



**DATE:** May 12, 2025  
**TO:** Jim Hencke, DEA and Derrick Tokos, City of Newport  
**FROM:** Emily Picha and Nicole Underwood, ECONorthwest  
**SUBJECT:** Memo #7: Incentives and Public-Private Partnerships

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This memorandum provides a phased roadmap for advancing incentives and public-private partnerships to support revitalization of the Newport City Center, aligned with the US 101 couplet realignment and broader housing and economic development goals. Designed for Derrick Tokos at the Urban Renewal Agency (URA), the guide outlines actionable steps across near-term, mid-term, and long-term horizons. It provides context, recommended actions, and implementation details to ensure the City can move from planning to execution, while supporting compliance with grant deliverables (including ODOT-funded efforts).

#### How to Use This Roadmap

- ◆ **Exhibit 1** summarizes the playbook actions at a high level, including implementation timeline, potential partners, and planning-level cost estimates.
- ◆ **Exhibit 2** summarizes the specific steps the City can take in the near- and mid-term to move key revitalization objectives forward.
- ◆ The **Playbook** includes detailed descriptions of each action, organized by recommended timing: near-term, mid-term, and long-term.
- ◆ **Appendix A** provides a list of potential funding sources to support implementation.
- ◆ **Appendix B** provides additional details on how a Storefront Improvement Program could be structured—one of the potential actions the City may choose to pursue.



## Exhibit 1. Playbook Summary: Do Now, Do Later

Cost Key: \$ >\$100,000 \$\$ \$100,000-\$500,000 \$\$\$ >\$500,000

#	ACTION TITLE	COST EST*	PARTNERS	NOTES
<b>Near-Term Playbook</b>				
1.1	Explore partnerships to set the stage for near-term development	\$	Developers, Employers, Faith Institutions	Outreach to developers, large employers, property owners
1.2	Set up a toolkit for URA grants and financial support	\$-\$\$	ODOT, Developers	Establish predevelopment grants, storefront and tenant improvement grants, URA loans
1.3	Advance near-term activation through tactical urbanism, pop-ups, and low-cost improvements	\$	Chamber, UO, Local Businesses	Pilot pop-ups, art installations, planters, lighting; identify priority sites; potential UO partnership for design ideas
1.4	Adjust Newport Municipal Code (NMC) to balance feasibility and city priorities	\$	Developers, Property Owners	Adjust zoning, height/density bonuses, parking minimums; engage with developers and property owners
1.5	Advance grant applications for ODOT transportation improvements	\$	ODOT	Advocacy, scoping, cost estimation, coordination on grant applications, letters of support
<b>Mid-Term Playbook</b>				
2.1	Leverage URA-owned land for mixed-use and residential projects	\$\$	Developers	Prioritize redevelopment of public parcels; land write-downs; develop sale guidelines; categorize sites by use
2.2	Invest in permanent infrastructure for farmers market	\$\$-\$\$\$	Farmers Market Organization	Define site/program needs; commission design and cost estimate; explore multi-use model; seek funding
2.3	Develop branding and wayfinding for US 101 corridor	\$\$\$	Travel Oregon, Chamber, Public Arts	Commission branding study; host workshops; install gateway art; improve signage; explore festival streets
2.4	Foster programs to enhance business environment	\$\$	URA, Chamber, Businesses	Launch storefront/tenant grants; market vacant sites, organize business meetups; retail partnership network; pop-ups; tactical activation
2.5	Support existing businesses and prevent displacement	\$\$	Chamber, Local Business Orgs	Lease assistance, rent stabilization, connect to loans/TA; construction mitigation; business role in activations
2.6	Build development momentum through land & infrastructure investment	\$\$\$	City	Continue land acquisition; invest in infrastructure; promote small-scale industrial uses along US 20
<b>Considerations for a Revitalized District</b>				
3.1	Explore Business Improvement District (BID) to provide enhanced programming and upkeep	TBD	Chamber, Business Owners	Gauge interest; convene discussions; define boundaries; assess desired services (cleaning, marketing, lighting); evaluate readiness
3.2	Conduct parking management study for US 101 Corridor	\$	Parking Advisory, Property Owners	Develop scope; build on Bayfront/Nye Beach lessons; establish parking policy (time limits, paid parking, shared parking, permits)

\*These cost estimates are for planning purposes only. They are high-level estimates based on prior experience and observed costs for similar work.



## Exhibit 2. Action Approach Over Time

TOPIC	NEAR-TERM (2026–2027)	MID-TERM (2028–2032)
<b>Housing Development &amp; Site Readiness</b>	<ul style="list-style-type: none"> <li>• Build developer contact list</li> <li>• Convene developer roundtable</li> <li>• Conduct employer-assisted housing outreach (hospital, school district)</li> <li>• Explore partnerships with affordable and market-rate developers</li> <li>• Offer predevelopment grants through URA</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage URA-owned land for mixed-use and housing projects</li> <li>• Establish guidelines for public land sales</li> <li>• Prioritize development around hospital, business district, US 20 corridor</li> </ul>
<b>Business Support &amp; Activation</b>	<ul style="list-style-type: none"> <li>• Pilot pop-ups, vendor markets, art installations</li> <li>• Convene business meetup (via Chamber)</li> <li>• Explore tactical urbanism</li> <li>• Prepare approval process for pop-ups</li> <li>• Draft storefront and tenant improvement grant program guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Launch storefront and tenant improvement grants</li> <li>• Establish retail partnership network</li> <li>• Host regular business meetups</li> <li>• Pilot festival street closures</li> <li>• Expand temporary retail and activation opportunities</li> <li>• Market vacant sites</li> </ul>
<b>Farmers Market &amp; Public Gathering Spaces</b>	<ul style="list-style-type: none"> <li>• Engage Farmers Market leadership</li> <li>• Commission conceptual design and cost estimate</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in permanent market structure</li> <li>• Explore multi-use programming for site</li> <li>• Integrate structure into festival streets/public space planning</li> </ul>
<b>Public Realm Identity: Branding, Wayfinding, Beautification</b>	<ul style="list-style-type: none"> <li>• Pilot low-cost beautification efforts such as planters, lighting, and murals.</li> <li>• Explore branding/wayfinding partnership with UO students</li> <li>• Test interim signage/art interventions</li> </ul>	<ul style="list-style-type: none"> <li>• Commission branding and wayfinding plan</li> <li>• Host community workshops for branding input</li> <li>• Install permanent wayfinding signs and gateway art</li> <li>• Secure early wins with URA/state funding</li> </ul>
<b>Development-Enabling Codes &amp; Parking Strategy</b>	<ul style="list-style-type: none"> <li>• Adjust zoning/code (residential at grade in targeted areas)</li> <li>• Adopt form-based code and height/density bonuses</li> <li>• Reduce parking minimums; offer off-street waivers</li> <li>• Engage developers/property owners in code reform</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor effectiveness of code changes</li> <li>• Begin scoping parking management study</li> <li>• Pilot shared parking strategies or temporary solutions</li> </ul>
<b>ODOT Partnership &amp; Transportation Project Advancement</b>	<ul style="list-style-type: none"> <li>• Coordinate with ODOT on advocacy, scoping, cost estimation</li> <li>• Advance grant applications for US 101/US 20 improvements</li> <li>• Secure letters of support &amp; match commitments</li> </ul>	<ul style="list-style-type: none"> <li>• Support ODOT in detailed design &amp; funding efforts</li> <li>• Coordinate on local infrastructure tied to project</li> <li>• Finalize agreements for construction/implementation roles</li> </ul>



# The Playbook

## Near-term (2026-2027)

The Near-Term Playbook outlines priority actions the Urban Renewal Agency (URA) and the City can take between 2026 and 2027 to build momentum, attract investment, and lay the groundwork for long-term revitalization. These steps focus on forging key partnerships, activating early incentives, advancing critical infrastructure and policy updates, and piloting visible improvements to signal progress in the City Center.

### 1.1 Explore Partnerships that Can Set the Stage for Near-term Development

Lead: URA	Partners: Developers	Cost: \$ (staff time)
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Advancing near-term development in the City Center will require coordinated partnerships, targeted outreach, and tailored incentives that address four foundational factors for successful development:

1. **Public Policy:** Zoning, density, and design regulations must allow developers to create profitable projects.
2. **Market Feasibility:** Local rents and sales prices need to generate sufficient returns for developers.
3. **Capital Access:** Developers must secure funding through equity investment or loans.
4. **Land Availability:** Sites must be accessible, affordable, and have adequate public facilities to facilitate development.

By aligning these factors, the URA can reduce barriers to investment and create a more inviting environment for new housing and mixed-use development downtown.

The strategies outlined below offer concrete actions the URA can take to build partnerships, deploy incentives, and help developers navigate key feasibility challenges.

### ENGAGE WITH THE HOSPITAL, LARGE EMPLOYERS, PROPERTY OWNERS, AND ANCHOR INSTITUTIONS ON WORKFORCE HOUSING PARTNERSHIPS

Newport's hospital and other major employers are key potential partners in addressing the community's workforce housing needs. The URA should explore employer-assisted housing strategies that could include direct financial contributions, land donations, lease guarantees, or participation in public-private funding structures. The City should initiate conversations with Samaritan Health Center and other large employers to gauge their interest in co-investment opportunities and to better understand the specific housing challenges their employees face.



This outreach should also explore possible sites where workforce housing could be developed in partnership with affordable or market-rate housing providers. Early wins may come from leveraging existing employer-owned land or identifying shared goals around housing needs for hospital staff, school employees, or other essential workers.

As the couplet concept proceeds, some property owners may be interested in investing in underutilized community assets for housing development. *Example: St. Stephen Episcopal Church* has a potential site for housing development in partnership with faith-based organizations or affordable housing providers.

### **EXPAND PARTNERSHIPS WITH HOUSING DEVELOPERS TO CATALYZE FAMILY-FRIENDLY, AFFORDABLE, AND MIXED-INCOME HOUSING**

The URA should actively build partnerships with developers—both nonprofit and for-profit, affordable and market-rate—to catalyze family-friendly, affordable, and mixed-income housing in the City Center. Newport has several existing partners with affordable housing experience, including:

- ◆ **Housing Authority of Lincoln County:** Develops and manages affordable housing, administers rental assistance programs, and is engaged in new projects.
- ◆ **Northwest Coastal Housing:** Develops and manages affordable rental housing with supportive services.
- ◆ **Habitat for Humanity of Lincoln County:** Focuses on affordable homeownership and small-scale infill housing.

In addition to local organizations, the URA can explore partnerships with:

- ◆ **Regional Rural Revitalization Strategies Consortium (R3)<sup>1</sup>:** Provides technical assistance and financial investment for rural housing development; connecting with R3 early could position Newport to access future site development resources.
- ◆ **Community Development Financial Institutions (CDFIs):** May offer flexible financing solutions for affordable and workforce housing projects.

In addition to existing partners, cultivating relationships with developers who have experience in small-city, mixed-use, and multifamily projects will be essential to attracting new investment in the City Center. The URA should:

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<sup>1</sup> R3 is currently collecting an inventory of sites in rural communities that could be developed with additional investment or technical assistance. <https://isector.org/partnerships/rural-housing-production/>



- ◆ **Develop a targeted outreach list** by consulting peer city staff (e.g., Sherwood, Independence, Lincoln City), reviewing rosters from recent projects, and strengthening connections with developers active in coastal or comparable markets.
- ◆ **Convent an initial developer roundtable or individual meetings** to showcase City Center development opportunities, planned public investments, and available incentives.
- ◆ **Use these conversations to gather insights** on developer interest and perceived barriers; test messaging around the City Center’s value proposition; and gather input on which incentives might help bridge financial feasibility gaps.
- ◆ **Prepare supporting materials** for future outreach—such as one-page site summaries, opportunity maps, and overviews of available tools like predevelopment grants or storefront improvement programs—to clearly communicate the City Center’s potential.

## 1.2 Set up a Toolkit for URA Grants and Financial Support in the City Center

Lead: URA	Partners: ODOT	Cost: \$ (if just staff time) - \$\$ (if some grants given in the near term)
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To attract developer interest in City Center sites, the URA should establish a framework for how it will partner with developers to support new development in the City Center. This funding toolkit can reduce the upfront financial risk for developers—particularly in less-tested markets like Newport—and help leverage outside funding sources.

The URA should review successful models from other urban renewal agencies to shape grant criteria and application processes.

**Eligible Projects:** The program could prioritize projects that deliver affordable or middle-income housing, mixed-use development, or catalytic uses aligned with City Center revitalization goals.

**Assistance Types:**

- ◆ **Predevelopment assistance:** Provide early-stage support to help developers assess project viability. Eligible costs could include market analysis, feasibility studies, site assessments, and early-stage architectural or engineering work.
- ◆ **Urban renewal grants/loans:** The use of urban renewal funds to support housing development is a key recommendation from the City’s Housing Production Strategy (HPS). The City can work with developers to match local dollars with funding from Low-Income Housing Tax Credits (LIHTC), state/federal housing grants, and philanthropic sources. The City has previously used these funds for land acquisition



in the urban renewal area to support housing development. [Derrick, can you provide details on planned uses for URA dollars?].

- ◆ **A Storefront Improvement Grant program:** Support exterior façade improvements to encourage inviting, visually appealing streetscapes. This program could be finalized once new design standards are adopted.
- ◆ **A Tenant Improvement Grant program:** Offer funding for interior upgrades to help businesses align with updated design standards. The City may also consider commissioning an analysis of abatement and structural issues in the area to understand the greatest needs.
- ◆ **Identification of how the URA can leverage other sources:** The URA can also explore complementary funding mechanisms to enhance project feasibility.
  - **Construction Excise Tax:** The City dedicates all CET revenue to support affordable housing development. Funds could be used for System Development Charge (SDC) offsets or permit fee reductions or other incentives.
  - **SDC waivers:** The HPS identifies the potential to use CET funds to cover SDCs for workforce housing.<sup>2</sup> This strategy would require additional discussion with the development community and City staff.
  - **State and other partner resources** support such as low-cost financing (e.g. the state’s [Middle-income Revolving Loan Fund](#) or social impact investment.)

### 1.3 Advance Near-term Activation through Tactical Urbanism, Pop-ups, and Low-cost Improvements

Lead: City	Partners: Universities, Chamber, local businesses	Cost: \$ (Can range from \$10K-\$100K+ depending on priorities)
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The City can take immediate steps to activate the City Center through low-cost, temporary interventions that build visibility and momentum while larger revitalization efforts take shape. Near-term actions could include activating vacant lots or storefronts with seasonal vendor booths, temporary art installations, or small-scale events; piloting beautification projects such as planters, murals, and lighting on high-visibility parcels; and testing festival street concepts through partial or temporary closures for community gatherings.

The City can accelerate progress by identifying priority sites for activation based on visibility and ease of implementation and begin outreach local organizations like the Chamber or cultural groups to gauge their interest in leading or sponsoring activities.

<sup>2</sup> City of Newport Housing Production Strategy, page 46



Establishing a simple approval process for pop-ups and short-term activations will help reduce barriers and encourage participation. A partnership with the University of Oregon’s Sustainable Cities Initiative could also help explore activation strategies, branding ideas, and lessons from other small-town models, providing additional capacity and design support. These early actions can help attract visitors, support existing businesses, and test ideas for long-term investments, while signaling visible progress on revitalization goals.

## 1.4 Adjust Newport Municipal Code to Balance Feasibility and City Priorities

Lead: City	Partners: Local businesses	Cost: \$ (Mostly staff time, may need limited contractor support)
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To support redevelopment while preserving key commercial activity, the City should update the Newport Municipal Code to strike a balance between development feasibility and community priorities. This could include allowing residential uses at street level in targeted areas, while preserving a retail presence along priority commercial corridors.

Adopting form-based code, along with height and density bonuses, would enable higher-yield projects and provide greater design flexibility. Reducing parking minimums and offering waivers for off-street parking—paired with a district-wide parking management strategy—could help lower development costs and streamline implementation. Additional zoning changes, such as increasing allowable building heights and lot coverage, would further attract mixed-use and multifamily investment. To ensure these changes are effective and market-responsive, the City should actively engage property owners and developers to gather feedback and identify opportunities to accelerate redevelopment.

## 1.5 Advance Grant Applications for ODOT Funding for Transportation Improvements on US 101 and US 20

Lead: City	Partners: ODOT	Cost: \$ (\$20-30K for refined cost estimates)
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Advancing the transportation projects on US 101 and US 20 from concept to construction will require a strong partnership between the City of Newport and the Oregon Department of Transportation (ODOT). The City and ODOT must collaborate on a series of activities to secure funding and move these projects forward:

- ♦ **Advocacy:** Given that US 101 and US 20 improvements are a priority for Newport, the City should lead advocacy efforts to secure funding. Funding could be available by inclusion of desired projects in Federal or State funding measures or by funding Federal and State programs that provide funding to these types of projects.



- ◆ **Scoping & Cost Estimation:** A more detailed design of proposed improvements is necessary to generate accurate cost estimates. These estimates are critical for securing grant funding and ensuring sufficient budget allocation. ODOT's current scoping resources are prioritized for high-priority projects under development for inclusion in the Statewide Transportation Improvement Program. Development of more detailed project designs and cost estimates could be a key use of City funds to advance prospects for obtaining grant funding.

- **Potential costs:** Given the complexity of the US 101 Couplet project, scoping efforts to develop 30% design estimates could require **\$20,000 to \$30,000**.

- ◆ **Grant Applications & Funding Coordination:** Many funding sources require formal applications. Since these projects involve the State highway system, ODOT would typically take the lead in Federal and some State-level grant applications, while the City might apply for specific State-administered grants. Both entities would need to coordinate application efforts, including letters of support and possibly a pledge of funding for match on project elements not eligible for grant funding.

System-wide transportation projects like those proposed for US 101 and US 20 are typically financed through a combination of local, State, and Federal funding sources. While private contributions are possible, they generally pertain to site-specific elements adjacent to new developments. The City's financial commitment will depend on grant match requirements and the availability of municipal and State funds.

- ◆ **Construction & Implementation:** While ODOT would take the lead on delivering projects on the State highway system, the City must coordinate on local utility upgrades and integration with municipal infrastructure. A formal agreement between the City and ODOT will be required before construction begins, detailing roles, responsibilities, and operational commitments post-construction.

## Mid-Term (2028-2032)

Strategic partnerships play a crucial role in advancing Newport's revitalization efforts along the US 101 Corridor and City Center. By collaborating with local businesses, community organizations, and public agencies, the City can accelerate development, improve public spaces, and create a more vibrant, economically resilient district. This step focuses on key initiatives that leverage partnerships to enhance branding and wayfinding, secure a permanent home for the farmers market, improve parking management, and foster a thriving business environment. By aligning resources and shared goals, these initiatives will



lay the groundwork for long-term investment, attracting both private development and public funding to strengthen Newport’s economic and community landscape.

## 2.1 Leverage URA-owned Land to Advance Mixed-use and Residential Projects

Lead: URA	Partners: developers	Cost: \$ (if using existing URA parcels) to \$\$\$ (if buying more land)
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One of the key roles of the URA will be to catalyze development on land that it owns and support on-site infrastructure development. The URA should work with developers to redevelop land it already owns, using land write-downs where feasible. To guide this process, the City should adopt clear guidelines for public land sales, prioritizing proposals that balance housing affordability, density, and alignment with broader economic development goals.

Insights from interviews conducted by ECOnorthwest with urban renewal agencies across Oregon highlight that combining public realm improvements with targeted development incentives can significantly increase developer interest. When paired with a proactive rollout strategy, these tools can improve site appeal and support stronger project financials through enhanced rent potential.

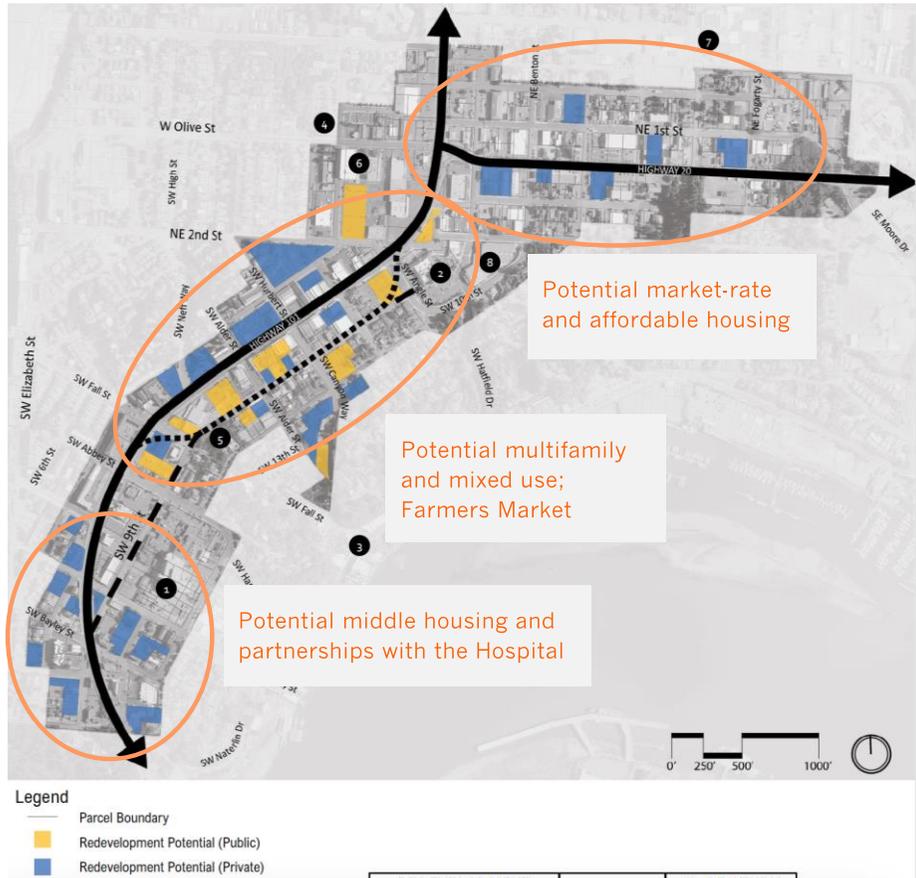
Newport’s City Center offers a variety of development opportunities, each with unique characteristics and strategic potential. To optimize land use and economic impact, we have categorized the sites into four key areas. Each area has distinct development potential, aligned incentives, and partnership opportunities. The following breakdown outlines the best uses and strategies for each area to accelerate investment and revitalization

- ♦ **US 20 Corridor:** Best suited for affordable and market-rate housing.
- ♦ **City Center Business District:** Opportunity for multifamily residential projects, mixed-use residential and retail projects, and potentially a hotel.
- ♦ **Hospital Vicinity Middle Housing:** Potential for affordable and market-rate housing, potentially developed as employer-assisted housing in partnership with Samaritan Health Center to accommodate travelling medical staff and permanent employees.

With control over multiple properties along US 101 and 9th Street, the URA—together with its partners—is well-positioned to demonstrate a compelling proof of concept. By deploying the tools outlined in this memorandum, the City can activate priority sites and accelerate investment. Exhibit 3 provides an overview of potential development opportunities, including an overview of publicly owned sites.



**Exhibit 3. Potential City Center Development Sites**



## 2.2 Invest in Permanent Infrastructure to Support the Farmers Market at the Northern Gateway to the Business District.

Lead: City | Partners: Farmers Market | Cost: \$\$ - \$\$\$ (see cost notes)

The permanent location for the Newport Farmers Market will serve as a vibrant community hub, enhancing accessibility for both vendors and visitors while supporting local agriculture and small businesses. Strategically located at the northern gateway to the central business

district, the site will provide a year-round venue where farmers, artisans, and food producers can connect directly with customers.

Designed to integrate with surrounding public spaces, the site will not only offer fresh, locally sourced products but also create opportunities for community gatherings, educational events, and cultural activities. By establishing a permanent market space, Newport strengthens its commitment to economic sustainability, local food security, and a downtown environment that welcomes residents and tourists. In addition, the energy from events at this space could expand to other festival streets.

To maximize the structure's value, the City should partner with the Farmers Market to develop a shared-use business model. This could include opportunities to rent the facility to other community groups or event organizers, helping to offset costs and broaden its impact.

**Next Steps:**

- ◆ Meet with Farmers Market leadership to define site and program needs
- ◆ Commission a conceptual design and preliminary cost estimate
- ◆ Identify potential funding sources including urban renewal and tourism grants
- ◆ Explore multi-use programming models to leverage the structure beyond market days

**Cost Notes:** The cost of a covered structure for a farmers market depends on several factors, including size, materials, location, and additional features like lighting, utilities, and stormwater management. The City and Farmers Market will need to commission a design for the structure. A basic permanent structure could cost between \$500K and \$750K and include partial enclosures, improved drainage, lighting, a limited number of electrical outlets for vendors, and storage areas. These costs would increase if the design included full enclosures to allow for year-round use, upgraded materials suited to withstand coastal weather, and additional infrastructure like water and sewer connections. Other cost drivers may include integrated restrooms or a commercial kitchen, increased vendor capacity, and enhancements such as public art, sustainable energy systems, or a performance stage to support community events.

## 2.3 Develop Branding and Wayfinding for US 101 Corridor

Lead: City	Partners: Travel Oregon, Chamber, Public Arts Committee	Cost: \$\$\$ (see cost notes)
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The City should commission a branding study and host community workshops to gather input on branding themes. This will result in cohesive wayfinding signage to better link the



corridor with surrounding districts. It could also include the installation of public art at key gateways and along the corridor.

- ◆ **US 101 Southern Gateway:** Involve businesses and the community in public space design and culturally relevant placemaking. Secure early wins with URA funding and state grants for visible improvements.
- ◆ **US 101 Northern Gateway:** Initiate integrated landscape design near City Hall with new bus stop to the north, landscape treatments, and plaza/gateway (URA funded).
- ◆ **Potential for flexible festival streets on Alder and Lee:** Evaluate closing side streets temporarily or permanently for community space/events (City- or URA-funded)

**Cost notes:**

Branding study and conceptual designs: \$100,000-\$200,000 (estimate)

Implementation of wayfinding, branding, festival streets, and gateways (\$1,000,000+)

**Partnership notes:**

- ◆ **Travel Oregon** may be able to provide partial funding for the branding/wayfinding given the importance of Newport to Central Coast tourism.
- ◆ **Newport Chamber of Commerce and local business owners** will be important participants in branding conversations and how the area relates to other key business districts.
- ◆ The City's **Public Arts Committee** can help to inform the strategy for branding, wayfinding, and public art.

## 2.4 Foster Programs to Enhance the Business Environment

Lead: City	Partners: URA, Chamber, Local Business Owners	Cost: \$\$ ( <i>tenant and storefront grants, sponsorships, staff time</i> )
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Supporting a vibrant and resilient business community is essential for Newport’s economic growth. By investing in storefront improvements, business partnerships, and streamlined regulations, the City can create a more attractive and accessible commercial environment. The following strategies aim to enhance business stability, increase foot traffic, and promote long-term success.

- ◆ **Market Vacant Retail Spaces:** Along US 101, the City should actively market vacant retail spaces to a new generation of businesses that meet community needs. Prioritize a diverse mix of customer-facing businesses that attract both residents and visitors and activate the street. This approach helps build a more dynamic downtown core and provides proof-of-concept for future development.



◆ **Implement Storefront and Tenant Improvement Grants:** The City will initiate grant programs to help create a more attractive and cohesive visual identity in the City Center by supporting façade improvements such as paint, signage, awnings, and lighting. Pairing this with a tenant improvement grant program to support interior upgrades can help new or existing businesses enhance spaces to meet updated design standards. The URA should assess whether to launch these grant programs before or after design standards are finalized, balancing the desire for early improvements with the need for consistency. The program can prioritize key corridors or blocks and may choose between a matching or non-matching grant structure depending on participation goals.

- Review storefront improvement programs in peer cities for funding levels and design guidelines.
- Meet with Chamber and local business owners to gauge interest and gather input
- Determine timing of launch relative to finalization of design standards
- Draft program guidelines and identify annual funding capacity

*See Appendix C for considerations and questions*

◆ **Business, Retail Activation, and Event Partnerships:** Building stronger connections between local businesses and community events will be key to creating an active, vibrant City Center that supports economic growth and draws both residents and visitors. Near-term exploration of activation strategies such as tactical urbanism, branding, and pop-up retail can inform a set of mid-term implementation actions focused on strengthening partnerships and delivering visible results. Building on early recommendations and ideas, the City could:

- Organize regular business meetups to foster collaboration, share information, and coordinate around revitalization goals (the Chamber of Commerce could play a convening role)
- Establish a retail partnership network to encourage cooperative marketing, shared promotions, and participation in district-wide events
- Launch pop-up events, temporary vendor markets, and pilot festival street closures to test flexible public spaces that draw foot traffic and create energy in the district
- Encourage temporary retail and pop-up spaces in vacant storefronts to test business viability.

Key considerations for implementation include:

- Identifying organizations—such as the Chamber, local business groups, or cultural organizations—that could lead or sponsor event programming



- Designing events to directly benefit businesses through promotions, vendor partnerships, and cross-advertising
- Ensuring festival streets and activation areas have necessary infrastructure for temporary closures and vendor setups (e.g., removable bollards, electrical access)
- Exploring ways the City can reduce barriers by streamlining permits, lowering fees, and offering logistical support such as shared storage or event equipment
- ◆ **Marketing and Business Support:** Determine which organizations have capacity to provide branding, marketing assistance, and business development resources to help local businesses thrive, including businesses transitioning to brick-and-mortar locations. Determine potential scale of resources needed and how much these organizations could focus on the City Center.

## 2.5 Support Existing Businesses and Prevent Displacement in the City Center

Lead: City	Partners: Local businesses, chamber	Cost: \$ (City staff time to connect businesses with resources)
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As the City advances revitalization along the US 101 corridor, it is critical to balance investment with strategies that help existing businesses stay, adapt, and thrive. Many of the City Center’s long-standing businesses (including Mexican and Asian restaurants, the Mexican market, and other small retailers) contribute to the district’s cultural identity and provide valued services to the community. However, many of these small business owners are facing uncertainty and must make important decisions about leases, staffing, and reinvestment without a clear understanding of how redevelopment will affect their operations, visibility, or long-term viability.

To avoid displacing successful businesses that anchor this highly visible commercial area, the City should adopt a proactive business support and anti-displacement strategy. This strategy should combine financial assistance, technical support, and direct outreach to ensure local businesses remain part of the City Center’s future. Key components could include:

- ◆ **Affordable Leasing and Financial Support:** Offer lease assistance programs, rent stabilization incentives, and microgrants to help businesses manage rising costs or reinvest in their spaces.
- ◆ **Connections to Resources:** Link businesses to local organizations already providing low-interest loan programs, marketing support, and technical assistance—such as



the Small Business Development Center at Oregon Coast Community College, the Chamber of Commerce, and Northwest Oregon Works.

- ◆ **Construction Mitigation:** Provide grants, rent assistance, or wayfinding support for businesses affected by construction disruptions or infrastructure upgrades tied to revitalization projects.
- ◆ **Collaborate on Activations:** Explore opportunities for existing businesses to participate in pop-ups, vendor markets, or temporary activations that build visibility and customer traffic during redevelopment phases.

Together, these strategies can help retain the businesses that make the City Center distinct, support entrepreneurs facing uncertain conditions, and ensure revitalization strengthens rather than displaces the existing commercial community.

## 2.6 Build Development Momentum Through Land and Infrastructure Investment

Lead: URA/City	Partners:	Cost: \$\$\$ (land acquisition, infrastructure grants, etc.)
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With early partnerships, incentives, and outreach efforts underway, the next phase of work focuses on translating that groundwork into tangible development progress. The URA can build development momentum in the City Center by targeting strategic land acquisitions, investing in enabling infrastructure, and positioning underutilized sites for redevelopment. These mid-term actions aim to move key sites closer to construction readiness and attract private investment aligned with revitalization goals.

Key strategies include:

- ◆ **Continue acquiring land in the US 20 and US 101 corridors:** Identify high-impact parcels that could support catalytic mixed-use or housing projects, focusing on locations where public control could unlock site assembly, reduce holding costs, or facilitate developer partnerships.
- ◆ **Invest in site-specific or localized off-site infrastructure upgrades to enable higher-density development:** Some sites may be financially viable only with improvements to sewer, water, streets, or other public amenities. The URA can play a critical role by contributing to infrastructure investments that remove feasibility barriers and increase development readiness.
- ◆ **Promote small-scale industrial and commercial opportunities on US 20:** Support the rehabilitation of existing buildings or infill sites to accommodate flexible industrial, maker, or light manufacturing spaces that complement nearby uses and contribute to economic diversity in the district.



## Long-Term: Considerations for a Revitalized District

The long-term playbook for Newport’s City Center will focus on sustaining revitalization progress, managing growth, and ensuring that investments made over the next decade continue delivering benefits for the community.

As the district evolves, the City and URA will need to proactively plan for ongoing maintenance, respond to changing business needs, reinvest in infrastructure, and adaptively manage public spaces. Ideally, by this stage, foundational infrastructure improvements—such as upgrades to water, sewer, streets, and public amenities—will already be funded and in progress, allowing the focus to shift toward refinement, reinvestment, and long-term stewardship.<sup>3</sup>

This section outlines key considerations to guide future decision-making and help preserve the gains made during the initial phases of revitalization.

### 3.1 Explore a Business Improvement District to Provide Enhanced Programming and Streetscape Upkeep

Lead: City | Partners: Business Owners, Chamber | Cost: TBD

Forming a business association or exploring a Business Improvement District (BID) structure can provide a long-term mechanism to support coordinated marketing, events, maintenance, and other shared investments in the City Center. Early groundwork can be laid through informal business convenings, surveys, or small working groups to assess interest and build leadership.

Part of this work could be assisting appointment-only or other less active businesses to locate to second story spaces or outside the core retail district. Consider expanding downtown events to increase foot traffic and community engagement.

The city should collaborate with the Chamber to gauge business owner interest, identify potential boundaries, and explore funding/organizational models. Conversations about formalizing a BID can evolve over time as revitalization efforts mature.

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<sup>3</sup> While near-term funding for large-scale transportation projects may be limited due to shifting federal priorities, the City is likely to gain greater access to state and federal transportation resources over time. As a result, major improvements including the couplet realignment may proceed on a longer-term timeline. However, the goal is that by this stage, these projects will be funded and have a clear path forward.



### Key Considerations:

- ◆ **How big should the BID be?** The BID boundary should reflect areas of concentrated businesses that would benefit from shared investments without overextending resources.
- ◆ **When could these conversations be timed?** Early conversations about a BID could occur soon, but the district may not be ready for this level of coordination yet.
- ◆ **What investments and programs are most attractive to the potential BID members in the City Center?** Enhanced cleaning, lighting, safety measures, marketing campaigns, and seasonal decorations may be priorities to increase foot traffic. Some business districts fund programs like hanging planters and landscaping maintenance.

## 3.2 Conduct Updated Parking Management Study for the US 101 Corridor

Lead: City	Partners: Parking Advisory Committee, Property Owners, Business Owners	Cost: \$ (\$50-75k in 2025 dollars)
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As redevelopment progresses, effective parking management will be essential to balancing accessibility, encouraging turnover, and supporting continued investment. A formal parking study will provide the data and policy recommendations needed to evaluate options such as time limits, paid parking, shared parking strategies, and residential permit systems.

The URA should work closely with the Parking Advisory Committee to define the study's scope and timing. The study should build on lessons learned from other Newport districts (e.g., Nye Beach, Bayfront) and be designed with input from local businesses and visitors to ensure it reflects real-world needs and priorities.

## Conclusion

This guide provides a roadmap of actionable steps across near-, mid-, and long-term horizons to align incentives, partnerships, and revitalization efforts in the City Center. While actions are sequenced by timeline, several near-term steps—particularly developer outreach, predevelopment support, and grant program setup—are critical to unlocking future investment and should be prioritized in the first 1–2 years.

Continued collaboration with developers, employers, business owners, and regional partners will be key to sustaining momentum. The Urban Renewal Agency's leadership in coordinating these efforts will position Newport to successfully leverage public investment, attract private development, and create a vibrant, inclusive City Center.



## Appendix A: Potential Funding Sources

To implement the strategies identified in this memorandum, the City will need to pursue several funding sources. This section includes a list of currently available revenue sources and funding tools that Newport could explore to fund City Center improvements.

### ODOT Support for US 101 and US 20 Improvements

System-wide transportation projects, such as those proposed for US 101 and US 20, are typically funded through a mix of local, state, and federal sources. ODOT generally leads applications for federal and certain state-level grants, while the City may apply for state-administered grants. Both agencies must coordinate efforts, including letters of support and potential funding commitments for matching requirements or ineligible project components. Funding strategies vary by project, so the amount of ODOT support and contribution will be determined as the projects develop more detailed scoping and cost estimates and pursue other available funding sources.

### Urban Renewal/Tax Increment Financing (TIF)

The City Center Revitalization Plan (CCRP) area falls within the Northside Urban Renewal District, which had approximately \$### million in remaining indebtedness as of 2025. The City may use Tax Increment Financing (TIF) from the district to fund City Center capital projects, if they align with the project categories in the Northside Urban Renewal Plan. TIF revenues are generated by the increase in total assessed value in an urban renewal district, from the time the district is first established. As investments are made, property values rise, and the resulting increase in property taxes is used to fund district projects or repay bonds issued for specific improvements.

Transportation enhancements along US 101 and US 20 are identified in the urban renewal plan and are eligible to receive TIF funding. The urban renewal plan also allocates funding to economic development projects such as site preparation, storefront façade improvements, strategic site acquisition, and placemaking and wayfinding enhancements which could be targeted in the City Center. Urban renewal can also be used to support development of off-site infrastructure necessary to support new housing development. TIF funds will be a key resource for securing matching funds from ODOT to complete the couplet. They may also be used to help jump-start improvements and attract further investment in the study area.

However, TIF revenue alone will not be sufficient to cover all projects outlined in the plan. Additional funding sources will be necessary to fully implement the proposed improvements.

**Commented [EP1]:** @Derrick -do you have the latest MI number and a source we can cite? I imagine you're pulling together your last year's annual report now or may have already completed? I can't find last year's report on your website or any updated reference of MI except the original \$39m from the plan.



## Other Government Funds

The City could also explore the following existing local funding sources to support the CCRP:

- ◆ **Construction Excise Tax** can help fund both market rate and affordable housing through incentives such as backfilling SDCs or development fees as outlined in Newport’s Housing Production Strategy
- ◆ **Tourism/Lodging Tax** proceeds could be used to support tourism related projects including branding, wayfinding, and business supports.
- ◆ **System Development Charges** are used to fund capital improvements for water, wastewater, storm drainage, transportation infrastructure, and parks.

## Grants

Because currently available funding sources are limited, grants are likely to play an important role in project implementation. Grant funding is not typically included in funding forecasts because they are too project-specific and uncertain to predict. However, if the City is successful in receiving grant money, the Urban Renewal District can use its funds as matching funding to leverage additional grant dollars.

After researching applicable state, federal, and foundation-based grant programs, ECONorthwest identified 23 grants that the City of Newport could consider pursuing given project eligibility and suitability. Since ODOT would typically lead applications for federal and certain state grants to support the redevelopment of US 101 and US 20, the grants listed here focus on transportation elements that may not be prioritized in traditional projects, such as bike and pedestrian facilities. Exhibit 4 provides a summary of these grants by category, with additional details in Exhibit 5. While federal grants are included in this list, grant funding remains uncertain in the near term due to budget reductions under the new administration.

### Exhibit 4. Grant Programs to Explore

Note: Some of these grants fit into more than one project category

Program Category	Eligible Grants
Placemaking, Wayfinding, Public Art, and Preservation	<ul style="list-style-type: none"> <li>• Ford Family Foundation Capital Projects</li> <li>• Oregon Heritage Oregon Mainstreet Revitalization Grant</li> <li>• Oregon Arts Commission Arts Build Communities Grant</li> <li>• National Endowment for the Arts: Our Town Grant</li> <li>• T-Mobile hometown grant</li> <li>• Confederated Tribes of Siletz Indians: Tribal Charitable Trust</li> <li>• AARP Community Challenge Grant</li> </ul>
Parks and Recreation	<ul style="list-style-type: none"> <li>• OPRD Recreation Grants: Local Government</li> </ul>



Housing Development	<ul style="list-style-type: none"> <li>• OHCS LIFT Homeownership Funds</li> <li>• OHCS Housing Development Grant Program</li> <li>• OHCS Land Acquisition Revolving Loan Fund</li> <li>• HUD PRO Housing: Pathway to Removing Obstacles</li> </ul>
Economic Development and Tourism	<ul style="list-style-type: none"> <li>• EDA Economic Adjustment Assistance Program</li> <li>• USDA Rural Business Development Grant</li> <li>• EDA Public Works Program</li> <li>• Travel Oregon Competitive Grant Program</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>• Oregon Transportation Infrastructure Bank RLF</li> <li>• ODOT Carbon Reduction Program</li> <li>• ODOT All Roads Transportation Safety Program</li> <li>• ODOT Great Streets</li> <li>• USDOT Active Transportation Infrastructure investment</li> <li>• USODT Rural Surface Transportation Grant</li> <li>• FHWA TIGER/RAISE/BUILD grants</li> </ul>

*OPRD: Oregon Parks and Recreation Department; OHCS: Oregon Housing and Community Services; EDA: U.S. Economic Development Administration.*

## Local Philanthropic Resources

Residents and organizations in Newport may be passionate about investing in the community and have the financial means to do so. To gauge the community's willingness to support projects in the CCRP area, the City should consider asking for financial support to implement key projects which resonate with the community.

Fundraising options include:

- ◆ Traditional capital fundraising campaign
- ◆ Crowdfunding campaign
- ◆ Business or corporate sponsorship program (limited – could support small visitor amenities)
- ◆ Naming rights and legacy gift program (limited – could support small visitor amenities)
- ◆ In-kind donations requests



**Exhibit 5. Grants Research**

ID	Grant	Category	Description	Funding & Cycle	Eligible Applicants
<b>Community Organizations</b>					
1	<a href="#">Ford Family Foundation Capital Projects</a>	Economic Development, Placemaking	Capital grants from community, family and education impact area projects. Must be aligned with community impact areas and are limited to the following projects applicable to the City Center: community gathering spaces, small business incubators, community institutions (like libraries and museums).	\$25,000 - \$250,000  Can fund up to 1/3rd of project's total budget.  Ongoing application.	City
2	<a href="#">Oregon Arts Commission Arts Build Communities Grant</a>	Placemaking	Supports projects that address local community need through arts-based projects. Projects must support the integration of the arts and artists with community goals and may include new initiatives, new program development, cultural tourism and the expansion of existing arts and community development projects. Pre-development, design fees and community planning activities are eligible in this program.	\$5,000  1:1 match  Annual application.	City
3	<a href="#">Confederated Tribes of Siletz Indians Tribal Charitable Trust</a>	Placemaking	Funds 12 categories, including the arts, environment and natural resource preservation, and historical preservation	\$150 - 10,000 50% Match Quarterly application deadlines.	City
4	<a href="#">National Endowment for Arts Our Town Grant</a>	Placemaking	Project based funding for creative placemaking that hat integrate arts, culture, and design into local efforts that strengthen communities over the long term. Competitive projects are responsive to unique local conditions, develop meaningful and substantive engagement in communities, center equity, advance artful lives, and lay the groundwork for long-term systems change.	\$25,000 - \$150,000  1:1 Match  Annual application.	City
5	<a href="#">T-Mobile Hometown Grant Program</a>	Placemaking	Grants are given every quarter to up to 25 small towns for community projects like revitalizing or repurposing a historic structure, creating a downtown asset or destination, or improving a space where friends and neighbors gather. Shovel ready projects that add to a sense of place or could lead to further investment are of particular interest.	Up to \$50,000  No match.  Quarterly application.	City
6	<a href="#">AAPR Community Challenge Program</a>	Placemaking, Transportation and Streetscape	Provides small grants to fund quick-action projects that can help communities become more livable for people of all ages. Public spaces, transportation and mobility options, and housing.	\$10,000 - 12,000  Match not required.  Annual application.	City



State					
7	<a href="#">OHCS LIFT Homeownership Funds</a>	Housing	LIFT Homeownership program to increase supply of affordable homeownership housing. Not-for-profit organizations and other Eligible Covenant Holders that utilize a shared equity homeownership model.	Max award: \$8 million Dependent on NOFA. Current NOFA due March 2025	Nonprofit
8	<a href="#">OHCS Housing Development Grant Program</a>	Housing	Expands the supply for low- and very low-income families and individuals by providing funds for new construction or to acquire and/or rehabilitate existing structures. 75% of funds are reserved for projects affordable to 50% AMI. 15% of Funds are reserved for housing affordable to 80% AMI.	Max award: \$500,000 Funding refreshed biennially.	City
9	<a href="#">OHCS Land Acquisition Revolving Loan Fund</a>	Housing	Assist eligible organizations purchase land suited for affordable housing development. This includes both affordable rental and homeownership developments. 40% of funds for home ownership for low-income households (80% or less of area median income). 60% of funds to organizations operating affordable rental housing for low-income Oregonians.	Max: 90% of the appraised land value Match: None (loan) \$500 application fee Temporarily paused	City
10	<a href="#">OPRD Recreation Grants: Local Government</a>	Parks and Recreation	Large, small and planning grants for outdoor park and recreation areas and facilities, acquisition of property for park purposes, trails, bicycle recreation opportunities, and non-motorized water-based recreation. Land acquisition, development, and major rehabilitation projects consistent with Statewide Comprehensive Outdoor Recreation Plan (SCORP) goals.	Small Grants: Max \$100,000 Large Grants: Max \$1,000,000 Planning: Max \$50,000 40% Match Annual cycle. Open in 2025.	City
11	<a href="#">Oregon Heritage Oregon Mainstreet Revitalization Grant</a>	Placemaking	The purpose of the program is to acquire, rehabilitate, and construct buildings on properties in designated downtown areas and facilitate community revitalization that will lead to private investment, job creation or retention, establishing or expanding viable businesses, or creating a stronger tax base. Organizations <i>must be in the Oregon Main Street Network</i>	Up to \$400,000 30% match Grant is funded every biennium. The 2025 cycle closes in March 2025.	Main Street Organization



12	<a href="#">Travel Oregon Competitive Grant Program</a>	Tourism, Placemaking	Supports projects that contribute to the development and improvement of local economies and communities throughout Oregon by means of the enhancement, expansion and promotion of the visitor industry. Projects should support Travel Oregon's vision of "an Oregon that is a welcoming destination where tourism drives economic prosperity, benefits the natural environment and celebrates rich, diverse cultures." Applicants must propose a project that focuses on either tourism infrastructure or tourism promotion that increases access and inclusion.	\$20,000 - \$150,000 No match required  Biennial application process. 2024-2025 closes February 2025.	City
13	<a href="#">Oregon Transportation Infrastructure Bank RLF</a>	Transportation and Streetscape	Statewide revolving loan fund designed to promote innovative financing solutions for transportation needs. Eligible projects include Transportation infrastructure projects such as roads, signals, intersection improvements, and bridges; Transit capital projects such as buses, equipment, and maintenance or passenger facilities; Bikeway or pedestrian access projects.	Can cover up to 100% of project costs  Ongoing application	City
14	<a href="#">ODOT Carbon Reduction Program</a>	Transportation and Streetscape	Projects that reduce greenhouse gas emissions in urban and rural areas. Can be used for a wide range of projects including alternative fuel vehicles and charging stations, bicycle and pedestrian projects, transit capital projects, intelligent transportation projects, and others.	\$80,000 - 2.7 million based on previous round.  Match required.  Annual cycle, Funded through 2026.	City
15	<a href="#">ODOT All Roads Transportation Safety Program</a>	Transportation and Streetscape	Safety projects that reduce fatal and serious injury crashes on a public road in Oregon. Projects are evaluated by a data driven approach based on crash data. To qualify, the spot or area must be addressing a fatal or serious injury from the last 5 years.	10% match  Funded through 2030.	City



16	<a href="#">Great Streets Program</a>	Transportation and Streetscape	<p>Great Streets is a funding program that addresses multiple needs within a single project to create more complete streets. It is accountable for improving outcomes including safety, equity, climate and more. The program focuses on state highways that operate as main streets and other state highway corridors where the top priority multimodal transportation needs intersect.</p> <p>An individual project may fill a sidewalk gap, make intersection improvements, add a drainage to better withstand extreme weather, and address critical safety needs.</p>	<p>Funding depends on future legislation. However, these programs have been funded for several cycles in the past and are likely to be funded again given the need and popular support for these projects.</p>	City / ODOT
<b>Federal</b>					
17	<a href="#">EDA Economic Adjustment Assistance Program</a>	Economic Development	<p>The program provides a wide range of technical, planning, public works, and infrastructure assistance in regions experiencing adverse economic changes.</p> <p>Can fund activities identified in the region's CEDS, such as infrastructure improvements, site acquisition, site preparation, construction, rehabilitation, and equipping of facilities.</p>	<p>\$600,000 - \$3 million</p> <p>Match not specified.</p> <p>Biennial application. Next round FY2025.</p>	City, EDD
18	<a href="#">USDOT Active Transportation Infrastructure Investment</a>	Transportation and Streetscape	<p>Grant to construct projects to provide safe and connected active facilities in active transportation networks or active transportation spines.</p> <p>Plan, design, and construct safe and connected active transportation networks such as sidewalks, bikeways, and trails that connect destinations such as schools, workplaces, residences, businesses, recreation areas, and medical facilities within a community or metropolitan region.</p>	<p>\$100,000 - \$15 million</p> <p>Next cycle TBD.</p>	City
19	<a href="#">USDOT Rural Surface Transportation Grant</a>	Transportation and Streetscape	<p>Supports projects that improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve quality of life. Highway, Bridge, or Tunnel projects.</p>	<p>\$20 million +</p> <p>Next cycle TBD.</p>	City
20	<a href="#">USDA Rural Business Development Grants</a>	Economic Development	<p>Promote economic development and job creation projects.</p> <p>Two separate categories, business opportunity grants and business enterprise grants, for use in funding various business and community projects that serve rural areas.</p>	<p>\$10,000 - \$500,000</p> <p>No match</p> <p>2025 cycle currently open.</p>	City, ODOT



21	<a href="#">EDA Public Works Program</a>	Economic Development	Helps distressed communities revitalize, expand, and upgrade their physical infrastructure. This program enables communities to attract new industry, encourage business expansion, diversify local economies, generate local investment, and create or retain long-term jobs through land acquisition, development, and infrastructure improvement projects that establish or expand industrial or commercial enterprises. City or study area must meet the EDA definition of economic distress is defined as low per capita income (80% or less of the national average), unemployment rate above the national average, or other special economic needs - such as population loss or closure of major industry employer.	\$100,000 - \$30,000,000 Match required Biennial application. Next round FY2025.	City
22	<a href="#">HUD PRO Housing: Pathways to Removing Obstacles</a>	Housing	Funding for the identification and removal of barriers to affordable housing production and preservation Activities that further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.	\$1 - 10 million Next Cycle TBD.	City
23	<a href="#">FHWA TIGER/RAISE/ BUILD Grants</a>	Transportation and Streetscape	Provides grants for surface transportation infrastructure projects with significant local or regional impact. The eligibility requirements of BUILD allow project sponsors, including state and local governments, counties, Tribal governments, transit agencies, and port authorities, to pursue multi-modal and multi-jurisdictional projects that are more difficult to fund through other grant programs.	Funding depends on future legislation. However, these programs have been funded for several cycles in the past and are likely to be funded again given the need and popular support for these projects.	City / ODOT



## Appendix B: Storefront Improvement Program Considerations

As the City of Newport advances its revitalization efforts along the US 101 / US 20 corridor and City Center, business assistance programs and storefront improvement initiatives can play a key role in strengthening the economic vitality of the district. The following considerations, based on research from various cities with successful programs, provide a framework for developing an effective business support and façade improvement program tailored to Newport's needs.

### Key Considerations for Storefront and Business Assistance Programs

#### 1. Program Approach: Proactive vs. Reactive

- **Proactive Approach:** Some cities, such as Sandy, have implemented programs where the city proactively identifies key buildings for improvement, engages design professionals, and approaches property owners with detailed renderings and recommendations. This approach allows for a cohesive, district-wide improvement strategy.
- **Reactive Approach:** A more traditional storefront improvement program invites property owners and businesses to apply for assistance, with funds distributed based on eligibility criteria.

#### 2. Use of Design Guidelines

- Cities such as Albany and Sandy have implemented design guidelines to ensure that improvements align with community goals. Establishing clear guidelines can provide predictability for applicants and ensure a cohesive visual identity for Newport's City Center along US 101.

#### 3. Financial Contribution from Property Owners

- Some programs provide grants with minimal cost to the property owner (e.g., 2% of total cost), while others require matching investments. Newport must determine whether leveraging funds through private participation is a priority or if maximizing participation is the primary goal.

#### 4. Providing Design Assistance

- Some communities contract design professionals to assist businesses in planning improvements. While this increases costs, it enhances the quality and impact of storefront upgrades.

#### 5. Review and Approval Process



- Newport must determine whether project approvals will be managed by city staff, the URA, or a dedicated review committee.

#### **6. Funding Allocation and Application Limits**

- Cities vary in their approach to funding allocation. Some establish annual funding limits for the program, while others take a “one-time impact” approach, dedicating a large sum in a single fiscal year for transformative district-wide improvements.
- Grants can range from \$2,500 to \$75,000 per applicant, with larger grants often requiring a private match.

#### **7. Awarding Funds: First-Come, First-Served vs. Competitive Process**

- If demand exceeds available funding, Newport may need to establish a competitive application process based on factors such as project impact, location, and alignment with revitalization goals.

#### **8. Eligible and Ineligible Improvements**

- Typically, programs focus on façade improvements, including:
  - Windows, doors, awnings, signage, lighting, painting, masonry repair, cornices, and architectural details.
  - Some programs include exterior structural repairs or energy efficiency upgrades.
- Common exclusions include: interior work, operational expenses, inventory, and debt refinancing. The City could consider a tenant improvement program to fund internal improvements.<sup>4</sup>

#### **9. Business vs. Property Owner Eligibility**

- Most programs allow both property owners and business tenants (with owner approval) to apply for funds.

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<sup>4</sup> A **Tenant Improvement Program** provides financial assistance or incentives for businesses to upgrade or customize interior spaces in commercial or industrial buildings. Typically offered by cities, economic development agencies, or landlords, these programs support business retention, attract new tenants, and revitalize underutilized spaces. For example, the City of Milwaukie's [Tenant Improvement Grant Program](#) focuses on ground-floor tenant spaces that generate foot traffic. Eligible improvements include new kitchen equipment for restaurants, code-required upgrades such as grease traps, and Americans with Disabilities Act (ADA) improvements, including restroom and exit modifications, as well as other renovations to accommodate desired business uses.



#### 10. **Prioritization of Certain Buildings or Areas**

- Some cities prioritize funding for buildings in historic districts, along key corridors, or in targeted revitalization areas. Newport may choose to focus on specific priority areas within City Center.

#### 11. **Program Administration and Compliance**

- Administrative considerations include application documentation, project timelines, grant disbursement procedures, and maintenance assurances from property owners.

#### **Implications for Newport**

A well-structured business assistance and storefront improvement program can help Newport's City Center create a cohesive identity, encourage private investment, and enhance the overall economic environment. By leveraging best practices from other communities, Newport can design a program that aligns with its City Center Plan to support a thriving business district.

