

Success is Just Around the Corner:

A Redevelopment Analysis of the Rockwood/West Gresham Industrial Core

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Project Team

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The Rockwood/West Gresham Industrial Core Analysis is a product of the Winter-Spring 2002 Professional Planning Workshop in the Master of Urban and Regional Planning (MURP) Program at Portland State University. This workshop project is the final requirement of the MURP Program.

The Planning Workshop gives students the opportunity to become involved with a planning project of relevance to the community and to develop their skills and interest in the field. The Rockwood project is an opportunity to have an impact on a community issue with regional significance, which is to develop strategies for economic development and show the potential benefits of urban renewal.

We would like to thank all of the individuals listed below for their contributions, assistance and support throughout the course of this project. We want to give special thanks to the City of Gresham staff for their consistent helpfulness, positive feedback, and encouragement.

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EXECUTIVE SUMMARY

Regional elected officials have described Rockwood/West Gresham as, "...one of the most challenging areas of our region..." due to its high poverty and lack of family-wage jobs. In an effort to increase economic activity, enhance public services and infrastructure, and improve housing and commercial viability, the City of Gresham is planning an urban renewal area that encompasses the depressed commercial and industrial areas of Rockwood/West Gresham, as well as some of its residential areas. The focal portion of the commercial and industrial areas, and the study area for this document, is the Rockwood/West Gresham Industrial Core.

A project team of Portland State University graduate students from the Master of Urban and Regional Planning program assisted the City of Gresham in addressing its objective to stimulate economic activity in the Rockwood/West Gresham Industrial Core by formulating redevelopment projects and strategies.

The specific boundaries of the study area are: Interstate 84 to the north, NE Halsey Street to the south, NE 201st Avenue to the east and NE 181st Avenue to the west. NE San Rafael bisects the park on an east-west axis and NE 192nd Street bisects it running north-south.

The team developed two tools to craft the projects proposed in this document: an industrial demand analysis and a geographic information system (GIS). The demand analysis consists of an in-depth review of local, regional and national industry, workforce,

and industrial land-use trends drawn from various planning studies and expert interviews. The GIS database combines information on existing site conditions, land use, employers and businesses with photographs of each parcel. These tools will be of continuing value to the City of Gresham during the urban renewal process.

Demand Analysis Key Findings

Workforce/industry trends

Structural changes are taking place in the U.S. economy, particularly with the emergence of the New Economy, which relies upon global knowledge and "instant" exchange of ideas, capital, and products. In the Portland metropolitan region, service and high-tech sectors appear to be the largest growth industries. Portland-area high-tech employees numbered 60,000 in 2001, with the workforce expected to swell to 94,000 by 2030.

Despite these changes in the overall economy and the shift of jobs to the service sector, forecasted growth in industrial jobs remains favorable for creation of a significant number of new family-wage jobs. Family-wage jobs are especially needed in Gresham, where one-third of Rockwood residents in 1996 had household incomes less than \$25,000.

Manufacturing plays a significant role in Gresham's economy. Thirty-three percent of jobs in Gresham are in the industrial sector; manufacturing accounts for 47% of these. In addition, manufacturing

captures the highest total payroll among industries in the Rockwood area, paying \$15.85/hr. on average.

Industrial land use trends

Due to a shortage of viable industrial land in the region, a variety of parcel sizes will be needed to meet future demand requirements. Relative to this shortage is the demand for larger warehousing and distribution facilities, which has increased due to the emergence of e-commerce and “just in time” deliveries. To address these issues the City of Gresham has to make the most efficient use of all their industrial land. Currently, the City has 166 acres of ready-to-build industrial land, out of a total of 2,400 acres of ready-to-build land in the Portland region.

Site Conditions

The Rockwood/West Gresham Industrial Core is a prime geographic location for industrial employers, for both freight access and commuting employees. The Industrial Core has convenient access to I-84 and is less than ten miles from the Portland International and Troutdale Airports, and the Port of Portland. However, many of the buildings are considered obsolete by current industrial standards, the parcels are smaller than preferred by developers, and the streetscape is in need of improvements.

Proposed Redevelopment Projects

The project team designed six redevelopment projects and four supplementary strategies for the Rockwood/West Gresham Industrial Core based on research findings. Each project encompasses different levels of physical change and investment, and some are feasible without urban renewal and require minimal funding. All of the projects were evaluated against industry-related, policy-related, job-related, and site-related criteria. The proposed projects are summarized below:

Image Enhancement: This project will improve the streetscape with sidewalks, curbs, and streetlights; build Information Technology infrastructure; and increase parking enforcement and regulation. This project will also create an identity for the “Rockwood Industrial Core” and expand the marketing of the Rockwood area.

Transportation Improvements: The team recommends constructing bus shelters and a new site entrance at the east end of Wilkes Road. Tri-Met should be encouraged to provide more frequent and extensive bus service and employers should be invited to form a voluntary organization to address transportation problems.

Marketing Strategy for Gresham’s Industrial Lands: To increase awareness of the City’s locational advantages and user-friendly development process, Gresham would create a “fast-track” business

recruitment and retention team; implement a marketing strategy to advertise the site's locational advantages; and promote Gresham's planned technology education and research facilities.

Redevelopment of John Deere Site: This project seeks to attract a high-profile tenant with; begin investigation of the potential for eco-industrial development; and/or to draw a high tech employer to this site.

Redevelopment of the I-84 Building: There are two options included in this project:

1. Demolition of the current structure in order to attract high-profile employer; and
2. Redevelopment of the existing site to create a small business incubator targeting manufacturers or smaller-scale distribution firms.

Parcel Assembly: The team recommends assembling three different sets of adjacent vacant parcels to create more opportunities for new development.

Supplementary Strategies

In addition to the six specific redevelopment projects described above, the team devised four supplementary strategies. These strategies are general policy recommendations, which could have benefits beyond the bounds of the study area.

The strategies include:

1. Combining Light Industrial (LI) and Business Park (BP) zoning districts to add flexibility of use by owners and developers.
2. A performance-based jobs program targeted at family-wage job creation.
3. Targeted Systems Development Charge (SDC) incentives.
4. Workforce Development, in the form of public-private partnerships between employers and educational institutions.

The Rockwood/West Gresham Industrial Core has strong potential to contribute to economic development in the City of Gresham and the Portland metropolitan region. This analysis will demonstrate that the above-mentioned projects and supplementary strategies are necessary to compete within a rapidly changing regional economy.

Urban renewal offers the most potential for significant growth and change within the study area, adjacent Rockwood industrial areas, and the Rockwood neighborhood. However, this analysis will also show other viable alternatives for the City to pursue should urban renewal fail to gain public approval. In either case, the City of Gresham's future economic development decisions will impact not only the local community, but the region's economy as well.

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INTRODUCTION

Since the 1990s, the Rockwood community has been the focus of the City of Gresham's planning efforts. While the area has experienced continuous growth of a culturally diverse population, the vitality of the commercial and Industrial Core has significantly declined. Major challenges facing the community are a poor jobs-housing balance, a lack of family wage jobs and long commutes to work.



To Gresham's advantage, the City holds 500 acres of vacant industrial land¹. However, an overwhelming majority of the structures and sites in the Industrial Core do not meet the standards of emerging industries. Many are occupied at partial capacity and two sit vacant.

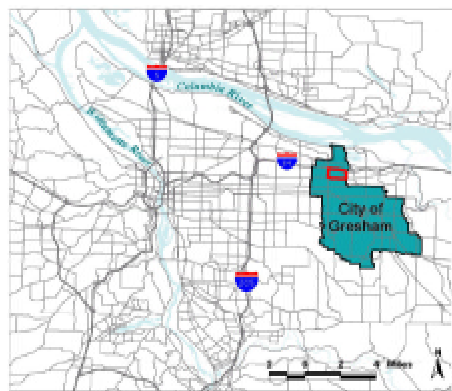


Figure 1. Gresham and Study Area Regional Locator Map

To address these issues, Gresham is planning for urban renewal. The City hopes to increase economic activity, enhance public services and infrastructure, improve housing and commercial viability, and increase industrial job density. The proposed urban renewal district will encompass Rockwood/West Gresham's depressed commercial and Industrial Core, and a limited amount of its residential area. Redeveloping Rockwood's Industrial Core (also referred to as the study area) in order to conform to current industrial standards and attract knowledge-based industries will aid the City in meeting the goals stated above.



Downtown Rockwood - "The Triangle"

The City of Gresham retained the project team through Portland State University's Master of Urban and Regional Planning Workshop. The team's objective is to assist the Community and Economic Development Department in assessing existing conditions and determining the range of possibilities for West

¹ Gresham Industrial Employment and Economic Study

Gresham's Industrial Core. Observations and findings of the study are expected to serve as one basis for the adoption of the Rockwood/West Gresham urban renewal plan. Funds generated by urban renewal designation will assist the community in meeting employment-related goals and needs. These include: generating community wealth; fostering regional linkages; and creating a balanced and diverse industry base that provides knowledge-based, family wage jobs, and a well educated, diverse workforce.

The study area for the project is Rockwood/West Gresham's Industrial Core (Figure 2). The specific area boundaries are Interstate 84 to the north, NE Halsey to the south, NE 201st to the east, and NE 181st to the west. NE San Rafael bisects the Industrial Core on an east-west access, and 192nd bisects it running north-south.

Rockwood/West Gresham Industrial Core Boundaries

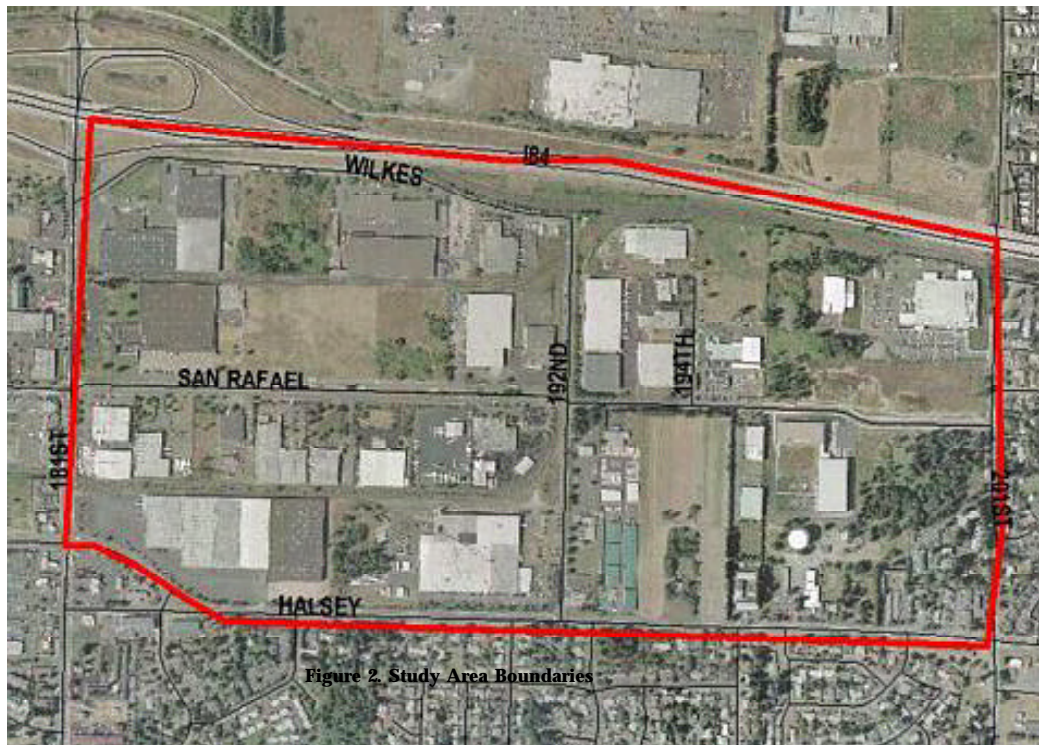


Figure 2. Study Area Boundaries

Study Focus

The project team assisted the City of Gresham in addressing its objective to stimulate economic activity in the study area by establishing several redevelopment projects and recommendations. The team developed two specific tools to craft the proposed projects: an industrial demand analysis and a geographic information system (GIS) of existing site conditions. These tools will also be useful to the City of Gresham for the purpose of long-range planning.

The demand analysis is an in-depth review of local, regional and national industry, workforce, and industrial real estate trends. It also includes results from an examination of various planning studies and key-informant interviews.

The purpose of the demand analysis is to determine what economic development efforts are best suited to the Rockwood/West Gresham Industrial Core. The GIS database of site conditions is a collection of primary and secondary physical data. The database includes digital photographs of parcels and information on occupancy, ownership, tenancy, parcel size, and job density.

Analyzing the two sources of information allowed the team to assess the area's advantages and limitations and arrive at several prospective projects for the study area. The projects were evaluated using criteria based on industry and local workforce needs, and

political and economic realities. Some of the projects are possible without the adoption of a Rockwood/West Gresham urban renewal plan.

The following project themes emerged from the demand analysis and examination of site conditions:

- Image enhancement
- Targeted land assembly and redevelopment
- Incentives for quality employers and target industries
- Transportation improvements

In addition to the demand analysis and GIS of site conditions, the project team developed a written report and presented its research findings to key City of Gresham Community and Economic Development Department staff and the Urban Renewal Work Group (URWG).

Urban Renewal Context

History of Urban Renewal in Gresham

For urban renewal to be adopted in the City of Gresham, it must be approved by a simple majority of registered voters. Twice during the 1980s, efforts to establish urban renewal districts in Gresham proved unsuccessful due to lack of public support.

On March 30, 1982, Gresham City Council put forth a referendum that, if passed, would have authorized the creation of the Gresham Redevelopment

"We're ten years behind the West Side [in economic development]"
-Shelly Parini,
City of Gresham
CEDD

“Opportunities for nurturing something new [in industrial development] are everywhere in Rockwood, and so are the political pitfalls to kill them”

-John Anderson,
Fairview Planning
Director

Commission. This marked the first occasion that urban renewal was on the ballot in Gresham. If voters approved the referendum, the Commission would have been granted urban renewal powers as provided by State law. However, with only 29 percent of citizens voting in favor and 71 percent in opposition, the referendum suffered a dismal failure.

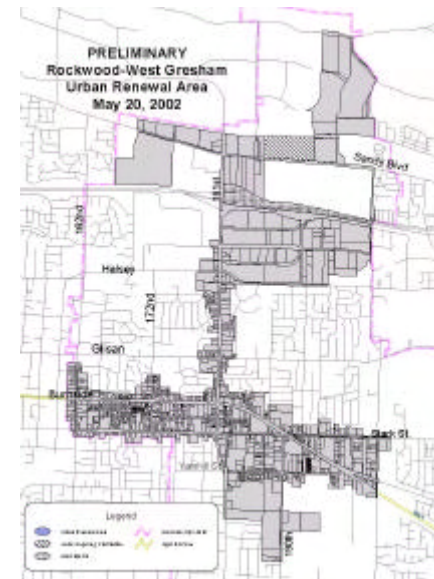
Five years later, in a 1986 special election called by City Council, citizens voted against Ballot Measure 51, which would have resulted in the adoption of the Gresham Redevelopment Plan. With 46.6 percent of voter support, Measure 51 lost by a much smaller margin than the 1982 referendum.

Rockwood Urban Renewal - 2001

Despite past resistance, the City embarked on a third attempt to bring urban renewal to Gresham in 2001. A two-year urban renewal planning effort targeting Gresham's Rockwood Community is currently underway. In accordance with Oregon urban renewal legislation, Rockwood meets the definition of a *blighted* area and is thereby eligible for urban renewal designation. Citizens will be asked to vote on the Rockwood Renewal Plan in a special election slated for the spring of 2003. The proposed urban renewal boundary is shown in Figure 3. In preparation for the election, URWG was established to promote public participation in the planning process. This committee is made up almost entirely of Rockwood residents. It meets on a monthly basis to work with City staff and consultants to help guide

the planning process and ensure that the community's interests are being addressed. This summer, a series of public meetings will be held throughout the City so that citizens can comment on the proposed plan.

Figure 3: Urban Renewal Boundaries



In light of the history of urban renewal in Gresham, the City hopes that the steps it has taken to educate citizens and increase public participation in the planning process will serve to deconstruct outdated stereotypes about urban renewal and its implications. The redevelopment projects for the Rockwood/West Gresham Industrial Core are tools that the City can use to increase public awareness of the opportunities that urban renewal can provide.

STUDY METHODOLOGY

As stated previously, the project team developed a demand analysis and a GIS of existing site conditions to assist the City of Gresham in determining urban renewal projects and other redevelopment strategies. The proposed projects will improve the productivity of the Rockwood Industrial Core.

Secondary Research

To produce the demand analysis and gain a comprehensive understanding of national, regional and local industrial and economic trends and forecasts, the team examined regional studies and local government plans. The studies reviewed include the following:

Studies Reviewed
<p>Regional Studies: Phase 3: Regional Industrial Land Study for the Portland - Vancouver Metropolitan Area Columbia Corridor Market Focus Report, April 2002 Economic Report to the METRO Council New Economy Observatory: The Cluster Studies: 2001-2</p>
<p>Local Studies: Gresham Industrial Employment and Economic Study Rockwood Renewal Feasibility Study A Call for Action: Mayor's Economic Development Vision for Gresham Sandy Blvd./181st Ave. Transportation Master Plan (Draft) A Demographic Analysis of Rockwood Area: The Study for the Weed and Seed Planning</p>
<p>Urban Renewal Plans: Central Eastside Urban Renewal Plan Columbia South Shore (Airport Way) Urban Renewal Plan</p>

The process of reviewing studies highlighted the issues likely to influence market conditions and future demand for location in the Industrial Core. The client provided the names of several studies dealing specifically with the Gresham-Rockwood area. Key informant interview subjects also referred the project team to information resources. For industrial studies more regional in scope, the team looked to Portland State University's Institute for Portland Metropolitan Studies (IMS). References and appendices in several studies provided links to additional research resources, web sites, government agencies and organizations with an interest in planning and urban renewal efforts underway in Rockwood.

Key Informant Interviews

Getting to know the perspective of individuals who are familiar with Rockwood/West Gresham and have a stake in the growth and development of the area is a critical component of the research process. To inform the demand analysis and familiarize ourselves with specific advantages and limitations of the study area, the project team conducted a series of key informant interviews.

To enhance the validity of findings, the team compared and contrasted the results of primary research gathered from key informant interviews to the secondary research. Further, to develop an expertise in specific content areas, team members

interviewed subjects with similar professional backgrounds.

experience working as an urban renewal consultant and legislative advocate in Oregon. He is currently the City's Rockwood urban renewal consultant.

"There is definitely a real estate recession in Metropolitan Portland from the commercial and industrial real estate perspective."
-Tony Reser,
Cushman &
Wakefield

The following is a more detailed description of the key informant interviews:

City of Gresham Staff

The team consulted extensively with staff from the City of Gresham's Community and Economic Development Department to identify the City's needs and vision for our study area and ensure that the project deliverables address these issues of concern. Rockwood urban renewal planner Deb Meihoff, Economic Development Director Shelly Parini, and Business Development Associate Cindy Knudsen assisted the project team with the acquisition of background information, pertinent economic and industry studies and local business contacts.

Regional industrial employment experts were interviewed to find out about existing workforce characteristics and development incentives available to industrial employers. Rachel Lewitt, a Portland Development Commission Airport Way Project Manager, provided details on the Quality Jobs program. This interview enabled the team to understand incentives that Portland offers to industrial employers in this urban renewal area that is within close proximity to the Rockwood Industrial Core. Finally, the team members also interviewed Malcom Boswell, a local workforce expert with the Oregon Employment Department's Rockwood office.

Regional Economic, Workforce Development and Urban Renewal Experts

Industrial Real Estate Brokers

To enhance our knowledge of regional economic and industrial trends, team members interviewed Dennis Yee, Metro Chief Economist. Similarly, for the team to become familiar with the local and regional context for urban renewal and examine redevelopment strategies employed by other jurisdictions in the Metro Region, Jeff Tashman was interviewed. Co-author of the *Rockwood Renewal Feasibility Study*, Mr. Tashman has over 20 years of

Project team members interviewed industrial land brokers from three local firms in East Multnomah County: Tony Reser of Cushman & Wakefield, Jeff Brooks of Colliers International and Mark Childs of Integrated Facilities Services. To supplement one-on-one interviews with brokers, one team member attended the Columbia Corridor Association's annual Industrial Real Estate Trends and Forecasts meeting.

Local Industry Representative

Former longtime Viking Industries employee Dennis Anderson provided the team with an industry per-

spective on the study area in relation to the larger Rockwood community. Viking Industries is located in the Industrial Core, and was recently acquired by Pella Windows. Mr. Anderson is still actively involved in local workforce issues and sits on URWG and the Rockwood Action Plan Implementation Committee (RAPIC).

Dividing into pairs to interview experts in the same or similar fields enabled the team to compare key informants' varying opinions and lent some degree of validity to the demand analysis and study area findings.

Rockwood/West Gresham Employer Focus Group

The intent of the Rockwood/West Gresham Employer Focus Group was to provide a forum for the project team to test assumptions about the study area derived from secondary research and key informant interviews. The focus group was primarily comprised of local manufacturing employers, most of whom are members of the City's Manufacturer's Assistance Program (MAP). It was held at Gresham City Hall on May 17, 2002 and seven employers attended.

The team was able to weigh preliminary research findings against participants' responses to a series of questions (see Appendix A). For example, the group facilitator asked employers to identify the advantages and limitations of locating in Gresham. Participants

were also asked to outline specific ways that urban renewal could directly benefit their business and, at a broader level, the Rockwood/West Gresham industrial area.

Though the focus group was primarily attended by Gresham manufacturers located outside the study area, their input reflected concerns regarding industrial development and land use that also apply to businesses in the Industrial Core. Overall, focus group results were useful in confirming citywide and regional trends highlighted in the demand analysis.

GIS of Existing Conditions

To enable all team members to become familiar with the Industrial Cores, data collection began with fieldwork surveys. Walking tours provided the project team the best access to the study area. Team members took photographs of each parcel and noted the conditions of buildings and infrastructure. This included an inventory of curbs, sidewalks and streetlights. Cataloguing the physical features of individual parcels enabled the team to identify advantages and limitations and determine possible land assembly strategies.

The project team and the client determined that a GIS would be the most useful format of presenting site data and photographs. Data provided by the client was already in ArcView GIS format, which reinforced our decision.

The GIS has proved integral to the team's work, and will serve as a valuable tool in the City's ongoing urban renewal process. Though the database currently covers only those parcels within the study area, it can be expanded to include photos and information about other sections of the City.

Information acquired from the client includes: Tax Assessor's data, aerial photos of the study area, parcel and street maps. The Assessor's database includes records of parcel ownership, parcel size, building size, and land and building value. However, information was missing from the database and the project team filled these gaps by consulting business owners and the City's building permit records.

Supplementary information the team collected and added to the database includes:

- A list of businesses for lease
- A list of owner-occupied sites
- Business products and/or services
- Number of employees per business
- Employer job density
- Employer web sites
- Industrial sector of each business

Most of the data the team gathered could be appended to the individual records of the Tax Assessor's parcel database or created in the GIS as a map layer. For example the results of the sidewalks, curbs, and streetlights survey have been mapped. To

present the photographs, however, the team had to expand on ArcView's default functions.

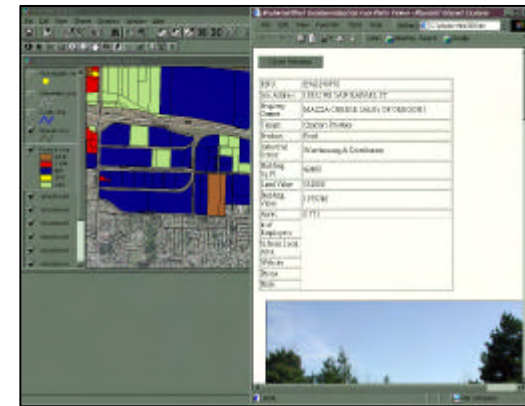


Figure 4. Example of GIS linked to Site/Photo Database

Inserting a simple program into the GIS enabled the team to link the parcel layer to HTML files viewable in a web browser (Figure 4). When a user selects a particular parcel, the program launches a web browser that displays a web page with photos and all data connected with that site (see Figure 4). There is an individual HTML page for each parcel and a total of 115 photos of the 48 sites in the study area.

In addition to being a critical tool for the team's development of project proposals, the GIS could also be useful in the City's public involvement portion of the urban renewal process. Although the Industrial Core will create much of the revenue that results from urban renewal (at least in the beginning), it does not seem to be a high community priority.

Because public interest tends to focus on residential and commercial areas, community members could use the GIS to gain a better understanding of the Industrial Core.

Public Outreach

The public outreach for the project consisted of attending three, joint monthly meetings of the Rockwood Urban Renewal Work Group and the Rockwood Action Plan Implementation Committee. Team members attended the following meetings:

March 2002: Rockwood Renewal District Boundaries

April 2002: Rockwood Renewal District Boundaries/Goals

May 2002: Rockwood Renewal District Projects

These meetings were facilitated by urban renewal consultant Jeff Tashman, and attended by interested representatives of the Rockwood neighborhood, local businesses, Mt. Hood Community College, and the Hispanic/Latino community. Also attending were City officials, including Mayor Charles J. Becker, principal planner Ron Bunch and Rockwood planner Deb Meihoff. These meetings are open to the public. The objective of the meetings is to discuss all aspects of the urban renewal plan as it relates to the community.

At the first two meetings the project team observed group dynamics, noted public concerns about, and goals for urban renewal. The team was available to answer any questions about the Industrial Core.

At the third meeting, the project team presented its preliminary findings with the hope of awakening greater interest in the industrial portion of the urban renewal plan, and getting feedback on the recommended projects and evaluation criteria. A survey was mailed to the URWG to obtain this feedback from the presentation and the responses are shown in Appendix B.

Evaluation Criteria

To assess the overall feasibility of the redevelopment projects presented in this analysis, the project team developed evaluation criteria. The criteria are grouped into four clusters that represent key interest areas:

- Industry-focused criteria
- Political/policy-focused criteria
- Job-focused criteria
- Site-focused criteria

Each cluster includes a series of three to six evaluation criteria used to compare and contrast the projects and analyze their individual advantages and limitations.

Criteria Selection

From the information and diverse perspectives gathered during the research process, the team was

Evaluation Criteria

Industry-Focused

- Increases job density
- Targets export-base industry
- Targets growth industries
- Is feasible given current market conditions

Political/Policy-Focused

- Retains current employers
- Requires public purchase of land and/or eminent domain
- Has projected benefits greater than its costs
- Produces results in a reasonable time frame
- Retains primarily industrial uses
- Corresponds to stated City goals

Job-Focused

- Attracts jobs with advancement opportunities
- Attracts industries that provide jobs with transferable skills
- Attracts industries that provide family-wage jobs

Site-Focused

- Improves truck/rail access
- Improves public transit/pedestrian/bike access
- Makes the site more attractive

able to gain critical insights that helped us select our evaluation criteria.

The evaluation criteria were developed with the City's professed interests in mind. Among these are expanding the industrial jobs base and increasing Gresham's attractiveness as a business location relative to the region's higher profile cities such as Portland, Beaverton and Hillsboro.

The evaluation criteria reflect the values and ethical practices that students and planning professionals, embrace and strive to uphold. The team understands that one of its key responsibilities is to promote the well being of individuals and communities whose interests are under-represented in planning processes. Accordingly, the evaluation criteria seek to ensure the creation of projects that address the needs of Rockwood residents, many of whom are poor and/or underemployed.

Determining Redevelopment Projects

Redevelopment projects and strategies for the Rockwood/West Gresham Industrial Core emerged from the team's synthesis of interview, site survey, and secondary research findings. Each project will require varying levels of physical change and investment. Some projects are feasible without urban renewal and minimal funding acquisition, while others may necessitate urban renewal for implementation. All of the projects were evaluated against industry-related, policy-related, job-related

and site-related criteria in order to ensure that the most feasible projects were selected for this report.

In determining the redevelopment strategies for each project, the team also took into consideration City of Gresham officials' desire to see significant change in the character of the area, and the need for the area to remain industrial in use. The proposed projects will be explained in detail at the end of this report.



Example of Site in Need of Sidewalks and Curbs

DEMAND ANALYSIS

The following demand analysis is an in-depth review of local, regional and national industry workforce and industrial land-use trends. It also includes results from an examination of various planning studies and expert interviews. The demand analysis was devised in order to determine what redevelopment efforts are best suited to the Rockwood/West Gresham Industrial Core, and in particular, what industries might be appropriate for the area as it relates to the region. This analysis enabled the team to assess the Industrial Core's advantages and limitations and arrive at several prospective redevelopment projects.

The analysis found that redevelopment of underutilized parcels in the study area is necessary to meet the projected demand for industrial land in the next 20 years. The City should direct any available resources to *emerging, strong and growing, stagnant/mature* industry sectors (see Figure 5). For example, a technology center linked to the community college could help Gresham capture the strong and growing professional services, distribution and high tech sectors.

To be profitable for developers, a parcel needs to be at least five acres and space needs to be flexible to accommodate a variety of tenants. Currently, parcel size, land use designation, and site suitability are all major constraints to meeting current and future industry standards. Enhancing the image of the Industrial Core by financing infrastructure and transportation needs for business development is also of paramount concern. If urban renewal is approved

regions with diverse industries and a strong traded by the voters of Gresham in 2003, it could play a major role in this portion of redevelopment. The following is a further explanation of industrial trends from the national, regional and local perspective.

National Trends

Since 2001, the U.S. economy has been in recession. However, a recovery is expected to begin in the summer of 2002, according to the *Economic Report to Metro Council*. The Report also states that the current recession will have very little impact in the long run, and the economy will improve in both the Portland region and the nation.²

Perhaps most significant are the long-term structural changes that are taking place in the U.S. economy, particularly the emergence of the New Economy. This relies upon global knowledge and "instant" exchange of ideas, capital, and products. Wealth and job creation is tied to ideas, technology, and market interaction through the evolved New Economy. Jobs in this type of economic market require a skilled workforce. Consequently, workforce development continues to be a critical issue for economic development efforts in communities throughout the nation.

The following is a summary of nationwide trends broken down by workforce, industry, and land use categories.

"Manufacturing is going to continue to go overseas but distribution and control will remain in the States. We have to prepare for this change in skills demand."
-Malcolm Boswell,
Oregon Employment
Department

² Economic Report to Metro Council

Workforce Trends

The growth of the New Economy has translated into major changes for the nation's workforce, as employment in knowledge-based industries demands a higher level of skills and education than the manufacturing sector. In fact, employment in the manufacturing sector nationwide is expected to decline an average of 0.6 percent annually, as more intensive production processes are shipped overseas and the conversion to automation increases steadily. However, employment in high technology represents a bright spot in the manufacturing sector.³

Another trend impacting the nation's workforce is corporate outsourcing, which is expected to continue as more employment functions are reclassified into services. Higher productivity rates allow firms to do more with fewer people. However, this trend has created a need for state and local jurisdictions to design workforce training and education opportunities for displaced workers.

Overall national job growth is expected to occur in small and very large corporations, not mid-sized companies. At the same time, the U.S. labor force is not expected to grow as rapidly in the next 30 years as it has in the last 30 years.

Industry Trends

The growth of the high tech sector of the economy has brought with it several major national trends for

industrial development, all of which have relevance to the Portland region. One significant trend is that sector tends to be more recession proof, have higher wage jobs, and generate more community wealth for local infrastructure. These industries then attract other firms that provide retail and business services for the local economy.⁴

A related trend is the emergence of regional industrial clusters, which are one way to understand regional competitive advantages. Regional clusters are defined as the propensity of a specific industry (e.g., high technology, creative services, bio-technology) to locate or cluster within a region. The New Economy Observatory of the Institute of Portland Metropolitan Studies has defined the Portland region's economy as "best understood as a collection of industry clusters—businesses with similar markets and technologies, and their suppliers—which derive advantage from being located in close proximity to one another."⁵

The region's overall economic growth during the 1990s can be attributed to the high technology cluster. Furthermore, the economy is now global in scope, as international and national markets have an increasing influence on the health of regional and local economies. This is especially true of regions, such as Portland, that have a strong manufacturing base.

The above trends are significant in terms of job creation, as the majority of jobs are created by expansion and spin-offs of the existing industry base.

³ Ibid

⁴ Phase 3: Regional Industrial Land Study for the Portland-Vancouver Metropolitan Area

⁵ 2001Cluster Studies, Report No. 2001-2, October 2001

Economic research shows the type of job or industry that will most likely grow in a region is greatly influenced by an area's existing industry clusters and distinct characteristics.

Nationwide, the high tech sector has been identified with the creation of a new generation of companies that did not exist ten years ago. The likelihood of new industries evolving in the upcoming decade may be even greater. Emerging or fast-growing businesses tend to be those that apply new technologies as a competitive advantage or market leader.

For existing high tech businesses, there is a greater focus on workforce and quality of life than the traditional location factors such as transportation and land costs. Technology companies must keep abreast of the latest trends and have access to skilled workers. Proximity to research institutions from which "patentable" technology flows, and access to "hard" information infrastructure, such as Digital Subscriber Line (DSL) and fiber optic networks are required. High tech employers also tend to choose locations that offer a diverse housing mix and quality of life factors, such as recreational amenities. This trend presents obvious potential benefits for the Portland region's economy.

It should be noted that while the terms "high tech" and "knowledge-based" firms are often used interchangeably, they are in fact distinct sectors of the economy. Knowledge-based firms can be found in an array of industry sectors – they are not limited

to high technology. While electronics and software are the most obvious examples of industries with knowledge-based companies, they are also present in trucking and distribution businesses, logistics, metals, engineering services, and creative and business services.

Overall, rapid changes in technology, such as electronic commerce, are affecting how the economy



Sunshine Dairy freight trucks parked in the Industrial

develops and delivers goods and services. Electronic commerce, or e-commerce is defined in the Oregon Administrative Rules as, "the process of engaging in commercial or retail transactions predominantly using the Internet."⁶

E-commerce companies primarily provide goods, products or services to other businesses, and not to the general public for personal or household use or consumption. Furthermore, e-commerce businesses are largely export-oriented. Export-oriented industries are those which tend to ship goods and

"...our region's inattention to the supply of ready-to-develop industrial land and lack of preservation of strategically located sites for future industrial development now represents a brewing crisis."
-RILS, Phase 3

⁶ Definition of e-commerce as defined by OR Laws 2001, Ch. 957 (SB 229)

services outside the Portland metro area, bringing new wealth into the region. Finally, e-commerce describes the use of advanced technology for the distribution of goods and services, which results in more efficient inventory, storage, and retrieval systems (i.e. more automation), and the need for additional warehouse space.

Land Use/Zoning Trends

In addition to spinning off new industries, the New Economy is beginning to blur the distinctions between industrial and non-industrial land uses throughout the country. Key changes are that industrial uses are more likely to be located on land with other zoning designations. Conversely, nonindustrial uses, such as light manufacturing and retail, are increasingly located on industrial-zoned land. Employment densities are also decreasing for warehouse/distribution uses, and a variety of parcel sizes are needed to meet future industrial demand.

Two examples of specific impacts on land use are:

- **E-commerce Increases Need for Warehousing and Distribution Space⁷**

The growth of e-commerce and “just in time” delivery has increased the need for very large warehousing and distribution facilities (between 100,000 and 1,000,000 SF). This has coincided with an increase in the average ceiling height which rose from 20-22 ft. in the 1980s to 30 ft. today. Site size

requirements have increased, given the desire to build larger facilities and the need to allow for better truck circulation/access on site.

- **Increased Reliance on Efficient Freight Movement**

Phase 3: RILS also states that in order to compete in a global economy and due to the increased specialization of business services, firms are more reliant upon efficient multi-modal transportation systems. Therefore, freight volumes are increasing at a rate two times faster than economic growth rates.

Regional Trends

According to *Metro’s Economic Report to Metro Council*, the current economic downturn has impacted the Northwest more than all other parts of the country. The Portland regional economy (defined in Metro’s report as Clackamas, Multnomah and Washington, Yamhill and Clark Counties) is witnessing its most severe recession in over a decade. Among the key reasons for this downturn is the decline in the manufacturing and high tech industries, resulting in high rates of unemployment in these sectors. This has had a significant impact on Gresham— according to the March 3, 2002 edition of the *Oregonian*, Gresham’s layoffs accounted for 20



percent of the 5,600 high tech jobs Oregon lost in 2001.

Although current economic conditions are challenging for the region, the 1990s were characterized by a steady period of growth. Both short-and-long-term economic forecasts are generally positive for the region. For example, Metro forecasts a rebound in the region's economy by the summer of 2002, with a significant recovery to take place by early 2003. Furthermore, Metro's long term forecast (2000-2030) predicts continuous job growth in the region, but primarily in the nonmanufacturing sector. Nonmanufacturing jobs are expected to grow 2.0 percent annually vs. 0.8 percent for manufacturing jobs.⁸

Despite the current economic challenges, the region's steady population growth is expected to continue through the next 30 years, although the growth rate will not be as high as during the past decade.

The following is a detailed discussion of region-wide workforce, industry, and land use trends.

Workforce Trends

Of the seven regional centers in the Portland metro area, Gresham residents tie for fourth place with Happy Valley in longest commute trips. Gresham trails behind only Molalla, Sandy, and Cornelius, according to the *Oregonian* (5/15/2002). There appears to be an employment mismatch, with the

City importing workers from other regions and exporting residents to jobs in other areas.

A regional jobs/housing imbalance exists, with job growth outpacing housing development in the past 20 years. But this is less so in Gresham. From 1980 to 2000, the number of jobs per household region-wide increased consistently from 1.4 jobs per household to 1.7. In Gresham, it decreased between 1980 and 1990, from 1.6 jobs per household to 1.17, and has not changed much in the past 10 years.⁹

Each of the regional economic studies the project team reviewed point to the service and high tech sectors as the largest growth industries for the region. In 2001, high tech industries in the region employed approximately 60,000 workers and this workforce is expected to swell to 94,000 by 2030. A majority of high tech growth will likely be attributed to the internal expansion and vitality of existing firms in the region.

Growth in the service sector mirrors a national trend. In the Portland region it also can be attributed to faster-than-predicted population increases and the economic downstream effect of more high tech workers.

Despite the shifts in the overall economy, the outlook for job growth in the industrial sector also remains favorable in the region. Industrial jobs currently consist of 33 percent of the total number of jobs in Gresham (see chart below). *Phase 3: RILS* predicts

"Industrial jobs have been the heart of [the Portland region's] economic engine."
-*RILS, Phase 3*

⁸ Economic Report to Metro Council

⁹ Ibid

that industrial jobs are expected to increase from 328,000 in 2000 to 476,000 by 2025, an increase of approximately 45 percent over 25 years or 1.56 percent annually.

The future of heavy manufacturing appears least favorable at the regional level. Fewer employment growth opportunities are predicted for heavy manufacturing than light industrial or business park activities. This is significant to note, in that industrial jobs are more likely to provide family wages than those of the service sector. A corresponding trend noted by Malcolm Boswell, of the Oregon Employment Department, is the need for improved educational and training opportunities that will prepare the regional workforce for these employment shifts.

Furthermore, it should be noted that development throughout the region in the past two decades has come at a cost to Multnomah County. Its share of the region's job base has decreased over the last 20 years, from 60 percent in 1980 down to 48 percent in 2000.

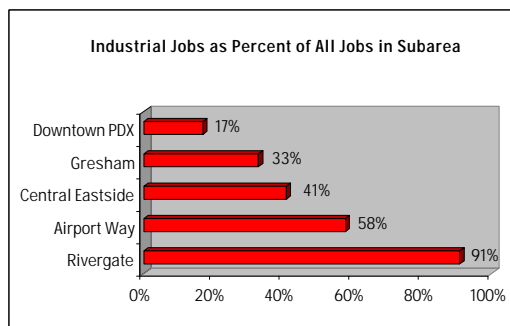


Figure 5

Industry Trends

As of 1997, the export-oriented industry clusters in the metro area accounted for over 420,500 jobs. This job base has increased by almost 28 percent since 1990. The region has a high activity level (or potential competitive advantage) in 8 of the identified 20 export-oriented industry clusters such as high technology, distribution, software, and professional services.

As stated earlier, the most growth is expected within nonmanufacturing industries. Job growth in this sector is projected to exceed 2.0 percent per year on average. The nonmanufacturing sector created over 800,000 jobs in 2000 as compared to 300,000 in 1970. The total is expected to reach 1.46 million by 2030. The largest component of the nonmanufacturing sector is the service sector, which employs about 280,000.¹⁰

The *Economic Report to Metro Council* and the *Gresham Industrial Employment and Economic Study* categorized industry sectors into two similar classification systems. The methods used to determine the parameters of each category differ between the two studies. However, for the purpose of this paper the project team chose to blend all sectors into a combined classification system.

This system is comprised of emerging, strong and growing, stagnant/mature and weak/declining sectors (Figure 6).

Figure 6: Industry Position Matrix

Change in Competitive Position	Growing	Emerging <ul style="list-style-type: none"> • Stone, clay and glass • Plastics • Tourism • Fisheries • Aerospace 	Strong & Growing <ul style="list-style-type: none"> • Service sector, including: business services, health services, and transportation services. • High tech • Creative services • Machinery • Transportation equipment* • Distribution
	Declining	Weak & Declining <ul style="list-style-type: none"> • Food processing • Textiles • Resource based industries (lumber and paper)** • Agriculture • Biotechnology • Miscellaneous secondary manufacturing • Environmental services • Apparel*** 	Stagnant/Mature <ul style="list-style-type: none"> • Finance (due to acquisitions and mergers) • Construction (expected to rebound slightly as the economy improves) • State and local government (expected to increase at a smaller rate than population growth) • Metals
		Weak	Strong
Current Competitive Position			

* The Metro Economic Report describes transportation equipment as remaining weak in the near term due to current travel fears, while the RILS, Phase 3 says the sector has good economic potential.

**Lumber and paper were classified as having good economic potential in the RILS, Phase 3 study, and as "weak" in the Gresham Industrial and Economic Study.

***Apparel is classified as "declining" in the Metro Economic Report, and as "emerging" in the Gresham Industrial Employment and Economic Study.

Overall, the studies find that nonmanufacturing sectors, such as high tech, and the service sector are the growth sectors of the Portland region's economy. This must be taken into account when undertaking industrial redevelopment efforts in Gresham, or in any jurisdiction in the region.

Land Use Trends

Phase 3: RILS identifies a total of 9,198 acres of vacant industrial land (buildable acres) in the region. Of these, 2,387 acres are unconstrained and ready-to-develop. The projected demand for buildable land between 2000 to 2025 is 6,900 acres. Therefore, the region falls approximately 2,300 acres short of buildable land to meet the 20 year need.

Presently, the City of Gresham has 166 acres of ready-to-develop vacant industrial land. Of this, 46 acres are zoned for Business Park (BP), according to the *Gresham Industrial Employment and Economic Study*. Given the regional shortage, the industrial parcels in the Rockwood/West Gresham Industrial Core are critical for the future economic development of the region.

At the policy level, Phase 3: RILS states that the region has been inattentive to the supply of ready-to-develop industrial land. As regional industrial job growth is projected to increase from approximately 328,000 jobs in the year 2000 to 476,000 by 2025, this hands-off approach seems imprudent.

In order to address industrial land constraints, the study suggests developing policies that target both private and public sector stakeholders. Two main factors, developer return on investment and certainty in the permitting process, affect the private sector's ability to address these constraints. Policies to be

"Mt. Hood Community College affords all people a knowledge-based education, giving them the ability to make life choices; adapt to change; build strong communities, contribute to and derive benefit from the new economy; and become part of a skilled workforce"
-MHCC Mission Statement

considered by the public sector include land assembly, tax abatements for environmental clean-up and modernization of facilities and the adoption of industrial sanctuaries. Expanded use of the Oregon Enterprise Zone program for distressed areas, and balancing geographic supply and demand are also suggested public policy options.

Gresham/Rockwood Trends

The future looks bright for industrial development in Gresham. The City has optimal transportation access and growing employment in primary industry sectors that export goods and services. However, leaders must take steps to ensure that businesses locating in Gresham provide family wage jobs for local residents. Specific challenges facing the Rockwood Industrial Core include poor street connectivity, unstable infrastructure funding, and a lack of a well-defined image.

Workforce Trends

According to the Gresham Industrial Employment and Economic Study, the resident population is employed in the managerial, clerical and sales occupations, while local employers are supplying jobs in production, assembly, and other service industries. However, according to Malcolm Boswell of the Oregon Employment Department, there is also a large manufacturing workforce, with 8,000

Gresham residents employed in the manufacturing sector in 1996.

Along with rapid population growth in the past twenty years, the City has experienced a corresponding job growth. In that period of time, Gresham added 19,800 jobs for a total of 38,900 jobs. In 2000, the City had 3.3 percent of the region's employment, up from 2.9 percent in 1980. In addition, Gresham's employers are predominantly small businesses. In 2000, the retail sector employed the largest share (23 percent) of Gresham's workers. However, the manufacturing sector captures the highest total payroll among industries in the Rockwood area, with an average hourly wage of \$15.85.

Due to the large proportion of service and retail jobs, in 1996, wages in Gresham were lower than in the rest of the County. Additionally, one-third of Rockwood residents had household incomes less than \$25,000, designating them as low-income according to the Department of Housing and Urban Development.¹¹

The 2000 Census indicates that 13.5 percent of Gresham workers are employed in the manufacturing sector, but these jobs are not necessarily located in Gresham. Nevertheless, the industrial sector is an important segment of the City's economy, and the skills demanded by Gresham employers are skewed toward services production and assembly jobs. Industrial area employment

accounts for 28 percent of all jobs in Gresham. Manufacturing companies accounted for 47 percent of those jobs.¹²

A jobs/training mismatch exists in many employment sectors. For example, within the manufacturing sector, jobs require skills compatible with recent technological advances. Accordingly, city officials are advocating for the resources necessary to build a skilled workforce, so that Gresham can compete in the New Economy. The City's interest in establishing an urban renewal district in Rockwood is directly linked to this goal.

Gresham's Mayor, Charles J. Becker, has called for training and education partnerships involving industrial employers in the study area and aimed specifically at Rockwood residents.

A new technical high school slated to open in 2003 and a science and technology park proposed near Troutdale Airport demonstrate the City's commitment to improving the local workforce. However, a May 2002 Mt. Hood Community College bond measure, which included a proposal for a 4-

Jensen Manufacturing



year technical college, failed because Multnomah County did not receive the required 50 percent turnout of voters. Nevertheless, the measure was supported by 51% of those who did vote.

Industry Trends

While Gresham has attracted an increasing number of industrial employers in the last 20 years, it is in a good position to attract more industry investment. A friendly business climate, well-planned downtown, east-west transportation routes, strong workforce training partnerships and a thriving community college are all assets working in the City's favor. The systems development charges (SDCs) are also lower in Gresham than in Portland and other regional centers. Gresham and Tualatin tie for the lowest SDC's in the region, according to the Columbia Corridor Association's Annual Trends and Forecasts Report.



Candy Basket Retail Candy Store at Intersection of 181st and San Rafael

"[Industrial redevelopment] is the most difficult kind... The buildings are large, infrastructure tends to be unique to the pre-existing facility and the site configuration is hard to plan for. It's a significant barrier, but it needs to be pursued."

-Don Mazziotti,
PDC Executive Director

¹² Gresham Industrial Economic and Employment Study

A major advantage of doing business in Gresham is the amount of flexibility built into the industrial chapter of the City's *Development Code*. Forty percent of building floor area within Light Industrial (LI) and Heavy Industrial (HI) zones and 100 percent of floor area in Business Park (BP) zones can be office space, as long as it is related to the industrial tenant. Fifteen percent of Light Industrial space can be a retail storefront *unrelated* to the industrial user.

At present, a diminishing supply of industrial property and a low tax base make it difficult for Gresham to attract innovative industries. Symptomatic of the current recession, the vacancy rate for the Gresham/Rockwood portion of the Columbia Corridor is 24.23 percent (direct) and 2.6 percent (sublease).¹³ This is much higher than that in the rest of the Corridor. In addition, planned technical and advanced learning centers will not meet the projected need even with the new educational facilities opening in the next few years.



For the past two years, over 400,000 SF of vacant sublease space has been available at the "I-84 Building" on 181st and Halsey

Based on the regional economic studies discussed earlier, the City of Gresham should look to expand in the emerging, strong and growing, and stagnant/mature categories, and those that are export-oriented. Gresham has a competitive advantage in high technology, tourism, machinery, aerospace, graphic communications, and creative services.

Gresham's competitive advantage in these areas can be attributed to the existing concentration of high tech employment, which provides an incentive for other high tech companies to cluster there. However, the recent closure of Fujitsu Microelectronics and rounds of layoffs at Boeing may have created a temporary setback for the City's competitiveness in high tech industries.

The City is in the process of implementing policy recommendations targeting industrial business recruitment and retention, and urban renewal in the Rockwood area. Policies addressing land use issues, such as zoning, the permitting process and other aspects of the development process, are also proposed.

Land Use Trends

According to the *Gresham Industrial Employment and Economic Study*, in 2000, light and heavy industrial-zoned areas each accounted for about 36 percent of all industrial jobs in Gresham. Nearly 73 percent of heavy industrial jobs were represented by

manufacturing firms. On light industrial properties, over 51 percent of workers were employed by manufacturers. On approximately 1,200 acres of in-use industrially zoned land, job density was 9.4 employees per developed acre. Employment density is greatest in land that is zoned Business Park (BP). However, industrial land in Gresham is underdeveloped and does not meet Metro's employment density goals.

The largest number of contiguous, industrial zoned parcels in Gresham is located to the north and south of Interstate 84 along the Columbia Corridor. Though the land located north of the Interstate is attracting new development, the land to the south is more constrained. Its average 4.8 acre parcel size is smaller than the 10-20 acres preferred by developers for the optimum return on investment.¹⁴

Gresham's older industrial parks (ca. 1960-70) are less functional and flexible than newer developments, and have been described by real estate brokers as "not suited for contemporary economic activity." As a consequence, these sites are up to 30 percent less costly, if operating expenses are factored in.¹⁵ Thus, when the economy improves, the study area will be more attractive to users who do not require state-of-the-art facilities, or are looking to save on operating expenses.

The *Rockwood Renewal Feasibility Study* also stated that the community's commercial/retail corridors

require storefront and infrastructure improvements to reduce vacancy levels. While Rockwood is designated as a Town Center in Metro's *2040 Plan*, the area is not taking full advantage of its proximity to light rail. Access to the regional transportation system adds to the area's potential to improve. Maintaining industrial land while increasing the number of ready-to-build sites and revisiting the industrial chapter of Gresham's current Development Code should be pursued to ensure further industrial investment.

In summary, it appears that the City of Gresham has a competitive advantage for potential industrial development in the Portland metropolitan region. Twenty-eight percent the City's jobs are in industrial area employment; an increasing number of industrial employers attracted to business-friendly and flexible development services; a prime location with proximity to two airports, major roadways and rail access; and availability of buildable industrial acreage. The major concerns the City must contend with in the Rockwood Industrial Core include: redevelopment of underutilized industrial sites; attraction of family wage employers; and development of a more highly educated workforce to compete in a knowledge-based economy.

Site Advantages

Location

- Close to I-84 and I-205 interchange, good for freight and commuters
- Only heavy rail spur in the area
- Access to Rockwood's large manufacturing workforce
- Likely spillover benefits from Airport Way Urban Renewal district

Business Environment

- Simple permitting process
- Lower SDCs compared to surrounding communities

Development Opportunities

- Many vacant and available parcels
- Part of the largest stretch of contiguous industrial land in Gresham

Site Limitations

Streetscape/Infrastructure

- Limited sidewalks, curbs, and streetlights
- Poor transit service and facilities
- No high-technology infrastructure (fiber-optic line, DSL, Cable)

Site Conditions

- Poor image
- Outdated buildings
- Small parcel sizes

¹⁴ Gresham Industrial Employment and Economic Study

¹⁵ Rockwood Renewal Feasibility Study

SITE CONDITIONS

“This area has an image problem.”
-Mark Childs,
Industrial Real Estate
Broker

The national, regional and local trends described in the demand analysis were used as a framework for the following exploration of site conditions in the Rockwood/West Gresham Industrial Core. Using the results of an extensive examination of site advantages and limitations, the project team assessed the study area’s potential for future industrial development, including its suitability for current industry standards.

Location

The Rockwood/West Gresham Industrial Core meets the top three criteria for desirable real estate: location, location, and location. While this is a cliché, several interviewees and employers confirmed that the study area is a prime geographic location for industrial employers. Specifically, accessibility to both freight carriers and commuting employees may be the site’s greatest attraction.

The Industrial Core has immediate, easy access to I-84 and is less than ten miles from the Portland International Airport and the Port of Portland’s shipping access facilities. NE 181st Avenue is a major arterial street through Gresham and provides access to many nearby businesses. Access to off-site services (such as day care) and restaurants is important, since the study area presently lacks such facilities. While the adjacent I-84 exit and NE 181st Avenue provide good access from Gresham and the rest of the Portland region, actual entry to the site is somewhat

challenging. The majority of users approach the site from I-84, which requires a left turn onto NE San Rafael Street, the only major entry point. Further, since most users are driving trailer trucks, congestion can be a problem during peak hours.

Land Use

Between 2000 and 2025, *Phase 3: RILS* predicts regional demand for more than 2,400 industrial parcels smaller than eleven acres. If that prediction proves true, it will be a boon for our site, where the average size of the 48 parcels is just 4.8 acres. The total area of the Rockwood/West Gresham Industrial Core is about 230 acres. The largest parcel, at 18.9 acres, is leased by Weyerhaeuser’s Shipping Container division. John Deere occupies the second largest parcel, with 18.2 acres. Without land assembly, these parcels may be too small to attract employers on the order of Fujitsu, which occupied 197 acres, or Boeing, whose site is 64 acres.

Employment density is generally low in the Industrial Core and many sites and facilities are underutilized. Though John Deere occupies the second largest parcel in the study area, its facility employs only a handful of workers and nearly half the site is used as a soccer field. Money-Saver Mini-Storage, which occupies five acres, employs just two workers. Another example of a low density use can be found on two adjacent parcels totaling 14.5 acres. The parcels are designated agricultural and planted with ornamental cabbages.



Ornamental Cabbages located in StudyArea

In addition to opportunities for more efficient use of land, there are two partially vacant structures in the study area. The building at the corner of NE 181st Avenue and NE Halsey Street, known as the “I-84 Building,” has more than 400,000 SF of vacant sublease space. An additional 42,000 SF of space is available in one section of the Firestone building, otherwise occupied by Hanna-Sherman.

In total, the Industrial Core has more than 40 acres of vacant land, as well as several underused sites like John Deere and the agricultural parcels. However, while the study area’s existing limitations should not be overlooked, vacant and underused parcels represent significant opportunity for infill and redevelopment.

Employers

There are 34 employers in the Rockwood/West Gresham Industrial Core, according to the project team’s survey of existing businesses. A breakdown of employers by industry sector is presented below (Figure 7).

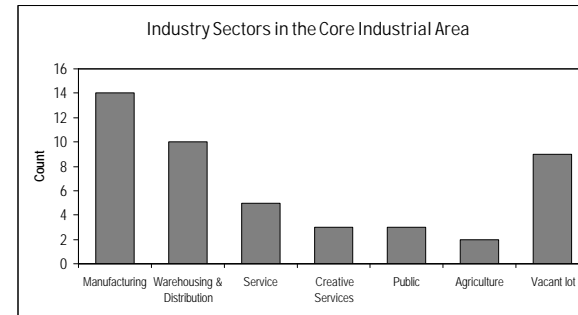


Figure 7

Manufacturing is the most well represented industrial sector in the Industrial Core, in both number of firms and employees. There are 14 manufacturing firms, with an estimated total of more than 700 employees. Warehousing and Distribution is second, with 10 firms and an estimated 300 employees. General service firms, such as Fairview Travel and Penske Truck Leasing; creative services firms, such as Wright Graphics; and public uses, such as Gresham’s fire fighters’ training facility, make up the balance of the employers within the Industrial Core.

The current proportion of manufacturing firms is encouraging and points to the site’s capacity to attract family wage employers in the future.

Additionally, several prospering firms, like Viking Industries and Starkey Labs, have the potential to expand. Given the amount of vacant and underused land in the study area, there is certainly room for these firms to expand without leaving the Industrial Core.

Structures

The bulk of the structures in the Rockwood/West Gresham Industrial Core are 20 or more years old. Many were built-to-suit for specific users and, consequently, their facilities do not fit the needs of contemporary industry. The industrial real estate agents the team interviewed cited age, low ceiling height, awkward interior and loading door arrangements, and general disrepair as drawbacks to many of the structures in the site. In particular, the Firestone and I-84 Buildings are constrained by poor interior configuration and a lack of office space.



Multifoods Distribution Corp.

There is only one state-of-the-art warehousing and distribution building in the Industrial Core, the

Multifoods Distribution Corp. facility, constructed in 2001. Redevelopment of older buildings for new users is expensive and unlikely to be cost effective without financial assistance. Fortunately, there are several vacant parcels available for new construction.

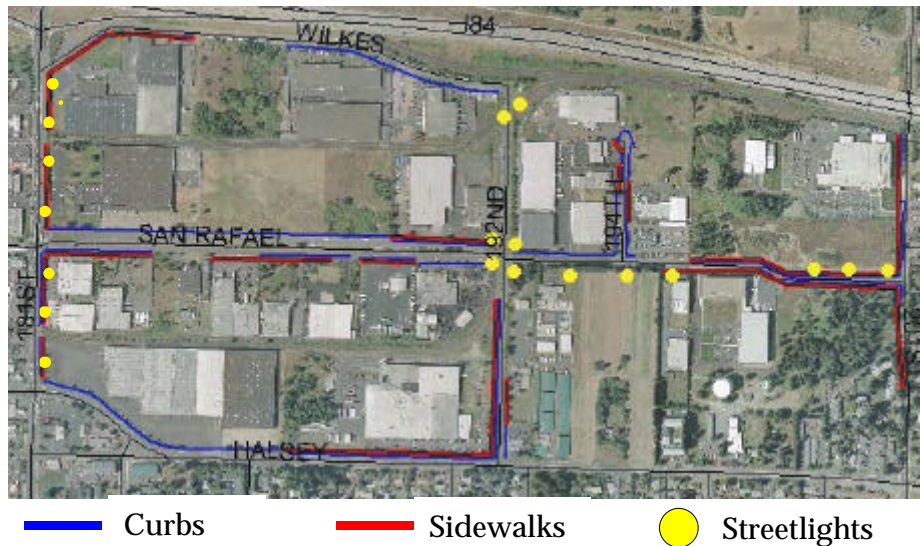
Infrastructure, Streetscape, and Transit Service

The “face” of the study area, along NE 181st Avenue is not attractive and would certainly benefit from landscaping, signage, and storefront improvements for the fronting businesses. However, certain aspects of the Industrial Core’s infrastructure are functional. Electricity, sewer and water services are adequate for existing businesses. There is a rail spur that runs through the study area, which is active but is not used by many firms. Trucks deliver most of the freight to and from businesses. Heavy truck traffic and unused containers parked along the roadsides have contributed to the study area’s image problem.

Fiber-optic lines have not been laid and high-speed Internet access is not available. This is a major barrier to any potential efforts to attract high tech employers. The groundwater in the aquifer in this area of the City is contaminated and is a federal Superfund project. This contamination does not affect the City water or sewer system, however, and should not pose any problems to development in the area.

Streetscape and pedestrian amenities are inadequate. Sidewalks and curbs are located haphazardly throughout the site, and there are few streetlights.

Finally, there are no transit facilities, such as bus shelters, and transit service is minimal. One Tri-Met bus serves the area; it is irregular and runs only during daylight hours —no help to employees on the night shift. To compensate for the lack of transit services, Viking Industries runs a private employee shuttle. Various redevelopment projects recommended by the project team in the following section could vastly improve the streetscape, transportation service and infrastructure in the study area.



PROPOSED REDEVELOPMENT PROJECTS AND SUPPLEMENTARY STRATEGIES

The City has expressed the desire to see significant change in the character of the Rockwood/West Gresham Industrial Core, though it has also conveyed the need for the core to remain in industrial use. Based on the findings of the demand analysis and a survey of existing site conditions, the project team formulated six redevelopment projects for the study area. The proposed projects will require different levels of investment, and some of them will be feasible only with urban renewal. The redevelopment projects address the following issues: image enhancement, transportation improvements, parcel assembly, and the redevelopment of key sites.

In addition to the redevelopment projects, the team developed a set of supplementary strategies. These strategies are intended to be general policy recommendations, which could have benefits beyond the bounds of the study area.

The projects outlined below are not intended to be mutually exclusive or entirely interdependent and there is no need to implement all of them to successfully redevelop the study area. The team has developed these projects from evaluation criteria (Figure 8), which reflect the goals and objectives of the City.

Figure 7: Evaluation Criteria

Job-focused criteria:	Political/policy-focused criteria:
Will the project: <ul style="list-style-type: none"> ➢ attract jobs with advancement opportunities? ➢ attract industries that provide jobs with transferable skills? ➢ attract industries that require complementary/similar skills? ➢ attract industries that provide family-wage jobs? 	Will the project: <ul style="list-style-type: none"> ➢ retain current employers? ➢ require public purchase of land and/or eminent domain? ➢ have projected benefits greater than its costs? ➢ produce results in a reasonable time frame? ➢ retain primarily industrial uses? ➢ correspond to stated City goals?
Industry-focused criteria:	Site-focused criteria:
Will the project: <ul style="list-style-type: none"> ➢ increase job density? ➢ target export-base industries? ➢ target growth industries? ➢ be feasible given current market conditions? 	Will the project: <ul style="list-style-type: none"> ➢ improve truck/rail access? ➢ improve public transit/pedestrian/bike access? ➢ make the site more attractive?

Proposed Redevelopment Projects

1. IMAGE ENHANCEMENT

The Rockwood/West Gresham Industrial Core suffers from its position on the lower rung of the region’s industrial land supply ladder. Investment in streetscape improvements, signage and information infrastructure could transform the study area’s image. These improvements would elevate the Industrial Core to a more prominent position in the eyes of investors, developers, and employers.

The team recommends:

Streetscape Improvements:

Complete the study area's patchwork of sidewalks and curbs and add additional streetlights and landscaping.



A Poor Streetscape in the Industrial Core

Information Infrastructure:

Add capacity for some level of high-speed Internet access within the Industrial Core. Ideally, this would include fiber-optic lines.

Parking Enforcement & Regulation:

Force site users to remove container trucks and unauthorized vehicles, which are unsightly and impede traffic, from the roadway.

Welcome/Identity Signs:

Attractive signs identifying the study area as the “Rockwood/West Gresham Industrial Core” should

be installed at strategic locations, such as the study area entrances at 181st & San Rafael, 192nd & Halsey, and 201st & San Rafael. These signs could also identify businesses in the Industrial Core and direct visitors to them.

Desired outcomes: Image improvements would show that Gresham is serious about providing a high-quality industrial environment that is a pleasant and safe place to do business. They would enhance the Core's image in ways that will attract desirable employers and continued investment.

Evaluation: This project has few downsides. Welcome signs and parking enforcement will incur minimal costs and the positive changes resulting from these improvements will be immediately noticeable. Streetscape improvements and information infrastructure are more costly, but they are necessary to create a first-class industrial area. This project is vital to redeveloping the Industrial Core, although it is not likely to produce drastic changes in job density or attract a significant number of new employers.

2. TRANSPORTATION IMPROVEMENTS

Although the Rockwood/West Gresham Industrial Core is strategically located, there are access problems with its internal traffic circulation and its proximity to public transit. Correcting those problems would make jobs more accessible to transit dependent workers, and would help to ease congestion and improve freight traffic flow.

Transit Improvements:

Construct bus shelters at 181st & San Rafael and 192nd & Halsey. Partner with Tri-Met to provide more frequent and extensive bus service.

Employer Transportation Organization:

Form a voluntary organization of the industrial and commercial employers in Rockwood's proposed urban renewal area. This organization could operate a shuttle to compensate for the low frequency and limited running hours of Tri-Met buses. It could also act as a strong voice to identify other transportation problems and advocate for solutions.

New Site Entrance:

According to the Sandy Blvd./181st Ave. Transportation Master Plan, 181st Avenue's highest traffic counts are found between the I-84 eastbound on-ramp and Halsey Street, with an average of more than 30,000 vehicles a day. Creating a new site entrance at the east end of Wilkes Road, as suggested in the Plan, would allow direct access to the site for traffic leaving the eastbound off-ramp of I-84 and would mitigate this congestion.



The Industrial Core Needs Transit Amenities Like This

Desired outcomes: This project would further enhance the many location and transportation-related advantages the Industrial Core offers. It would increase safety and convenience for freight traffic, pedestrians, and transit riders, and make it easier for the local workforce to access jobs.

Evaluation: By providing improved transit service to local residents, this project has the potential to increase job density. In addition, it will improve both truck and pedestrian/bike access and is consistent with the City's goals for improving access and circulation within and around the Industrial Core.

"We do need to act now to increase industrial development."

-Don Mazziotti,
PDC Executive
Director

3. MARKETING STRATEGY FOR GRESHAM'S INDUSTRIAL LANDS

Gresham has many advantages that make it a desirable place for industry and its regional advantages have not been totally recognized by industry and policy leaders. With some minor changes and a comprehensive marketing effort, the City should be able to generate interest in the many available opportunities for economic growth in this portion of the region.

Fast Track Team:

Develop a “fast-track” business recruitment and retention team. The team will assist existing firms that want to expand and help locate sites for prospective employers. The City’s economic development staff is already doing good work in this regard; they should formalize and promote their efforts.

Location Advantages:

The Core area and surrounding industrial lands are prime locations for an array of employers. The City’s marketing program should feature prominently its convenient access to the airport, freeway, and regional transit system.

Technology Research and Education:

Various projects are underway that would significantly improve Gresham’s capacity for technology education and research. As part of its larger marketing strategy, the City should advertise

the potential of these programs to create valuable human capital and promote innovation.

Renewal Efforts:

Each incremental success in Gresham’s renewal efforts make the City a more attractive place to do business. As these projects begin to bear fruit, the City should publicize those successes and make sure that the world knows that Gresham is “on the move.”



Cascade Corporation: Headquarters of a Modern Manufacturing Firm

Desired outcomes: Marketing Gresham's advantages will enable the City to tap into a broader pool of industries and employers than might currently be looking to locate there. Gresham should capitalize on Portland's reputation as a tough place to do business by contrasting its development process with Gresham's hands-on, user-friendly system, and promoting any redevelopment endeavors underway.

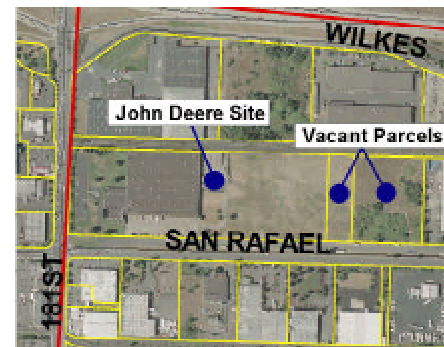
Evaluation: This project will improve the City's business climate and make Gresham an attractive location for target growth industries. In particular, Gresham's fast-track permitting and development process and its capacity for workforce education and training will entice high tech, knowledge-based and family wage employers. The City's marketing efforts have the potential to attract businesses that otherwise would not be aware of Gresham's advantages.



John Deere Soccer Field: Future Site of Target Industry?

4. REDEVELOPMENT OF JOHN DEERE SITE

The John Deere site is an ideal location for a new anchor employer in the Rockwood/West Gresham Industrial Core. With nearly half of its land undeveloped and a large portion being used as a soccer field, the site is not being used efficiently. It is one of the study area's most attractive sites in terms of accessibility, visibility, and appearance.



In addition to the 18.2 acres currently owned by John Deere, there are two adjacent, vacant and available parcels (totaling 6.7 acres) directly to the east. Combining these three parcels, which may require eminent domain authority, would create the largest industrial site within the Industrial Core. The team recommends using urban renewal funding to attract one of the following target industry employers to this site:

A “Green” Industry:

The City of Portland is currently positioning itself as a niche market for environmentally conscious,

"Portland Officials Embrace Green Ideals to Lure Industry to Town."
-The Oregonian
(5/13/02)

innovative businesses. To this end, Portland has already had some success: Vestas Wind Systems, a Danish maker of wind turbines, is going to locate its U.S. headquarters (and 1,000 new manufacturing jobs) in Portland. Gresham, too, has made headway into this growing sustainable industry field with the recently completed 212,000 SF Northwest headquarters of the North American Honda Motor Corp. Businesses like these can be a “win-win” situation for cities —economic development without environmental compromise.



Honda's "Green" Distribution Facility

Attracting a high-profile tenant with strong environmental values could change the character of the Industrial Core in a positive way; for example, by providing opportunities for “eco-industrial” development. Eco-industrial development (EID) is an innovative practice gaining popularity in both the United States and Europe. EID businesses use the waste by-products of other industries as inputs for their own products. Successful EID would require

careful coordination, but could lead to the formation of new businesses in the Industrial Core and make Gresham a leader in the movement toward a sustainable local economy.

A High Technology Industry:

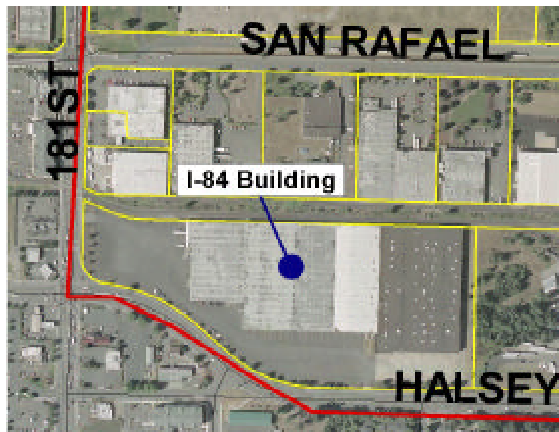
Despite the loss of Fujitsu, high technology jobs are expected to grow by 34,000 within the region by 2025, according to the *Economic Report to Metro Council*. With the land and opportunities available in Gresham, it is in a competitive positive to capture a share of these high wage jobs. With the recent opening of Synetics, which specializes in airflow management, automation integration and contract manufacturing for the semiconductor equipment industry, Gresham's economic development team has already shown its ability to draw this type of employer.

Desired outcomes: Attract an anchor employer that will fundamentally change the character of the Rockwood/West Gresham Industrial Core, draw other quality employers, and increase the number of family-wage jobs within close proximity of Rockwood residents.

Evaluation: This project offers the opportunity for a solid anchor business at the John Deere site by fully developing this currently underutilized and high-visibility location. Strong and growing and new industries such as those outlined above have the potential to put Gresham on the map as a start-up point for innovative industries.

5. REDEVELOPMENT OF THE “I-84 BUILDING”

The I-84 building is a greater redevelopment challenge than the John Deere site. Built in several phases, it is over 400,000 SF and obsolete due to low ceiling heights, minimal office facilities and inadequate floor space configurations. It does, however, have a large amount of parking and good visibility from Halsey and 181st. Most of the site has been vacant for two years, and it will continue to be a challenge to attract a high profile employer in its current state.



Successful redevelopment of the I-84 building could, however, be a tremendous advantage to the Industrial Core. The project team recommends two options:

Redevelop for a Single User:

Demolishing the current structure is a route likely to attract the sort of tenant that Gresham would want to locate at this large site in the Industrial Core. This may prove prohibitively expensive, and perhaps is not the best use of limited urban renewal funds. The fact remains that the current structure will attract only those businesses that are willing to trade convenience and aesthetics for a lower rent—not the ideal redevelopment scenario. If urban renewal could provide gap financing for a new structure on this site, there is no reason that the site could not attract the types of desirable industries recommended for the John Deere site.

Redevelop as a Business Incubator:

Option two would be to divide the building and create a small business “incubator.” The incubator could accommodate growing businesses as well as those displaced by land use or zoning changes. The City could identify businesses that are not making efficient use of their current space and encourage them to consolidate in the business incubator. Shared utility costs, property taxes and other user fees will result in a relative savings on operating expenses for businesses that choose to take advantage of this opportunity.

Manufacturers or smaller-scale distribution firms are among the employers the incubator would target. To make the structure suitable for this type of development, one or more sections could be demolished and rebuilt, or new capacity could be

"...our region's inattention to the supply of ready-to-develop industrial land and lack of preservation of strategically located sites for future industrial development now represents a brewing crisis."
-RILS, Phase 3

added by building over the top of the current structure. Building up rather than out would be a more efficient use of the site and would accommodate more jobs. The increased job density and long-term benefits that could be possible with a multi-story structure would justify urban renewal financing of the project.

Desired outcomes: To turn a blighted building into a prime industrial development. If the site is demolished for a single user, it should be a space for a high profile, anchor employer in the Industrial Core. If redeveloped for several users, it will create a unique niche space for business incubation in Gresham, and allow the City to retain local businesses that are growing, displaced, or using their current space inefficiently.

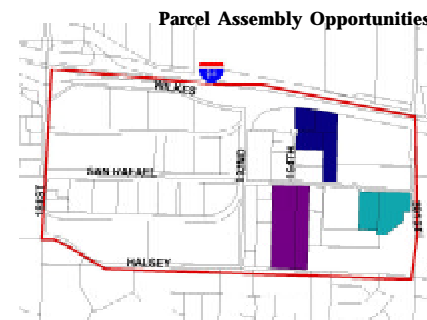
Evaluation: While total demolition is unlikely, this project offers the potential to use the existing structure as a second major anchor for the study area or as a small business incubator. Either option would offer significant economic development opportunities by attracting growth industries and jobs that provide advancement opportunities. City officials have expressed a sincere interest in retaining small, viable businesses in Gresham while adding diversity to the existing industry mix. The small business incubator would facilitate this objective.

6. PARCEL ASSEMBLY

The Rockwood/West Gresham Industrial Core has a number of vacant parcels; several are adjacent and represent opportunities for strategic parcel assembly. It should be noted that these parcels are vacant primarily because they are smaller than the industrial developer required five-acre parcel. Unless they are assembled or purchased for expansion by a neighboring business, they are likely to remain vacant. Rather than adopt a wait and see attitude regarding future expansion, a proactive solution would be to combine contiguous parcels into larger sites with greater potential. The project team recommends assembling the following groups of parcels:

East Side of 194th:

The four vacant parcels at this location total approximately ten acres. The long, narrow parcel, while perhaps not appropriate for a structure, could be used to provide an access road from San Rafael and parking for the new business located above.



Southwest Corner of San Rafael and 201st:

The two parcels at this intersection could be combined for a total of about nine acres. Additionally, there is a vacant, 7.6-acre parcel across from San Rafael to the north. This may be a workable configuration for a business that does not require a single large facility, but would prefer multiple smaller buildings.

Two Agricultural Parcels on San Rafael:

In contrast to the above parcel assembly projects, this land is not currently on the market. It is clear, however, that agriculture is not the most appropriate use for these 14+ acres in Gresham's industrial core. If necessary, use of eminent domain authority would be justified to acquire these well-configured and unoccupied parcels.

Desired outcomes: To create the large parcels preferred by investors, developers, and target industries and to begin filling the holes in the Rockwood/West Gresham Industrial Core with quality employers and family wage jobs.

Evaluation: Assembling parcels that are substantial enough in size to accommodate a major redevelopment project or a high profile employer will improve the overall productivity and job density of the Industrial Core. This is most likely to occur with



Vacant Land for Sale in the Industrial Core

SUPPLEMENTARY STRATEGIES

1. COMBINE LI AND BP ZONING DISTRICTS

The differences between the Business Park (BP) and Light Industrial (LI) industrial land use districts are few enough that the two classifications could be combined. This would add flexibility to the City's Development Code and open more options for the Industrial Core. Currently, the southern half of the Core is designated LI while the northern half is HI. The project team believes that some uses allowed in HI are not compatible with LI or BP uses and that this separate classification should be maintained.

There is a short list of differences between the LI and BP land use districts:

- Assembly and repair, finishing, and testing are not permitted in BP but allowed in LI;
- Laboratories are permitted in BP and limited in LI;
- Warehousing and servicing activities are limited in BP and permitted in LI;
- Office uses are allowed for 100 percent of floor area in BP and for 40 percent in LI (office space must be related to the industrial use);
- Commercial services are permitted as 30 percent of floor area in BP and 20 percent in LI; and
- Retail sales are permitted for 20 percent in BP and 15 percent in LI.

It should not be difficult for the City to define a new district that combines the regulations of BP and LI while, at the same time, discouraging incompatible

uses within the district. If there are specific industrial uses allowed in LI that the City finds incompatible with office uses, these could be limited to HI.

Desired outcomes: In our rapidly changing economy, businesses need the capability to adapt quickly. With a more flexible industrial zoning code, Gresham's industrial lands will be more appealing to new, cutting-edge employers, and will better meet the changing needs of current firms.

Evaluation: This strategy has minimal financial costs for the City and can be implemented in the near term. It will contribute to Gresham's burgeoning image as a great location for industry and be an incentive for existing businesses to stay within the city. Problems could arise if the newly created zoning district disallows some current businesses, but these problems can be averted with careful crafting of the specifics of the new district.

"Having flexibility in your zoning is important, since we cannot know what the future will bring us...zoning sometimes lags behind economic trends and land use needs."

-Dennis Yee,
Metro Economist



Intel Campus on the Westside: a Model for Business in Gresham

2. PERFORMANCE-BASED JOBS PROGRAM

Under Portland's Quality Jobs Program, employers that create jobs with wages above 150 percent of Multnomah County's median household income receive a forgivable loan of \$2,000 (up to a total of \$300,000) per new employee. The loan is forgiven if the job is maintained for at least two years. Targeted incentives like this guarantee family wage jobs in a way that is not possible by simply attracting specific industries. The project team recommends using urban renewal funds to finance a performance-based jobs program targeted at family-wage jobs.

Desired outcomes: To ensure that Gresham attracts jobs with wages and benefits that will contribute to the self-sufficiency and quality of life of local residents. In addition, this program could fulfill the City's goal to increase business expansion and development in the Industrial Core.

Evaluation: Given the limited dollars available for redevelopment, the City may have to make tough choices between the type of incentive-based strategy described above and a more specific physical redevelopment project. Both choices have the potential to bring good jobs and new businesses to the area. The City may want to limit eligibility for the performance-based jobs program to specific sites or industries to regulate its costs. Another issue for the City to consider is streamlining the administrative

requirements for participation in this program so that its costs do not outweigh its benefits.

Target Industries for the Industrial Core

- Business and professional services
- Warehousing and distribution
- Logistics
- Creative services, including graphic communications and publishing
- Transportation equipment and services
- New Economy industries, including high technology, electronic commerce and knowledge-based employers
- Innovative industries, including eco-industrial employers and environmental services

Figure 8: Vacant Land for Sale in the Industrial Core

"Industrial land is scarce — Vestas took the biggest chunk left in the Portland area."
-The Oregonian
(5/13/02)

3. SDC INCENTIVE PROGRAM

Gresham's existing System Development Charges (SDCs) financing program defers payment of SDCs until occupation of the subject site or finances it over seven years. Like the performance-based jobs incentives described above, this program could be targeted to specific industries that provide jobs with family wages and benefits. In this way the City could encourage the type of economic development that it most desires, rather than economic development in general. The team recommends that the City uses SDC financing or subsidies to target family wage jobs.

Desired outcomes: To stimulate investment by target industry employers in the Industrial Core.

Evaluation: SDCs are used to fund the construction and maintenance of the City's infrastructure. If Gresham's SDC financing program is too generous or broad, there may not be enough revenue to pay for these projects, which also contribute to making the city attractive to industry. Used judiciously, however, SDC incentives can expand Gresham's competitive advantage over surrounding communities and draw the sort of jobs the city needs.

4. WORKFORCE DEVELOPMENT

The target industry employers the team identified in the demand analysis (Figure 8) require employees with specific skill-sets; skills that may not be taught in generalized education and training programs. Public-private partnerships between industry and local workforce development and educational institutions will result in a stronger local workforce, to the benefit of employer and employee. Gresham's continuing investment in technology education and research should focus on the target industries it strives to attract. The project team recommends the creation of certificate programs and customized job training programs developed in partnership with specific employers and a structured forum to facilitate communication between employers and the local educational system.

Desired outcomes: To prepare the local workforce to meet the needs of specialized industries that offer good wages and benefits, and opportunities for employees to "move up" the job ladder. To decrease the jobs/housing imbalance in Rockwood by improving the education and skill-level of residents so that they can compete in the local industrial job market.

Evaluation: The proposed certificate and job training programs must be carefully evaluated. It is not in the City's interest to train its local workforce for jobs with skill needs so specific that they are non-transferable. Further, training programs should not

be intended as a total replacement for on-the-job training paid for by the employer. A well-designed training system, however, will make the local workforce the employees of choice for quality jobs in Gresham and elsewhere. This is especially true today, given the knowledge-based economy that has impacted the region and the nation. Finally, it is important to recognize the role that an effective workforce training program will have in realizing the City's objective to draw target industries and quality employers to Gresham.



Training for the Future

CONCLUSION

Overall, the Rockwood/West Gresham Industrial Core has potential to contribute to economic development efforts that will impact the City of Gresham and the Portland metropolitan region. Its location advantage, proximity to a manufacturing/ industrial workforce, and a significant supply of viable industrial land give it a competitive advantage within the region. Implementation of a combination of the above projects, along with the City's commitment to the area's growth, are necessary for the realization of these stated outcomes.

As this analysis has demonstrated, there are a number of public policy and administrative options for the City of Gresham to pursue in order to compete successfully in a rapidly changing regional economy. Among these options, urban renewal offers the most potential for business retention and recruitment, and the creation of family wage jobs in the Rockwood/West Gresham Industrial Core. However, the analysis has also shown that there are viable alternatives for the City to pursue should urban renewal fail to gain the support of the community. These alternatives would require the City to develop creative solutions to acquire the necessary resources for redevelopment of the Rockwood/West Gresham Industrial Core. In either case, the City of Gresham's future economic development decisions will impact not only the local community, but the region's economy as well.

Appendix A: Rockwood/West Gresham Employer Focus Group Questions

1. Where is your business located? What product/service do you specialize in? How many employees do you have? Has your business grown or decreased in size in recent years?
2. Why did you choose to locate your business in Gresham and, at a broader level, the Portland Metro area?
 - Site specific locational advantages
 - Cost of land/construction
 - Local/regional business climate and market conditions
 - Utility fees/ tax rates
 - Transportation costs, access and connectivity
 - Local labor market
3. What would you say are the advantages of your location today?
4. What are the limitations of your current location?
 - Site-specific physical limitations (inadequate structures, building height/size, etc.)
 - Site specific locational disadvantages (transportation access, accessibility to employees, aesthetic appeal of the area, etc.)
 - Utility fees and tax rates
5. To what extent does the level of education/training of local residents (in particular Rockwood residents) meet your workforce needs? Are there any skill sets and education needs that local schools/colleges and job training agencies should focus more attention on?
6. Are there any local/regional industry trends, business climate or market conditions (i.e. non site specific conditions) that threaten the stability of your business?
7. Do you have any ideas or suggestions of specific short- or long-term measures that could be undertaken to mitigate some of the problems facing your business?
8. What could the City of Gresham do to help make the Rockwood/West Gresham Industrial Core, and in general, the City of Gresham, more attractive to potential employers in industries that offer living wage jobs and other quality of life incentives?

Appendix B: Summary of Responses to Urban Renewal Working Group (URWG) Survey

<i>Summary of the Responses to the Survey on the Urban Renewal Action Items for the Rockwood Industrial Core</i>					
This is a summarized list of the proposed action items for redevelopment of the core industrial area that were presented to the Urban Renewal Work Group (URWG) on May 18th 2002 by the project team					
Proposed Action Items	Rating w/ 5 being most favorable				
	1	2	3	4	5
1. Do nothing, wait for economy to improve	xxxxx				x
2. Improve streetscape (sidewalks, curbs, lighting)	x			x	xxxxx
3. Create identity gateway and signage	x	x	xx	x	x
4. Expand marketing to outside the region				x	xxxxx
5. Combine LI and BP zones to increase use flexibility		xx	x		xxxx
6. Expand City permit and development processes		x	x		xxxx
7. Waive or reduce SDC for targeted industries		xx	xx	xx	
8. Implement Storefront Improvement Program			x		xxxxx
9. Improve transit service for core area access	xx	x		x	xx
10. Increase connections between edu & employers			xx	xxx	x
11. Public purchase/assembly of vacant parcels			xx	x	xxx
12. Implement performance-based job program		x		xx	xxx
13. Redevelopment of John Deere and adjacent parcels				xxxx	xx
14. I-84 Building to attract high-profile employer			x	xxxx	x
15. Implement Sandy/181st Transit Plan/ add entry		x	xx		xxx
16. Use limited eminent domain to assemble parcels	x	xx	x		xx
17. Use financial incentives to attract specific industries			x	x	xxxx
18. Investigate sustainable development opportunities	x	x			xxxx
Note: Each x represents the URWG member's rating as to the importance of each action item					

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TEAM MEMBER PROFILES

Katelin Brewer is originally from Underhill, Vermont and moved to Portland in 1998 because she had heard that Portland is a city for planners. Her MURP field area is Community Development and her interests include urban design and advocacy planning in developing countries. Her favorite cities are Lisbon and New York but she hopes to see many more around the world. She currently works as a Community Service Aide in Design Review for the City Office of Planning and Development Review and is also organizing a Grassroots Monitors Training in Washington County for regional advocates the Coalition for a Livable Future.

Donna Gouse worked as a community organizer for neighborhood-based organizations in San Francisco before moving to Portland in 1999. Much of her work focused on affordable housing and land use concerns, which sparked an interest in planning and her decision to enter the MURP program with her field area in Community Development. She has a B.A. in journalism from New York University and previously has worked for newspaper, magazine and book publishers. She was recently an intern at the Portland Bureau of Housing and Community Development and currently works at the Northwest ADA/IT Center at Oregon Health Sciences University.

Linda McNeill is a Portland resident and came to the MURP program with experience in the field of architecture. Her MURP specializations are in

Community Development and Public Policy and Administration. Her major interest is in working with public and community organizations that serve low-income residents and minority groups. She is presently interning at Sabin Community Development Corporation and is involved with their NE Portland Digital Community Program, Youth Summer Employment Program, NE Portland Weed and Seed Program (a federally funded program to fight crime through the Dept. of Justice), and the LELP and Land Trust Initiatives. Her particular interest in working on the Rockwood Industrial Area Analysis Project is in developing potential alternatives for the economic development of high poverty area of the metropolitan region.

Tina Mosca was born and raised in the northeast and holds a bachelor's degree in Creative Writing and Literature from the University of Michigan, Ann Arbor. Her MURP specialization area is Policy Planning and Administration and her long-term career goals are to serve low income, urban communities as an economic development professional and promote regional planning outside of Oregon. When she graduates from the MURP program, Tina plans to take up a new musical instrument—either the drums or the horn. Since late fall of 2000, she has interned in the Portland Development Commission's Economic Development Department. Prior to moving to Portland to attend graduate school, she worked on community-based economic development partnerships in Chicago.

Scott Walker was raised in Orlando, Florida, where he spent several seasons at local theme parks in the employ of the area's many world-famous fictional characters. He received a degree in mechanical engineering from Cornell University in 1998, which he made use of for only one year before changing careers to urban planning. He moved to Portland from Boston, Massachusetts in the fall of 2000 to pursue a master's degree in the field, which he plans to complete in June, before returning to Boston and his lovely girlfriend.



The Team (left to right): Katelin Brewer, Tina Mosca, Scott Walker, Linda McNeill, Donna Gouse