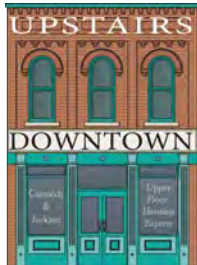


Upstairs Downtown

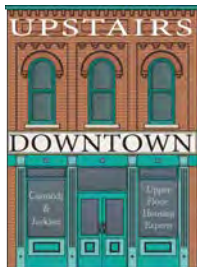
One Story at a Time



Dan Carmody, Carmody Consulting
Mike Jackson, FAIA

Upstairs Downtown

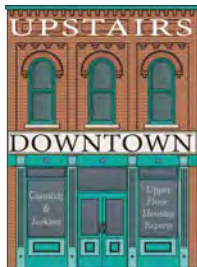
Reclaiming Vitality



Junction City, KS
Monday & Tuesday August 15 & 16 2022

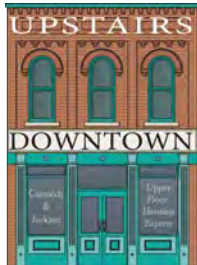
Vacancy rates of 50% or higher

Common in Small to Mid-Sized Communities



Typical Building on Main Street

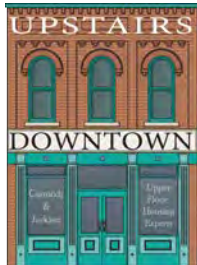
DIY Developers



Two - three stories
Masonry bearing wall structure

Property Investment Cycle

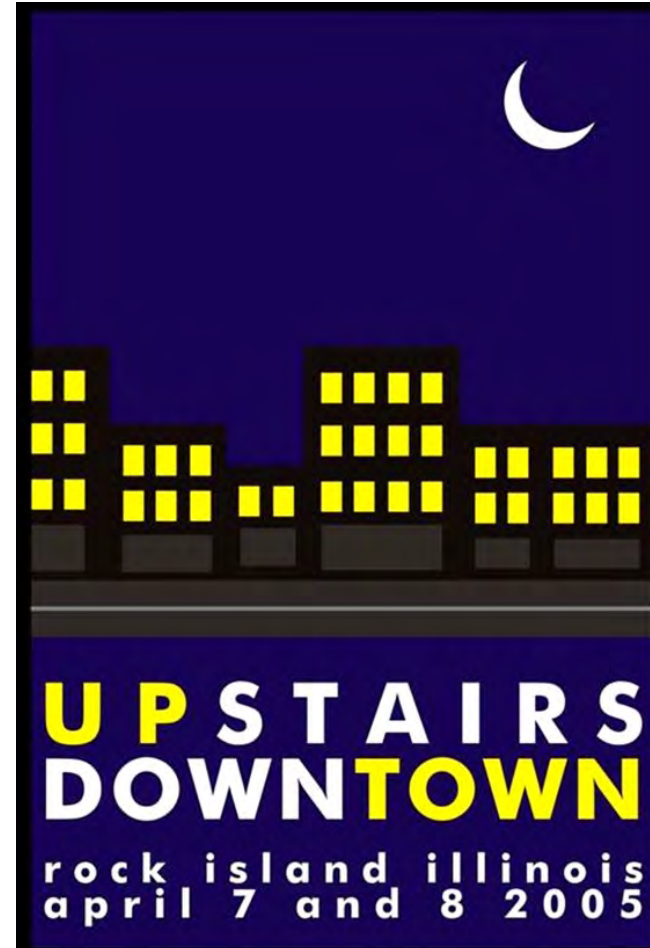
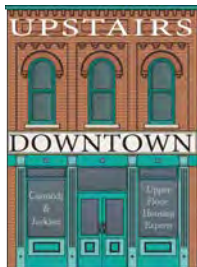
Value of downtown properties shifted to upper floors



Complete reinvestment in systems
Multiple skill sets needed for redevelopment

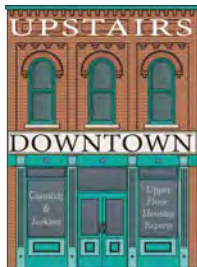
Renaissance Rock Island

Innovative downtown housing



Building the Team

Small Building Owner Success

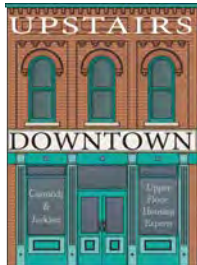


City of Rock Island provided a simple incentive
For projects less than six units in size

Four Part Training Session

For community leaders and non-developers

- ✓ Driving a market for upper floor space
- ✓ Assessing buildings and their capacities
- ✓ Financial assessment tools
- ✓ Case studies & incentives

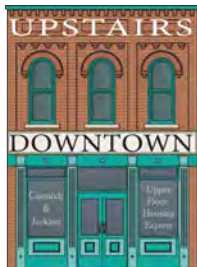
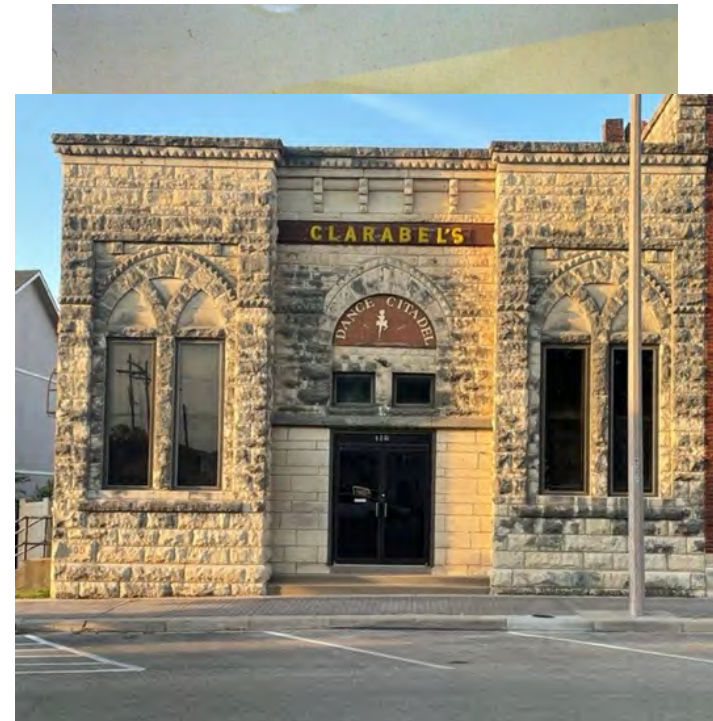


Since 2005 22 presentations in 16 states

Market Feasibility

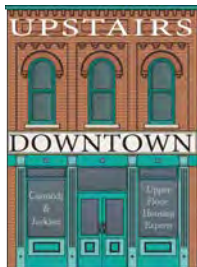
Understanding market dynamics

- ✓ Market absorption
- ✓ Reuse scenarios
 - Residential
 - Office
 - Hospitality
- ✓ Economic analysis
- ✓ Filling financial “gap”



Who's job is it?

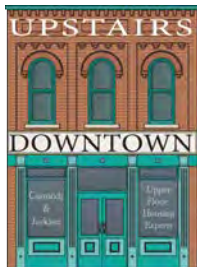
Community have to do it themselves



Professional real estate developers rarely look for buildings under 30,000 sq. ft.

Development is a Team Sport

Main Street Helps Put the Team on the Field

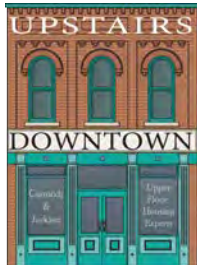


Development is a Team Sport

Scouting for Pioneers

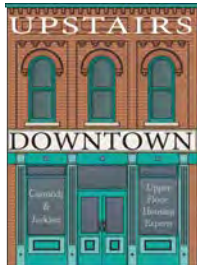
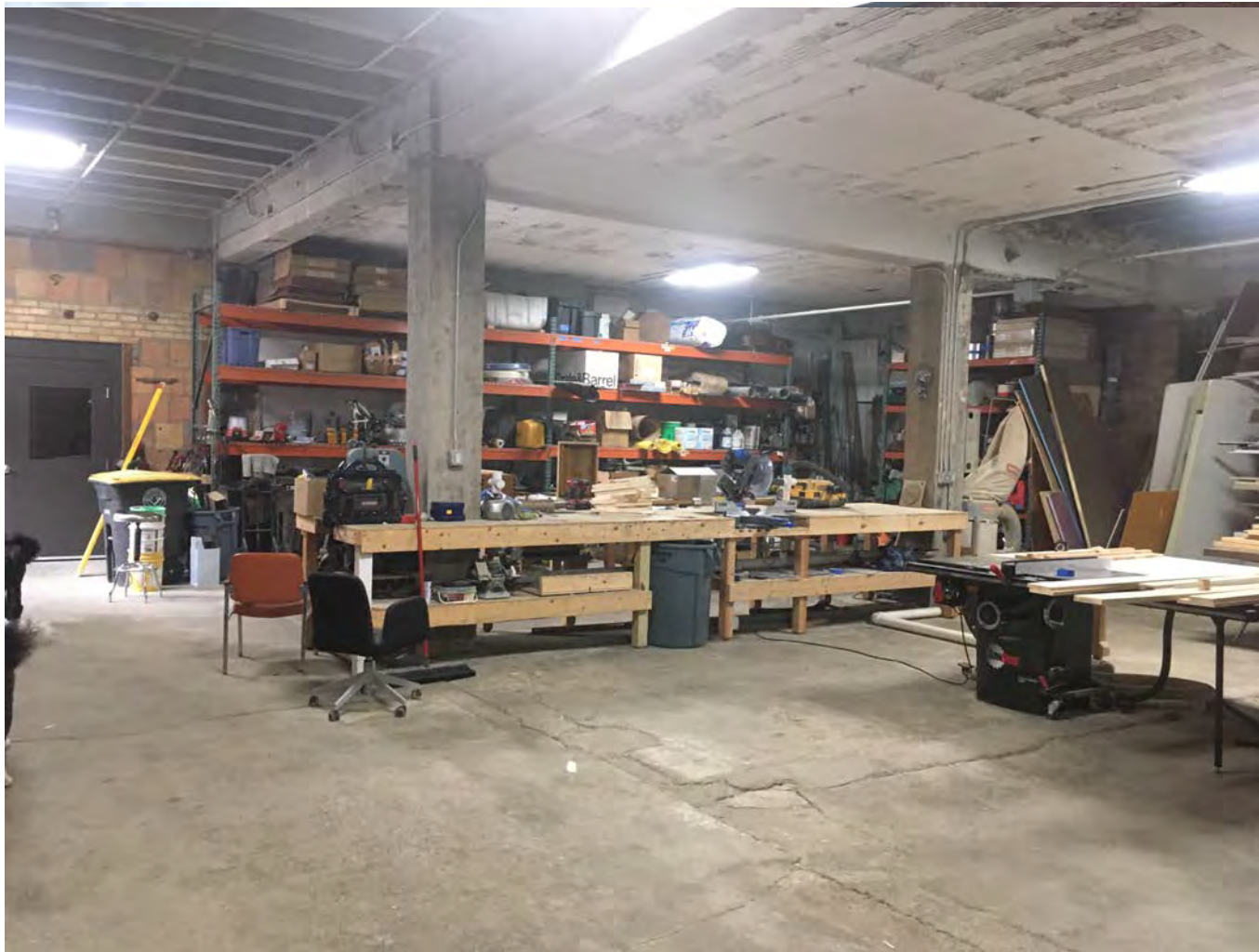
Potential Owners/Developers with capacity to overcome barriers to early projects:

- ✓ Pride
- ✓ Wealth
- ✓ Control Construction Costs
- ✓ Existing Building Owners
- ✓ Boomerangs



Development is a Team Sport

Scouting for Pioneers



Architectural Assessment

Leveraging a building's character

Big ticket items:

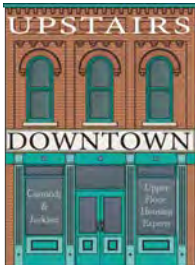
Accessibility

✓ Elevators

Fire Protection

✓ Exit capacity

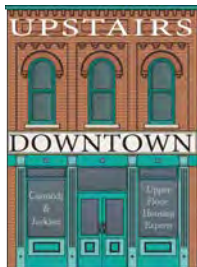
✓ Sprinklers



Residents Spend Money

Housing Improves the Business Climate

Rent	\$ 9,000.00
Food at Home	\$ 2,322.00
Food Away From Home & Alcohol	\$ 997.00
Household Supplies	\$ 308.00
Household Furniture & Equipment	\$ 390.00
Apparel & Footwear	\$ 960.00
Auto Related	\$ 2,042.00
Healthcare	\$ 380.00
Entertainment	\$ 977.00
Personal Care Products & Services	\$ 319.00
Reading & Education	\$ 236.00
Contributions & Misc.	\$ 689.00
Total Annual Household Expenses	\$ 18,620.00



With \$18,000 in spending for each new resident

www.mhpn.org/wp-content/uploads/2014/06/

Economic-Impacts-of-Main-Street-in-Michigan_2014.6.20.pdf

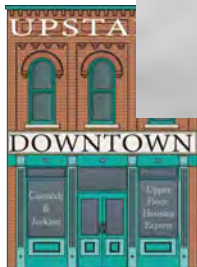
Success Stories

In towns of all sizes

Why grow out? grow UP

- The space is there.
- It has utilities.
- It has infrastructure.
- It has a central location.
- It has visibility.
- It is in your midst.

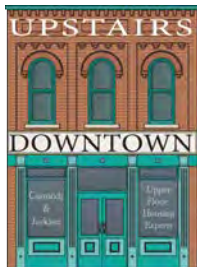
look UP STAIRS
DOWNTOWN



Upstairs Downtown Agenda

Monday August 15

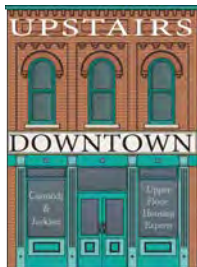
9:00 am	Registration/Meet & Greet
9:30 am	Welcome and Introductions
10:00 am	Upstairs Downtown: Creating a Market for Downtown Housing
11:00 am	Architectural Assessment
12:15 pm	Morning Q & A
12:30 pm	Lunch
2:15 pm	Financial Feasibility
3:00 pm	Case Studies and Incentives
4:15 pm	Q&A
4:45 pm	Wrap Up



Upstairs Downtown Agenda

Tuesday August 16

- 9:00 am **Feasibility Studies**
Is Your Community Ready?
- 9:30 am **Building Code Discussion**
Many Paths to Improve Building
Safety Besides Sprinklers
Mike Jackson
- 10:30 am **Getting Started Two Stories**
Randall Chick, Hastings, NE (zoom)
Nick Sorenson, Jefferson, IA (zoom)
- 11:30 am Q & A & Next Steps
- 12:00 pm Adjournment



How can you learn more?

Visit www.upstairsdowntown.com

UpstairsDowntown™
Revitalizing downtowns one STORY at a time.

GET IN TOUCH

Feasibility Studies



Feasibility Study: 3 & 4 Old Capitol, Springfield IL.

This project is a combination of two different buildings that have been combined into a single parcel. The first floor of 4 OSC is a separate commercial condominium. The property was converted to office use in the 1980s including all new systems, finishes. A elevator and fire suppression system were also installed at that time. The building was vacant for several years and suffered from serious structural damage to the rear portion of 3 OSC which has been stabilized with new second floor structure.

LEARN MORE



Feasibility Study: 415 E Adams St., Springfield IL.

The project will add a total of eight residential units to the second and third floors. There is a fourth and fifth floor on the rear half of this property that has not been included in the real estate Pro forma.

LEARN MORE



Feasibility Study: 300 Adams St., Springfield IL.

The proposed project will create nine new residential units including one on the rear of the first floor. The commercial storefront will be maintained as the residential lobby to provide access to the elevator and front means of egress.

LEARN MORE



Feasibility Study: 827 Tenth Ave., Sidney NE

This project recommends taking the two current small apartments and making them into one large (1,100 square foot), one bedroom apartment with a small study or office. The front windows are slated to be replaced back to their original size and the false ceiling removed as this will let a lot more natural light into the living room. The total project costs (hard and soft costs) are estimated at \$94,489.

LEARN MORE



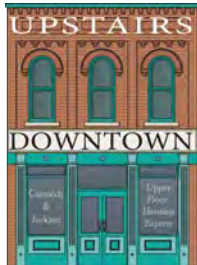
Feasibility Study: 925 Illinois Street, Sidney NE

This project recommends taking the two current small apartments and redoing them. The total project costs (hard and soft costs) are estimated at \$94,489. A factor to consider is that on-site parking is not available but the city lot is across the alley. Downtown property owners are encouraged to work with the city to establish a downtown resident's parking area with cover, an amenity that many of the survey respondents preferred.

LEARN MORE

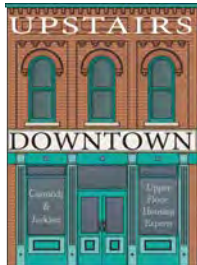
Let's get started

Market Driven Places



Market Driven Places

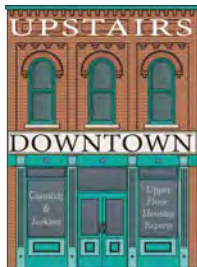
Fortifying Main Streets in cities of all sizes



Main Streets strive to recapture lost vitality

Market Driven Forces

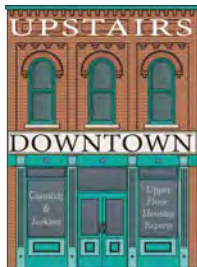
Repopulating Beloved Places



Main Streets strive to recapture lost vitality

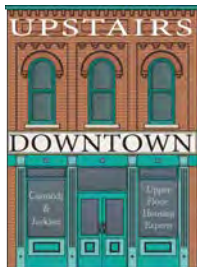
Rich History with Great Stories

Leveraging the past to build a brighter future



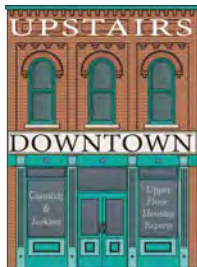
Great Bones

Irreplaceable architecture



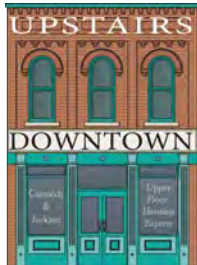
Leverages Previous Investment

Streetscapes and other infrastructure



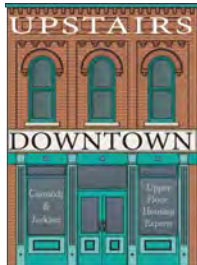
My Downtown Living History

Since 1977



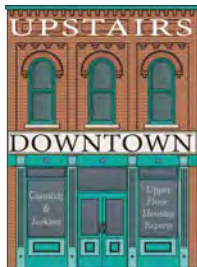
Conducted Market Research

1983 model unit



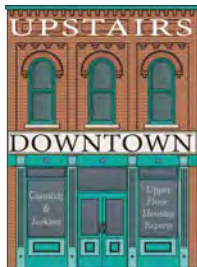
Housing is Pivotal

To re-densify cores of U.S. cities



Creating a Downtown Neighborhood

One story at a time



Abilene Reporter-News

Upstairs Downtown: An introduction

Reporter catches glimpse in new series
By Greg Kendall-Ball

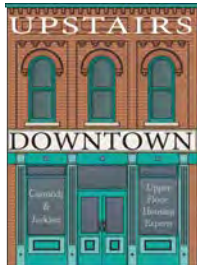
I've lived in Abilene for nearly 10 years, and for most of that decade, the empty windows above McKay's Bakery on Cypress Street have taunted me.

There were a lot of second-story spaces, it turned out, whose siren call could no longer be ignored. And with the cooperation of a few property owners, I was granted access to those spaces and given permission to share a glimpse of what's "Upstairs Downtown."

There are people living and working in these spaces, and some spaces are just waiting to be given new life. As one downtown dweller said, "There's a whole world beyond the curb."

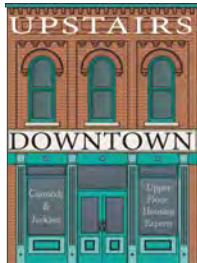
Upper Floors Are Being Activated

In cities of all sizes

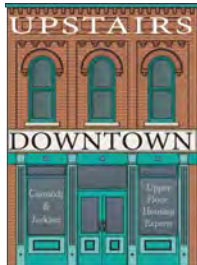


Economic Foundations Shifted

Jobs and complacency disappeared



Lack of Compelling Places Regardless of Prosperity

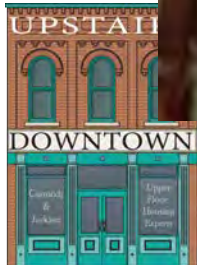


Compelling Places

Have strong competitive advantage



Nottingham, UK

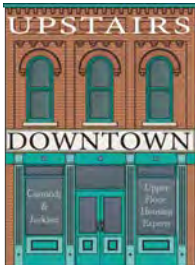


Compelling Places

Work together with peer cities

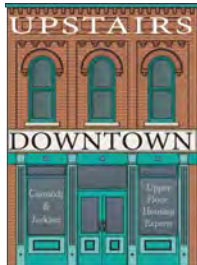
Key Characteristics:

- ✓ Population Range
- ✓ Interstate Access
- ✓ College or Community College
- ✓ County Seat
- ✓ Part of an Urbanized Area or Not
- ✓ Regional Character



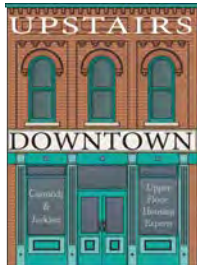
Urban Landscapes Evolve

Demographics and preferences shift



How to Become Compelling?

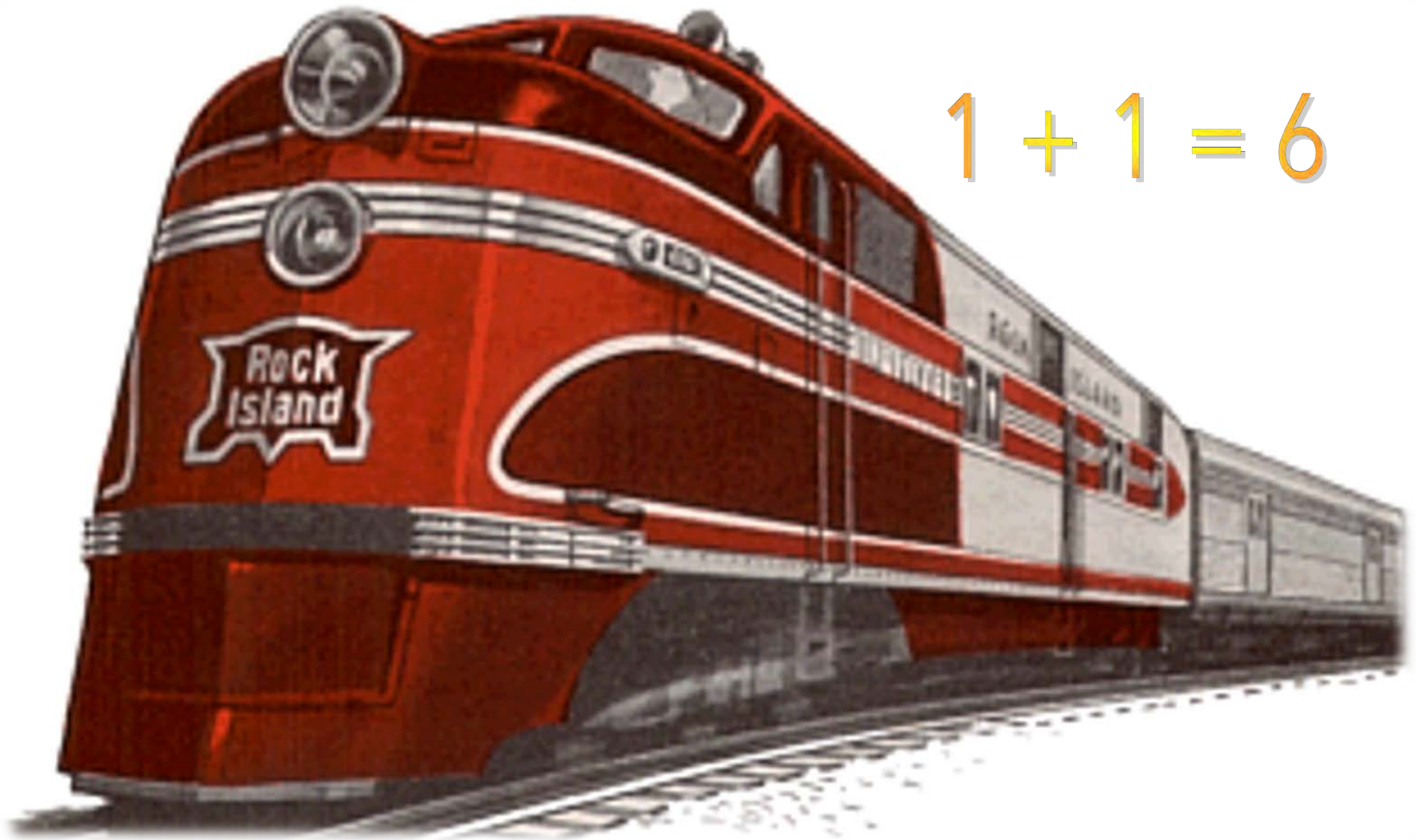
No simple answer



Main Street Programs

New math for austerity

$$1 + 1 = 6$$



Upstairs Downtown

Demonstrates the E*I*E*I*O principles

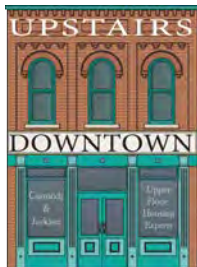
E Empirical

I Incremental

E Entrepreneurial

I Inclusive

O Organic



Empirical Evidence

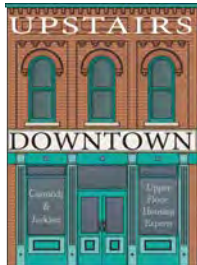
Demographics drives demand for new housing forms

The most common household type found in 2010 US Census?

Couples with no kids

Second Place?

The Single Person



Only 21% of US households have school-age children

Consumer Preferences Changes



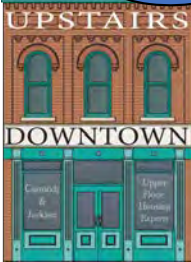
What's a "household" ?

What We Desire Changes

Variety of urban amenities as we age



Oh my. . .



**LIVE FREE
ON THE WARD**

Gaslight Lofts
*New Construction
Luxury Loft Apartments*
425 East Menomonee
Historic Third Ward
414-276-LOFT
One Address Brings You Home™ www.mandelgroup.com
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The Future of Work

50% of the workforce will be consultants by 2025



Home

Who We Are

What We Do

How We Work

What We Are Learning

News

Contact

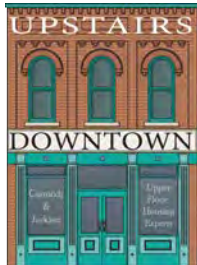
Let's work together to build a
National Learning Economy.

Aces Applied Research Network

National Network of Business
and Industry Associations

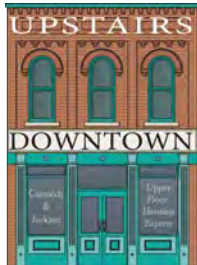
Moving Mind to Market

Activating Working Learners



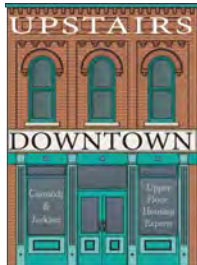
Proving Demand

When there is no supply



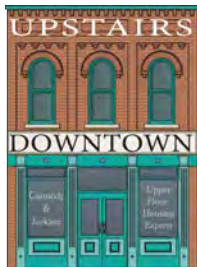
Proving Demand

When there is no supply



Traditional Market Studies

Market absorption of currently available product



- ✓ The focus on comparative sales analysis feeds an insulated spiral that reduces choice and variety of housing product.

Traditional Market Studies

Market absorption of currently available product

Centre @ 501

NOW LEASING

Apartment / Illinois / Springfield / 501 E. Capitol Avenue

www.Centre501.com

Beds/ Bath	Size	Rent Range
1 Bed/ 1 Bath	780 - 1,134	\$700 - \$1,000
2 Bed/ 1 Bath	1,250 - 1,480	\$1,200 - \$1,250



Pet Policy

Service and Assistance animals only.

Parking

Several parking garages are located one block to three blocks away from Centre @ 501. A designated Loading Zone is on site for residents to access when moving in and for deliveries.

Lease Length

12 months

Features

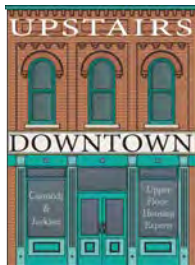
Open, Spacious Floor Plan
 In-Unit Washer/ Dryer
 Dishwasher, Microwave, Stove & Refrigerator
 Smoke & Vape Free
 Cable & internet Ready
 Wheelchair Enabled
 Secured Building
 Elevator
 Community Room

Kitchen

Island or Breakfast Bar

Transit (walkscore.com)

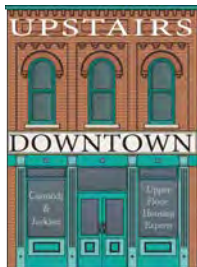
Bus Lines: 0.0 - 0.1 mi
 Car Shares: 0.1 - 0.7 mi
 Walk Score: 86
 Bike Score: 62



Housing Market Potential Studies

New data to estimate demand for urban housing

- ✓ Study Migration patterns of households that moved in recent years now (30-50% of the total)
- ✓ IRS data much more current to determine where people move from in order to better understand draw areas.
- ✓ Market segmentation data helps assess which new residents will have an interest in urban housing.

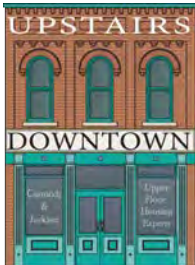


Proprietary Housing Potential analysis developed by:
Zimmerman / Volk Associates, Inc. / Clinton, New Jersey

Segmentation Analysis

You are known by your expenditure pattern

- ✓ Systems classify of all US neighborhoods into segments. (i.e. 65 for Tapestry* or 66 for PRIZM**)
- ✓ Household buying patterns from credit card data helps identify segments likely to be interested in urban housing product.



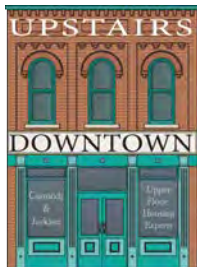
*ESRI, Business Information Systems

**Claritas

Segmentation Analysis

You are known by your expenditure pattern

“Urban chic residents attend to lifestyle more than ambience. Residents travel extensively, maintain luxury cars, and embrace city living by visiting museums, attending dance performances, participating in civic activities, such as working for political parties, and shopping at upscale establishments.



09 Urban Chic



Segment Code..... 09
Segment Name..... Urban Chic
LifeMode Group..... L2 Upscale Avenues
Urbanization Group..... U3 Metro Cities I

Demographic

Urban Chic residents are professional couples who live an urban, inclusive lifestyle. More than half of the households are married couples, similar to the United States population. Less than half of them have children. Unlike the United States, there are fewer single-parent families and more single-person households. The population is also slightly older, with a median age of 47 years. Diversity is slightly below average compared to the United States diversity.

Socioeconomic

A median household income of more than \$40,000 and a median net worth of \$236,000 enable a stylish lifestyle for the Urban Chic segment. From a well-educated base, more than half hold a bachelor's or graduate degree; they are pursuing a variety of occupations, from self-employment through professional and technical jobs. More than half of the households also receive additional income from investments.

Residential

Urban Chic neighborhoods also parallel U.S. housing type and ownership: the setting is urban, and homes range from prewar to post-2000, high-rise to single-family. Approximately 60 percent live in single-family homes, 30 percent live in multiunit structures, two-thirds own their homes, and 33 percent rent. But the preference for urban living is absolute. Median home value is \$472,000, more than three times the U.S. median home value. Urban Chic residents clearly prefer expensive townhouses or high-rises in the city. Major concentrations of Urban Chic households are found on the coasts of Northern and Southern California and along the East Coast.

Preferences

Urban Chic residents attend to lifestyle more than ambience. Residents travel extensively, maintain luxury cars, and embrace city life by visiting museums, attending dance performances, participating in civic activities such as working for political parties, and shopping at upscale establishments. They are more inclined to buy dress clothes than casual wear, but they purchase apparel for every pursuit—running, hiking, golf, skiing, and yoga.

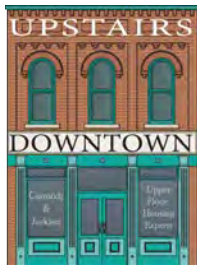
The busy, computer savvy Urban Chic residents are connected. They not only use PCs extensively, but they also read the manuals. To keep in touch and track their busy schedules, they frequently use handheld PDAs and cell phones. They access the Internet to arrange travel plans, buy books or tickets for concerts and sporting events, check their investment portfolios, and trade stocks. Urban Chic residents own \$75,000 or more in stocks, use stock rating services, and keep money market accounts.

To connect with Urban Chic residents, consider their favorite media. This is one of the top markets for all news/salt/public radio. They also read multiple newspapers and magazines, especially travel, fashion, airline, and sports magazines. TV viewing is not as predominant in this market, but they favor their favorites including channels such as Bravo, AMC, CNN, and MSNBC plus popular series such as The West Wing.

Segmentation Analysis

You are known by your expenditure pattern

“Laptop and Lattes lives in multistory apartment buildings with more than 20 units, the neighborhoods are older, and virtually untouched by urban renewal.”



08 Laptops and Lattes



Segment Code:..... 08
Segment Name:..... Laptops and Lattes
LifeMode Group:..... L4 Solo Acts
Urbanization Group:..... UT Principal Urban Centers I

Demographic

Laptop and Lattes residents enjoy the single life. Single persons living alone or with a roommate represent the majority of all households in this segment. Average household size remains constant at 1.8. Although the market is increasing in size very slowly, it is maturing and diversifying more quickly. The median age of the population is 38 years, two years older than the U.S. median age. The Diversity Index, which measures the likelihood that any two people from this segment represent different racial or ethnic origins, has increased by six points since 2006—twice as fast as the U.S. index. Most of the population is white, but the faster growth of the black, Asian, Hispanic, and multiracial populations is increasing diversity in the Laptop and Lattes segment.

Socioeconomic

With a median income of more than \$87,000, these singles are affluent. Their median net worth is \$262,000, despite the minority of homeowners base. The labor force of Laptop and Lattes is elite. They are extremely well educated, 77 percent hold bachelor's degrees, and 32 percent have earned graduate degrees. Two-thirds holds professional or management positions, especially in the information, finance and insurance, or scientific and technology industries. More than half of the households also earn income from their investments.

Residential

Laptop and Lattes residents love city life and prefer to live in the major metropolitan areas of New York, Boston, Washington, D.C., Chicago, Los Angeles, or San Francisco. By virtue of their lifestyle or locale, these households are more likely to rent than own their homes. Less than 40 percent are homeowners. Most of the population in Laptop and Lattes lives in multistory apartment buildings with more than 20 units. The neighborhoods are older and virtually untouched by urban renewal. Forty percent of the housing were built before 1940, only 5 percent of the housing inventory were added in the past 10 years. However, these are not inexpensive districts. Average rent is more than \$1,200 monthly, and median home value is \$629,000. Being typical city dwellers, many residents in Laptop and Lattes do not own a car.

Preferences

Laptops and Lattes residents are both cosmopolitan and connected. This is the top market for notebook PCs and PDAs. They use the Internet daily to trade stocks, purchase everything from apparel to peripherals, or arrange travel plans. While residents are not overly concerned with local transportation, they are well traveled, especially abroad. In the city, they shop at upscale establishments and spend their leisure time at concerts, sporting events, museums, and museums. They dine out frequently and take adult education courses. In other words, they enjoy metropolitan amenities. They are health conscious and physically fit: they ski, sail, and participate regularly in an exercise program at the gym. Regular dieters, Laptop and Lattes residents represent the top market for organic or natural foods and select vitamin supplements. They frequently participate in environmental groups and consider themselves liberal. They listen to classical, all-news, and public radio and read active, travel, and women's fashion magazines.

Market Assessment

Using segmentation analysis

Each market is a different collection of segments.

ERA

Table 7. Educational Attainment, 2005 (Population 25+)

Segment	United States	Michigan	Grand Traverse County	Metropolitan Area
No HS Diploma	15.8%	12.9%	8.6%	10.5%
HS Diploma	29.6%	31.4%	27.5%	30.5%
Some College	20.1%	22.5%	28.8%	22.6%
Associates	7.8%	8.00%	8.5%	7.9%
Bachelor	17.2%	15.1%	20.2%	18.5%
Post-Graduate	9.9%	9.9%	11.4%	9.9%

Source: ERA, U.S. Census

Tapestry Analysis

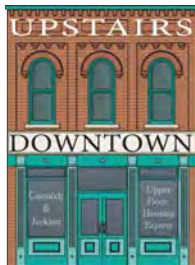
To further understand the demographic, economic, and cultural characteristics of Traverse City and the region, ERA utilized an analysis tool called Community Tapestry, developed by Environmental Systems Research Institute (ESRI). Tapestry is a tool that divides households into 65 categories or segments based on several key factors, including a variety of demographic characteristics of households and geographic characteristics of their neighborhoods. These segments correspond to certain age groups, income brackets, and education levels, as well as lifestyle choices, neighborhood housing preferences, and consumer spending habits. The following table highlights relevant concentrations of defined segments in the five-county area and Grand Traverse County.

Table 8. Tapestry Segments in the 5-County Area and Grand Traverse County

Segment	Households	% in 5-County Area	% in Grand Traverse	% in Michigan	% in U.S.
Rural Resort Dwellers	16,444	23.75%	5.98%	2.51%	1.60%
Midland Grand	10,338	14.93%	16.87%	3.12%	3.63%
Upper Palm	7,358	11.49%	16.46%	6.02%	4.71%
Roaded Rural	4,095	5.91%	-	1.80%	2.45%
Up and Coming Families	3,929	5.67%	8.73%	1.77%	3.21%
Middle Junction	3,676	5.31%	8.15%	2.25%	2.50%
Senior Sun Seekers	2,691	3.89%	4.38%	1.18%	1.18%
Old and Newcomers	2,489	3.61%	7.28%	2.32%	1.97%
Silver and Gold in Style	2,373	3.43%	1.33%	0.25%	0.93%
Metropolitans	1,943	2.81%	6.11%	2.56%	2.48%
Southern Suburbia	1,691	2.44%	5.66%	1.49%	1.19%
Crossroads	1,366	1.97%	3.96%	1.57%	2.26%
Suburbanites	1,167	1.69%	3.40%	1.06%	1.90%
Suburbanites	1,086	1.57%	1.50%	2.33%	2.45%
Salt of the Earth	985	1.42%	1.50%	5.57%	2.77%
Rustbelt Traditions	955	1.38%	1.19%	1.01%	2.87%
Simple Living	880	1.27%	2.56%	1.26%	1.45%
Home Town	871	1.26%	-	1.78%	1.58%
Centennials	777	1.12%	2.26%	0.98%	1.40%
Precarious Empty Nesters	754	1.09%	2.10%	1.07%	1.84%
Copy and Creditable	565	0.83%	1.07%	7.54%	2.84%
Barrenment Contribution	313	0.45%	0.21%	1.94%	1.49%
Total	69,290	100%	100%	62.14%	49.00%

Source: ERA, ESRI Business Information

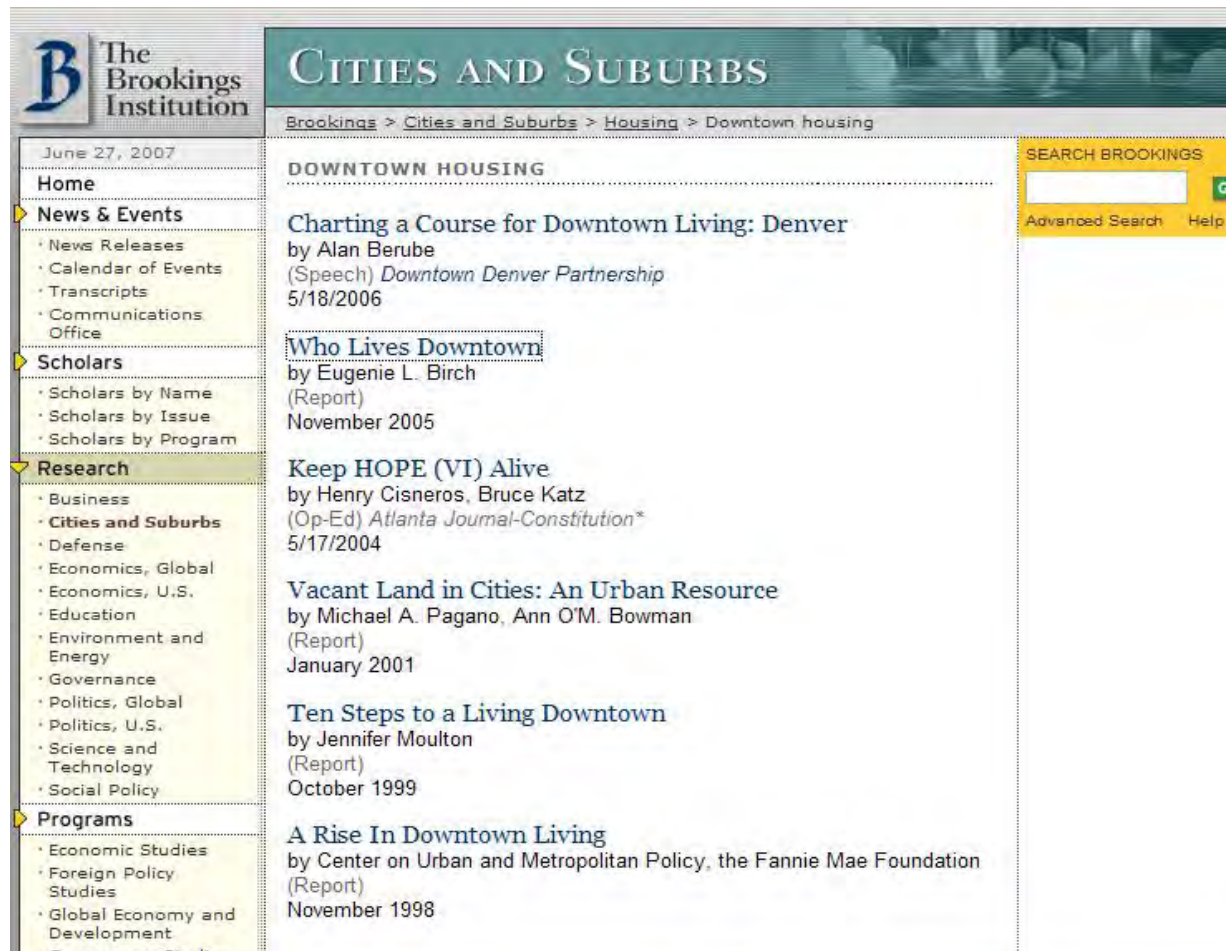
Of the 65 tapestry segments, 23 are represented in the five-county area and identified in the above table. Slightly fewer, 19 segments, are represented in Grand Traverse County. The above table lists the number of households in each segment in the region. As the table shows, the "Rural Resort Dwellers" segment is



Urban Marketing Collaborative
 MJB Consulting, NY, NY
 Economic Research Associates (ERA)

More Recent Market Research

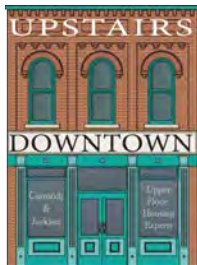
To identify current housing demand



The screenshot shows the Brookings Institution website's 'CITIES AND SUBURBS' section. The page is dated June 27, 2007, and features a navigation menu on the left with categories like Home, News & Events, Scholars, Research, and Programs. The main content area is titled 'DOWNTOWN HOUSING' and lists several articles:

- Charting a Course for Downtown Living: Denver**
by Alan Berube
(Speech) *Downtown Denver Partnership*
5/18/2006
- Who Lives Downtown**
by Eugenie L. Birch
(Report)
November 2005
- Keep HOPE (VI) Alive**
by Henry Cisneros, Bruce Katz
(Op-Ed) *Atlanta Journal-Constitution**
5/17/2004
- Vacant Land in Cities: An Urban Resource**
by Michael A. Pagano, Ann O'M. Bowman
(Report)
January 2001
- Ten Steps to a Living Downtown**
by Jennifer Moulton
(Report)
October 1999
- A Rise In Downtown Living**
by Center on Urban and Metropolitan Policy, the Fannie Mae Foundation
(Report)
November 1998

A search bar is visible in the top right corner with the text 'SEARCH BROOKINGS' and a 'GO' button. The breadcrumb trail reads: [Brookings](#) > [Cities and Suburbs](#) > [Housing](#) > [Downtown housing](#).

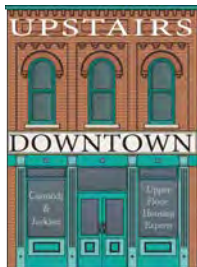


DIY Market Research

To provide empirical evidence for demand

The screenshot shows a Mozilla Firefox browser window displaying a survey page for the Fort Wayne Downtown Improvement District. The page features a header with a cityscape image and the text 'DOWNTOWN improvement district'. Below the header is a navigation menu with links: Home, Downtown Fort Wayne, Visiting Downtown, Living Downtown, Teens Dig Fort Wayne, Summer Events, and Downtown Events. The main content area is titled 'DOWNTOWN HOUSING SURVEY' and includes an introductory paragraph: 'Help the DID make Downtown a better place to live by telling us what you would want out of Downtown Housing. We know this survey is long, but it will be immensely helpful in allowing us to determine the best course of action is for Downtown housing improvements.' The survey form contains the following fields and options:

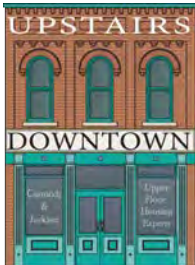
Name:	<input type="text"/>
Age:	<input type="text"/>
Sex:	<input type="radio"/> Male <input type="radio"/> Female
Your Current Residence:	<input type="radio"/> Own <input type="radio"/> Rent
Your Living Situation:	<input type="radio"/> Live by yourself <input type="radio"/> Live with other members of your family <input type="radio"/> Live with other unrelated individuals <input type="radio"/> Other



Great Recession / Pandemic Impacts

Regarding household formation

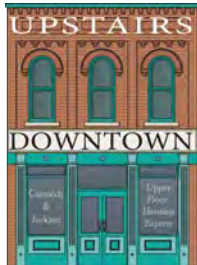
- ✓ Average household size continues to decline
- ✓ The rate of household formation plunged after the Great Recession but has recovered some.
- ✓ More kids moving in with parents
- ✓ More parents moving in with kids
- ✓ Childcare issues



Great Recession / Pandemic Impacts

Regarding household mobility

- ✓ Mobility dropped 50 percent in the Great Recession and is slowly recovering
- ✓ Pandemic greatly altered the live/work equation
- ✓ Where to do you work?



Influence of Automobiles Waning

Mobility isn't what it was

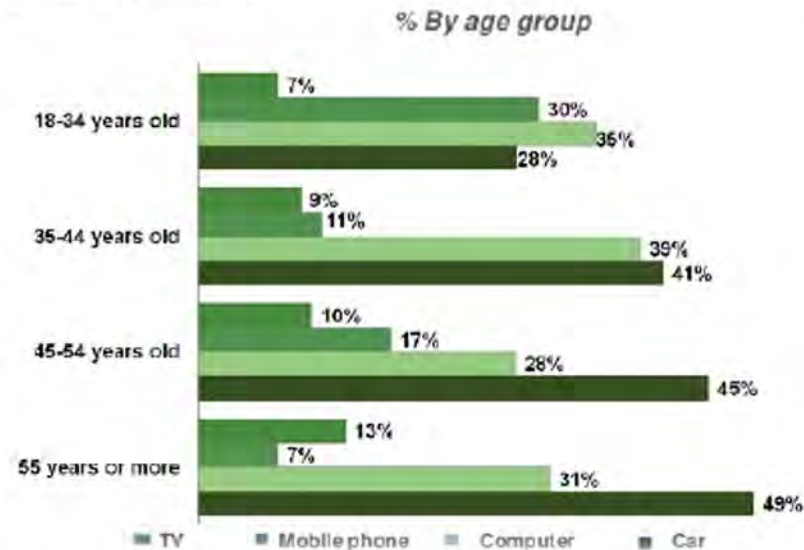
Millennials Say They'd Give Up Their Cars Before Their Computers or Cell Phones

EMILY BADGER FEB 28, 2013 COMMENTS

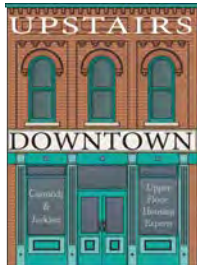
Once a week or so we come across yet another sign that Millennials care much less about car ownership than previous generations. They're *less likely to drive* than their parents. They've got *less debt* tied up in cars. They'd rather hang out with their friends on Twitter than *get in a car to go see them*.

And here's yet another: Ask Millennials which piece of technology they could least live without, and it turns out they'd more happily part with their cars than their computers or cell phones. That question, graphed below, comes from the *third installment* of Zipcar's annual Millennial survey.

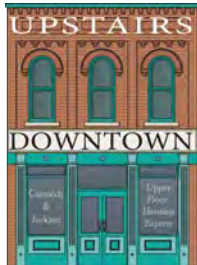
In your daily routine, losing which piece of technology would have the greatest negative impact on you?



Incremental Approach To community-based development

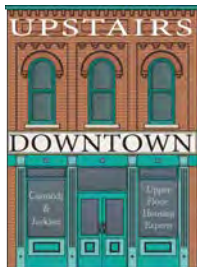


Incremental Approach To community-based development



Even Less Demand for Retail Space

Pandemic Spurred Online Sales



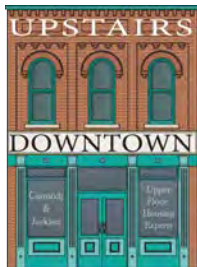
Independent businesses are precious

Economic Diversity

We've Been Bad at Small and Medium Enterprise

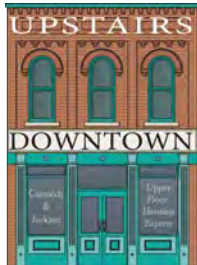
Country	Small / Medium Businesses Per 1,000	Rank
Indonesia	195,27	1
Italy (2003)	77.68	10
Greece (2003)	69.94	17
Brazil (2002)	27.41	58
USA (2004)	19.98	69

Based on Detroit's city population, we would host another 35,000 SME's if we emulated Greek rather than US SME creation rates.



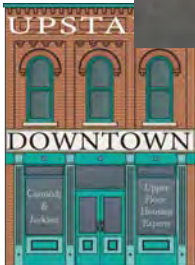
Even Less Demand for Retail Space

First Floor residential



Main Street Amenities

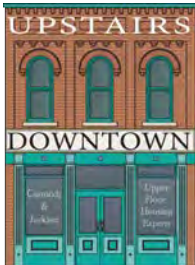
Strong competitive advantage over suburbs



Main Street Are Strong Competitors

In markets that value urban amenities & sustainability

- ✓ Greater emphasis on aesthetics
- ✓ Access to cultural amenities
- ✓ Proximity to adult learning
- ✓ Reduced auto dependency
- ✓ Energy efficiency



Long Term Pandemic Impacts

Regarding space demand

Hospitality

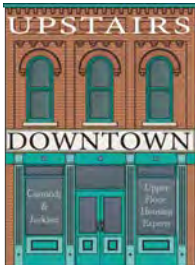
✓ On site consumption

Retail

✓ Online dominance

Office

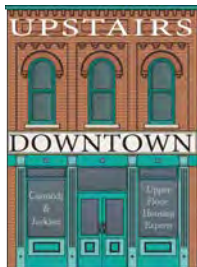
✓ Gig economy



Main Street Housing Needs Less Subsidy

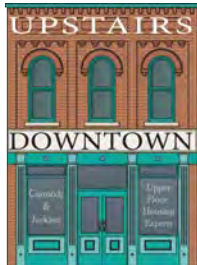
No need to extend infrastructure

- Green field sites long benefited from communities' desire to grow. Cities invested in costly extension of public infrastructure and services.
- Downtown housing takes advantage of existing infrastructure and services that require far less public investment



Entrepreneurial sparks

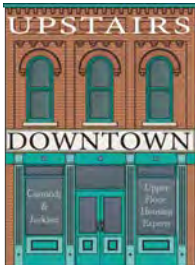
Provided by successful main street Programs



Developers Often Risk Adverse

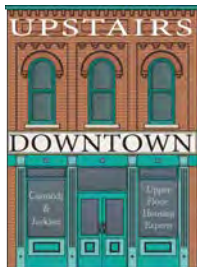
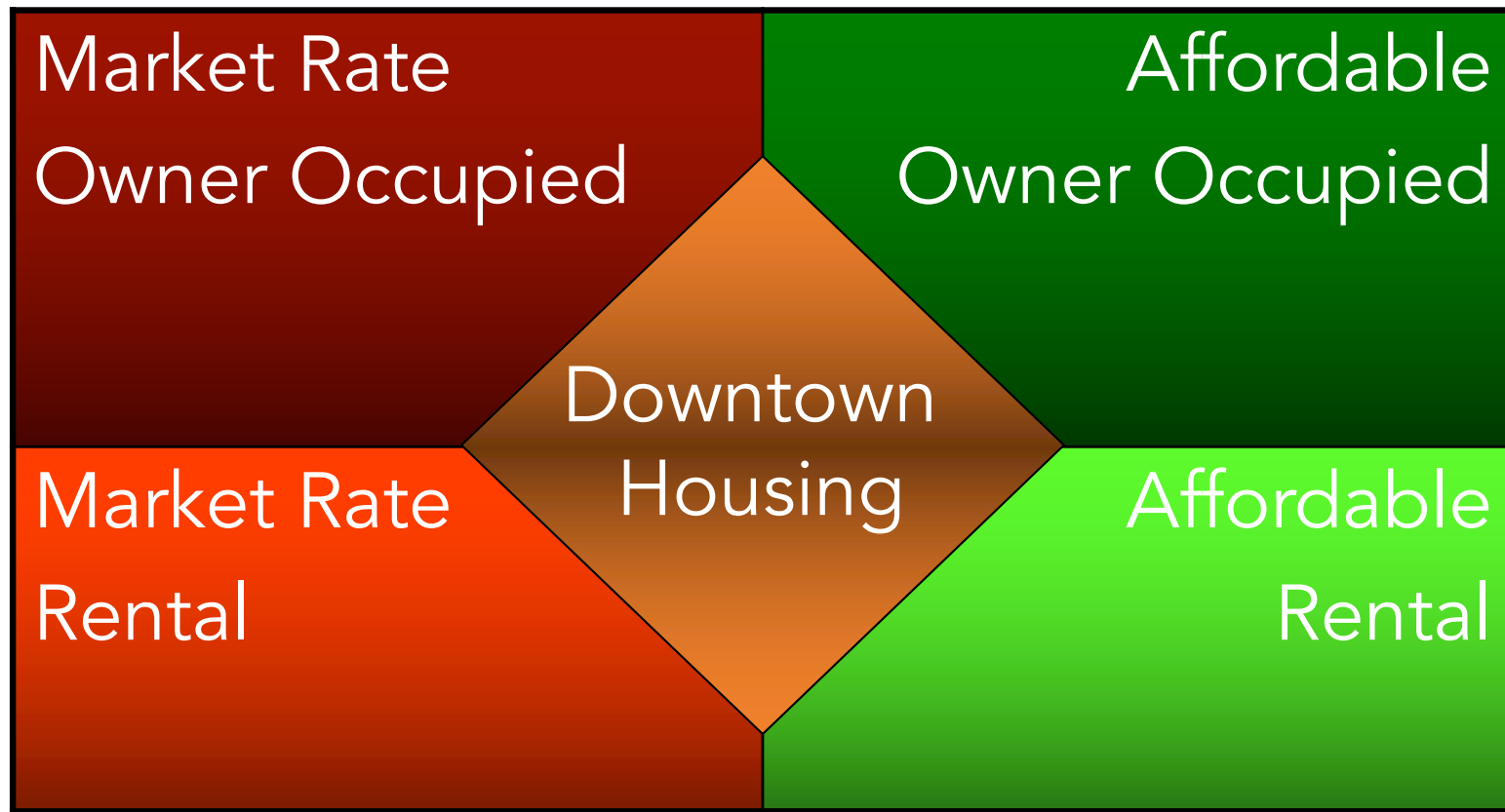
Many burnt by the real estate market cycle

- The average length of the real estate market cycle is 18 years.
- Many long-time developers went through the financial wringer as demand contracted sharply when real estate markets moved quickly from boom to bust.



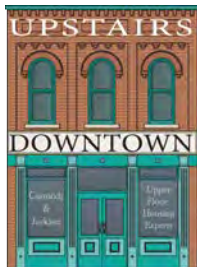
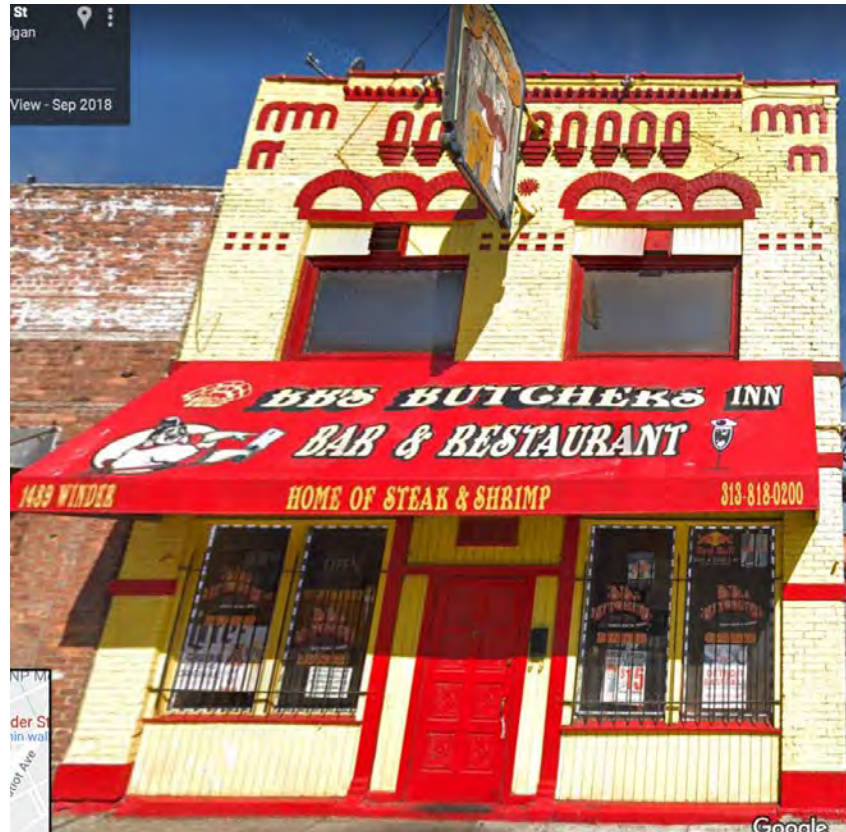
Inclusive Nature of Main Street Housing

It's everyone's neighborhood



Authenticity Includes Everyone

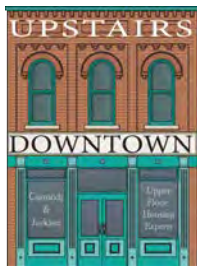
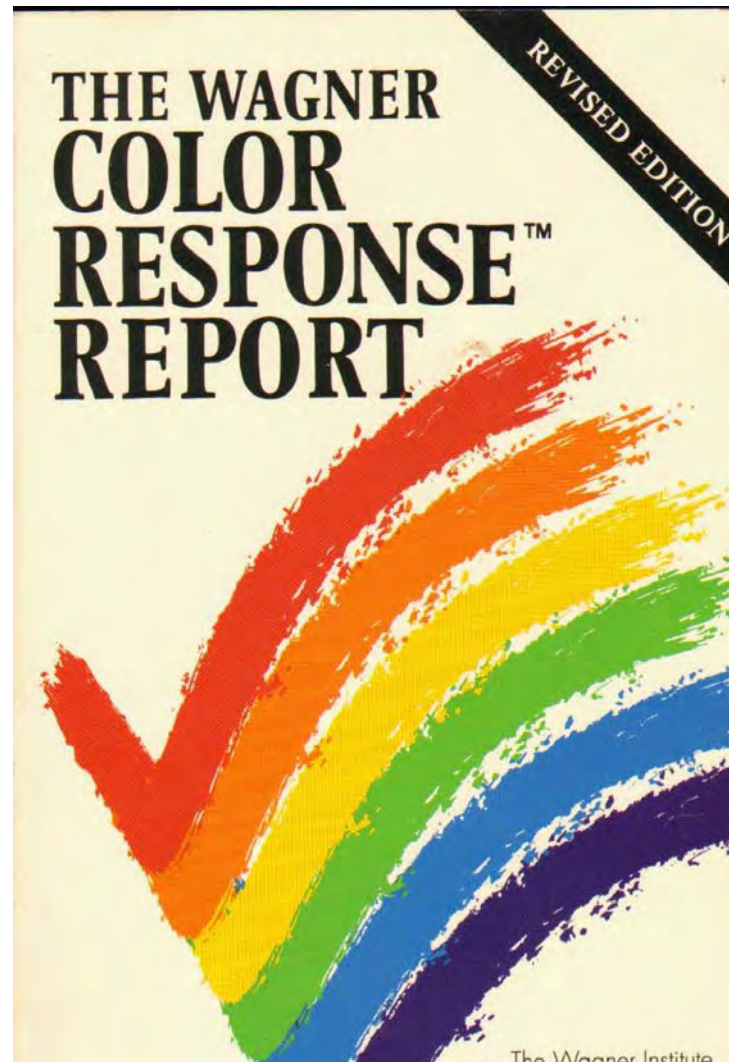
Careful About Diversity



Mix of businesses is critical

How to Retain Everyone

Don't Unintentionally Uninvite People

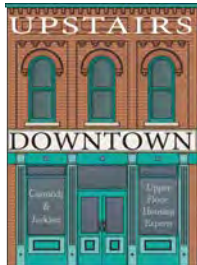


Mix of businesses is critical

Leveraging Community Authenticity

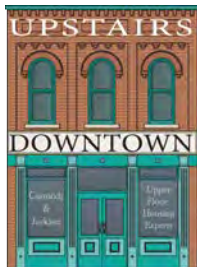
Downtown or Main Street is where its at!

- ✓ True to one's own personality character:
sincere with no pretensions – it's what you are and what you want to become
- ✓ Authenticity does not reside in objects but in the visitor's experienced relationship to a set of object



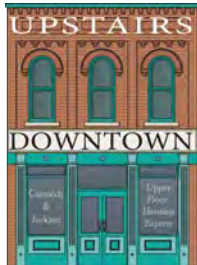
Renewing Assets

Organic regeneration



Leveraging Assets

Organic Storytelling



Authenticity Leads to Greater Vitality

Main Street is where its at!

Activate Upper Floors

- ✓ Housing, office, and/or hospitality

Keep Independent Businesses

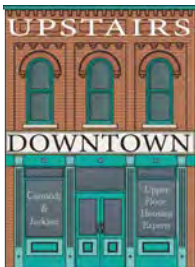
- ✓ First floor focal point

Keep Incubating

- ✓ Farmers Markets and Other Pop Ups

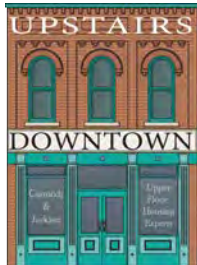
Variety of Rental Price Points

- ✓ Incentive for Large Scale Developers
- ✓ Non-Profit Developers

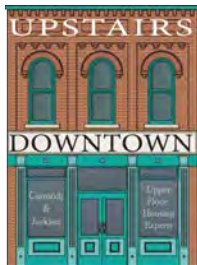
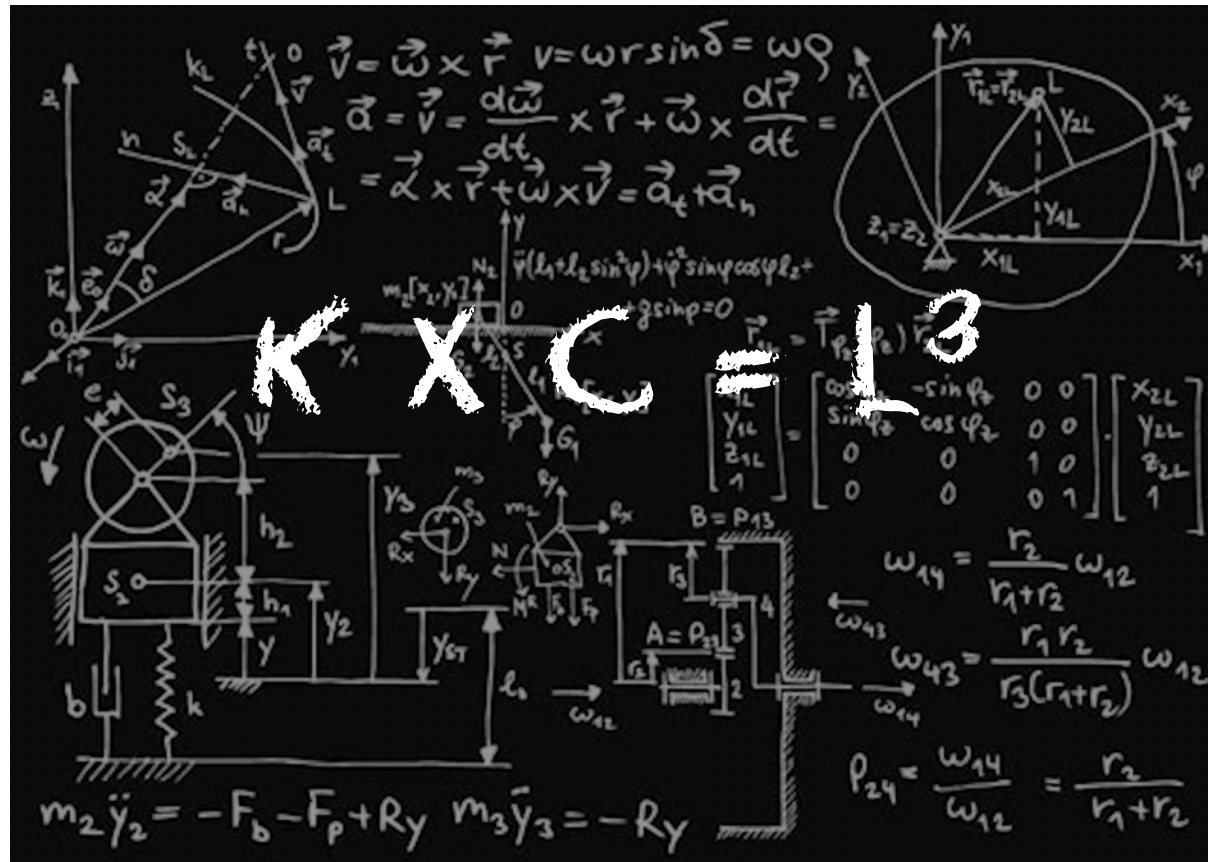


First Rule of Authenticity

Know your assets!



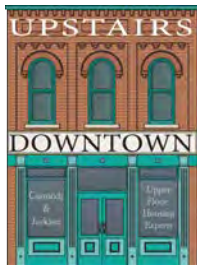
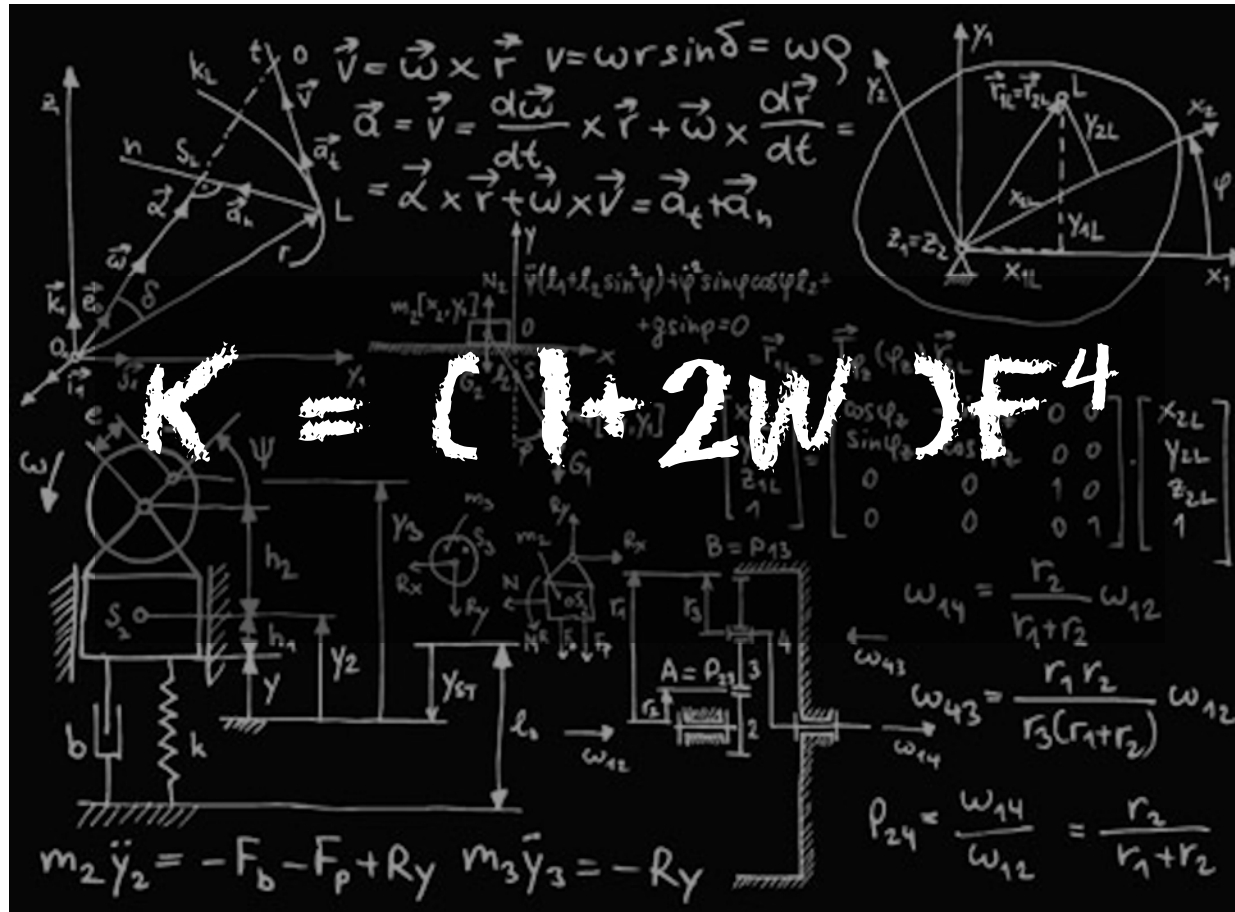
Upstairs Downtown Happens In towns with exceptional leadership



Exceptional Leadership
 Equals Knowledge
 Times Capacity

Exceptional Leadership

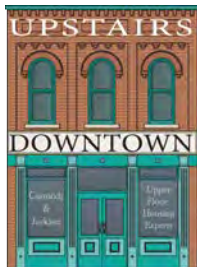
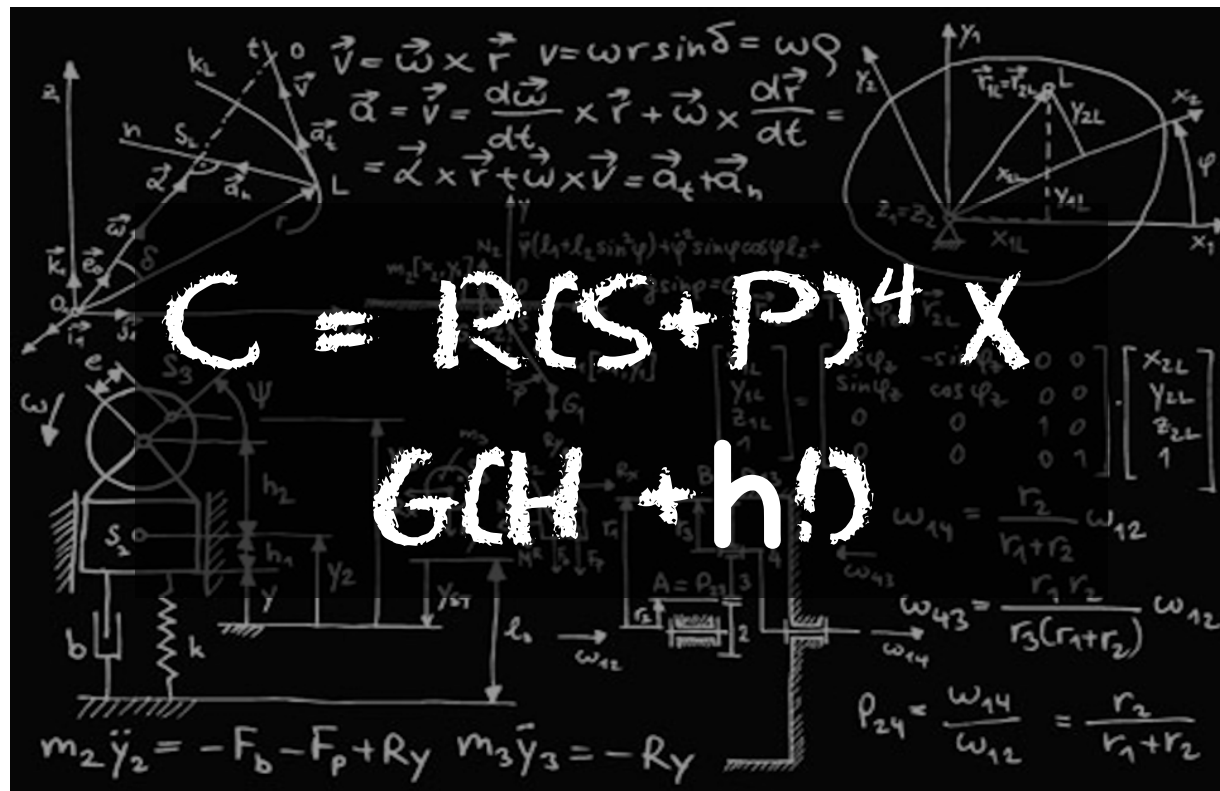
When knowledge meets capacity



Knowledge Equals Information
 Plus Two Parts Wisdom
 Times Faith to the 4th Power

Exceptional Leadership

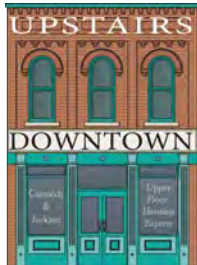
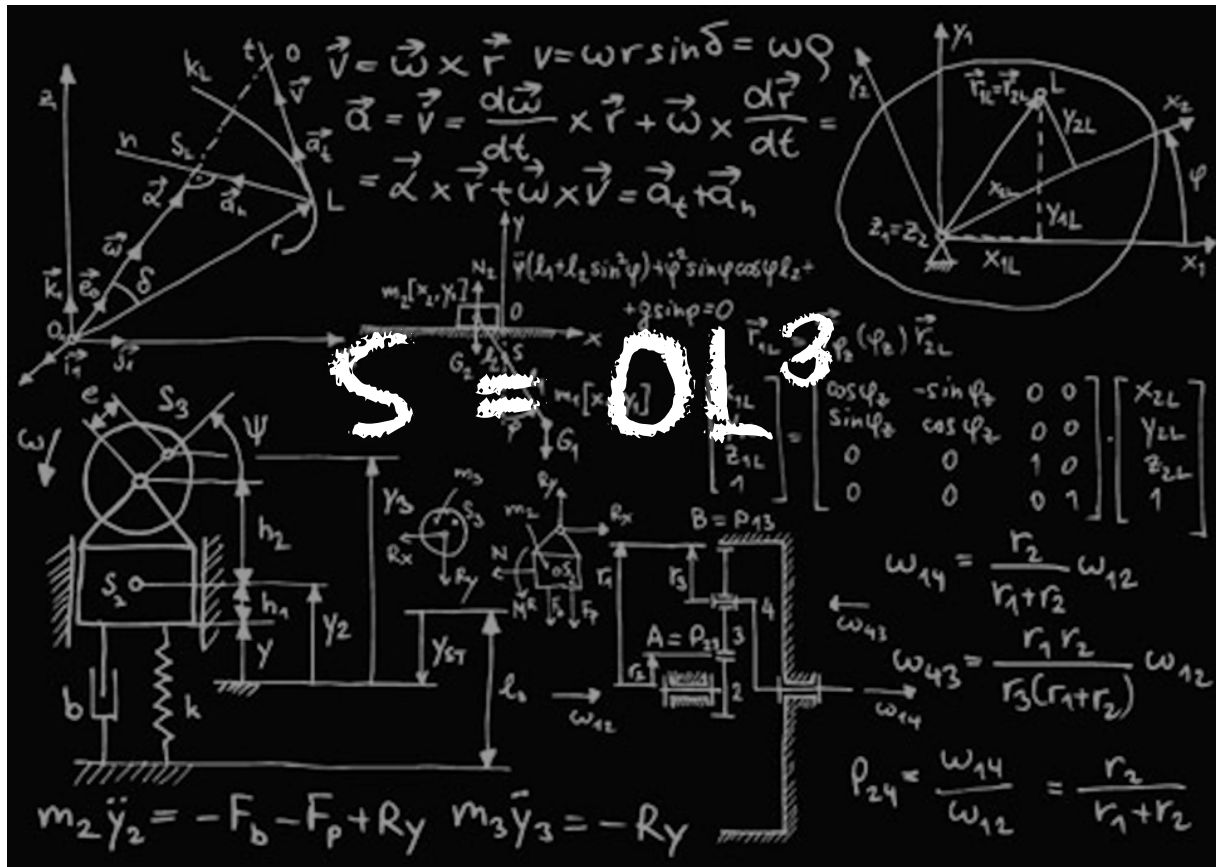
When knowledge meets capacity



Capacity Equals Responsibility Times Sum of Sweat and Passion
 To the Fourth Power
 Times Gumption Times The Sum of (Humility and humor)

Implementing Upstairs Downtown

Helps build exceptional leadership



Success Equals Opportunity
Times Outstanding Leadership

Courageous Exceptional Leadership

Takes a long time for a good vision to bear fruit

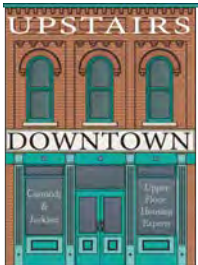
Project Timeline

- 1929 Local Architect Robert Hugman proposes “The Shops of Aragon and Romula” combining flood control and commercial development.

Hugman branded a lunatic by those who wanted to pave over and put the troublesome San Antonio river in a box culvert.
- 1939 Initial phase of Paseo Del Rio built with WPA funding
- 1968 Hemisphere expansion most significant in continuing evolution of River Walk.
- 1970's San Antonio emerges as a major convention center

Exceptional Leadership

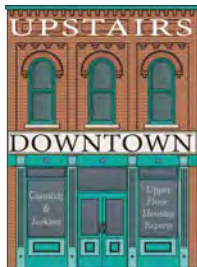
Randall Chick of Hastings, NE



85 Upper Floor Units in a city of 24,000



Upstairs Downtown Success in other places

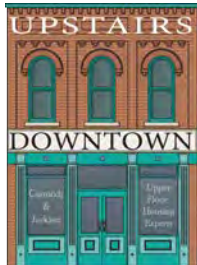


Hastings, NE

- Established both a business improvement district (BID) and a community revitalization area (CRA) to fund Main Street initiatives
- Attended NDC training early on
- First project was 100% funding by the BID/CRA

Exceptional Leadership

Jay Maton Made Seminary Street a landmark



Made Seminary Street a landmark step-by-step

It Starts By Knowing Your Building Stock

Careful assessment reduces barriers

