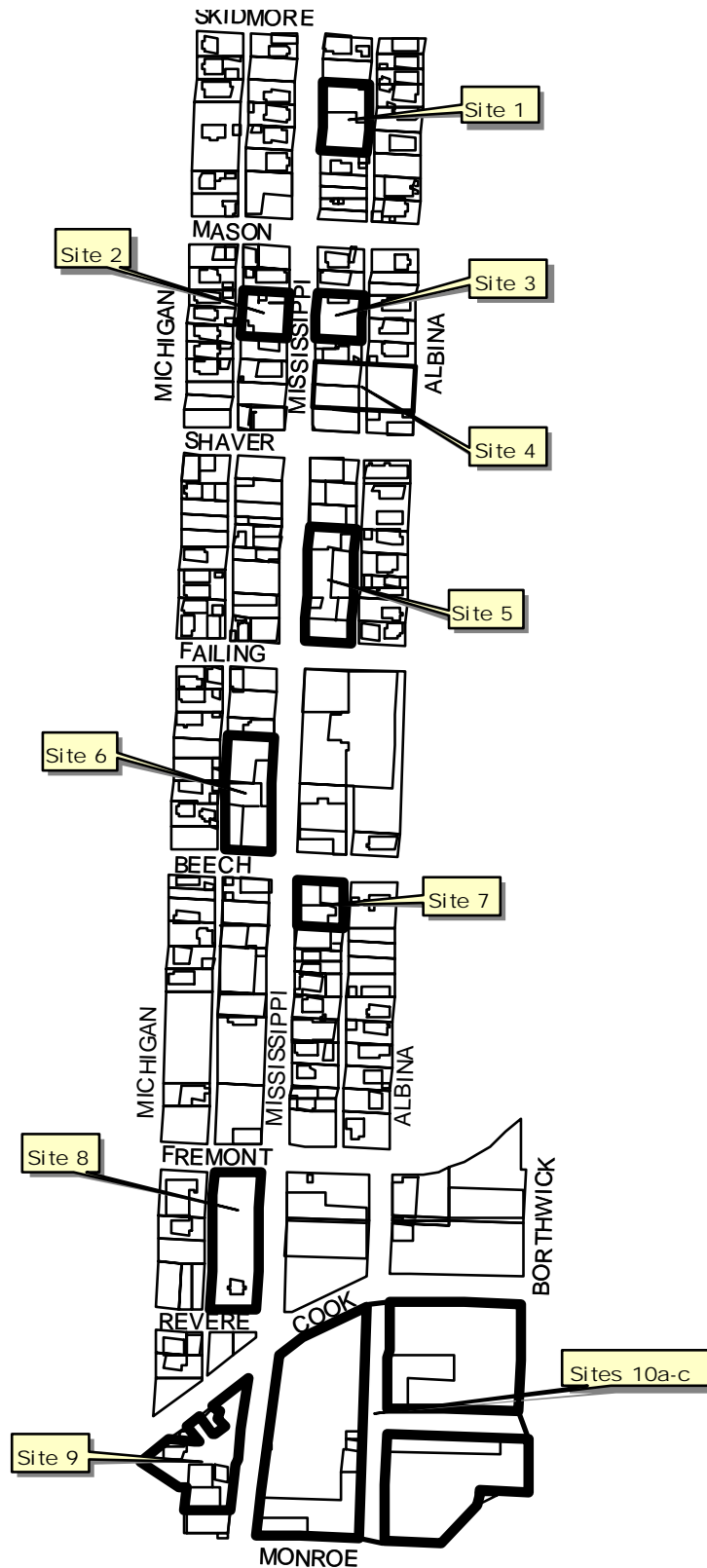
Property Evaluation Criteria: In order to evaluate which ten Mississippi Avenue properties represented key development/redevelopment sites or opportunities, the following criteria were used:

- The parcel group has at least one side fronting on Mississippi Avenue.
- All tax lots in parcel group are under same ownership.
- At least a portion (if not all) of the site/parcel group was identified as vacant or redevelopable in the value based assessment.
- The parcel group size was large enough to suggest marketability, flexibility in development opportunities, and potential for significant revitalization impact.
- The property owner expressed willingness to consider or interest in selling, developing, or redeveloping the property or properties.
- Potential future or proposed development could provide substantial additional housing, employment, commercial or light industrial space.

The following map illustrates the location for each of the ten sites or opportunities.

¹ Detailed information on individual properties will not be made available to the public to protect the privacy of property owners. However, information on properties and for property owners interested in assistance is provided to PDC and the MHDTA project for their use.

Figure 6. Key Mississippi Avenue Development/Redevelopment Sites or Opportunities



Key Development/Redevelopment Sites Overview:

Brief descriptions provide an overview of each site based on information readily available to the public.

Site 1: approximately 15,000 square feet, zoned Urban Commercial or Commercial Storefront (CS).

Sites 2 & 3: 10,000 square feet each, zoned Urban Commercial or Commercial Storefront (CS).

Site 4: approximately 21,500 square feet (including alley) of vacant land zoned half Commercial Storefront (CS) and half Low Density Multi-Dwelling (R2).

Site 5: 25,000 square feet, one-fifth of which is zoned Commercial Storefront (CS), with the remaining area zoned Central Employment (EX).

Site 6: parcel group with an estimated size of 25,000 square feet zoned Central Employment (EX).

Site 7: 10,000 square foot corner parcel group zoned Central Employment (EX).

Site 8: primarily vacant half-block site, approximately 30,000 square feet in size, and zoned Central Employment (EX).

Site 9: nearly a full block (approximately 29,800 square feet) of combined vacant and developed lots zoned Industrial Sanctuary (IS).

Site 10a-c: this is a three block area (approximately 212,500 square feet or 4.9 acres) currently owned by the City of Portland and used for maintenance facilities. It is zoned Industrial Sanctuary (IS). This area has been most recently envisioned as a residential redevelopment opportunity during the Interstate Max Station Area Revitalization Strategy process.

Source: RLIS and E.D. Hovee & Company.

Comprehensive Plan Land Use Zoning Designations: The following bullets summarize portions of the City’s code, briefly identifying allowable uses and the intention of the Comprehensive Plan land use zoning designations identified in the descriptions of the sites.

- **Urban Commercial or Commercial Storefront (CS)** – This zone allows a full range of retail, service, and business uses. Some industrial uses are allowed but are limited in size to ensure they do not dominate the character of the commercial area. Residential uses are also allowed. Development is intended to be pedestrian-oriented and buildings with a storefront character are encouraged.
- **Low Density Multi-Dwelling (R2)** – This zone is intended for areas with good public services including transit and no development constraints. Housing uses are allowed outright, parks and institutional uses (such as schools) are conditional. Generally housing in this zone is characterized by one to three story buildings, and provided at a density of approximately 21.8 dwelling units per acre (up to 32 units per acre are allowed with amenity bonuses). The major types of new housing development will be garden apartments, duplexes, townhouses, and rowhouses.
- **Central Employment (EX)** – This zone allows mixed-uses and is intended for centrally located areas with predominantly industrial type development. The intent is to allow industrial, business, and service uses needing a central location. Residential uses are allowed but are not intended to dominate. Development standards are intended to allow development similar in character to what currently exists.
- **Industrial Sanctuary (IS, IG1, IG2, IH)** – This zone is intended for areas where city policy reserves land for existing and future industrial development. A full range of industrial uses are permitted, and non-industrial uses are limited to prevent conflicts and preserve land for industry. However, redevelopment of City property and adjacent privately held land assumes a zone change to allow residential development.

Land Use and Zoning Considerations: The area within MHDTA zoned Industrial Sanctuary is encompassed by housing, a school, open space, and freeway ramping. These parcels are isolated from other nearby industrial clusters and fall within a designated scenic viewpoint.

Rezoning and redevelopment of these properties to residential use would enhance the scenic resources, strengthen the residential identity of neighborhood, and support revitalization of the Mississippi Avenue commercial district. The addition of new housing to the area also has the potential to allow the district to accommodate growth without displacing current residents, and provide for the generation of tax increment to stimulate additional community reinvestment.

Development/Redevelopment Timeline: Based upon property owner plans and development redevelopment potential, the opportunities most likely to be taken advantage of in the short-term (1-3 years) are Sites 6 and 7. Sites 2, 3, 4, and 8 represent mid to long-term opportunities (3-10 years). The remaining sites (1, 5, 9, and 10) are most likely to redevelop in the long-term including some overlap with the outer years of the previous timeline category (6-10 or more years).

Figure 7. Site Development/Redevelopment Timeline Ranges

Site #	Timeline Range (years)											
	1	2	3	4	5	6	7	8	9	10	More than 10	
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												

Note: Site redevelopment timelines are expressed in broad ranges both to protect the privacy of property owners and because of the difficulty in determining the most likely and appropriate time to bring new development into the market. Some of the timelines have shifted since the draft document due to changes in ownership or market conditions.

Source: Property owner surveys and E.D. Hovee & Company.

Aggregate Development/Redevelopment Potential: One goal for this project is to identify (and where possible quantify) potential economic impacts associated with the key development opportunities. The following bullets reflect possible economic impacts in aggregation, in order to protect the privacy and plans of individual property owners.

- Potential for development of 700+ additional housing units. This assumes completion of proposed private property owner plans, rezoning of Sites 9 and 10, and their redevelopment to residential use at an average development density of 100 units per acre.
- Addition of 80,000+ square feet of commercial and/or light industrial space, providing 40 or more jobs.
- New households (if reflective of the current MHDTA income distribution) and new employees combined could support an additional 20,000 square feet of neighborhood serving retail and service business space.

Impact of Smaller Development/Redevelopment Projects: The process of identifying the ten key Mississippi Avenue development/redevelopment sites or opportunities included selection of sites large enough to suggest marketability, flexibility in development opportunities, and potential for significant revitalization impact as an individual project. However, notable revitalization impacts can occur over time as smaller development and redevelopment projects cumulatively affect the character of the district.

In the last several years there have been a number of development and redevelopment projects and business locations on Mississippi Avenue. Development of the Pistils Plant Nursery building and site, renovation of storefronts and single family homes for location of the Purple Parlor, Mississippi Pizza, Fresh Pot, and Grandfather’s reopening, and opening of the Rebuilding

Center. Storefront improvement projects have occurred at a number of existing business locations.

The development and redevelopment of commercial sites by a business owners for their own use often proceeds larger development in areas were rents are too low to support speculative development. Speculative development occurs when profit can be generated by rents (or sales prices) in excess of development costs. As noted in the discussion of rents, in the early going subsidy or construction by a non-profit entity can be necessary to seed larger projects.

The cumulative effect of the smaller development/redevelopment projects and business openings on Mississippi has been a more active street front, enhanced district character, and stronger draw for customers from both the primary market area and surrounding neighborhoods. This type of activity can act as a catalyst making larger development/redevelopment projects more viable and attractive to property owners and potential investors.

ECONOMIC ANALYSIS UPDATE

In addition to providing information on development and redevelopment opportunities, it was important to update some of the previous market analysis work to help frame the discussion of potential economic development goals for the target area. The focus of this section is to address the potential for additional neighborhood serving retail and service businesses on Mississippi Avenue.

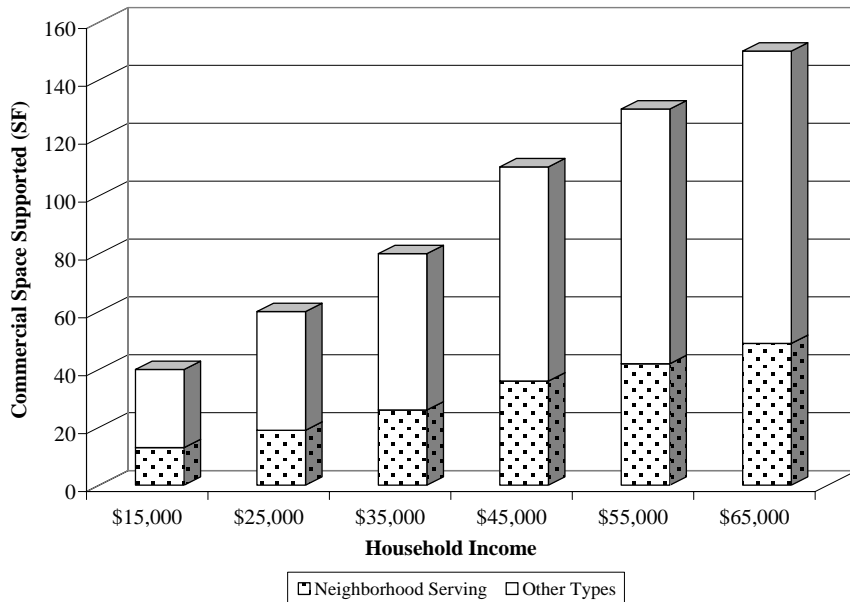
In communities like the MHDTA, where both employment growth and housing development are occurring, both the new employees and households contribute spending power that supports neighborhood serving retail and service businesses.

Household Spending Impacts

A household's spending power is based upon income. Figure 8 illustrates the commercial space supported by hypothetical households with differing household incomes. The commercial space supported is allocated between neighborhood serving retail and services (shaded part of the bars) and other types of commercial businesses (white part of the bars).

For instance, the spending of a household with an income of \$15,000 per year may support 40 square feet of commercial space throughout the region, but only about one-third of the space supported (13 square feet) is likely to be neighborhood serving retail or service space. Similarly, spending of a household with a \$65,000 annual income supports approximately 150 square feet of commercial space, also approximately one-third of which (49 square feet) is likely to be neighborhood serving.

Figure 8. Commercial Space Supported per Household by Household Income



Source: Sales & Marketing Management Magazine, Urban Land Institute, and E.D. Hovee & Company

Employee Spending Impacts

People generally spend less of their income in the vicinity of where they work than around home. For instance, if we assume each employee spends an average of \$7.50 per work day (excluding vacation time) at businesses around their work location, they would support approximately 7 additional square feet of neighborhood retail or service business space.

In addition to this basic background information, the current and prospective consumer-oriented business evaluation (originally provided in the 1999 economic analysis) has been updated.

Consumer-Oriented Business Evaluation

The updated analysis looks at the number and types of retail and service businesses that can be supported by the purchasing power of residents of two geographic areas: the MHDTA primary market area and residents within a half mile of the intersection of Shaver and Mississippi Avenue. These areas are illustrated in Figure 8.

Figure 9. Mississippi Avenue Market Areas



Source: RLIS and E.D. Hovee & Company.

Based upon the existing purchasing power of primary market area residents, as many as 19 retail and service businesses could be supported on Mississippi Avenue. Drawing from a larger market area by capturing the neighborhood retail and service spending of households within a half mile of the intersection of Shaver Street and Mississippi Avenue, could double the number of supportable businesses to 43.

The ability of a commercial district to draw customers and their spending from adjacent residential areas depends in large part on the creation of active business clusters. This means concentrating existing and incoming consumer-oriented retail and service businesses in key areas

(such as the historic store fronts around Shaver and Mississippi). Concentrating complimentary and even competing businesses together creates an opportunity for them to share customers.

Potential business additions to the area's existing restaurants, small grocer, nursery, building materials supplier, and miscellaneous retail/services could include:

- A small home furnishings store selling a combination of floor coverings, bath & kitchenware, frames etc.
- A neighborhood sized clothing store.
- A combination office supply, stationery, and novelty gift shop.

Consumer-oriented business types for which there appears to be unmet demand are identified in more detail on the following page.

Figure 10. Current Consumer-Oriented Businesses Supported by Type (2002)

NAICS	Type of Business	Business Inventory 2002	Businesses Supported by Local Effective Buying Income*		Market Potential
			PMA	Half-Mile	
4413	Automotive parts, accessories, & tire	0	0	1	These stores typically locate on busier streets close to other auto-related businesses.
4422	Home furnishings	0	1	1	Currently a number of area custom producers and wholesalers offer limited retail opportunities but are not focused on serving the local market (Sunlan Lighting, Altura Furniture and Chateau Edgewater).
4441	Building materials & supplies dealers	1	1	2	This category includes retail sales of used building materials and hardware. The Rebuilding Center provides this function. Hawkin's Hardware is located on MLK & Shaver.
4451	Grocery	1	1	2	Due to the relatively small size of the local grocery/convenience store, additional demand for these goods is likely.
4461	Health & personal care	0	0	1	Drugstore type items such as cosmetics, optical goods, and vitamin supplements.
4471	Gasoline stations	0	1	1	Though there may be existing demand, gasoline stations typically locate on streets with higher traffic levels.
4481	Clothing store	0	1	1	Neighborhood sized family and/or women's clothing store.
4511	Sporting goods, hobby & bookstore	2	0	1	North Portland Bikeworks and Scrap are included in this category.
453	Miscellaneous store retailers	1	1	3	Demand is indicated for office supply, stationery, gift/novelty combination. Also in this category is support for a flower cart with a half-mile market area. Pistils Plant Nursery is the local retailer in this category.
53	Real estate sales & housing rental office	0	2	6	Real estate agents are rarely located in individual offices in neighborhoods these days.
53223	Video tape & disk rental	0	0	0	Would need to draw demand from outside primary market to support a neighborhood sized store with this focus.
54111	Offices of lawyers	0	1	3	Downtown represents a legal services cluster, supplying this service for much of metro area.
541211	Offices of certified public accountants	0	0	1	Financial services also tend to be focused in sections of downtown.
56172	Janitorial services	0	0	1	May be a good match for the area in terms of existing business clusters as well as future demand if leasing activity for second stories for office use increases.
6211	Offices of physicians	0	1	3	Physicians are rarely located individual offices in neighborhoods these days.
6212	Offices of dentists	0	1	2	Dentists are rarely located individual offices in neighborhoods these days.
6213	Offices of other health practitioners	0	1	2	Chiropractors and opticians still locate in neighborhood commercial districts.
6233	Community care facilities for the elderly	0	0	1	With residents expected to age in place, the need may occur more quickly.
6241	Individual & family social services	2	1	1	Albina Community Development Corporation and Our United Villages fall into this classification.
6244	Child day care services	1	1	1	The Early Head Start Family Center is expected to serve local demand.
7211	Traveler accommodations	0	1	1	Though currently not in operation, the John Palmer House is expected to revive its catering and Bed & Breakfast businesses.
7221	Full service restaurants	2	2	4	Soup & Soap and the Purple Parlor are full service restaurants.
7222	Limited service eating places	3	2	4	Mississippi Pizza, Fresh Pot, and Grandfather's fall into this classification.
	Totals	13	19	43	

* Note: EBI or effective buying income reflects the Mississippi Target Area markets indicated. This table does not include *added business potential* from local employees or customers living elsewhere in the Portland metro area. PMA stands for primary market area.

Source: 1997 Economic Census, 2000 Census, CACI, and E.D. Hovee & Company.

III. ECONOMIC DEVELOPMENT GOALS

The final task undertaken as part of this work is to assist in the development and/or refinement of MHDTA economic development goals and guidelines. Economic and market analyses can provide important tools. However, articulation of a shared vision for the target area provides important guidance for public and private entities looking to invest in the community.

EXISTING GOALS

The existing MHDTA Action Plan includes a number of goals for the target area project. These goals were developed through community forums and dialogues, reviewed through an Action Plan Survey to ensure broad support among constituents, and refined by the target area steering and sub-committees.

The existing goals are listed in Figure 10. Goals A through E were developed as part of the original target area action plan. Goal F was formally adopted as an addendum to the action plan in March of 2000.

Figure 11. Existing MHDTA Action Plan Goals

Goal A:	To encourage business district development.
Goal B:	To improve the physical appearance of buildings and streetscape in the target area to attract new walk-in type businesses and support current businesses by bringing pedestrian traffic to the area.
Goal C:	To improve neighborhood safety and increase residents' sense of security.
Goal D:	To promote diversity and unity in the neighborhood.
Goal E:	To promote leadership and a sense of responsibility among local youth.
Goal F:	Enable current Boise residents wanting to live in the neighborhood over the long-term to do so.

Source: *Mississippi Historic District Target Area Action Plan*, February 1999; and *Mississippi Historic District Target Area Action Plan Addendum*, March 2000.

COMMUNITY WORKSHOPS

A subsequent community visioning workshop specifically related to economic development occurred as part the 1999 economic analysis. Potential economic development goals were developed based upon the economic analysis and community visioning exercises.

However, as previously mentioned, a number of significant changes have occurred since then including: creation of the Interstate Corridor Urban Renewal Area (of which MHDTA is part), participation of local property and business owners in the Storefront Improvement Program, and the opening of new businesses and addition of new housing on Mississippi Avenue. As a result two community visioning workshops were conducted as part of this analysis. The purpose of the visioning is to guide and direct development and redevelopment.

The first economic development strategy visioning workshop occurred on June 7, 2001. The workshop provided an opportunity for a market overview presentation, a review of the community input provided at the October 1999 workshop, and the beginning of the development of a new community vision for Mississippi Avenue.

Participants were asked to brainstorm and conceptualize a future Mississippi Avenue based upon their own desires, but grounded in economic and market realities. Ideas were generated around four categories: the commercial district, community building, employment, and housing.

Figure 12. Mississippi Avenue Community Visioning Results (2001)

Commercial District (participants each had three dots)	Community Building (participants each had two dots)
11 Encourage “gathering-place” businesses (i.e. bookstores & other “civilizing” businesses)	7 Build on rich diversity in neighborhood & encourage unity
7 Encourage businesses that are destination & neighborhood-serving hybrids	7 Green, open gathering places
7 Businesses that at least in part cater to youth needs & interests (i.e. Bicycle Shops etc.).	7 Involve youth in building gardens & rehabilitating houses (i.e. Portland Youth Builders)
5 Encourage additional limited & full service eating & drinking establishments	6 Park & playground which is very stimulating for kids
3 Encourage owner-occupied businesses	4 Support existing social service agencies
3 Encourage a vibrant pedestrian-oriented Mississippi Ave.	3 Promote safety
3 Support current businesses & maintain their truck access	2 Neighborhood resource center
1 Maintain on-street parking	2 Youth recreation center serving local youth after school
0 Local, small movie theatre	1 Neighborhood garden
0 Widen pedestrian walkways	0 Make everyone feel welcome
Employment (participants each had two dots)	Housing (participants each had three dots)
8 Encourage owner-occupied businesses	10 Encourage mixed use buildings
7 Encourage opportunities for youth employment	7 Promote additional density to help prevent displacement on existing owners property
5 Don’t promote Mississippi Avenue as a low-intensity employment area	4 Encourage renovation of existing structures (any unused or under-utilized properties)
4 Encourage small incubator craft and light-industrial businesses	4 Market rate housing
2 Encourage local businesses to hire locally	2 Encourage housing infill that reflects the character of the surrounding neighborhood
0 Encourage job growth	1 Encourage development of housing for disabled people
0 Creative-professional & trade businesses	
0 Hire locally for our improvement projects	
0 Promote training of neighborhood residents related local employment opportunities	

Source: Mississippi Historic District Target Area and E.D. Hovee & Company.

Following the brainstorming period, participants were asked to express their preferences by placing colored dots near the ideas they favored most. A limited number of dots per person were provided for each category. Figure 11 shows the visioning ideas by category with the accompanying number of votes received.

Prior to the second workshop, E.D. Hovee & Company staff drafted four broad economic development goals (one for each of the four visioning categories) intended to encompass the ideas and voting process from the previous workshop. The draft goals proposed were:

- To encourage the development of a commercial district and businesses with a human face.
- To connect the people of Mississippi Avenue to each other, the neighborhood, and their environment.
- To develop the target area as a launching pad for both businesses and careers.
- To ground target area housing development in an ethic of diversity, retention, respect for historic neighborhood character, renovation and reuse.

The second visioning workshop occurred on July 10, 2001. This workshop involved the presentation of the economic development opportunities analysis, discussion of the previous workshop process and results, and an opportunity for the community to discuss economic development and revise or change the draft economic development goals. The draft target area goals in Figure 12 are those resulting from community refinements and changes at the workshop.

Figure 13. Revised Draft Target Area Goals

Draft Goal 1:	To encourage a commercial district and businesses which provide opportunities for human interaction and are of a human scale.
Draft Goal 2:	To make Mississippi Avenue a place where people connect to each other, the neighborhood, and their environment through a diverse, safe, inviting, stimulating public realm.
Draft Goal 3:	To encourage the target area as a nurturing environment for both businesses and careers.
Draft Goal 4:	Maintain and develop target area housing in an ethic of diversity, retention, respect for historic neighborhood character, renovation, and reuse.

Source: Mississippi Historic District Target Area Economic Development Strategy Workshop attendees and E.D. Hovee & Company.

PROPOSED GOALS, STRATEGIES, AND ACTION ITEMS

On the next two pages are the draft goals with possible strategies for achieving them and action items intended to move the district closer to achievement of its goals. These proposed goals, strategies, and action items were developed by the consultant. The next step is for the MHDTA steering committee and Boise Neighborhood Association to determine the extent to which these goals and strategies reflect the needs and desires of their membership and the community, and whether or not these items or others should be proposed as addenda to the existing area plans.

Figure 14. Proposed Goals and Strategies

To encourage a commercial district and businesses which provide opportunities for human interaction and are of a human scale.	
Strategies	Potential Partners
1) Encourage existing business and property owners and infill developers to maintain human/pedestrian building scale and limit blank walls facing sidewalks.	Portland Development Commission, Portland Bureau of Planning, local business and property owners
2) Recruit and encourage location of destination/neighborhood serving hybrid retail and service businesses in storefronts to develop and activate Mississippi Avenue.	Alliance of Portland Neighborhood Business Associations, local property owners, Oregon Association of Minority Entrepreneurs
3) Encourage and recruit businesses that provide a gathering-place atmosphere and/or cater to youth needs and interests (such as bicycle shop, bookstore, etc.)	Alliance of Portland Neighborhood Business Associations, Oregon Association of Minority Entrepreneurs, Self Enhancement Inc.
To make Mississippi Avenue a place where people connect to each other, the neighborhood, and their environment through a diverse, safe, inviting, stimulating public realm.	
Strategies	Potential Partners
1) Provide an atmosphere that is appealing including pedestrian amenities and gathering spaces (pocket parks, community garden, public areas within private development).	Rexall building owner, Rebuilding Center, Portland Development Commission, private donors, local property owners
2) Involve youth in building gardens and rehabilitating houses.	Portland Youth Builders, Self Enhancement Inc.
3) Visually celebrate the history of the street, neighborhood, and its inhabitants (through public art, signage, banners, private storefront displays, etc.)	Regional Arts & Culture Council, Alliance of Portland Neighborhood Business Associations, City of Portland
To encourage the target area as a nurturing environment for both businesses and careers.	
Strategies	Potential Partners
1) Work with the City and local institutions to encourage training of the local workforce, entrepreneurs, and business owners as needed.	Oregon Association of Minority Entrepreneurs, Portland Community College, Portland State University, Small Business Administration
2) Seek opportunities for expansion and retention of existing Mississippi Avenue businesses.	Portland Development Commission
3) Encourage owner-occupied businesses and business space.	Portland Development Commission, Oregon Association of Minority Entrepreneurs, Alliance of Portland Neighborhood Business Associations
4) Encourage businesses to hire locally including youth employment.	Local business owners, Self Enhancement Inc., Portland Youth Builders.
Maintain and develop target area housing in an ethic of diversity, retention, respect for historic neighborhood character, renovation, and reuse.	
Strategies	Potential Partners
1) Encourage development and redevelopment of mixed use buildings on Mississippi Avenue.	Portland Development Commission, Portland Bureau of Planning, Albina Community Development Corporation, local property owners, Portland Community Land Trust
2) Promote accessory units to help prevent displacement of existing home owners.	Portland Development Commission, Portland Bureau of Planning, local home owners, local banks
3) Support renovation of existing structures where feasible (unused or underutilized properties).	Albina Community Development Corporation, Portland Development Commission, local property owners, Portland Community Land Trust

Source: MHDTA staff and steering committee members and E.D. Hovee & Company.

Figure 15. Proposed Action Items

#	Action	Implementers/Advocates
1	Organize to support development, redevelopment, and building improvement projects which reflect MHDTA goals.	MHDTA, BNA, PDC, PBDS
2	Encourage property owners and entrepreneurs to use public resources and capital programs to leverage funds for predevelopment assistance, such as the Development Opportunities Program (DOS).	MHDTA, BNA, PDC
3	Develop and/or work with existing technical assistance, advocacy, and/or mentoring programs which support property and business owners and entrepreneurs through public and/or private financing and government predevelopment and development processes.	PDC, OAME, OEF, PBDS
4	Encourage property owners, existing businesses, and entrepreneurs to use public resources and capital programs to leverage funds for real estate purchases, development, and redevelopment.	MHDTA, BNA, PDC, EDA
5	Encourage existing businesses and entrepreneurs to use public resources and capital programs to leverage funds for working capital.	MHDTA, BNA, SBA, PDC
6	Maintain and publish an inventory of vacant and buildable land and vacant and leasable properties.	MHDTA, BNA, area realtors
7	Use public resources and incentives to encourage job growth and local hiring practices (including local youth).	MHDTA, BNA, PDC, EDA, TIP, UDAP, SEI, PYB
8	Support renovation of existing homes where feasible (unused or underutilized properties).	BNA, ACDC, PDC, local property owners, PCLT
9	Advocate for rezoning of industrial sanctuary parcels isolated from other nearby industrial clusters to residential use.	MHDTA, BNA, PPB, PDC, PBDS, City Council
10	Encourage owner-occupied businesses to locate in the area.	BNA, PDC, OAME, APNBA

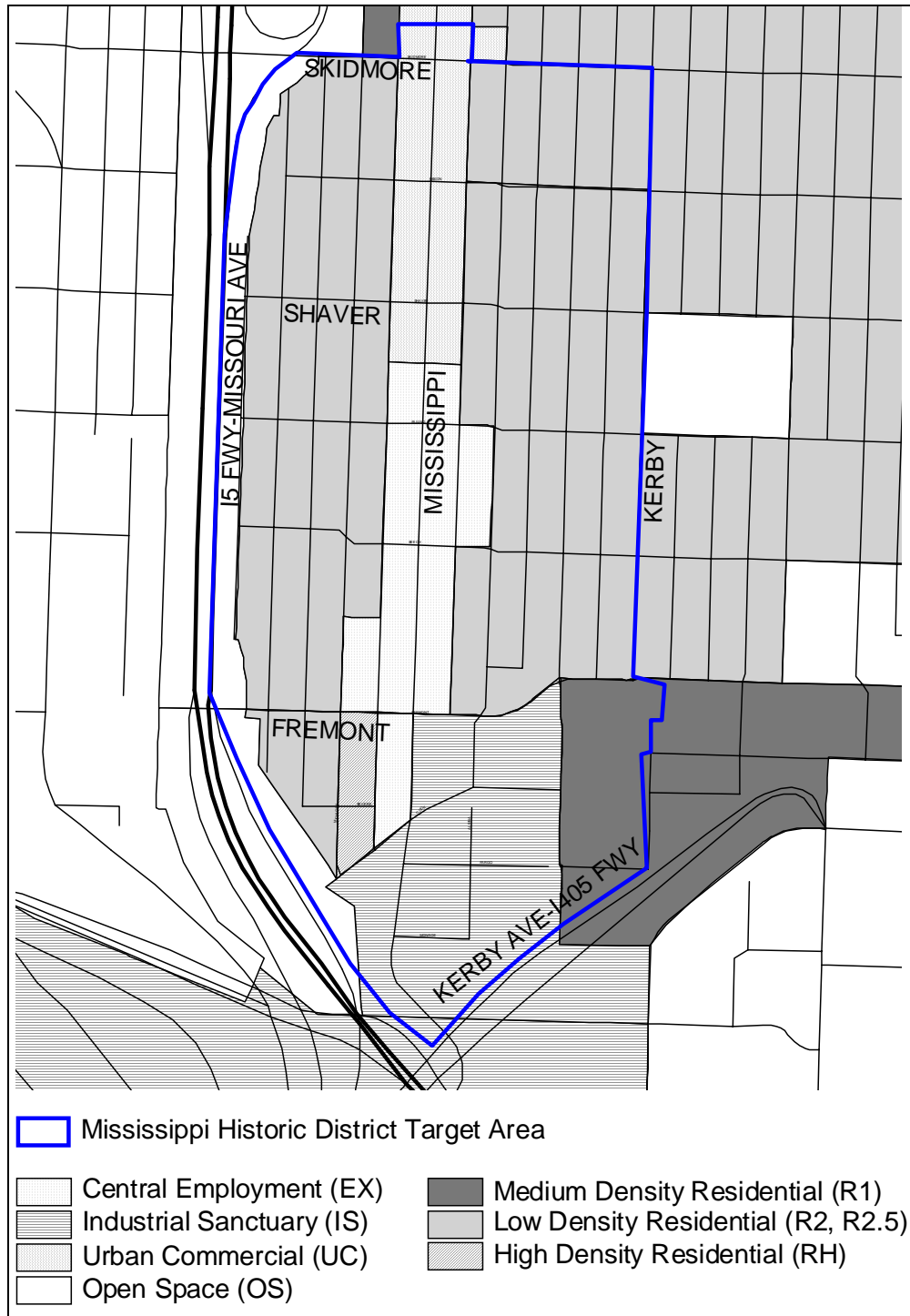
Acronym Key:

- ACDC – Albina Community Development Corporation
- APNBA – Alliance of Portland Neighborhood Business Associations
- BNA – Boise Neighborhood Association
- EDA – Economic Development Administration
- MHDTA – Mississippi Historic District Target Area
- OAME – Oregon Association of Minority Entrepreneurs
- OEF – Oregon Entrepreneurs Forum
- PBDS – Portland Bureau of Development Services
- PCLT – Portland Community Land Trust
- PDC – Portland Development Commission
- PPB – Portland Planning Bureau
- PYB – Portland Youth Builders
- SBA – Small Business Administration
- SEI – Self Enhancement Inc.
- TIP – Targeted Investment Program
- UDAP – Urban Development Action Program

APPENDIX A. COMPREHENSIVE PLAN MAP & DESIGNATIONS

This appendix provides a comprehensive plan map of the Mississippi Historic District Target Area and summarizes portions of the City’s code, briefly identifying allowable uses and the intention of the Comprehensive Plan land use zoning designations identified.

Figure 16. Comprehensive Plan Designations in Target Area



Source: Metro RLIS and E.D. Hovee & Company.

COMPREHENSIVE PLAN DESIGNATIONS

- **Low Density Multi-Dwelling (R2)** – This zone is intended for areas with good public services including transit and no development constraints. Housing uses are allowed outright, parks and institutional uses (such as schools) are conditional. Generally housing in this zone is characterized by one to three story buildings, and provided at a density of approximately 21.8 dwelling units per acre (up to 32 units per acre are allowed with amenity bonuses). The major types of new housing development will be garden apartments, duplexes, townhouses, and rowhouses.
- **Medium Density Multi-Dwelling (R1)** – This zone is typically applied near neighborhood collector streets or on streets adjacent to commercial areas and transit streets. Generally housing in this zone is characterized by one to four story buildings, at a density of up to 43 dwelling units per acre (or up to 65 units per acre with amenity bonuses). The major types of new housing development will be multi-dwelling structures (condominiums or apartments), duplexes, townhouses, and rowhouses
- **High Density Multi-Dwelling (RH)** – This zone is intended for areas well served by transit or near areas with supportive commercial services. Dwellings are low, medium and high-rise apartments and condominiums. Generally density will range from 80 to 125 units per acre, though density is not regulated by a maximum number of units but by building size.
- **Urban Commercial or Commercial Storefront (CS)** – This zone allows a full range of retail, service, and business uses. Some industrial uses are allowed but are limited in size to ensure they do not dominate the character of the commercial area. Residential uses are also allowed. Development is intended to be pedestrian-oriented and buildings with a storefront character are encouraged.
- **Open Space (OS)** – This zone is intended to preserve and enhance public and private open, natural, and improved park and recreational areas identified in the Comprehensive Plan.
- **Central Employment (EX)** – This zone allows mixed-uses and is intended for centrally located areas with predominantly industrial type development. The intent is to allow industrial, business, and service uses needing a central location. Residential uses are allowed but are not intended to dominate. Development standards are intended to allow development similar in character to what currently exists.
- **Industrial Sanctuary (IS, IG1, IG2, IH)** – This zone is intended for areas where city policy reserves land for existing and future industrial development. A full range of industrial uses are permitted, and non-industrial uses are limited to prevent conflicts and preserve land for industry. However, redevelopment of City property and adjacent privately held land assumes a zone change to allow residential development.

APPENDIX B. PROPERTY OWNER SURVEYS

Two different property owner survey tools were developed for this project: one for commercial, industrial, or mixed use properties; and a second for vacant or single family residential properties (many of which are located in areas zoned Commercial Storefront). Both surveys are provided on the following pages (without space allowances for writing in answers).

**MISSISSIPPI HISTORIC DISTRICT TARGET AREA
PROPERTY OWNER SURVEY
Commercial/Industrial/Mixed-Use**

Property Owner/Contact: _____

Property Address/Location: _____ Date: _____

Property Identification R Number: _____ Building SF: _____

How many floors/stories are there in your building?

What is the approximate square footage and tenant information for all applicable uses in the building:

Item	Office	Retail	Residential	Productive Storage	Vacant	Circle One: Wholesale, Light Indus., or Other
Square Footage						
If Space is Leasable; is it Vacant?						
# of Tenants and/or Units			Units			
Bedrooms and Tenants per Unit						
Rent						
What is included with the rent?						

1. What is the year/date of the last extensive building renovation?

2. *What were the primary reasons for renovation at that time?
(Can check more than one)*

- Tenants remodel Space conversion Upgrade Enhance marketability
- Building is new Other _____ No reason specified

3. *In the last three years has the amount of building square footage leased or in active use:*

- Increased Decreased Remained the same

4. *Compared with three years ago has filling vacancies in your building become:*

- More difficult Less difficult About the same

5. *Please list up to three reasons for the change noted in question 6. Examples include changes in building condition, market conditions, parking availability or lack thereof, and management.*

6. *If you have vacant building space on your property, what in your opinion are the three most important reasons for the vacancy? (Examples could include parking, lack of owner interest, building condition, location, competition, tenant business failure, weak market, etc.)*

7. *What is the number of parking spaces or square feet of parking area provided on this site (off-street parking)?*

8. *How many vehicles on an average day park in this area?*

9. *What proportion of those using on-site parking are employees ____ customers ____?*

10. *What are the other transportation or access arrangements (for instance loading areas) for your building?*

11. *Are your current arrangements adequate?*

12. *Does your business/tenant rely on on-street parking? If yes, for whom (customers? employees?)*

13. *Do you see yourself:*

- Retaining the property for the indefinite future
- Selling the property (when and for what reason?)
- Undecided

14. *What plans do you have for the property?*

15. *Are these plans for the near or long term (in next):*

1-2 years 3-4 years 5-10 years Other _____

18. *Are there concerns you have or obstacles to achieving your plans?*

19. *Are there any needs/obstacles for which you would be interested in getting assistance if it were available?*

20. *Would you be interested in doing a more extensive project on your property if some type of assistance were available? What resources could you bring to the table to make that more extensive project happen?*

21. *Do you own/run a business located on this property?* Yes No

22. *If yes, how many employees do you have _____?*

23. *Do you have any plans for business expansion?* Yes No

24. *If yes, what is the timeline for your expansion and how many additional employees do you expect to add?*

**MISSISSIPPI HISTORIC DISTRICT TARGET AREA
PROPERTY OWNER SURVEY
VACANT OR RESIDENTIAL PROPERTY**

Property Owner/Contact: _____

Property Address/Location: _____

Property Identification R Number: _____ Date: _____

1. Do you see yourself:

Retaining the property for the indefinite future

If retaining the property, skip to question 3.

Selling the vacant property (when and for what reason?)

If selling in the near term, go to question 2.

2. Do you have a buyer and/or price in mind?

3. What specific plans (if any) do you have for the property? ***If none skip to question 8.***

4. Are these plans for the near or long term (in next):

1-2 years 3-4 years 5-10 years Other _____

For residential properties if adding or converting to income producing use continue otherwise stop here.

5. Are there concerns you have or obstacles to achieving your plans?

6. Are there any needs/obstacles for which you would be interested in getting assistance if it were available?

7. Do you have any particular programs/partners in mind for your proposed project?

8. Would you consider development/ improvements to (or a more extensive project for) your property if some type of assistance were available? What commitments could you make?