

Economic Revitalization Post-Disaster



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

Group discussion

How many of you are dealing with these issues? What are you doing to address these issues?

- Chronic vacancy in certain locations
- Lacking infrastructure affecting business areas
- High unemployment in certain areas
- Lack of funding for revitalization
- Out-migration of young people





From 2000 to 2010, the total number of vacant housing units in the U.S. grew by over 4.5 million, an increase of 44%

Vacant, abandoned properties are linked to increased crime (particularly arson) and declining property values.

Maintenance or demolition of vacant properties is a huge expense for many communities.





Vacancy & Blight

Complex causes:

- Owner leaves and can't find a buyer
 - Population decline due to local business or industry losses
 - Foreclosure
 - Obsolescence of building
 - Manmade or natural disaster – rapid or widespread loss
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- Left alone, a problem can grow rapidly and it affects businesses around it
 - Properties located within 500 feet of vacant buildings lose as much as 8.7% in value, according to HUD





A holistic approach is
required



Revitalization Process

- Leading community or neighborhood for change
- Assessing neighborhood needs
- Developing a shared vision
- Putting together a revitalization plan
- Identifying champions to drive improvements
- Mobilizing resources





Challenges



- Difficulty in seeing revitalization potential
- Small neighborhood businesses hit hard
- Divisive social lines or underlying issues
- Worsening of poor pre-disaster conditions
- Lack of capacity
- Neighborhood-oriented commercial activity overlooked



Opportunities

- Chance to re-group, re-connect, re-focus
- Ability to leverage prior distressed status for resources and services
- Opportunity to build back better



Opportunities

- Rehabilitate or repurpose existing assets for new purposes
- Improve quality of life for existing residents and adjacent neighborhoods
- Establishing commercial uses for vacant property helps reclaim problem areas and plant seeds for local economic growth





Roles and Responsibilities



Roles and Responsibilities

Successful neighborhood revitalization takes your leadership

- Driver of redevelopment
- Inspire and motivate stakeholders
- Organize resources
- Support strategies for revitalization
- Appoint local volunteers to expand your capability to get things done



Roles and Responsibilities

Residents and business owners

- Participate in organizations
- Provide input for planning efforts
- Provide volunteer resources



Mobilizing for Change

**Identify
Relevant
Stakeholders**

**Identify a
Revitalization
Champion(s)**

**Gather
Residents to
Spur Interest
and Educate**





Developing a Vision for Revitalization



Developing a Vision for Revitalization

- Sustainability and success depends on engagement
- Engagement can awaken authentic desire for change from the community
- Jump-start the process with an inclusive gathering
 - e.g. charrettes or activities that get attendees identifying issues, recognize progress



Case Study: Cedar Rapids, Iowa

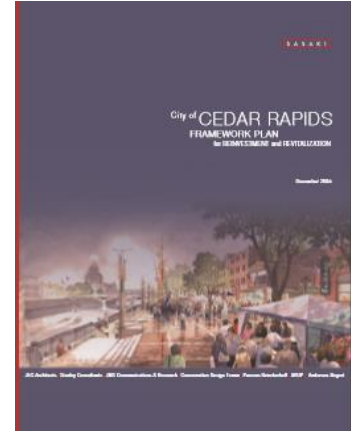
- June 2008: Cedar Rapids experiences one of the worst floods in U.S. history.
- More than 700 impacted businesses, estimated flood recovery needs of as much as \$1.5 billion in region.
- Across Cedar Rapids, 602 businesses reported losses in the sum of \$210 million.
- 50 of the 54 blocks of downtown were flooded, affecting 923 businesses



Case Study: Cedar Rapids, Iowa

The planning process responded to these questions:

- What are the flood protection/mitigation options and what impact do they have on the city?
- What is the long-term framework for business reinvestment and revitalization of cedar Rapids?
- How can the flood mitigation process be used to improve the city's connectivity, sustainability, and overall well-being?
- What new housing options can be made available for people who will not be able to return to their homes and neighborhoods?





Assessing Revitalization Needs



Assessing Neighborhood Revitalization Needs

Business and Community Surveys

- Great way to gather needs and current issues
- Provide qualitative and quantitative information
- Information collected can be used to:
 - Formulate issues
 - Gather ideas for redevelopment
 - Gauge what is valued in the neighborhood



Assessing Revitalization Needs

Information to gather:

- Estimates of property and equipment damage
- Economic activity loss
- Workforce disruption and loss
- Utility disruption
- Loss of suppliers
- Loss of customers
- Financial and technical assistance needs



Tools for assessment

Survey methods

- Large group meeting with businesses
- One-on-one meeting with business owners or managers
- Neighborhood gatherings or meetings
- Neighborhood asset mapping



Assessing Neighborhood Revitalization Needs



Asset Mapping

- Shows assets of the neighborhood and highlights interconnections among them
- Doesn't have to be very detailed
- Assets are not only physical
 - e.g. relationships, cultural mapping, and human capital



Organizations to Assist With Revitalization

Redevelopment/Revitalization Taskforce

- Group of key neighborhood and community stakeholders
- Pool financial and human resources
 - Take advantage of existing resources
 - Can be community clubs, organizations, personnel from a nearby military base
- Scope of the task force varies - can oversee redevelopment or bring neighborhood needs to city level



Organizations to Assist With Revitalization

Community Development Corporations (CDCs)

- Do not have standard service – flexible to address needs
- Advocates for neighborhoods
- Resource: <http://www.useful-community-development.org/start-a-community-development-corporation.html>



Organizations to Assist With Revitalization

Roles of a CDC

- Providing leadership to stimulate the development process within the community
- Packaging public and private financing
- Investing in development projects
- Developing and managing development projects
- Providing technical assistance
- Assisting in directing city investments



Tools & Strategies for Revitalization

- Business improvement districts (BID)
- Revolving loan funds (RLF)
- Strategic use of incentives
- National Main Street Programs
- Grassroots / volunteer campaigns
- Art centers as a catalyst for revitalization



Organizations to Assist With Revitalization

Main Street Program and Business Improvement Districts

- Focus resources on a specific area
- Comprehensive strategy that addresses challenges for traditional commercial districts
- Does not only apply to downtown's main streets
- Leverages local assets to revitalize districts
- BIDs often incorporate maintenance, safety and marketing



Organizations to Assist With Revitalization

Funding for Main Street Programs

- Budgets vary according to:
 - size of the commercial district
 - local priorities and resources
 - regional variations in salaries
- Program budgets can range from \$45,000 to \$100,000 annually
- Financial support comes from local entities that have a stake in commercial area

<http://www.preservationnation.org/main-street/>



Revitalization Opportunity Areas

Improving Infrastructure

- Distressed neighborhoods *pre-disaster* often face issues with infrastructure
- Improved infrastructure should be aligned with redevelopment vision
- Post-disaster, local leaders and economic development professionals should identify revitalization funds or grants



Examples of Building Back Better

Examples:

- Rebuilding damaged bridges so that they include wider access to make a business district more marketable
- Implementing long-desired street redesign when water and sewer lines are replaced downtown
- Planning a new parking garage in a damaged area to accommodate denser future development



Case Study: West Liberty, Kentucky

- **City organizes to build back better after harsh tornado hits.**
- Twofold approach: individual empowerment along with rebuilding a new bank, housing, and a health and wellness center.
- Aided by approximately \$30 million in private money.



<http://www.dailyyonder.com/roundup-rebuilding-west-liberty/2015/03/04/7754/>



Sparking Retail

- Shop Local Campaigns
- Farmers Markets
- Popups
- Special Events



Case Study— Lancaster, CA



Local Economic Stimulus Programs

Persons Spending \$300 or More Within The City Can Receive a \$30 Gift Card

“We’ve designed the Shop and Dine program to keep funds circulating within our city. The gift cards can only be spent at Lancaster businesses, and studies have shown that people will typically spend 140% the value of a gift card. Our local merchants are excited about the program,” said Lancaster City Manager Mark V. Bozigian.



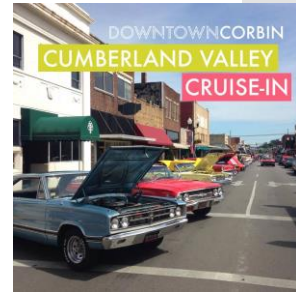
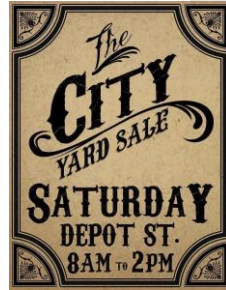
Case Study— Corbin, KY

2012:Downtown Corbin recorded a 37% vacancy rate.

May 2015: 10 new businesses have opened in Corbin with only three vacant spots remaining.

Strategies:

- 25 mile radius for customers
- Downtown season: April – November
- City Yard Sale
- Contests and special events to drive traffic
- Focusing on filling storefronts, not facades.



Case Study – REVOLVE Detroit

- REVOLVE is a collaborative program of the Detroit Economic Growth Corporation (DEGC) that partners with local leaders, building owners, entrepreneurs, and artists
- Activate vacant storefronts with transformational businesses and art installations.





Case Study – REVOLVE Detroit

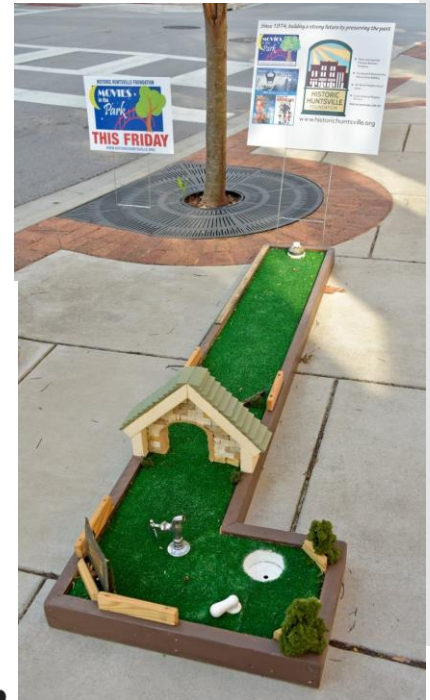
REVOLVE uses “pop-ups” as a catalyst to accomplish objectives:

- recruit and grow permanent tenants
- spark public and private investment
- change the image and experience of neighborhood business districts.



Creating Events to Attract People

- Huntsville, AL “Downtown Open: Pop-Up Putt Putt Experience”
- Bay St. Louis, MS “Bridgefest”
- Gaston, NC “Cash Mob”
- Pacific Grove, CA “First Friday”



Revitalization Opportunity Areas

Incentive Zoning and Permitting

- Work with local businesses and the city to ease the permitting process
- Address current zoning that may be detrimental to redevelopment
- New designations can improve commercial streets with little business activity
 - Example – Feret St, New Orleans – overlay as “arts and culture district” to ease permitting – 20 new biz’s opened 2008-2012



Art Centers as a Catalyst for Revitalization



*Glasstown Arts Center,
Milleville
Cumberland County, NJ
One of the poorest towns is
experiencing revitalization in
its arts district*

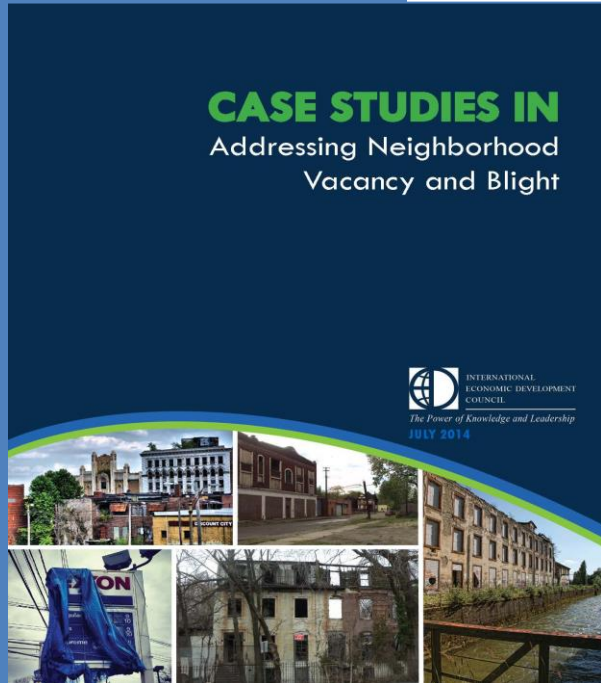


Torpedo Factory Art Center, Alexandria, VA

A surplus federal building became a landmark attraction and special event space – attracts \$16M annual economic benefit



More Resources



6 Case Studies in Vacancy and Blight

- In July 2014 IEDC launched a publication highlighting case studies from across the country

<http://restoreyoureconomy.org/case-studies-addressing-neighborhood-vacancy-and-blight>





Additional Resources

Rural Community Downtown Revitalization -
<https://ric.nal.usda.gov/downtown-revitalization>

Thoughts on the Economic Revitalization of
Small Town Downtowns -Econ Dev Journal -
<http://goo.gl/JfRcKl>



Final Thoughts:

How to Drive Revitalization

- Listen to your community – 2-way dialogue
- Create a better vision
- Supportive policy environment
- Leverage resources - grants, public-private support
- Secure, safe environment
- Use a variety of tools
- Product development: maximize existing assets
- Enlist community support – appoint future leaders
- Persevere: this is a long-term process

Questions?

