

MRC

**MILWAUKIE
REDEVELOPMENT
COMMISSION**

**MEETING
PACKET**

City of Milwaukie, Oregon



City Hall Council Chambers, 10722 SE Main Street &
Zoom Video Conference (www.milwaukieoregon.gov)

AGENDA

MARCH 19, 2024

The Commission will hold this meeting in-person and through video conference. The public may attend the meeting at City Hall or by joining the Zoom webinar or watching live on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. **For Zoom webinar information** visit <https://www.milwaukieoregon.gov/bc-rc/redevelopment-commission-15>.

To participate in this meeting by phone dial 1-253-215-8782 and enter Webinar ID 865 6947 8638 and Passcode: 111508. To raise hand by phone dial *9.

Written comments may be submitted by email to ocr@milwaukieoregon.gov. The Commission may take limited verbal comments.

Agenda Note: The Commission will be meeting as the City Council before this MRC meeting. The start time of this meeting may be impacted by the Council meeting. For information about the Council meeting visit <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-368>.

Note: times are estimates and are provided to help those attending meetings know when an agenda item will be discussed. Times are subject to change based on Council discussion. **Page #**

- 1. **CALL TO ORDER** (7:20 p.m.)
- 2. **APPROVE MINUTES**
 - A. **July 11, 2023, Commission Meeting.** **2**
- 3. **REGULAR BUSINESS**
 - A. **Economic Development Program – Update** (7:25 p.m.) **4**
Staff: Joseph Briglio, MRC Executive Director
- 4. **INFORMATION**
The MRC executive director will provide reports on Commission business as necessary.
- 5. **ADJOURNMENT** (7:55 p.m.)

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice
The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502. To request Spanish language translation services email espanol@milwaukieoregon.gov at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's YouTube channel](#) and Comcast Channel 30 in city limits.

Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)
La ciudad se compromete a proporcionar igualdad de acceso para reuniones públicas. Para solicitar servicios de asistencia auditiva y de movilidad, favor de comunicarse a la Oficina del Registro de la Ciudad con un mínimo de 48 horas antes de la reunión por correo electrónico a ocr@milwaukieoregon.gov o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a espanol@milwaukieoregon.gov al menos 48 horas antes de la reunión. El personal hará todo lo posible para responder de manera oportuna y atender las solicitudes. La mayoría de las reuniones del Consejo de la Ciudad se transmiten en vivo en el [canal de YouTube de la ciudad](#) y el Canal 30 de Comcast dentro de los límites de la ciudad.



City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

MARCH 19, 2024

Present: Commissioners Adam Khosroabadi, Robert Massey, Desi Nicodemus, Rebecca Stavenjord, and Lisa Batey

Staff: Joseph Briglio, MRC Executive Director
City Attorney Justin Gericke

Assistant City Manager Emma Sagor
City Recorder Scott Stauffer

Commissioner Batey called the meeting of the Milwaukie Redevelopment Commission (MRC) to order at 7:42 p.m.

1. CALL TO ORDER

2. APPROVE MINUTES

It was moved by **Commissioner Khosroabadi** and seconded by **Commissioner Massey** to approve the Minutes of the July 11, 2023, MRC Meeting. Motion passed with the following vote: **Commissioners Khosroabadi, Massey, Abma, Stavenjord, and Batey** voting “aye.” [5:0]

3. REGULAR BUSINESS

A. Economic Development Program – Update

Briglio provided an update on the economic development program of the MRC’s Urban Renewal Plan, noting the program’s development and administration through financial help pre-development assistance and storefront improvements. **Mayor Batey, Councilor Abma,** and **Briglio** remarked on whether Metro still offered funding for storefronts.

Briglio continued to note the economic development programs, including funding for tenant improvements, and displacement companion assistance. **Mayor Batey** and **Briglio** noted small business training workshops the city had offered before. **Council President Massey** and **Briglio** remarked on differences between pre-development and displacement companion assistance programs.

Briglio presented and discussed the core values and preferences of the MRC’s economic development program in implementing assistance programs, and noted ongoing considerations staff are still working out such as offering a way to reimburse businesses that had already made improvements before the programs existed.

Councilor Stavenjord thanked staff and the MRC Community Advisory Committee (MRCCAC) for working on economic development strategies and remarked on the values and priorities being implemented through the programs **Briglio** presented.

Councilor Khosroabadi appreciated the programs proposed and asked if the MRC could offer programs specifically to support minority, women, and veteran owned businesses. **Briglio** agreed staff were interested in growing the city’s support for such businesses.

Councilor Abma supported the MRC’s economic development work and asked if the programs could support a business retrofitting an office space to a storefront. **Briglio** confirmed the proposed programs could be used to do such storefront updates.

Council President Massey supported the proposed programs. **Briglio** and **Massey** remarked on how the MRC and city learn about businesses opening in Milwaukie through a six-month look back tool. They noted there was work to be done to connect with and support businesses.

Councilor Khosroabadi remarked on the importance of supporting local businesses to grow the local economy and provide livable wage jobs.

Councilor Abma and **Briglio** commented on the MRC’s business outreach efforts.

Briglio provided an overview of the implementation steps planned for the economic development programs with many being initiated by fall 2024. **Councilor Stavenjord**, **Mayor Batey**, and **Briglio** noted the six-month look back timeframe and when the MRC would launch the programs.

Mayor Batey and **Briglio** discussed how the economic development programs would encourage increased foot traffic in downtown Milwaukie. They also remarked on the overall status of the MRC (urban renewal district) as outlined in the Urban Renewal Plan, noting what projects had been incorporated into city projects and plans.

4. INFORMATION

There was no additional report.

5. ADJOURNMENT

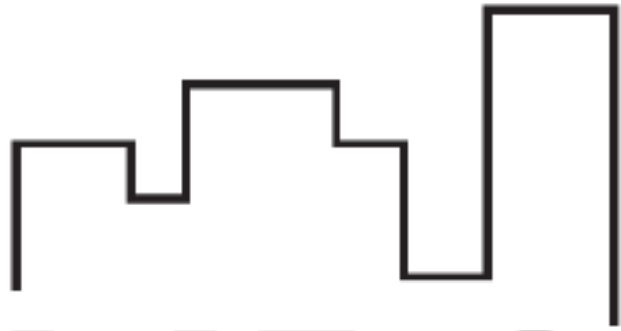
It was moved by **Commissioner Stavenjord** and seconded by **Commissioner Massey** to adjourn the MRC. Motion passed with the following vote: **Commissioners Khosroabadi, Massey, Abma, Stavenjord, and Batey** voting “aye.” [5:0]

Commissioner Batey adjourned the meeting at 8:22 p.m.

Respectfully submitted,



Scott Stauffer, City Recorder



MRC

**MILWAUKIE
REDEVELOPMENT
COMMISSION**

Agenda Item 2.

MINUTES



City Hall Council Chambers, 10722 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES
JULY 11, 2023

Present: Commissioners Adam Khosroabadi, Robert Massey, and Lisa Batey

Absent: Commissioners Desi Nicodemus and Rebecca Stavenjord

Staff: Ann Ober, City Manager
Adam Moore, Parks Development Coordinator
Scott Stauffer, City Recorder

Commissioner Batey called the meeting of the Milwaukie Redevelopment Commission (MRC) to order at 5:28 p.m.

1. CALL TO ORDER

2. APPROVE MINUTES

It was moved by **Commissioner Khosroabadi** and seconded by **Commissioner Massey** to approve the minutes of the June 20, 2023, MRC meeting. Motion passed with the following vote: **Commissioners Khosroabadi, Massey, and Batey** voting “aye.” [3:0]

3. REGULAR BUSINESS

A. MRC Community Advisory Committee (MRCCAC) Appointment – Resolution

Stauffer explained the request for the Commission to appoint a new MRCCAC member.

It was moved by **Commissioner Khosroabadi** and seconded by **Commissioner Massey** to approve the resolution making appointments to the MRCCAC. Motion passed with the following vote: **Commissioners Khosroabadi, Massey, and Batey** voting “aye.” [3:0]

Resolution 3-2023:

A RESOLUTION OF THE MILWAUKIE REDEVELOPMENT COMMISSION MAKING AN APPOINTMENT TO THE MRC COMMUNITY ADVISORY COMMITTEE (MRCCAC).

4. INFORMATION

There was no report from the MRC executive director.

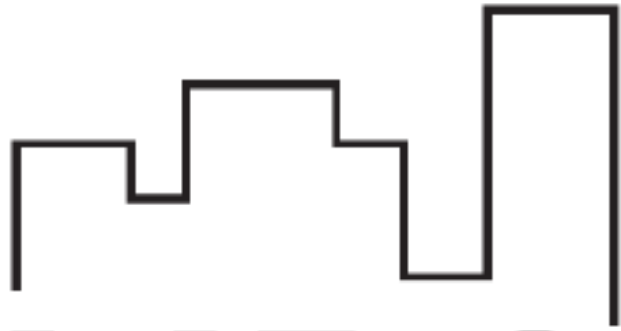
5. ADJOURNMENT

It was moved by **Commissioner Khosroabadi** and seconded by **Commissioner Massey** to adjourn the MRC. Motion passed with the following vote: **Commissioners Khosroabadi, Massey, and Batey** voting “aye.” [3:0]

Commissioner Batey adjourned the meeting at 5:31 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder



MRC

**MILWAUKIE
REDEVELOPMENT
COMMISSION**

Agenda Item 3.

REGULAR BUSINESS



STAFF REPORT

**MRC 3. A.
3/19/24**

OCR USE ONLY

To: Chair and Commissioners
Reviewed: Ann Ober, City Manager
Emma Sagor, Assistant City Manager
From: Joseph Briglio, Executive Director
Subject: **Economic Development Programs Update**

Date Written: Mar. 7, 2024

ACTION REQUESTED

The Milwaukie Redevelopment Commission (MRC) is asked to receive an update on the draft framework for the economic development programs related to the Urban Renewal Area (URA) and provide staff with feedback.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

August 25, 2016: City Council adopted the Milwaukie Urban Renewal Plan (Ordinance 2130).

October 1, 2019: The MRC received an update on urban renewal and held their first strategic discussion about urban renewal programming.

September 1, 2020: The MRC received an update on available financial resources in the urban renewal area fund and discussed the creation and recruitment process for the MRCCAC.

March 9, 2021: The MRC appointed members to the MRCCAC ([MRC Resolution 2-2021](#)).

October 21, 2021: The MRC received an update on the development of a five-year urban renewal action plan.

December 7, 2021: The MRC received an update on the five-year action plan.

February 8, 2022: The MRC received an update on the five-year action plan and approved MRCCAC bylaws.

June 7, 2022: The MRC adopted the MRC Five-Year Action Plan (Attachment 1).

ANALYSIS

The MRC adopted its Five-Year Action Plan in June of 2022, which calls for the creation and implementation of several economic development focused programs, in addition to capital projects. These programs include the Storefront Improvement, Tenant Improvement, and Pre-Development Assistance programs. The Five-Year Action Plan offers the purpose for these programs in general terms; however, the actual details, criteria, and delivery require further formation and discretion.

In coordination with the Milwaukie Redevelopment Commission Community Advisory Committee (MRCCAC), staff have established a draft framework for program delivery. You'll find each program and its parameters summarized below and additional commentary in the attached memo from our economic development consultant, John Southgate (Attachment 2):

Pre-Development Assistance Program

- Purpose: The Pre-Development Program is intended to provide funding for a wide variety of professional studies which the city deems likely to support and spur new development (either new construction or major rehabilitation) that advances the aspirations for its Downtown and URA as expressed in the Urban Renewal Plan.
- Eligible Applicants: Property Owners, as well as prospective owners or developers who can demonstrate that they are in the position to own the property in question.
- Eligible Activities: Any technical studies and services that assist in the possible redevelopment of a property.
- Maximum Grant Amount: \$50,000, but the MRC may authorize larger grant amounts for “catalytic” projects that are large scale, provide high return on investment (ROI), and can demonstrate multiple benefits that advance city goals.
- Minimum Match Requirement: 50% of the grant amount.
- Application Cycle: First come, first served until funds are exhausted.
- Decision Authority: The executive director may approve grants up to \$50,000 based on program parameters. The MRC would be the approving body for any requests above \$50,000 (i.e., “catalytic” projects).
- Work Product: The MRC will own the work that it funds and may opt to share it with other parties.

Storefront Improvement Program

- Purpose: The Storefront Improvement Program is intended to beautify the downtown by upgrading the exterior facades and appearance of buildings.
- Eligible Applicants: Property owners or tenants. Preference for those in the downtown core, but available to the entire URA.
- Eligible Activities: Exterior improvements that enhance the appearance or functionality of ground floor retail/commercial spaces. Examples: windows, entrances, transoms, awnings, signs, sidewalks (when ancillary to the project, but not as stand-alone sidewalk upgrades), building rehabilitation, and new siding. The MRC will also consider funding any necessary fees, including building permits and system development charges (SDCs).
- Maximum Grant Amount: \$25,000. Will consider grant requests for up to \$50,000 for uses that are likely to result in additional benefits with regard to the economic and community health of downtown (i.e., a use that provides a destination, a sense of place, job creation, and community building).
- Minimum Match Requirement: 50% of the grant amount, but 25% for grants at or below \$5,000. The executive director may also reduce the match requirement if there is a proven hardship.
- Duration of Improvement: Improvements must remain in place for a minimum of five years; if the URA-funded improvements are removed in less than five years, the applicant must reimburse the city on a pro rata basis (20% of grant funds for every year remaining in the

Duration period). However, projects which entail grant funding of \$5,000 or less would not be subject to this requirement.

- Decision Authority: The executive director based on program parameters.

Tenant Improvement Program

- Purpose: The Tenant Improvement Program is focused on improving the interior of a building and assisting applicants with meeting various code requirements (i.e., a grease trap interceptor for a restaurant).
- Eligible Applicants: Property owners or tenants. Preference for those in the downtown core, but available to the entire URA.
- Eligible Activities: Interior improvements that are intended to expand or upgrade the ground floor tenant space. This program is restricted to restaurants, curated retail, and other similar uses that generate foot traffic. Examples of improvements: new kitchen equipment in the case of restaurants, or other improvements intended to accommodate desired uses, including cost of improvements required by code, such as grease traps, Americans with Disabilities Act (ADA) improvements to restrooms and exiting, etc. The MRC will also consider funding of any necessary fees, including building permits and SDCs, as well as any off-site improvements (sidewalks, public infrastructure) when ancillary to the project.
- Maximum Grant Amount: \$25,000. Will consider grant requests for up to \$50,000 for uses which are likely to result in additional benefits with regard to the economic and community health of downtown (i.e., a use that provides a destination, a sense of place, job creation, and community building).
- Minimum Match Requirement: 50% of the grant amount, but 25% for grants at or below \$5,000. The Executive Director may also reduce the match requirement if there is a proven hardship.
- Duration of Improvement: Improvements must remain in place for a minimum of five years; if the URA-funded improvements are removed in less than five years, the applicant must reimburse the city on a pro rata basis (20% of grant funds for every year remaining in the Duration period). However, projects which entail grant funding of \$5,000 or less are not subject to this requirement.
- Decision Authority: The executive director based on program parameters.

Program Preferences and Values

The MRCCAC expressed a number of values and preferences that it wished to introduce and be considered as part of the application process, especially in times of limited resources and competing projects. There was a desire to prefer (not require) projects that provide more job opportunities, incorporate a business model that reduces barriers for multiple entrepreneurs/startups, include intentional placemaking and community building, offer local hiring efforts, and similar locally based benefits. The MRCCAC also requested that staff first focus their marketing efforts on historically underrepresented communities as they are often the last to learn about these types of incentive programs offered by local government. To that end, staff intends to develop marketing material in multiple languages and partner with specific associations that serve these communities (i.e., Hispanic Metro Chamber of Commerce, Asian Pacific American Network of Oregon, Black American Chamber, Hacienda CDC, Micro

Enterprise Services of Oregon, Native American Youth and Family Center, etc.) when the programs are close to launching.

Anti-Displacement Companion Program

It is important to note that urban renewal has a problematic history linked to gentrification rooted in racism and prejudice. In acknowledgement of this, the MRCCAC asked staff to consider practices that could possibly help reduce displacement and other unintended consequences of redevelopment. Staff are interested in pursuing a contract for professional services related to business assistance and professional consulting. There are a few similar programs that other URAs utilize that allow existing businesses the ability to receive professional consulting services related to their storefront, merchandising, and branding. For those businesses that lack the means to rebuild their façade or interior, receiving some professional guidance on “little things” or “low hanging fruit” can be a way to keep them relevant and even prepare a plan for improving their space incrementally, as resources allow.

BUDGET IMPACT

These programs are anticipated to receive funding during the next budget cycle using a portion of the tax increment that’s accrued since the creation of the URA that is not going toward bond debt service.

WORKLOAD IMPACT

These programs are new to the city’s service portfolio and will require staff resources to adjust accordingly to address the new demand. Depending on demand, this will likely require additional professional service agreements (i.e., contract staff) to help provide administrative capacity.

EQUITY IMPACT

As mentioned above, urban renewal programs have a history of being a tool to further racially motivated displacement of people groups. In acknowledgement of this, staff is attempting to incorporate a companion program to help retain existing businesses and property owners who may not have the means or ability to make significant changes to their façade or building interior. The hope is that there will be fewer negative impacts by offering low-barrier assistance to those that want it, as well as marketing to underrepresented communities first.

CLIMATE IMPACT

None.

COORDINATION, CONCURRENCE, OR DISSENT

The MRC executive director continues to coordinate with the finance department, community development department, and engineering staff on the investments outlined within the Five-Year Action and investment plan.

STAFF RECOMMENDATION

This is an informational item that the council is providing feedback on.

ALTERNATIVES

Council may request additional program parameters or considerations be included in the development of these programs.

ATTACHMENTS

1. MRC Five-Year Action Plan
2. John Southgate Memorandum



CITY OF MILWAUKIE TAX INCREMENT FINANCE DISTRICT

5-YEAR ACTION PLAN
(2023-2027)

June 7, 2022

Drafted by Kelly Brooks, Milwaukie Redevelopment Commission Executive Director

ACKNOWLEDGEMENTS

This plan would not have been possible without the guidance and support of the Milwaukie Redevelopment Commission, Milwaukie Redevelopment Commission Community Advisory Committee, City Manager Ann Ober, and the city's Strategic Engagement Team and Community Development Department staff. Tiberius Solutions supplied updated financial projections and Elaine Howard Consulting shared important background about tax increment financing and insights from developing Milwaukie's plan in 2016.

MRC Members

Mark Gamba (Chair)
Kathy Hyzy

Lisa Batey
Desi Nicodemus

Angel Falconer

MRC CAC Members

Kathy Hyzy, Chair
Carmen Meyer
Neil Hankerson
Heather Koch (ex-officio)

Alex Howard
Bonnie Tanamer
Sabina Spicer
Doug Whitely (ex-officio)

Yelena Voznyuk
Donna Baten
Doug Edwards

Consultants

Elaine Howard, Elaine Howard Consulting
Nick Popenuk, Tiberius Solutions

TABLE OF CONTENTS

Introduction 4

District Boundaries 5

Financial Forecast 6

Plan Development and Community Engagement 6

Investments 11

 Development / Economic Development 11

 Transportation Downtown 14

 Transportation Central Milwaukie 15

 Parks and Open Space 16

Conclusion 17

Attachments 18

INTRODUCTION

The Milwaukie Redevelopment Commission (MRC) is the urban renewal agency for the City of Milwaukie. The MRC was established in 1987 through council adoption of Ordinance 1623. In 2015, Milwaukie City Council directed staff to prepare an urban renewal plan, which was adopted in August 2016. The terms urban renewal area (URA) and tax increment financing (TIF) district are used interchangeably throughout this document. In the 1950s and 1960s, large parcels of land in cities across the country were cleared to make space for expanded business districts and university campuses. In the process, low-income and minority residents were disproportionately impacted by the destruction of existing neighborhoods. Wherever possible, the city uses TIF rather than URA due to the racist origins of the federal program and history of implementation in Oregon.

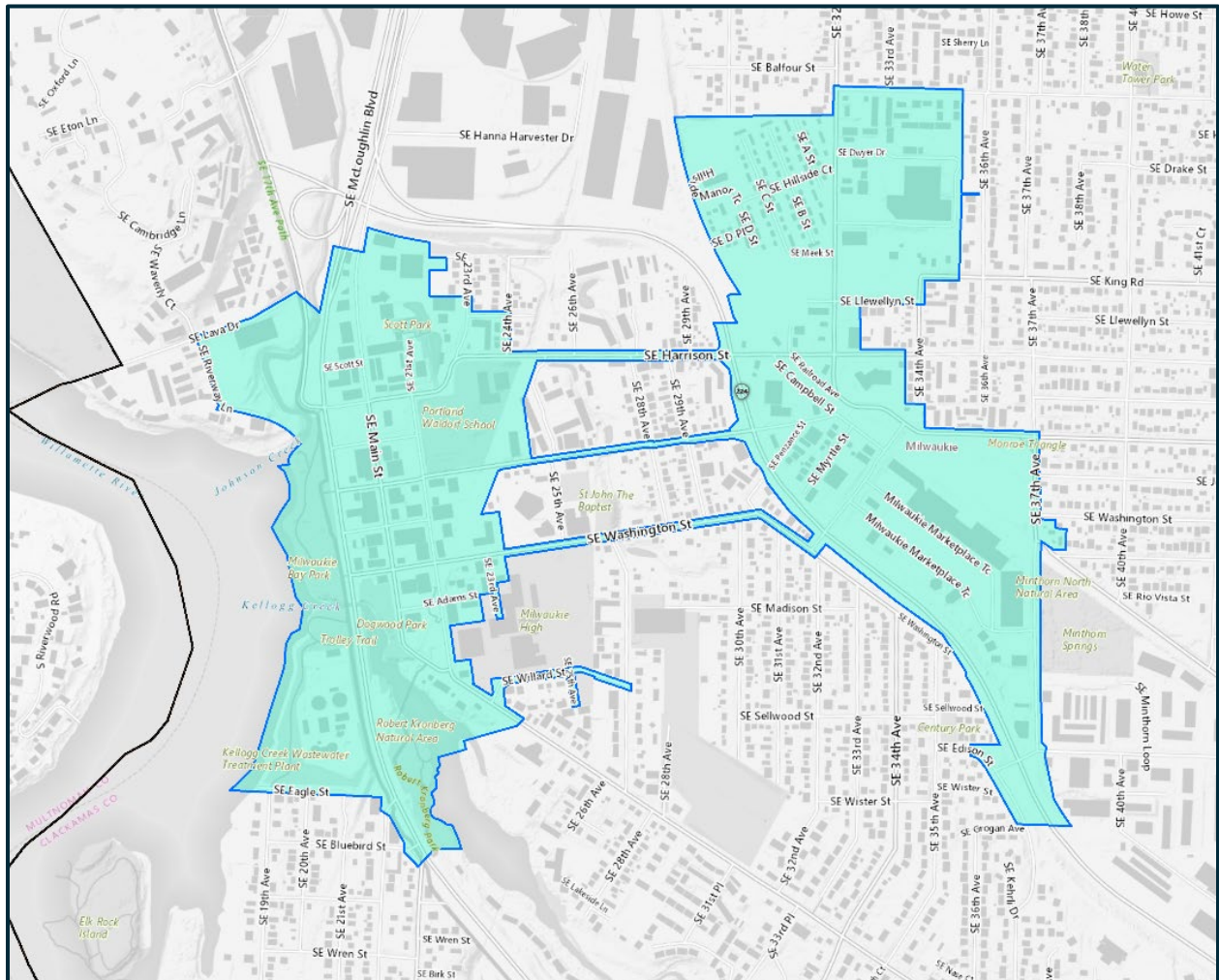
The 2016 plan established the boundary of the zone, a maximum indebtedness of \$92.5 million, and estimated a 29-year implementation timeframe. The adopted plan was informed by the Moving Forward Milwaukie plan (2015), Central Milwaukie Land Use and Transportation plan (2015), Milwaukie Downtown and Riverfront Land Use Plan (2015) and Transportation System Plan (2013). It also established goals, objectives, and a robust list of eligible projects and programs for the district.

By late 2020, sufficient tax increment had accrued to justify development of a 5-year investment strategy for the district. Furthermore, multiple city-wide plans, such as the Community Vision and Action Plan (2017) and Comprehensive Plan (2020), supplied further direction on where investments should be focused. Therefore, the MRC authorized the development of a more focused, near-term investment strategy to ensure that investments align with community needs.

The 5-year action plan begins to fulfill the goals and objectives of the Milwaukie urban renewal area by focusing on investments that reflect the highest priorities of our community, maximize TIF dollars and can be completed within five years. The priorities were shaped by input from the MRC, MRCAC, the community at-large and Neighborhood District Associations. Extensive ongoing engagement will be needed throughout the implementation phase to inform grant program administration and criteria.

DISTRICT BOUNDARIES

The Milwaukie TIF district spans both sides of OR Highway 224 to include both downtown and central Milwaukie, the city's two primary commercial areas. Milwaukie Bay Park, Scott Park, Kronberg Park / Kellogg Lake, McLoughlin Boulevard and Oregon Highway 224 all fall within the district.



Legend:

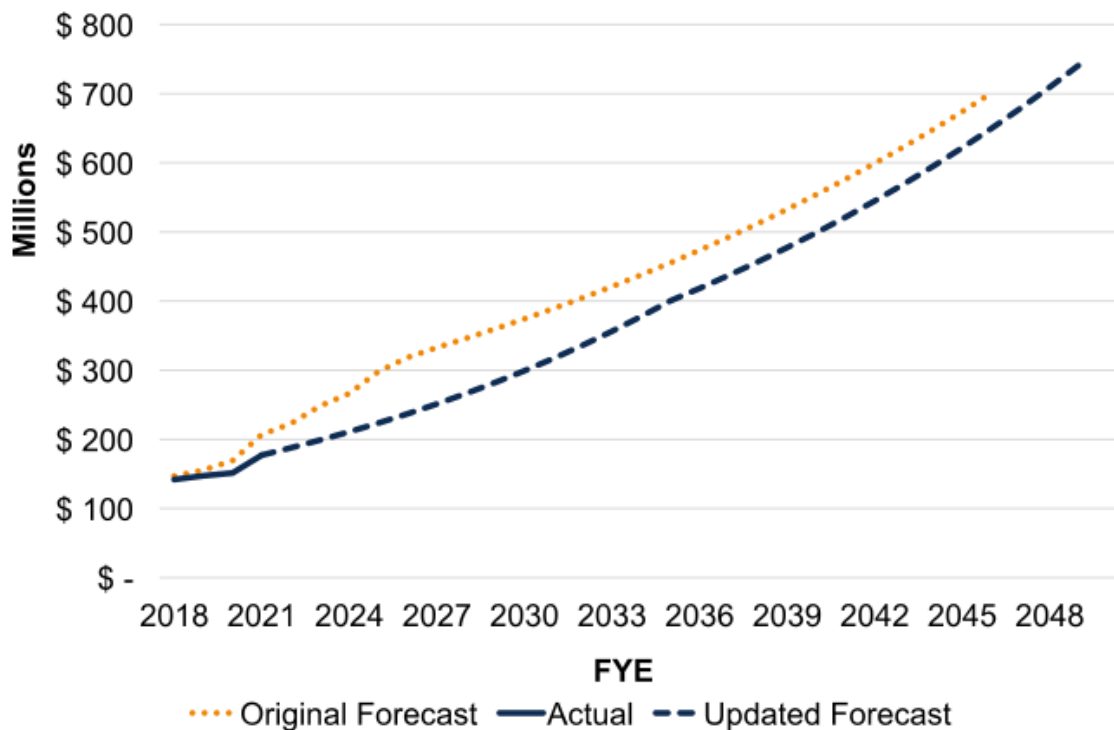
- Milwaukie City Limits
- Milwaukie Urban Renewal Area

2022 FINANCIAL FORECAST

The city contracted Tiberius Solutions to provide updated financial projections. The analysis found the district is projected to have robust growth, but not as strong as the 2016 forecast. The analysis did confirm, however, that the annual TIF is increasing rapidly, and is sufficient to incur debt. Therefore, the city is well positioned to invest up to \$10 million in projects between 2023-2028. Actual borrowing capacity will depend heavily on specific loan terms for new debt. Financing assumptions used for the forecast were 5% interest, 20-year loan duration and 1.5x desired debt service coverage ratio.

The chart below illustrates the difference between the 2016 and 2021 in total assessed value. Based on the revised forecast, a total net TIF revenue of \$108.8 is projected for the fiscal year ending (FYE) 2049 versus \$116.3.

ASSESSED VALUE



PLAN DEVELOPMENT & COMMUNITY ENGAGEMENT

MRCCAC

The MRC appointed a 9-member advisory committee to establish investment priorities for the city's tax increment financing (TIF) zone through the creation of a 5-year action plan. While the standing committee will exist beyond the adoption of the 5-year action plan, it will reengage on a quarterly basis after adoption of the FY 23/24 budget process to provide input and receive updates on plan implementation.

The bylaws of the MRC outline the following details for the CAC:

- Appointed by the commission
- Purpose is to advise the commission in decisions regarding plan implementation
- Shall adopt its own bylaws which shall be approved by the commission
- Not more than nine voting members and two non-voting ex-officio members
- Up to 3-year terms
- Two term limits, except for initial members
- Commission shall strive to appoint voting members who represent the following categories:

Property owners or business owners form within the URA	Persons with extensive knowledge of real estate, development, or land planning	Persons with extensive knowledge of public services, utilities, or infrastructure
Residents from within the URA	Persons with extensive knowledge of affordable housing development or programs	A member of the Milwaukie Redevelopment Commission (a City Councilor) - this person is the chair
Persons with extensive knowledge of finance, accounting, or economics	2 Ex-Officio members: representing special service districts - Fire District #1, NCPRD	

In accordance with the MRC bylaws, the CAC is chaired by Commissioner Kathy Hyzy and includes representation from downtown businesses, residents within the TIF district, social service advocates and experts within the field of planning. The committee also includes an ex-

officio member from North Clackamas Parks and Recreation District and Clackamas Fire District.

Plan Development

The MRCCAC met six times in 2021. The first meeting covered the basics of tax increment financing, with a focus on the racist history of the tool. Next, the group familiarized itself with the goals, objectives and underlying assumptions of Milwaukie's 2016 adopted plan. The third meeting delved deeper into the types of investment eligible within the zone and a discussion about what criteria should be applied in narrowing or expanding investments within the plan horizon. In accordance with the CAC and MRC's stated desire to apply an equity lens, staff and committee members regularly took inventory of who would be helped and hurt by various investments to grapple with potential implications to historically marginalized communities.

After receiving the updated financial forecast, the committee spent its final three meetings discussing and finalizing a draft investment plan for review by the MRC and the greater public.

Desired outcomes that emerged through deliberations at the CAC included:

- Using TIF to invest in what makes Milwaukie special and contributes to a sense of place.
- Construct improvements that make it safer and more convenient to walk, bike or roll to downtown Milwaukie.
- Help for existing and emerging business, particularly smaller businesses, thrive and increase their presence within the city.
- Activation of Milwaukie's Main Street and the Milwaukie Marketplace but with an emphasis on services are accessible to all income levels.
- Investing in projects that will provide future economic benefit to the city and our partner taxing jurisdictions.

Engage Milwaukie • Survey

The city created a project on its online engagement platform, Engage Milwaukie, to ask for feedback from community members about their priority investments areas, solicit ideas about how best to help businesses within the district and answer questions about the project. Overall, 89 people contributed to a survey or asked a question, 214 people downloaded a document or visited multiple pages and 477 people visited at least one page. Staff used survey results and other engagement to validate or right size various investment prior to adoption of the final plan and the 2023/2023 budget.

The first question asked was "What makes Milwaukie special to you?". In response, the city heard that people enjoy Milwaukie's small town feel and that our community members have a deep connection to the Willamette River, trees and open space. A collection of some of the responses are shown in Table 1.

Table 1

<i>The small town feeling and proximity to the river, trees, and other vegetation.</i>	<i>Milwaukie is a small town with a depth of history adjacent to a larger urban area and close to beautiful outdoor recreational areas.</i>
<i>Small and community centered. It feels like a smaller town, even so close to Portland.</i>	<i>Milwaukie's downtown feels like an old-timey Main Street. "Small-town feel" still even with the futuristic TriMet gliding by.</i>
<i>The fact that it's very spacious; large plots of land and greenery. It doesn't feel cramped. I also like the community activities (like the umbrella parade) and living in a city that's main street is on the river.</i>	<i>I love the river view, small town feel, walkability, easy access to Portland (both via the MAX and Mcloughlin) and great parks such as Milwaukie Bay. I like living near Downtown on the one hand and beautiful Elk Rock Island on the other! I can walk to MAX</i>
<i>I like the quaint feeling of the downtown. I like that it's close to all Portland has to offer but is a smaller town.</i>	<i>Affordable family neighborhoods</i>
<i>Farmers Market and iconic City Hall building It's connectivity to the river, it's increasingly safe ability to walk and ride a bike everywhere, being a small self-contained city on the edge of a big city.</i>	<i>I like that Milwaukie has a small, walkable downtown. I also like the recent emphasis on bike, walk, and transit commute methods, they all allow for you to feel a part of your community instead of in your own little bubble in your car.</i>

Next, we asked participants to tell us about the type of economic development that you would like to see.

- 81 respondents strongly agreed (58) or somewhat agreed (23) with the statement "I want to help existing businesses stay in Milwaukie."
- 84 respondents strongly agree (72) or somewhat agree (12) with the statement "I'd like to have a vibrant Main St."
- 77 respondents strongly agree (55) or somewhat agree (22) with the statement "I want to help people in Milwaukie start or expand their businesses."

The statement "I would like to see large developments that bring services and amenities currently missing from our community" met with a more mixed reaction.

- 46 respondents strongly agreed (22) or somewhat agreed (24)
- 18 respondents neither agreed nor disagreed

- 21 strongly (12) or somewhat (9) disagreed.

The third and final question asked people to rank programs or investments in the order that would be most helpful to Milwaukie businesses. The final ranking in order of most to least helpful was:

- 1) Secure bike parking
- 2) Updated signage to highlight signature events
- 3) Storefront improvement grant program
- 4) Interior tenant improvement grant program
- 5) Small business loan program for capital and equipment needs.

Many of the questions and comments received through Engage Milwaukie were about the need for another grocery store in town. Coincidentally, the long dormant Milwaukie Marketplace gained a new grocery store tenant while the draft plan was under review. While this exciting development was unrelated to direct TIF expenditures, it generated interest in the survey and provided a timely example of how co-investing in infrastructure can stimulate development.

Neighborhood District Association (NDA) and Business Outreach

During plan development, the Historic Milwaukie Neighborhood District Association began including Downtown Milwaukie Business Association (DMBA) members and leaders in its meetings. The purpose was to provide a forum for DMBA members to engage in city projects while the organization is taking an extended break from regular meetings. As such, staff discussed the 5-year action plan with Historic Milwaukie NDA / DMBA at two meetings. The more in depth of the two occurred on Jan. 10, 2022. While the group was generally supportive of the investments as presented, they had questions and concerns about the absence of a larger overall economic development strategy for downtown.

MRC staff met with NDA leadership from across the city in February 2022 to review the proposed investments and seek input. The group had questions about what criteria would be used to award grants, but was largely supportive of the various investments proposed.

Direct Business Outreach

Most of the input from business came directly from the MRCAC, which included two downtown business representatives and a downtown resident who owns a business located just outside city limits. A more intense period of business outreach will occur after plan adoption to inform the criteria and award amounts for the business support programs (storefront improvement grants, tenant improvements, small business assistance loan/grants).

INVESTMENTS

The 5-year action plan establishes investment priorities between fiscal year (FY) 2023 and FY 2027. The four investment categories within the plan are:

- 1) Development / Economic Development
- 2) Transportation: Downtown
- 3) Transportation: Central Milwaukie
- 4) Public Amenities: Parks and Open Space

Development • Economic Development

Predevelopment Assistance for Development Opportunities - \$250,000

Predevelopment funds can be used to help with the initial development costs on a site, such as technical assistance, feasibility studies and site planning. Providing this assistance can incentivize investment in a development project.

An active project under development that may receive help from these funds is the redevelopment of Milwaukie's historic city hall at 10722 SE Main St.



Tenant Improvements - \$1,000,000

MRC staff will partner with new or existing business owners to encourage and fund high-quality tenant improvements to the interiors of vacant commercial spaces. The program would help property owners in attracting businesses to locations that are difficult and costly to renovate and incentivize new retail and restaurant businesses to locate within the urban renewal area. A portion of these funds will go specifically towards creating a storefront improvement grant program.



Small Business Development Fund - \$150,000

The goal of this program is to provide funds and/or financing for things such as equipment and machinery, to help small and micro-businesses expand or become established in Milwaukie.

Developer Assistance - \$1,500,000

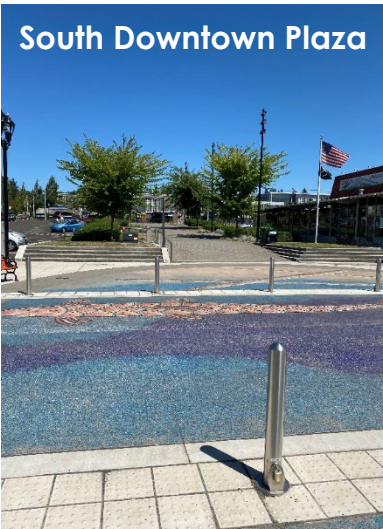
The 2016 plan allows for a broad range of activities related to development assistance. In general, the purpose of this funding is to offset costs related to development to incentivize activity on high priority sites. In response to drastic increases in housing costs across the Portland Metropolitan Statistical Area over the past decade, the city enacted a 1% Construction Excise Tax on new construction value over \$100,000 in permit value to fund affordable housing incentives. To increase the number of affordable housing units constructed in Milwaukie, 50% of the developer assistance will be distributed to CET eligible projects within the TIF district. The remaining 50% to offset development costs on projects that do not involve affordable housing.



Downtown Main St. Enhancements - \$500,000

Urban renewal can be used fund a portion of some activities included in a Main Street Program. Between 2023 and 2028, such funding will go towards:

- Replacing Event Signage
- Installing more wayfinding signage
- Pursuing partnerships to underground utilities
- Installing vertical element and shade at the South Downtown Plaza



Transportation Downtown

McLoughlin Boulevard Intersection Upgrades – \$250,000

McLoughlin Boulevard is owned and maintained by the Oregon Department of Transportation (ODOT). The purpose of allocating TIF resources to McLoughlin is to incentivize repainting and upgrading of crosswalks at Harrison, Monroe and Washington streets. Should such improvements trigger the replacement traffic signals, the vast majority of those costs would need to be covered by the state.

MRC would also like to work with ODOT to make pedestrian and cyclist crossing of McLoughlin more comfortable through modifications to the signal infrastructure and timing.



Pedestrian Undercrossing at Kellogg Dam – \$1,000,000

The 2016 recommends using TIF funds to establish a dedicated bicycle and pedestrian connection across McLoughlin Boulevard. A natural location for such a crossing is under the Kellogg Bridge on OR 99E (McLoughlin). The city aspires to restore Kellogg Creek by removing a dam that is structurally integral to the bridge. Restoring Kellogg Creek would provide critical fish habitat for endangered and threatened species while also facilitating construction of a separated crossing for bikes and pedestrians that would directly connect downtown to Milwaukie Bay Park.



ODOT owns 99E and is therefore responsible for any improvements to the highway and Kellogg Bridge. The ultimate cost of bridge replacement also far exceeds the financial capabilities of the city and more specifically the tax increment financing district. The purpose of programming TIF resources to the Kellogg Dam removal project is to catalyze action and leverage funding at the state and federal level. Prior to releasing the funds, however, the MRC

would need direct assurance (via formal agreement) that state resources will be committed to the project.

Parking Solutions - \$500,000

TIF resources will be used to implement many of the near-term actions identified in the city's 2018 adopted Downtown Parking Management Plan. Such projects will include:

- New signage to reflect zone timing changes recommended in plan.
- Better delineation of loading zones
- Development of shared parking agreements with new downtown developments
- Installation of secure bike parking downtown to incentivize non-auto trips
- Study and potential acquisition of paid parking technology for downtown.

Downtown Streetscape Improvements - \$500,000

Sections of sidewalk on Main Street, between Washington and Jackson, are in disrepair due to tree root growth. To facilitate saving the street trees, while also ensuring Americans with Disability Act (ADA) access, the city will use TIF funds to design and construct new sidewalk.

Transportation Central Milwaukie

Improved Access to Opportunity Sites - \$250,000

The city's updated Transportation System Plan, expected to be complete in 2024, will identify new projects that could be funded with TIF dollars in the 5-10 year period. A small amount of early funding has been identified to acquire needed property adjacent to Harrison Street.

Improve Transit Stops - \$300,000

Transit stops in Milwaukie are owned and maintained by TriMet. The plan invests a small amount of resources towards transit stop improvements to facilitate partnership projects with TriMet. The goal of such improvements is to provide transit shelters as sites are developed and to ensure excellent transit service to Central Milwaukie.

Monroe St. Greenway - \$1,332,000

The Monroe Greenway will create a nearly 4-mile continuous, low-stress bikeway from downtown Milwaukie to the I-205 multi-use path. Once complete, it will serve as the spine of Milwaukie's active transportation network connecting users to the Max Orange Line, Max Green Line, Trolley Trail, 17th Avenue Bike Path, I-205 path, neighborhoods, schools and parks. The \$1.34 million TIF allocation will leverage more than \$6.5 million in state, federal and local funds to complete the city's section of the greenway from Highway 224 to Linwood Avenue. Specifically, TIF funds will be spent on segment C, which is east of 224 and west of the cycle track and Monroe St. Apartments.

Public Amenities: Parks and Open Space

Dogwood Park Improvements - \$400,000

A framework plan completed by Lango Hansen in 2019 identified preferred locations for a future play structure, small performance area, and picnic/outdoor seating. Total cost of the framework plan design is \$462,957.



Trolley Trail Realignment at Milwaukie Bay Park - \$600,000

Realign the trolley trail within Milwaukie Bay Park as part of the Phase III improvements to the park. The realignment of the trail will reduce conflicts between cyclists and pedestrians, who currently share a sidewalk, and facilitate the development of the overall project.



CONCLUSION

In total, the action plan proposed to invest up to \$9,237,280 in eligible projects and programs between FY 2023 and FY 2027.

Table 2

Total Funding Proposed by Type

Development	\$3,750,000
Infrastructure	\$4,132,000
Parks and Open Space	\$1,000,000
Administration	\$355,000
Total	\$9,237,280

While many of the investments fall within the City of Milwaukie's authority and are, therefore, highly likely to go ahead, others are contingent on partner agreement and funding. To ensure the delivery of partner projects is assured, staff recommend that the MRC requires execution of all necessary agreements prior to issuing debt. Extensive outreach to businesses and partner agencies will be needed to craft economic development programs that work for users.

The city would like to again thank all of the MRCAC members, the MRC and the many people who shared their ideas throughout development of the plan.

Investment Project List Attachment A

Project	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Developer Assistance		750,000	750,000			1,500,000
Downtown Main St. Enhancements		500,000		150,000		650,000
Pre-Development Assistance	150,000	150,000				300,000
Small Business Development Fund		150,000	150,000			300,000
Tenant Improvements		500,000	500,000			1,000,000
Development Total	150,000	2,050,000	1,400,000	150,000	-	3,750,000
Downtown Streetscape Improvements		500,000				500,000
Kellogg Dam Removal / Pedestrian Undercrossing			1,000,000			1,000,000
McLoughlin Boulevard Intersection Upgrades		250,000				250,000
Monroe Greenway		1,332,000				1,332,000
Opportunity Site Access			250,000			250,000
Parking Solutions		500,000				500,000
Transit Stop Improvements		300,000		150,000		450,000
Infrastructure Total	-	2,882,000	1,250,000	150,000	-	4,282,000
Dogwood Park			400,000			400,000
Trolley Trail (Milwaukie Bay Park)				600,000		600,000
Parks and Open Space Total			400,000	600,000	-	1,000,000
Capital Outlay Total	150,000	4,932,000	3,050,000	900,000	-	9,032,000
Materials and Services	50,000	50,000	52,000	53,000	55,000	260,000
TOTAL	200,000	4,982,000	3,102,000	953,000	55,000	9,292,000
*No projects are programmed for FY 2027						

John Southgate Memo

City of Milwaukie
Urban Renewal Funded Grant Programs
Recommended Parameters

February 29, 2024
Final Review Draft

The City of Milwaukie has led a robust effort to engage the broader community in the formation of policies intended to revitalize Downtown and its environs that is economically vital, equitable, and walkable; featuring a mix of uses, housing choices, and businesses that serve the community but also attract visitors from throughout the region.

One of the key components of the City's efforts is the creation of a Downtown Urban Renewal Plan. Early funding for the Plan, as set forth in the Five-Year Plan, calls for the creation of three grant programs to support business investment and new development that aligns with the City's vision for its downtown, particularly as embodied in the goals set forth in the Urban Renewal Plan. Those programs are the Pre-development Program, the Storefront Grant Program, and the Tenant Improvement Program. This document sets forth recommended ground rules or *parameters* for the three grant programs.

Authorization of individual applications to access these programs are at the discretion of the Community Development Director (or, in certain specified circumstances, the City's Redevelopment Commission). Approval of funding requests from these programs should never be assumed by any applicant, even in cases of requests for improvements which fully comply with any applicable zoning codes. The broad intention behind these programs is to foster new investment that promotes an attractive, dynamic downtown that draws new customers to Milwaukie. To help the City achieve its goals (again, as set forth in the Urban Renewal Plan) and to assist individual businesses in successfully securing funding under these programs, the City will likely retain staff and/or consultants with expertise in design and marketing.

It bears noting here that the City has thoroughly embraced the protection and advancement of historically under-represented and marginalized communities. For this reason, the City has engaged a wide variety of voices in the formation of the Urban Renewal Plan and the Five Year Plan. Moreover, the City recognizes the importance of regularly "testing" the impacts of all of its programs – including these urban renewal grant programs – to assure that those impacts are consonant with the City's commitments to all of its residents and businesses.

Please note that this updated version of the recommended parameters incorporates extensive and thoughtful input from the Milwaukie Redevelopment Commission Community Advisory Committee. The Committee provided comments at two sessions (late November, 2023 and late January, 2024), as well as offering individual comments outside of those work sessions.

Pre-Development Program

Program Purpose

The Pre-Development Program is intended to provide funding for a wide variety of professional studies which the City deems likely to result in new development (either new construction or major rehabilitation) that advances the City's aspirations for its Downtown and URA as embodied in the UR Plan. With this program, the City hopes to stimulate investment, facilitate redevelopment of underutilized sites, and attract business growth, all within the context of core City goals related to equity, sustainability, etc. Simply put, the City aspires to create a robust, active, mixed-use downtown that provides a variety of housing choices across a broad range of incomes, coupled with new shops, eateries, office and other uses. The pre-development program is intended to provide information necessary for developers and property owners to move forward on projects which are likely to entail higher density, mixed use, quality design, and other characteristics that will contribute to a healthy and dynamic downtown.

Pre-Development Program Parameters

Eligible Area: The program is available within the entirety of the Milwaukie Urban Renewal Area (see Map, Attachment 1)

Eligible Applicants: Property Owners, as well as prospective owners or developers who can demonstrate to the City's Program Manager satisfaction that they are in the position to control the development of the property in question (i.e. an Earnest Money Agreement to acquire the site, an Option to purchase, a Joint Venture Agreement with the owner, or other documentation as deemed appropriate by the Program Manager). In general, the ultimate redevelopment of the property should generate TIF (Tax Increment Financing); however, the Program Manager will consider requests to fund pre-development efforts for projects that may be exempt from property taxes, such as an arts facility, or a maker space that is owned and operated by a non-profit venture. *Applicants must be current on their property taxes and business license, as applicable.*

Eligible Activities: Any professional studies associated with possible redevelopment of a property (either new construction or major rehabilitation). The redevelopment must be for a use or uses that support the City's goals for its downtown as generally expressed in the UR Plan, e.g. new multi-story/mixed use development or other uses that generate a more dynamic (i.e. placemaking, event space, job creation, and community building) and attractive core area. Professional studies may include, but are not limited to, conceptual design, market/feasibility analysis, appraisal, environmental assessment, geo-technical study, property survey, etc.

Maximum Grant Amount: \$50,000, but the UR Board may authorize larger grants of up to \$100,000 for significant, "catalytic" projects (large scale, major new redevelopment). For truly extraordinary projects (large scale, critically important properties) the City will consider funding requests that exceed \$100,000, subject to a thorough consideration of the project's "ROI" (Return on Investment) to the City, measured in terms of future tax revenue generation, added housing, new retail that will substantially increase the appeal of Downtown Milwaukie to customers from a much larger geography, etc. Other important considerations that the City will make in determining whether to fund a "catalytic" project include the projected subsidy "recapture" (i.e. how many years will it take to recapture the City's initial investment, due to increased TIF revenue?), and the leverage of the City's investment with other sources.

Minimum Applicant Match Requirement: The applicant must contribute a minimum of 50% of pre-development costs. For larger “catalytic” pre-development grant requests, the grant amount will be negotiated.

Application Cycle: Applicants may seek funds at any time, as long as the City has budgeted funds available within the current fiscal year.

Decision Authority: For grants of up to \$50,000, the City’s Project Manager has approval authority, basing his/her decision of whether to authorize any and all work on compliance with these parameters as well as the determination that the project will in the Project Manager’s sole discretion serve to advance the City’s aspirations for Downtown Milwaukie as expressed in the goals of the URA Plan, *and* that the project is reasonably likely to be built in the next five years. Requests in excess of \$50,000 for “catalytic” projects will require authorization by the Milwaukie Redevelopment Commission. Applicants must complete a form which will include questions related to the benefits that the project will create, related to the City’s goals for a revitalized downtown. For projects of up to \$50,000, the statement may be relatively brief; for requests for larger amounts, the applicant will need to provide a more detailed justification for funding, from both a qualitative and quantitative perspective. The latter may include such factors as temporary and permanent jobs created, TIF revenue to be generated, housing units, and local economic impact (e.g. intended local hiring and contracting).

Note that in the event of strong competition for funds, the City will favor projects which will more likely generate significant local benefits than projects which will have smaller or more tenuous impacts; the City will also give preference to projects that are deemed more likely to be developed in the near term (next 2-3 years).

Work Product Ownership: The City will own the work that it funds, and may opt to share that work with other parties as the City deems appropriate (including, if relevant, future owners or developers of the property).

Process: Applicants are encouraged to meet with the Program Manager prior to submittal of an application. The City will not fund work performed prior to City authorization to fund the request. The PM may opt to fund only some of the work proposed in the application. City will issue funds on a reimbursement basis; however the City may at its sole discretion consider release of some of the funds prior to the work being initiated or completed, on a case-by-case basis.

Storefront & Tenant Improvement Programs

Program Purpose

These two programs are intended to provide funding for physical improvements to tenant spaces. As with the pre-development grant program, the programs are generally intended to assist uses that will activate an area, i.e. restaurants, and shops that serve as a magnet bringing new customers to downtown Milwaukie and surrounding areas.

Generally, *storefront grant programs* are intended to beautify a downtown, upgrading the exterior appearance of buildings with improvements that are compatible with the architecture of the building, and also contribute to the overall aesthetics of the downtown area. As such, the specific use that will occupy the space is of secondary concern. *Tenant improvement grants*, on the other hand, are intended only for targeted businesses (food and beverage, or “curated” retail such as a locally owned grocery store or bookstore) which are likely to “grow” the Milwaukie economy, with the capacity to attract customers from beyond the City.

Program Parameters

Eligible Area: The program is initially available only to businesses in the Downtown Core portion of the URA (see Map, Attachment 1). The Program Manager may opt to consider at his/her sole discretion applications from other locations within the URA boundary but outside of the Downtown Core. Over time, if the Downtown Core reaches a stage of being fairly “built out”, the City may opt to direct its marketing focus in other parts of the URA.

Eligible Applicants: Current or future tenants of existing street-facing tenant spaces, or property owners. Note that while the T.I. program is available to users in both existing and new buildings, the Storefront program is not available to spaces in *new* buildings. The T.I. program, is only intended for businesses that help to establish Downtown Milwaukie as a regional destination (quality food and beverage businesses; or quality “curated”, locally-owned retail such as a grocery store, bookstore, or other businesses which in the sole discretion of the PM makes Downtown Milwaukie more attractive to customers from outside the immediate area). *Applicants must be current on their property taxes and business license, as applicable.* Generally, non-profits (including religious institutions) are ineligible, unless the Project Manager determines that the use itself will contribute to the vitality of Downtown Milwaukie notwithstanding the fact that the property owner (and/or operator) may be tax-exempt (examples might include an arts facility, or a non-profit run space that provides assistance to start-ups/entrepreneurs). Additionally, national chains are ineligible. Local chains (based in the Portland Metropolitan area) are allowed provided the combined annual revenues of all their stores don’t exceed \$5,000,000. Also ineligible: applicants who have utilized the program in the prior five years, unless the Project Manager determines that extraordinary circumstances warrant a briefer timeline (e.g. fire damage).

Eligible Activities: Storefront: Exterior improvements which enhance the appearance or functionality of ground floor retail/commercial spaces, and which will contribute to the aesthetic qualities of the building architecture and of downtown Milwaukie. *Examples:* storefronts (windows, entrances, transoms), awnings, signs, sidewalks, building rehabilitation, new siding which is compatible with the architectural context. The City will also consider funding of any necessary fees, including building permits and System Development Charges (SDCs).

Eligible Activities: Tenant Improvements: Interior improvements that are intended to accommodate the expansion or upgrading of ground floor tenant space that is explicitly intended to serve uses that will attract more customers to Downtown Milwaukie. This program is restricted to locally owned eateries, curated retail, and other similar uses. *Examples:* FFE (Furniture, Fixtures & Equipment) such as new kitchen equipment in the case of restaurants, or other improvements intended to accommodate desired uses, including cost of improvements required by code, such as grease trap separators, ADA improvements to restrooms and exiting, etc. The City will also consider funding of any necessary fees, including building permits and System Development Charges (SDCs), as well as any off-site improvements (sidewalks, public infrastructure) associated with the project.

Ineligible Activities: Residential uses. Upper floor improvements, except for roof-top bars or dining areas. Ordinary repair and maintenance (except when incidental to storefront/t.i. upgrades)

Maximum Grant Amount: \$25,000. Note that this cap applies to each business within a building with multiple ground floor tenant spaces. Depending on funding availability, Project Manager will consider grant requests for up to \$50,000 for uses which are likely to result in a new or expanded project that is particularly likely to benefit the economic and community health of

Downtown Milwaukie – e.g. a use that the City currently lacks, and that the Project Manager considers to be an important element of a strong and attractive downtown.

Minimum Applicant Match Requirement: 50%, but only 25% for “small grants” of up to \$5000. The Community Development Director may also reduce the 50% match requirements for projects that cost more than \$5000, in the case of businesses with limited resources, language barriers, socio-economic status, small businesses, and projects that benefit smaller businesses.

Application Cycle: Applicants may seek funds at any time, as long as the City has budgeted funds available.

Duration of Improvement: Improvements funded by the Storefront and T.I. grant programs must remain in place for a minimum of five years; if the URA-funded improvements are removed in less than five years, the applicant must reimburse the City on a pro rata basis (20% of grant funds for every year remaining in the Duration period). However, projects which entail grant funding of \$5000 or less are not subject to this requirement.

Decision Authority: The City’s Project Manager has approval authority, basing his decision of whether to authorize any and all work based on compliance with these parameters. Applicants must complete a form which will include questions related to the benefits that the project will create, related to the City’s goals for a revitalized downtown. For projects of up to \$50,000, the statement may be relatively brief; for requests for larger amounts, the applicant will need to provide a more detailed justification for funding, from both a qualitative and quantitative perspective. The latter may include such factors as temporary and permanent jobs created, TIF revenue to be generated, housing units, and local economic impact (e.g. intended local hiring and contracting).

Note that in the event of strong competition for funds, the City will favor projects which will more likely generate significant local benefits than projects which will have smaller or more tenuous impacts.

Design Advice: The Project Manager may require that the applicant utilize the services of a City-provided design advisor. City to fund up to \$2500 for the cost of the Advisor (if the applicant opts to utilize the advisor for an amount above \$2500, the City and the applicant will share the costs of the next \$2500 of the design advice; amounts over \$5000 to be funded by the applicant).

Process: Applicants are strongly encouraged to meet with the Program Manager prior to submitting an application. The City will not fund work performed prior to City authorization to fund the request, except in the case of eligible improvements made or permitted between July 1, 2023 and June 30, 2024. The PM may opt to fund only some of the work proposed in the application. Applicants shall fill out the City’s application form, which will include basic information (name of applicant, contact information, location of space, its square footage, etc.), along with information that speaks to how the project will benefit the City’s efforts to revitalize its Downtown. The application will also include a preliminary budget by line item. If a grant is awarded, work must be performed within one year of the grant award. The City will issue funds on a reimbursement basis; however, the City will consider release of some of the funds prior to the work being initiated or completed, at the City’s sole discretion.

Other Considerations/Program Preferences and Values

- **Periodic Review:** The City will undertake a regular review of these program parameters, to make sure that they serve their intended purposes. As staff resources allow, the City

may consider modifications in the immediate term, if it is determined that a particular parameter is hindering the ability of the programs to aid in business investment.

- The City may also want to provide the Program Manager with the authority to exceed the stated parameters, at least under certain circumstances.
- The City intends to market these programs in an intentional fashion, including in particular traditionally under-represented communities. The City may utilize its own staff, or it may contract with outside entities with expertise and relationships in targeted communities. This may include a merchants' association, which could not only assist with marketing of the program, but which also may assist individual businesses in filling out the applications, and in serving as a conduit of information between the City and the business (i.e. arranging and attending meetings between the business and the City).
- The City may also opt to contract with entities providing a wide array of small business assistance, i.e. organizations with expertise in technical advice, access to capital (including micro-loans), training, networking, entrepreneurship, etc.
- The City is committed to capacity building with regard to its Urban Renewal programs, as with other City initiatives related to wealth building. This may include training for how to access City funds, translation of all materials (including website) into Spanish and other languages as appropriate and cultivating relationship with community leaders' connections and wisdom.
- The City will encourage applicants to these programs to consider utilizing local contractors, vendors, and suppliers to perform the funded services.



Milwaukie Redevelopment Commission

Economic Development Programing

March 19, 2024

Economic Development Programs

CITY OF MILWAUKIE TAX INCREMENT FINANCE DISTRICT



5-YEAR ACTION PLAN

(2023-2027)

- Predevelopment Assistance
- Storefront Improvement
- Tenant Improvement
- MRCCAC Provided Guidance

*These programs were viewed as the most helpful and desired during the public engagement process for the 5-Year Action Plan



Pre-Development Assistance

- **Purpose**: Support and spur redevelopment by providing assistance for “soft-costs”
- **Eligible Activities**: Feasibility studies, conceptual designs, technical analysis (i.e. Environmental Phase I)
- **Maximum Grant**: \$50,000. MRC can authorize larger grants up to \$100,000 for “catalytic projects.”
- **Match Requirement**: 50% of the grant amount
- **Work Product**: The MRC will co-own the work it funds



Storefront Improvement

- **Purpose**: Enhance the downtown and URA by upgrading the exterior facades and appearance of buildings.
- **Eligible Activities**: Exterior improvements that enhance the appearance or functionality of ground floor commercial spaces
- **Maximum Grant**: \$25,000. Will consider grant requests for up to \$50,000 for uses that are likely to result in additional local benefits
- **Match Requirement**: 50% of the grant amount. 25% for grants at or below \$5,000
- **Duration**: Improvements must remain for a minimum of 5-years



Tenant Improvement

- **Purpose**: Improving the interior of a building and assisting applicants with meeting various code requirements (i.e., a grease trap interceptor for a restaurant, ADA upgrades).
- **Eligible Activities**: Interior improvements that are intended to expand or upgrade the ground floor tenant space. This program is restricted to restaurants, hospitality, retail, and other similar uses that generate foot traffic.
- **Maximum Grant**: \$25,000. Will consider grant requests for up to \$50,000 for uses that are likely to result in additional local benefits
- **Match Requirement**: 50% of the grant amount. 25% for grants at or below \$5,000
- **Duration**: Improvements must remain for a minimum of 5-years



Anti-Displacement Companion Program

- **Purpose**: Business retention via low-barrier consulting to help reduce displacement and other unintended consequences associated with gentrification
- **Eligible Activities**: Business consulting for operations, merchandising, branding, and similar matters.
- **Maximum Grant**: City contracts with a firm and the firm provides “up-to” consulting hours equaling \$2,500 (city paid) per business. Additional funds may be available for implementation efforts.
- **Match Requirement**: None.



Values & Preferences

Preferences & Local Benefits

- Downtown Core
- Job Creation
- Reduces barriers for additional business owners (i.e., a space that allows for multiple businesses)
- Placemaking & Community Building
- Local Hiring Efforts
- Local Contracting Efforts
- Project Completion (faster the better)
- Similar locally-based benefits as described in their application

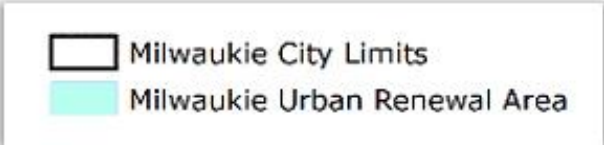
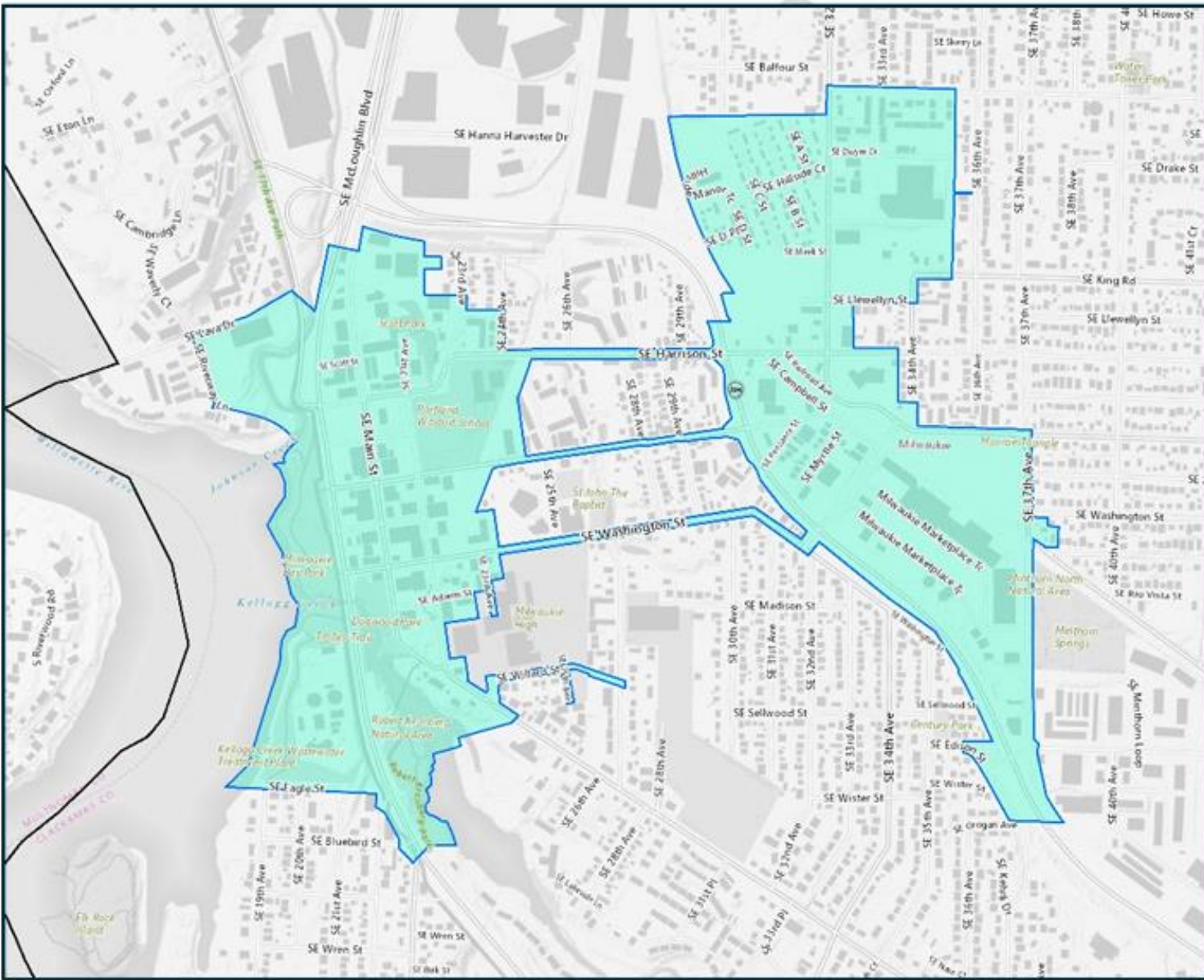
Considerations

- Disallow national chains
- Allow local chains up to a specific limit (i.e., annual revenue amount or number of stores)
- Allow for a 6-month “look-back”
- Marketing first to historically underserved populations

- Did we miss anything?

Urban Renewal Area

Questions?



Next Steps

- Adopt Budget
- Develop Application & Agreement Materials
- Marketing
- Implementation



