COMMENTARY: Why focus on downtown?

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Approximately six months ago, the Downtown Hazleton Alliance for Progress initiated a planning study to better understand the issues associated with leading the downtown revitalization effort and develop the necessary strategies and programs to help move it forward.

Over these last few months we have heard from hundreds of people that attended our public meetings, stakeholder workshops, submitted emails and letters, weighed in on social media, and participated in interviews and online voting. Our consultants have also provided valuable data and suggestions as we move through this process.

Interestingly, the question we’ve most often heard throughout this planning process is why so much focus on the downtown? The surrounding city neighborhoods are deteriorating and also in serious need of assistance, so why is our organization not also investing time and energy in those as well? While we agree that the neighborhoods also need help, there are four very simple yet important reasons for our focus — pursuit of “Main Street” designation; grow the tax base and expand employment opportunities; power of momentum; and crime, and more importantly the fear of crime.

1. The Downtown Hazleton Alliance for Progress is pursing “Main Street” community designation with the state Department of Community and Economic Development. This designation will enable us, in partnership with the city, to apply for and administer a variety of economic incentive programs for downtown reinvestment and development.

In order to become a Main Street community, our plan needs to simultaneously focus on four aspects of revitalization (what is often coined a “four-point” approach): economic development (attracting business as well as growing business from within); physical design (i.e. building façade improvements, parking and streetscape elements); marketing and promotions; and organization and fundraising.

Our organization needs to have five years of operational funding in place before applying for Main Street designation in order to prove our own short-term sustainability. For this reason, we’ve undertaken an aggressive fundraising campaign and are happy to report that thanks to the support of the community, we’ve reached almost 70 percent of this goal.

To become a certified Main Street community, our mission must concentrate on the downtown, which is the central commercial district of the city and surrounding region. The state has other programs that are designed especially for neighborhood revitalization. These are called Elm Street programs.

In order to have certified Elm Street neighborhoods, the city would need to undertake a comprehensive plan study (similar to the strategic plan we are completing for the downtown) and then apply for Elm Street designation. Our alliance has offered to assist with the grant writing needed to help fund a Comprehensive Plan, which could be supplemented with city Community Block Development Grant monies. When the city is ready to take action on this we will assist with the process.

2. The downtown is the geographical, commercial and cultural heart of the community. If a heart stops beating death soon follows, no matter how healthy the other organs or extremities.

Economic growth within the downtown will result in an increased tax base that the city can use to pay for fixing potholes and sidewalks, hiring more police and code enforcement officers, and maintaining parks and recreational facilities.

The downtown core currently employs about 1,900 people within about 230 businesses. If you add the approximately 1,000 workers employed at the Lehigh Valley Hospital - Hazleton campus that is less than a half-mile away, the approximately 300 employees within the adjacent Hazleton Shopping Center and Giant/CVS complexes, the 140 additional DBi employees that will soon relocate to the downtown and the capacity to absorb an additional 160 workers when the HNB bank building is renovated, the number grows to nearly 3,500. That would be almost 40 percent of all jobs within the city limits.

This density of employees within a concentrated area of about 160 acres provides purchasing power that supports higher demand for downtown retail goods and services.

Based upon statistics generated by the International Council of Shopping Centers, the money an office worker in an urban area with limited retail offerings spends on goods and services in close proximity to their workplace is about $84 per week (or $4,368 per year). With more ample retail, restaurant and services offerings within the urban area, this average weekly spending rises to $102 (or $5,304 per year).

So every job added to the downtown has a ripple effect, providing a higher demand for local restaurants, pharmacies, food markets, gas stations, etc., as well as personal and professional services. The more goods and services available the more people will spend, and the city’s tax base will grow along with the economy.
Purchasing goods and services locally rather than outside of our community means that the money spent here generally stays here. Shopping local means that the person operating the small restaurant, gift shop or beauty salon downtown can pay their employees, who in turn spend their paychecks on their mortgage, child care, groceries and other necessities.

If these too are all locally sourced, the money continues to recirculate in the local economy. This creates additional employment and small business entrepreneurship opportunities for everyone.

It is also important to recognize that the downtown has capacity for growth without the necessary public infrastructure investment of new roads, traffic signals, sewer, water and other hidden costs that taxpayers often fund when land is developed, not to mention environmental impacts.

Many properties remain vacant (approximately 12 percent), and more are partially vacant, or simply underutilized and ripe for rehabilitation. If all of these vacant and underutilized properties were occupied with commercial businesses, retailers and renters, it could increase the city's tax base by an additional $880,000 a year. This income would be derived from existing mercantile taxes, earned income tax and local services tax, and doesn’t even account for the additional property tax income that would result from higher assessed values following building improvements.

Long term, this is the goal we are working toward, even if short-term tax breaks or incentive programs are necessary to attract the initial investment and renovation.

3. Because our own resources and capacity for leadership are limited (we have only one paid staff member), our efforts will be most effective if they are focused and build upon the critical momentum that has already begun. So far, these efforts are resulting in noticeable and substantive progress, and are building upon the several million dollars of both private and public investment in downtown infrastructure, historic commercial structures and new development.

For instance, the Traders Bank rehabilitation is nearing completion at a value of $9.5 million. New pedestrian bridges are under construction to connect the Traders Bank and Hayden Tower with the Mine Street parking garage at a cost of $1.6 million. The Mine Street parking garage has begun a $1.6 million renovation.

The historic HNB Bank Building is currently in design phases for $4 million worth of improvements. Just a few months ago, CAN DO purchased 21-23 W. Broad St. with plans to create a new downtown culinary incubator, which will be managed by CAN BE for the purposes of nurturing new small business startups.

Before the end of the year, our alliance will also acquire the former Security Savings bank building and develop plans for at least $1 million worth of renovations.

The PennDOT Broad Street Corridor Project is also now complete at an investment of $30 million. This corridor handles over 14,000 vehicles per day. The Church Street corridor handles approximately 10,000 vehicles per day. For every 1 percent of those vehicles travelling through the downtown that are enticed to stop and purchase $10 worth of goods or services from a local business, $2,400 of daily spending is added to the local economy (or $876,000 per year). Better signage, better storefronts, coordinated promotions and more attractive streetscapes will help capture those dollars.

4. The fourth reason for our focus is crime, or more importantly the fear of crime. People often ask why we are working to revitalize the downtown when the common perception is that the downtown is unsafe. There is no doubt that the fear of crime inhibits our progress.

As recognized by the Pennsylvania Downtown Center this is the biggest obstacle to revitalization. It breeds instability and disinvestment, which leads to neglect and vacancy in the residential and commercial building stock. This creates voids where negative activities can take root, thereby creating a dangerous downward cycle that is difficult to break.

So for this reason, instead of crime deterring our efforts we feel it should embolden them. With strategic interventions of new investment and development, criminal activity will be displaced with economic vitality. This is how Allentown, Bethlehem, Lancaster and other downtowns all over the country have begun to reclaim their safety and self-image. And once a downtown economy rebounds, it drives demand for re-investment in its nearby residential neighborhoods. Particularly those with good building stock that are adjacent and walkable.

Downtown Hazleton is currently in a transition phase, and those who are familiar with its nuances can see the positive changes taking place. Although there is still much work to be done, progress is steadily being made. Our alliance is working hard to change perceptions and promote what is both positive and possible. But it is only with this focused determination and sustained local support that these efforts will be successful. If you are willing to contribute your time, thoughts or other resources toward this effort, we want to hear from you. Preliminary planning recommendations and strategies for downtown revitalization can be found on our website at www.downtownhazleton.org.

We ask that you take a moment to visit our page and vote for the concepts and strategies that you feel will result in the greatest impact. Your feedback here will help us finalize the strategic plan and prioritize our efforts. Constructive comments may also be emailed to me at kschneider@downtownhazleton.org.

Krista Schneider is the executive director of the Downtown Hazleton Alliance for Progress, a nonprofit organization whose mission is to provide sustainable leadership, direction and support for the successful, efficient revitalization and long-term success of downtown Hazleton.