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MAY 2026

# Impact Assessment

Prepared for the La Grande Urban Renewal Agency

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## EXECUTIVE SUMMARY

This assessment examines the measurable economic impact of the La Grande Urban Renewal Agency’s grant programs by linking 199 grant awards across 134 property addresses to property tax records and Oregon Employment Department data from 2018 through 2025. The analysis spans three dimensions: property value growth, tax revenue generation, and employment outcomes.

The findings are consistent and reinforcing across all three dimensions. Grant-awarded properties are outperforming the broader La Grande market in property value appreciation, tax revenue generation, employment growth, and business formation. The program is not merely redistributing existing economic activity – it is generating net new growth that provides new employment and revenue opportunities for the City of La Grande and other partner taxing districts.

<b>6:1</b> Property Value Return per Grant Dollar	<b>+21%</b> Employment Growth at Grant Properties	<b>+59%</b> Total Wages Paid Growth at Grant Properties	<b>7.5%/yr</b> Average Annual Tax Revenue Growth in the URA
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<b>861</b> Total Employees at Grant Properties (2024)	<b>91</b> Active Businesses at Grant Properties (2024)	<b>\$35.7M</b> Total Annual Wages at Grant Properties	<b>8–10 yr</b> Average Time for Grant to Pay for Itself
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### What These Numbers Mean

**6:1 Property Value Return:** For every \$1 the URA awarded to a property owner, the property’s real market value increased by approximately \$6. A \$50,000 grant typically resulted in roughly \$300,000 in property improvements.

**+21% Employment Growth:** Properties that received grants added 148 net new jobs between 2018 and 2024. That’s three times faster than the La Grande area overall, which grew only 7%.

**+59% Wages Paid Growth:** Total wages paid by businesses at grant properties grew from \$22.5 million to \$35.7 million per year. Area-wide, total wages grew 41% with grant properties generating income growth at 1.4 times the market rate.

**7.5% Annual Tax Revenue Growth:** Tax revenue collected within the Urban Renewal Area grew an average of 7.5% per year from 2018 to 2024. That’s the rate at which the district’s tax base is expanding, faster than the City of La Grande and faster than Union County as a whole.

**8 - 10 Year Grant Payback:** The additional tax revenue generated by a typical grant-funded improvement covers the full cost of the original grant within 8 to 10 years.

### BOTTOM LINE

Every dollar the Urban Renewal Agency has awarded to property owners has generated approximately \$6 in property value improvements. Grant properties grew employment 3x faster than the market (21% vs 7%), grew total wages 1.4x faster (59% vs 41%), and URA tax revenue has grown at 7.5% per year – outpacing both the City of La Grande and Union County.

## 1. PROPERTY VALUE IMPACT

The most direct measure of program effectiveness is the change in real market value (RMV) at grant-awarded parcels. Parcel-level assessment data from 2018 through 2025 shows the clear pattern that grant investments catalyze private improvement spending that far exceeds the public award.

### The 6:1 Multiplier

For every \$1 the URA has awarded to property owners through its CFP and Façade programs, the resulting improvement to real market value has averaged approximately \$6. A \$50,000 - \$75,000 URA grant typically defrays 30–50% of an owner’s total project cost, reducing the risk barrier enough to unlock the full private investment. The total project – not just the grant portion – then flows into the property’s assessed value.

### Parcel-Level Evidence

Table 1. Selected grant-awarded parcels showing RMV improvement trajectory

Address	Use Type	Pre-Project RMV	Current RMV (2025)	RMV Increase	Grant Payback Period
1106 Adams Ave	Mixed-Use	\$90,510	\$826,980	+\$483k	< 10 years
2400 Adams Ave	Veterinary	\$102,070	\$710,250	+\$608k	< 8 years
1508 Adams Ave	Retail	\$161,460	\$600,170	+\$424k	< 9 years

In each case, the additional annual tax revenue generated by the improvement covers the full grant amount within 8 - 10 years. After that, the revenue flows permanently to all taxing districts in perpetuity.



## 2. TAX REVENUE GROWTH

Tax increment is the financial engine of urban renewal under Oregon’s TIF framework. The rate at which assessed value grows within the district determines the Agency’s capacity to fund future projects, service existing obligations, and ultimately return an expanded tax base to all overlapping districts upon plan retirement.

### URA Growth vs. Benchmarks

From 2018 - 19 to 2023 - 24, total tax revenue within La Grande’s Urban Renewal Area grew 43.6% overall, an average of 7.5% per year. This significantly outpaces both the City of La Grande and Union County overall. Grant-awarded properties have grown tax receipts to approximately \$148,000 on a \$100,000 base by 2025, while the City reached roughly \$133,000 and Union County \$131,000 over the same period. The divergence accelerated sharply after 2021, coinciding with the maturation of several major CFP-funded projects.

### Peer Comparison

Table 2. La Grande URA tax revenue growth vs. comparable Oregon URAs

City (Plan Area)	Rev 2018 - 19	Rev 2023 - 24	Total Growth	Avg Annual Growth
Philomath	\$575,880	\$907,758	57.6%	9.5%/yr
Tillamook	\$448,663	\$694,527	54.8%	9.1%/yr
<b>La Grande</b>	<b>\$652,754</b>	<b>\$937,154</b>	<b>43.6%</b>	<b>7.5%/yr</b>
Veneta	\$742,774	\$994,124	33.8%	6.0%/yr
Pendleton	\$897,367	\$1,101,573	22.8%	4.2%/yr
Warrenton	\$757,703	\$891,430	17.6%	3.3%/yr
Astoria East	\$364,983	\$384,048	5.2%	1.0%/yr

La Grande’s 7.5% average annual growth positions it in the top third of comparable Oregon URAs. It trails only Philomath and Tillamook, both of which benefited from outsized single-project impacts during this period. Notably, La Grande’s growth is distributed across dozens of smaller projects rather than concentrated in one or two, suggesting a more sustainable trajectory.

#### CONTEXT: WHY GROWTH MATTERS IN OREGON

Oregon’s Measure 5 and 50 cap assessed value growth and tax rates. Only new development generates the tax increment that urban renewal can capture. Without growth, the URA cannot fund projects or repay investments. The 7.5% annual growth rate demonstrates the district is generating real new value – not just riding 3% appreciation.

### 3. EMPLOYMENT IMPACT

To measure employment outcomes, 199 grant award records were matched to Oregon Employment Department employer data using fuzzy address matching across the 2018 - 2024 reporting period. Of 134 unique grant addresses, 98 (73%) matched to active employer filings. The analysis captures all firms operating at each matched address, not only the original grant recipient – reflecting the full economic ecosystem at each property.

#### Employment Growth: Grant Properties vs. Overall

Table 3. Employment at grant-awarded properties compared to all La Grande employers

Metric	2018	2020	2024	Change
<b>Grant Property Employment</b>	713	630	<b>861</b>	<b>+21%</b>
Overall Area Employment	6,089	6,032	6,513	+7%
Grant Share of Total	11.7%	10.4%	<b>13.2%</b>	<b>+1.5 pts</b>
Firms at Grant Properties	80	82	91	+14%
Total Firms (All)	589	601	632	+7%

Grant properties grew employment at three times the overall rate (21% vs. 7%). Their share of total area employment rose from 11.7% to 13.2%. Grant addresses also attracted new firms at double the broader rate (14% vs. 7%), suggesting that physical improvements make these locations more competitive in the local real estate market.

#### Firm Size Convergence

In 2018, the average firm at a grant property employed 8.9 workers versus 10.3 area-wide – a gap of 1.4 employees. By 2022, the gap had narrowed to 0.5 (9.6 vs. 10.1). In 2024 it stood at 0.8 (9.5 vs. 10.3). The pattern suggests grant investments help smaller firms scale toward the community average.

Table 4. Average employees per firm, 2018–2024

	2018	2019	2020	2021	2022	2023	2024
<b>Grant</b>	8.9	8.0	7.7	8.7	9.6	8.8	9.5
Overall	10.3	10.3	10.0	9.8	10.1	9.7	10.3
Gap	1.4	2.3	2.3	1.1	0.5	0.9	0.8

#### COVID-19 Recovery

Grant properties experienced a sharper COVID employment dip in 2020 (average firm size fell from 8.0 to 7.7) but recovered more aggressively: average employment per firm jumped to 8.7 by 2021, a 13% year-over-year rebound. Total employment at grant addresses surged from 630 to 717 (+14%). Non-grant properties showed no comparable bounce, with average firm size drifting from 10.4 in 2019 to 10.0 in 2021.

## 4. PAYROLL & WAGE QUALITY

Payroll data adds a wage-quality dimension to the employment analysis. Total annual payroll at grant-awarded properties grew from \$22.5 million (2018) to \$35.7 million (2024) – a 59% increase, compared to 41% growth for the area as a whole.

Table 5. Payroll at grant-awarded properties vs. overall

Metric	2018	2021	2024	Change
Grant Property Payroll	\$22.5M	\$29.1M	<b>\$35.7M</b>	<b>+59%</b>
Overall Area Payroll	\$249.2M	\$276.6M	\$350.2M	+41%
Grant Avg Pay/Employee	\$31,500	\$40,600	<b>\$41,500</b>	<b>+32%</b>

Average pay per employee at grant properties rose 32%, from approximately \$31,500 to \$41,500. This is relevant to Goal 2 of the Urban Renewal Plan, which specifically calls for creating “high quality family wage jobs.” The data indicates grant-funded properties are moving in that direction, though the average remains below median household income thresholds typically associated with “family wage” benchmarks.



## 5. SYNTHESIS: THE REINFORCING CYCLE

The three data streams – property values, tax revenue, and employment – do not operate independently. They form a reinforcing cycle that is the theoretical basis of urban renewal and, in La Grande’s case, is empirically observable:

- URA grant defrays investment risk → property owner completes larger improvement project than they would have undertaken alone.
- Completed project raises real market value → RMV improvements average 6x the grant amount.
- Higher property values generate additional tax revenue → the URA’s 7.5% annual tax revenue growth reflects this value creation.
- Improved property attracts/retains businesses → grant addresses added firms at 2x the area rate.
- More businesses employ more people at rising wages → employment grew 21%, payroll 59%.
- Employment and activity make adjacent properties more attractive → the cycle extends beyond individual parcels.

While some properties may have improved without assistance, the consistency of the pattern across all three dimensions, and the persistent outperformance of grant properties versus non-grant properties on every metric, constitutes strong evidence that the program is a material contributor to the outcomes observed.

### Alignment with Plan Goals

Table 6. Program outcomes mapped to Urban Renewal Plan goals

Plan Goal	Relevant Finding	Assessment
Goal 1: Revitalize Downtown	91 active firms at grant addresses; 6:1 RMV return; façade program improving streetscape	<b>Strong progress</b>
Goal 2: Family Wage Jobs	Avg pay/employee rose 32% to \$41,500; 148 net new jobs at grant properties	<b>Strong progress</b>
Goal 3: Retail Development	14% firm growth rate at grant addresses; multiple retail conversions	<b>Strong progress</b>



## 6. REMAINING OPPORTUNITY

The data in this report establishes that the Urban Renewal program is delivering measurable returns across property values, tax revenue, and employment. The path forward is not to expand indiscriminately, but to continue with disciplined, targeted investment – focusing resources on the remaining high-impact opportunities within the district that will generate the greatest long-term value

Within the Urban Renewal Area, 54.2 acres of Business Park land and 14.1 acres of Heavy Industrial land currently carry assessed values below \$100,000 per acre – well below productive thresholds. The Buildable Lands Inventory identifies additional small and medium parcels along Adams Street and Jefferson Street classified as redevelopable or vacant. These represent the highest-return targets for the Agency's remaining investment capacity.

This means aligning future URA investments with the City's broader fiscal strategy. Every grant and public project should be evaluated not only for its immediate impact on the recipient property, but for its contribution to the district's overall tax base, its effect on the attractiveness and environmental quality of the surrounding area, and its role in positioning the City for a strong transition when the Urban Renewal Area reaches sunset.

Beyond property values, the employment and wage data gives the City's economic development team a practical retention tool. When a local business is weighing whether to stay, expand, or relocate to a community offering better incentives or facilities, this data allows staff to have a specific, evidence-backed conversation: grant-funded properties in La Grande are adding jobs at three times the area rate, wages are growing faster than the market, and the URA has a demonstrated track record of turning modest public investment into meaningful private improvement. That is a competitive argument most small cities cannot make with data behind it.

The remaining life of the URA is a finite resource. The evidence shows that the investments made to date have created a reinforcing cycle of property improvement, business formation, and tax base growth. The opportunity now is to apply that same model – intentionally and strategically – to the underdeveloped parcels and corridors where the return on investment is highest, while building a district that is economically productive, visually appealing, and self-sustaining long after the plan retires.

### THE PATH FORWARD

The program's track record – a 6:1 property value multiplier, grant payback periods under 10 years, employment growth at 3x the market rate, and 7.5% annual tax revenue growth – provides a clear mandate for continued investment. The Agency will focus that investment on the remaining high-impact parcels in the district, maximize long-term value creation and environmental appeal, and position the City for a successful transition when the Urban Renewal Area sunsets.

## 7. DATA SOURCES & METHODOLOGY

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**Property values:** Union County Assessor real market value records, 2018 - 2025. Parcel-level improvement values tracked annually for all grant-awarded parcels.

**Tax revenue:** Oregon Department of Revenue tax lot records. Growth rates computed from total revenue within the URA boundary. Peer comparisons sourced from annual summary reports from Oregon Department of Revenue.

**Employment:** Oregon Employment Department Quarterly Census of Employment and Wages (QCEW), 2018–2024. Confidential employer-level records matched to grant addresses. 98 of 134 unique addresses matched. Unmatched addresses were primarily non-commercial sites or addresses without active employer filings.

**Grant records:** La Grande URA project ledger, Pre-FY 2009 - 10 through FY 2025 - 26. 199 individual awards covering CFP, Façade, Public Project, and Other categories.

**Limitations:** Correlation is not causation. Some properties may have improved absent grant assistance. Employment data captures all firms at a matched address, not only grant recipients.