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# MARTIN LUTHER KING JR. BOULEVARD REVITALIZATION – PORTLAND, OREGON

## OVERVIEW

Highway 99-E, known as Martin Luther King Jr. Boulevard (King Boulevard.), is a major throughway in the City of Portland, providing access to the northeast Portland business district. Until 2002 it was owned and operated by the Oregon Department of Transportation, which was responsible for street operations and traffic control. Designated a district level highway, it is intended to serve primarily local traffic and land access.

In the mid-1990s, despite decades of inconsistent public investment, viable commercial uses along this street were still intermittent and redevelopment had been slow. Many people connected with the district believed that lack of on-street parking and lack of access due to a planted median strip caused businesses to fail and deterred redevelopment.

In mid-1996, a confluence of state and local concerns produced a collaborative effort to revitalize King Boulevard. An interagency collaborative program called Community Solutions was completing its first pilot project and looking to identify a second community-based project. Metro—the regional governing body—was looking to the state for help implementing the Metro 2040 Growth Concept. At the same time, a vibrant coalition of community groups called the North/Northeast Economic Alliance was organizing support for its visionary community plan.

## THE COLLABORATION

### The Players

In 1995, five state agency directors began serving as the Governor's Community Solutions Team (CST). Together they have been actively engaged in developing integrated and collaborative approaches to community development. The standing agencies of the CST include:

- Oregon Department of Transportation (ODOT)
- Oregon Housing and Community Services Department (OHCS)
- Oregon Economic and Community Development Department (OECD)
- Department of Land Conservation and Development (DLCD)
- Department of Environmental Quality (DEQ).

The Community Solutions Team approach focuses on interagency and state/local partnerships, community-based problem solving, and integrated collaborative planning to increase community livability and to maximize the use of limited public resources. On the King Boulevard project the CST served as an organized and focused forum to assist local partners in removing some of the obstacles to redevelopment of the boulevard.

Over the years, there had been many changes in the community around King Boulevard, and there was substantial distrust of government by local residents. The governor wanted to break down barriers between the local community and state government, as well as among state agencies. He wanted to use this opportunity to evaluate how agency processes and programs could be more flexible to help the community address local needs. To this end, the governor directed the CST agencies to provide assistance implementing the local vision for King Boulevard as represented in Metro's 2040 Growth Concept and in the NorthEast Economic Alliance's Community Plan.

### The Process

A CST Advisory Committee provided the substance and inspiration for the King Boulevard project. "Committee members approached their work with passion and discipline," recalls Michael McElwee, a Portland Development Commission staff representative to the committee. "We met twice a month on a regular schedule. People seemed to have a fire under them. We got things done."

The official Community Solutions Team, made up of one local representative from each agency, met weekly while the project was underway. Together they reviewed plans and requests from the larger community committee, sorted out technical details, and identified state resources for implementing the revitalization effort.

### The Agreement

Each of the five CST agencies agreed to provide different resources to the project. In total, investments related to the CST effort included about \$7 million in process, program, and project costs and related investment by other local governments. The following is a summary of the implemented agreements from each agency:

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## Department of Transportation

- Construction of a pilot project to modify a .5-mile section of King Boulevard median and provide on-street parking. The project was completed in a few months, rather than the 2-year time frame originally estimated by ODOT. The cost of this initial improvement was \$35,000, and it provided a symbolic demonstration of the commitment of the governor and state agencies to invest in improvements in the King Boulevard Corridor.
- ODOT design standards modified to allow 10-foot travel lanes on King Boulevard.
- An additional \$500,000 to the City of Portland provided by ODOT in the form of Immediate Opportunity Fund (IOF) assistance for further modifications of the boulevard.

## Department of Environmental Quality

- A brownfield survey along 2.7 miles of King Boulevard, which provided clarity to property owners and prospective investors about potential environmental liabilities. No significant contamination was found.

## Economic and Community Development

- OECDD worked with lenders on a demonstration program to allow funding of commercial space within residential buildings in distressed areas to encourage mixed-use development. As a result, criteria within the Oregon Business Development Fund loan program have been modified to support this type of mixed-use business in distressed areas.
- \$200,000 in business development incentives provided.

## Housing and Community Services

- OHCS provided \$3.2 million of assistance since mid-1996, \$100,000 in the form of a direct grant and other funding in the form of tax credits and bonds.

The agreements between the CST agencies contributed to substantial ongoing local commitments to revitalizing King Boulevard—commitments that laid a foundation for the CST activities and, in turn, were strengthened and accelerated by the increased attention the CST process brought to the Boulevard. For example, the City of Portland took responsibility for continued improvements to King Boulevard beyond those initiated during the CST involvement. The Portland Development

Commission (PDC) provided several million additional dollars to fund the City's road improvements. Local businesses and property owners took advantage of matching grants and incentive programs offered by PDC, while a network of Community Development Corporations worked with the City's Bureau of Housing and Community Development to build the community's vision of a vibrant, mixed-use affordable housing.

## OUTCOMES

The CST process resulted in more state agency resources dedicated to addressing local issues than would have been applied through a more traditional process. Although the process cost more than a traditional process,<sup>1</sup> the investment of state resources enabled leveraging of additional public and private investment and a change in the nature of the street that will continue to benefit the community into the future.

Positive economic outcomes far outweighed public costs as a result of the efforts of the local community and the CST. A January 2001 study by Community Solutions estimated total public and private investment in housing, commercial development, and road improvements at more than \$46 million.<sup>2</sup> Projects include mixed-use housing developments, relocation of the Nike outlet store, the location of several bank branches, and the expansion of popular restaurants. Employment and property values have both increased as well.

The Community Solutions study estimates that using the CST process created \$21.5 million in public and private investments and 156 jobs that would not have occurred without the collaborative approach.

One of the most significant impacts of the CST process was the speed with which changes were made to King Boulevard. These resulted in innovative residential and commercial improvements, and the change in perception of the King Boulevard corridor from a declining, low-income neighborhood to an expanding economic opportunity for new business.

Facilitated in part by improvements to the roadway and new collaborative relationships, discussions pro-

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<sup>1</sup> For information see Cost-Benefit Analysis: Two Approaches to Community Development, prepared by MW Consulting, HDR Engineering, Inc. and Claritas Consortium. January 2001.

<sup>2</sup> Cost-Benefit Analysis: Two Approaches to Community Development.

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ceeded between ODOT and the City of Portland on transferring ownership of King Boulevard from the state to the city.

Several local residents noted this was the most collaborative process they had ever seen between the City of Portland, Metro, the State of Oregon, and the local community. Relationships and trust were built where before there had been deep mistrust. The results of this new positive relationship can be seen in new projects being developed in the corridor today.

## LESSONS LEARNED

- ✓ Overall, the CST process provided the framework and forum for state agencies to collaborate on problem solving, and to focus resources on integrated solutions.
- ✓ The local community was organized, committed to moving the process forward, and provided the vision for the project. This was crucial. The fact that the CST process was following the community vision, and not creating one, energized the project from the ground up, and gave it a degree of legitimacy.
- ✓ A representative and diverse Advisory Committee provided a mechanism for directing the community's vision and authority into project implementation. Strong leadership made the Committee especially effective.
- ✓ The importance of high-level political support in the form a gubernatorial mandate cannot be overstated. The mandate created a sense of urgency, and agency officials were motivated to produce results. As one ODOT official observed, "The higher up the bureaucratic food chain that people get involved, the more effective the process."
- ✓ Metro worked hard to engage the public and members of the Advisory Committee. They presented certificates and awards to dedicated volunteers. When the detested median was removed, Metro presented chunks of the concrete curb to members of the committee in dated and decorated Plexiglas

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*This case adapted from Cost-Benefit Analysis: Two Approaches to Community Development, prepared by MW Consulting, HDR Engineering, Inc. and Claritas Consortium. January 2001.*