

# DOWNTOWN RETAIL MARKET ANALYSIS AND DEVELOPMENT ACTION PLAN, 2017-2019

NEXT STEPS STRATEGIES FOR THE CITY OF VENETA, OREGON



AUGUST 2017





---

## **ACKNOWLEDGEMENTS**

---

### **VENETA ECONOMIC DEVELOPMENT COMMITTEE**

Len Goodwin, Chair  
Herb Vloedman (Vice Chair), Thomas Cotter (Council Liaison), Gina Haley-Morrell,  
Linda Boothe, Dave D'Avanzo, Jason Alansky, Charles Ruff, & Ryan Frome

### **VENETA CITY COUNCIL / URBAN RENEWAL AGENCY**

Sandra Larson, Mayor  
Thomas Cotter, President, Robbie McCoy, Thomas Laing, & Keith Weiss

### **RURAL DEVELOPMENT INITIATIVES**

Mary Bosch, Principal  
Michael Held, Program Manager

### **CITY OF VENETA STAFF**

Ric Ingham, City Administrator  
Kay Bork, Community Development Director  
Marina Brassfield, Economic Development Specialist (RARE Participant)  
Steve Dobrinich, Program Specialist

(blank)

---

## TABLE OF CONTENTS

---

INTRODUCTION & BACKGROUND	5
1. MARKET ANALYSIS: FINDINGS	8
2. SITE VISIT: COMMERCIAL LAND INVENTORY	12
3. FRAMEWORK FOR ACTION PLAN	18
IMPLEMENTATION MATRICES	22
CONCLUSION	31
APPENDICES	35

(blank)

# DOWNTOWN VENETA RETAIL MARKET & DEVELOPMENT STRATEGY

---

## INTRODUCTION & BACKGROUND

---

Retail development plays a central role in the economic development and quality of life for a city and its region. Thriving retail and local businesses help define the character of a city and provide jobs to local residents. The City of Veneta has invested substantial resources into the downtown area, beginning with a ten (10) year Downtown Master Plan developed in 2006 and Next Step Strategies developed in 2008 led by the Oregon Downtown Development Association. The plan was developed to answer the question, “Which commercial area does the community consider as downtown?” and to develop a ten (10) year implementation plan.

The City has already realized many of the action items in the Downtown Master Plan and Next Steps Strategy. However, Veneta’s downtown commercial district continues to languish even though the community is experiencing strong growth.

Veneta is the fastest growing City in Lane County since 2000. While downtown has not seen significant development, the regional retail center at Hwy 126 & Territorial Rd (West Lane Shopping Center) has leased all but one of several vacant store fronts in the last two years. The most significant tenant is First Call Resolution which employs approximately 275 employees and has plans for expansion.

The most impactful project implemented since the downtown plans were adopted is the reconstruction and full upgrade of West Broadway Ave, 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> streets, Brooker Lane and the construction of a transit park and ride facility. Road reconstruction included streetscape improvements (trees, lighting, landscaping, and benches) and the installation of sewer. The upgraded streets form the core of downtown and have the potential to serve a pedestrian friendly mixed-use downtown district.

In 2014, the City finalized construction of a brand new 7,200 square foot senior center/food pantry (Fern Ridge Service Center). The City collaborated with local non-profits to raise matching funds and obtain a Community Development

Block Grant (CDBG). The City was able to use the investment in street upgrades toward grant matching funds, as well as the value of the land the City donated for the site. The new \$2.1 million dollar facility is a vibrant activity center downtown that serves many needs of seniors and low income households. In accepting the CDBG funds, the City agreed to dedicate the Fern Ridge Service Center's uses for ages 60+. When the requirement in providing senior services is lifted in 2019, the City anticipates the service center use will expand and serve as a community center with additional programs and activities.

The Veneta Urban Renewal Agency contributed \$1.2 million towards street upgrades, \$82,000 for a park & ride across the street from the service center, and \$346,000 for the purchase of land for the service center. The Urban Renewal Agency can access up to \$4 million additional in Urban Renewal Funds for the next identified catalyst project. In addition to financial resources, the City owns approximately 189,000 square feet of commercial property downtown.

The City is committed to economic development activities with the City Administrator and Council committed to establish it as a high priority for the next several years. In 2015, the City adopted an Economic Opportunity Analysis and an Economic Development Strategy: Five-Year Action Plan. In anticipation of the work to be performed, the City reestablished an Economic Development Committee (EDC) to guide implementation of the 5-year economic development strategy and who will also help guide development of The Plan. In addition, as an outcome of the study the City secured a Resource Assistance for Rural Environments (RARE) participant for 2015-16, and 2016-17, who worked the actions outlined in the economic strategic plan. RARE is an AmeriCorps program administered through the University of Oregon's Community Service Center. The program is meant to increase the capacity of rural communities to improve their economic, social, and environmental conditions, through the assistance of trained graduate-level participants who live and work in communities for 11 months.

The City contracted with Rural Development Initiatives who have been working with the EDC to pilot a business retention and expansion (BR&E) program which began in the winter of 2015/2016 and continued through April 2017. Work tasks to be completed for the Veneta Downtown Retail Market and Development Strategy will complement work accomplished as part of the BR&E strategy.

In 2016, the City received funding to contract with RDI to complete a Downtown Retail Market and Development Strategy demand and leakage analysis.

The City of Veneta will utilize this Downtown Retail Market and Development Strategy (The Plan) to evaluate and address the inadequacy of retail services within the downtown area. In order to complete the retail market strategy, the

City partnered with Rural Development Initiatives to conduct a downtown retail development and market strategy to help develop a baseline understanding of today's issues and opportunities including the identification of retail market barriers and opportunities and ultimately, Veneta can design and implement joint strategies that capitalize on opportunities for businesses to develop downtown.

This project will help realize the City's adopted vision for downtown and is intended to promote economic development in Veneta, specifically retail development downtown. The City wants to understand how to pursue market opportunities to revitalize downtown. This project was completed over a ten (10) month period.

## Streetscape improvements on Broadway, the heart of Downtown Veneta



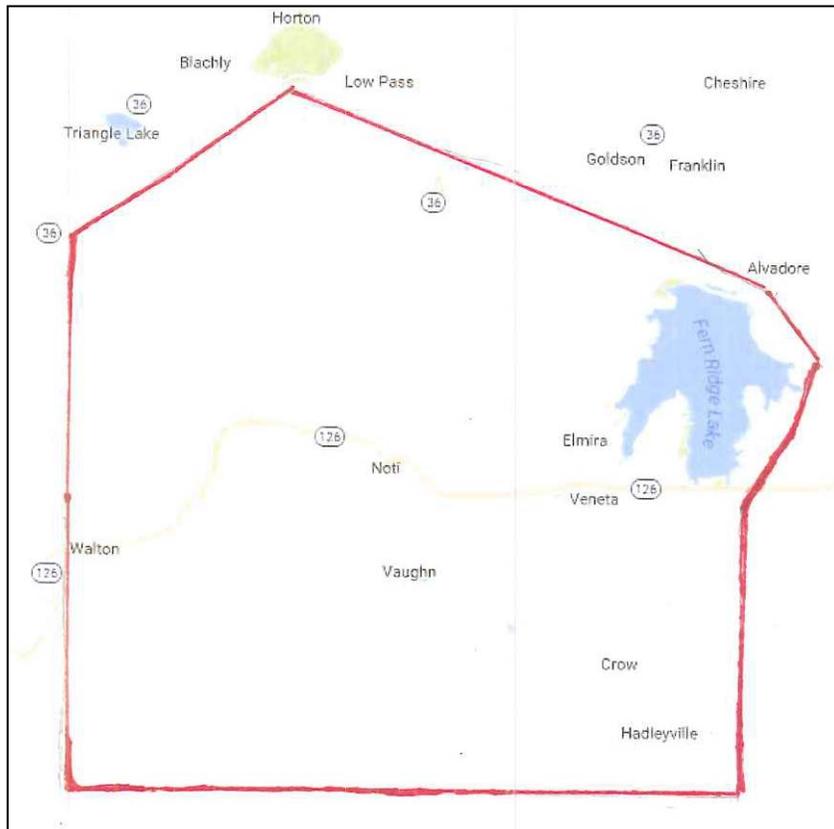
*Before (2010)*



*After (2017)*

# 1. MARKET ANALYSIS: FINDINGS

The City contracted with RDI to conduct a downtown retail demand and leakage analysis, to understand retail development potential for downtown. The analysis defines the types of development downtown can support, identifies barriers to retail development, and how they can be addressed. To begin the process, the City and RDI reviewed the 2015-2017 BRE interviews and final report, the 2006 Market Readiness Study and conducted selected interviews with key retailers and real estate brokers to identify barriers, interests, needs and opportunities.



*The Retail Market Area (2016) depicted above is based on interviews with Veneta retailers, existing retail supply, traffic patterns and drive times.*

## A. STUDY AREA: EXISTING CONDITIONS

Data from the market area defined Market Readiness Report (2006) was used as a baseline, and refined after reviewing interview responses, traffic patterns on Highway 126, and tourism spending and trends in West Lane County. Demographics, available land and buildings were all analyzed to discern retail opportunities and challenges.

A key barrier to retail activity is the proximity of Veneta to Eugene. Most of the workforce commutes to the Eugene/Springfield metro area for employment, and do the majority of their shopping near the workplace. Eugene has more shopping options and often cheaper prices.

## B. INTERVIEW FINDINGS

Three (3) anchor retailers and four (4) real estate brokers were interviewed to understand perceived barriers and opportunities for development. Most retailers said the main attraction for shopping in Veneta is convenience, with people coming from as far west as Mapleton but only as far east as Fern Ridge Reservoir. Another common finding was that Veneta is a bedroom community, and since the drive

time to Eugene is not long, shopping in Veneta must be unique.

Strengths included being in the center of the Territorial Wine Trail and in close proximity to local farms; it was said the City should embrace agriculture, wine, and the recreational amenities around Fern Ridge Reservoir (all things that Travel Oregon and other tourism organizations can promote).

**Opportunities identified included:**

- Brewpub
- Wine tasting room and/or bottling plant
- Specialty and local food tastings (i.e. grains, cheese, cured meats)

**Barriers identified included:**

- The poor condition of Highway 126 and the image of the gateway area. Interview respondents said the current state of the highway sends a poor impression to travelers, residents, and potential businesses.
- The lack of visibility to the downtown core is a challenge, as well as the fact that Veneta's commercial activity is in two distinct areas bisected by Highway 126.
- Retailers and brokers noted that there is not enough available "ready to occupy" retail or commercial space in the downtown core. Due to recent economic trends and the high cost of land, the cost to build new is out of equilibrium with the amount of dollars developers would receive from tenants. Retailers expressed that working with the City is sometimes challenging or confusing. Specifically, certain development requirements and permitting requirements may be too costly for new businesses.

A common opinion was that the City should stay close to the intersection of Highway 126 and Territorial in order for a catalyst project to receive higher visibility. Mixed use will do well with retail, professional offices, and some type of attractor like a brew pub or wine tasting room.

Brokers were adamant that it is not a matter of "build it and they will come;" the City must create a path so private sector can build it and then other projects will follow. Public funds should be used to leverage as much private funds as possible

and the City should hold on to scarce resources and then bring all it can when the right opportunity arises; the right message will get out to developers that Veneta is “open for business.”

**Recommendations included:**

- Follow the path of other Urban Renewal agencies
- Encourage residents to change buying habits and purchase locally instead of in the Eugene-Springfield Metropolitan area – market analysis may show demand is there but purchasing habits are key
- New developments must be unique
- Gain support of key property owners – uncooperative or unrealistic expectations of property sale prices are creating a barrier to any new retail development

**C. RETAIL SUPPLY AND DEMAND**

Veneta is short of quality, move-in ready retail space which is a great barrier to development. The demand for retail spending is there, but the supply is not. Current conditions of retail leakage and the lack of cluster anchor retailers are not favorable to spur new development because the average cost per square foot drives everything. In these conditions, incentives are not high enough for private investors to develop. New retail construction will happen when rent income for commercial property exceeds debt payments, and this is currently out of equilibrium.

RDI looked at 2016 retail spending by residents and how many of those dollars Veneta actually captured. Whatever amount leaves the trade area is called “retail leakage.” Leakage is then translated to square footage, which provides the amount of retail space that could be absorbed in Veneta. RDI found that the total retail leakage in 2016 was \$89,425,868 with 397,260 square feet of retail potential (See Appendix I, Exhibit 7).

Sixty-seven percent (67%) of the trade area population falls into a demographic segment known as, “The Great Outdoors’ (*Esri Business Information Solutions*). People of this demographic tend to be educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners and partial to homegrown and home-cooked meals.

**Highlights (and “retail demand”) of this group include (2016):**

- Median household income: \$53,000
- Do-it-yourself type and cost conscious (service their own autos, work on home improvement)
- They prefer domestic travel to trips abroad
- Technology is not central in their lives; light use of Internet connectivity for shopping and entertainment
- Most households have pets
- Television channels such as CMT, History and Fox News are popular
- They enjoy outdoor activities such as hiking, hunting, fishing and boating

These are important traits for investors to consider. Additionally, In-migration to Oregon and Willamette Valley will continue, and the population growth will lead to demand for new retail space and retail niche markets. By 2021 there is an estimated net gain of \$5.1M in retail sales potential and nearly 20.2K supportable square feet for retail.

---

## 2. SITE VISIT: COMMERCIAL LAND INVENTORY

---

### A. OVERVIEW

During October and November of 2016, the City of Veneta collected information on commercial land in the downtown area<sup>1</sup>. Data was gathered from the Regional Land Information Database, City records, and field assessment.

The data in this inventory was gathered to provide a snapshot of how Veneta's commercial land is currently used. The data was utilized in creating the framework for the Next Steps Strategies and will be utilized to help identify opportunity sites for future development.

### B. DOWNTOWN AND TERRITORIAL INVENTORY

The following categories were used to help synthesize information:

- **Developed and Available**<sup>2</sup>: Tax lots that have building(s) which contain unused retail/ office space.
- **Developed and Occupied**: Tax lots that have building(s) which are currently occupied.
- **Partially Vacant**: Tax lots which are occupied by a use but which contain enough land to be used further.
- **Vacant**: Tax lots that have no structures or have buildings with very little value.

---

<sup>1</sup> Residential-Commercial properties in the neighborhood south of downtown were not assessed

<sup>2</sup> Includes buildings used as retail/ office space in the past but not currently up to code

## Downtown Tax Lots

	Tax Lot Acres	Tax Lot Sq. Ft.	Building Sq. Ft.	Total Assessed Value
Developed and Available	0.85	37,897	4,728	\$ 182,998
Developed and Occupied	6.35	277,042	66,227	\$ 4,059,335
Partially Vacant	0.5	21,780	1,188	\$ 43,090
Vacant	2.8	123,712	-	\$ 357,468
<b>Total</b>	<b>10.6</b>	<b>460,431</b>	<b>72,143</b>	<b>\$ 4,642,891</b>

### Example Sites (as of July 2017)



**24979-83 West Broadway Ave**  
**Developed**  
 (Formerly Kelley's True Value Hardware)  
 #31 on Downtown map



**24993 West Broadway Ave**  
**Developed and Available**  
 #32 on Downtown map



**24986 West Broadway Ave**  
**Developed and Available**  
 (JP Tootle Building)  
 #34 on Downtown map

## Territorial Tax Lots

	Tax Lot Acres	Tax Lot Sq. Ft.	Building Sq. Ft.	Total Assessed Value
Developed and Available	3.0	131,115	10,212	\$ 890,386
Developed and Occupied	3.0	131,116	36,828	\$ 1,956,620
Partially Vacant	16.3	709,593	7,387	\$ 953,114
Vacant	1.2	53,143	-	\$ 320,995
<b>Total</b>	<b>23.5</b>	<b>1,024,967</b>	<b>54,427</b>	<b>\$ 4,121,115</b>

### Example Sites (as of July 2017)



**Fern Ridge Center**  
**Partially Vacant**  
 (Two storefronts available)  
 #5 on Territorial Hwy map



**25044 McCutcheon Ave**  
**Developed and Available**  
 (Formerly Front Row Video)  
 #13 on Territorial Hwy map



**88115 Territorial Rd**  
**Developed and Available**  
 (Formerly Wings, Beads & Things)  
 #18 on Territorial Hwy map



**88105 Territorial Rd**  
**Developed and Available**  
 (Former auto repair shop)  
 #19 on Territorial Hwy map

### Total<sup>3</sup>

	Tax Lot Acres	Tax Lot Sq. Ft.	Building Sq. Ft.	Total Assessed Value
Developed and Available	4.1	179,902	21,276	\$ 1,250,780
Developed and Occupied	9.1	397,268	96,719	\$ 5,838,559
Partially Vacant	16.8	731,373	8,575	\$ 996,204
Vacant	4.1	176,855	-	\$ 678,463
<b>Total</b>	<b>34.1</b>	<b>1,485,398</b>	<b>126,570</b>	<b>\$ 8,764,006</b>

### Key Takeaways

- A limited supply of space is built and available, but the buildings are inadequate
- A portion of the built and available commercial space identified is not currently up to code
- Vacant and partially vacant commercial land can be viewed as opportunity sites

### C. COMMERCIAL INVENTORY

Veneta completed an Economic Opportunities Analysis and a Buildable Lands Inventory in 2015 and found there is a surplus of commercial and industrial land, without amending the Urban Growth Boundary, for at least the next 20 years. Sites in the Downtown and on Territorial were specifically focused on during one of the two site visits conducted and also through using RLID. See Appendix II for maps highlighting the Downtown and Territorial Properties, and for a table of property information.

---

<sup>3</sup> Combined numbers for Downtown and Territorial Highway

## **D. ASSESSMENT OF AVAILABILITY AND READINESS FOR DEVELOPMENT**

A second site visit was conducted in February 2017 to assess the condition and potential for the sites on Broadway and Territorial (see Appendix III – RDI Site Visit).

Not all sites and properties on Broadway are equally important and utilizing a Property Assessment Form during the site visit allowed the City and RDI to arrive at some high level conclusions about priorities and next steps.

The core retail/commercial focus area for development is from 5<sup>th</sup> to Territorial. This encompasses the biggest and most attractive activity generators that are critical to build on as anchors/hubs: the Fern Ridge Service/Senior Center, West Lane Fitness, Broadway Grill, and Yukon Jack's. In addition, the Farmer's Market site (lot 32 on Appendix II) is an important traffic generator. The adjacent city-owned building has a rustic character that can be used to its benefit.

The balance of the district (5<sup>th</sup> to 8<sup>th</sup>) has a 'heavy commercial/light industrial' feel and needs general clean up—perhaps green screening. The pioneer museum is an outlier in these blocks and could be a positive activity generator with regular and increased hours and the addition of some commercial activity.

Several properties/sites are in transition such as Yukon Jack's (lots 22, 23, 24) where the owner apparently has an option on an adjacent property. This clearly signals investment interest/development potential.

A number of properties are negative contributors to the district and should be addressed with a proactive carrot/stick approach to getting them cleaned up and maintained even as vacant lots. This is essential to enhancing downtown's image.

The vacant St. Vincent de Paul block (38, 39, 40) is perhaps the best opportunity site in downtown. It is an excellent location and prime for development, building on the traffic of the senior and transit centers, proximity to Territorial, and already improved street frontages. The current vision for this block is mixed use vertical housing, with a retail shop downstairs.

A number of observations were made that led staff to decide on a framework with four focus areas to create an action plan, and are discussed in the next chapter. Following up with property owners, deciding upon regulatory tactics to clean up properties in the study area, and identify and agree on urban renewal resources/tools that could be applied to spur next steps evaluation and/or development in the district.

---

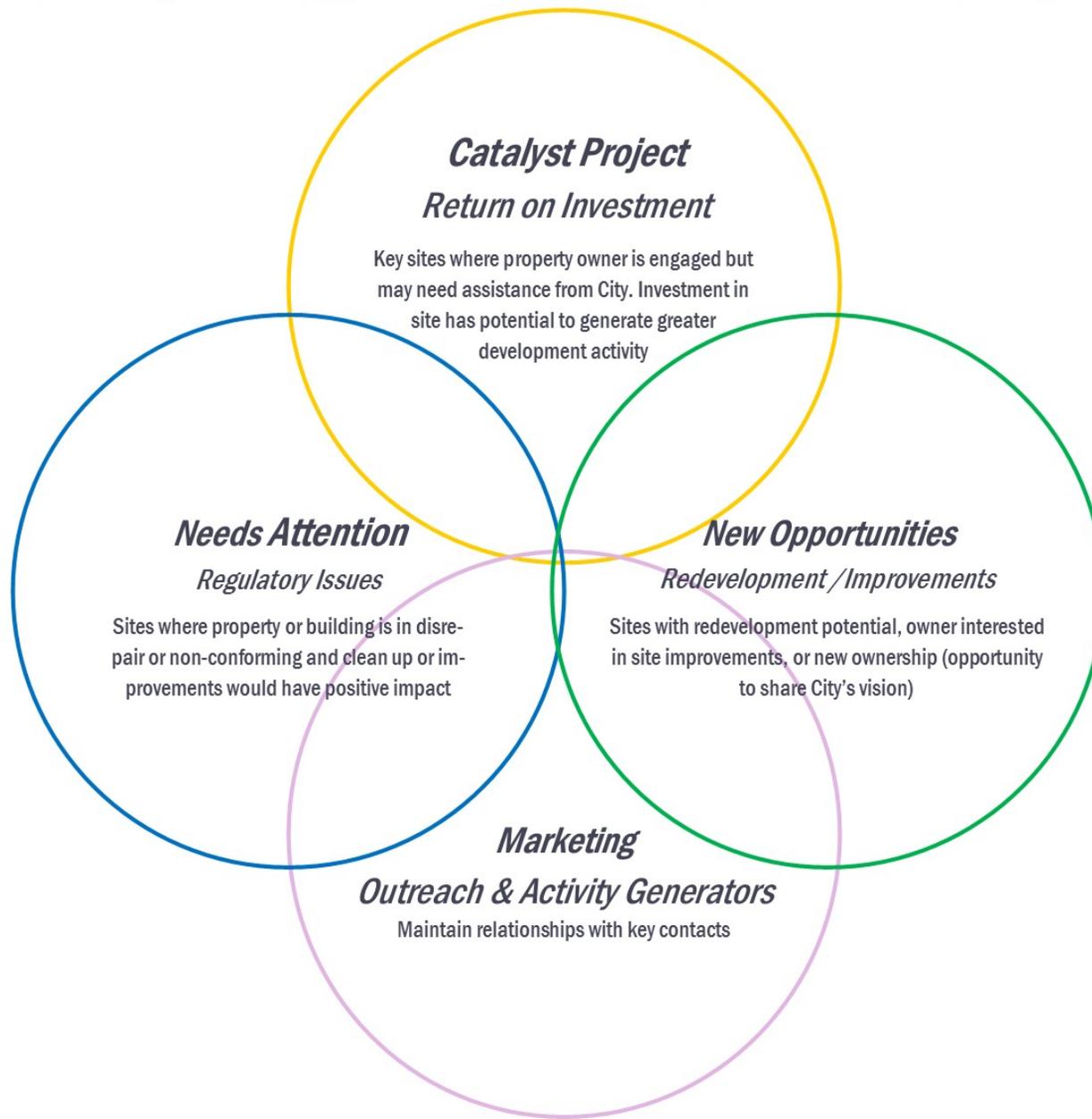
### 3. FRAMEWORK FOR ACTION PLAN

---

Following the site visit with RDI, City staff chose to focus on four areas for action items:

1. **Property (Re)Development & Catalyst Projects** - *Return on investment*
2. **Policy and Administrative** - *Regulatory issues (property needs attention)*
3. **Marketing, Outreach, and Activity Generators** - *Promote Veneta and Maintain relationships with key contacts*
4. **Business Development** - *Foster new opportunities*

# Next Steps Strategy - Framework for Downtown Redevelopment



### Property (Re)Development & Catalyst Projects

There are multiple key sites where owners are engaged but may need assistance from the City. These sites have potential to become a catalyst for redevelopment in the downtown core and provide a return on investment for the City. The City has identified a number of action items to explore the potential of the projects on different sites, including track data and contact to stakeholders, develop marketing sheets, and outreach to property owners and developers.

### Policy and Administrative

Policy and administrative encompass three areas of focus: addressing blight, defining and reducing barriers to development, and identifying urban renewal resources through reviewing the land use code and urban renewal plan. Staff will provide recommendations to the Urban Renewal Agency on particular updates to the Urban Renewal Plan / Redevelopment Toolkit to provide more assistance to a catalyst.

During the site visit, it became clear that the downtown core has buildings that are derelict, dangerous or a nuisance to the public and have been for years. To address urban blight, staff will research best practices and update City code to



*The City shuts down Broadway for its annual Harvest Festival, to increase pedestrian safety and comfort*

include minimum development standards, and methods to address “problem properties.” In addition, real estate brokers and retailers both echoed the same advice: make the barriers to development as minimal as possible. Staff will review the land use code for policies that may be seen as a barrier and will advise the Planning Commission and City Council on potential changes. To remove barriers even further, and to provide for more incentives, the City will review the Urban Renewal Plan and update as needed to authorize grants, loans, for rehabilitation and redevelopment opportunities.

### Marketing, Outreach, and Activity Generators

It is essential that the City maintain relationships with key contacts, such as area brokers/developers, property owners, and local businesses. Activities to promote Veneta a great place to live and do business have been identified as: continuing to publish newsletters,

such as the Economic Development Committee’s quarterly newsletter, attending realtor luncheons, developing and providing marketing sheets on properties, and working with the Veneta-Fern Ridge

Chamber of Commerce, Lane County Community and Economic Development, and Travel Lane County for continued promotion.

Other organizations that can assist in assessing the historical value and redevelopment potential of the buildings in downtown and funding certain projects, such as Oregon Main Street Network and State Historic Preservation Office, should be reached out to. Both organizations may be helpful in guiding redevelopment projects.

Additionally, as one real estate professional said during interviews: “events, events, events.” Events are essential in promoting economic activity and building off new or continuing initiatives – they bring the community together, and also encourage people to spend money locally. Events show outsiders that the community is alive; things are happening and people care.

The community annually hosts the Harvest Festival, the Holiday Bazaar, the Light Parade, the Easter Egg Hunt, and most recently the Local Business Showcase. Events bring people out of their home, or even out of their hometown, to experience something – whether it’s a block party featuring an outdoor movie and beer garden, a pop-up business hub, or a festival.



*The weekly Veneta Downtown Farmers' Market brings traffic to Broadway on Saturdays throughout the summer*

### **Business Development**

The City has already invested in a business retention and expansion program to monitor business development, needs/barriers, and successes. Staff, EDC, RDI and volunteers interviewed 23 businesses in 2015-2016, and an additional 8 in 2016-2017. Findings of the program included that businesses feel disconnected with one another and the community, they would like greater access to assistance resources, and businesses have concerns regarding infrastructure and workforce quality/availability. The Economic Development Committee and City staff will continue BRE follow up and continued outreach and monitoring. Biennially, EDC and Staff will interview 10-20 additional/new businesses.

After the first year of BRE, three subcommittees of the EDC were formed in order to address the concerns. One group, partnering with the Chamber of Commerce, is creating a Small Business Assistance Center, which will be valuable in business development.

The City has developed tools that will aid in business decisions, such as the Market Assessment (see Appendix I). The Economic Development Specialist/RARE Participant will act as a liaison and work with businesses to help them access these resources, or refer them to outside providers.

## 4. NEXT STEPS STRATEGIES

This section of the Downtown Redevelopment Plan addresses what the City and its partners should focus on, actions to undertake next, and lists funding, and timelines. The project list that follows is based upon identified categories ranked by strategic priority. It is tailored to Veneta’s unique redevelopment situation at this point in time. Several of these initiatives will be occurring simultaneously, and several are ongoing.

FRAMEWORK #1: PROPERTY (RE)DEVELOPMENT & CATALYST PROJECTS										
Objective: To catalyze and create opportunity for private investment that leads to the shared vision of an active and connected small town downtown experience										
Strategy 1		Create single database of information for each downtown property: Site Information, Project Plans, Property Goal, Key Stakeholders, Outreach and Engagement, Interests to easily track and share data					Phase I		Phase II	
1.1	Action	Project Lead	Partners	Funding	Priority	2017-2018		2019-2020		
Include key contacts and prospects, such as: businesses, property owners, realtors, developers, contact informations, site amenities, owner interests	City will create database, or purchase subscription CMR software	City Staff			High	●				
1.2	Action	Project Lead	Partners	Funding	Priority	2017-2018		2018-2019		
Identify each downtown opportunity site as Catalyst, Needs Attention, Short Term Opportunity.	City staff will categorize tax lots internally, based on current conditions	City Staff			High	●				
1.3	Action	Project Lead	Partners	Funding	Priority	2017-2018		2018-2019		
Include all redevelopment opportunities in database (Red Barn property; the Attic Building; and construction of parking lot on vacant parcel)	Follow up with property owners and/or work with URA to define redevelopment project	City Staff	URA	URA	High	▶▶				
1.4	Action	Project Lead	Partners	Funding	Priority	2017-2018		2018-2019		
Create <i>Next Steps</i> action plan for key properties and schedule to implement in 2017	Staff will create action plan for each property identified as a downtown opportunity site. Action plan will include timeline, follow up, and define project goals	City Staff			Medium	▶▶				

1.5	Action	Project Lead	Partners	Funding	Priority	2017-2018			2018-2019				
Continued update of database	Staff will update as contact, development, and inquiries occur as well as schedule and track regular outreach	City Staff			Medium	▶▶	▶▶	▶▶					
<b>Strategy 2</b>						<b>Phase I</b>			<b>Phase II</b>				
<b>Focus additional due diligence on the top sites most ready for improvement, development or occupancy; and property owner engagement, interests.</b>													
2.1	Action	Project Lead	Partners	Funding	Priority	2017-2018			2019-2020				
Get in touch with the two or three property owners: currently buying, redeveloping, ready to sell sites	Staff will follow up with property owners to have a clear understanding of their intentions, sales/purchase price, needs from a transaction, schedule, types of assistance needed, etc.	City Staff			High	▶▶							
▶▶ Project phasing: Ongoing process													
● Project phasing: Single project													

## FRAMEWORK #2: POLICY & ADMINISTRATIVE

**Objective: To leverage infrastructure development and city capacity into efficient delivery of activities that promotes business and property development**

Tackle regulatory concerns and issues within the Municipal and Land Use Code that may act as a barrier to development							Phase I	Phase II
1.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020	
Update land use code and create minimum development standards to address urban blight and derelict buildings	City staff will research best practices and define minimum development standards for adoption	City Staff	City Council; Planning Commission; EDC		High	●		
1.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2018-2019	
Identify and agree on regulatory tactics that can be employed to get downtown and Territorial Hwy properties cleaned up or demolished. 'Dangerous, derelict, nuisance structures' are addressed in nearly every municipal building code. Does Veneta's allow for ready action?	City staff will review municipal building code and ensure the code includes building regulations in line with the vision for the downtown commercial core	City Staff	City Council; EDC		High	●		
1.3	Action	Project Lead	Partners	Funding	Priority	2017-2018	2018-2019	
Identify key barriers in the code (e.g., high parking standard) that may deter property redevelopment and address with changes or agree to flexibility standards.	City staff will review land use code, identify barriers, and come up with solutions for City Council to consider adopting	City Staff	City Council; Planning Commission; EDC; Chamber of Commerce		High	●		
Define Urban Renewal Planning and Development Assistance that will add to resources available for identified projects							Phase I	Phase II
2.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020	
Update the Urban Renewal Plan to authorize grants, loans, for rehabilitation and redevelopment opportunities.	Staff will review case studies on Urban Renewal Agencies (provided by RDI) and identify additional and/or alternative methods for assistance and make recommendations to URA for plan amendments	City Staff	RDI; URA	URA	High	●		

2.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Identify short and long term modifications or additions to Redevelopment Toolkit that increases development probabilities	Staff will review case studies on Urban Renewal Agencies (provided by RDI) and identify additional and/or alternative methods for assistance	City Staff	RDI; URA; Chamber of Commerce	URA	Medium	●	
2.3	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Identify and agree on urban renewal resources/tools that could be applied to spur next steps evaluation and/or development in the district.	Staff will review case studies on Urban Renewal Agencies (provided by RDI) and identify additional and/or alternative resources and tools	City Staff	URA; RDI	URA	High	●	
2.4	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Explore the idea of revising the Urban Renewal Plan to incorporate a housing development goal.	Staff will review case studies on Urban Renewal Agencies (provided by RDI) and provide recommendations to URA	City Staff	RDI; URA		Low	▶▶	
	▶▶ Project phasing: Ongoing process						
	● Project phasing: Single project						

# FRAMEWORK #3: MARKETING, OUTREACH, & ACTIVITY GENERATORS

Objective: To create and connect development opportunities with appropriate audiences that spur private and/or public investments in downtown business district

## Strategy 1

### Promote City and Urban Renewal Incentives

#### Phase I

#### Phase II

1.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Create a schedule of public relations and outreach materials, including: topics, tools, formats, etc.	Staff will create schedule for outreach within database and maintain engagement with developers, brokers, and property owners (see Redevelopment Matrix, Strategy 1.1)	City Staff	EDC; URA; Chamber of Commerce		Medium	▶▶	
1.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Develop promotional 1-pager summarizing UR incentives; continued updating as changes occur	RARE participant to develop promotional materials and continually update as changes occur. RARE will also conduct outreach and share materials with appropriate audiences (e.g., property owners, developers and commercial brokers)	City Staff	URA	URA	High	●	▶▶

## Strategy 2

### Partner with Retention and Development Agencies

#### Phase I

#### Phase II

2.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Partner with agencies focusing on business retention and downtown development	Staff will maintain contact with partner organizations and continue to build relationships/utilize expertise and resources	City Staff	Oregon Main Street, NEDCO, SBDC, FertiLab, Restore Oregon, and State Historic Preservation Office		High	▶▶	

2.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Engage at a higher level of activity with the Oregon Main Street program to capitalize on the knowledge, creativity and expertise of the growing number of active main street organizations and staff around the state especially related to property revitalization	Staff will continue to engage in the Oregon Main Street Program at the Exploring Level, until ready to commit to Main Street Community at the Transforming Downtown Level (for communities who are committed to downtown revitalization using the Main Street Approach, but need technical assistance to take them to the next level).	City Staff	Oregon Main Street Network		Medium	▶▶	
2.3	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Identify and tap state resources and technical assistance to help Veneta assess the historic value and redevelopment potential of downtown properties.	Staff will reach out to State Historic Preservation Office and Restore Oregon to evaluate redevelopment potential for the Attic and JP Tootle Buildings	City Staff	State Historic Preservation Office; Restore Oregon; Oregon Main Street	Oregon Main Street Revitalization Grant	Medium	▶▶	
<b>Strategy 3</b>						<b>Hold and/or promote events in key areas</b>	
						<b>Phase I</b>	<b>Phase II</b>
3.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Hold and/or promote seasonal, monthly, and/or weekly events	Economic Development Specialist/RARE participant to plan and promote events (e.g., summer block party, monthly pop-up shop days on vacant lot), and partner with groups already involved in community events	City Staff	Chamber of Commerce; Park Board; Travel Lane County		High	▶▶	
3.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2018-2019
Continue to assist and promote the Farmers' Market	City staff will research best practices and define minimum development standards for adoption	City Staff	City Council; Planning Commission		Medium	▶▶	

3.3	Action	Project Lead	Partners	Funding	Priority	2017-2018	2018-2019
Encourage residents to change buying habits and purchase locally instead of in the Eugene-Springfield Metropolitan Area. The market analysis shows that demand is here, but changing buying habits is key	Economic Development Specialist/RARE participant to plan and promote "Buy Local" campaign	City Staff	Chamber of Commerce; EDC		Medium	▶▶	
	▶▶ Project phasing: Ongoing process						
	● Project phasing: Single project						

## FRAMEWORK #4: BUSINESS DEVELOPMENT

**Objective: To promote and support local businesses that enhances the overall business climate and promotes entrepreneurial and business development activity**

### Strategy 1

#### Continuation of Veneta Business Connect

Phase I

Phase II

1.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Focus 3rd Year Veneta Business Connect, the City's business retention and expansion program, on downtown properties	The Economic Development Committee and City staff will continue BRE follow up and continued outreach and monitoring. Biennially, EDC and Staff will interview 6-10 additional/new businesses (may be homebased).	Economic Development Committee	City Staff; Chamber of Commerce		High	▶▶	

### Strategy 2

#### Facilitate Small Business Assistance

Phase I

Phase II

2.1	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Maintain contact with resource providers for micro-enterprise assistance at the Veneta Small Business Assistance Center	City staff/RARE participant will maintain partnership with LCC SBDC, Community LendingWorks, RAIN Eugene, and Veneta-Fern Ridge Chamber of Commerce	City Staff	Community LendingWorks; LCC SBDC; RAIN Eugene; Chamber of Commerce		Medium	▶▶	

2.2	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Provide technical assistance to businesses on downtown incentive programs	Economic Development Specialist/RARE participant will act as liason to businesses in search of information on City or other assistance/resources	City Staff			High	▶▶	
2.4	Action	Project Lead	Partners	Funding	Priority	2017-2018	2019-2020
Create a list of potential tools and tactics to help downtown business development	City staff will compile list of tools and tactics to provide to business inquiries. These documents may include: Market Assessment; Urban Renewal Case Studies; Property Tear Sheets	City Staff			High	●	
	▶▶ Project phasing: Ongoing process						
	● Project phasing: Single project						

---

## CONCLUSION

---

Redevelopment efforts for downtown Veneta have been occurring slowly and steadily, beginning with the Downtown Masterplan (2006) to use as a roadmap, continual streetscape improvements, the construction of the transit center, and construction of the Fern Ridge Service Center. In addition, the City has worked to create incentives for developers through its Business Assistance Program and Redevelopment Tool Kit.

This report will assist in prioritizing actions and furthering projects that promote Veneta as an enticing place to live, invest in, and conduct business. Though a catalyst is needed to spur development and start building a retail cluster, the City and its Urban Renewal Agency should not rush or push a project – the City should allow the free market to guide investors, hold onto its scarce resources until the opportune time, and then invest all it can into a project that helps further the community and City vision.

### TIPS FOR SUCCESS

As noted in the Next Steps Strategies - A Redevelopment Action Plan for the City of Veneta (2008) the City needs "coordination, partnership and a stubborn 'stick-to-it' attitude." The City is dedicated to assist in the redevelopment of the downtown area, and has recommitted to the following steps for success that were outlined in 2008.

#### 1. COMMIT TO SUCCESS

This sounds simple, but it is important that each group who will be involved in any part of the plan's implementation officially affirm and adopt it. It is too easy to stray from the vision if it is not adopted and used as the official 'road map'.

#### 2. UNDERSTAND HOW A COMMUNITY DEALS WITH CHANGE (ESPECIALLY BIG CHANGE)

In every community, you will hear people say, "We just don't want things to change." And the people who say this are often the most vocal opponents to new initiatives. That said, it is important to understand that change is difficult especially when it is not crisis-driven. The more primitive parts of our brains are wired to avoid stress, fend off uncertainty and steer clear of change and people who let the amygdala control their actions are the ones who hate and fear change.

Three reasons new ideas and initiatives fail are because of:

- Fear of failure
- Fear of what other people will say
- The difficulty in changing the way of doing things (old habits die hard)

New ideas come from the frontal cortex and the nucleus acumens goads us into doing things others think we can't do. To learn more about how to let these parts of the brain override the fear (of change) center, check out '*Get Out of Your Own Way*' by Robert Cooper, PhD.

The following graphic outlines the phases of change. Depending on where your community is in the process will give a good indication of how successful you will be at accomplishing the change envisioned for downtown.

To help inspire confidence that the proposed changes for downtown will be successful, engage respected community members who are visionaries to help 'carry the water.'

It is also useful to understand the 20/60/20 rule when trying to drum up support for the vision and in dealing with naysayers.

Another secret to dealing with negativity that may arise is to have the leadership and political will to not let a vocal minority derail a community supported vision.

### **3. PUT THE TEAM INTO PLACE**

Veneta's Downtown Master Plan (2007) discussed roles in the redevelopment process and recommended creating a Project Management Team made up of public and private stakeholders. The team should serve as a conduit for communication and project coordination. It should be small enough to be manageable (key players) and information should flow both ways through team members.

### **4. MAKE ON-GOING COMMUNICATION A PRIORITY**

On-going communication is a key in the successful redevelopment of downtown. Using the Project Management Team approach will help in making sure that everyone is kept on the same page.

### **5. MAKE SURE POLICIES AND CODES SUPPORT THE VISION**

## Setting the Bar – Fern Ridge Service Center

Carefully consider the effects that commercial development outside the core will have on redeveloping downtown. The more commercial development occurs on the outer edges and saturates the market, the more difficult it will be to get the results desired for downtown.

### 6. USE A MULTI-PRONGED APPROACH

Redeveloping downtown will take both public and private partners working on a range of policies and issues. Although complex, this type of multi-faceted approach is necessary to affect change.

### 7. FOCUS ON CATALYST PROJECTS

*'The right push, in the right direction, at the right time'*

This is a good piece of advice for redeveloping downtown Hayden. In order to be most successful, it will be essential to focus on the 'tipping point' projects that will synergize and leverage additional development. The illustration that follows is a good tool to use in project selection and prioritization.

### 8. RAISE THE BAR ON QUALITY

Development in the core area should be held to the highest level of quality possible. Initial 'pioneering' projects will set the standard for development that follows. Once a standard has been set, it is almost impossible to raise the next project's standards to a higher level.

### 9. BUILD CAPACITY AS YOU (RE)BUILD DOWNTOWN

As redevelopment efforts move forward, each group engaged in the process should be growing in capacity and skills.

### 10. DON'T LET BUSINESS DEVELOPMENT FALL THROUGH THE CRACKS

Without a strong Chamber of Commerce or an organized downtown business group, the complex issue of downtown business retention, expansion and recruitment could easily fall through the



*Groundbreaking on the empty lot before construction (2012)*



*The Fern Ridge Service Center set the standard for future development in the downtown commercial core (2017)*

cracks. If this happens, redevelopment efforts could easily stagnate and stall. A key focus should be to take action on this issue.

### **11. MAKE ALLOWANCES FOR MAINTENANCE**

Protect your investment by ensuring there are adequate dollars earmarked for maintenance of new public (& private) projects. There's nothing worse than having new public improvements then not having enough resources to keep everything in working order.

### **12. MAKE A SUCCESSION PLAN**

Change in leadership can result in failing organizations. Be proactive in planning for the next City Administrator, the next wave of Economic Development Committee members, and new staff members. Without a solid succession plan in place, you risk losing the momentum you've created this far. Protect your time and energy invested by ensuring people are well prepared and have a good understanding of the work done so far.

---

## APPENDICES

---

- I. Market Analysis Study – Retail Market Data
- II. Downtown and Territorial Properties
- III. RDI Site Visit
- IV. Veneta Marketing Packet
- V. Case Studies – Catalyst Projects



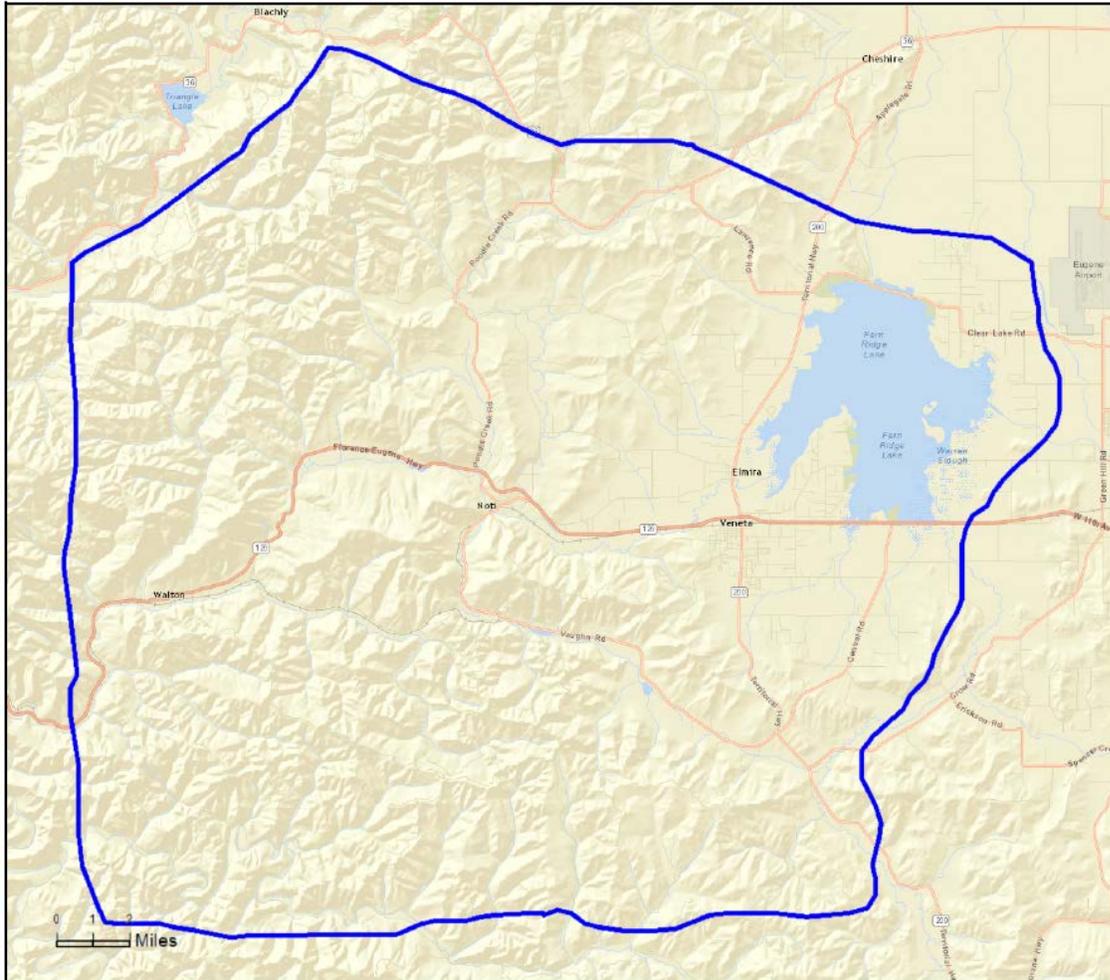
# RETAIL MARKET DATA

VENETA, OREGON

JANUARY 19, 2017



EXHIBIT 1: VENETA RETAIL MARKET AREA MAP



- The retail market area depicted above is based on interviews with Veneta retailers, existing retail supply, traffic patterns and drive times.

EXHIBIT 2: VENETA RETAIL MARKET AREA POPULATION GROWTH, 2016

Metric	2016	2021 forecast	Annual Growth Rate 2016-2021
<b>Veneta Retail Market Area</b>			
Population	16,075	16,685	0.75%
Households	6,213	6,432	0.70%
Median Age	46.9	48.1	
<b>Lane County</b>			
Population	365,246	378,293	0.70%
Households	151,552	156,833	0.69%
Median Age	40.0	40.9	
<b>State of Oregon</b>			
Population	4,029,968	4,218,101	0.92%
Households	1,590,047.0	1,660,616.0	0.75%
Median Age	39.4	40.0	

Source: ESRI Business Information Solutions

- Veneta Retail Market Area population and household growth are in line with Lane County but slower than the State of Oregon.
- Median age trends older than Lane County and Oregon, and will continue to skew older over the next five years.
- NOTE: According the PSU Population Forecast Report, the Veneta Urban Growth Boundary (UGB) had the highest annual average growth rate in all of Lane County from 2000-2010, at 5.2%, nearly 2% more than the next largest area – Creswell.
- PSU estimated population within the Veneta UGB at 4,721 in 2015, projecting growth to 6,397 by 2025.
- Veneta UGB is also forecast to have highest annual average growth rate of all cities in Lane County, with an estimated annual average growth rate of 2.5% from 2015-2035, and 1.4% from 2035-2065.

EXHIBIT 3: AGE DISTRIBUTION, 2016

Age Category	Veneta Retail Market Area	Lane County	State of Oregon
0 - 4	4.6%	5.0%	5.9%
5 - 9	5.3%	5.0%	5.9%
10 - 14	6.0%	5.3%	6.0%
15 - 19	5.3%	6.7%	6.2%
20 - 24	4.4%	8.9%	6.8%
25 - 34	10.5%	13.2%	13.6%
35 - 44	11.6%	11.4%	12.6%
45 - 54	14.5%	12.1%	12.8%
55 - 64	19.2%	14.6%	13.8%
65 - 74	12.3%	10.5%	9.7%
75 - 84	4.8%	4.8%	4.5%
85+	1.7%	2.4%	2.1%
Median Age	46.9	40	39.4

Source: ESRI Business Information Solutions

- Veneta Retail Market Area population trends older than Lane County or the state as a whole. Nearly half of market area residents (46%) are between 45 and 74 years old, compared to 37% of Lane County.

EXHIBIT 4: INCOME DISTRIBUTION, 2016

Income Category	Veneta Retail Market Area	Lane County	State of Oregon
Less than \$15,000	9.40%	15.90%	12.60%
\$15,000 - \$24,999	8.00%	12.10%	10.50%
\$25,000 - \$34,999	11.20%	11.70%	10.70%
\$35,000 - \$49,999	16.90%	14.10%	13.90%
\$50,000 - \$74,999	20.70%	17.80%	18.10%
\$75,000 - \$99,999	16.90%	12.00%	13.20%
\$100,000 - \$149,999	10.80%	10.60%	12.90%
\$150,000 - \$199,999	3.80%	3.10%	4.30%
\$200,000 +	2.40%	2.60%	3.80%
Median HH Income	\$53,876	\$44,913	\$52,196

Source: ESRI Business Information Solutions

- The median household income of Veneta market area residents trends nearly \$10,000 higher than Lane County's, and is slightly higher than Oregon's. Contributing factors include a larger mid-life working population and a well-sized middle income population. Lane County figures are likely influenced by the University of Oregon student population.

EXHIBIT 5: AGE 25+ EDUCATIONAL COMPOSITION, 2016

Education Level	Veneta Retail Market Area	Lane County	State of Oregon
Less than 9th Grade	2.00%	2.80%	4.20%
9th-12th Grade, No Diploma	6.80%	5.80%	5.00%
High School Graduate	24.00%	19.90%	19.50%
GED/Alternative Credential	4.70%	4.60%	4.60%
Some College, No Degree	30.40%	28.80%	25.90%
Associate Degree	10.20%	8.60%	8.50%
Bachelor's Degree	14.40%	17.70%	19.60%
Graduate/Professional Degree	7.50%	11.80%	11.70%

Source: ESRI Business Information Solutions

- 91% of Veneta's market area population age 25 and older is at least a high school graduate.
- Nearly 22% of Veneta market area residents hold a Bachelor's degree or higher, considerably less than both Lane County and Oregon averages.

EXHIBIT 6: BUSINESS AND EMPLOYEE SNAPSHOT, 2016

Industry/Type	Veneta Retail Market Area		Lane County	
	% Businesses	% Employed	% Businesses	% Employed
Agriculture and Mining	5.9%	3.6%	3.0%	1.5%
Construction	16.8%	7.7%	8.4%	4.7%
Manufacturing	6.9%	14.3%	4.3%	8.0%
Transportation	5.1%	6.2%	2.5%	2.1%
Communication	*0.0%	*0.0%	0.9%	1.0%
Utility	0.2%	0.4%	0.5%	0.8%
Wholesale Trade	3.0%	3.3%	4.0%	4.7%
Retail Trade	12.7%	22.6%	20.2%	21.2%
Finance, Insurance, Real Estate	8.3%	2.3%	11.5%	5.4%
Services	34.7%	35.9%	37.5%	45.1%
Government	2.2%	3.4%	3.0%	5.3%
Unclassified Establishments	4.0%	0.5%	4.3%	0.2%
Totals	505	2,828	16,880	185,665

Source: ESRI Business Information Solutions

\*less than 0.1%

- There are an estimated 505 businesses and 2,828 employees within the Veneta market area. The largest employment sector is Services, followed by Construction. Lane County's business and employment base is also dominated by Services, followed by Retail Trade.

EXHIBIT 7: VENETA RETAIL MARKET AREA EXISTING RETAIL DEMAND, 2016

Merchandise or Service Category	Demand/Spending Potential	Supply/Retail Sales	Leakage (or Surplus)	Target Sales (\$)	Potential Space (SF)
<b>Shoppers Goods</b>					
Apparel	\$10,094,225	\$420,726	\$9,673,499	\$209	46,285
Home Furnishings	\$5,736,613	\$0	\$5,736,613	\$140	40,976
Electronics & Appliances	\$12,978,650	\$937,958	\$12,040,692	\$199	60,506
Home Improvement & Gardening	\$10,673,574	\$12,345,052	(\$1,671,478)	\$140	
Sporting Goods, Hobbies, Books, Music	\$6,344,495	\$9,744,565	(\$3,400,070)	\$216	
General Merchandise	\$33,612,457	\$6,442,074	\$27,170,383	\$216	125,789
Miscellaneous Specialty Retail	\$12,135,545	\$8,991,327	\$3,144,218	\$216	14,557
<b>Convenience Goods</b>					
Food & Beverage Stores	\$39,567,281	\$19,460,990	\$20,106,291	\$390	51,555
Health & Personal Care	\$11,146,685	\$5,855,438	\$5,291,247	\$365	14,497
<b>Restaurants</b>	\$19,710,787	\$8,376,314	\$11,334,473	\$263	43,097
<b>Total Leakage</b>			<b>\$89,425,868</b>		
<b>Estimated Supportable SF</b>					<b>397,260</b>

\*Target Sales are based on the Urban Land Institute, "Dollars and Cents of Shopping Centers."

Source: ESRI Business Information Solutions; Urban Land Institute

- There is an estimated \$89.4M of retail sales leakage in the Veneta Retail Market Area, with the potential to support an estimated 397.3K square feet of retail space.
- There is a surplus of sales in Home Improvement/Gardening and Sporting Goods, Hobbies, Books and Music merchandise.

EXHIBIT 8: VENETA RETAIL MARKET AREA FUTURE RETAIL DEMAND

Merchandise or Service Category	Current		2016 Retail Potential		2021 Retail Potential		5 Yr Net Potential Demand in Space (SF)
	Per HH Expenditure	Target Sales (S/SF)	Sales (in mil \$)	Space (SF)	Sales (in mil \$)	Space (SF)	
<b>Shoppers Goods</b>							<b>9,164</b>
Apparel	\$1,624	\$209	\$10.1	48,277	\$10.4	49,979	1,702
Home Furnishings	\$923	\$140	\$5.7	40,961	\$5.9	42,405	1,444
Electronics & Appliances	\$2,088	\$199	\$13.0	65,190	\$13.4	67,488	2,298
Home Improvement & Gardening	\$1,717	\$140	-	-	-	-	-
Sporting Goods, Hobbies, Books, Music	\$1,021	\$216	-	-	-	-	-
General Merchandise	\$5,410	\$216	\$33.6	155,613	\$34.8	161,098	5,485
Miscellaneous Specialty Retail	\$1,953	\$216	\$12.1	56,176	\$12.6	58,156	1,980
<b>Convenience Goods</b>							<b>4,652</b>
Food & Beverage Stores	\$6,368	\$390	\$39.6	101,447	\$41.0	105,023	3,576
Health & Personal Care	\$1,794	\$365	\$11.1	30,537	\$11.5	31,614	1,076
<b>Restaurants</b>	\$3,172	\$263	\$19.7	74,934	\$20.4	77,575	<b>2,641</b>
<b>Total</b>			<b>\$145.0</b>	<b>573,135</b>	<b>\$150.1</b>	<b>593,337</b>	
<b>Five Year Net Gain</b>					<b>\$5.1</b>	<b>20,202 SF</b>	

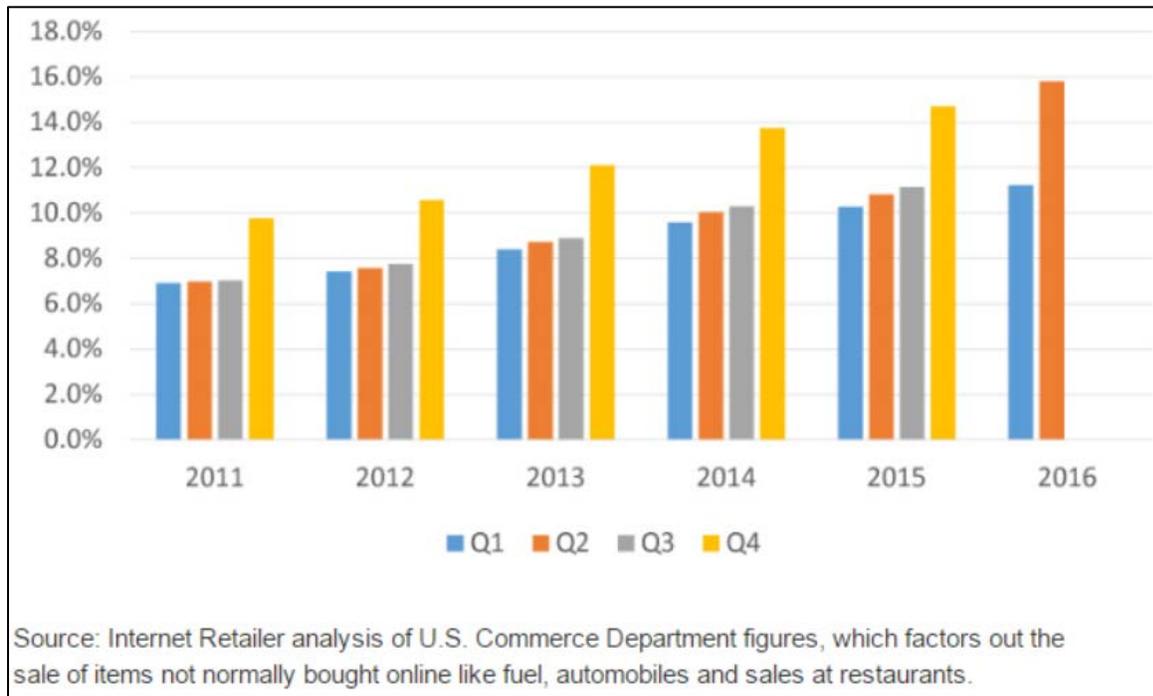
2016 Households            6,213                            2021 est. Households            6,432

*\*Target sales are based on the Urban Land Institute, "Dollars and Cents of Shopping Centers."*

*Sources: ESRI Business Information Solutions; Urban Land Institute*

- By 2021 there is an estimated net gain of \$5.1M in retail sales potential and nearly 20.2K supportable square feet.
- The total potential retail space demand from 2016 leakage and anticipated market area growth (2016-2021) is 417,462 square feet.

EXHIBIT 9: U.S. E-COMMERCE SHARE OF TOTAL RETAIL SALES BY QUARTER



**Overview**

- E-commerce sales are steadily increasing. Apparel and Accessories followed by Computers are the largest purchases online. The Census Bureau estimated the U.S. retail e-commerce sales for Q2 of 2016 to be about \$97.3 billion, an increase of almost 5% from Q1.

EXHIBIT 10: VENETA RETAIL MARKET AREA AVAILABLE SPACE

Space/Address	Property Overview <sup>1</sup>
<p><b>24979-83 West Broadway Ave</b> (Formerly Kelley's True Value Hardware)</p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 6336 square foot building</li> <li>• .25 acres (10,890 sq. ft.)</li> <li>• Lot coverage: .58</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• Approx. 8 spaces in front</li> <li>• Street parking on 4<sup>th</sup> &amp; W. Broadway</li> <li>• Space for rear parking if improvements made</li> </ul> <p><b>Zoned Broadway Commercial</b> <b>Connected to water and sewer</b></p>
<p><b>24986 West Broadway Ave</b> (JP Tootle Building)</p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 1440 square foot building</li> <li>• 552 square foot accessory building</li> <li>• .15 acres (6,534 sq. ft.)</li> <li>• Lot coverage: .31</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• 1 space on site</li> <li>• Large parking lot on adjacent property (used by Crazy AI's)</li> <li>• Street parking on 4<sup>th</sup> &amp; W. Broadway</li> </ul> <p><b>Zoned Broadway Commercial</b> <b>Connected to water and sewer</b></p>
<p><b>24993 West Broadway Ave</b></p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 2736 square foot building</li> <li>• .5 acres (21,780 sq. ft.)</li> <li>• Lot coverage: .13</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• No parking on site</li> <li>• Street parking on 3<sup>rd</sup> &amp; W. Broadway</li> <li>• Space for rear or side parking if improvements made</li> </ul> <p><b>Zoned Broadway Commercial</b> <b>Connected to water and sewer</b></p>
<p><b>25044 McCutcheon Ave</b> (Formerly Front Row Video Store)</p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 2976 square foot building</li> <li>• .24 acres (10,454 sq. ft.)</li> <li>• Lot coverage: .28</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• 6 spaces in front</li> <li>• Additional parking available on east side of building</li> </ul> <p><b>Zoned Community Commercial</b> <b>Connected to water and sewer</b></p>

<sup>1</sup> Square footage and acreage estimates gathered from Regional Land Inventory Database of Lane County (RLID)

<p><b>88115 Territorial Rd</b> (Formerly Wings, Beads and Things)</p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 1080 square foot building</li> <li>• 468 square foot accessory building</li> <li>• .6 acres (26,126)</li> <li>• Lot coverage: .06</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• 10 spaces in front</li> </ul> <p><b>Zoned Community Commercial</b> <b>Connected to water and sewer</b></p>
<p><b>88105 Territorial Rd</b> (Former auto repair shop)</p> 	<p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 1700 square foot building</li> <li>• .22 acres (9,583 sq. ft.)</li> <li>• Lot coverage: .18</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• Approx. 4 spaces on side of building</li> </ul> <p><b>Zoned Community Commercial</b> <b>Connected to water and sewer</b></p>
<p><b>Fern Ridge Center</b></p> 	<p><b>Two vacant spaces</b></p> <ul style="list-style-type: none"> <li>• Former West Lane Fitness location</li> <li>• Former Farm House Restaurant</li> </ul> <p><b>Building and Lot Size</b></p> <ul style="list-style-type: none"> <li>• 19941 square foot building (total shopping center)</li> <li>• 1.95 acres (84,942 sq. ft.)</li> <li>• Lot coverage: .23</li> </ul> <p><b>Parking</b></p> <ul style="list-style-type: none"> <li>• 75 spaces on site</li> </ul> <p><b>Zoned Highway Commercial</b> <b>Connected to water and sewer</b></p>

EXHIBIT 11: VENETA TAPESTRY SEGEMENTATION, 2016

Tapestry	% in Veneta Market Area	Key Traits
<u>The Great Outdoors</u>	67.4%	<p>Consumers are educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners and partial to homegrown and home-cooked meals. Although retirement beckons, most of these residents still work, with incomes slightly above the US level.</p> <ul style="list-style-type: none"> <li>• Median household income: \$53,000</li> <li>• Do-it-yourself type and cost conscious</li> <li>• Many service their own autos, work on home improvement and remodeling projects and maintain their own yards</li> <li>• They prefer domestic travel to trips abroad</li> <li>• Technology is not central in their lives; light use of Internet connectivity for shopping and entertainment</li> <li>• Most households have pets</li> <li>• Television channels such as CMT, History and Fox News are popular</li> <li>• They enjoy outdoor activities such as hiking, hunting, fishing and boating</li> </ul>
<u>Middleburg</u>	32.6%	<p>Middleburg neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, when the housing boom reached out. Residents are conservative, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.</p> <ul style="list-style-type: none"> <li>• Median household income: \$55,000</li> <li>• Younger couples, many with children; average household size is 2.73</li> <li>• Traditional values are the norm here – faith, country, and family</li> <li>• Prefer to buy American and for a good price</li> <li>• Comfortable with the latest in technology, for convenience (online banking or saving money on landlines) and entertainment</li> <li>• Entertainment is primarily family-oriented, TV and movie rentals or theme parks and family restaurants</li> <li>• Spending priorities also focus on family or home DIY projects</li> <li>• Sports include hunting, target shooting, bowling and baseball</li> <li>• Media preferences include country and Christian channels</li> </ul>

Source: ESRI Business Information Solutions

EXHIBIT 12: TYPICAL SIZES OF SELECTED BUSINESSES

Merchandise or Service Category	Median	National	Local Chain	Independent
<b>Specialty Retail</b>				
Art Gallery	1,802	-	1,802	1,907
Arts/Crafts Supplies	8,928	20,957	-	3,070
Beauty Supplies	1,807	1,634	2,450	1,829
Bike Shop	3,440	-	-	2,596
Bookstore	10,093	23,000	9,990	2,740
Cameras	2,000	2,000	-	-
Children's Wear	3,913	4,879	3,054	2,105
Family Shoe Store	4,000	4,113	5,100	2,460
Gift/Cards	4,200	4,900	3,780	1,653
Hardware	13,200	13,900	-	-
Home Accessories	7,595	10,215	5,365	2,462
Jewelry	1,500	1,610	1,968	1,200
Luggage	2,500	2,499	-	-
Men's Clothing Store	3,500	4,319	3,065	2,750
Pet Supplies	7,995	17,600	3,201	3,200
Music	4,464	6,178	-	2,017
Sporting Goods	8,465	22,000	4,980	2,995
Toys	7,855	12,000	-	3,344
Women's Clothing Store	4,400	4,503	3,960	2,145
<b>Convenience</b>				
Drugstore/Pharmacy	10,920	10,860	16,668	4,997
Supermarket	50,420	49,071	51,495	23,300
Bakery	1,990	4,000	-	1,700
Gourmet Grocery	18,000	-	-	-
Wine/Liquor	3,440	-	6,237	2,920
<b>Personal Services</b>				
Day Spa	2,875	-	2,563	3,060
Women's Hair Salon	1,400	1,450	1,250	1,361
Nail Salon	1,200	-	1,200	1,200
Picture Framing	1,600	1,703	-	1,588
Health Club	10,249	9,548	5,508	10,249
Mail/Packaging/Photocopying	1,278	1,240	-	1,236
Tailor/Alteration	950	-	900	1,035
Movie Rental	6,000	6,333	4,240	4,733

Shoe Repair	855	-	-	795
Drycleaners	1,800	-	1,800	1,649
Day Care	4,000	-	-	3,901
Laundry	2,114	-	2,150	1,955
<b>Restaurants</b>				
Restaurants with Liquor	5,204	6,669	5,600	3,362
Restaurants without Liquor	3,581	6,500	3,025	2,625
Bar/Cocktail Lounge	3,821	-	-	3,821
Ice Cream Parlor	1,137	1,144	1,137	1,116
Coffee/Tea	1,578	1,650	1,624	1,400

Source: Urban Land Institute, "Dollars and Cents of Shopping Centers"

EXHIBIT 13: DOWNTOWN RETAIL THEMES

Theme	Example in or near Veneta Market Area <sup>2</sup>
<p><b>Community Gathering Places</b> Central places suited for social or community purposes</p>	<p>Community Center, <i>Fern Ridge Service Center</i>, <i>Robbie’s Windowbox Café</i>, <i>Veneta Downtown Farmers Market</i>, <i>Our Daily Bread</i>, <i>Broadway Grill</i></p>
<p><b>Gifts and Indulgences</b> Chocolates, flowers, artwork, etc.</p>	<p>Wild Child Flower Company, <i>Frost Queen</i>, Green Goddess Chocolate, Madelyn’s Flowers and Gifts, Goaty Girlz Soap; Valhalla Winery, Sarver Winery</p>
<p><b>Lifestyle and Wellness retail</b> Responds to wellness, special interests &amp; quality of life</p>	<p><i>West Lane Fitness</i>, Veneta Crossfit, Oregon’s Herbal Remedies, <i>Capelli’s Salon</i>, Veneta Massage Therapy, A Place in the Sun Massage &amp; Coaching, <i>Eclipse Hair Studio</i>, <i>Life Force Physical Therapy</i>, Supporting the Horse and Rider, <i>Pet Paws Dog Wash And Nutrition</i>, Bi-Mart, The Farm Store</p>
<p><b>Retailers that celebrate heritage</b> Connect to community’s past</p>	<p><i>Applegate Pioneer Museum</i>, Earth Steps / Touch the Earth, The Farm Store, Carrols Country Christmas Tree Farm</p>
<p><b>Stores that celebrate local arts</b> Locally-made arts, gifts and other products</p>	<p>Applegate Boatworks, Correll Cider Press, Applegate Art Guild &amp; Gallery, Applegate Regional Theater, <i>The Artisan Mercantile</i>, Meyercraft Woodworks, Veneta Rub, Sweet Creek Foods, Morning Glory Farm &amp; Espresso, Little Red Barn Produce, Winter Green Farm, Ambrosia Farm</p>
<p><b>Stores that educate</b></p>	<p><i>Sewing in Veneta</i>, Trifecta Training (dog trainers for truffle hunting)</p>
<p><b>Stores that entertain</b> “Shoppertainment” concepts</p>	
<p><b>Stores with a global perspective</b> Businesses that contribute to a better world</p>	<p>FCR (has contracts with companies all over), Holte Manufacturing (manufactures globally, most of customers are not in Oregon)</p>

<sup>2</sup> *Italicized* businesses are located in downtown Veneta

EXHIBIT 14: TARGET BUSINESS/MERCHANDISE MIX FOR SMALL DOWNTOWNS

Food	Goods	Services	Entertainment
Bakery	Bicycle Shop	Bicycle Shop	Arts/cultural center
Breakfast/lunch	Bookstore	Acupuncture/massage	Civic uses (ex: library)
Brewpub	Casual women's apparel	Bank	Live music
Deli	Cell phone store	Chiropractic services	Move theater
Family Dining	Florist	Computer repair	Senior center
Healthy/natural	Furniture store (niche)	Doctors & dentists	Youth center
Ice cream/self-serve	Garden supplies	Exercise facility	
Yogurt Shop	Grocery store (small)	Hair salon/barber	
Pizza	Home décor/accessories	Health clinic	
	Nutritional store	Insurance broker	
	Pet store	Lodging (ex: B&B)	
	Quality consignment apparel	Photography	
	Shoe store	Shoe repair	
	Sporting goods	Tax preparation	
	Unique cards & gifts	Tutoring	
		Yoga/Pilates	

FOR MORE INFORMATION ON ESRI – ARC GIS SYSTEMS AND METHODOLOGY SEE:  
[HTTP://DOC.ARCGIS.COM/EN/ESRI-DEMOGRAPHICS/DATA/US-INTRO.HTM](http://doc.arcgis.com/en/esri-demographics/data/us-intro.htm)

# Downtown Retail Market Analysis

## Summarized Commercial Inventory

### Downtown Properties

Lot Number(s)	Category	Property Description	Owner
1 & 2	Vacant	Undeveloped	Paul & Mona Boggs
3 & 5	Vacant	Undeveloped	Maricle Properties
4	Dev. & Occupied	Used for storage	Maricle Properties
6	Dev. & Occupied	Applegate Pioneer Museum	City of Veneta
7	Dev. & Available	Unused modular unit with parking	Rene Vanwolput
8 & 9	Partially Vacant	Wooden structure on site	Rene Vanwolput
10 & 11	Dev. & Occupied	Broadway Mini-Storage	Vicki & Martin Sourdry
12	Dev. & Available	Used for storage	Zorba Inc/ Dick's Diesel Service
13 through 21	Dev. & Occupied	Residential uses	
22 & 24	Vacant	Undeveloped	Montgomery Haskell L & Lois J
23	Vacant	Undeveloped	Kenneth & Marilyn Olson
25	Dev. & Occupied	Yukon Jack's	2V LLC
26 & 27	Dev. & Occupied	West Lane Fitness	Smith Fitness Properties LLC
28 & 29	Dev. & Occupied	Crazy Al's	Albert & Barbara Nelson
30	Vacant	Undeveloped	City of Veneta
31	Dev. & Available	Available retail space; former Kelley's True Value Hardware	Kelley Real Properties Inc.
32	Dev. & Available	Potential retail space, building requires considerable investment	City of Veneta
33	Vacant	Used for Crazy Al's parking	Albert & Barbara Nelson
34	Dev. & Available	JP Tootle Building; Potential retail space, building requires investment	Pamela Key
35 through 37	Dev. & Occupied	Residential uses	
38 through 40	Vacant	Undeveloped	St. Vincent DePaul
41 through 43	Dev. & Occupied	Residential uses	
44	Dev. & Occupied	Salon	Susan G Cameron
45 & 46	Dev. & Occupied	Fern Ridge Service Center	City of Veneta
47	Dev. & Occupied	CenturyLink	CenturyLink
48	Dev. & Occupied	Applegate Medical Associates	West Lane Health Properties LLC

# Downtown Commercial Inventory Map

JACK KELLY

8TH

BROOKER

BROADWAY

DUNHAM

2ND

TERRITORIAL

7TH

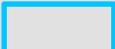
6TH

5TH

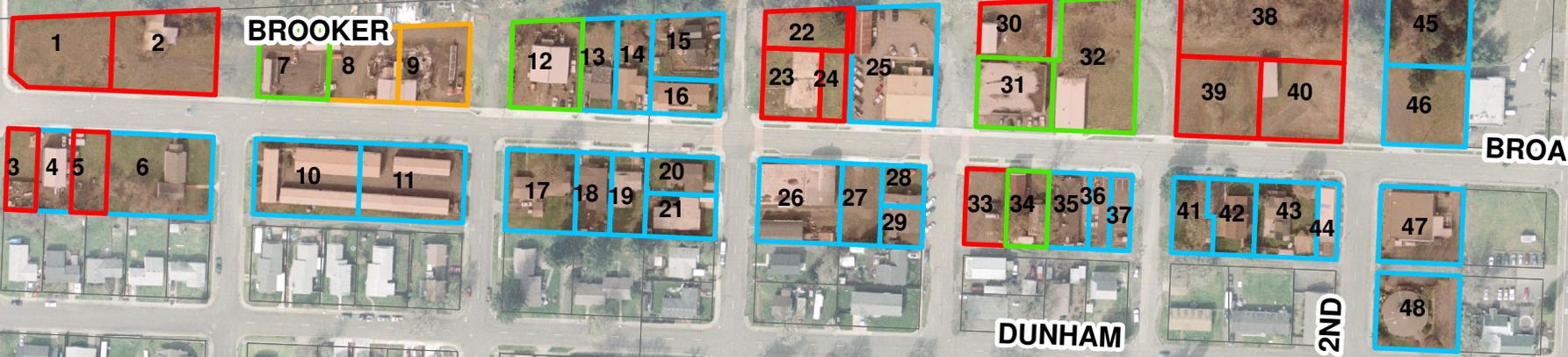
4TH

## Legend



-  Developed and Available
-  Vacant
-  Partially Vacant
-  Developed and Occupied
-  Study Area

Last Updated: July 17, 2017



## Territorial Highway Properties

Lot Number(s)	Category	Property Description	Owner
1	Partially Vacant	Countryside Pizza on east end of property; majority is undeveloped	Territorial West LLC
2	Vacant	Undeveloped	Territorial West LLC
3 & 4	Partially Vacant	Red barn; potential for additional development on lot 4	ME Property Investments LLC
5	Dev. & Available	Fern Ridge Center; two vacant storefronts	RLK Properties LLC
6	Partially Vacant	Dari-Mart property; space for additional development on north end of lot	J & M Veneta LLC
7	Dev. & Occupied	Park and Ride	City of Veneta
8	Dev. & Occupied	Our Daily Bread	Rick & Linda Kay Deangelo
9	Dev. & Occupied	Veneta Veterinary Hospital; space may come available	Behrends-Penfold LLC
10 & 12	Dev. & Occupied	Post Office	Calef Brothers LLC
11	Dev. & Occupied	Key Bank	Pacific Western Bank
13	Dev. & Available	Available retails space, former Video Store	Yi Sil
14	Vacant	Parking	Yi Sil
15	Dev. & Occupied	Veneta Chiropractic	Shane Gofourth
16	Vacant	Undeveloped	Ferne & Lloyd Henson Living Trust
17	Dev. & Occupied	Ho Ho Chinese Restaurant	
18	Dev. & Available	Available retails space, former site of Wings, Beads and Things	Tom William J & Josephine
19	Dev. & Available	Available space, former auto shop	Pedro Vasquez/ Vasquez Joint Trust
20	Dev. & Occupied	Veneta Dental	ME Property Investments LLC

# Territorial Highway Commercial Inventory Map

HWY 126

TERRITORIAL

JACK KELLY

LUTHER

BROOKER

BROADWAY

2ND

DUNHAM

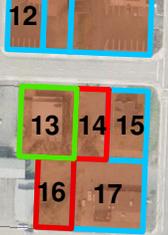
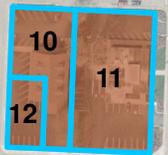
5TH  
MCCUTCHEON

4TH

3RD

3RD

PINE



## Legend

-  Developed and Available
-  Vacant
-  Partially Vacant
-  Developed and Occupied
-  Study area



Last Updated: January 31, 2017

## **Appendix III. RDI Site Visit**

### **RDI Site Visit: Downtown Veneta**

**February 10, 2017**

#### **Assessment**

---

Not all sites and properties on Broadway are equally important and the Property Assessment Form was a good tool for arriving at some high level conclusions about priorities and next steps.

General observations follow:

The core retail/commercial focus area for development is from 5<sup>th</sup> to Territorial. This encompasses the biggest and most attractive activity generators that are critical to build on as anchors/hubs: the Fernridge Service/Senior Center, West Lane Fitness and Broadway Grill. In addition, the Farmer's Market site (lot 32) is an important traffic generator. The adjacent city-owned building has a rustic character that can be used to its benefit. The balance of the district (5<sup>th</sup> to 8<sup>th</sup>) has a 'heavy commercial/light industrial' feel and needs general clean up—perhaps green screening. The pioneer museum is an outlier in these blocks and could be a positive activity generator with regular and increased hours and the addition of some commercial activity.

Several properties/sites are in transition where the owner apparently has an option on an adjacent property. This clearly signals investment interest/development potential.

A number of properties are negative contributors to the district and should be addressed with a pro-active carrot/stick approach to getting them cleaned up and maintained even as vacant lots. This is essential to enhancing downtown's image.

The vacant St. Vincent de Paul block (38, 39, 40) is perhaps the best opportunity site in downtown. It is an excellent location and prime for development, building on the traffic of the senior and transit centers and proximity to Territorial. Without funding, St. Vincent's project is on hold.

#### **Priority Actions**

1. Follow up with property owners regarding the status of projects at intersection of Hwy 126 and Territorial: funding gap, phases, site plan (access is challenging off Territorial), opportunities for public-private partnership given that the intersection is in the urban renewal district. This is a critical gateway site to the downtown.
2. Get in touch with the two or three property owners buying or ready to sell sites. Get a clear understanding of their intentions, sales/purchase price, needs from a transaction, schedule, types of assistance needed, etc.

3. Identify and agree on urban renewal resources/tools that could be applied to spur next steps evaluation and/or development in the district.
4. Identify and agree on regulatory tactics that can be employed to get downtown and Territorial Hwy properties cleaned up or demolished. 'Dangerous, derelict, nuisance structures' are addressed in nearly every municipal building code. Does Veneta's allow for ready action?
5. Identify key barriers in the code (e.g., high parking standard) that may deter property redevelopment and address with changes or agree to flexibility standards.
6. Prepare a simple downtown business/entrepreneur prospect database with key information and follow up deadlines to consolidate, stay on top of and track all contacts and conversations occurring with various staff members.
7. Consider engaging at a higher level of activity with the Oregon Main Street program to capitalize on the knowledge, creativity and expertise of the growing number of active main street organizations and staff around the state especially related to property revitalization.
8. Identify and tap state resources and technical assistance to help Veneta assess the historic value and redevelopment potential of downtown properties. E.g. State Historic Preservation Office and Restore Oregon are two such organizations.
9. Explore the idea mentioned during the February site visit of revising the urban renewal plan to incorporate a housing development goal.
10. Focus additional due diligence and marketing on the top five sites most ready for improvement, development or occupancy.

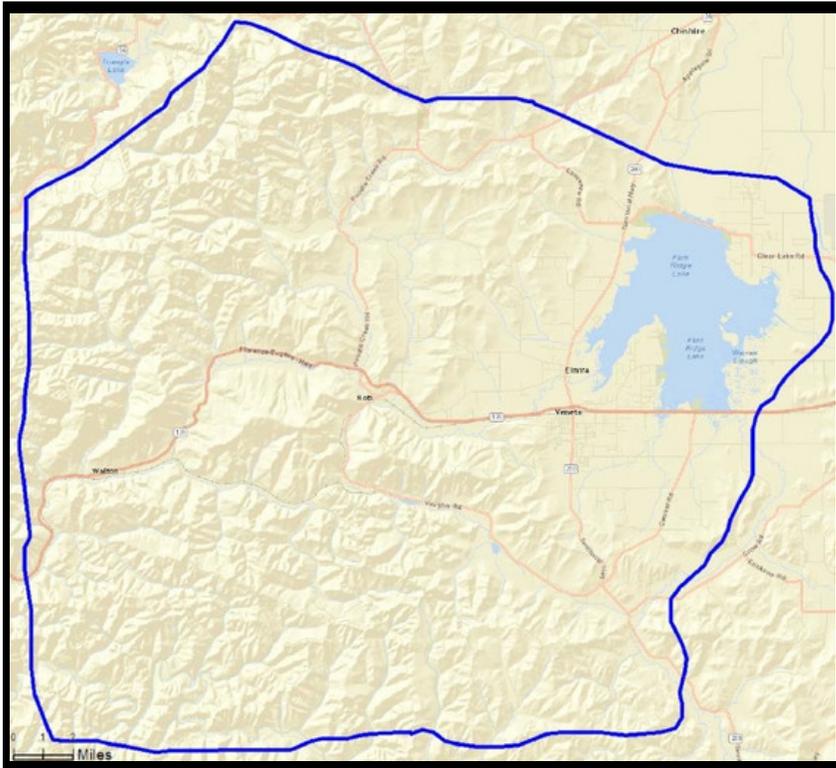
# Veneta, Oregon

*Where wine, agriculture,  
and nature abound*

The City of Veneta has a growing population with growing opportunities. It is located in the heart of the greater Fern Ridge area, home to over eight wineries. The City sits fourteen miles west of Eugene and is adjacent to the east slope foothills of the coast range.

# MARKET AREA FACTS 2017

## Market Conditions



Veneta's market area (2016)

## Market Area

### Income

- Median income is **\$53,876** (higher than County and State averages)
- **20% of households** have an average income of **\$50,000 to \$74,999**; **27% of households** earn between **\$75,000 to \$149,000**

### Population

- **4,755 persons** in Veneta city limits
- **16,075 persons** and **6,213 households** in market area
- **505 area businesses** with **2,888 employees**

### Age

- Median age of **47 years** (older than rest of County and State)
- **20%** of population between **55-64 years** of age

### Growth

- Average annual population **growth rate (AAGR) of 5.2%** from 2000-2010
- **Expected AAGR of 2.5%** between 2015-2035
- **Applegate Landing**: a new housing development with **Phases 5 of 9 complete**

*"Veneta's comparative advantages include a well educated population, a substantial inventory of commercial and industrial sites, infrastructure improvements and a rural atmosphere."*

*-Economic Opportunity Analysis, 2015*

## Target Industry Areas

- **Food processing** - with a focus on specialty items
- **Professional, Scientific, and Technical Services** - with a focus on high-tech
- **Secondary wood products** - with a focus on niche markets
- Small-scale or **Specialty Agriculture**, including Greenhouse and Floriculture products
- **Tourism and Wine** industry

## Market Potential for Local Retail Spending \*

### Areas of Highest Potential

- Retail categories with the highest potential include: **Food and Beverage; General Merchandise; Restaurants**

### Future Retail Potential (2021 Forecast)

- Future potential for **retail sales of \$5.1 million**, or **20,202 square feet**.

### Existing Retail Potential

- Potential for **additional retail sales of \$89.5 million**, or **397,260 square feet** of retail space

### Combined Potential (Future & Existing)

- Combined potential for **\$150.1 million**, or **593,337 square feet** in Veneta Market Area

*\*Data from 2016 Retail Market Analysis*



Veneta sits at the heart of wine country along Territorial Highway in the Willamette Valley. Photo courtesy of Sarver Winery.

## Business Incentives

### Veneta Enterprise Zone

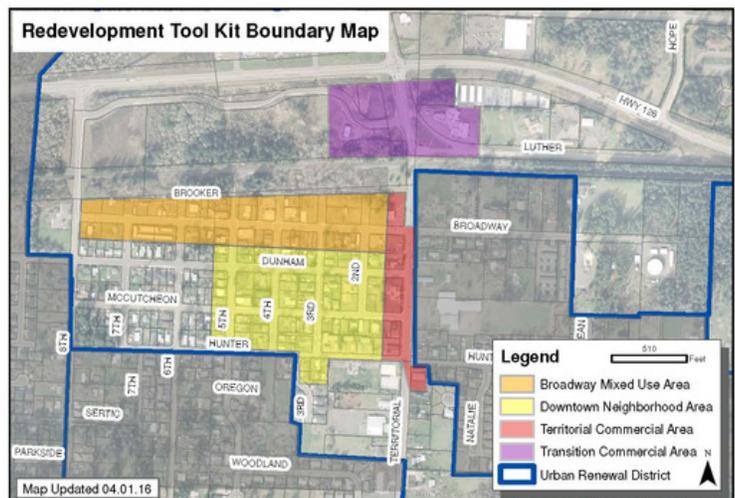
In exchange for locating or expanding into an enterprise zone, eligible businesses receive exemptions from the property taxes normally assessed on new plant and equipment (not including land) for a set period of time.

### Business Assistance

The Business Assistance Program (BAP) has grants and loans available to encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate. The method employed to encourage this expansion is to utilize the BAP and local matching funds to make low interest subordinated or direct loans/grants to small business or local nonprofits.

### Redevelopment Toolkit

The Urban Renewal Agency has funds allocated to promote commercial and retail development in line with the Agency's and City's vision for the downtown area, to assist projects that provide a service that is under-served or does not exist, and for the removal of urban blight.



### Rural Tourism Marketing

Lane County's Rural Tourism Marketing Plan process allocates funds to rural communities for tourism related projects. Grants up to \$500 are available. To be eligible, the project/program must be a tourism marketing related one. The request should support marketing efforts, and improve attractiveness of rural communities in Lane County.





## **Keep in contact with us!**

City of Veneta Economic Development Department  
88184 8th St. / PO Box 458 Veneta, OR 97487  
Phone: 541-2191 • Fax: 541-935-1838  
[www.venetaoregon.gov/ed](http://www.venetaoregon.gov/ed)

# Case Study Review

## Leveraging Urban Renewal for Downtown Revitalization

---

### Overview

The purpose of this document is to provide an overview of successful downtown revitalization activities taking place in communities comparable to Veneta. A large focus of this text is placed on urban renewal agencies which seek to improve specific areas of a city that are identified as underdeveloped or underutilized. Insights derived from case study communities can be used in the development of the Downtown Veneta Retail Market and Development Strategy and to inform the work of Veneta’s urban renewal agency.

### Case Study Communities

#### Face Rock Creamery

Community: Bandon, Oregon

Population: 3,115 (2015 estimate)

Location: Oregon coast



#### Overview

In 2011, the City of Bandon purchased the vacated site of the former Bandon Cheese Company. When the opportunity came, the City began leasing the property to Face Rock Creamery, an upstart cheesemaker. By leasing the property, Face Rock saved on upfront costs and the City was able to retain local control of the property. Face Rock Creamery signed a 20-year lease with an option to renew. As part of the agreement, Face Rock Creamery:

- Was required to finance the construction and operation of a new 6,000 sq. ft. cheese factory
- Must pay a flat fee of \$40 per month to cover the portion of land dedicated to non-cheese/non-ice cream retail sales, plus an in lieu of rent payment of 1% gross revenue from all sales between \$1 million and \$2.5 million, plus 2% of gross revenues from sales over \$2.5 million

In return, the City of Bandon agreed to the following:

- Use of urban renewal funds to put existing overhead utilities underground; relocate and upgrade the adjacent entrance road; install underground drainage, a public parking lot, sidewalks, and a small tourist park; and construct public restrooms.
- Boundary amendment of the Coquille Valley Enterprise Zone to include the cheese factory property. This allowed Face Rock Creamery to take advantage of the property tax abatement available through the Enterprise Zone program.

- Allocation of water, sewer, transportation, and drainage system development charge credits from the former cheese factory to Face Rock Creamery

### **Funding/Leverage**

- \$4.5 million total costs
- \$500,000 urban renewal purchase of property
- \$1.5 million from urban renewal for public infrastructure and restrooms
- Face Rock Creamery secured loans from the Port of Bandon Business Development Fund, Craft3 Bank, and Business Oregon as well as owner's capital, for a total private investment of \$2.5 million.
- In-kind contributions by Bandon Electric Department for off-site electric system improvements

### **Impact**

- 15 full time employees
- Additional employment for delivery, transportation, milk truck drivers as well as the temporary employees during construction
- Attraction of tourists
- Tourist attraction
- New market for local dairy farmers' milk

### **Themes**

- Cheese making was already a key part of Bandon's identity and local market was prepared to support it
- Public/private partnerships between City & Face Rock
- Purchase and investment of property was a risk but also very proactive

## **Jennifer L. Sears Glass Art Studio**

Community: Lincoln City, Oregon  
 Population: 8,536 (2015 estimate)  
 Location: Oregon coast



### **Overview**

The Lincoln City Urban Renewal Agency purchased property and supported the development of the privately operated Jennifer L Sears Glass Art Studio. The Art Studio attracts about 80,000 people a year and the artwork produced there has become an iconic part of Lincoln City's identity. Due to its popularity, the art studio has also been featured in a variety of publications including Sunset Magazine, the Wall Street Journal, and The Oregonian. Visitors add an estimated \$8 million dollars annually to Lincoln City's hospitality community. A 2011 survey by the Lincoln City Visitor and Convention Bureau showed that 37% of Lincoln City visitors come to visit the Glass Studio, and 99% say they will recommend it to family and friends.

### **Funding/ Leverage**

- Lincoln City Urban Renewal Agency purchased a former brownfield site:
  - \$52,200 for the building
  - \$30,000 for business relocation
  - \$30,000 for site clean-up & monitoring
  - \$30,000 for building improvements
- Partnership with the Lincoln City Visitors and Convention Bureau – Purchase of studio equipment
- Private investment for additional furnace, equipment

### **Impact**

- Employs 12 people (18 in summer)
- Attracts more than 80,000 visitors each year
  - Visitors created 50,000 glass projects over 10 years
- Staff works with visitors from 8 to 98 years old
- Produces floats for the popular Finders Keepers Glass Float Program

### **Themes**

- Public/private partnerships between City, Visitors Bureau, & Glass Art Studio
- Purchase and investment of property represented risk but was proactive
- Glass art is a major attractor & has become part of Lincoln City's identity

## **Inn at the Cross Keys**

Community: Madras, Oregon

Population: 6,662 (2015 estimate)

Location: Central Oregon



### **Overview**

After identifying the need for an additional hotel, the Madras Redevelopment Commission attracted a developer to build downtown. This led to a 60+ room downtown hotel that included a covered entry way, pool, public meeting room, and matched the character of the community.

### **Funding/Leverage**

- \$4,700,000 total investment
  - \$525,000 performance based grant
  - \$4,175,000 private investment

### **Impact**

- Approximately 15 new employees
- \$4,175,000 of additional tax assessed value to Urban Renewal District
- Hotel accommodates additional tourism lodging demands in Central Oregon
  - Used for a wide variety of seminars, meetings, and events
- Approximately 50,000 in transient room tax

## Themes

- Public/ private partnership made completion of project possible
- Hotel takes advantage of Central Oregon’s regional tourism and demand for hotels

## **Talent, Oregon**

Project: West Valley View (2015)  
Population: 6,411 (2015 estimate)  
Location: Southern Oregon



## Overview

Primarily an endeavor in transportation planning, the West Valley View project invested in a new downtown street network and opened approximately 15 acres of undeveloped land. It also resolves a dangerous and confusing downtown intersection and increase transportation capacity. Completed in the fall of 2015, Phase I extended Main Street to a new roundabout. It also created a new public plaza and a 36-space “parking street.” The final leg of the roundabout, Phase II, is schedule to be completed before 2019.

During project planning, the lot occupied by the Camelot community theater was acquired for new road construction. Seeking to preserve this resource, the Talent Urban Renewal Agency purchased an adjacent lot so the theater could build a new facility under a leaseback agreement. Today, the new theater is a key anchor to downtown Talent.

## Funding/Leverage

- TIF: Phase I-\$2.75 million; Phase II-TBD
- ODOT/STIP: Phase I-\$1 million

## Impact

- Opens 15 acres of landlocked land for mixed use development
- Maintains traditional grid-type street pattern and increases capacity of the local transportation system
- Construction of a new 100-seat theater which serves as a downtown anchor
- The project has attracted the interest of developers
  - Longtime business owners have purchased property within the area
  - Investors have purchase light industrial property south of downtown

## Themes

- Theater acts as an anchor in downtown area, and spurred additional development.

## **Chimney Rock, North Carolina**

Project: River Walk and downtown revitalization  
Population: 108 (2015 estimate)  
Location: Western North Carolina



## Overview

The village of Chimney Rock, with an estimated population just over 100, is located at the entrance to Chimney Rock Park, a popular tourist destination. For years, the village was an afterthought to visitors who typically drove straight into the park without stopping. Those who did stop only spent a short time in one of the village's novelty shops. Seeking to capitalize on its strategic location, a team of local leaders collaborated with HandMade in America, a non-profit focused on community development, to build a river walk and revitalize its downtown.

The first step came in 1996 when Chimney Rock formed a community development association equipped to support local applications for grant funding. Next, it focused on working with business owners to make facade improvements and cleaning up park space located near the village center. Finally, Chimney Rock used grant funding to improve access to the Rocky Broad River through the construction of a river walk.

### **Funding/ Leverage**

- Chimney Rock and its community development association have leveraged \$620,000 in public money to generate over \$3.7 million in new private investments.

### **Impact**

- Chimney Rock's downtown revitalization has made the community a more appealing place for tourists to stop and spend time
- Visitors stop and spend the night in Chimney Rock
- Since these efforts began, Chimney Rock has made significant gains in the number of businesses and jobs in town.
  - 17 new businesses
  - 7 business expansions
  - More than 100 jobs created
  - 17 business façade updates

### **Themes**

- Highlights the difference creating an identity makes in attracting visitors to stop and visit
- Investment in Riverwalk & downtown took advantage of regional assets

## **Association of Oregon Redevelopment Agencies**

The Association of Oregon Redevelopment Agencies (AORA), founded in 1987, represents established urban renewal agencies. AORA is a resource for urban renewal agencies and public and private redevelopment professionals that:

- Promotes urban renewal best practices;
- Provides a forum for discussion on issues pertinent to redevelopment;
- Provides education and information to the Legislature and state agencies on issues related to redevelopment and tax increment financing;
- Evaluates and coordinates urban renewal agency responses to litigation on urban renewal and redevelopment; and
- Assists the League of Oregon Cities

In 2007, the Association of Oregon Urban Renewal Agencies (AORA) commissioned a study on the impact and effectiveness of seven urban renewal agencies located in Oregon. The report provides detailed information on total growth in assessed value during the lifespan of each urban renewal plan, total tax increment revenues collected, and a description of major urban renewal projects and programs carried out. Urban renewal efforts evaluated include:

- Canby Urban Renewal Plan
- Lincoln City Urban Renewal Plan
- Leveton Tax Increment Plan (City of Tualatin)
- Wilsonville Urban Renewal Plan
- White City Urban Renewal Plan
- Clackamas Industrial Area Urban Renewal Plan
- Clackamas Town Center Urban Renewal Plan

While the majority of the communities reviewed are much larger than Veneta, there are several key takeaways:

- A wide range of public investments in urban renewal areas have facilitated substantial private development and increased assessed value within each area.
- The majority of investments are made in infrastructure, however, direct investment in specific developments are common as well
- It is impossible to determine whether, or to what extent, developments would have occurred in the absence of urban renewal investments
  - Questions about revenues forgone by taxing districts during the use of tax increment financing requires a judgement as to what growth in assessed value would have taken place without the urban renewal plan
  - Based on the nature and location of the projects completed, a reasonable conclusion can be made that they have facilitated new development, jobs, and an increase in assessed value.

## Seven Lessons in Rural Economic Development

In “Small Towns, Big Ideas: Case Studies in Small Town Community Economic Development” William Lambe and a team of researchers from the University of North Carolina’s School of Government examine economic development efforts in 45 rural communities with fewer than 10,000 residents. As part of this work, Lambe and his research team present *seven lessons* from their investigation:

- **"In small towns, community development is economic development."**- Building the total capacity (social, physical) of the town can lead to economic development.
- **"Small towns with the most dramatic outcomes tend to be *proactive and future-oriented*; they *embrace change and assume risk*."**
- **"Successful community economic development strategies are guided by a *broadly held local vision*."** - Successful strategies feel open and welcoming; anyone in the community is invited to contribute, even newcomers.

- **"Defining *assets and opportunities* broadly can yield innovative strategies to capitalize on a community's competitive edge."** - For example, communities find ways to turn a liability – a rundown vacant building – into an asset – a low cost space for start-up businesses.
- **"*Innovative local governance, partnerships, and organization* significantly enhance the capacity for community economic development."** - Opportunities for regional collaboration are particularly important for maximizing access to scarce resources (like funding).
- **"Effective communities *identify, measure, and celebrate short-term successes* to sustain support for long-term community economic development."** - Because the connections between long-term successes and current investments aren't always clear, it is important for practitioners to make these connections more visible through measurement and celebration.
- **"Viable community economic development involves the use of a *comprehensive package of strategies and tools*, rather than a piecemeal approach."**

## Key Takeaways

- Bandon, Lincoln City, and Madras made investments to attract specific private developments and were successful bringing those targets to their community
- Loan programs, grant assistance, fee waivers, and infrastructure investment are a few of the tools which can be used to incentivize downtown development
- AORA's Evaluation of Urban Renewal Plans (2007) offers specific insight and quantitative evidence on the success of urban renewal districts throughout Oregon
  - Two key qualifiers- the study is somewhat dated and most communities reviewed are much larger than Veneta
- Researchers at the University of North Carolina make two very important points which are relevant to Veneta
  - "Small towns with the most dramatic outcomes tend to be proactive and future-oriented; they embrace change and assume risk"
  - "Successful community economic development strategies are guided by a broadly held local vision"
- Projects which touch on multiple community goals are most likely to gain support and result in favorable results
- Impacts of urban renewal investment and redevelopment are far reaching and should be celebrated as part of a project's success
- Performance measures are key to monitoring the impact of an urban renewal agency: [http://www.goldbeachoregon.gov/vertical/sites/%7B95824C9A-6BB0-47B3-83E2-3D2AE3179E09%7D/uploads/UR-Best Practices Manual.pdf](http://www.goldbeachoregon.gov/vertical/sites/%7B95824C9A-6BB0-47B3-83E2-3D2AE3179E09%7D/uploads/UR-Best_Practices_Manual.pdf)