

Chapter 15.

Revitalization



YOUR CITY. YOUR PLAN.



1 Chapter 15 Revitalization

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13 Introduction

14 Over time, many cities experience cycles of both prosperity and decline. Targeted revitalization
 15 strategies and additional investment may be required to assist the areas experiencing decline,
 16 disinvestment, or stress so that they can become assets that meet the needs of businesses and/or
 17 residents. Additionally, as described in Chapter 6, Land Use and Development Quality, Harrisonburg has
 18 a limited inventory of vacant land for new development and should identify opportunities for the City to
 19 maximize infill development, as well as to reuse and redevelop existing and underutilized land and
 20 structures.

21 Background

22 Downtown Revitalization, Rehabilitation, and Redevelopment

23 Downtown Harrisonburg was once the economic center of the City and the region, but now it competes
 24 with new commercial and business areas. During the 1960s and 1970s, Urban Renewal was occurring
 25 across the country and led to the demolition of neighborhoods and businesses within and surrounding
 26 the downtown. This drastically changed the landscape of areas roughly north and east of Court Square.
 27 Around the same time, the nation’s Interstate system and development of shopping malls and strip
 28 malls drew residents and businesses away from Downtown and into new neighborhoods and new
 29 commercial areas. By the mid-1990s, Downtown streets were largely devoid of people, many storefronts

30 were shuttered, historic buildings were demolished, and there were few attractions to encourage
31 people to be Downtown. Then in the early 2000s, the City and organizations like Harrisonburg
32 Downtown Renaissance (HDR) began efforts to revitalize downtown, recognizing that a vital city center
33 attracts businesses and tourists, while improving the overall quality of life for all people. Additional
34 information on the contributions of HDR can be found in Chapter 9, Arts, Culture, and Historic Resources
35 and in Chapter 14, Economic Development and Tourism.

36 In 2005, the City of Harrisonburg adopted its first Downtown Streetscape Plan, which was later updated
37 in 2014. The Downtown Streetscape Plan guides investment in public infrastructure in the downtown
38 area. The City has also completed two phases of streetscape projects in 2010 and 2015, which have
39 largely consisted of sidewalk reconstruction, the addition of curb ramps, replacing traffic signal poles
40 with decorative poles, new pedestrian signals, and new decorative street lighting fixtures. Future
41 streetscape projects are planned.

42 There has also been increasing investment interest in the Downtown area by the private sector, which is
43 evidenced by a number of major redevelopment and renovation projects, including but not limited to:

- 44 • the renovation of the Wetsel Seed Building on Noll Drive, which was converted to a restaurant
45 and residential units known as “City Exchange” (2006);
- 46 • the redevelopment of an automobile sales parcel that is located along East Market Street east of
47 the intersection of Mason Street to a five-story mixed use building known as “Urban Exchange”
48 (2008);
- 49 • the restoration of a former sewing factory along West Rock Street to residential units now
50 known as “Sancar Flats at West Rock” (2007);
- 51 • the renovation of the Wetsel Seed Building on North Liberty Street known as the “Wetsel
52 Complex,” which includes offices, a restaurant, and retail storefronts (2009);
- 53 • the renovation of the former Cassco Ice industrial facility along South Liberty Street and West
54 Bruce Street now known as the “Ice House,” which currently is occupied by employees of James
55 Madison University, two restaurants, a brewery, a museum, a yoga studio, and a coffee shop
56 (2015);
- 57 • the rehabilitation of the Wine Bros. Building on South Main Street into luxury loft apartments, a
58 duckpin bowling and arcade center, and a cooperative retail space (2016);
- 59 • the rehabilitation of the Chesapeake Western Railway Depot that created retail and office space
60 (2016);
- 61 • the renovation of 317 South Main creating an incubator type setting for non-profits with The
62 Community Foundation as the anchor (2017); and
- 63 • the rehabilitation of the Keezell Building into new retail and residential space (2017).

64
65 Harrisonburg offers certain tax incentives to downtown property owners and has created special
66 economic districts and zones to continue to encourage investments downtown, which are described
67 below. Additionally, by supporting the creation of the Downtown Historic District, valuable historic tax
68 credits have been made available to property owners. Additional information on the Downtown Historic
69 District is available in Chapter 9, Arts, Culture, and Historic Resources.

70 *Central Business District*

71 The City has established tax incentives to encourage the renovation and/or rehabilitation of older
72 structures downtown. The incentive is offered to owners of property zoned B-1, Central Business District
73 improved with structures that are at least 25 years old. It provides partial exemption of real estate taxes,
74 not to exceed the amount of the increase in assessed value due to the renovation for up to five years.

75 *Downtown Economic Revitalization Zone (Central Business District)*

76 This zone is defined as all parcels of real estate located within the City's B-1, Central Business District
77 and the City's Virginia Main Street district. Tax incentives include partial exemption for 5-10 years from
78 real estate taxation for new commercial and residential mixed-use construction exceeding \$1 million
79 and containing at least 40 percent retail on the ground floor.

80 *Downtown Technology Zone*

81 The zone was created to encourage technology businesses to locate in this limited area of downtown.
82 Incentives include water and sewer connection fee exemption and 3-year BPOL tax exemption for
83 qualified high-technology businesses.

84 Additional information on the Harrisonburg Downtown Technology Zone can be found in Chapter 14,
85 Economic Development and Tourism.

86 *Arts and Cultural District*

87 Harrisonburg's Arts and Cultural District is an asset that enables the City to both celebrate the
88 tremendous wealth and diversity we currently have in Harrisonburg's central core and also to offer
89 incentives to encourage additional arts venues and businesses to cluster within the district and
90 strengthen the offerings available for people and tourists to enjoy. The district offers a marketing
91 opportunity and a three-year Business/Professional/Occupational Licenses (BPOL) exemption to help
92 ease the initial tax burden for qualified arts businesses to get a strong foothold in the district.

93 Additional information on the Arts and Cultural District can be found in Chapter 9, Arts, Culture, and
94 Historic Resources.

95 *Retail Revitalization Zones*

96 Harrisonburg has established two Retail Revitalization Zones to promote the continued growth of the
97 retail sector in the City, and in 2018, the U.S. Treasury official designated two areas of the City as

98 federally designated Opportunity Zones. These zones are described and illustrated in the Economic
99 Development Incentive Zones map in Chapter 14, Economic Development and Tourism.

100 The Potential Small Area Plans map roughly identifies the boundaries of commercial and mixed-use
101 areas that could be prioritized for study. Some of these areas overlap or are the same as sections of
102 street corridors that have been identified as Corridor Enhancement Areas in Chapter 12, Transportation.
103 Actual boundaries for study will be identified at a future time in further consultation with community
104 members.

105 [Neighborhood Conservation Areas](#)

106 A number of neighborhoods around the City have experienced stress. Some are suffering from poorly
107 maintained, deteriorating, or vacant homes and spot conversions of single-family homes to apartments,
108 often for students. Other areas contain older deteriorating apartment buildings. Some are affected by
109 encroaching commercial development or undesirable conversion of houses to non-residential uses.
110 Impacts of traffic on highly traveled roadways may also be creating neighborhood stress. The Potential
111 Small Area Plans map roughly identifies the boundaries of neighborhoods that could be prioritized for
112 study. Actual boundaries for study will be identified at a future time in further consultation with
113 community members. This plan recommends that for each of these areas a community-based
114 neighborhood plan be developed to address these and other issues raised by the community. Such plans
115 might include:

- 116 • Programs to encourage the rehabilitation and renovation of older houses;
- 117 • Programs to facilitate home ownership and improve the quality of rental housing;
- 118 • Strategies to reduce land use conflicts, including conflicts between residential areas and
119 adjacent commercial or industrial areas and conflicts created by the expansion of public and
120 institutional uses within neighborhoods;
- 121 • Programs to reduce pressures to convert single family houses and lots to other uses;
- 122 • Traffic impact analyses addressing commuter traffic on major through roads and industrial truck
123 traffic;
- 124 • Recommended infrastructure improvements, including street and sidewalk repairs, traffic
125 calming measures, new sidewalks and trails, and upgraded water and sewer lines;
- 126 • Other public investments, such as street tree planting, pocket parks, and community centers;
- 127 • Resolution of safety and security issues;
- 128 • Programs to encourage the involvement of neighborhood residents in the improvement and
129 maintenance of their neighborhoods (building leadership capacity, encouraging civic
130 involvement); and
- 131 • Standards or guidelines for private structures, public landscaping, streets, and utilities in the
132 historic districts to enhance their distinctive design.

133 [Corridor Enhancement Areas](#)

134 The Gateways and Corridor Enhancement Areas map this chapter, highlights the important local and
135 regional travel routes into and throughout the City, many of which are commercial destinations. Their

136 quality and character strongly influence the City’s accessibility, attractiveness, and economic vitality. The
137 Plan recommends that a special study of each corridor enhancement area be carried out to address
138 issues such as land use and design quality; streetscape improvements; vehicle, pedestrian, and bicycle
139 circulation; access management; development, redevelopment and reuse opportunities; conservation of
140 special features; improvements to utilities and public facilities; and signage. The Potential Small Area
141 Plans map roughly identifies sections of street corridors that could be prioritized for study.

142

143 Revitalization Goals, Objectives, and Strategies

144 Goal 18. To enhance and revitalize existing residential and commercial areas.

145 Objective 18.1 To maximize the economic potential of new infill development, and the reuse,
146 and redevelopment of existing and underutilized structures and properties.

147 Strategy 18.1.1 To continue to promote available State and Federal historic tax credits,
148 and local tax incentives such as those available in the B-1, Central
149 Business District, the Downtown Economic Revitalization Zone, and the
150 Retail Revitalization Zones.

151 Strategy 18.1.2 To review land use policies and regulations, and if appropriate amend
152 them to allow for more infill development.

153 Objective 18.2 To continue downtown revitalization as a high priority public-private initiative,
154 the cornerstone of the City’s commerce and government, tourism, historic
155 preservation, and civic pride enhancement efforts.

156 Strategy 18.2.1 To continue to promote Harrisonburg Downtown Renaissance (HDR) as
157 the designated downtown revitalization organization charged with leading a
158 public-private effort that focuses on the economic development, destination
159 marketing, and beautification of the downtown district.

160 Strategy 18.2.2 To evaluate and possibly expand the boundaries of incentive zones,
161 federal and state historic designation boundaries, and the size of the B-1,
162 Central Business District to increase investment potential and to spur
163 investment in the adjacent neighborhoods.

164 Strategy 18.2.3 To develop a downtown master plan that defines its geographic
165 boundaries and addresses the entire area comprehensively from economic
166 development strategies from parking to beautification.

167 Strategy 18.2.4 To monitor the need for additional parking in downtown as new
168 development occurs and to continue surveying and studying downtown parking
169 to identify needs and strategies.

170 Strategy 18.2.5 To explore public-private partnership financing models that would
171 encourage the development of a larger-capacity, mixed-use parking facility in
172 downtown to facilitate realizing the highest potential for downtown infill
173 development and targeted business attraction.

174 Strategy 18.2.6 To develop a pedestrian-scale wayfinding program and install
175 directional signs that are clear, consistent, and strategically placed to identify
176 downtown retail and business destinations, as well as, linkages to trails and
177 surrounding destinations.

178 Strategy 18.2.7 To support targeted economic development activities that seek to bring
179 technology and business start-ups downtown.

180 Strategy 18.2.8 To explore with existing businesses and property owners the feasibility
181 of creating a Business Improvement District and/or Tax Incremental Financing
182 District for downtown.

183 Objective 18.3 To examine the extent to which changes in the retail sector are related to retail
184 growth versus retail relocation, to seek to minimize long-term retail vacancies,
185 and to initiate programs to redevelop and revitalize abandoned older retail
186 areas.

187 Strategy 18.3.1 To actively market older shopping centers with high vacancies including
188 consideration of conversion to other uses.

189 Strategy 18.3.2 To encourage new, small businesses to locate in abandoned retail
190 spaces where low rent opportunities can assist with business development,
191 while also supporting revitalization of those spaces.

192 Objective 18.4 To identify residential neighborhoods under stress and seek to stabilize,
193 improve the maintenance of, and collaborate alongside residents to enhance
194 the neighborhood's unique character and revitalize these neighborhoods. See
195 Chapter 6, Land Use and Development Quality's Goal 4 and Chapter 7,
196 Neighborhoods and Housing's Goals 5 and 6 for related objectives and
197 strategies.

198 Strategy 18.4.1 To identify residential neighborhoods in need of community-based
199 neighborhood/small area plans, prepare plans in collaboration with
200 property owners, residents, and business owners, and to implement
201 recommendations. Repeated in Chapter 7, Neighborhoods and Housing
202 as Strategy 5.1.1.

203 Strategy 18.4.2 To utilize Mixed Use areas identified in the Land Use Guide to provide
204 housing options and as an economic development strategy to
205 strengthen neighborhoods and the City's economy.

206 Strategy 18.4.3 To create a residential pattern book, as a guide to preserve and enhance
207 the character and quality of the City’s residential neighborhoods.¹
208 Repeated in Chapter 9, Arts, Culture, and Historic Resources as Strategy
209 10.1.6.

210 Chapter Resources

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217 Harrisonburg Redevelopment and Housing Authority, “Market Analysis – Citywide Demographic and
218 Housing Analysis, Harrisonburg, Virginia,” November 2015,
219 <http://www.harrisonburgrha.com/documents/Housing%20Study%202015.pdf>

220 Virginia Coalition of Housing and Economic Development Researchers, Addressing the Impact of Housing
221 for Virginia’s Economy: A report for Virginia’s Housing Policy Advisory Council, November 2017,
222 <http://www.virginiahousingpolicy.com/impact.asp>

¹ For examples, see City of Roanoke, Urban Design Manual and Residential Pattern Book: <https://www.roanokeva.gov/1302/Urban-Design-Manual> and <https://www.roanokeva.gov/1281/Residential-Pattern-Book>).