

# COMMUNITY REVITALIZATION HANDBOOK

> ready > set > succeed

Community Action Team  
Pennsylvania Department of Community and Economic Development

pennsylvania   
STATE OF INNOVATION

# Community Action Team (CAT)

Formed in 2003 to work with cities and towns to help them attract private investment for high-impact redevelopment projects.

Strategic Investment Officer: helps assess proposed projects and plans, once there is an impact project will help bring together public and private resources with state funds being the last dollars put into a project.

CAT's definition of an impact project is a community changing revitalization project that includes multiple components and targets development using a variety of local, state, federal and private investment resources.

# How To Attract High-Impact Investment to Core Communities

**Goal One: Choose One Asset-Rich Redevelopment Area**

**Goal Two: Prepare Redevelopment Area for Market**

**Goal Three: Welcome Investment**

**Goal Four: Strategies That Work**



## Lessons Learned

- 1. Public money alone can't revitalize a town that is losing population and jobs – must leverage private investment**
- 2. Must target limited funds to one asset rich area**
- 3. A single project can not turn a city around – takes a series of major investments**
- 4. Before concentrating on our worst areas, we must stabilize some of our better areas**

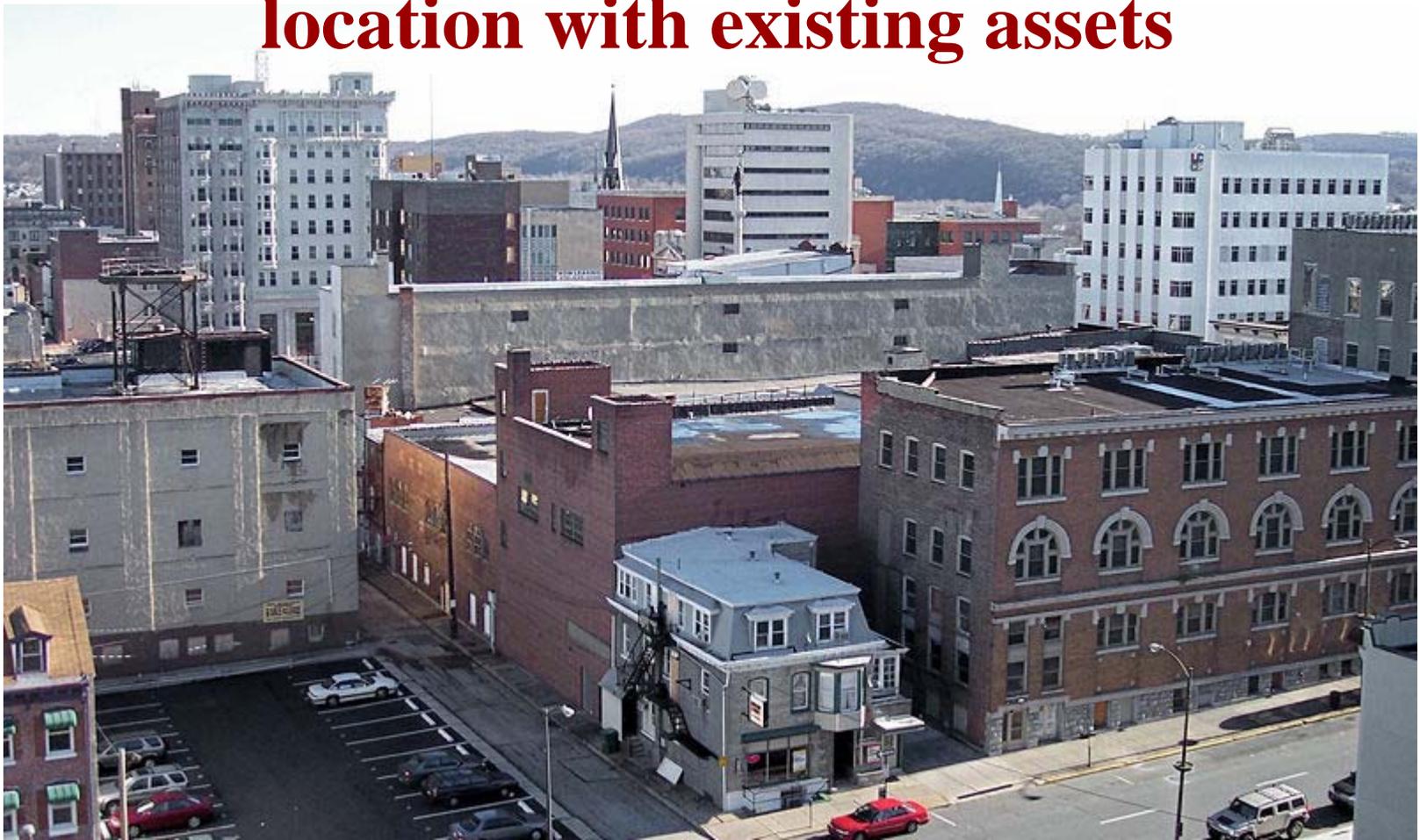
**In the past 5 years, private developers have started investing in unproven urban markets where there is:**

- shovel-ready properties near to key assets
- a supportive local government
- public money or incentives to fill in funding gaps



# How To Attract High-Impact Investment to Core Communities

**Establish one high-impact community revitalization priority in a key geographic location with existing assets**



# GOAL ONE:

Choose one asset-rich redevelopment area

**Step 1: Identify key economic and physical assets**

**Step 2: Take advantage of changing demographics and trends**

**Step 3: Involve stakeholders**

**Step 4: Choose redevelopment area**



## Step 1: Identify key economic and physical assets

**Asset identification helps a community to define its strengths and then to preserve, improve and market them, in order to attract new investment**



*57 smaller cities listed their top three assets in a recent survey. Distinctive historic buildings, a waterfront and a daytime workforce were ranked most often as a top asset.*

## Step 1: Identify key economic and physical assets

**Waterfronts:** Helped transform Chicago, San Antonio, and Baltimore. Must be customized to fit city.

- Toledo, Ohio Marketplace: Closed in 5 years.

**Downtown:** Recreate through sophisticated management, marketing, and major private



# Step 1: Identify key economic and physical assets

**University:** Reconnecting with towns, incubate businesses, create shared amenities

- Easton and Lafayette College – Arts Ave
- Bethlehem and Lehigh U Campus Square



**Abandoned Properties or Brownfield:** Developable land is the most important requirement for investment

## Step 1: Identify key economic and physical assets

**Entertainment/Arts Destinations:** Attract knowledge workers with cultural amenities

- Even a small college can provide a critical base of arts



**Near Major Job Center:** Asset if have comparatively affordable housing, good schools and within a reasonable commute.

**Transportation Hub:** Bus, rail, water and or highway connections are an asset.



## Step 1: Identify key economic and physical assets

**Historic Buildings:** Unique places, higher appreciation

**Tourist Destinations:** Provide set of experiences.

Outdoor recreation – 229 Americans participate in some form of outdoor recreation.

Ridgeway, Elk County PA:  
Assets = elk herd, national forest and river. Attracts 30,000 visitors with Chain Saw Carvers Rendezvous. Improved downtown facades. Attracted 40 new businesses.



## Step 1: Identify key economic and physical assets



**Stable residential neighborhoods:** Brookings: “No city can succeed if people don’t want to live in it.”

**Attractive greenspace:**  
Assoc of Realtors found open space and parks are very important to housing choice.



**Be Creative:** Scranton Medical School planned due to doctor shortage - 400 new physicians and 1000 new jobs with average salary of \$68,000 by 2025

## Step 2: Capitalize on Changing Demographics and Trends

### TRENDS THAT FAVOR CORE COMMUNITIES

**Walkable communities:** Market studies show consumers want/limited supply. Seniors and young professionals want easy access to stores and doctors.

**New Urban housing products;** Lofts, condos, live/work spaces – low maintenance, amenities

**Mixed Use Retail:** Enclosed malls are over. Mix of specialty shops in open-air environment. Big retailers moving into urban markets. New interest in independent stores with unique products.



## Step 2: Capitalize on Changing Demographics and Trends



**Transit and Alternatives to the car:**  
Emerging trends in real estate

**Retirees choose college towns:** >60  
universities linked with retirement  
communities, want culture and education

**Relatively affordable housing:** low  
housing costs important if near to high  
cost area

**Diversity and tolerance:** newcomers  
accepted quickly

**Hometowns:** people are returning home  
if jobs – 10K to Pittsburgh annually

## Step 3: Involve Stakeholders

Involve stakeholders in a dialogue about their future – not consultant's report



### USE 3 TOOLS TO IDENTIFY AND EXPLOIT ASSETS

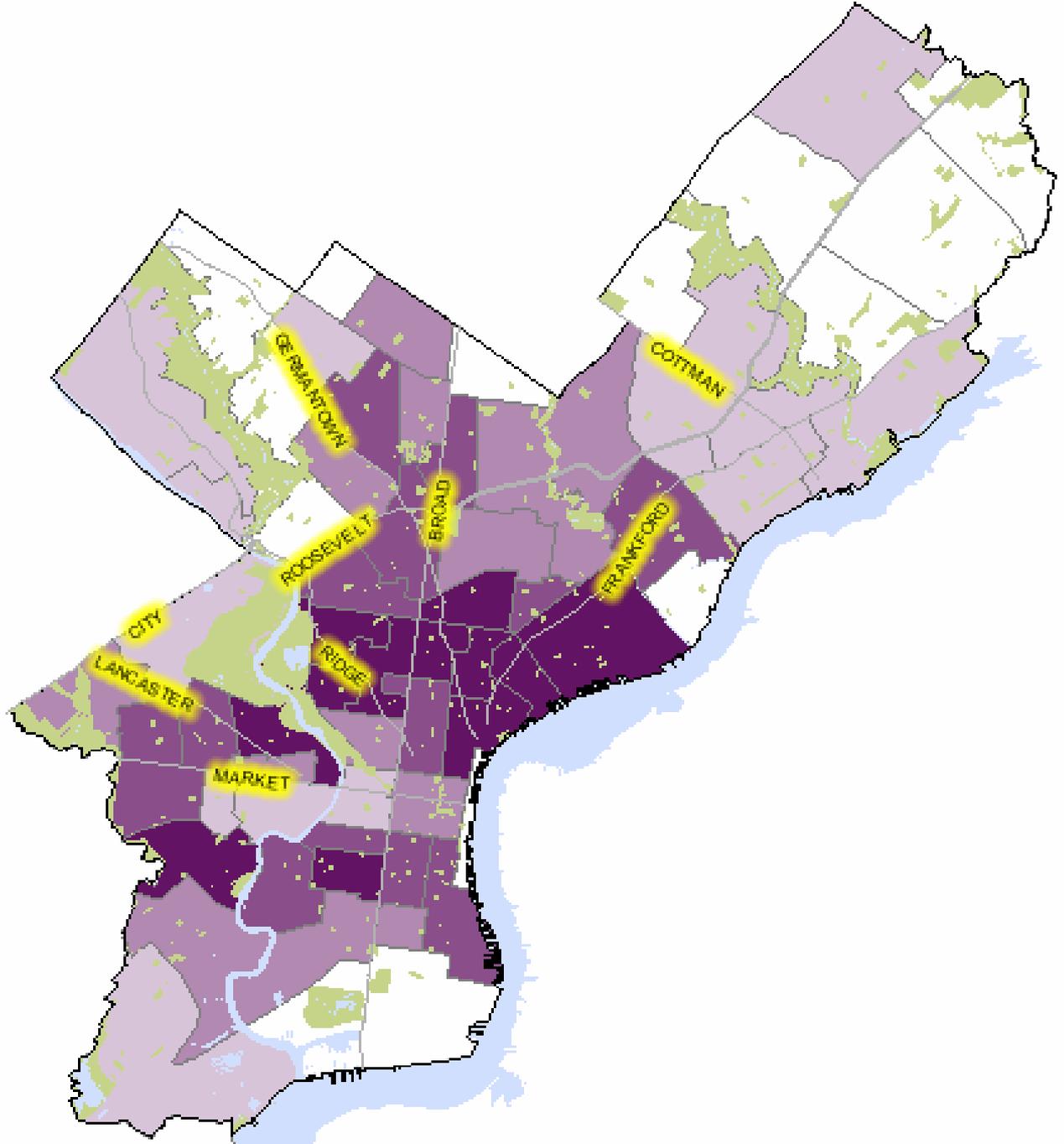
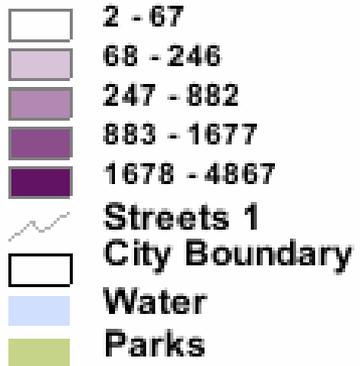
1. **SWOT the Problem** – strengths, weaknesses, opportunities, threats
2. **Municipal Self-Assessment Tool** – Available sites within 2 miles of major highway exit?
3. **Map Assets to reveal clusters and patterns** – Universities, counties and MPO's have GIS

## Enhanced SWOT Analysis

Translate into tasks for the Project Plan	<b>Strengths</b>	<b>Weaknesses</b>
<b>Opportunities</b>	How do I use these strengths to take advantage of these opportunities?	How do I overcome the weaknesses that prevent me taking advantage of these opportunities?
<b>Threats</b>	How do I use my strengths to reduce the likelihood and impact of these threats?	How do I address the weaknesses that will make these threats a reality?

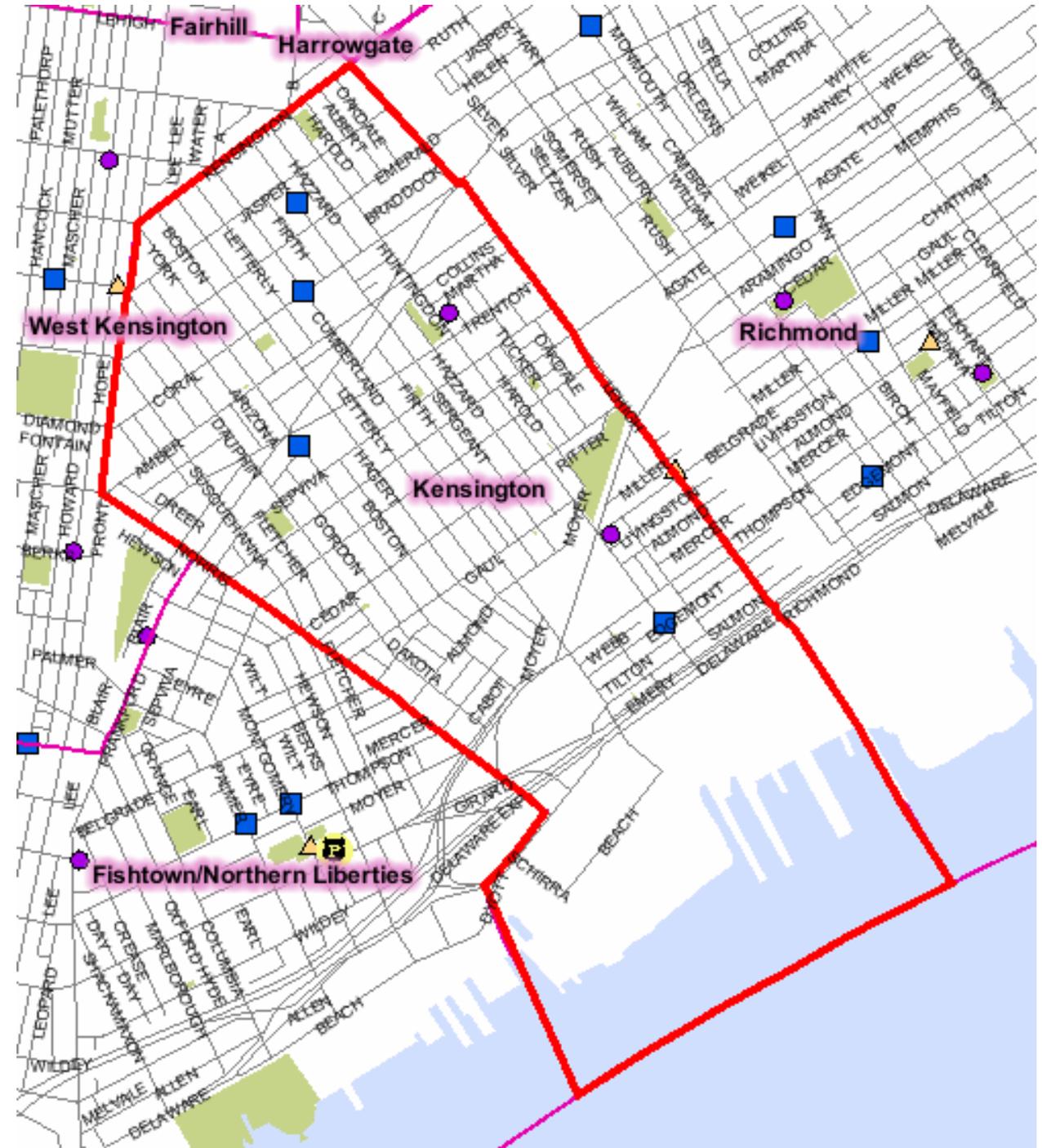


**2000 Vacant  
Properties, L+I  
Survey, Number, 2000**



0 1mi

(c) Cartographic Modeling Lab



-  NIS Neighborhoods
-  Police District Offices
-  Libraries
-  Recreation Centers
-  Public Schools
-  Street Centerline
-  Water
-  Parks

## Step 4: Choose Redevelopment Area

**Viable Area with assets**

**Support of community and local leaders**

**Significant development opportunity** - will catalyze more investment



**Goal Two:**

**Prepare Redevelopment Area for Market**

**Step 1: Create a detailed action plan**

**Step 2: Obtain site control of key land**

**Step 3: Find  
public resources  
and create  
incentives**



## Step One: Create Detailed Action Plan

*Action Plan – Detailed series of action steps to attract investment. For each task, responsibility, cost, resources and a timeline should be set.*

1. Bring together all ongoing efforts into document
2. Set goal for plan (improve facades on Main St)
3. Objectives for meeting goals (make loans available)
4. Conditions that may impact success
5. How will work be done? Who will do it?
6. What resources will be used?
7. How will success be measured for each action step?

## Step One: Create Detailed Action Plan

**Use all available data to illustrate a market**

**Show concentrated consumer buying power:**

Developers look to median income in area to define profitability **INSTEAD** show them dense older communities have large concentrations of people with less income and fewer places to spend it

**No. of households x Ave sales per household = Buying Power**

*Data Sources: Claritas, ESRI and other firms sell data on average sales per household.*



## Step One: Create Detailed Action Plan

**Show buying power for a particular product or service:** Detail consumer demand for one category

Buying Power for 1 Product or Service = No. of Households x Average Spending on Product or Service Per Household

*Data Sources: Consumer Expenditure Survey (Bureau of Labor Statistics) defines how much on average households spend on food, clothing, housing etc. Census provides similar information.*



## Step One: Create Detailed Action Plan

**Show unmet need – products or services that residents and workers want but must purchase elsewhere because they aren't offered locally**

**Unmet Demand for a Product or Service = Buying Power – Actual Local Sales**

*Data Sources: Census Bureau's Economic Census of Retail Trade and Economic Census of Accommodations and Food Services provide the number of stores or restaurants within a community and their annual sales. Also, can map local businesses to show where gaps exist.*



## Step One: Create Detailed Action Plan

**Action Plan is for an audience - describe development area and available sites for redevelopment in detail**

- Detail location, size, visibility to drivers and pedestrians, permissible users, past performance, access and parking

**Tell A Compelling Story About Your Community's Potential**



**Decide what kind of investment you want and go out and get it – Media Borough**

## Step Two: Obtain Site Control or Owner's Commitment to Sell

- **Negotiated Purchase:** Buy property from willing owner where property value  $>$  than debt attached to it.
- **Donation:** Encourage donation by enforcing non-payment of taxes, publicizing interest and simplifying settlement process.
- **Tax Foreclosure:** Auctioned to highest bidder.
- **Eminent Domain or Spot Condemnation:** Controversial



## Step Three: Find Public Financing Resources and Create Incentives

**Community Action Team:** Help define the project and identify private, local, state and federal funds.



**Consider a TIF:** difference in taxes paid by property and new development on site used for infrastructure needed to support development

## Goal Three: Welcome Investment

**Step 1: Market community to investors**

**Step 2: Present responsive, reliable government**

**Step 3: Update development review process and zoning**

**Step 4: Partner with non-profits to improve redevelopment area**

## Step 1: Market community to investors

### **Issue an RFP or RFQ – an invitation to invest**

- Clear detailed RFP describes site, permitted uses, other investment – easy to complete

**Create a Marketing Kit** with Letter from Mayor, pictures, data, descriptions of current and planned investment and news clips

**Create dynamic website** – Lehigh Valley Site Selector

**List the property with real estate agents**

**Rent a booth at a conference that attracts developers**



## Step 2: Present Responsive, Reliable Government

**Developers want to invest in a trustworthy environment**

**Developers seek a supportive public partner – no local squabbles**

**Developers need to make a profit (proves the market)**

**Developers look to Mayors to lead**



*“Leadership is the act of disappointing your supporters at a rate they can absorb.”* Harvard Kennedy School of Government

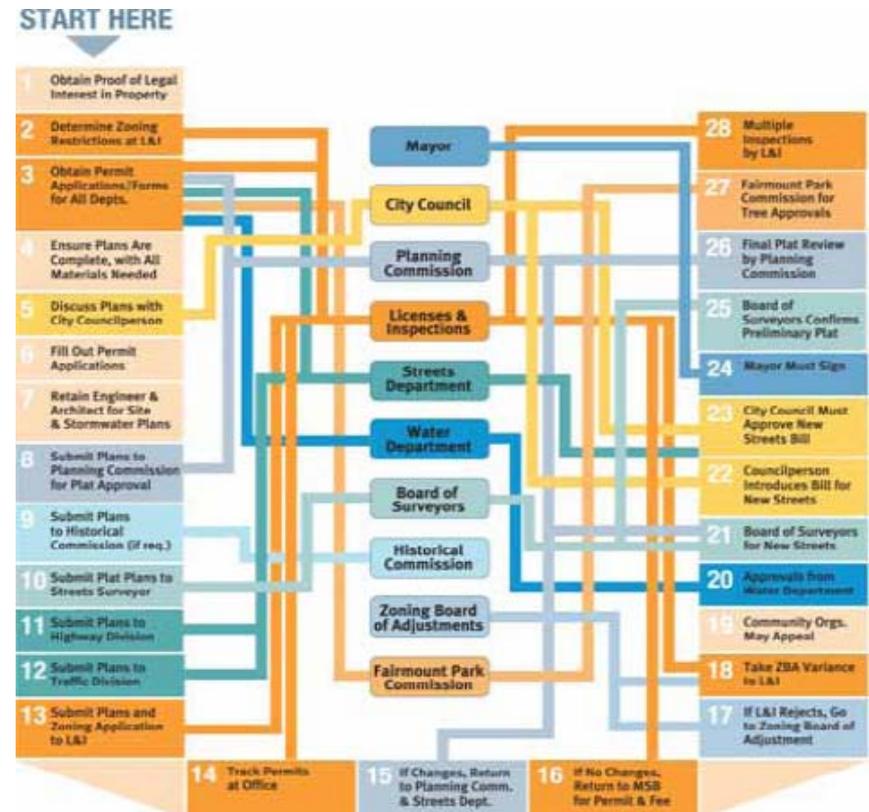
# Step 3: Update Development Review and Zoning

**Streamline development review process**

**Create one point of contact** to deal with development inquiries and shepherd the project through the process

**Rezone redevelopment sites to encourage the desired uses**

**Define historic districts and buildings so requirements are clear**



## Step 4: Partner with Non-Profits to Improve Area



**Establish a Main Street Program or a Business Improvement District (BID)**

**Create or expand effective CDC's**

## **Wilkes-Barre**

**Third Class City | Luzerne County | County Seat | Mayor:  
Full time**

### **Wilkes-Barre by the Numbers**

**Population (2000): 43,123 Pop change in the 1990s: -9%**

**Racial Composition: 91% White Non-Hispanic; 5%  
African American; 2% Hispanic**

**Median Household Income: \$26,711**

**Housing Stock Mix: 54% Owner Occupied; 46% rental**

**Median Value of Owner-Occupied Housing Units: \$64,700**

**Percent of housing built before 1960: 76%**



**Reconstruction after 1972 Hurricane Agnes flood provides a 10-year pacemaker to keep city thriving**

**City makes poor developer and defaults on bonds**

- 1<sup>st</sup> project - 80,000-sq ft call center to be built to suit and leased
- 2<sup>nd</sup> project - Movie theater multiplex – a hole
- Removes street lamps, city in the dark



**Independent Visioning Process in 2001 Leads to Action Plan and consensus on revitalization strategy**

**New Mayor adopts plan and deals with vacant call center building, the large hole in the ground, and the defaulted lease with R/C Theater.**



**R/C Theaters – Agree to mixed use site.** Costs are \$31 million. R/C pays market rent and maintenance fees.

\$10.5 million - Greater Wilkes-Barre Development Corp

\$7.87 million - State (CAT obtained funding)

\$3.1 million - Luzerne County and City of Wilkes-Barre

\$9 million - Local bank financed

**State Office Building Moves into Hole**

**Two local colleges share Barnes and Noble**

**Vacant Call Center – Wilkes U Administration Bldg**



**Greensburg**

**Third Class City | Westmoreland County | Mayor: Part**

## **Greensburg By the Numbers**

**Population (2000): 15,889**

**Population change in the 1990s: -2.6%**

**Racial Composition: 93% White Non-Hispanic; 4% African American**

**Median Household Income: \$30,324**

**Housing Stock Mix: 52% Owner Occupied; 48% rental**

**Median Value of Owner-Occupied Housing Units: \$83,500**

**Percent of housing built before 1960: 65%**

**Commuters: Daytime population change due to commuting: +15,181 (+95.5%)**

**Workers who live and work in this city: 2,819 (40.2%)**



**1960's and 70's – Malls surround**  
**1996 – Action plan**  
**2004 – State Legislator calls Seton Hill**

- **City offers large surface lot**
- **Project grows into \$23 Million Arts Center**
- **State Office Building/New Stores**

**Performing Arts Center** –Seton Hill raises \$18.5 million - \$5.8 million from State – one parcel must be obtained

- Will generate 635 new jobs/\$1 million per year in visitor spending

# Pottstown Borough | Montgomery County | City Manager Form of Gov

## Pottstown by the Numbers

**Population** (2000): 21,859

Population Change in the 1990's: .1%

Racial Composition: 78% White Non-Hispanic; 15% Black, 5% Hispanic

Median household income: \$35,785

## **Housing**

56% Owner Occupied Units; 44% Rental units

Median house value: \$87,600

Percent of housing built before 1960: 78%

**Commuters:** Daytime population change due to commuting: +1,453 (+6.6%)

Workers who live and work in this city: 2,888 (28.0%)

**1975 Bethlehem Steel – 1980 Firestone Tire CLOSED**

**Since 1986 – 15 Revitalization Plans Commissioned**

**2000 – Strategic Plan – Priority redevelop Security**

**Trust and Mrs. Smith's Pies – Borough buys Sec Trust and redevelops adjacent land (vacant since 1973) – Builds new borough hall and park**

**Hired real estate agent  
and attracted developer  
who needs \$1 million in  
gap funding**

**Funding from State,  
County and TIF**

**Mrs. Smith's 13.5 Acres Next?**



**Handbook to be Released  
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Spring 2008.**

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