

Housing as a tool in downtown development

Many of the towns that seek to revitalize are the victims of poor housing stock in the downtown. Poor housing stock in the downtown sometimes limits the options for revitalization. I have always looked at the downtown housing stock and occupancy as a barometer of how a town will do in their revitalization efforts.

In DuBois Pennsylvania, much of the downtown housing was vacant and some had great clear span expanses. We had adopted an arts and entertainment economic development strategy and thought better of housing on the top floors of the buildings. We worked with local artists to fill up the space.

DuBois was somewhat unique inasmuch as it had a lot of real nice housing immediately adjacent to the downtown. Some of the historic buildings were to die for. I thought the best course of action would be to go arrange for a grant program to give all the homeowners \$5000 to fix up their house. Being income limit free was the key. The housing stock was rejuvenated with more than 30 grants given to homeowners. People had new interest in the downtown housing. It was a big boom for the revitalization.

In Downingtown, I was able to secure someone to buy the O'Brien Machinery property and created 150 or so town homes. This development added people to the downtown and expanded the shopper base. I live in that community now and it is safe to say that I love the fact that I can walk to the downtown and spend time, shop, eat and generally hang out. The 20-acre brownfield next to the downtown was a perfect spot for downtown housing, immediately adjacent to the downtown it was an abandoned PCB ridden factory.

Recently I took over a project in Phoenixville, which will provide additional housing in the downtown area. The project will provide for an additional 275 housing units in the downtown. This project will be part of a mixed-use effort that will provide many more customers to the downtown arts and entertainment district.

The more people in the downtown district the better. When you think about how a downtown became a downtown, it was through the concentration of mixed uses that enabled critical mass. Through the years, the critical mass in many downtowns diminished with the development of the strip malls and suburban housing. A lack of critical mass led to loss of market share for the downtowns and eventually the decline of many downtowns.

In an effort to bring the downtowns back many communities put forth a renewed effort to secure additional retail for the downtown. Many times that effort is separated from development of new and improved housing in the general downtown area. The development of housing is often a different professional discipline for the duties normally assigned to the person working on the retail development. Although this is not problematic, it often leads to a lack of coordination.

The theory is that "the more people located close to the downtown the better". People can stroll out of their door and utilize the goods and services offered in the downtown

commercial district. In many cases strip malls are developed and located near housing developments as a method of providing goods and services to those in those developments.

So why is it necessary to provide housing to the downtown that has existing housing stock? That is kind of a sensitive question with many politically correctness ramifications. I will try to be gentle, in most cases the housing in the downtown is similar to the commercial space, it is in need of revitalization/rejuvenation. When housing no longer becomes relevant to the regional marketplace, the rents that are charged are somewhat lower than the average. This changes the customer base strolling out the door to shop for goods and services. That customer is not as affluent and has less disposable income to spend.

This points to a fundamental issue of how the revitalization happens. Who are you revitalizing the district for? Who will be the beneficiary? Is downtown to be developed to service some mythical demographic that in all reality may not be the demographic that is living in the downtown. If you want to upgrade the retail and commercial space, a downtown may look to market on a regional level rather to the immediate population of the downtown. Sometimes this leads to problems when you have people utilizing cars coming to the downtown and taking parking away from the locals. It also could work in a good way where people think it is chic to go to someplace that is a little out of their comfort zone.

There is another factor in the housing equation as it relates to the buildings downtown. In many cases, there is a need to improve the retail by rehabilitating the whole building. This will include rehabilitating the housing that is on the second floors of the retail and commercial businesses in the downtown. This causes displacement in the housing marketplace and many times dislodges people who have lived in the downtown for decades. There is a social cost to this relocation.

In many cases, there is an option of an adaptive reuse of a building or vacant land that can be built upon to augment existing housing stock. If there is that kind of opportunity to supply bulk number of housing units, it will lessen the impact on the indigenous resident population. In Downingtown, I was able to add 150 units and from what it seems I will be able to add 275 units in Phoenixville. Although this may have an impact of the existing units, it will not have the same affect because the appreciation will be more gradual.

Revitalization committees should be on the look out for opportunities to bring the customers closer and not rule out getting away from their comfort zone in doing so.