



# GUIDE TO DOWNTOWN HOUSING



## ABOUT THE SOLUTION CENTER

The Main Street Solution Center is a free access portal to resources for communities and organizations working to revitalize and strengthen their local economies. The Solution Center's curated resources are designed to help guide and inspire local leaders and advocates as they navigate the complexities of downtown and neighborhood business district revitalization and economic growth.

## ABOUT THE PARTNERSHIP

This Main Street Solution Center publication was underwritten by Michigan Main Street and Main Street Iowa. Their generous support demonstrates a shared vision and ongoing commitment to freely share knowledge, experience, tools, and best practices to fuel revitalization and economic growth in their own communities, and in locales spanning the nation.



## ABOUT THE CREATORS

**Leigh Young, AICP** is Senior Main Street Specialist with Michigan Main Street and a driving force behind the creation of the Main Street Solution Center. Her deep passion for planning, placemaking, community engagement, and sustainable urban development is evident in her work to advance the cause for revitalization and economic development in downtown and neighborhood business districts across Michigan.

**Jay Schlinsog, CMSM** is the owner of Downtown Professionals Network (DPN), a Franklin, TN-based firm specializing in innovative, market-driven downtown and business district revitalization and economic development solutions. He brings more than thirty years of experience gained while serving as chief executive with chamber and district management organizations, and through his work with communities and organizations across the United States.

**Ben Muldrow** is a partner at Arnett Muldrow & Associates, a consultancy renowned for its creative approach to economic development, branding, and marketing strategies for small towns and cities across the nation. He brings an innovative mindset and a deep understanding of the unique dynamics of community branding to each engagement, blending traditional community values with modern marketing techniques to help communities and districts unlock their potential.

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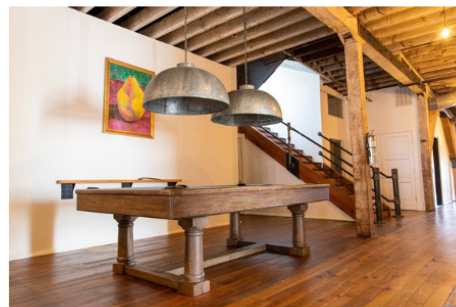
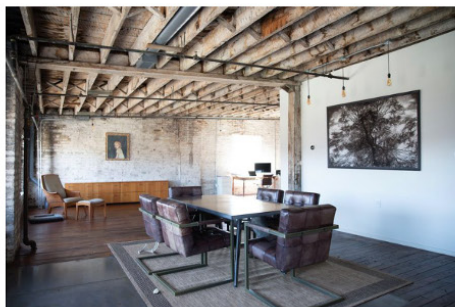
# THE IMPORTANCE OF HOUSING DOWNTOWN

Some of the very best opportunities for development and investment in many downtown and neighborhood commercial districts are often found in the upper levels and behind the storefronts of existing buildings, and on underutilized or vacant sites within and surrounding districts. The benefits of downtown housing are many and extend beyond the sites themselves by:

- Filling gaps in the community's housing inventory, including affordable and choice community housing options and styles
- Fueling efforts to create an active, vibrant downtown or neighborhood business district that includes not only commercial tenants, workers, shoppers, and visitors, but permanent residents
- Bolstering the “live here” convenience-oriented markets for district retail establishments, eating and drinking places, service providers, amenities, and other desirable uses
- Supporting community-wide efforts to attract and retain a qualified workforce, including those working at enterprises within and surrounding the district
- Placing more eyes and ears on the street – more people vested in the district and observing and participating in activities – to enhance public safety, nightlife, and the district's afterhours economy
- Supporting sustainable development initiatives, including building recycling (redevelopment) and alternative modes of transportation
- Leveraging past investments in the district's existing infrastructure and built environment
- Increasing property values and offering new or enhanced revenue streams for property owners and investors
- Enhancing or even driving the feasibility of downtown development and redevelopment projects, including mixed use development within the core, and attached housing styles (e.g. rowhomes, townhomes, etc.) often targeted for appropriate sites on a district's periphery or in surrounding neighborhoods

Opportunities to introduce or intensify residential uses in downtown and neighborhood commercial districts could be prime as many smaller communities search for solutions to meet housing shortages and diverse housing demands, and as property owners and investors in some others – most often larger cities – contemplate options for an abundance of unoccupied office space left in the wake of the COVID-19 pandemic.



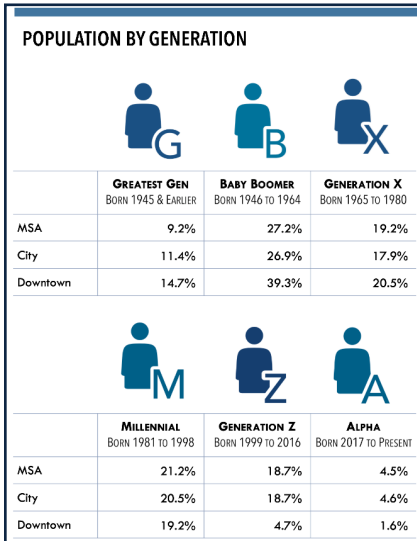


Following are examples of strategies, tools, and resources to get started or ramp-up housing development efforts, and to help bring the benefits of “home” home to your district.

- **Take stock.** Create and maintain an inventory of existing residential units and related data, including occupancy rates, size ranges, amenities, per square foot rent and purchase price points, etc. Share appropriate information with district property owners and prospective developers and investors, and track changes in supply, absorption rates, and economic impacts.
- **Talk benefits.** Lead the discussion in your community on the benefits of housing in downtown and neighborhood commercial districts. Target the discussion to stakeholders and potential partners, including local government officials and staff, community betterment and housing organizations, major employers, district property owners, prospective investors and developers, financial institutions, real estate professionals, and potential tenants.
- **Plan for housing.** Gaining the help and buy-in of local government and building officials is a critical step. Working with building officials and “making the numbers work” on historic and older properties can be particularly challenging and is often cited as the primary barrier to accomplishing district housing goals. Begin by identifying shared interests and benefits (see “talk benefits,” above) as a common platform for working toward solutions. Then:
  - Facilitate a discussion or meeting with local property owners to understand goals for their properties and challenges related to rear storefront and upper level housing development and/or infill development. Identify possible resources and solutions to help fuel the development process.
  - Review zoning ordinances, land use plans, building codes, inspection and permitting processes, and other regulatory documents and procedures to ensure desired and appropriate residential uses and density are permitted, and even promoted, in the district and surrounding area. For some, this might also include a discussion around the possible adoption or current application of [Chapter 12 of the International Existing Building Code](#), which includes some exceptions from code requirements when the building has historic value.
  - Gather case studies or accompany local government and building officials on visits to tour properties and meet with officials, property owners, and developers in peer communities that are successfully overcoming barriers and advancing district housing development goals.
  - Work together to outline or map, in a concise, user-friendly step-by-step or infographic format, key steps in the development process. Include a list with capsule descriptions of housing development resources and incentives, and contact information for involved departments or personnel.
  - Follow and document the progress of projects, and gather feedback from the involved parties in a continuing effort to evaluate and fine-tune the local development process, and to create a library of local case studies, sample proformas, and success stories.



- **Assemble market data.** Gather and track demographic and housing data from secondary sources, like the U.S. Census Bureau, Esri and others, that help build the case for district housing styles and options aligning with current market trends. Consider augmenting the data with local survey findings to gauge demand, profile potential tenants, identify popular housing styles and features appropriate to the district, measure impacts, and track sentiment among current district residents toward the district as a place to live.



### Preferred Amenities | TOP 5 SHOWN

Buyers With or without a mortgage	Renters And buy/rent undecided
- Pets allowed	- Pets allowed
- Laundry appliances in unit	- Laundry appliances in unit
- Patio or balcony	- Patio or balcony
- Lawn or courtyard space	- Off-street parking
- Off-street parking	- Availability of high-speed Internet

### Which of the following aspects are most important to you when choosing a place to live?

Responses   Top 5 Shown	Interested in living downtown
Safety of neighborhood	56.1%
Reasonable or low cost of housing	48.8%
Value for the size of home (cost per square foot)	36.3%
Walkable neighborhoods with good sidewalks	34.8%
Close to grocery store or food market	34.3%

### IS DOWNTOWN A GOOD PLACE TO LIVE?

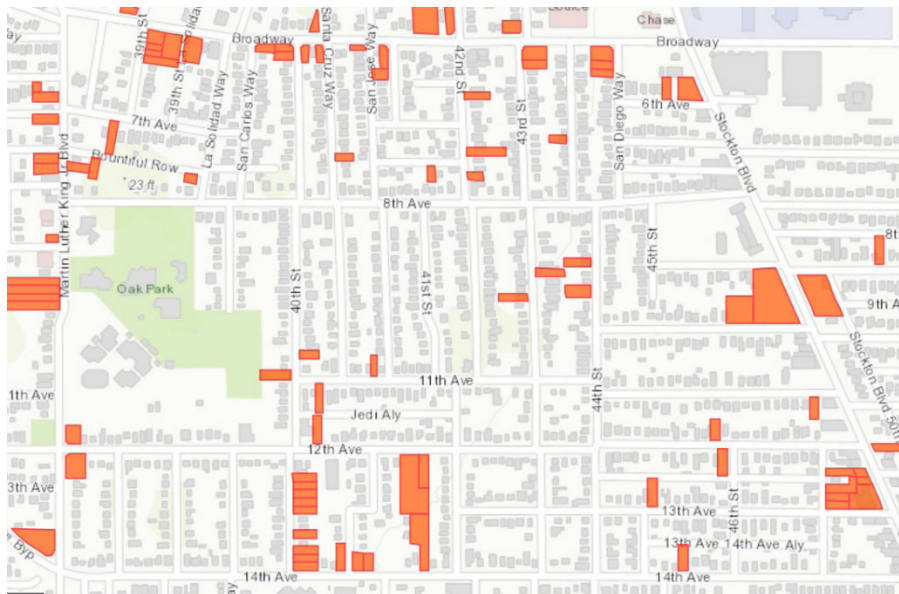
# SEVENTY-FIVE PERCENT

Of current downtown area residents are **very or somewhat likely to recommend** the area to friends and family as a good place to live.

**Q: How likely are you to recommend Downtown Everett and its nearby neighborhoods to friends and family as a good place to live?**

Very likely	35.8%
Somewhat likely	38.8%
Neither likely nor unlikely	9.2%
Somewhat unlikely	10.6%
Very unlikely	1.1%

- **Map opportunities.** Identify and map potential district housing opportunities in existing structures and at redevelopment sites. Use case studies, precedent images, or commissioned sketches to convey ideas and to help promote housing development and investment opportunities.



Through its Vacant Lot Program, the City of Sacramento, CA provides a map that identifies underutilized and vacant sites for housing that could be available for development.



□ **Promote resources.** Research and promote federal and state housing development funding sources and technical assistance, and work with local government, community betterment and housing partner organizations, financial institutions, and other stakeholders to develop local district housing incentives and resources. The types of incentives offered can vary broadly from state to state and community to community. Main Street America’s publication, “[At Home on Main Street: A Housing Guidebook for Local Leaders](#),” lists and discusses the biggest strengths and biggest challenges for different sources and types of funding like:

- Community Development Block Grant (CDBG)
- Federal Historic Rehabilitation Tax Credit (HTC)
- HOPE VI Main Street Grant
- Low-Income Housing Tax Credit (LIHTC)
- New Market Tax Credits (NMTC)
- Opportunity Zones
- Paul Bruhn Revitalization Grant
- Pre-Development Funding
- Program Related Investments (PRIS)
- Revolving Loan Funds
- Tax Increment Financing

## Development Guide

### Rock Island Economic Growth

Big Dreams, Bold Ideas & Brave Decisions

This Development Guide showcases the programs and developments undertaken by Rock Island Economic Growth Corporation (GROWTH) - a nonprofit community development organization. The developments featured in this guide have been instrumental in creating a Rock Solid, Rock Island.

GROWTH is regarded as a local and national leader in developing innovative and attainable housing opportunities. GROWTH has secured a positive reputation for its ability to convene and facilitate work among diverse community partners.

With 150 years of combined staff experience, GROWTH primarily serves the Rock Island community through employer assisted homebuyer programs, homebuyer purchase and renovation programs, homebuyer counseling, new infill construction, adaptive reuse projects including downtown loft housing, and multifamily developments.

For three decades, GROWTH has been working to advance Rock Island. With strong partnerships and acquiring millions of dollars in resources, GROWTH has assisted with the purchase, rehabilitation and sale of more than 1,000 homes and created 189 multifamily residential units.

In addition to serving Rock Island, GROWTH leads the Northwestern Illinois Housing Coalition—a regional coalition that includes six municipalities and three nonprofit organizations.



**ROCK ISLAND  
A COME-BACK STORY**

The Rock Island community was gravely affected by the collapse of the farm implementation industry during the 1980’s, losing 20% of its population base.

GROWTH has served as a catalyst to spur the commitment and investment of public and private partners. By leveraging more than \$100 million in local investment, GROWTH has earned a reputation as a trendsetter in implementing cutting edge housing programs.

This development guide showcases the programs and development efforts of GROWTH since 2000.

The developments and programs showcased have re-built buildings, re-established neighborhoods, and re-connected the Rock Island community.

Hundreds of jobs have been created due to these efforts, businesses have returned, and homebuyers have relocated to call Rock Island their home, sweet home.



The [Development Guide](#) from Rock Island (IL) Economic Growth Corporation showcases the programs and developments undertaken by the nonprofit community development organization, including funding sources used on a variety of downtown area housing and mixed use projects.

□ **Promote livability.** Examples of activities to promote the downtown or district as a choice place to live include:

- Designing a campaign using social media, window treatments, and other media that captures images and uses testimonials promoting housing options and the downtown resident experience.
- Creating a section or page on your website for the campaign, and working with local property representatives to showcase available housing styles and options.
- Hosting downtown housing tours or open house events to showcase and promote living options, ideally including existing units, projects in various stages of rehabilitation, and potential/unimproved housing opportunities.



The Downtown Lynchburg Loft Tour will be held on **Saturday, April 29** from **10am-4pm**. Take this opportunity to explore the unique and historic living spaces in the heart of our city. **These lofts offer a glimpse into the rich history of Lynchburg while showcasing the modern and stylish amenities that make them the perfect home for urban dwellers.** Join us on this self-guided tour of some of the most beautiful and eclectic lofts in the city, each with its own distinctive character and charm. This event is hosted by Downtown Lynchburg Association with \$5 of every ticket sold benefitting the Free Clinic of Central Virginia.

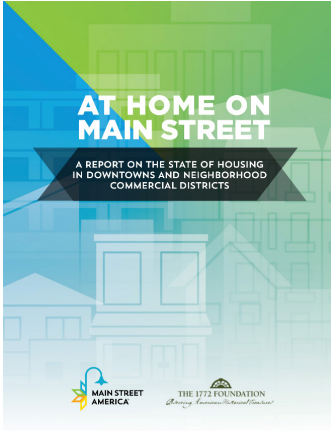


#### OUR 2023 FEATURED LOFTS



## ADDITIONAL RESOURCES

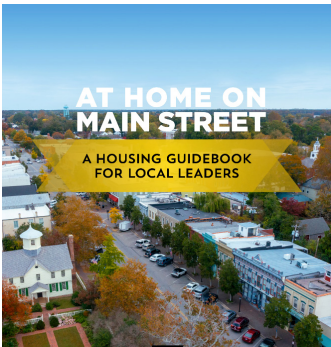
With the generous support of the 1772 Foundation, Main Street America's Research team launched the "At Home on Main Street" project in Spring 2022, a four-part housing research initiative that aims to provide action-oriented recommendations and support the network in strengthening Main Streets through thoughtful housing development.



### [At Home on Main Street: A Report on the State of Housing in Downtown and Neighborhood Commercial Districts](https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource_Center/Home_on_Main_Street.pdf) from Main Street America

[https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource\\_Center/Home\\_on\\_Main\\_Street.pdf](https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource_Center/Home_on_Main_Street.pdf)

The publication provides a data-centric report on the state of housing in Main Street districts. The report includes insights from Main Street leaders and Main Street-oriented housing developers who recently participated in a virtual convening on this topic. It also includes analysis of brand-new census data focused on housing density, vacancy, age, cost, and more.



### [At Home on Main Street: A Housing Guidebook for Local Leaders](https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource_Center/A_Housing_Guidebook_for_Local_Leaders_f.pdf) from Main Street America

[https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource\\_Center/A\\_Housing\\_Guidebook\\_for\\_Local\\_Leaders\\_f.pdf](https://higherlogicdownload.s3.amazonaws.com/NMSC/390e0055-2395-4d3b-af60-81b53974430d/UploadedImages/Resource_Center/A_Housing_Guidebook_for_Local_Leaders_f.pdf)

The Guidebook is a practical and easily digestible report containing practical recommendations for identifying housing opportunities, keeping inventory of buildings and vacant spaces, making sense of housing finance, understanding the common code and regulatory challenges encountered with housing development and vacant space activation, and more. The Guidebook incorporates the stories and expertise of Main Street Coordinators, local directors, and partners who have experience with housing and is intended for an audience of beginners who have limited experience in housing development.

### [2021 International Existing Building Code \(IEBC\), Chapter 12 – Historic Buildings](https://codes.iccsafe.org/content/IEBC2021P2/chapter-12-historic-buildings)

<https://codes.iccsafe.org/content/IEBC2021P2/chapter-12-historic-buildings>

### [Upper-floor Housing on Main Street](https://wedc.org/blog/upper-floor-housing-on-main-street/) by Joe Lawniczak, Wisconsin Main Street

<https://wedc.org/blog/upper-floor-housing-on-main-street/>

### [Development Guide](https://www.economicgrowthcorporation.com/uploads/2/4/3/9/24390089/tour_guide_compressed.pdf) from Rock Island (IL) Economic Growth Corporation

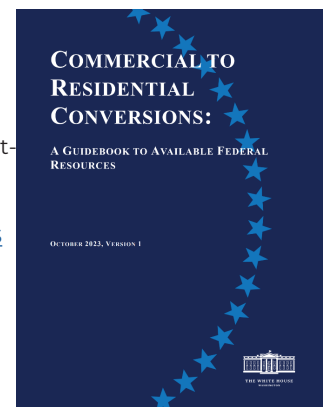
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### [8 Things Your Town Can Do to Add More Housing \(Without Spending a Dime\)](https://www.strongtowns.org/journal/2019/2/27/8-things-your-town-can-do-to-add-more-housing-without-spending-a-dime) from Strong Towns

<https://www.strongtowns.org/journal/2019/2/27/8-things-your-town-can-do-to-add-more-housing-without-spending-a-dime>

### [Commercial to Residential Conversions: A Guidebook to Available Federal Resources](https://www.whitehouse.gov/wp-content/uploads/2023/10/Commercial-to-Residential-Conversions-Guidebook.pdf) from The White House, Washington, DC

<https://www.whitehouse.gov/wp-content/uploads/2023/10/Commercial-to-Residential-Conversions-Guidebook.pdf>





**Step-By-Step Guide to Developing Housing**  
Follow this step-by-step guide to navigate the major steps of moving through the housing development and building process. Learn more here.

Why | Incentives | How | Contact Us

Home > Community Development > Planning > Housing > Housing Development Toolkit

**WELCOME TO THE CITY OF SACRAMENTO'S HOUSING DEVELOPMENT TOOLKIT**

The Housing Development Toolkit provides resources on converting vacant and underutilized properties into housing. The toolkit is a one-stop resource for the public, developers, property owners, and City of Sacramento staff regarding incentives, processes, and procedures to develop housing.

On this website, you'll learn about the various types of incentives available to develop housing, a step-by-step guide to develop housing, and an overview of why the City is prioritizing housing development on vacant and underutilized properties through this toolkit.

**HOUSING DEVELOPMENT INCENTIVES**



There are many incentives available to develop housing. This section lays out the financial and approval process incentives to developing housing.

**WHAT DOES IT MEAN FOR A SITE TO BE "UNDERUTILIZED"?**

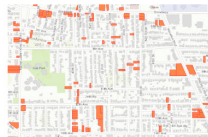
Underutilized sites are non-vacant sites that have structures or other site improvements but are capable of being redeveloped with residential uses at a higher density under the zoning and General Plan land use designations. Examples include sites with vacant or abandoned buildings, surface parking lots in the Central City, and large sites that are only partially-developed.

**STEP BY STEP GUIDE TO DEVELOP HOUSING**



Follow this step-by-step guide to navigate the major steps of moving through the housing development and building process.

**FIND UNDERUTILIZED AND VACANT SITES FOR HOUSING**



Through the Vacant Lot Program, the City provides a map that identifies vacant properties in Sacramento that could be available for development.

**STEP-BY-STEP GUIDE TO PLANNING YOUR HOUSING PROJECT**

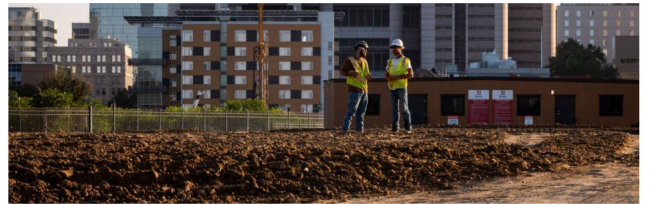


This is a step-by-step guide to planning and understanding the development process of developing a housing project. After these 5 steps, you can move to the [construction and inspection step-by-step guide](#).

Each step provides a description of the step and action items to complete that step.

- ▶ Step 1: Determine What Types Of Housing Are Allowed
- ▶ Step 2: Determine Physical Dimensions
- ▶ Step 3: Determine Development Regulations
- ▶ Step 4: Planning Application Submittal

**STEP-BY-STEP GUIDE TO CONSTRUCT YOUR HOUSING PROJECT**



This step-by-step guide continues after Planning approves the project. These last three steps involve construction and inspection activities before residents can move in.

- ▶ Step 5: Building Permit Submittal
- ▶ Step 6: Construction and Inspections
- ▶ Step 7: Occupancy and Maintenance

[City of Sacramento \(CA\) Housing Development Toolkit](#)

The City of Sacramento's Housing Development Toolkit provides resources on converting vacant and underutilized properties into housing. The toolkit is a one-stop resource for the public, developers, property owners, and City of Sacramento staff regarding incentives, processes, and procedures to develop housing. Online toolkit users can learn about the various types of incentives available to develop housing and have access to a step-by-step guide to develop housing, and an overview of why the City of Sacramento is prioritizing housing development on vacant and underutilized properties.

[Downtown Fort Wayne Housing Guide](#) from Fort Wayne (IN) Downtown Improvement District

[Downtown Living Guide](#) from Downtown Lincoln (NE) Association





