
Old Town Activation and Stimulus Strategy



Credit: Dan Klinkert

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Final Report

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1. Introduction

The onset of the Covid-19 pandemic and the public health regulations that followed presented challenges for businesses in downtown Portland, including in Old Town where businesses experienced an abrupt decrease in foot traffic during the day as office workers shifted to remote environments and at night as clubs and music venues closed due to health and safety precautions. Some businesses chose to close permanently in Old Town while others are starting to determine the best reopening plan based on more flexible public health restrictions and changing consumer behaviors over the remainder of 2021. To help business owners and Old Town stakeholders navigate these challenges, Prosper Portland contracted with ECONorthwest to develop a strategy that provides actions to stimulate activity in the Old Town district.

Prosper Portland and the Old Town Community Association identified the need for a strategy to specifically address challenges for businesses while they consider reopening in spring and summer 2021, as Covid-19 restrictions ease. Pre-pandemic, businesses still faced challenges with operations in the district, but the lack of tourism and office workers for most of 2020 and in early 2021 led many businesses to close or substantially change their business model. The purpose of this strategy is to assist district stakeholders and leaders in reactivating the district and stimulating businesses to increase accessibility for visitors and residents as Covid-19 recovery efforts continue through 2021 and beyond. Government agencies and organizations that have a long history of working in Old Town and playing a critical role in recovery and revitalization in the district include:

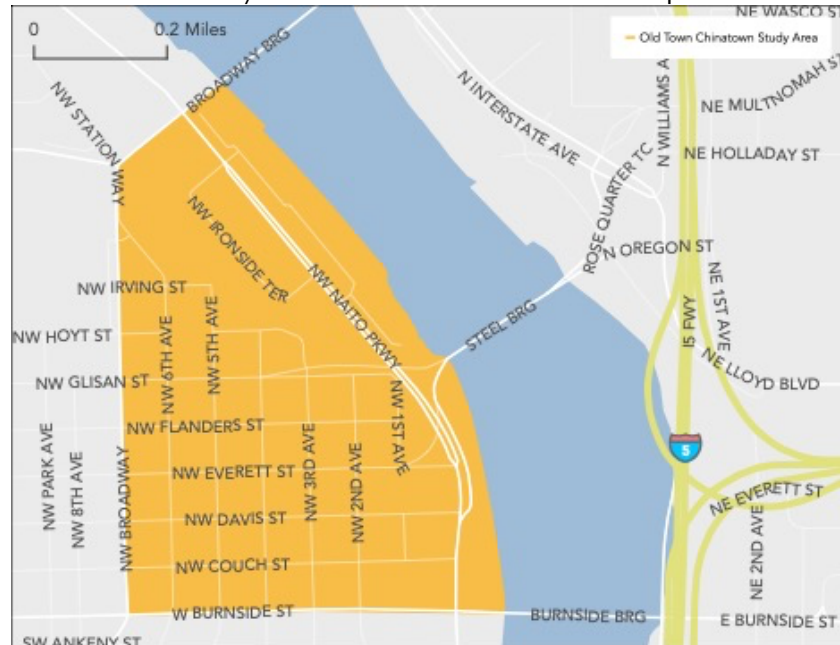
- Portland City Council
- Prosper Portland
- Portland Housing Bureau
- Portland Bureau of Transportation
- Multnomah County
- Old Town Community Association
- Portland Business Alliance

The strategies presented in this document are intended to summarize needs expressed by Old Town stakeholders and describe actions that Prosper Portland and the Old Town Community Association, as well as other proponents of Old Town, can either champion or support. We acknowledge that there are a range of issues facing Old Town, and district stakeholders should continue to collaborate to make Old Town accessible and connected to the broader Central City.

For the purpose of this project, the Old Town district is defined as the area shown in Exhibit 1. The district is located along the west side of the Willamette River, with a northern boundary of the Broadway Bridge, a western boundary of NW Broadway, and a southern boundary of W Burnside Street. Other definitions of the district include areas south of W Burnside Street, but this study is focused on the areas of the district north of W Burnside Street (Exhibit 1), as this is

where Prosper Portland intends to focus future efforts in the district. The areas of Old Town that are south of W Burnside Street are largely developed and well-integrated with the adjacent downtown districts.

Exhibit 1. Old Town/Chinatown District Reference Map



Source: RLIS, City of Portland

Background and History

In the 1850s, emigrants travelled from southern China to the American West, and when they arrived, Chinese immigrants mainly worked in gold mines, coastal fisheries, and railroads. Many Chinese immigrants started settling along the Willamette River and developed a 14-block Chinatown over decades.¹ At the time, Portland's Chinatown was the second largest on the West Coast, with Chinese immigrants accounting for about 12 percent of the city's total population. Congress passed the 1882 Chinese Exclusion Act, which prohibited all Chinese immigration to the United States. Despite these racist and exclusionary laws, the Chinese community continued building their lives in Chinatown through the 20th century. The Oregon Chinese Consolidated Benevolent Association (CCBA) was formed at the time to help Chinese immigrants with their struggles amid discrimination. The association is located NW Davis Street, between NW 3rd and 4th Avenues, located across the street from the Portland Chinatown Museum.²

During the 1890s Japanese immigration to Oregon began to increase as immigrants came to Oregon to work in agriculture, timber production, and the railroads and created a demand for accommodation and other services. Portland became the center of the Japanese community in

¹ <https://psuvanguard.com/our-changing-city-losing-chinatown/>

² <https://psuvanguard.com/our-changing-city-losing-chinatown/>

Oregon and vibrant a Japanese community developed alongside Chinatown with over 100 Japanese-American owned businesses. The businesses in the district were thriving, and Chinatown was blended with Japantown. Over the course of the early 20th century, the area grew into Oregon’s largest Japantown.³ In 1942, Franklin D. Roosevelt signed Executive Order 9066 which led to the forced removal of Japanese-American families across the United States, including the removal and relocation of families and residents from Chinatown and Japantown. Japanese Americans were forced to leave their homes and businesses and after the end of World War II and Japantown never fully recovered.

The architecture in the district today shows the influence of both Chinese and Japanese cultures through structures such as the Japanese American Historical Plaza, Japanese American Museum of Oregon, and the Lan Su Chinese Garden.



Japanese American Historical Plaza (Credit Dan Klinkert)
Lan Su Chinese Garden (Credit Dan Klinkert)



The efforts to revitalize Chinatown started around the 1970s. CCBA formed the Chinatown development committee, and the plan they created was later adopted by the city government in 1980 as part of the City’s agenda. The City officially recognized the Old Town district as a protected historical landmark in 1989. As one of the steps toward redeveloping the area, the Lan Su Chinese Garden opened for visits on September 14, 2000. Surrounding streets such as NW 3rd and 4th Avenues also obtained streetscape improvements. These became “festival streets” often used for holiday celebration performances. Despite the efforts, Chinatown was still facing a decline in business and public interest. The higher-end businesses were moving out to more popular spaces that were perceived to be safer, leaving only a few long-standing restaurants and businesses remaining. With increasing property values and gentrification, many Chinese Americans and Chinese immigrants have been moving out of this part of the city.

Over the last decade, Old Town has become home to a variety of artists and apparel design entrepreneurs. Unique sneaker and streetwear proprietors have formed a tight-knit creative culture helping to redesign the commercial landscape within this area of the Central City.⁴ In

³ <https://www.streetroots.org/news/2019/01/04/portland-s-old-townchinatown-original-downtown>

⁴ Old Town Storybook. Retrieved from <https://pdxoldtown.org/history/>

addition to being home to a number of cultural institutions, Old Town is also home to educational anchors, including the University of Oregon-Portland, the Oregon College of Oriental Medicine, and the Pacific Northwest College of Art. Over the past few decades, Old Town has also become home to a concentration of social services, including Central City Concern, Mercy Corps, and Street Roots, along with many others. Old Town was the original downtown of Portland and functioned as the central business and entertainment district for many years. Now, Old Town is directly north of the core of the central business district but still serves an important role in the city providing employment, entertainment, and social services.

Framework

Considering the background and the current needs for Prosper Portland and the Old Town Community Association in this project, we developed a framework that would support the strategies and actions listed in this document. This process included a market scan of existing conditions in Old Town and identified gaps and opportunities for potential new businesses. To supplement these findings, we completed stakeholder engagement through both interviews and surveys, which provided insight into opportunities for economic growth and community development as well as challenges in the district that are currently impacting stakeholders and businesses owners.

The purpose of this document is to build on the findings of the market scan and stakeholder engagement to develop strategies and actions that could help to activate and stimulate business activity in Old Town. These actions will require work in tandem with partners working to address other issues facing the district but are not specifically addressed as part of the scope of this project.

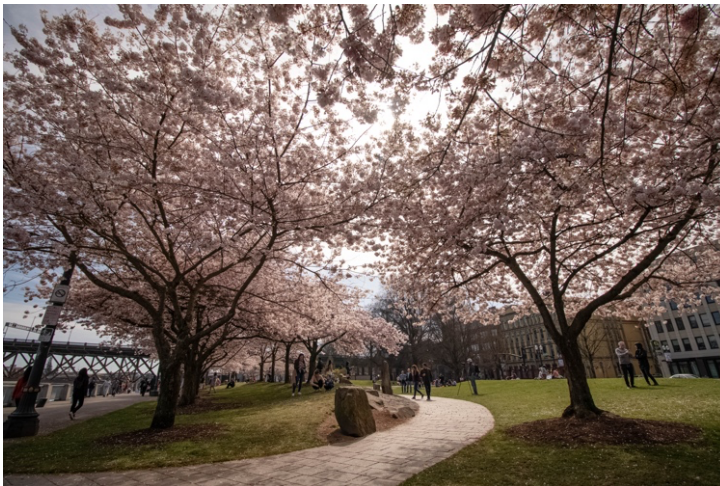
Market Scan

The Old Town/Chinatown District Market Scan memorandum identified trends in business composition, demand for retail services, and comparisons to other subdistricts in the Central City. Below are the high-level findings from that document:

- **Business is growing in Old Town.** Employment in the district grew by 25 percent between 2008 and 2019, an increase of 1,100 employees. Industries with the highest growth include health-care and social assistance and professional services. Additionally, software and design and media industry clusters are expected to grow over the next five years, with an increasing presence in Old Town. However, COVID-19 may have long-term impacts on these projections as companies such as Moovel and AirBnB, which have offices in Old Town, have had to lay off workers over the past year.
- **Old Town is currently missing a variety of retail services that are in demand.** Some examples of the specific types of businesses that were identified in the retail gap analysis for the district include a small nursery/garden store, small home goods and design stores, counter-service restaurants, a specialty corner store or small grocery store, and salons or other personal services. As businesses begin to reopen after the Covid-19

pandemic, Old Town would especially benefit from a grocery store and other opportunities for food services, both during the day and evening, to draw more traffic to the area.

- **Old Town is part of the changing dynamics of the Central City overall.** Future planned developments such as the Broadway Corridor Redevelopment located directly adjacent to Old Town and the Albina Vision located just on the east side of the Broadway Bridge will both have long-term impacts on the market dynamics within the district. The Broadway Corridor redevelopment is especially likely to generate additional demand for business within the district with the addition of much needed new residences.
- **Tourism is an important driver of business success in the district.** Old Town has two boutique hotels, the Society Hotel and the Hoxton, that attract similar visitors. The general profile of these visitors are younger adults (20 to 40-year-olds) without children. Compared to other Portland tourists who seek out mainstream tourist destinations, these visitors are typically looking for an “authentic” Portland experience. As visitors begin coming back to Portland as Covid-19 travel restrictions ease, understanding this demographic will be key to the activation strategy in Old Town. Regional visitor and tourism destinations, including the Lan Su Chinese Garden, Saturday Market, and seasonal events like the blooming of the cherry blossoms on the waterfront and the Portland Pride Festival, all play an important role in generating trips and foot traffic within the district.



Cherry Blossoms (Credit Dan Klinkert)

Stakeholder Engagement

To better understand the underlying challenges and opportunities for the Old Town area, we also conducted stakeholder outreach using two primary methods: business surveys and individual interviews. Key findings from this outreach are included below.

- **Stakeholders identified a need for improved attention in Old Town.** A key theme in the initial stakeholder outreach was a lack of consistent attention to Old Town, especially from the City. Important issues that stakeholders raised were cleanliness and overall safety within Old Town. They would like to see the City address the issues in a clear, consistent manner with the goal of improving the overall accessibility of the district for both residents, workers, and visitors.
- **Stakeholders emphasized a need for increased engagement and funding.** To successfully prepare for the reopening of businesses with the easing of COVID-19 restrictions, many small businesses and property owners in Old Town will require assistance. This assistance could take the form of grants or other funding that allows for tenant and owner improvements, rehiring, and buying supplies. Along with funding for individual businesses, stakeholders identified a need to harness the energy in Old Town and promote the area in a coordinated manner with phased reopening. They offered suggestions for potential strategies, some of which we explore throughout the rest of this document.
- **Stakeholders expressed both concern and excitement about the future Burnside Bridge replacement project.** Some stakeholders expressed concern that reduced vehicle traffic on West Burnside during the bridge closure could lead to even more safety and cleanliness challenges along the important northern gateway to the district. Other stakeholders expressed their desire to use the bridge closure and reduced vehicle traffic as an opportunity to make pedestrian improvements and better connect the district to the rest of the downtown core.
- **While some stakeholders are frustrated and concerned about current conditions in the district, many stakeholders are committed to improving and contributing to the success of the district.** Many business owners we spoke with during the engagement portions of the work emphasized their strong connections to the community in Old Town and their commitment to making the district a success. These stakeholders also communicated that the City and decision makers should support this collective effort within the district at this important point in time to move years of vision for the district into action.

- Vision for the district.** Some current business owners and other district stakeholders articulated their desire for the district to remain edgy and unique while emphasizing the need to enhance safety and cleanliness: “Make it better but not too nice.” Stakeholders view Old Town as a place for art and creativity with a diverse, hip vibe—a place of opportunity and energy welcoming to hip hop, streetwear, art, music, fashion, and skateboarding. Some stakeholders were attracted to locating their business in Old Town originally because of its unique opportunities for entrepreneurs and emerging concentration of streetwear and associated art and culture. Many stakeholders expressed that they would like to see acceleration of the energy that currently exists in the district, rather than motivation from outside sources. Stakeholders desire to support the growth and stability of businesses within the district while minimizing the impact of rent increases and displacement pressures. Stability in a changing market was a common theme with business stakeholders.



Wall Mural in Old Town (Credit Dan Klinkert)



Wall Art, Old Town (Credit Dan Klinkert)

- Businesses that are interested in expanding in Old Town identify affordability as their primary concern.** Businesses that are attracted to Old Town tend to be from the design and apparel industries that are looking for affordable commercial spaces that meets their business needs. These businesses also consider safety and cleanliness as very important to their ultimate decision to locate in Old Town, along with regular district events important to attracting visitors to the area. Many of these businesses are currently home based or online.



Unspoken Streetwear, Old Town (Credit Dan Klinkert)



Orox Leather (Credit Dan Klinkert)

Activation and Stimulus Strategies

The remainder of this document outlines the activation and stimulus strategies for Prosper Portland and other champions of the Old Town district to focus on over the next five years. All proposed strategies and actions came from reviewing the existing market conditions in Old Town (based on the Market Scan findings), as well as conversations with local stakeholders and business owners in the district. The strategies are categorized by both timeline and purpose. Many actions are focused on near-term solutions to respond to the easing of public health restrictions related to Covid-19 pandemic. These near-term actions include implementation steps to inform an immediate work plan for Prosper Portland and key partners.

We also offer mid and long-term actions for strategies that require development of partnerships and ongoing support for district stakeholders. These actions are intended to be suggestions for further exploration and require additional development for implementation steps. For each of these actions, we offer next steps, identify potential partnerships, and suggest champions for actions that Prosper Portland would likely not lead.

A key theme in developing the strategies in this report was attention to support and stabilization for existing businesses in Old Town and a focus on antidisplacement. Through conversations with stakeholders in Old Town, it is clear that many business owners are committed to contributing to the success of the Old Town Chinatown community and staying in the district. We offer potential opportunities for Prosper Portland and key partners to support these businesses and respond to their needs.

2. Covid Recovery Response in Old Town

This section focuses on near-term actions for activating Old Town in response to the easing of Covid-19 restrictions. Business operations will look different in this phase of reopening, compared to business operations pre-pandemic or future long-term operations as consumer behaviors shift further into post-pandemic life. The actions in this section specifically address this temporary period of reopening. Businesses will have opportunities to increase activity and serve visitors and residents in a different way as foot traffic increases in Old Town through spring and summer 2021.

Each recommended action listed below includes suggested high-level implementation steps and potential partners. Many are based on activities already occurring in the district and, where applicable, some actions are tied to a longer-term action referenced in the next section.

- **Encourage continued engagement and promotion of Old Town through pop-up events and temporary street closures.** Shifts to spring and summer weather and increases in availability of Covid-19 vaccines have led to increased foot traffic in Old Town and downtown Portland. Stakeholders hosting and participating in pop-up events have noticed this increase in weekend activity and expect it to continue through summer 2021. This action is intended to encourage the continuation of existing events occurring in the district through 2021. Prosper Portland should provide additional support for businesses already engaging in these efforts through the following:
 - *Provide funding for pop-up events and temporary street closure events through 2021.* Reliable funding will allow businesses and local stakeholders operating these events to better promote and potentially increase the scale of the events, improving visibility and visitor attraction. Both financial and organizational support for events should be focused toward stakeholders and business owners within the district to plan and execute events.. District stakeholders should also leverage resources provided by service providers and business assistance resources that may be available from partners outside of the district.
 - *Formalize physical spaces available for pop-ups and other events.* Currently, the process of designating space for pop-up events has been ad hoc. While the nature of a pop-up event tends to be less formalized, if local stakeholders want to continue holding these events consistently in Old Town, a more formal structure would provide reliable space. Property owners that are currently allowing pop-ups may choose to lease the space at any time. Prosper Portland can help facilitate the designation of available spaces for more permanent pop-up events. This is especially important when the retail and commercial market improves in the district and there are less opportunities for these kinds of activations. Property owners and Prosper Portland should consider creating short leases and microbusiness opportunities within a dedicated market in the district to support pop-up uses in the future when the commercial real estate market improves.

- Support and stabilize existing small businesses, with an emphasis on business owners of color, during the reopening phase.** Many business owners who participated in stakeholder outreach stated that a key barrier in trying to reopen as Covid-19 restrictions ease is the cost associated with rehiring personnel and restocking supplies. Conventional loans available to businesses do not cover these types of costs. Additionally, many current business layouts may not fit with new regulations/consumer expectations for social distancing, and business owners may need help funding these tenant improvements. Further, underrepresented business owners, specifically business owners of color, have faced greater challenges in recovery since the onset of Covid-19. Prosper Portland can help support these businesses through the following:

 - Provide funding for costs associated with reopening.* Funding should be flexible and cover a range of costs, including rehiring personnel, restocking supplies, tenant improvements, and deep cleaning of spaces that have been unused during closure. This type of support will allow businesses to reopen in the spring and summer as restrictions ease and modify their spaces as needed to accommodate changes in physical and social activity. American Rescue Plan (ARP) funding may allow for this flexibility. Prosper Portland should work with district and business leaders to connect businesses with the funding available.

- Continue to formalize commercial activity in the right-of-way.** Working with the existing programs implemented by Portland Bureau of Transportation, Prosper Portland should advocate for continued commercial activity in the right-of-way as foot traffic increases through the summer. This activation strategy will help to accommodate various levels of comfort as more visitors come to the district.



Ankeny Alley (Credit Dan Klinkert)

- Promote increased foot traffic in Old Town through reactivation of entertainment businesses.** Pre-pandemic, Old Town had a concentration of nightlife activities that produced steady foot traffic in the district on most nights. These businesses that contributed to the entertainment industry in Old Town include clubs, bars, and music venues. After the onset of public health regulations related to Covid-19, these businesses temporarily (some permanently) closed, resulting in substantially reduced nighttime activity. Business owners in the district and other stakeholders have noticed that the decrease in nighttime activity has led to safety concerns throughout the district. Prosper Portland should help these businesses identify ways to phase reopening and promote safe options for reactivating nighttime activities in Old Town through 2021.
- Focus American Rescue Plan (ARP) funding on support for a range of district stakeholders.** Currently, the City of Portland and Multnomah County are coordinating on ways to distribute local aid provided through the Federal ARP. The funding could

apply to a range of needs for businesses and local stakeholders in Old Town to rebuild after Covid-19. Prosper Portland could assist in the distribution of aid by connecting business owners with funding, starting with applicants to Prosper's existing programs such as the Small Business Relief Fund and Small Business Repair Grants. Prior to the distribution of this funding, Prosper could also assist in outreach to potential businesses that may apply to these programs, especially business owners of color who may not have benefited from earlier relief from programs such as the Paycheck Protection Program. In addition to helping hard-hit business owners, further applications of ARP funding may help to assist property owners and provide paths to shelter for the houseless in Old Town.

3. Potential Future Activation and Stimulus Strategies in Old Town

The strategies and actions in this section are intended to carry efforts to activate and stimulate activity in Old Town beyond the initial reopening phase. While some actions in this section will still occur within a year, others will require additional time to implement over the next five years. Additionally, the implementation of some actions may depend on the completion (or partial completion) of other actions first. Where necessary, these cases are noted below. The strategies center around three key themes: visibility and connectivity, business, and development. The suggested actions under each strategy were developed based on findings from the Market Scan and discussions with district stakeholders.

Strategy 1: Reestablish visibility, connectivity, and safety as priorities in Old Town

This strategy focuses on the physical and psychological connection of the district in the context of the Central City to make the district more approachable. Part of this strategy includes a more consistent approach to safety and cleanliness. Many of the actions in this strategy must be addressed and implemented—at least partially—to achieve the objectives of the remaining strategies.

- **1.1 Improve access to and wayfinding for Old Town.** Stakeholders in the district stated that it is challenging to attract visitors to their business or organization due to unclear or poorly maintained access points into Old Town. In coordination with PBOT, this action could range from widespread branding throughout Old Town to improved urban environment legibility along key corridors, such as a green crosswalk across West Burnside leading into the district. This is one example of an update to the built environment that would provide continuity with wayfinding in the greater Central City and would lead to more visitors and residents feeling comfortable navigating into and around the district.



Chinatown Gateway (Credit Dan Klinkert)

- **1.2 Create a framework for mobility that helps to connect Old Town with the rest of the Central City.** The key corridors connecting Old Town to the rest of the Central City include West Burnside Street, NW 3rd, 4th, and 5th Avenues, and NW Couch Street. Improving mobility to, from, and within Old Town in the context of the greater Central

City will require ongoing coordination with PBOT, and stakeholders agreed that consistent coordination is key to better connectivity in Old Town. Implementation will include priorities for consistent street cleaning and accessibility in the pedestrian realm, including street-facing walls, sidewalks, and planter strips.

- *Work with the City and the Clean and Safe District to improve street cleaning along West Burnside.* To improve access to the district at these key nodes for downtown residents, downtown workers, and tourists, district stakeholders should work with agency partners and service providers to provide more consistent cleaning services along the southern sidewalk on West Burnside. This edge serves as the gateway to the district for many visitors, and improving the perception of cleanliness and safety would help facilitate more activity into the district.
- **1.3 Develop a clear and consistent approach to cleanliness.** Encourage implementing a plan for a clear approach to improving safety and sanitation issues in the district through ongoing coordination with Old Town stakeholders, the City of Portland, and the Clean and Safe District. This approach should be transparent, making it clear to stakeholders how district fees are spent and how issues of safety are addressed. It should also establish consistent levels of service, with details on how these levels will be maintained.
- **1.4 Leverage opportunities with upcoming improvements to the Burnside Bridge.** Decisions related to the upcoming improvements to the Burnside Bridge will affect the future of Old Town, namely, the design of the bridge landing on the west side. District stakeholders expressed both concern and optimism for the opportunity to improve Old Town's accessibility through this upcoming major infrastructure improvement. Additionally, the closure of the bridge during construction will have implications for accessibility of Old Town. Discussions leading up to these updates should include representatives from Old Town who can communicate the needs of business owners and district stakeholders, and they should result in actions such as a business continuity plan during closure of the bridge. This action will require partnership with Multnomah County.

Strategy 2: Support growth and development of businesses

This strategy focuses on the desire to support the stability of existing businesses in Old Town and attract new types of businesses that complement the mix of existing businesses in the district. The actions in this strategy draw from the results of the market scan and stakeholder input. The actions in this strategy partly depend on the actions in the first strategy, relying on a stable foundation of a consistent approach to accessibility and safety in Old Town. Visitors and new business owners will struggle to come to the district without those issues addressed to some degree.

- **2.1 Continued support and stabilization of existing businesses through flexible funding in response to potential changes in commercial and retail environments.** As noted in the strategy for Covid Recovery Response and findings through business owner outreach, traditional loans do not cover substantial costs associated with responding to changes in the commercial and retail environment post-pandemic. It is unknown how consumer behaviors will change in the long term as the presence of Covid-19 lingers. Flexible funding for businesses to address potential new or changing public health restrictions, as well as changing consumer behaviors, is key to helping businesses remain agile and successfully navigate a new business environment. Next steps for this action will be to establish a clear framework for distribution of funding, such as priority for business owners of color, and identify a consistent source of the funding. Needs for businesses over the next two years and beyond will change, and the funding will need to be flexible in response. Potential funding sources include TIF, the City of Portland's general fund, Prosper Portland's business management fund, and ARP funding. There is also a possibility for businesses in the district to develop clearer relationships with local community banks and CDFIs who might have lending products available that meet the needs of both current and future targeted businesses in the district.
- **2.2 Build a larger network of retail services for residents and visitors.** The Market Scan findings show that Old Town needs additional retail services, including restaurants, bars, and specialty retail. As the Market Scan findings also indicate, Old Town will need to add more housing units to bring new residents to the district for these increases in retail businesses to be successful. Based on recent experiences of existing business owners, successful businesses in the district have a combination of online sales and brick-and-mortar sales. Potential visitors that these businesses are likely to attract include both local and tourist visitors who are younger and have disposable income. Attracting visitors from outside of Old Town will be key to these retailers' success.



Rewild, Washington DC



Mini Mini, Convenience Store, Central Eastside
(Source: Deform PDX)

- **2.3 Focus attraction of new businesses in Old Town on businesses more likely to locate in the district.** Stakeholder outreach indicated that the types of business owners that are more likely to locate in Old Town (and downtown generally) include younger entrepreneurs, business owners of color, and businesses oriented toward the design, apparel, and art community in Portland. Stakeholder outreach further identified affordability as the most important consideration for those interested in locating or expanding in Old Town. While affordability strategies are addressed in strategy 3, many of these businesses are currently home based or online and may require assistance with finding a location in Old Town, as well as general resources for opening a brick-and-mortar location.
- **2.4 Develop a concept for a permanent pop-up event location.** The actions in section 2 include continuing existing engagement and promotion through pop-up events. As noted above, the location of these pop-ups hinges on the availability of space from local property owners. As the demand for retail and office space increases over the next year, the space available for pop-up events should be formalized if organizers desire a permanent solution. Prosper Portland can help to find this permanent space, which could include space in the Tuck Lung building, and assist event organizers in developing a long-term concept for these events to activate the district.
- **2.5 Promote destination packages to attract visitors to the district.** In partnership, Travel Portland and Prosper Portland can work with the district’s hotels and businesses to develop a weekend destination package to encourage regional tourism (and eventually broader tourism as travel restrictions ease). This will also be key in summer 2021 for near-term recovery from the effects of Covid-19 restrictions and bringing tourists back to Old Town. These destination packages should leverage the district’s retail businesses and cultural destinations, and they should be centered around a weekend event such as the Iconoclast Multicultural Street Festival.



Ascendent Beer Company (Credit Dan Klinkert)

- **2.6 Promote and support creative destination marketing in the district.** A thriving long-time skateboard community in Portland is active in Old Town. Cal-Skate and other businesses with ties to the skateboard community are drivers of part of the existing cultural strengths in the district. Supporting partnerships between local business and the broader skateboard community can be an effective way to expand existing niche business demand in the district. Creative destination marketing targeted toward both regional and out-of-state visitors could include interventions such as businesses “adopting” street skate spots or developing a marketing strategy that identifies a network of skateboard-related locations throughout the district. Increased street-level activity from a target customer base would expand market potential for business in the district as well as create street-level activity that would improve safety in the district.



Skateboarder in Old Town (Credit Dan Klinkert)

- **2.7 Explore potential partnerships and collaborations with design and software industries and local advocacy organizations.** The unique businesses in Old Town, along with the presence of art and advocacy groups, present opportunities for collaboration with the goal of activating Old Town. For example, developing partnerships among local design and software firms and organizations such as the Portland Street Art Alliance could result in an innovative event or exhibit to attract visitors to the district and promote tourism.

2.8. Create a business navigator role to provide a primary point of contact for Old Town businesses. In alignment with strategy 3.1, the business navigator would support both existing and potential new businesses in the district. The role of the navigator would serve to connect businesses with resources at Prosper Portland and connect business with other agency partners as needed. The business navigator can serve as a point of contact to match businesses with commercial space in the district and support business development efforts.

Strategy 3: Identify opportunities for development and building out existing space in Old Town

This strategy will focus on ways to prioritize development and places to focus real estate efforts in the district. The district needs additional residential units and office employees to support commercial services proposed in the business strategy and actions above. Some actions build on Prosper Portland's existing Action Plan for Old Town, along with actions that respond to the existing conditions in the district post-pandemic.

- **3.1 Focus on tenanting existing vacant retail and office spaces.** As Covid-19 restrictions ease and employers consider the long-term future of office space, there is an opportunity to rebuild the network of office employment in Old Town. The Market Scan presents data on vacancy rates in Old Town at about 19 percent for office space and about 2 percent for retail space. Based on conversations with brokers and property owners in Old Town, we assume that vacancy rates are higher than those captured in the data. Before development of new space, tenanting efforts should focus on existing vacant office and retail space. In the near and midterm (1–2 years), attracting new tenants will require educating building managers on flexible lease terms and allowances for tenant improvements. This effort would align with the work of the business navigator described in strategy 2.8.
 - Old Town should focus on attracting new businesses with office employment in industries that complement the existing design industry in the district (e.g., streetwear). Specifically, these design industries include product design and digital design. Potential businesses that would best fit in Old Town would be smaller businesses that are interested in a collaborative, entrepreneurial businesses environment. A key component of attracting these businesses is to offer lower rent than other locations in downtown, as these businesses would be more cost sensitive.
 - Key opportunities will include rehab of existing office spaces in key areas of the district, such as at One Pacific Square and other office space in the north end of Old Town, as well as leveraging the attraction to adjacent districts and changing built environment in the Broadway Corridor (long-term opportunity). Overall, rents will need to be lower than adjacent districts to be competitive for new tenants.
- **3.2 Support interim uses on key development sites to generate activity and foot traffic.** Both the Market Scan and stakeholder interviews indicate the need for additional food services within the district, which could be achieved through the introduction and support of food carts in strategic locations. Multiple stakeholders during the interview process discussed the positive outcomes of supporting food carts on key sites in the district as interim uses in locations such as Block 25, Block 24, Block 33, and 4th and Burnside. Food carts could help generate needed activity, support additional customer demand for existing and future businesses, and fill a need in the district for additional food service options. This strategy is related to strategy 2.5 to attract visitors to the district.

- **3.3 Reinforce and continue to implement existing district Action Plan.** Prosper Portland’s *Old Town/Chinatown Five-Year Action Plan Extension (2019–2024)* includes an action aimed at attracting “new neighborhood investment to activate key properties and improve district connectivity.” Part of the approach to implementing this action is rehabilitation of existing businesses. Cultural and historic resources will continue to be important in supporting the district, and Prosper Portland should continue to support these efforts.
- **3.4 Identify opportunities for new residential development.** The Market Scan findings show that Old Town has a lower number of households in the district, compared to adjacent districts in the Central City (e.g., the Pearl and West End). Prosper Portland can help to identify potential sites for new residential development of both market-rate and mixed-income affordable housing. An increase in the number of residents in Old Town will help to increase foot traffic in the district and provide more opportunities for retail and service businesses to locate in Old Town. These opportunity sites could include the sites identified in the next action listed below.
- **3.5 Focus new development and investment at key access points into the district.** Various stakeholders indicated that a key component of the reactivation of Old Town will be the development of sites at key access points to the district, such as West Burnside and NW 4th Street, and for key opportunity sites within the district such as Blocks 24, 25, and 4B. While some stakeholders stated that development opportunities in Old Town are similar to development elsewhere in downtown Portland in terms of construction costs, other stakeholders highlighted the unique development opportunities in Old Town. Depending on the site and its entitlements, a smaller-scale (8-story) development may be viable in Old Town, as well as 20-story towers in other areas of the district. Strategic development of key sites, with attention to the range of potential products and development actors, will help to build out these sites and bring more activity to Old Town.
- **3.6 Engage with Old Town property owners to develop leasing and redevelopment strategies.** Current property owners of several key development sites and existing buildings in Old Town have been waiting for improvements in market conditions to develop or find tenants for their properties. Prosper Portland should engage with these property owners to develop plans for redevelopment and new development of these properties to provide more opportunities for future commercial and residential activity in Old Town. These plans may include strategies for renovating existing space to attract new tenants as well as development of key sites that could accommodate new buildings.

4. Next Steps

Section 2 of this report provides actions for immediate next steps for economic recovery in Old Town within the remainder of 2021. It is important for Prosper Portland, OTCA and other partners to implement and execute the strategies in Section 2 to respond to immediate needs in Old Town and activate the district as Covid-19 restrictions ease. These near-term recovery efforts will be key to building on the strategies and actions described in Section 3. Prosper should build off the momentum of the immediate Covid-19 response actions to begin implementing longer-term actions to support continuity of recovery and business support over the next five years, working with key partners where necessary.

The table below summarizes the longer-term strategies and identifies potential funding sources based on existing Prosper Portland programs and tools, as well as potential future funding sources such as the American Rescue Plan (ARP). The table also indicates whether Prosper Portland should lead the implementation of the strategy, in addition to potential partners that may lead or offer support. For strategies where Prosper Portland is not indicated as the lead on implementation, there is likely still a role for Prosper to link funding sources to assist partners in implementation.

Strategy	Potential Funding Program/Tool	Lead	Potential Partners/Support	Time Frame
Strategy 1: Reestablish visibility, connectivity, and safety as priorities in Old Town				
1.1: Improve accessibility and wayfinding for Old Town	Community Livability Grant	PBOT	Prosper	1 year
1.2 Create a framework for mobility that helps to connect Old Town with the Central City		PBOT	Prosper	1 year
1.3 Develop a clear and consistent approach to cleanliness		OTCA	Clean and Safe District	1 year
1.4 Leverage opportunities with upcoming improvements to the Burnside Bridge	Community Livability Grant	Multnomah Co.	Prosper	1-5 years

Strategy	Potential Funding Program/Tool	Lead	Potential Partners/Support	Time Frame
Strategy 2: Support growth and development of businesses				
2.1 Continued support and stabilization of existing businesses through flexible funding in response to potential changes in commercial and retail environments	Inclusive Business Resource Network (IBRN); Prosperity Investment Program (PIP); Commercial Property Redevelopment Loan Program; Prosper Portland Business Finance Programs (e.g., Thriving Small Business Loans); American Rescue Plan	Prosper	CDFIs/ Community Banks; OTCA	1-2 years
2.2 Build a larger network of retail services for residents and visitors	Inclusive Business Resource Network (IBRN);	Prosper	OTCA	1-5 years
2.3 Focus attraction of new businesses in Old Town on businesses more likely to locate in the district	Inclusive Business Resource Network (IBRN);	OTCA/ Prosper		1-3 years
2.4 Develop concept for a permanent pop-up event location	Inclusive Business Resource Network (IBRN); Prosperity Investment Program (PIP); Commercial Property Redevelopment Loan Program	OTCA	Prosper	1 year
2.5 Promote destination packages to attract visitors to the district	Inclusive Business Resource Network (IBRN)	OTCA/ Travel Portland	District Business Owners	1 year
2.6 Promote and support creative destination marketing in the district	Inclusive Business Resource Network (IBRN)	OTCA/ District Businesses	Prosper	1-2 years
2.7 Explore potential partnerships and collaborations with design and software industries and local advocacy organizations	Inclusive Business Resource Network (IBRN)	Prosper	OTCA	2-3 years
2.8 Create a business navigator role to provide a primary point of contact for Old Town businesses	Inclusive Business Resource Network (IBRN); TechTown	Prosper	OTCA	2-5 years

Strategy	Potential Funding Program/Tool	Lead	Potential Partners/Support	Time Frame
Strategy 3: Identify opportunities for development and building out existing space in Old Town				
3.1 Focus on tenanting existing vacant retail and office spaces	Prosperity Investment Program (PIP); Commercial Property Redevelopment Loan Program; Affordable Commercial Tenanting Program	Prosper	District Property Owners	1-3 years
3.2 Support interim uses on key development sites to generate activity and foot traffic		Prosper		1 year
3.3 Reinforce and continue to implement existing district Action Plan	Prosperity Investment Program (PIP); Community Livability Grant; Commercial Property Redevelopment Loan Program	Prosper	District Property Owners/ Development Actors	1-3 years
3.4 Identify opportunities for new residential development	Commercial Property Redevelopment Loan Program; Prosper Portland direct investment	Prosper	District Property Owners/ Development Actors	2-5 years
3.5 Focus new development and investment at key access points in the district.	Commercial Property Redevelopment Loan Program; Prosper Portland direct investment	Prosper	District Property Owners/ Development Actors	2-5 years
3.6 Engage with Old Town property owners to develop leasing and redevelopment strategies.	Commercial Property Redevelopment Loan Program; Prosper Portland direct investment	Prosper	District Property Owners/ Development Actors	2-5 years