Downtown Alive: Addressing Three Key Barriers to Redevelopment in Small Downtowns
Conference Presentation
12 March 2015
Agenda

Downtown Residential
1. Overview: Why is Housing Needed?
2. Barriers
3. Case Studies
Why is Housing Needed?
Why is Housing Needed?

- Rooftops support retail!
- Don’t forget about office: Overall jobs/housing balance in the community...and in downtown
- They all need to be in downtown
Why is Housing Needed?

- Keeps from building on virgin land – in Colorado – the great outdoors that we value so much!
- Services more concentrated (to provide services for small communities)
- Keep dollars in local economy
- If have lower tourism dollars, need DT residents to keep the lights on/the doors open
- Reduce Vehicle Miles Travelled (VMT) / Emissions
- Reduce childhood obesity...kids can walk to school safely again!
Why is Housing Needed?

It’s pretty basic

- It is a critical cog in the economic engine of downtowns
  - Increase property values
  - Increase sales tax revenue
  - Keep it local!
- Support a socially and psychologically healthy heart to a city and a region
- Without housing downtowns are dead on weekends and in the evening
- Helps maintain vibrant places for people
Barriers
Barriers

1. Regulatory
2. Leadership/Political Will
3. Perception of “Density”
4. Perception that folks won’t want to live near commercial!
Barriers

- Regulatory
  - Zoning must permit housing in Downtown
  - Zoning must permit mixed use
    - e.g. residential over retail—exactly how the older main street buildings were originally utilized!
  - Be flexible – historic hotel converted to apartments or condos
Barriers

- Leadership/Political Will
  - Have a plan
  - Have to agree to focus energy on downtown and immediate neighborhoods
- Incentivize development
  - Expedited approval process
  - Reduced application fees
  - Low Interest loans
  - Joint development
  - TIF
Barriers

- Perception of Density
  - Need Variety:
    - Single Family homes
    - Rowhomes/Townhomes
    - Condominiums
    - Apartments
    - Senior...in all of the above
# Typical Densities

<table>
<thead>
<tr>
<th>Single Family Detached Housing</th>
<th>SFA – Rowhomes / Townhomes</th>
<th>Apartments / Condos / Senior</th>
</tr>
</thead>
<tbody>
<tr>
<td>► 7-8 DU/AC (dwelling unit per acre)</td>
<td>► 12-24 DU/AC</td>
<td>► 25-35 DU/AC</td>
</tr>
<tr>
<td>► 3,125-6,250 sf lots</td>
<td>► 1,250 - 3,125 sf lots</td>
<td>► 2-4 stories</td>
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<td></td>
<td></td>
<td>► Often primarily surface parked, may be some tuck under parking</td>
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</tbody>
</table>
Barriers

- Perception that folks won’t want to live in DT
Case Studies
Case Study: East Chicago DT

East Chicago, Indiana

- Existing Context:
  - Population: 29,200
  - Median HH income, 2008-2012: $27,171
  - Persons below poverty level, 2008-2012: 36.5%

- Downtown Buildings: Vary from 1-4 story in height

- Project:
  - Infill Townhomes
Case Study: East Chicago DT

East Chicago, Indiana

- Project: Infill Townhomes
  - Number of units: 125
  - Density: 18 du/acre
  - Number of stories: 2-3
  - Rents: $300-900/month
  - Mostly 2-3 bedroom, no 1, some 4
Case Study: East Chicago DT

Making it Happen

- Began in 2006
- Regulatory Change: No, utilized existing zoning
- Partners:
  - The Community Builders
  - Hispanic Housing Development Corp.
  - Regional Development Agency (RDA)
  - City of East Chicago
- Money?!
  - 2009 tax credits for TH
  - RDA – riverboat gambling money
  - HUD – creative agreements
  - Neighborhood Stabilization Program (NSP) funds (to City and TCB)
Case Study: Gateway Station

Golden, Colorado (#1-Gateway Station)

• Existing Context:
  • Population: 19,300
  • Median HH income, 2009-2013: $57,800
  • Persons below poverty level, 2009-2013: 15.5%

• Downtown Buildings: Vary from 1-5 stories in height

• Project:
  • Infill Condominiums/MU
  • “Gateway Station”
Case Study: Gateway Station

Golden, Colorado

- Project: Infill Condominiums/Mixed Use
  - Number of residential units: 35
  - Retail: 15,000 sf
  - Density: ~70 du/acre
  - Number of stories: 5
  - Price Point: $400k-$1M/unit
  - Mix of 1-3 bedroom units
Case Study: Gateway Station

Making it Happen

- Began in 2005; CO in 2008; fully-leased and sold in 2013
- Regulatory Change: Replatted and zoned as PUD
- Partners:
  - Developer: NexCore Group
  - Builder: Neenan
- Money!
  - Mix of private equity, debt, charitable loan, GURA TIF financing, US EPA grant, CDPHE Revolving loan
Case Study: Millstone

Golden, Colorado (#2-Millstone)

- Project: Infill Condos
  - Number of units: 78 in three buildings
  - Density: 43 du/acre
  - Number of stories: 3 over parking
  - Price Point: $400,000-$600,000
  - Mix of 1, 2, 3 bedrooms
Case Study: Millstone

Making it Happen


- Regulatory Change: Developer created a PUD to get extra height – C-2 max. -50’, needed 57’

- Partners:
  - Developer: oh about 3: bankruptcies, lawsuits, construction defect litigation, etc. – units still sold for cash

- Money?!
  - GURA purchased land then donated to developer
  - Private equity and debt
Contact

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