



USING SMART GROWTH STRATEGIES TO FOSTER ECONOMIC DEVELOPMENT: A KELSO, WASHINGTON, CASE STUDY

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EXECUTIVE SUMMARY

Across the country, many small- and medium-sized cities are facing significant economic challenges related to the lasting effects of the 2007-09 recession, and they often do not have the staff and finances to address many of these challenges. In addition, outside forces, such as climate change, depletion of natural resources, and national economic trends, have changed how cities have traditionally attracted investment. Several cities have tried a different method to anticipate and overcome some of these challenges: smart growth economic development, a place-based approach that aims to create long-term value and builds upon existing assets in small, incremental actions to strengthen communities.

The Cowlitz-Wahkiakum Council of Governments requested technical assistance from the U.S. Environmental Protection Agency in partnership with the city of Kelso, Washington, to develop a smart growth economic development strategy, focusing on the South Kelso neighborhood, specifically downtown Kelso, the South Kelso residential community, and the Talley Way industrial area. Decades ago, the historic downtown, also in South Kelso, was a strong, vibrant retail center. The residential community in South Kelso was composed of families who owned their own homes and, for the most part, worked in local industries. Today, the South Kelso area is the city's lowest income residential community, and the downtown has struggled with decades of decline. This document aims to help cities like Kelso rethink how to address economic development challenges with small, manageable solutions that create stronger, more resilient communities.

A smart growth economic development strategy needs to support businesses and workers and improve quality of life. Smart growth approaches bring together these elements and recognize the balance among them and the need to create long-term value in addition to short-term gains. Within this framework, key principles emerge:

1. Make the distinction between “growth” and “investment.”
2. Be tactical and strategic.
3. Be focused.
4. Start where there is already momentum.
5. Find the right partners for specific goals.
6. Communicate and coordinate.

Preparing a smart growth economic development strategy has five steps that build on these principles:

1. Selecting the focus area.
2. Defining the context.
3. Setting the goals.
4. Identifying existing assets and barriers.
5. Selecting the right tools.

A list of potential goals and indicators (Appendix B) and an inventory of policy tools and actions (Appendix C) are provided to help communities think about possible approaches to smart growth economic development. Every community and place is different, and communities can modify and refine these goals and tools based on local conditions.

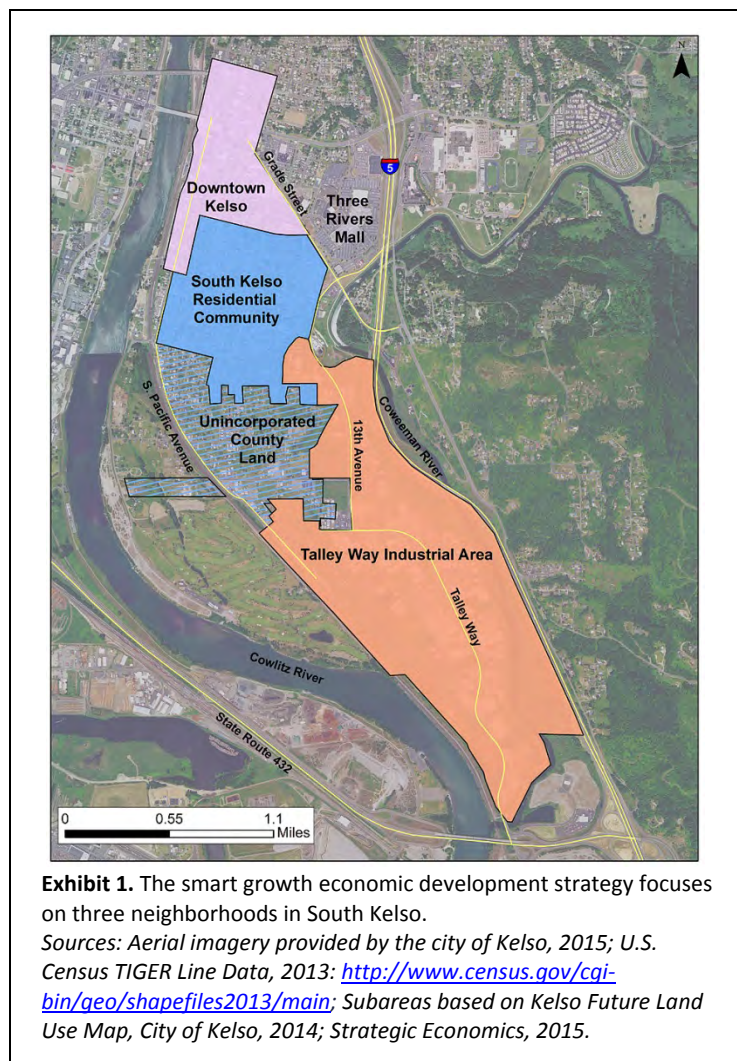
I. INTRODUCTION

Many small and mid-sized cities around the United States are struggling because their economy was built largely on a single economic sector that has changed significantly. For example, at one time jobs might have been heavily concentrated in a natural resource industry, like logging or mining, that can no longer sustain a large workforce. Changing circumstances, such as those caused by resource depletion, globalization, or shifts in consumer preferences, can shake the economic foundations of these communities, leaving people without jobs and cities without a healthy tax base.

Kelso, Washington, is a small community that was founded to take advantage of plentiful natural resources. For many years, Kelso was the center of the commercial smelt fishing industry on the Cowlitz River and served as the main recreational and commercial hub for the region's many loggers. But as the logging and smelt fishing industries declined, Kelso's economy struggled.

On behalf of the city of Kelso, the Cowlitz-Wahkiakum Council of Governments (CWCOG) applied to the U.S. Environmental Protection Agency (EPA) Smart Growth Implementation Assistance Program. (See Appendix A for more information on the program.)¹ CWCOG and the city work together on economic and community development initiatives and asked for EPA's help to explore ways to increase investment and economic opportunities in South Kelso while supporting a broad range of community goals, including infill redevelopment that can better protect the environment, community design that promotes active transportation for better health, and improved social equity and quality of life for existing residents.

EPA hired a contractor team consisting of CH2MHill and Strategic Economics to help develop a smart growth economic development strategy for the south Kelso neighborhood, specifically



¹ Smart growth approaches encompass a range of strategies that cities, suburbs, towns, and rural areas can use to protect the environment and public health, support economic development, create strong neighborhoods with diverse housing and transportation options, and improve residents' quality of life. The principles that underlie smart growth strategies are found at: Smart Growth Network. "Why Smart Growth?" <http://www.smartgrowth.org/why.php>. Accessed Jan. 27, 2015.

downtown Kelso, the South Kelso Residential Community, and the Talley Way Industrial Area (Exhibit 1). The contractor team worked with CWCOCG and the city to develop materials for a series of public meetings held during a three-day site visit in September 2014. The contractor team refined those materials based on workshop participants' input to create this document.

A. CITY OF KELSO: SETTING THE CONTEXT

The city of Kelso is on Interstate 5, approximately 50 miles north of Portland, Oregon, and 120 miles south of Seattle. The city is part of the southwest Washington economic region that includes Cowlitz, Wahkiakum, Grays Harbor, Lewis, Pacific, and Clark counties. Vancouver, Washington, in Clark County, is the biggest city in the region, but Vancouver's economy is closely tied to Portland and has little impact on Kelso.

Kelso and Longview, its neighbor to the west across the Cowlitz River, comprise the biggest economic concentration in the region, excluding Vancouver. Virtually all of the smaller communities sprang up in the mid- to late-19th century to take advantage of the area's rich timber and fishing resources. Kelso was the dominant economic force in Cowlitz County until about the mid-20th century, serving as the regional entertainment and retail destination for loggers and supporting a strong smelt fishing industry. In more recent decades, Longview's modern port has made it a strong economic competitor to Kelso. It is among the busiest ports in the state, handling bulk cargo commodities including timber.² However, even with the strong port activity, Cowlitz County overall has been experiencing slow economic and population growth, outmigration of educated young people, and difficulty attracting new investment.³

Kelso itself has a population of approximately 12,000 people,⁴ and the larger metropolitan region, including Longview, has a population of approximately 50,000.⁵ Due to the slow, steady decline in the timber and fishing industries, Kelso's economy has also declined, although the city's population has continued to grow, albeit very slowly over the past decade. In 2013, the median household income in Kelso was \$35,381, well below that of the state of Washington, and 23 percent of families lived below the poverty line.⁶ However, despite this overall decline, some areas of Kelso are relatively new and affluent, including the city's northeastern area.

CWCOCG and the city chose to focus this technical assistance on South Kelso, which is the city's historic core. It has many houses built in the early 20th century, a historic street grid in some areas, and most of the city's important employment areas. South Kelso is bounded by Cowlitz River to the west, Interstate 5 to the east, Highway 4 to the north, and Tennant Way to the south. It is home to approximately 5,800 residents,⁷ or about half the city's population. In addition to the residential community, South Kelso includes the Talley Way industrial area, the Three Rivers Mall, downtown Kelso, and the Southwest

² Personal communication with Melissa Taylor, planning manager, Cowlitz-Wahkiakum Council of Governments, on Mar. 25, 2014.

³ Cowlitz Economic Development Council and TIP Strategies. *Turning Point: An Economic Development Strategic Plan for the Cowlitz Economic Development Council*. 2010. http://cowlitzedc.com/sites/default/files/cowlitz_edc_tip_strategy.pdf.

⁴ Confluence Planning Associates and Portland State University's Masters of Urban and Regional Planning Program. *The South Kelso Revitalization Strategy: Existing Conditions Report*. City of Kelso. 2013. http://www.cwcog.org/documents/south_kelso_revitalization_strategy_existing_conditions_report.pdf.

⁵ Ibid.

⁶ U.S. Census Bureau. "Selected Economic Characteristics: 2009-2013 American Community Survey 5-Year Estimates." *American Fact Finder*. <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml#>. Accessed Jan. 21, 2015.

⁷ Confluence Planning Associates and Portland State University, op. cit.

Washington Regional Airport. In 2011, Kelso had nearly 5,170 primary jobs,⁸ most of which are in South Kelso. Key sectors in South Kelso include professional, scientific, and technical services; manufacturing; public administration; and retail.

Through the 1960s and 1970s, the residential community in South Kelso was composed of families who owned their homes, and, for the most part, worked in local industries. The historic downtown was a strong, vibrant retail center anchored by the Cowlitz County courts and administrative offices. However, many converging trends have caused South Kelso to become the city's lowest income residential area, and the downtown has struggled for decades. Downtown retail activity declined as Longview's Triangle Mall opened in the 1960s and the Three Rivers Mall opened along Interstate-5 in Kelso in 1986.

Perhaps more significantly, many young people who could no longer find jobs in the lumber or fishing industries either left the area to find a good job or struggled to find economic opportunity locally. This economic challenge degraded social cohesion in South Kelso. As longtime members of the community died or moved on, the demand for their older, relatively small homes declined. Investors buy many of the homes and lease them to low-income families, who have few housing options in the region. Many of these families have been unable to find jobs. Between 2000 and 2010, the unemployment rate in South Kelso grew more quickly than it did in the city as a whole. In 2010, the unemployment rate in South Kelso was 9.8 percent, while the rate for Kelso was 8.6 percent. South Kelso residents also appeared to be dropping out of the labor force at a greater rate than in the city overall. Between 2000 and 2010, the number of South Kelso residents not participating in the workforce⁹ increased by 3 percent; by comparison, the number of Kelso residents not participating in the workforce declined by 0.4 percent.¹⁰ As Kelso recovers from the recession and employment grows, little of this success appears to be translating into better opportunities for South Kelso residents.

EPA's contractor team reviewed local and regional economic development plans¹¹ and interviewed representatives from local and regional agencies.¹² Based on this information, the team identified key characteristics of the South Kelso neighborhood that will inform a successful economic development strategy, including:

- **The city's relatively small size**, which means a smaller local real estate market and economy and, therefore, fewer jobs available to local residents and less buying power to support stores. The city also has limited staff capacity, financial resources, and local transit options. It relies on resources outside the city, including regional and state governments, for services and funding. In addition, Kelso is too small to receive its own entitlement program funding from the federal government, such as Community Development Block Grants from the U.S. Department of Housing and Urban Development (HUD), but it is too big to receive assistance from rural programs run by the U.S. Department of Agriculture.

⁸ Primary jobs data count one job per worker, including public- and private-sector jobs. U.S. Census Bureau. "Longitudinal Employer-Household Dynamic (LEHD)." <http://onthemap.ces.census.gov>. Accessed Nov. 16, 2014.

⁹ Workforce participation rates include those working or looking for work.

¹⁰ Confluence Planning Associates and Portland State University, op. cit.

¹¹ Plans reviewed include the South Kelso Revitalization Plan, the Southwest Washington Workforce Development and Strategic Plans, the Cowlitz Economic Development Council's Turning Point Strategic Plan, and the River City Transit Agency plan.

¹² Interviewees include Melissa Taylor, planning manager for CWCOG; Jennifer Keene, economic development manager for CWCOG; and Stephen Taylor, city manager for the city of Kelso.

- **Issues related to quality of life**, including a lack of housing options and vacant storefronts and buildings downtown, which adversely affect current businesses and residents. These conditions could make it difficult for South Kelso to attract new businesses and residents in the future.
- **The changing nature of the regional economy**, which is transitioning from a natural resource base to include a wider range of businesses. For many years, the timber industry was the main driver of Cowlitz County's economy. The region is currently trying to diversify to become more economically resilient, targeting specialized manufacturing, health care, advanced logistics and distribution, and professional and technical services.
- **A mismatch between the skills and education level of local workers and the jobs targeted for regional growth.** Approximately one-third of Kelso residents 25 years or older had only a high school diploma in 2013, and 19 percent had not completed high school, comprising a significant proportion of the city's resident labor force. An increasing proportion of the resident labor force has some advanced education, with 9 percent holding associate degrees, 6 percent holding a bachelor's degree, and 4 percent holding a graduate or professional degree.¹³

B. TECHNICAL ASSISTANCE

The contractor team worked with the city of Kelso, CWCOC, and EPA to develop materials for creating a smart growth economic development strategy that could be used by Kelso and other small cities confronting similar challenges. These materials include:

- Possible smart growth economic development goals (Appendix B).
- Indicators the city could use to measure progress toward achieving those goals (Appendix B).
- Possible policies and actions the city could use to help reach those goals (Appendix C).



Exhibit 2. Site visit. Community residents gathered to discuss how to spur economic development in the city.
Photo courtesy of EPA

¹³ U.S. Census Bureau. "Educational Attainment: 2009-2013 American Community Survey 5-Year Estimates." *American Fact Finder*. http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_13_5YR_S1501&src=pt. Accessed Feb. 17, 2015.

During a three-day site visit and public workshop in September 2014, the team applied these materials to the South Kelso neighborhood. The workshop had two primary goals:

- Refine the general process, goals, and tools based on input from participants.
- Develop a smart growth economic development strategy for South Kelso.

Participants included Kelso residents and representatives from the EPA Office of Sustainable Communities, EPA Region 10, HUD, the Washington State Department of Ecology, the Kelso Library, the Kelso City Council, Cowlitz Economic Development Council, Kelso community and nonprofit organizations, and Kelso businesses. All work sessions were open to the public, and the city invited key stakeholders to sessions where their input would be most valuable. The team refined its materials based on the discussions during the site visit and developed:

- Key concepts for a smart growth economic development strategy (Chapter II).
- Steps for preparing a smart growth economic development strategy (Chapter III).
- A smart growth economic development strategy for the South Kelso area (Chapter IV).

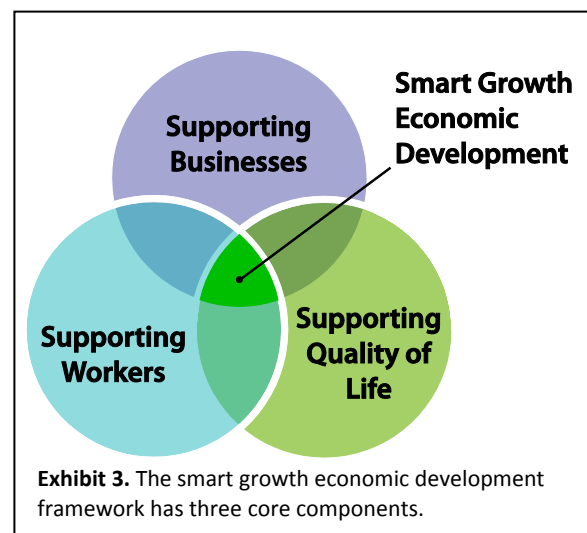
II. GETTING STARTED: SMART GROWTH ECONOMIC DEVELOPMENT KEY CONCEPTS

Many communities are finding economic success by cultivating a competitive advantage by using their distinctive assets to attract new investment and support existing businesses. These place-based assets might include residents and their skills; local architecture and infrastructure; academic, technical, and medical institutions; local and regional business and employment concentrations; cultural, natural, and artistic resources; and general quality of life. What distinguishes smart growth economic development from conventional economic development is this emphasis on building on existing assets, rather than on pursuing jobs or tax base growth without particular regard for location or synergies with existing assets.

Kelso's situation illustrates how a smart growth economic development strategy can build on and improve conventional economic development approaches. Foster Farms, a major food processor headquartered in California, opened a plant in Talley Way several years ago. According to city staff, the company has had trouble retaining workers, in part because many workers do not have cars and the factory is not well served by transit. At the same time, South Kelso residents struggle with unemployment. A smart growth economic development approach to the workforce retention problem could look at ways to connect people and resources across the city with businesses and job opportunities more directly than would be typical with a conventional approach to economic and workforce development, neither of which tend to be "place" or neighborhood based. For example, conventional economic development might not consider a full range of transportation options to address worker mobility. Alternatively, a smart growth economic development strategy might include establishing a program to recruit South Kelso residents to work at Foster Farms and other Talley Way businesses and creating a transit or active transportation system. For example, a safe and convenient bike route between the Talley Way industrial area and the South Kelso residential community would let workers easily get to and from work without a car. These actions would improve employee retention and help South Kelso residents reach much-needed jobs while also making more destinations accessible without a car, reducing traffic congestion and air pollution.

In other words, this strategy would support businesses, workers, and quality of life, the three core components of smart growth economic development (Exhibit 3).

- **Supporting Businesses.** Supporting and expanding existing businesses and attracting new businesses contribute to economic development in several key ways, including helping businesses create jobs, encouraging entrepreneurship, enhancing fiscal sustainability by expanding and diversifying the tax base, and improving quality of life with new services and amenities. This component of a smart growth economic



development strategy focuses on understanding the current composition and location of businesses, jobs, and potential emerging entrepreneurs in the community. This information can help reveal how well the businesses serve local residents and contribute to quality of life and which industries have the most potential to drive economic growth in the future. Given the limited resources of many small towns, targeting key economic sectors for growth allows city and regional staff to direct their economic development efforts in a strategic manner. This part of the smart growth economic development strategy considers not only the businesses and industries with the greatest growth potential, but also where these businesses are located and how their location helps the community meet its economic, environmental, and other goals.

- **Supporting Workers.** Workforce development is important to ensuring that residents can successfully compete for employment opportunities and that all residents have the opportunity to benefit from economic prosperity. The availability of a workforce with a wide range of skills and education levels can help local businesses grow and attract new businesses. By offering residents the opportunity to learn skills for a wider range of jobs, workforce development efforts might also reduce the need for residents to commute long distances to find appropriate employment, thereby improving quality of life, reducing pollution from vehicles, and making it easier for people to get physical activity as part of their daily routine. This smart growth economic development component focuses on how well the skills and education of the local workforce align with the needs of existing and growing industries and provides insight into what the community could do to help workers better match businesses' needs.
- **Supporting Quality of Life.** Residents and businesses both value a community with a good quality of life. A variety of factors can improve quality of life, such as a thriving downtown or commercial district with neighborhood-serving shops and restaurants; green and open space; a variety of transportation choices, including options for walking, biking, driving, and public transit; artistic, cultural, and community resources such as museums, public art, community centers, religious institutions, and other community gathering spaces; and medical, technical, and academic institutions. These aesthetic improvements might also include green infrastructure such as trees and other vegetation that help improve the pedestrian environment while absorbing rainwater and improving water and air quality. This smart growth economic development element also includes identifying key locations for development and redevelopment in the city's core, including brownfields and infill sites.

The step-by-step process for preparing a smart growth economic development strategy presented in Chapter III is based on six principles that are useful to consider before beginning:

1. **Make the distinction between "growth" and "investment."** Not all communities are necessarily growing. However, in most cases, businesses, individuals, and/or public agencies continue to make investments in the community even during periods of population decline. Building on ongoing investment(s), rather than "growth" as defined by increasing employment, population, or tax base, is essential to reinvigorate a struggling economy.
2. **Be tactical and strategic.** A smart growth economic development plan should include broad, long-term strategies that set overall direction and objectives for any economic development-related activities and investments. The plan should also identify short-term, tactical actions that

address specific barriers or challenges to attaining the longer-term vision. While the long-term strategies might not change for several years, tactics should be updated on a regular basis to reflect changing conditions and opportunities.

3. **Be focused.** Investments of time, money, and other community resources are most effective when targeted to an area that is both big enough to offer opportunities for change and small enough to make tangible, visible improvements that will spur investment. Over time, small focus areas can be expanded to build on successes.
4. **Start where there is already momentum.** Economic development efforts are most effective in places where there is already some private-sector activity so that public investments can reinforce and support investment by individual homeowners, business owners, commercial property owners, and/or banks and other financial institutions. Once these initial investments start to show success, it will be easier to attract additional investment to nearby locations, thus spreading the momentum incrementally over time.
5. **Find the right partners for specific goals.** Successful economic development efforts rely on partnerships across public agencies, especially when different types of funding are involved. Engaging these partners for specific and mission-appropriate goals is more effective than trying to seek support for broad or poorly defined initiatives. Communities might also set goals to align with specific funding sources to improve the odds of securing money for implementation.
6. **Communicate and coordinate.** Good communication and coordination among groups and agencies can help ensure that all available resources support the community's vision. For small cities with limited resources, this coordination can help achieve goals at minimal cost by avoiding redundancy, conflicting efforts, and/or spreading resources too thin for meaningful improvement.

III. PREPARING A SMART GROWTH ECONOMIC DEVELOPMENT STRATEGY

Communities might create an economic development strategy:

- In the wake of a crisis, like a major employer shutting down, a natural disaster, or the need to clean up a site with contaminated soil and/or groundwater.
- To help older neighborhoods, including the downtown, that suffer from long-term disinvestment, as is the case in Kelso.
- To take advantage of a specific event or opportunity, as in Scotland Neck, North Carolina (Exhibit 6); Lake Worth, Florida (Exhibit 9); and Clinton, Iowa (Exhibit 12). All three are discussed in more detail in Appendix D.

Preparing a smart growth economic development strategy has five steps:

- A. Selecting a focus area.
- B. Defining the context.
- C. Setting goals.
- D. Identifying existing assets and barriers.
- E. Selecting the right tools.

Chapter IV describes how the city of Kelso followed these steps.

A. SELECTING A FOCUS AREA

The initial step in preparing a smart growth economic development strategy is to pick the specific location(s) or area(s) of focus. The contractor team's preliminary discussions with the city of Kelso helped identify three focus areas in the South Kelso neighborhood: downtown, the South Kelso residential community, and the Talley Way industrial area. While these three areas have important characteristics in common, each has distinct goals, indicators, and appropriate tools for implementation. For example, the needs of businesses in an industrial area are likely to be very different than those of downtown merchants. Whether a community is preparing a strategy for an entire city or one district or neighborhood, as in South Kelso, there are likely to be multiple subareas, each of which can be defined by a distinct land use pattern and/or purpose. In fact, one of the things that distinguishes smart growth economic development strategies from more conventional approaches is the emphasis on specific place-based assets in a community.

B. DEFINING THE CONTEXT

This step involves a community preparing a description of conditions in the targeted area based on qualitative and quantitative information. To the extent possible, this description should include the history of prior initiatives by both public and private-sector actors, indicating which were successful, which were unsuccessful, and which might prove to be helpful but have not yet had much impact.

Because economic development deals with jobs, industries, and tax revenues, communities sometimes do extensive data collection and analysis before defining their economic development goals. While data can play a critical role in defining the existing context and challenges for a focus area, extensive data

collection and analysis in the early phases of developing an economic development strategy might not be necessary, especially for small communities where detailed data might not exist or be readily available for the focus area. Kelso had this challenge with collecting employment data in the Talley Way industrial area. The contractor team's interviews with staff from the city of Kelso and CWCOC revealed a wealth of useful information about businesses and changing conditions in the Talley Way area. EPA combined this information with data that had been collected for other purposes to create a document that described the economic context for the current project.

C. SETTING GOALS

Another step in creating an effective smart growth economic development strategy is identifying clear goals connected to specific conditions in the focus area. These goals should be aspirational but achievable. For example, Kelso's downtown is separated from the Cowlitz River by a levee with active freight rail tracks running along its top. Both the levee and the rail tracks are major barriers to connecting downtown to the river. While the community would like a direct connection between downtown and the river, it is probably an unrealistic goal in the short term because the railroad has extensive safety requirements for crossings that would make the crossing cost prohibitive. However, the community identified several goals for downtown that are clearly achievable (see Chapter IV) and would likely be more productive for the city to focus on.

The list of potential goals below is not comprehensive; cities will probably need to either refine these goals based on local conditions or develop their own, more specific goals. The goals are divided into three categories—supporting businesses, supporting workers, and supporting quality of life—based on the framework for smart growth economic development. Appendix B includes a table listing these goals with a data indicator for each that can help the city track its progress toward achieving that goal and a target direction (i.e., the direction the indicator should move to signify progress). The table also lists potential data sources for each indicator and links to those sources where available. Appendix C lists policy tools and actions that can help achieve these goals. Following each goal is a list of the corresponding policy tools and actions from Appendix C.

1. Supporting Businesses

Goals in this section are intended to help local businesses grow and attract new businesses. Actions to meet these goals can help businesses create jobs, encourage entrepreneurship, enhance fiscal sustainability by expanding and diversifying the tax base, and improve quality of life with new services and amenities.

G1. Retain existing businesses

Existing businesses are the foundation of any economic growth strategy. By building on what already exists, cities can support current businesses and create a strong foundation on which to attract new businesses, residents, and employment. To tailor this goal to the local context, a city could interview local business owners to learn about their challenges and explore how an economic development strategy could best support their long-term success. Supporting existing businesses could include actions like adding or improving infrastructure or encouraging new or redeveloped housing that would better meet the needs of workers who do not currently live in the community. Other actions to improve the downtown like streetscape improvements, making biking and walking more enjoyable and safe, and planning activities that bring people downtown, can help retain

existing businesses by broadening their customer base. (See policies 4, 12, 13, 17, 18, 19, 20, 21, 23, 24, 25, 31, and 34 in Appendix C.)

G2. Attract new businesses

Attracting new businesses—particularly in high-priority industries—could help increase local employment options and build the city’s tax base. Attracting new businesses is often most effective when the effort is tailored to the industries that are best suited to a community’s assets and opportunities and can provide high-quality employment options for local residents or other services and amenities desired by the community. For example, the city of Kelso might want to nurture specialized manufacturing businesses because the jobs they provide often have higher wages and are more stable. This sector might be a good match for South Kelso because the neighborhood is close to the ports of Longview and Kalama, the Interstate 5 corridor, and the area’s existing industrial building stock. At the same time, the city might also seek to attract more grocery and drugstores to ensure that local residents have easy access to fresh food, medicine, and other basic necessities. (See policies 4, 12, 17, 18, 19, 20, 22, 23, 24, 25, and 31 in Appendix C.)

G3. Promote entrepreneurship

Encouraging entrepreneurs to start businesses gives people power over their own lives and lets them build wealth in their own communities. Business owners who also live in the community tend to spend more on local business services and keep more of their earnings in the local economy. They also have a vested interest in the community and are less likely to move elsewhere in response to incentives offered by other cities. (See policies 4, 12, 17, and 30 in Appendix C.)

G4. Encourage business growth in infill locations

In addition to encouraging expansion of existing businesses and attracting new businesses, the community can consider where businesses locate within the community. Encouraging business growth in specific locations, such as historic downtowns or other core activity centers, can help improve the overall quality of life for existing and future residents, workers, and visitors. This improved quality of life also translates into a competitive advantage for local businesses and is critical for strengthening the local economy. (See policies 1, 2, 3, 4, 12, 17, 22, 23, 24, 25, 41, and 49 in Appendix C.)

2. Supporting Workers

Ensuring that local residents have access to employment and the right education and skills to compete successfully is integral to any economic development strategy. Goals in this section address increasing access to jobs and workforce development, including K-12 to advanced and continuing education.

G5. Improve access to local employment opportunities

Improving access to employment opportunities entails bringing more jobs closer to residents or increasing access through transportation investments in better bike, pedestrian, and public transportation facilities. This goal might include improving the local jobs-housing balance, but it should also aim to increase access to regional employment centers. Encouraging businesses to locate near public transportation and developing better public transportation service, including local circulators and/or rideshare programs, would expand commute options for local workers. (See policies 12, 30, 31, 32, 44, 45, and 46 in Appendix C.)

G6. Increase access to advanced education, workforce development, and job training opportunities

Providing workers with an opportunity to educate themselves and train for more skilled jobs helps them compete for jobs in the community now and in the future. A workforce with the right mix of skills and education is an important asset for attracting new industries. Offering local residents the opportunity to gain skills for a wider range of jobs can also reduce the need for residents to commute long distances to find appropriate employment, thereby improving quality of life for workers and reducing traffic congestion and air pollution. To tailor this goal to local conditions, city staff would need to know the education and skill levels of their local workforce and the skills that potential growth industries need. This analysis might result in goals tailored to different industries and types of advanced education and workforce training, including community and four-year colleges and job training programs that teach both job-specific technical skills and soft skills such as communication, teamwork, and time management. Local educational institutions and job training centers can be key partners in achieving these goals. (See policies 12, 14, 30, and 31 in Appendix C.)

G7. Improve the quality of K-12 education

The foundation of a good education begins at a young age; therefore, having a high-quality public school district is an important component to building a skilled workforce. Specific goals could also be set to ensure that students receive appropriate training, such as establishing science, technology, engineering, and math (STEM) programs, which help young people compete for jobs and advanced education in fields that use these skills. K-12 institutions might also include resume-writing, internships, and computer classes as part of the curriculum. In addition to preparing local youth for success, a high-performing school district attracts young families and the businesses that want to employ them. Good schools could, therefore, help catalyze reinvestment in existing neighborhoods.¹⁴ (See policies 9 and 12 in Appendix C.)

3. Supporting Quality of Life

This section focuses on improving quality of life and the environment, with the goal of helping communities compete for new economic growth and better serve residents, businesses, and visitors.

G8. Promote a vibrant downtown or commercial district

A vibrant downtown or commercial district can be a local entertainment and retail destination and a center for community activities and civic life. If successful, these supporting activities can also lead to downtown property contributing more to the city's tax base. Revitalizing a struggling downtown or commercial district can be challenging, especially if broader national and regional trends do not support local retail growth. Achieving this goal often requires ongoing collaboration between civic leaders, business owners, and residents, as well as public infrastructure investments. Meaningful results can take time. However, mixed-use, downtown areas, even in very small communities, typically contribute the highest property tax revenue per acre of any area in a community, even

¹⁴ For information on why and how communities can employ smart growth planning principles to build schools that better serve and support students, staff, parents, and the entire community, see EPA. *Schools for Successful Communities: An Element of Smart Growth*. 2004. <http://www2.epa.gov/smart-growth/schools-successful-communities-element-smart-growth>.

before revitalization, making downtown revitalization a worthwhile investment for any community's fiscal health.¹⁵ (See policies 1, 2, 3, 4, 7, 8, 12, 13, 24, 26, 42, 43, 44, and 49 in Appendix C.)

G9. Attract stores and services for daily needs to downtowns and residential neighborhoods

Easy access to needed goods and services—in a downtown or in residential neighborhoods—is important for a high quality of life. This goal focuses on retail and services for daily needs—such as nutritious foods, medicine, and other essential items—rather than on nonessentials and luxury goods. Communities could include this goal in their economic development strategy for neighborhoods without an easily accessible grocery or drugstore. (See policies 1, 2, 3, 12, 16, 36, 43, 44, 46, 47, 48, and 50 in Appendix C.)

G10. Ensure a wide range of housing types that are affordable to different income levels

High-quality, centrally located residential neighborhoods with homes appropriate for a range of income levels and family types make it possible for people to live near their jobs and let residents stay in the same neighborhood even if their income or lifestyle changes. If a city does not have enough appealing neighborhoods, it might not attract workers and businesses. At the same time, if lower-income residents cannot afford homes, they might be forced to leave the city, removing workers and customers from the local economy. A mix of different housing types (e.g., rental and for sale, multifamily and detached, and large and small) can accommodate people in different life phases, from starting out in the workforce to raising a family to retiring. (See policies 1, 2, 3, 7, 11, 12, 15, 27, 28, 29, 33, and 37 in Appendix C.)

G11. Increase access to open space, parks, and recreation

Open space, parks, and recreation are important to residents' physical and mental health. Trails, paths, and on-street bike routes that connect neighborhoods to employment centers could improve access to jobs and reduce driving as workers are more likely to walk or bike to work if it is safe and convenient. Open Space and public gathering spaces, including playgrounds and parks, can raise property values in residential areas¹⁶ and could attract new residents and workers. A community could tailor this goal to specify improving existing open space or establishing new open spaces, based on the current location and condition of its public spaces. (See policies 1, 5, 12, 35, 38, 44, and 46 in Appendix C.)

G12. Preserve natural space in the city and surrounding region

Preserving natural areas in the city and surrounding region provides important recreational, ecological, and economic benefits that enhance quality of life. These areas might be a natural buffer along a river that keeps pollution out of the water and absorbs flood waters, a park that attracts residents and tourists, or a field where children can play. Encouraging growth in infill locations and on already-developed sites helps reduce the pressure to develop these natural areas, making it easier to protect them. The community could examine projected climate change impacts for its region to determine the boundaries of land it might want to preserve to help protect against future floods, wildfires, and other natural hazards. (See policies 1, 5, 12, and 38 in Appendix C.)

¹⁵ Minicozzi, Joseph. "The Smart Math of Mixed-Use Development." *Planetizen*. Jan. 23, 2012. <http://www.planetizen.com/node/53922>.

¹⁶ Shoup, Lily and Reid Ewing. *The Economic Benefits of Open Space, Recreation Facilities and Walkable Community Design*. Active Living Research. 2010. <http://activelivingresearch.org/node/12477>.

G13. Improve walking and biking facilities

Improved infrastructure for walking and biking provides numerous benefits for residents, workers, and visitors. Sidewalks, bike lanes, and paths make walking and biking safer and more appealing, encouraging more people to try it. Traveling to work, school, or stores on foot or by bike lets people work physical activity into their daily routines, which can improve their physical and mental health. Creating more transportation options makes it easier for workers to get to more jobs and lets people choose not to drive, which reduces congestion and pollution. From a business standpoint, many neighborhood-oriented retail and service establishments also see increased sales when access by bike or on foot is improved.¹⁷ (See policies 1, 2, 3, 12, 44, 46, and 47 in Appendix C.)

G14. Maintain character and distinctive community assets

During transitional periods, it is important for a community to maintain the places and institutions that make it special, such as religious institutions, public art, museums, natural landscapes, gathering places, and historic buildings. These places, along with attractive streetscapes and storefronts, contribute to a sense of place and neighborhood identity, which help retain existing residents and could attract new residents and businesses. (See policies 1, 10, 12, 15, 27, and 38 in Appendix C.)

G15. Allow a mix of land uses in appropriate locations

Districts with homes, stores and services, civic places, and other land uses put residents closer to jobs and their daily needs, allowing them to walk, bike, or drive shorter distances. This convenience is particularly important for people who do not have cars. The varied uses create lively neighborhoods with a sense of place. Adjusting zoning codes to allow mixed-use districts is often a critical first step in developing these areas. (See policies 1, 2, 3, and 12 in Appendix C.)

G16. Ensure compatibility of adjacent land uses

Organic growth sometimes results in incompatible land uses close to one another. For example, homes might be interspersed with industrial uses or too close to a freeway, which could put residents' health at risk. Residential complaints could create an inhospitable environment for local businesses, which might relocate. If an evaluation of current land uses suggests the presence of such issues, city staff might want to establish a goal to work with residents and businesses to address concerns or to update zoning codes to prevent new development from creating similar problems. (See policies 1, 12, and 40 in Appendix C.)

G17. Prepare for climate change

Many communities are already experiencing effects of climate change. Depending on the region, impacts might include more severe storms, higher temperatures, more flooding, extended drought, and rising sea levels. Communities that understand the current and projected impacts of climate change can plan their economic development to protect their residents, businesses, and infrastructure from harm and take advantage of new opportunities that climate change might bring. Because climate change affects every aspect of a community, planning for climate impacts should be incorporated into economic development, land use, transportation, housing, and other plans. If a community can show it has considered how the changing climate affects its economy and is

¹⁷ Leinberger, Christopher B., and Mariela Alfonzo. *Walk this Way: The Economic Promise of Walkable Places in Metropolitan Washington, D.C.* Brookings Institution. 2012. <http://www.brookings.edu/research/papers/2012/05/25-walkable-places-leinberger>.

preparing for and adapting to these changes, it could be more attractive to businesses looking for long-term security and stability. (See policies 6, 12, 38, and 39 in Appendix C.)

D. IDENTIFYING EXISTING ASSETS AND BARRIERS

A smart growth economic development strategy should reflect an area's existing assets and the barriers that impede achieving community goals. Identifying barriers to meeting a goal is an important step because implementation tools and resources are generally more effective when they are selected to overcome a specific obstacle rather than achieve a broad goal. For example, if a city has the goal of making its downtown more vibrant, the potential barriers to meeting this goal are diverse, including:

- Outdated and undersized retail space.
- A lack of nearby residents to support retail demand.
- Absentee property owners uninterested in investing in downtown buildings.
- A lack of wayfinding.
- A need for additional or more convenient parking.

Each of these barriers would need different tools to achieve the goal of a vibrant downtown. For instance, a façade improvement program is unlikely to help significantly if the major problem is the lack of nearby residents to support existing businesses. Working sessions at the Kelso site visit helped the community identify specific barriers impeding progress in each of the subareas of focus (see Chapter IV).

E. SELECTING THE RIGHT TOOLS

Tools will be most effective when linked to specific barriers. Sometimes more than one tool can help achieve a particular goal. This section explores policy tools and actions that communities could include as part of a smart growth economic development strategy. It includes conventional economic development tools and tools that might not typically be considered part of an economic development strategy—such as transportation options or infill development—that support economic development. The more conventional tools, such as streamlined permitting processes or business improvement districts, could be applied through a “smart growth filter,” that is, to encourage economic development in places that cities have identified for growth, such as downtowns and infill areas.

Policy tools and actions often support multiple goals across the three components of a smart growth economic development strategy. A particular tool might support workers, support businesses, and improve quality of life. The policy tools and actions are, therefore, broken into eight cross-cutting topical areas:

1. Land use policy.
2. Partnership building.
3. Business development and entrepreneurship.
4. Workforce development and employment.
5. Health and environment.
6. Brownfield and infill redevelopment.
7. Transportation.
8. Infrastructure financing.

Appendix C describes specific tools and actions in each category, including an entity that could be a good choice to lead implementation, links to more information if available, and the smart growth economic development goals from Chapter III.C that the tool or action could help achieve.

1. Land Use Policy

Land use policies could help shape development patterns to help the community get the type of development it wants in the appropriate location. These policies would have the greatest impact in places where current zoning practices, development standards, and/or building codes make greenfield development easier and cheaper than infill, redevelopment, or mixed use. Zoning that is flexible enough to react to changing market conditions helps a community's economy weather downturns and take advantage of opportunities.¹⁸

2. Partnership Building

Because smart growth economic development encompasses many issues, municipal governments often look for partners from the public, private, and nonprofit sectors to help achieve community goals. For example, some cities and school districts team up to better prepare high school students to enter the workforce. In other cases, city staff might simply convene groups to address a specific challenge. In Kelso, the city does not run its own housing programs, but poor housing conditions pose a major challenge for the South Kelso residential community. City staff could convene partners such as local nonprofit housing developers, CWCOC, and others to form a cohesive approach to improving housing even if an entity other than the city would implement the solutions.

3. Business Development and Entrepreneurship

These policy tools and actions are designed to help existing businesses expand and encourage new businesses. Most of these tools are most effective when targeted to specific, high-priority industries or locations identified for revitalization and investment such as a downtown. City staff can implement some of the tools and actions, such as the streamlined permit applications and approvals. Others, such as promoting local hiring, would require city staff to facilitate connections between local businesses and other organizations.¹⁹

¹⁸ For information about local zoning codes that can address the most common barriers local governments face in implementing smart growth strategies, see EPA. "Essential Smart Growth Fixes for Communities." http://www.epa.gov/smartgrowth/essential_fixes.htm. Accessed Feb. 3, 2014.

¹⁹ The National League of Cities has compiled strategies for local governments to help small businesses and entrepreneurs in two reports: National League of Cities. *Supporting Entrepreneurs and Small Businesses: A Tool Kit for Local Leaders*. 2012. <http://www.nlc.org/find-city-solutions/city-solutions-and-applied-research/economic-development/small-business-and-entrepreneurship/supporting-entrepreneurs-and-small-business>; National League of Cities. *Big Ideas for Small Business Report*. 2014. <http://www.nlc.org/find-city-solutions/city-solutions-and-applied-research/economic-development/small-business-and-entrepreneurship/big-ideas-for-small-business>.

4. Workforce Development and Employment

Workforce development and employment tools can help give all residents the opportunity to benefit from economic development. These policy tools and actions can improve job training and employment opportunities for local residents. These types of strategies are most appropriate in places where lack of education and job training are barriers to economic development and are particularly important for transitioning economies such as Kelso's, in which the education and skills needed to obtain local jobs are changing rapidly.²⁰

5. Health and Environment

Smart growth economic development strategies recognize the value of a good quality of life and a strong sense of place. Some are aimed at enhancing quality of life by increasing access to open space or improving street design to encourage walking, biking, and outdoor recreation. Others help communities ensure that they have high-quality homes affordable to a range of income levels. For example, a green building program can encourage healthier and more resource-efficient models of construction, renovation, operation, maintenance, and demolition to achieve multiple environmental, economic, and social benefits.²¹ By improving quality of life, these actions create places that help residents and businesses stay physically and economically healthy and provide a competitive advantage in attracting new residents and businesses.

6. Brownfield and Infill Redevelopment

Infill development, especially when it involves the assessment and cleanup of any environmental contamination, also can encourage reinvestment in nearby properties. However, infill development can be challenging for many reasons, including small parcel sizes and possible environmental contamination. Even the perception or possibility of contamination can discourage redevelopment because of unknown costs and additional time that could be required for cleanup.²² Some of these policy tools and actions can help with the assessment, remediation, and redevelopment of brownfield sites. Others can provide incentives for redevelopment on other types of infill sites.²³

7. Transportation

A well-connected, safe, and reliable transportation network that integrates driving, walking, biking, and public transit has many economic development benefits. It connects workers to jobs; lets people who cannot or choose not to drive get to stores, services, and amenities; and disperses users across several modes and routes, which can reduce traffic congestion. These policies can give people more options for getting around a neighborhood and the larger region. Infrastructure improvements could make walking and biking safer and more appealing, which could reduce people's transportation costs and leave them more money to spend in the community.

²⁰ For more ideas beyond those included here on how local governments could support workforce development, see National League of Cities. *Municipal Action Guide: Workforce Development for Economic Competitiveness*. 2010. <http://www.nlc.org/Documents/Find%20City%20Solutions/Research%20Innovation/Economic%20Development/workforce-development-economic-competitiveness-gid-10.pdf>.

²¹ EPA. "Why Build Green?" <http://www.epa.gov/greenbuilding/pubs/whybuild.htm>. Accessed Feb. 2, 2015.

²² EPA. *Smart Growth and Economic Success: Investing in Infill Development*. 2014. <http://www2.epa.gov/smart-growth/smart-growth-and-economic-success-investing-infill-development>.

²³ For information on developing an area-wide plan and implementation strategy for key brownfield sites, which will help inform the assessment, cleanup, and reuse of brownfields properties and promote area-wide revitalization, see EPA. "Brownfields Area-Wide Planning Program." http://www.epa.gov/brownfields/areawide_grants.htm.

8. Infrastructure Financing

Infrastructure improvement and maintenance are important for attracting private investment in redevelopment, but paying for infrastructure can be challenging for cities as resources for infrastructure financing dwindle. These tools are most applicable in communities where infrastructure problems are a major barrier to economic development, but local funding for capital improvements is scarce. For example, some historic downtowns have outdated utilities, crumbling sidewalks, and streets filled with potholes. To bring businesses and residents back downtown, investments are needed to update utilities and repair streets and sidewalks.²⁴

²⁴ For a more comprehensive overview of infrastructure financing tools and mechanisms, see EPA. *Infrastructure Financing Options for Transit-Oriented Development*. 2013. http://www.epa.gov/smartgrowth/infra_financing.htm.

IV. PREPARING A SMART GROWTH ECONOMIC DEVELOPMENT STRATEGY: KELSO, WASHINGTON, CASE STUDY

Kelso, Washington, served as a case study for the process of developing a smart growth economic development strategy. The strategy reflects the discussions that occurred during the contractor team's three-day site visit to Kelso. It includes policy options and actions that could help the city strengthen its economy and protect its environment as a result of taking a smart growth approach to economic development. The strategy covers three areas:

- A. Downtown Kelso.
- B. The South Kelso residential community.
- C. The Talley Way industrial area.

A. DOWNTOWN KELSO

1. Defining the Context

Like many historic downtowns, Kelso's downtown was once a thriving business district with shops, restaurants, bars, offices, and residences in the upper stories of some buildings. The old highway (U.S. Route 99, now South Pacific Avenue) ran right through the middle of this business district so that local, regional, and even interstate traffic had to pass all of those businesses. Over time, changing retail trends and major transportation investments that redirected traffic have left Kelso's downtown disinvested and without a central role in the local community. Interstate 5, rather than Pacific Avenue, now carries most of the interregional north-south traffic through Kelso, and a mall on Interstate 5 meets the region's major shopping needs.

Along with losing its role as a major destination, downtown Kelso has several physical challenges. It is on the Cowlitz River, but the river is separated from the community by a high levee with a major freight rail line running on top. A pedestrian crossing would be expensive because of required safety measures, and the railroad would retain the right to unilaterally close the crossing, making such an investment risky. In addition,

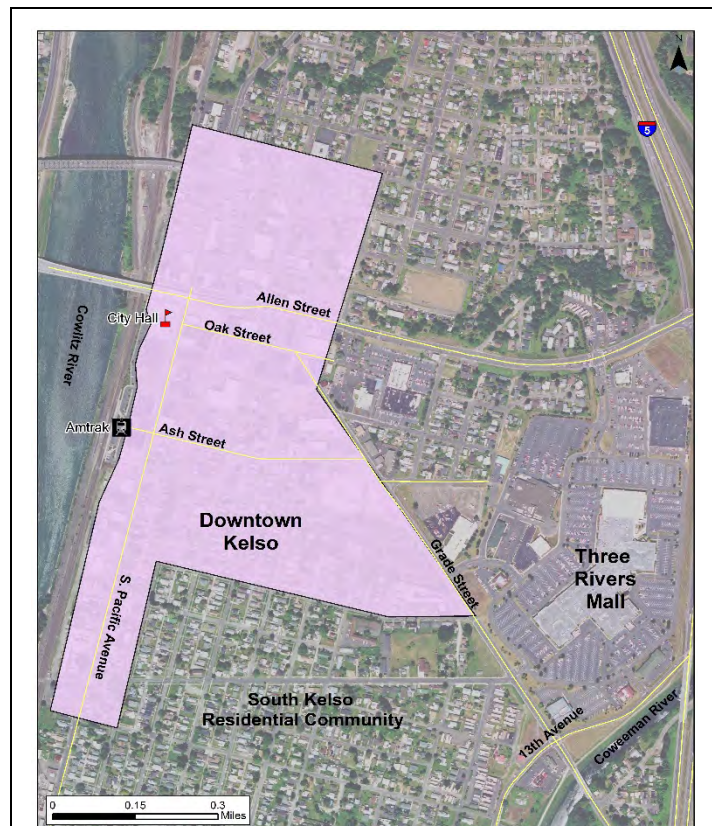


Exhibit 4. Downtown Kelso.

Sources: Aerial imagery provided by the City of Kelso, 2015; U.S. Census TIGER Line Data, 2013: <http://www.census.gov/cgi-bin/geo/shapefiles2013/main>; Subarea based on Kelso Future Land Use Map, City of Kelso, 2014; Strategic Economics, 2015.



Exhibit 5. Downtown Kelso. Pacific Avenue in downtown Kelso has a variety of businesses on a stretch from Oak Street to Ash Street (left). The area is bisected by the new Allen Street Bridge (right).
Photos courtesy of Strategic Economics

Allen Street, a major east-west road connecting Interstate 5 to the communities west of Kelso, also runs right through downtown to one of the few bridges that cross the Cowlitz River. However, when the bridge was rebuilt several years ago, the new design blocked through traffic on several downtown streets, and the new road configuration makes it difficult for drivers unfamiliar with Kelso to understand how to get into the main part of downtown from Allen Street.

Despite these challenges, downtown Kelso has several successful businesses and has seen some reinvestment in historic buildings. In 2008, downtown business and property owners formed the Kelso Downtown Revitalization Association (KDRA). In addition, when Kelso needed a new city hall, it kept its city hall in downtown, partially reusing a historic bank building. Many state, county, and regional agencies also have offices in the downtown area.

Individual business and property owners, KDRA, and the city have all worked in various ways, either together or separately, to try to revitalize downtown. However, during the site visit, the contractor team heard that these efforts are not making much difference. Workshop participants said that downtown is not living up to its potential, and while people have many ideas about what should be done, there is no clear plan or strong leadership to execute these ideas. To compound the problem, KDRA members have differing priorities and therefore tend to do very few things as a group.

2. Setting Goals

The main goal that emerged from the workshop discussions was to make downtown Kelso a destination and boost the number of visitors by:

- Adding shops and restaurants.
- Having more year-round events and activities.
- Making downtown attractive and a pleasant place to walk.

3. Identifying Existing Assets and Barriers

Assets: New businesses are moving to downtown and several blocks are beginning to develop a critical mass. For example, the block of South Pacific Avenue between Ash and Pine streets has a group of businesses on the east side, including a bookstore, bait and tackle store, quilt shop, and pet grooming store, while on the west side is the Grounds for Opportunity restaurant. Some Kelso businesses have effectively used social media to promote themselves and attract customers from around the region.

Barriers: Workshop participants thought that barriers to downtown's growth included:

- Rundown or vacant buildings and lots. Signs for some operating businesses are small and hard to read or do not describe the available goods and services, so someone new to the downtown might not know what is offered. The city has a façade improvement program to help small businesses, but few merchants have taken advantage of it.
- Lack of communication and coordination among parties with similar interests. For example, participants said that existing businesses do not generally coordinate with each other or KDRA to establish common operating hours, host joint events, or time activities and sales to maximize downtown traffic.
- The Allen Street Bridge, which takes vehicles crossing the Cowlitz River over Pacific Avenue, the city's downtown main street. In addition, poor signage makes it confusing for drivers to know how to get downtown from Allen Street.
- The lack of access to the river, particularly for pedestrians, cutting off visitors from a significant natural amenity.

4. Selecting the Right Tools

Community members had many suggestions for improving downtown, but as they discussed specific assets and barriers, a clearer, more focused list of tools emerged that could best help the community achieve its goal of making downtown a destination that attracts residents and visitors year round. For example, participants agreed that some problems, such as the Allen Street Bridge and lack of river access, were very long-term issues without simple solutions and that economic development efforts could be better spent on easier, short-term tools that could lay the groundwork for revitalization. Many of the suggestions are relatively low-cost public investments that could reap outsize rewards by private investment in downtown businesses and buildings. Exhibit 6 discusses how Scotland Neck, North Carolina, helped revitalize its downtown after facing challenges similar to Kelso's.

Tool 1: Keep a calendar of events. To overcome communication and coordination issues, participants discussed creating a unified calendar of events where all merchants and visitors could see what was happening in the area. The community saw this tool as an opportunity to increase collaboration among KDRA, the Chamber of Commerce, and the city. Creating one place where business owners, residents, and visitors could see the happenings in downtown would be a first step to energize the commercial core. The city could create the calendar and then hand it off to the Chamber of Commerce or KDRA, which could identify a staff member to become the single point of contact for businesses to post upcoming events. A calendar would let businesses know when events might bring people downtown so they could plan their operating hours and events accordingly. The calendar would need to be easy to find and updated frequently to give people confidence in its accuracy.

Tool 2: Create and maintain a better website for downtown. Creating a downtown-specific website could help businesses reach more potential customers. The Chamber of Commerce or KDRA could lead this task. The calendar of events could be on this website so that people could easily find all relevant information about the downtown. Mount Vernon, another small town in Washington working to bring more people to its downtown, has a website that could be a model for Kelso.²⁵

Tool 3: Install a sign on Allen Street alerting westbound traffic that cars heading downtown should stay in the right-hand lane. The city could make it easier for visitors to find downtown by creating a free-standing sign or painting one on the side of a building that lets travelers know to keep right before the Allen Street Bridge. The city could take the lead on this task, collaborating with the Washington state Department of Transportation to find a suitable location. While the city has a plan to complete a more comprehensive wayfinding strategy for the downtown, money for this work will not be available for a year or so. This sign would be an interim step to remedy the most pressing problem.

Tool 4: Direct façade improvement program funds to the buildings and businesses on South Pacific between Ash and Oak. Defining a smaller area for façade restoration and improved signage could increase the impact of

the city's limited funds by creating a concentration of attractive storefronts that could attract additional private investment. These three blocks are the entrance to downtown, whether one is coming from Allen Street or the Amtrak station. Several successful businesses already operate in this stretch, and improving the appearance could entice other shops to open. Collaboration among property owners, KDRA, and the city would help tailor the program to meet businesses' needs so it can be more successful. The city could facilitate a discussion between property owners and KDRA, providing the venue for meetings and explaining the legal boundaries of the program. KDRA and property owners could work towards identifying why the program has not been widely used to date and what could be changed to encourage more investment in the downtown building stock.

Exhibit 6. Scotland Neck, North Carolina

Scotland Neck is a small town located in eastern North Carolina, just south of the Roanoke River, with an economy based on agriculture and manufacturing. After a major employer left, the town determined that due to its limited financial resources, it would have to rely on its residents to promote economic development. This led to the creation of the Developing Our Own Resources (DOOR) Initiative that had three main goals: attract tourists, support small businesses and downtown merchants, and recruit industry. The town set out to take advantage of its existing assets such as the historic downtown building stock. Residents helped fund a façade improvement program for downtown businesses through the Round Up program, with residents being given the option to "round up" their utility bill to the next dollar. Though individual donations are small, the large base of contributors has enabled the town to raise more than \$10,000 for the program. The improved appearance of the building stock has helped lead to several new businesses opening downtown. For more information on Scotland Neck, see Appendix C.

²⁵ Mount Vernon Downtown Association. "Welcome to Downtown Mount Vernon." <http://www.mountvernondowntown.org>. Accessed Mar. 12, 2014.

Tool 5: Start evaluating the potential for bringing the library back downtown when its lease ends at Three Rivers Mall. The library generates a lot of daytime foot traffic for surrounding businesses, and its relocation from downtown to the Three Rivers Mall has reduced the number of downtown visitors. The library has a long-term lease at the Three Rivers Mall, so the city would not need to evaluate sites for relocating the library to downtown for several more years. Market conditions can change dramatically over the lease’s remaining years, which would affect the terms of a new lease at the mall and the availability of downtown space. When the city approaches the final years of the lease, it could evaluate:

- The impact of the library on foot traffic at the mall and its potential impact downtown.
- The cost-effectiveness of signing a new lease at the mall compared to constructing or remodeling a building downtown.
- The feasibility and potential impact of opening a smaller branch of the library somewhere in the downtown.

The city would need an extensive public involvement process to explore any change in the library’s location.

Other ideas the community could pursue either in the future or in addition to the tools listed above:

- Work with property owners to clean up vacant lots, find temporary uses for vacant buildings, and/or install displays in empty storefronts.
- Create a comprehensive signage program for downtown.
- Implement traffic-calming measures on South Pacific from Ash to Oak.

B. SOUTH KELSO RESIDENTIAL COMMUNITY

1. Defining the Context

The South Kelso residential community starts just south of downtown and borders unincorporated Cowlitz County land to the south. On the west, the community is bounded by the Cowlitz River, but it is separated from the river by a levee and train tracks. On the community’s east side is the Three Rivers Mall, Coweeman River, and city’s light industrial area located along 13th Avenue. Most of the neighborhood is organized on a grid of streets lined with small, wood-frame houses. The major

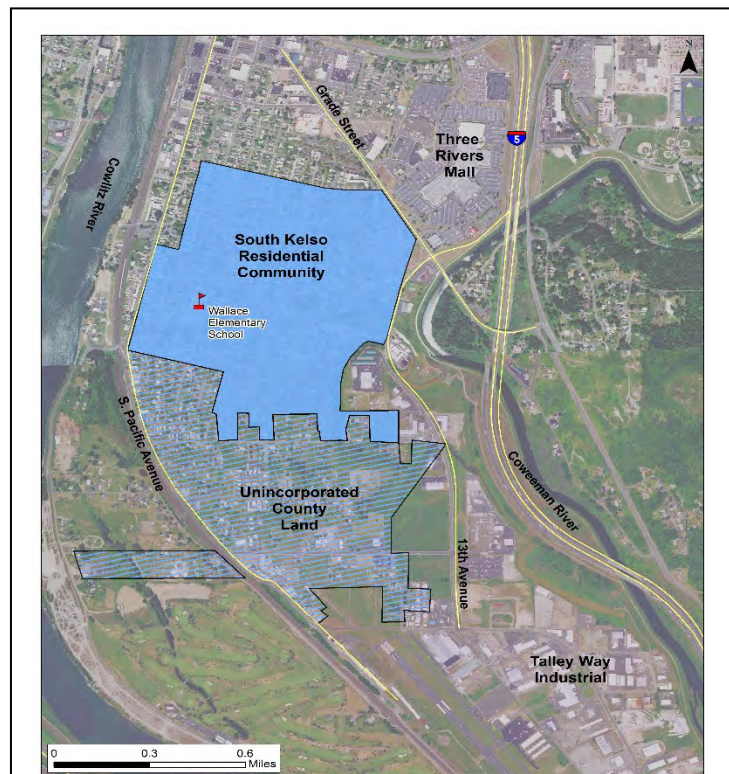


Exhibit 7. South Kelso residential community.

Sources: Aerial imagery provided by the City of Kelso, 2015; U.S. Census TIGER Line Data, 2013: <http://www.census.gov/cqi-bin/geo/shapefiles2013/main>; Subarea based on Kelso Future Land Use Map, City of Kelso, 2014; Strategic Economics, 2015.



Exhibit 8. South Kelso residential neighborhood. Residents are within walking distance of the nearby Wallace Elementary School, but many streets do not have sidewalks.
Photos courtesy of Strategic Economics (left) and EPA (right)

community facility in the area is Wallace Elementary School, and there is a small playground, Lad and Lassies Park. While relatively new, the playground is underused because it is in an area without sidewalks that is tucked away from public view, and parents are concerned about their children's safety. South Pacific Avenue, the old north-south highway, has a few commercial buildings extending south beyond downtown, but for the most part, South Kelso has few stores, especially food stores. The neighborhood's form varies from street to street based primarily on when the area was developed and whether it was city or unincorporated county land at the time. Areas that were annexed into the city from Cowlitz County have lot and house sizes similar to those originally in the city but lack sidewalks, curbs, and gutters.

Housing in South Kelso was built originally for loggers and other workers associated with the fishing and wood products industries that supported Kelso in the late 19th and early 20th centuries. They are small by modern standards and, therefore, less expensive than homes in East Kelso neighborhoods or in other cities in the region. The households moving into the area tend to have lower incomes and less education than the neighborhood's longer-term residents. But, even as the number of low-income renter households has increased, rents for the houses are not necessarily affordable. Workshop participants noted that many homes have transitioned from owner- to renter-occupied units and suffer from lack of maintenance and reinvestment. Also, some units are vacant after a foreclosure or a catastrophic event such as a fire.

A convergence of factors has contributed to what meeting participants agreed is the considerable decline of the South Kelso neighborhood. Participants identified graffiti, crime, substance abuse, and unemployment as growing problems.

In 2013, students from Portland State University prepared a South Kelso Revitalization Strategy.²⁶ This document provides a detailed description of existing conditions in South Kelso, including both downtown and the residential community, and it suggests multiple strategies for turning around the

²⁶ Portland State University. *The South Kelso Revitalization Strategy: Existing Conditions Report*. 2013. http://www.cwcog.org/documents/south_kelso_revitalization_strategy_existing_conditions_report.pdf.

neighborhood. Since the strategy was completed, the neighborhood has seen some actions that could help remedy some of its problems:

- The South Kelso Neighborhood Association (SKNA) has been formed. Although the group's role and identity are still evolving, it has active, committed leaders eager to improve the neighborhood.
- The Healthy Living Collaborative of Southwest Washington is piloting a program in South Kelso that will include recruiting and training neighborhood residents to be community health advocates. These advocates' specific role has not yet been fully defined but will start with "neighbors getting to know neighbors."
- Wallace Elementary School is one of four schools in Kelso to receive a grant from the U. S. Department of Education's program for 21st Century Community Learning Centers, enabling the school to offer more academic enrichment programs for its students outside of regular school hours.
- The nonprofit organization Pathways 2020 is hosting an AmeriCorps volunteer whose responsibilities will include creating a community garden in South Kelso.

2. Setting Goals

The primary goal for the South Kelso residential community that emerged from the workshop is to improve the quality of the existing housing stock through better maintenance and expanded homeownership. The community's broader objectives are to build greater community pride and enhance residents' health and well-being.

3. Identifying Existing Assets and Barriers

Assets: Throughout the site visit, it became apparent that one of South Kelso's greatest strengths is energetic residents. The community already has multiple activities and programs to build on to achieve its goal of improving housing, including the recent initiatives mentioned above. In addition, the city has counseling programs for first-time homebuyers, and a variety of regional, state, and federal funding sources are available to address the various problems associated with disinvestment in South Kelso. The city is also working on projects to enhance South Kelso, including assembling information to apply for a Safe Routes to School grant and looking at adding sidewalks, curbs, and gutters where needed.

Barriers: One of the biggest barriers to revitalizing South Kelso is the lack of coordination among entities currently working in the area. This challenge is further compounded by a lack of coordination with county and state organizations outside Kelso that could help identify resources and strategies to renovate houses in South Kelso. In the past, programs to improve the neighborhood housing stock have had trouble making a significant impact due to the large size of the area and limited funds.

4. Selecting the Right Tools

Because improving the housing stock is a broad and challenging goal, stakeholders concentrated on smaller steps that could work toward that goal. Exhibit 9 discusses how Lake Worth, Florida, improved its housing stock in neighborhoods that suffered many of the same challenges as those in South Kelso.

Tool 1: Convene a meeting to discuss housing goals for South Kelso and select a target area to address first. Participants could include SKNA, the city manager, CWCOC, and other key stakeholders, such as major property management firms in South Kelso. The meeting could focus on creating a vision for the housing stock in South Kelso and selecting a specific focus area in the neighborhood where intensive efforts could make a tangible impact.

Tool 2: Prepare a detailed assessment of housing conditions in South Kelso with a focus on the target area. The workshop revealed that more information about the situation in South Kelso would be helpful to better understand the challenges. Stakeholders might want to gather information such as:

- Analyzing housing tenure and looking at the median duration of property ownership and trends in sales history, such as an increase in out-of-town buyers.
- Examining how the percent of residents that own homes has fluctuated over time.
- Identifying landlords of multiple housing units.
- Comparing the costs of owning and renting in South Kelso.
- Determining barriers to homeownership for residents, such as lack of money for a down payment or poor credit history.
- Identifying properties for the city to acquire and/or demolish.

Tool 3: Support SKNA's graffiti abatement activities. SKNA has already been working to combat graffiti. The city could continue to help SKNA improve the appearance of the housing stock by organizing various activities and services such as offering low interest loans for exterior paint jobs, scheduling regular community clean-up days to do trash and weed abatement, and/or offering special bulk trash pickup dates for large items like old mattresses. Other initiatives that the city could encourage include working with the police on crime prevention and abatement and participating in the Healthy Living Collaborative and the Pathways 2020 community garden initiative.

Tool 4: Explore and, as appropriate, deploy a community code enforcement program for South Kelso. The neighborhood's greatest strength is its engaged residents. The community could harness that energy to rectify some of the code compliance issues in the neighborhood through a program that trains and certifies citizens to become code enforcement officers. SKNA, the city manager, the code enforcement department, and the police department could work together to create this type of program. The city of San Diego initiated a neighborhood code compliance reporting program and works with neighborhood organizations to identify and resolve code compliance issues.²⁷ As part of this

Exhibit 9. Lake Worth, Florida

The city of Lake Worth, in affluent Palm Beach County, was hit especially hard by the foreclosure crisis, resulting in a deterioration of the housing stock and reduced tax revenues. More than 20 community-based organizations and businesses worked together to get funding from HUD's Neighborhood Stabilization Program to acquire, rehabilitate, or demolish over 100 homes in two neighborhoods. The city offered low-income residents the opportunity to purchase a home, and declining property values began to stabilize as new homeowners, who had a vested interest in maintaining their properties and improving the neighborhood, filled vacant, foreclosed homes. For more information about Lake Worth, see Appendix D.

²⁷ City of San Diego. "How to Report a Violation." <http://www.sandiego.gov/nccd/report/>. Accessed Mar. 12, 2014.

process, the city created clear guidelines for community members to follow in reporting code compliance issues and will train community members in how to work with the city's system. In addition, private consulting groups offer training for all actors in the code compliance arena, including the police department, existing code enforcement staff, fire department employees, community members, and property managers. For more information on community code enforcement programs, see Appendix C.

Tool 5: Seek designation from HUD as a Community Revitalization Strategy Area. The city could work with the Washington Department of Commerce to designate part of South Kelso as a Community Revitalization Strategy Area. This designation would bring many benefits, including allowing the city to use Community Development Block Grant (CDBG) money more flexibly for housing and economic development and to concentrate resources in a particular area so improvements can make a tangible difference.

Tool 6: Evaluate the potential for a first-time homebuyer program with local employers. The city and CWCOC could reach out to the city's major employers, such as Foster Farms and ALS Environmental Laboratories, to gauge their interest in working with the city or other appropriate entity to establish a first-time homebuyer program for workers in local businesses who purchase a home in South Kelso. The program would have two main benefits:

- It would create more homeowners with a vested interest in maintaining their property and neighborhood.
- It would allow even low-wage workers the opportunity to start accumulating wealth.

Other ideas the community could pursue either over time or in addition to the tools listed above:

- CWCOC could find an established, successful neighborhood organization to mentor the relatively new SKNA.
- The city could prepare a plan for the South Pacific Avenue corridor south of downtown to create a more pedestrian- and bicycle-friendly road and renovate or demolish some of the most blighted properties.
- The city could create a business licensing program for residential landlords so the city can more easily contact them if code violations are found on their properties.
- SKNA could identify and contact absentee landlords about property maintenance and possible code violations.
- CWCOC could create a fund to buy dilapidated houses that are beyond repair and demolish them to make way for new construction.
- The city could prepare visualizations of what South Kelso could look like after it has been revitalized, so that people can see what they are working toward.
- The city could start a landscaping program with a master gardener from Washington State University's agricultural extension program.
- The Chamber of Commerce could offer financial literacy classes to South Kelso residents, perhaps as part of the 21st Century Community Learning Centers program at Wallace Elementary School.
- The city could begin the process of annexing the remaining part of the South Kelso neighborhood that is presently unincorporated. This area is totally surrounded by the city,

but the city has no ability to regulate code violations or upgrade infrastructure, so problems in the unincorporated area tend to spill over into the city's neighborhoods.

- Create a formal community tool-lending library to build on the success of the neighborhood's informal tool-lending tradition. The city of Berkeley, California has had a tool lending library since 1979.²⁸

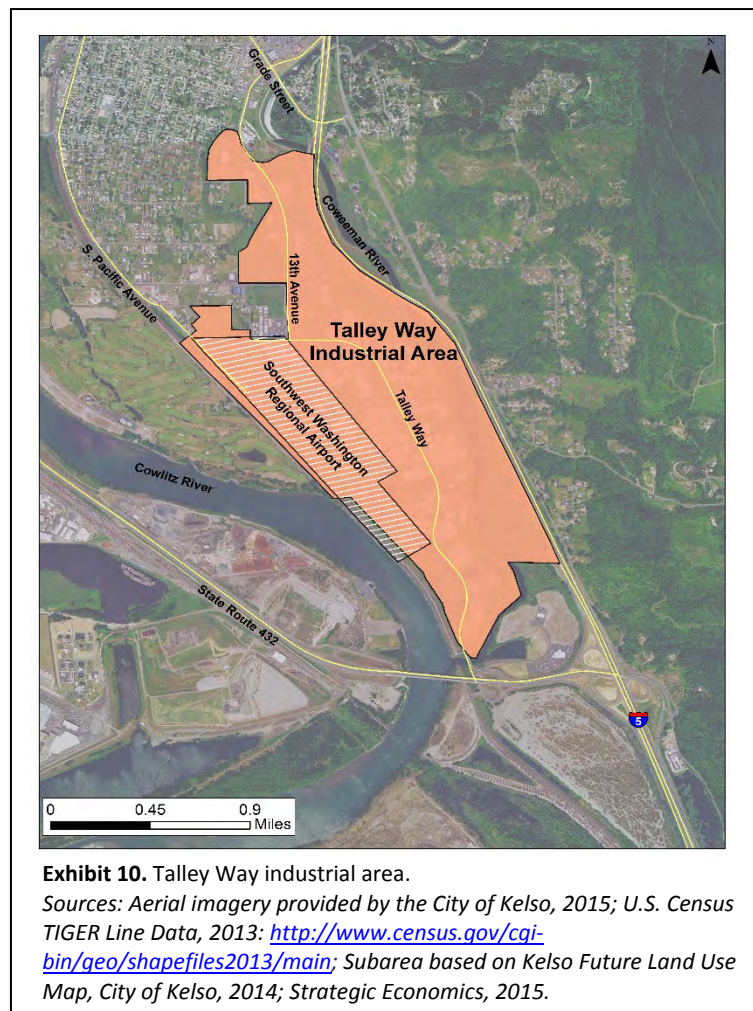
C. TALLEY WAY INDUSTRIAL AREA

1. Defining the Context

The Talley Way industrial area—South Kelso's large industrial district, with 13th Avenue/Talley Way as its major arterial route—has become an increasingly popular location for a diverse range of industries, including food processing, light manufacturing, and warehousing and distribution. While land costs in Talley Way tend to be higher than other comparable industrial land in the region, the businesses in the Talley Way area consider the proximity to Interstate 5 to be a major advantage, both for moving materials to and from suppliers and customers and for easy access to a large labor force.

Neither the city of Kelso nor the Cowlitz Economic Development Council has completed a thorough inventory of businesses in the Talley Way area. However, representatives from some of those businesses attended several of the working sessions and reported that virtually all of the buildable land in the area was either built out or under

contract. Businesses are now looking to expand by using their land more efficiently. Many of these businesses are owned by people who grew up in Kelso and still have strong roots in the community. These locally owned companies give back to the community by supporting sports facilities in South Kelso and working with vocational education programs at Lower Columbia College. Although some companies hire students through informal connections and communications, no formal program links businesses and the college. Talley Way businesses also participate in the Lower Columbia Transportation



²⁸ Berkeley Public Library. "Tool Lending Library." <https://www.berkeleypubliclibrary.org/locations/tool-lending-library>. Accessed Feb. 24, 2015.

Association, which wants to expand all transportation systems serving the region, including roads, ports, rail, and air.

Kelso also hosts the Southwest Washington Regional Airport, which is on the western edge of the Talley Way industrial area. This airport has been operating since the 1940s, but aircraft operations peaked in 1979 at 93,000 operations. By the late 2000s, the airport had only 41,000 operations.²⁹ However, a 2011 master plan for the facility found that over the next several decades, airport use could increase, which would require facility improvements, such as a longer runway and more hangars and other supporting facilities. Uncertainty about the airport expansion complicates planning for the Talley Way area and parts of the South Kelso residential community.

In 2009, Kelso completed the Talley Way Corridor Transportation Study to guide long-term planning for the corridor, including roadway and bridge improvements to better accommodate pedestrians and bicyclists, driveway improvements to improve safety and efficiency for vehicles accessing area businesses, and stormwater management to address drainage problems and improve water quality.³⁰ These improvements are in the city's 2017-2018 Capital Improvement Plan.

2. Setting Goals

Three key goals emerged for the Talley Way industrial area during the working session:

1. Create a stronger relationship between the Talley Way businesses and the city of Kelso.
2. Create a stronger link between Talley Way businesses and the South Kelso neighborhood so that more workers in the area could save money on transportation by living in Kelso rather than commuting from communities as far away as Vancouver.
3. Create more transportation options linking Talley Way to downtown and the South Kelso residential neighborhood.

²⁹ URS Corporation. *Southwest Washington Regional Airport Master Plan Update*. City of Kelso. 2011. <http://www.southwestwa-regionalairport.com/master%20plan/swwaramasterplan.pdf>.

³⁰ City of Kelso. *Talley Way Corridor Transportation Study*. 2009. http://www.kelso.gov/sites/default/files/docs/approved_final_talley_way_corridor_study_pdf_7-21-09.pdf.



Exhibit 11. Talley Way businesses. The Talley Way area is the major jobs center for the city.
Photos courtesy of Strategic Economics

3. Identifying Existing Assets and Barriers

Assets: The Talley Way area is starting to add jobs in occupations that could provide a living wage for South Kelso residents, many of whom lack advanced degrees. In addition, several business and property owners in the Talley Way area grew up in Kelso and might take the lead in working more closely with the city to more strongly link this employment district and residents of the adjacent neighborhood.

Barriers: Kelso has historically seen itself as being too small to engage in its own economic or workforce development activities and has mostly participated in the Cowlitz Economic Development Council and Southwest Washington Workforce Development Council. As a result, the city has almost no direct relationship with the Talley Way business community. While the business community and the city could work together to improve business conditions in the Talley Way area and create opportunities for South Kelso residents, there are no precedents for this kind of collaborative relationship, which would likely require strong leadership and an ongoing commitment to implementation.

4. Selecting the Right Tools

One of the lessons to come out of discussions on Talley Way was that the area was actually doing well on its own, with many businesses growing and new businesses moving in, despite little city intervention. Participants suggested that the city could focus on easy-to-implement, low-cost actions. Exhibit 12 discusses how Clinton, Iowa, used a streetscaping project to jumpstart revitalization of an industrial area of town.

Tool 1: Engage Talley Way businesses through a regularly scheduled event, such as a lunch hosted by the city manager and city council. The event, hosted monthly, quarterly, or yearly, would let the city explain what projects are in the works and what plans the city has that might affect local businesses. Businesses could use the event to let city staff know about any problems they are having, and the city could work with them to find solutions. Businesses could also network and strengthen ties among themselves.

Tool 2: Establish an ongoing business visitation program where the city manager and/or other city officials meet one-on-one with business owners. These visits would be more personal meetings

between city officials and one business owner at a time to discuss problems or concerns. This one-on-one approach to economic development would show that the city supports local businesses.

Tool 3: Keep track of the businesses in the Talley Way area through a private data source such as Dun and Bradstreet or InfoUSA. Private data sources track the movement of companies annually. The city could use this information to track what types of businesses are moving into and out of the area. This knowledge would keep the city better in tune with larger economic forces and help it make appropriate adjustments to its economic development strategy.

Tool 4: Explore establishing a local improvement district to fund small infrastructure improvements in Talley Way. A local improvement district would levy a fee on businesses in Talley Way that would fund improvements that the city might not be able to afford, such as sidewalks, a bike route connecting employers with the South Kelso residential neighborhood, and/or signs welcoming visitors to the area. Improving the area's appearance could improve property values and the reputations of area firms.

Tool 5: Establish a first-time homebuyers program in South Kelso for Talley Way employees. A program to encourage employees to remain in Kelso could increase homeownership in the neighborhood and increase the number of employees who live in the city. The program could also allow employees to invest in the community where they work and help improve the housing stock.

D. TAKEAWAYS FOR SOUTH KELSO

Five themes emerged from the working sessions that apply to South Kelso as a whole:

1. Kelso has a lot of activity that could support the city's economic development, but many of these efforts are not widely publicized or well coordinated.
2. The community needs constructive partnerships more than financial support.
3. The challenges seem daunting to take on, but tackling them through small steps is more manageable.
4. There are funded programs to promote economic development, but they could be better tailored to Kelso's problems.
5. Tackling the hardest problem first can be discouraging. Demonstrating success on smaller problems can build enthusiasm and momentum.

Exhibit 12. Clinton, Iowa

Clinton, Iowa, a small city on the Mississippi River, has a large concentration of industrial businesses. When the city began to upgrade the historic Lincoln Highway, it focused on a 1.8-mile stretch of highway and the surrounding 220 acres of land. This neighborhood, Liberty Square, had heavy industrial properties next to residential areas, which threatened residents' health. As part of the redesign process, the city wanted to help local businesses and protect residents' health. The city worked with the Iowa Department of Transportation to create a road and trails that would stitch together some of the neighborhood that had been torn apart by the highway. With funding from EPA's Brownfield Program, the city cleaned up sites and developed the Liberty Square Comprehensive Plan. The city used the EPA funds to gain additional funds from HUD and Iowa state agencies. With the additional funds, the city improved its transportation network and set the groundwork for smart growth economic development. See Appendix D for more information on Clinton's efforts.

E. PREPARING FOR CLIMATE CHANGE

The northwest United States is home to many diverse climates due in part to the Pacific Ocean and the Cascade Mountains. Places west of the Cascades, like Kelso, experience moderate temperatures throughout the year due to cool ocean temperatures, with high rainfall totals, measurable precipitation falling on nearly 50 percent of days in the year, and few severe storms.³¹ However, climate change is altering many of these weather patterns. The city of Kelso was planned and built based on historical climate trends that are no longer reliable predictors of future climate conditions. Learning about and preparing for projected climate change impacts can help ensure that Kelso's revitalization is not derailed by the changing climate.³²

1. Potential Impacts of Climate Change for Kelso

Because Kelso is on the Columbia, Cowlitz, and Cowlitz rivers, sea level rise will have significant impacts due to their proximity to the Pacific Ocean. While the Columbia River is estimated to rise about 1 foot per 100 years, the greatest threat to Kelso is flooding along the Cowlitz River, in the eastern portion of the city.³³ With rising water levels, these areas would be at greater risk of flooding during high tide and/or severe rainstorms. If sea levels rise 3 feet, as projected in 300 years, some spots along the Cowlitz River would be underwater during high tides. Talley Way and the area around the Interstate 5 and State Route 432 interchange are most at risk, but Three Rivers Mall and the eastern portion of the South Kelso residential community will be significantly affected as well. Due to climate change, Kelso could experience greater seasonal variability in weather events. While overall precipitation levels are projected to remain roughly the same, winters are likely to be wetter and summers drier. By 2070, there would be 12 more days in the winter that it rains or snows more than 0.3 millimeters.³⁴ Combined with rising river levels, Kelso would have more areas at risk of flooding, which could mean more property damage, more lives in danger, and disruptions to the local economy. In addition, more days with rain could increase the occurrences of mudslides.

Kelso is likely to have more days in summer without rain, resulting in drier conditions and increased risk of wildfires. By 2070, the city is projected to receive 5 to 10 percent less rainfall during summer than it currently does.³⁵ The city could look to other communities in the West to better understand how to protect itself from wildfires.

Kelso is not projected to experience much change in the number of extreme cold or heat days, those with temperatures below 10 degrees or above 95 degrees Fahrenheit, due to the moderating effect of the Pacific Ocean.³⁶

2. Preparing for Climate Change through Smart Growth Economic Development

Implementing a smart growth economic development strategy could help the city prepare for some of the challenges it is likely to face. The biggest climate change-related threat to Kelso is increased risk of flooding. Kelso has already built a levee to protect itself from flooding from the Cowlitz River, but it

³¹ NOAA. Regional Climate Trends and Scenarios for the U.S. National Climate Assessment: Climate of the Northwest U.S. 2013.

³² For resources to help communities become more resilient to climate change impacts, see the U.S. Climate Resilience Toolkit at <http://toolkit.climate.gov>.

³³ NOAA. "Sea Level Rise and Coastal Flooding Impacts." <http://coast.noaa.gov/slr/>. Accessed Jul. 10, 2014.

³⁴ NOAA 2013. Op. cit.

³⁵ NOAA 2013. Op. cit.

³⁶ NOAA. Regional Climate Trends and Scenarios for the U.S. National Climate Assessment: Climate of the Northwest U.S. 2013.

should recognize that flood plain boundaries are likely to change. In the short term, the city can designate a focus area within a focus area, such as Talley Way, to concentrate its initial efforts. The city could identify and begin to implement practices that prevent or reduce flooding while also helping to meet other community and economic development goals. Many of the policies discussed in this report can also help the city prepare for and adapt to climate change, if the city knows what the projected impacts are and can incorporate them into a smart growth economic development strategy.³⁷

For example, encouraging development downtown and in other areas with less risk of flooding would keep more businesses, industrial facilities, homes, and civic buildings out of harm's way. Developing compactly and with a well-connected transportation network also lets emergency services respond more quickly to disasters. Implementing best practices for stormwater management by using green infrastructure to capture, slow down, and filter runoff where it falls could help to alleviate flooding, prevent runoff from polluting the three rivers, and help make the city an attractive place to live and invest. The city could coordinate the implementation of green infrastructure with other capital investments in high-priority areas such as Talley Way.³⁸

Planning for climate change is not a one-time activity, nor is it sufficient to prepare a stand-alone climate change plan. Climate change impacts can affect infrastructure, housing, business activities, and health and safety. Working climate change considerations into plans and policies communitywide can help the city better prepare. If Kelso considers projected climate change impacts as it plans its economic development, it will be better positioned than other communities to respond to changing circumstances. Climate resilience could also be a competitive advantage in attracting businesses that want to mitigate their own risks.

³⁷ For more information on smart growth practices that can help prepare for and adapt to climate change, please see the resources on EPA's smart growth and climate change Web page at <http://www.epa.gov/smartgrowth/climatechange.htm>.

³⁸ For guidance on developing a green infrastructure plan that can help communities protect the environment and human health while providing other social and economic benefits, see EPA. *Enhancing Sustainable Communities with Green Infrastructure*. 2014. <http://www.epa.gov/smartgrowth/green-infrastructure.html>.

APPENDIX A: EPA SMART GROWTH IMPLEMENTATION ASSISTANCE

Communities around the country are looking to get the most from new development and to maximize their investments. Frustrated by development that gives residents no choice but to drive long distances between jobs and housing, many communities are bringing workplaces, homes, and services closer together. Communities are examining and changing zoning codes that make it impossible to build neighborhoods with a variety of housing types. They are questioning the fiscal wisdom of neglecting existing infrastructure while expanding new sewers, roads, and services into the fringe. Many places that have been successful in ensuring that development improves their community, economy, and environment have used smart growth principles to do so (see box). Smart growth describes development patterns that create attractive, distinctive, and walkable communities that give people of varying age, wealth, and physical ability a range of safe, convenient choices in where they live and how they get around. Growing smart also means that we use our existing resources efficiently and preserve the lands, buildings, and environmental features that shape our neighborhoods, towns, and cities.

However, communities often need additional tools, resources, or information to achieve these goals. In response to this need, the U.S. Environmental Protection Agency (EPA) launched the Smart Growth Implementation Assistance (SGIA) program to provide technical assistance—through contractor services—to selected communities.

The goals of this assistance are to improve the overall climate for infill, brownfields redevelopment, and the revitalization of non-brownfield sites—as well as to promote development that meets economic, community, public health, and environmental goals. EPA and its contractor assemble teams whose members have expertise that meets community needs. While engaging community participants on their aspirations for development, the team members can bring their experiences from working in other parts of the country to provide best practices for the community to consider.

Since 2009, EPA has engaged staff from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Transportation (DOT) in SGIA projects. This collaboration is part of the HUD-DOT-EPA Partnership for Sustainable Communities, under which the three agencies work together to help improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide. Using a set of guiding principles and a

SMART GROWTH PRINCIPLES

Based on the experience of communities around the nation, the Smart Growth Network developed a set of 10 basic principles:

- Mix land uses.
- Take advantage of compact building design.
- Create a range of housing opportunities and choices.
- Create walkable neighborhoods.
- Foster distinctive, attractive communities with a strong sense of place.
- Preserve open space, farmland, natural beauty, and critical environmental areas.
- Strengthen and direct development towards existing communities.
- Provide a variety of transportation choices.
- Make development decisions predictable, fair, and cost effective.
- Encourage community and stakeholder collaboration in development decisions.

Source: Smart Growth Network. "Why Smart Growth?"
<http://www.smartgrowth.org/why.php>.

partnership agreement, this Partnership coordinates federal housing, transportation, and other infrastructure investments to protect the environment, promote equitable development, and help to address the challenges of climate change.

For more information on the SGIA program, including reports from communities that have received assistance, see www.epa.gov/smartgrowth/sqia.htm.

For more information on the Partnership for Sustainable Communities, see www.sustainablecommunities.gov.

APPENDIX B: POTENTIAL GOALS AND INDICATORS LIST

The goals below are divided into three categories—supporting businesses, supporting workers, and supporting quality of life—based on the framework for smart growth economic development. Each goal includes a data indicator that can help the city track its progress toward achieving that goal and a target direction (i.e., the direction the indicator should move to signify progress). The table also lists potential data sources for each indicator and links to those sources where available.

Target Key:		Decline		Maintain		Increase
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GOAL	INDICATOR	TARGET	SOURCE
Supporting Businesses			
G1	Retain existing businesses	 	City business license data
G2	Attract new businesses		City business license data
G3	Promote entrepreneurship		City business license data
G4	Encourage business growth in infill locations		City business license data
Supporting Workers			
G5	Improve access to local employment opportunities		U.S. Census. "LEHD OnTheMap." http://onthemap.ces.census.gov/ .
	Number of jobs in the city		U.S. Census. "LEHD OnTheMap." http://onthemap.ces.census.gov/ .
	Number of jobs in a designated radius		U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
G6	Improve access to advanced education, workforce development, and job training opportunities		U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
	Average commute time		U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
G6	Increase access to advanced education, workforce development, and job training opportunities		U.S. Department of Labor, Bureau of Labor Statistics. "Local Area Unemployment Statistics Map." http://data.bls.gov/map/MapToolServlet?survey=la&map=county&seasonal=u . The Bureau of Labor Statistics provides county-level unemployment rates. State agencies generally can provide city-level unemployment rates.
	Unemployment rate		U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
G7	Improve the quality of K-12 education		State Achievement Index Report
	Educational attainment		U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
	State school performance scores		State Achievement Index Report

GOAL	INDICATOR	TARGET	SOURCE
Supporting Quality of Life			
G8	Promote a vibrant downtown or commercial district	Retail sales for downtown or commercial district	City sales tax data
		Retail and office lease rates for downtown or commercial district	Business survey
		Number of retail businesses	City business license data
G9	Attract stores and services for daily needs to downtowns and residential neighborhoods	Transit frequency, coverage, and ridership	Local transit provider
		Walk Score for key residential neighborhoods	Walk Score. https://www.walkscore.com .
		Presence of full-service grocery store and drugstore within 1 mile radius	Google Maps. https://maps.google.com .
G10	Ensure a wide range of housing types that are affordable to different income levels	Number of homes affordable to each income group	U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml
G11	Increase access to open space, parks, and recreation	Amount of land dedicated to open space or parks	City zoning maps
		Miles and number of trails and paths	Google Maps. https://maps.google.com .
G12	Preserve natural space in the city and surrounding region	Percentage of land that is natural space in the city and region	Local and county land use maps
		Miles and number of bike lanes and other bike infrastructure	City staff
G13	Improve walking and biking facilities	Percentage of residents who commute to work by walking or biking	U.S. Census. "American FactFinder." http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml .
		Number of pedestrian and bicycle crashes	Police department
G14	Maintain character and distinctive community assets	Inventory or map of community assets	City staff with community input
G15	Allow a mix of land uses in appropriate locations	Presence of districts zoned for a mix of uses	City zoning maps
G16	Ensure compatibility of adjacent land uses	Presence of compatible adjacent land uses	City zoning maps
G17	Prepare for climate change	Plan detailing strategies to prepare for climate change impacts	City staff

APPENDIX C: INVENTORY OF POLICY TOOLS AND ACTIONS

This appendix describes specific tools and actions, including: a potential program administrator, an entity that could be a good choice to lead implementation; the smart growth economic development goals (from Chapter III.C and Appendix B) that the tool or action could help achieve; an indication of whether this would be most appropriate as a short-term, medium-term, or long-term goal for Kelso; and links to more information, if available. This is not a comprehensive list. It is intended as a starting point for communities to identify the tools and resources that are available locally and are best suited to the local context, barriers, and goals. The inventory might also help staff develop new and innovative strategies and programs as needed. The policy tools and actions are divided into eight categories: Land use policy.

- Partnership building.
- Business development and entrepreneurship.
- Workforce development and employment.
- Health and environment.
- Brownfield and infill redevelopment.
- Transportation.
- Infrastructure financing.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
Land Use Policy				
1. Area planning: Areas that are experiencing market stagnation or declines in value might need planning and investment to stimulate growth. Create a set of plans for downtown and other infill locations to establish place-specific goals, identify existing challenges, create policies to guide future development, and develop implementation strategies.	Planning department	G4, G8, G9, G10, G11, G12, G13, G14, G15, G16	Medium term	
2. Zoning for mixed-use development: Adjusting zoning codes to allow mixed-use development helps create walkable, mixed-use places. Review the city's zoning ordinance to see if existing zoning allows mixed-use development in downtowns and other central locations, at densities that are consistent with market demand. If it does not, consider revising the ordinance to allow a mix of uses.	Planning department	G4, G8, G9, G10, G13, G15	Medium term	For more information on codes and ordinances that support smart growth development, see EPA's <i>Essential Smart Growth Fixes for Urban and Suburban Zoning Codes</i> ³⁹ and Smart Growth America's <i>Smart Growth Implementation Toolkit</i> . ^{39F} ⁴⁰

³⁹ EPA. *Essential Smart Growth Fixes for Urban and Suburban Zoning Codes*. 2009. <http://www2.epa.gov/smart-growth/essential-smart-growth-fixes-communities>.

⁴⁰ Smart Growth America. "Smart Growth Implementation Toolkit." <http://www.smartgrowthamerica.org/leadership-institute/implementation-tools>. Accessed Jan. 27, 2015.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
3. Revised development standards: Encourage mixed-use, compact development by reviewing and revising development standards to allow, encourage, or require desired building types, land uses, and density. Changes might include reduced minimum lot sizes, setbacks, or parking ratios, or increased maximum densities or floor-area ratios.	Planning department	G4, G8, G9, G10, G13, G15	Medium term	For more information on infill development incentives, visit PolicyLink's Infill Incentives web page. ⁴¹
4. Quick-reference zoning handout: Make easy-to-understand zoning handouts available online and at city hall. Land use and zoning codes can often be difficult to interpret. Providing a simple explanation of what is allowed and contact information for further questions can ease the burden of seeking city approvals.	Planning department	G1, G2, G3, G4, G8	Short term	See an example of a quick-reference zoning handout from Anaheim, California. ⁴²
5. Preservation of open and agricultural space: Preserving natural areas in the city and surrounding region provides important recreational, ecological, and economic benefits that enhance quality of life. Review the city's zoning ordinances and make necessary adjustments to preserve agricultural land, open space, and other environmentally sensitive areas.	Planning department	G11, G12	Medium term	For more information on protecting open space and farmland, visit the Municipal Research and Service Center of Washington's Web page on preservation techniques. ⁴³
6. Incorporating climate change considerations into land use policies and plans: Determining which areas of the communities are safer over the long term is critical to land use planning. Investigate projected climate change impacts and how they are likely to affect current natural hazards. Integrate the community's hazard mitigation plan, if one exists, with the land use plan, and ensure that both use projections rather than historical trends.	Planning and emergency management departments	G17	Medium term	For more information on integrating climate change into hazard mitigation planning, see case studies and lessons learned from ICLEI. ⁴⁴ For information on smart growth policies that also help prepare for climate change, see EPA's <i>Using Smart Growth Strategies to Create More Resilient Communities in the Washington, D.C., Region</i> . ⁴⁵

⁴¹ PolicyLink. "Infill Incentives." <http://policylink.info/EDTK/Infill>. Accessed Jun. 27, 2014.

⁴² City of Anaheim. *C-G Zone (Commercial General) Land Use & Development Standards*. 2008. <http://www.anaheim.net/departmentsfolders/planning/PlanningServices/CGhandout.pdf>.

⁴³ Municipal Research and Services Center of Washington. "Farmland Preservation Techniques and Sustainable Agriculture." <http://www.mrsc.org/subjects/planning/farmland.aspx>. Accessed Jun. 27, 2014.

⁴⁴ Higbee, Melissa. *Integrating Hazard Mitigation and Climate Adaptation Planning: Case Studies and Lessons Learned*. ICLEI. 2014. <http://www.iclei.org/library/documents/integrating-hazard-mitigation-and-climate-adaptation-planning>.

⁴⁵ EPA. *Using Smart Growth Strategies to Create More Resilient Communities in the Washington, D.C., Region*. 2013. <http://www2.epa.gov/smart-growth/using-smart-growth-strategies-create-more-resilient-communities-washington-dc-region>.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
7. Adaptive reuse of buildings: Development standards and building codes designed for new construction often make rehabilitating older, historic buildings prohibitively expensive. Review and revise development standards, zoning, building, and safety codes to allow adaptive reuse of existing buildings in central locations, encouraging infill development and reducing environmental impacts from new construction. Changes to allow adaptive reuse could include reducing minimum residential unit sizes and commercial or residential parking requirements or grandfathering in nonconforming building heights; setbacks; floor plans; and electrical, mechanical, fire, and life safety requirements.	Building and safety department, with assistance from planning department	G8, G10	Medium term	See an example of an adaptive reuse policy from Los Angeles. ^{45F} ⁴⁶ For more resources on adaptive reuse, see EPA's Web page on smart growth and sustainable preservation of existing and historic buildings. ^{46F} ⁴⁷
8. Community Code enforcement program: Rehabilitating vacant or blighted properties in downtowns and other central locations can clean up environmental hazards and make these locations more attractive to investors and residents. The program could include reviewing and revising existing codes to more explicitly address the code violation issues in the community, preparing community code enforcement guidelines or protocols so that community members are clear about what they can do to report code violations to the city, and developing a website or other tools for reporting and tracking progress resolving complaints. Some communities have hired outside consultants to train all of the actors in the code compliance process, including community members, city staff, and property owners.	Building and safety department	G8	Short term	For resources on code enforcement and other strategies for improving vacant and blighted properties, see the Center for Community Progress' Toolkit. ^{47F} ⁴⁸ For strategies to overcome barriers to dealing with chronic nuisance problems, including blighted properties, see Enterprise's <i>Solving Chronic Nuisance Problems</i> . ^{48F} ⁴⁹ See an example of a code enforcement website from the city of San Diego ^{49F} ⁵⁰ and a local community organization with a Code Enforcement and Nuisance Rental Properties Committee that works closely with city officials. ^{50F} ⁵¹

⁴⁶ City of Los Angeles. *Adaptive Reuse Program*. 2006. http://www.downtownla.com/pdfs/econ_residential/Adaptive-Reuse-Book-LA.pdf.

⁴⁷ EPA. "Smart Growth and Preservation of Existing and Historic Buildings." http://www.epa.gov/smartgrowth/topics/historic_pres.htm. Accessed Feb. 3, 2015.

⁴⁸ Center for Community Progress. "Building American Cities Toolkit." <http://www.communityprogress.net/toolkit-home-page-pages-292.php>. Accessed Feb. 3, 2015.

⁴⁹ Campbell, John H. *Solving Chronic Nuisance Problems*. 2001. <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=19720.pdf>.

⁵⁰ City of San Diego. "About Code Enforcement." 2015. <http://www.sandiego.gov/nccd/about/index.shtml>. Accessed Mar. 5, 2015.

⁵¹ College Area Community Council. "Code Enforcement and Nuisance Rental Properties." 2015. http://www.collegearea.org/cacc/index.php/about-us/committees-of-the-cacc#code_enforcement_committee. Accessed Mar. 5, 2015.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
Partnership Building				
9. City-school district partnership: A high-quality public education system supports the local economy by helping to ensure the community has workers with needed skills and better preparing students for jobs. Cities can work more closely with local school districts to improve public education by supporting school programs and building connections between government and the education sector. Options could include regular meetings with administrative staff and school board members or creating an education task force comprised of representatives from the education system, business community, and local government. Potential avenues of exploration might include developing science, technology, engineering, and math (STEM) curricula in K-12 schools or creating a mentorship program for high school students to teach them about different educational opportunities and professions and better prepare them to enter the workforce.	City manager and/or mayor's office	G7	Short term	
10. Original art mural program: A mural program can bring public art to the community and enhance the local sense of place. Artists work with the city and apply for permits. Applicants hold a community meeting to notify the neighborhood about the proposed artwork and answer questions. This program could help improve the neighborhood's appearance by adding art and removing graffiti.	Planning department	G14	Medium term	See an example of regulations for an original art mural program from Portland, Oregon. ⁵²
11. Landlord education program: A landlord education program is intended to help property owners learn best practices in property management. The program could educate landlords on complying with codes, applicant screening, fair housing rules, lease agreements, the eviction process, and other relevant information. Program benefits could include better property maintenance, safer homes, a more stable tenant base, and lower city costs for code enforcement.	Code enforcement department	G10	Short term	For more information on working with landlords, see the Center for Community Progress' Web page. ⁵³ See an example of a landlord education program from Fargo, North Dakota. ⁵⁴
12. Peer city technical assistance program: To help with local economic development goals, work with a peer city in the same state to learn best practices in applying for grant money and developing programs that adhere to state laws. Reaching out to another city's staff members could reveal how that city was successful in its application and lessons relevant to the local process.	City manager	All	Short term	See an example of a peer city technical assistance program from Massachusetts. ⁵⁵
13. Unified community events calendar: Create a unified calendar of downtown events to inform local businesses and potential customers. Designate a point person to ask businesses and nonprofits about upcoming events and update the calendar weekly or monthly.	City manager	G1, G8	Short term	See an example of a unified events calendar from Rochester, New York. ⁵⁶

⁵² City of Portland. "Original Art Mural Permits." <http://www.portlandoregon.gov/bds/50737>. Accessed Sep. 22, 2014.

⁵³ Center for Community Progress. "Working with Rental Landlords and Property Investors." <http://www.communityprogress.net/working-with-rental-landlords-investors-pages-205.php>. Accessed April 9, 2015.

⁵⁴ City of Fargo. "Landlord Training Program." <http://www.cityoffargo.com/CityInfo/Departments/Police/AboutFargoPolice/AdministrativeServicesDivision/CrimeFreeProgramsCoordinator/LandlordTrainingProgram.aspx>. Accessed Sep. 22, 2014.

⁵⁵ Commonwealth of Massachusetts. "Peer to Peer Technical Assistance Program." <http://www.mass.gov/hed/community/funding/peer-to-peer.html>. Accessed Sep. 22, 2014.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
14. Student internships: Offer local government internships for high school or college students. Many students have volunteer requirements and want professional experience. Students can often help city staff at little or no cost. Interns need clearly defined roles to ensure students and the city get the most out of the experience.	City manager	G6	Medium term	
15. Neighborhood association support: Organizations often need assistance when starting out. To take advantage of existing resources and experience, connect neighborhood associations with other local neighborhood associations or with organizations active in the community, such as churches, service organizations, and nonprofit organizations.	Economic development department	G10, G14	Short term	For ideas on how to make a neighborhood association successful, see a toolbox created by Irving, Texas. ⁵⁷
16. Business assistance program: Create a program to provide local businesses with technical assistance in marketing, accounting, or finance, and low-interest loans to fund improvements to landscaping, signs, or building façades.	Economic development department	G9	Short term	See an example of a business assistance program from Cleveland, Ohio. ⁵⁸
Business Development and Entrepreneurship				
17. Streamlined permitting process: Review existing permit and approval processes, and give businesses investing in downtown and other infill locations an expedited permit process to shorten the timeline and reduce development costs. The city could also help applicants fill out permit applications or reduce permit fees to encourage more development in central locations.	City manager and planning and code enforcement departments	G1, G2, G3, G4	Medium term	For help evaluating existing permit processes and ideas on how to develop an expedited process, see <i>Local Government Permitting Best Practices</i> developed by the state of Washington. ⁵⁹
18. Designated economic development staff person: An effective economic development strategy requires dedicated staff time to implement programs and build relationships in the community. Assign one person to economic development activities, including operating programs, pursuing funding, and tracking results so the city can modify its activities and investments as business needs change.	City manager	G1, G2	Long term	

⁵⁶ City of Rochester. "Events." <http://www.cityofrochester.gov/events.aspx>. Accessed Sep. 22, 2014.

⁵⁷ City of Irving. "Neighborhood Association Toolbox." <http://cityofirving.org/198/Neighborhood-Association-Toolbox>. Accessed Feb. 2, 2015.

⁵⁸ City of Cleveland. "Small Businesses and Retail." <http://www.city.cleveland.oh.us/CityofCleveland/Home/Government/CityAgencies/EconomicDevelopment/SmallBusinessandRetail>. Accessed Jul. 1, 2014.

⁵⁹ Washington State Governor's Office of Regulatory Assistance. *Local Government Permitting: Best Practices*. 2008. http://www.oria.wa.gov/Portals/_oria/VersionedDocuments/Local_Government/lgp_best_practices_report.pdf.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
19. Economic development task force: Ongoing collaboration between the public and private sectors is an important component of economic development. To encourage collaboration, form an economic development task force with representatives from the public and private sectors to discuss how the city could better facilitate economic development. Representatives from the business community could include business owners, property owners and developers, or leaders from the Chamber of Commerce or other business groups. This group could meet monthly or quarterly.	Economic development department, with participation from planning, building and safety, and transportation departments, and/or the mayor's office	G1, G2	Medium term	
20. Economic development website: In addition to providing new and expanding businesses with information and resources, a dedicated economic development website sends a clear message that a city is "open for business" and available to help. Create and maintain an economic development website that could be a one-stop shop to help new and existing business owners with business startup or expansion. This website could include a step-by-step guide to starting or expanding a business in the city, links to important contacts and forms, and links to resources outside the community, such as loan programs from the Small Business Administration or community development financial institutions or technical assistance from a regional small business development center.	Economic development department	G1, G2	Short term	See a sample economic development website for Douglas, Georgia. ⁶⁰
21. Regular visits to businesses: Building relationships with local business owners lets city staff provide responsive, hands-on assistance and sends a message that each and every business is important to the city. Assign a staff person or team to build relationships with local business owners in high-priority economic sectors or locations. Establish contact by visiting local business owners in person, and maintain relationships through regular check-ins at times and locations convenient to the business owners. City staff could also participate in the local Chamber of Commerce, downtown association, business improvement district, or other business associations.	Economic development department; could also include participation by city manager, mayor's office, or other departments	G1	Short term	
22. Real estate broker outreach: Developing relationships with local and regional real estate brokers can help raise the city's visibility as a potential location for new businesses and development, as well as send a message that the city is business friendly. Assign a staff member to build relationships with local and regional real estate brokers and developers interested in investing in infill locations. The staff person could provide personalized, one-on-one assistance to brokers seeking to locate new tenants or developers considering a new project. The city could also host monthly or quarterly breakfast meetings or other events for the real estate community to alert them to opportunities for new activity in the city and to encourage investment in downtown and other infill locations.	Economic development department; could also include participation by city manager, mayor's office, or other departments	G2, G4	Short term	

⁶⁰ Douglas-Coffee County Chamber and Economic Development Authority. "Economic Development." <http://www.douglasga.org/EconomicDevelopment.html>. Accessed Jan. 22, 2015.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
23. Site-selection assistance: Providing site-selection assistance to new or relocating businesses could encourage businesses to locate in infill locations and established centers. This could include maintaining a regularly updated inventory of available commercial spaces as part of the city's economic development website, as well as suggesting locations and giving site tours to new businesses looking to locate in the city and existing businesses seeking to expand.	Economic development department	G1, G2, G4	Medium term	See an example of a database of available properties, as well as additional site selection services, from Newport News, Virginia. ⁶¹
24. Business improvement district: A business improvement district can empower local property owners and businesses to improve the sense of place in their district, which could give them a competitive advantage. Guide local property owners and commercial tenants through forming a special business district (such as a business improvement district), in which businesses in a downtown or other defined district pay a tax, fee, or levy to contribute to maintaining, developing, or marketing their district.	Economic development department	G1, G2, G4, G8	Medium term	See a sample guide to starting a business improvement district from New York City. ⁶²
25. Social media assistance: Help local businesses expand their customer base by setting up a website or using social media platforms. Bring in a consultant to offer step-by-step training.	Economic development department	G1, G2, G4	Short term	
26. Coordinated business hours: Encourage businesses in the downtown or commercial corridor to maintain common operating hours. Not having common hours can deter potential customers from shopping in the area since it causes confusion and frustration not knowing what will be open.	Economic development department	G8	Short term	
27. Business licenses for residential landlords: Ensuring safe, high-quality homes is important for giving residents a high quality of life and attracting workers for local employers. Requiring licenses to become a landlord in the city gives the city contact information for absentee property owners so it can communicate with them about property owner responsibilities. Revenues from license fees could be used to help fund code enforcement or small improvements in the neighborhood or to help offset costs for maintaining certain infrastructure, like parks, community gardens, or street trees.	Planning department	G10, G14	Short term	See an example of how business licenses for rental properties have been implemented from Tacoma, Washington. ⁶³

⁶¹ City of Newport News. "Site Selection Assistance." <http://www.nngov.com/668/Site-Selection-Assistance>. Accessed Jun. 27, 2014.

⁶² New York City Department of Small Business Services. *Starting a Business Improvement District: A Step-by-Step Guide*. 2012. http://www.nyc.gov/html/sbs/downloads/pdf/bid_guide_complete.pdf.

⁶³ City of Tacoma. "Rental Business License." http://www.cityoftacoma.org/government/city_departments/finance/tax_and_license/rental_business_license. Accessed Sep. 22, 2014.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
Workforce and Employment				
28. Community Revitalization Strategy Area: Working with the state to designate an area as a Community Revitalization Strategy Area would bring many benefits, including the ability to use Community Development Block Grant (CDBG) money more flexibly for housing and economic development. The program can help transform a specific area by coordinating resources for comprehensive community revitalization.	Economic development department	G10	Medium term	For more information about Community Revitalization Strategy Areas, including specific regulatory flexibility the program allows, see information from U.S. Department of Housing and Urban Development (HUD). ⁶⁴
29. Homebuyer education and down payment assistance: To help residents find homes they can afford and opportunities to invest in the community, create a program to educate residents about homeownership and down payment assistance opportunities. A mortgage payment can sometimes be less expensive than monthly rent, but many people are unable to meet down payment requirements. This program would educate would-be homebuyers about real estate financing and offer grants for the down payment. Financial resources for this program could come from a federal agency such as HUD.	Economic development department	G10	Medium term	See a sample homeownership assistance program from Fort Worth, Texas that is funded by HUD. ⁶⁵
30. Tailored job-training programs: Job-training programs that are tailored to the needs of local businesses are more likely to successfully prepare workers for local jobs. Partner with local businesses and community colleges or workforce training programs to create a tailored curriculum that prepares students for jobs in high-priority industries. Other potential partners could include local unions or trade organizations.	Economic development department	G3, G5, G6	Long term	For best practices and tools to promote partnerships among community colleges, the business community, and local and regional governments, see the compendium published by the American Association of Community Colleges and the National Center on Education and the Economy. ⁶⁶

⁶⁴ HUD. *Revitalization Areas*. 2012. http://portal.hud.gov/hudportal/documents/huddoc?id=cdbg_bas_10.pdf.

⁶⁵ City of Fort Worth. "Community Development & Housing." <http://fortworthtexas.gov/hed/housing>. Accessed Nov. 11, 2014.

⁶⁶ American Association of Community Colleges and National Center on Education and the Economy. *Sustaining Partnerships for Regional Economic Growth: A Compendium of Promising Practices and Tools*. 2009. <http://www.aacc.nche.edu/Resources/aaccprograms/cwed/Documents/sustainingpartnerships.pdf>.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
31. Career resource center: Connecting local workers with nearby jobs would shorten commute times and improve quality of life for workers, as well as reduce pollution from driving. Partner with a local community college or job-training organization to create a career resource center to better connect residents seeking employment with local businesses. The center could maintain an up-to-date listing of available jobs and residents seeking employment; connect residents with appropriate education and training programs, including financial aid resources; host regular career fairs; connect residents and businesses with resources from regional or state economic development agencies, such as on-the-job training or workforce screening programs; and provide one-on-one career counseling on dedicated days each week or month.	Economic development department	G1, G2, G5, G6	Long term	See an example of a city-hosted career resource center from Santa Clarita, California. ⁶⁷
32. Local hiring: Local-hiring policies typically require that certain government employees or some percentage of workers on city-funded projects live in the jurisdiction. These policies increase employment opportunities for the local workforce, ensure that government spending is invested back into the community, and reduce commute times for government workers.	City manager	G5	Medium term	For more information on local hire programs, see the Partnership for Working Families' <i>Making Development Work for Local Residents</i> . ⁶⁸
33. Housing market study: To ensure that the workers of local employers have the opportunity to live in the community, conduct a housing market study to identify what housing types are available and how the city could meet existing and future housing needs, particularly in central locations near employers.	Planning department	G10	Medium term	See a sample housing market study from Moore, Oklahoma. ⁶⁹
34. Local business purchasing: Purchasing goods and services locally supports local businesses and workers. Help nearby institutions that have a vested interest in community development, such as educational and medical institutions, to acquire goods and services locally, such as food or laundry and janitorial services.	Community or economic development departments	G1	Medium term	For more information on working with institutions to promote local business purchasing and economic development, see <i>Building Healthier Communities: Embracing the Anchor Mission</i> published by the Democracy Collaborative at the University of Maryland. ⁷⁰

⁶⁷ City of Santa Clarita. "Santa Clarita WorkSource Center." <http://econdev.santa-clarita.com/santa-clarita-worksource-center>. Accessed Jul. 1, 2014.

⁶⁸ Partnership for Working Families. *Making Development Work for Local Residents: Local Hire Programs and Implementation Strategies that Serve Low-Income Communities*. 2008. <http://www.forworkingfamilies.org/resources/publications/making-development-work-local-residents-local-hire-programs-and>.

⁶⁹ RKG Associates, Inc. *Comprehensive Housing Market Analysis: City of Moore, Oklahoma*. 2014. <http://www.cityofmoore.com/sites/default/files/main-site/Moore%20Housing%20Final%20Report.pdf>.

⁷⁰ Zuckermann, David. *Hospitals Building Healthier Communities: Embracing the Anchor Mission*. The Democracy Collaborative at the University of Maryland. 2013. <http://community-wealth.org/sites/clone.community-wealth.org/files/downloads/Zuckerman-HBHC-2013.pdf>.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
Health and Environment				
35. Shared-use playgrounds: Playgrounds and parks are essential to healthy communities, but cities often have trouble maintaining sufficient park space. Partner with the local school district to promote physical activity and community health by creating shared-use facilities that are both school playgrounds and community parks.	Community development or health services department	G11	Medium term	For more information on shared-use playgrounds, see the Safe Routes to School National Partnership's Shared Use of School and Community Facilities Web page. ⁷¹
36. School-based health clinic: Access to community health services is critical to maintaining public health, particularly in areas with limited public transportation or existing health care facilities. Partner with the school district and a local community health organization to open a community health clinic in the school to promote health and wellness for students and their families.	Community development or health services department	G9	Medium term	For more information about school-based health centers, see the U.S. Department of Health and Human Services Health Resources and Services Administrations' Web page on School-Based Health Centers. ⁷²
37. Green building incentive program: A green building incentive program for downtowns and other infill locations could reduce pollution, water use, and energy use, while making workers safer, healthier, more comfortable, and more productive. Green buildings can also reduce ongoing maintenance and operation costs, which appeals to investors and tenants. This program could include an expedited permitting process, reduced building and permit fees, and/or tax credits for developers of green buildings in key locations.	Building and safety department	G10	Long term	See an example green building incentive program from Arlington County, Virginia. ⁷³
38. Green infrastructure: Green infrastructure can improve water quality and supply, reduce flooding risk, save public and private funds, and protect public health through improved air quality and green spaces, among other benefits. Develop a plan to incorporate green infrastructure into the community to achieve multiple environmental, public health, social, and economic goals.	Planning department	G11, G12, G14, G17	Long term	For more information on how to develop a green infrastructure plan to manage stormwater while achieving other environmental, public health, social, and economic benefits, see EPA's <i>Enhancing Sustainable Communities with Green Infrastructure</i> . ⁷⁴
39. Climate change resilience plan: Climate change is creating challenges for cities, including greater extremes in temperature and rainfall, sea level rise, and more frequent natural hazards such as floods and storms. Identify the projected local impacts of climate change, and create a long-term plan to prepare for those impacts. The plan can be the basis for incorporating climate considerations into all community plans and policies.	Planning department	G17	Medium term	For more information and tools to develop a climate resilience plan, see the U.S. Climate Resilience Toolkit. ⁷⁵

⁷¹ Safe Routes to School National Partnership. "Shared Use of School and Community Facilities." <http://saferoutespartnership.org/state/bestpractices/shareduse>. Accessed Jun. 27, 2014.

⁷² U.S. Department of Health and Human Services. "School-Based Health Centers." <http://www.hrsa.gov/ourstories/schoolhealthcenters>. Accessed Jun. 27, 2014.

⁷³ Arlington Initiative to Rethink Energy. "Green Building." <http://freshaireva.us/2012/04/green-building-2/>. Accessed Feb. 2, 2015.

⁷⁴ EPA. *Enhancing Sustainable Communities with Green Infrastructure*. 2014. <http://www.epa.gov/smartgrowth/green-infrastructure.html>.

⁷⁵ "U.S. Climate Resilience Toolkit." <http://toolkit.climate.gov>. Accessed Feb. 3, 2015.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
Brownfield and Infill Redevelopment				
40. Establish community goals for brownfields: Community participation is essential to building broad support for brownfields remediation and ensuring that future development helps achieve community goals. Engage the community through advisory committees, public meetings, design workshops, focus groups, and other methods to learn community priorities for reusing brownfield sites.	Planning or economic development department	G16	Short term	For more information on how to engage the community and create an area-wide brownfields program, see EPA's <i>Brownfields Area-Wide Planning Program Fact Sheet</i> . ⁷⁶
41. Citywide brownfields remediation program: A coordinated, strategic approach to brownfields remediation would use funds more efficiently and encourage redevelopment of contaminated land. First, inventory local brownfield sites, then identify high-priority sites for cleanup based on local goals, including goals in the smart growth economic development strategy. Designate these sites as eligible for tools that have a targeted focus area and prioritize them for local, state, and federal funding assistance.	Planning or economic development department	G4	Long term	
42. Outreach to owners of vacant or underused properties in central locations: Assign a staff member to contact owners of infill development sites to determine why new or redevelopment is not occurring and how the city could encourage it. The staff person could connect the property owner with real estate brokers and developers, work with property owners to change permitted uses, or conduct a market study to help owners understand potential uses.	Economic development department	G8	Medium term	
Transportation				
43. Wayfinding signage: Wayfinding signage helps visitors locate landmarks and businesses in the downtown. An attractive and distinctive system can improve the appearance and bring visitors to the area, potentially increasing the number of customers for local businesses.	Planning department	G8, G9	Medium term	
44. Two-way streets: Where possible, allow traffic to flow in both directions. One-way streets can encourage drivers to drive faster, which puts pedestrians at risk. If a goal is to develop a walkable downtown, converting one-way streets into two-way streets can help make the area safer for pedestrians.	Transportation department	G5, G8, G9, G11, G13	Long term	For information on the advantages of two-way traffic, see an article in <i>Access Magazine</i> published by the University of California. ⁷⁷
45. Coordinated public transportation: Analyze public transportation service to determine if it is meeting the community's needs. Work with major employers to see if service aligns with worker schedules. Making public transportation more convenient could increase ridership.	Transportation department	G5	Medium term	

⁷⁶ EPA. *Brownfields Area-Wide Planning Program Fact Sheet*. 2012. http://www.epa.gov/brownfields/grant_info/AWP-factsheet-July-2012.pdf.

⁷⁷ Gayah, Vikash V. "Two-Way Street Networks: More Efficient than Previously Thought?" *Access Magazine*. 2012. <http://www.uctc.net/access/41/access41-2way.pdf>.

Policy Tools and Actions	Administrator	Goals	Timing	More Information
46. Multimodal transportation plan: Safe walking, biking, and public transportation routes protect public health by encouraging physical activity and reducing pollution from vehicles. Develop a transportation plan that makes walking, biking, and public transportation safe, reliable options in addition to driving. The plan would identify assets, challenges, and opportunities for improving transit, biking, and pedestrian facilities, particularly in downtowns and other locations identified for infill development.	Transportation department	G5, G9, G11, G13	Long term	See examples of bicycle and pedestrian plans from Bellevue, Washington, ⁷⁸ and Eugene, Oregon. ⁷⁹
Infrastructure Financing				
47. Coordinated infrastructure investments: Encourage coordinated infrastructure investment across city departments and with outside jurisdictions to reduce redundant tasks and save money. Wherever possible, improvements to walking and biking facilities should be made at the same time as larger infrastructure investments. This process could include establishing an interdepartmental or multijurisdictional working group, inventorying planned infrastructure improvements and identifying areas of overlap, and prioritizing projects and funding sources based on shared infrastructure requirements.	Planning department; could also include transportation department and other city agencies	G9, G13	Medium term	See an example of a multijurisdictional infrastructure investment framework from the Central Corridor Funders Collaborative in Minneapolis/St. Paul. ⁸⁰
48. Developer impact fees: To pay for infrastructure improvements, such as green infrastructure, streetscape improvements, and bike lanes, charge new development projects one-time fees to defray the costs of expanding public services. These fees are typically collected on a pay-as-you-go basis and used to cover one-time capital investments rather than ongoing operations and maintenance.	Planning department	G9	Long term	For more information on these and other local infrastructure financing tools, see EPA's <i>Infrastructure Financing Options for Transit-Oriented Development</i> . ⁸¹
49. Special assessment districts: Work with local property and business owners to build support for a special assessment district, where property and/or business owners pay a fee to fund specific improvements in the area. As allowable types of special assessment districts vary by state, the city would need to research the legal structure and steps to implementation.	Economic development department	G4, G8	Long term	
50. Tax increment financing (TIF): TIF captures the increase in tax revenues associated with new investment in areas designated for redevelopment; those increases are then used to fund additional improvements. In states where TIF is available, use TIF to fund infrastructure improvements, affordable housing, and other catalytic development projects.	Redevelopment agency	G9	Not available in Kelso	

⁷⁸ City of Bellevue. *City of Bellevue Pedestrian & Bicycle Transportation Plan Report*. 2009. http://www.pedbikeinfo.org/pdf/PlanDesign_SamplePlans_Local_Bellevue2009.pdf.

⁷⁹ City of Eugene. *Eugene Pedestrian and Bicycle Master Plan*. 2012. http://www.pedbikeinfo.org/pdf/PlanDesign_SamplePlans_Local_Eugene2012.pdf.

⁸⁰ Central Corridor Funders Collaborative. "Investment Framework." <http://www.funderscollaborative.org/partners/investment-framework>. Accessed Jun. 27, 2014.

⁸¹ EPA. *Infrastructure Financing Options for Transit-Oriented Development*. 2013. <http://www.epa.gov/dced/pdf/2013-0122-TOD-infrastructure-financing-report.pdf>.

APPENDIX D: SMART GROWTH ECONOMIC DEVELOPMENT EXAMPLES

The following case studies illustrate how communities were able to overcome specific challenges like those Kelso faces by taking a smart growth approach to economic development:

- A. Scotland Neck, North Carolina.
- B. Lake Worth, Florida.
- C. Clinton, Iowa.

A. SCOTLAND NECK, NORTH CAROLINA

1. Context

Scotland Neck is a town of approximately 2,400 people and 1.2 square miles in eastern North Carolina, 30 miles from Rocky Mount and Interstate 95. The rural community is just south of the Roanoke River and is surrounded by farmland. Scotland Neck is known among outdoor enthusiasts as a place to bird watch, fish, and hunt.⁸² Sylvan Heights Waterfowl Park and Eco-Center, an internationally known facility with the largest waterfowl collection in the world, is in the town. Scotland Neck endured decades of hardship due to manufacturing and agriculture job losses.⁸³ Downtown buildings were often boarded up and in need of repair. One of the town's greatest strengths was its sense of community pride and willingness to come together in times of struggle.

As a small town with limited funds, Scotland Neck realized that it would have to rely on its residents to promote economic development. In 2002, local elected officials and town staff created the Developing Our Own Resources (DOOR) Initiative, a smart growth economic development strategy.⁸⁴ The main drivers behind the DOOR Initiative were a small group of elected officials, town staff, and local residents.

2. Boosting Tourism

The town took inventory of its assets and recognized its untapped tourism potential. With little action from the local government, Scotland Neck had been attracting tourists eager to take advantage of the area's natural resources. To draw more visitors to Scotland Neck, the town enacted several small initiatives over the next several years:

- Poor boat access to the Roanoke River inhibited tourism, so the town partnered with the North Carolina Wildlife Resources Commission to improve a boat ramp.⁸⁵
- The town began to promote itself as an “outdoor paradise,” providing brochures and links to local guide services on its website as well as advertising in local and regional media.⁸⁶

⁸² Lambe, Will. *Small Towns, Big Ideas: Case Studies in Small Town Community Economic Development*. University of North Carolina. 2008. http://www.iog.unc.edu/programs/cednc/stbi/pdfs/stbi_final.pdf.

⁸³ Ibid.

⁸⁴ Ibid.

⁸⁵ Ibid.

⁸⁶ Ibid.

- Scotland Neck identified Sylvan Heights as a major asset and helped it acquire outside funding to market itself. To further boost the park, the town, in partnership with the North Carolina Zoological Society, helped build an education center that welcomes thousands of visitors annually.⁸⁷
- Scotland Neck also recognized that its flat, rural roads were well suited to bicycle tourism and created the annual Country Roads Bike Tour, attracting hundreds of visitors each year.⁸⁸

3. Strong Leadership

The mayor was a key player in bringing the community together to support Scotland Neck's smart growth economic development strategy. He actively promoted the town and had strong connections to state policy-makers and within the community. He leaned on those connections to get people to buy into the vision for Scotland Neck and motivate people to get involved and volunteer for the community.⁸⁹

4. Downtown Revitalization

One of the most significant tools has been the Round Up Program. To help downtown businesses, residents have the option to round up their utility bill to the next dollar, with the extra money put into an account funding a façade improvement program. The program provides grants of up to \$1,000, where the fund reimburses \$1 for every \$2 the property owner spends.⁹⁰ By encouraging residents to be part of the solution for downtown revitalization, Round Up draws small contributions from a wide base, raising more than \$10,000 in its first 8 years. As a result of the increased tourism and improved appearance, several new businesses have moved downtown.



Exhibit 13: Downtown Scotland Neck. The downtown area benefits from a façade improvement program funded by small donations residents add to their utility bills.

Photo courtesy of James M. Williams

5. Lessons Learned

Focus on existing assets and resources. Scotland Neck focused its energy on tourism, an industry that was surviving on its own with little support from the town. The town recognized this asset and actively promoted it. By creating several events, Scotland Neck became known as a destination for a variety of outdoor enthusiasts, benefiting many local industries. For example, the income of local hunting guides increased 50 percent from 2005 to 2006.

Find partners with common goals and work together to achieve them. Scotland Neck partnered with the North Carolina Zoological Society and Wildlife Resource Commission on environmental protection and education projects that also benefitted the burgeoning eco-tourism market. In the Round Up Program, residents and merchants came together for a common goal of downtown revitalization, an effort that helped build community spirit.

⁸⁷ Ibid.

⁸⁸ Ibid.

⁸⁹ Ibid.

⁹⁰ Ibid.

Small individual contributions can add up to big changes. The Round Up Program asks for only cents per month from contributors. It might not seem like much, but when a large group participates over time that money adds up. The program funded smaller cosmetic projects, but after a few property owners used the fund, it was enough to make a real difference in the appearance of downtown.

Promoting quality of life can boost tourism and lead to improvements elsewhere. As more tourists came to Scotland Neck, they renewed demand for restaurant and hotel options in town. Combined with the façade improvement program, the infusion of tourism dollars made downtown a more desirable place for merchants, encouraging several new businesses to open, including a new hotel.

B. LAKE WORTH, FLORIDA

1. Context

Lake Worth is a city in south Florida that was hit hard by the foreclosure crisis in the late 2000s. Located in affluent Palm Beach County, the city has attracted artists, musicians, and low-income households drawn by its affordable homes. The 7-square-mile city, home to approximately 35,000 residents, has an abundance of assets including a historic downtown, walkable neighborhoods, historic bungalows, and beaches on the Atlantic Ocean. The city also has a Tri-Rail station, the regional commuter train, providing access to Fort Lauderdale and Miami as well as connections to South Florida's three major international airports. Despite these amenities, Lake Worth struggled from 2000 to 2010, seeing little population growth while the region as a whole grew by 11 percent. As of 2010, 29 percent of residents lived in poverty, and the median income in Lake Worth was about two-thirds that of the region (roughly \$37,000 compared to \$56,000).⁹¹ Due to the recession, home values and property taxes plummeted, leaving the city with few resources.

2. Improving the Housing Stock

The city identified two geographic areas of focus: the Tropical Ridge and Royal Poinciana neighborhoods, both among the lowest income communities in Lake Worth.⁹² The Lake Worth Community Redevelopment Agency (CRA) studied the housing stock in these neighborhoods and found that while units were affordable, they were often poorly maintained or vacant. When the national housing market crashed in 2008, the two neighborhoods already had high rates of foreclosure and building code violations.⁹³ To remedy these issues, CRA partnered with 20 community organizations and local businesses to obtain a \$23 million grant from the Neighborhood Stabilization Program administered by HUD.⁹⁴ CRA used the grant money to purchase and rehabilitate or demolish foreclosed homes in the Tropical Ridge and Royal Poinciana neighborhoods and parts of downtown Lake Worth (Exhibit 14). CRA partnered with Habitat for Humanity and Adopt-a-Family of the Palm Beaches for help on the

⁹¹ HUD. *Creating Connected Communities: A Guidebook for Improving Transportation Connections for Low- and Moderate-Income Households in Small and Mid-Sized Cities*. 2014. http://www.huduser.org/portal/publications/pdf/Creating_Connted_Comm.pdf.

⁹² Ibid.

⁹³ Ibid.

⁹⁴ The Neighborhood Stabilization Program was established by the Housing and Economic Recovery Act of 2008. Additional funding was authorized in 2009 and 2010. Although the program is no longer being funded as of 2014, some jurisdictions have remaining funds that they can still spend. In addition, many of the activities funded through the Neighborhood Stabilization Program are also eligible expenses under HUD's HOME Investment Partnerships Program. More information about that program is available at: HUD. "HOME Investment Partnerships Program." http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/programs/home. Accessed Oct. 28, 2014.

renovations.⁹⁵ In the first 3 years of the program, CRA invested in over 100 properties. Twenty-five homes have been acquired, rehabilitated, and maintained as rental properties, the majority for households earning less than 50 percent of the area median income.⁹⁶ Approximately 75 homes were purchased and made available to households earning between 50 percent and 120 percent of the area's median income, with a slight majority to those in the 50 percent to 80 percent range.⁹⁷ With the tightening of the mortgage market during this time, the program provided homeownership opportunities that otherwise would not have existed. It also helped stabilize the neighborhood, property values, and city tax revenues, as the new homeowners had a vested interest in maintaining the quality of their properties and the neighborhood.

3. Improved Connectivity

In 2009, Lake Worth completed a Bicycle Master Plan, identifying corridors for new and improved bicycle lanes. As a result of the study, the city and CRA completed 8 miles of new or restriped bicycle lanes, with several passing through Tropical Ridge and Royal Poinciana, for approximately \$100,000.⁹⁸ The new lanes have been popular with residents as they improve connections to downtown. The city also enacted a policy under which it adds bicycle infrastructure when streets are improved.⁹⁹

4. Lessons Learned

Cities with limited resources can increase their capacity through strategic partnerships. Faced with limited time and finances, the Lake Worth CRA looked for help. Partnering with 20 community organizations and local businesses enabled CRA to obtain the funding to accomplish its goals. Today, the city and CRA still remain in regular contact with these organizations to get feedback and access to additional resources.

Neighborhood associations can empower residents to enact change. The Tropical Ridge neighborhood received attention and investment because its residents actively lobbied the city for change. The neighborhood organization worked with the city to find solutions.



Exhibit 14. Before and after images of one home rehabilitation project.
Photo courtesy of Lake Worth Community Redevelopment Agency

⁹⁵ Ibid.

⁹⁶ Lake Worth Community Redevelopment Agency. *April 1, 2014 thru June 30, 2014 Performance Report*. 2014. <http://www.lakeworthcra.org/downloads/QPR%20Download%20Apr%202014%20-%20Jun%202014.pdf>.

⁹⁷ Ibid.

⁹⁸ HUD, op. cit.

⁹⁹ Ibid.

Focus on implementing strategies that could identify problems still in the early stages. Lake Worth upgraded its code enforcement program and added four new staff members.¹⁰⁰ The revised process and added staff allowed the city to monitor and fix problems proactively. The efforts have boosted the quality of life for residents as homes are well maintained and people see the city respond to their concerns.

Look for small, incremental investments that could have a large “bang for the buck.” Restriping and constructing 8 miles of bike lanes was relatively inexpensive for the city, costing approximately \$100,000. The return on investment for the bike lines has been high as they have improved connections and are heavily used by residents.

C. CLINTON, IOWA

1. Context

Clinton, Iowa, is an industrial town on the western bank of the Mississippi River and U.S. Highway 30, which is part of the old Lincoln Highway, one of the country’s first east-west highways. This location made the city a prime candidate for transportation-dependent heavy manufacturing in the early part of the 20th century. However, by the late 20th century, much of the industrial activity had come and gone, leaving behind a land use pattern along U.S. 30 that had become very problematic for the city. Because the area had begun developing before it was common to separate housing from industry, the old industrial buildings were interspersed with homes. While many of these factories were abandoned by the 1990s, they had left behind contamination that was now creating health problems for the local residents. The highway itself had many safety issues, especially with vehicles turning onto and off of perpendicular streets. Some basic infrastructure, including a separated storm and sanitary sewer system, was also missing from the area.

In 1996, the area had a 15 percent unemployment rate and 17 percent of households had incomes below the poverty line.¹⁰¹ The area’s visual blight had also become a disincentive to new economic development activity. Recognizing this multitude of challenges, the city partnered with the Iowa Department of Transportation (IDOT), U.S. Environmental Protection Agency (EPA), and many other state and federal agencies on a major redevelopment effort to address the highway safety and capacity issues, remove the blight and contamination, create opportunities for new investment, and better connect local residents to good jobs. This process began in 1996, and the public investment to prepare the area for new development was completed in 2014, encompassing 1.8 miles of highway and 220 acres of land.

2. Highway Redesign

The conventional approach to addressing the safety and capacity issues for U.S. 30 would have been to merely widen the roadway. However, this approach would have further exacerbated the blight issues by narrowing adjacent parcels and reducing the operating space available to existing businesses, making them less viable.¹⁰² Through an extensive negotiation process, the city and IDOT reached a compromise

¹⁰⁰ Ibid.

¹⁰¹ Eudaly, Candace. “Brownfield Redevelopment in Eastern Iowa.” 11th Annual New Partners for Smart Growth Conference. Feb. 2-4, 2012. http://www.newpartners.org/2012/docs/presentations/Thursday/8.30%20-%2010am/Thursday%202nd%20%208.30%20-%2010am%20%20%20%20PPOSC%20&%20EDSTRR/NP12_Eudaley.pdf.

¹⁰² Nothstine, Kathy and Parrish Bergquist. “Vibrant Rural Communities: Clinton, Iowa.” <http://www.nado.org/vibrant-rural-communities-clinton-iowa/>. Accessed Mar. 12, 2015.

solution for reconstructing the highway that both improved safety and capacity and retained space for businesses. Instead of merely widening and adding more travel lanes, IDOT divided the travel lanes into two one-way “boulevards” separated by a strip of land big enough to accommodate new commercial buildings. The properties between the new boulevard segments were assembled by the city and IDOT, and existing residents and businesses were relocated, creating 17 blocks of land available for commercial development. A new pedestrian and bicycle trail was also constructed parallel to the highway to improve connections for neighborhood residents.

3. Brownfield Assessment and Remediation

Due to the project area’s industrial past, there was considerable environmental contamination in the area which needed to be addressed before new development could proceed. EPA awarded the city \$1.5 million for brownfield assessment and remediation on former industrial properties.¹⁰³ Recognizing the large scale of the project, the city looked for additional partners to fund property acquisition and cleanup. The city used low-interest loans from HUD and the Iowa Department of Economic Development to garner more than \$30 million in additional funding from state and federal sources.¹⁰⁴ Clinton would not have been able to remake this area if not for these funding partners.

4. Liberty Square Comprehensive Plan

In addition to working with other agency partners on the highway reconstruction, property assemblage, and hazardous material remediation, the city of Clinton also led an extensive community process to establish a cohesive vision for the land between the new highway segments, now known as Liberty Square. The plan’s vision for the Liberty Square area was codified in design standards to guide future development. An emphasis on high-quality development was essential to the city’s overall economic development initiatives.

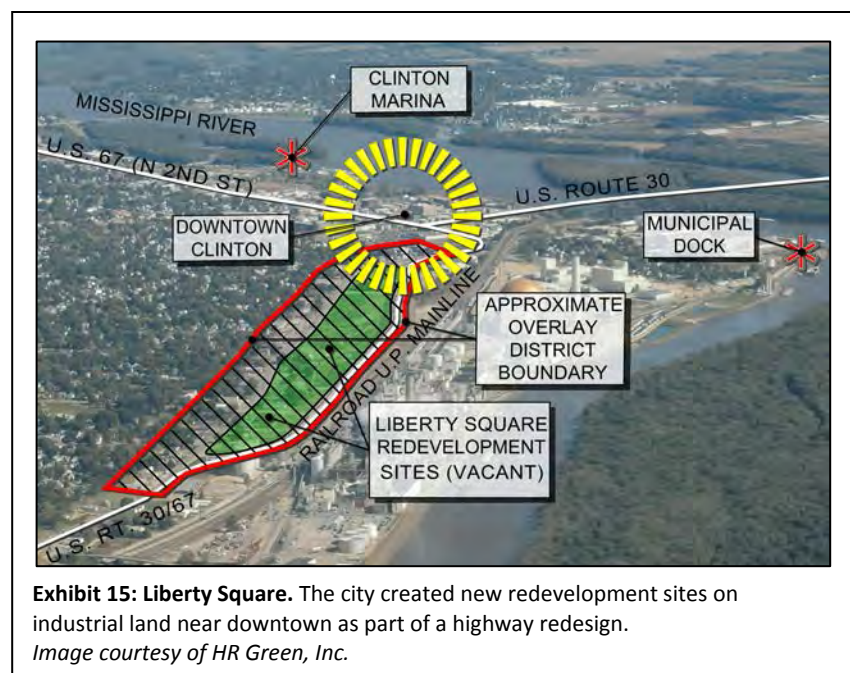


Exhibit 15: Liberty Square. The city created new redevelopment sites on industrial land near downtown as part of a highway redesign.
Image courtesy of HR Green, Inc.

In addition to this planning effort, the city invested in some early implementation items, including constructing a new park with landscaping and benches at the entrance to Liberty Square. These investments began to pay off less than one year after road construction was completed in 2014. Existing businesses have begun to reinvest in their buildings. For example, Archer Daniels Midlands, which

¹⁰³ Eudaly, Candace, op. cit.

¹⁰⁴ Ibid.

operates a plant just south of Liberty Square, has extensively renovated its buildings, including improving its façades, and built a new facility. This reinvestment has improved the entire area's appearance and created several hundred new jobs. In addition, residential property values in the neighborhoods west of Liberty Square are starting to increase, and local residents are finding new employment opportunities.¹⁰⁵ The city has also established several incentive programs for new businesses in Liberty Square and has seen a lot of interest that it expects will translate into additional new construction.

5. Lessons Learned

Coordinating area planning and infrastructure improvements can lay the groundwork for economic development. Planning for improvements to Lincoln Highway that considered the benefits of good design led to smart growth economic development in Clinton. This approach enabled the community to achieve its vision for Liberty Square's future. The highway redesign resulted in more developable land, improved connections to Liberty Square, eliminated blight, and enhanced overall physical and economic conditions for local residents and workers. In addition, the new comprehensive plan ensures that city regulations will achieve residents' aspirations going forward.

Brownfield assessment and remediation can promote revitalization of a larger area. In conjunction with the brownfield assessment process, the city conducted a larger planning effort, resulting in the Liberty Square Comprehensive Plan. Coordinating brownfield assessment and cleanup with a larger planning effort allowed the city to focus resources in a particular area and attract additional investment.

Combine funds from multiple sources to accomplish goals. Clinton was able to leverage the funds that it received from EPA for brownfield assessment and remediation to obtain low-interest loans from HUD and several state agencies for property acquisition and cleanup.¹⁰⁶ In addition to EPA and HUD, the city ultimately acquired funding or other project support from IDOT, the Federal Highway Administration, the East Central Intergovernmental Association, the Iowa Department of Economic Development, the U.S. Army Corps of Engineers, and the Iowa Department of Natural Resources.

¹⁰⁵ Couppee, Jacob. City Planner, City of Clinton. Personal Communication. Mar. 10, 2015.

¹⁰⁶ Ibid.

