

An aerial photograph of a town, likely Tamaqua, Pennsylvania. The foreground shows a street with cars and utility poles. In the middle ground, there is a prominent church with a tall steeple. The background features rolling hills covered in green trees under a clear sky.

# Upper Story Revitalization Plan

Prepared for:  
*The Tamaqua Area Community Partnership*

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## 2 Upper Story Revitalization Plan



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## Executive Summary

The community of Tamaqua faces a challenge that hundreds of communities across the country now face. How can the community revitalize the Downtown area given the amount of disinvestment and decline that has taken place? How can they bring the Downtown back as the heart and soul of the community, rather than just a series of historic buildings? Tamaqua has both advantages and disadvantages when it comes to its Downtown. On one hand, the Downtown is a wonderfully intact district of beautiful, architecturally compelling structures. On the other hand, shifting employment, business and residential patterns have created a significant amount of empty buildings. A number of hurdles that stand in the way of comprehensive revitalization in Downtown Tamaqua.

As much as 250,000 square feet of interior space is vacant in Downtown Tamaqua, including 40,000 square feet of ground floor space. The magnitude of this challenge led the Borough of Tamaqua to choose revitalization efforts of upper floor spaces in Downtown as one of the six most important goals for the community. This is a daunting task that does not generate easy solutions. Tamaqua must focus on solving a number of significant development hurdles before it can be successful in its endeavor to renovate and occupy upper story spaces in its Downtown.

The first hurdle is market demand. Despite an intact historic commercial district with beautifully restored facades, the economic vitality of Downtown Tamaqua is lacking. This is somewhat connected to regional trends, which reflect a stagnant population and modest employment growth. However, it is also clear that Downtown Tamaqua is no longer a business and service center for Tamaqua citizens. Finding enough residents or businesses to occupy upper story spaces will be a challenge that cannot be over looked.

Many other development and renovation hurdles exist in addition to the limits of market demand. The condition



of many Downtown buildings is poor, with a significant amount of renovation required to bring them up to code. With lower and upper floor spaces carrying very low lease rates, the ability of a developer or property owner to pay back the investment required for renovation is limited, under the best circumstances. Indeed, the few properties that have been renovated in Downtown, such as the Flatiron Building, have been performed by “angel” investors interested in seeing the improvement of buildings, but with no eye towards profit. The ability for private investors to consistently gain profit off of development and renovation projects using either equity investment or conventional financing is perhaps the single largest hurdle facing Downtown Tamaqua.

Another obstacle is parking. The density of existing buildings, combined with the topography of the community, limit opportunities to provide parking for Downtown buildings. Despite available on-street parking, new users of upper floor space will require dedicated parking, whether they are residents or businesses. This is not only important for market based reasons, but also for potential investors, like banks, who will require such amenities.

This Study provides the information, strategies and direction necessary for Tamaqua to move forward with its revitalization efforts of upper story space in Downtown Tamaqua.

The most important element that Tamaqua must consider is that incremental renovation and improvement of Downtown buildings could take years to complete. In order to see progress, Tamaqua must “think big”. It must organize around a project of sufficient scale and impact that Downtown and community-wide improvements will be felt within just a few years.

This Study proposes a three-tiered strategic approach designed to push past the impediments that currently exist and generate an improvement project that has an

impact upon the entire Downtown area. These tiers must be implemented simultaneously in order to achieve success. Each tier represents the “leg” of a stool used to support Upper Floor Revitalization, as illustrated on page 8. The three tiers are:

(1) A **comprehensive development / renovation project** that has sufficient enough scale to impact the atmosphere of Downtown. By assembling numerous properties together into one project, Tamaqua will be able to achieve economies of scale on costs, as well as leverage available state and federal funding sources that are “one-time” shots for a small City like Tamaqua.

This Study recommends unifying 10 or more properties and utilizing a combination of historic preservation tax credits and low income housing tax credits to create affordable residential units for various segments of the population, including students and artist groups. By renovating all 10 or more properties in one fell swoop, there is an opportunity to revitalize large swaths of Downtown - as much as a quarter to one-third of all non renovated upper floor space. These funding sources will not always be available on an “incremental” level (i.e. renovating properties one-by-one), and this strategy utilizes them to their maximum potential for Tamaqua. These sources of equity will reduce the investment required to renovate distressed buildings back to code compliance, and generate enough revenue to satisfy both a developer and property owners.

(2) In parallel to a comprehensive renovation, **accessible, private parking** must be addressed. Current property owners have access to very little dedicated parking, and the renovation of significant portions of the Downtown will only increase the demand for parking. In order to leverage funding for a proposed revitalization project, private, dedicated parking must be provided before banks or other financial partners will agree to lend funds.

## Executive Summary (continued)

This Study recommends that Tamaqua create a Tax Increment Finance (TIF) District for the Downtown area. This District will allow the Borough to issue tax-exempt bonds - backed by the tax “increment” generated by improved properties - to pay for parking improvements. These improvements will most likely include structured parking, as well as the potential removal of older structures and other obstacles in order to create parking for new units, businesses and offices.

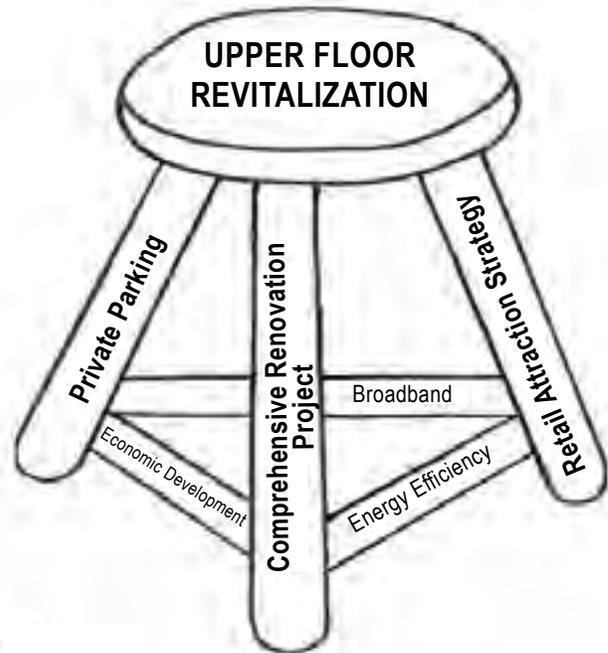
(3) No upper floor revitalization strategy is complete without addressing **retail, restaurant and service businesses** appropriate for ground floor spaces. These businesses generate the amenities that will ultimately lead to total revitalization throughout Downtown Tamaqua - the dining and shopping that appeals to upper floor residents, as well as to the visitors that will generate an additional economic base to both Downtown and the community as a whole.

This Study recommends outlining a separate, yet parallel, retail improvement strategy that will help occupy the ground floor of newly renovated properties, as well as the Downtown area. This Study examined some broad opportunities for retail improvement in Downtown, but a more detailed concentration of the issue is important.

In addition to the three “legs” of the stool, there are three supporting initiatives that Tamaqua should consider implementing in parallel with the recommended development / renovation project. **Broadband connectivity** can be a crucial economic development tool, and Tamaqua should seek opportunities to develop this infrastructure where possible. Not only will it assist in attracting users to renovated buildings, whether they be residents or businesses, but it will also assist the community by establishing a key piece of infrastructure to help stay competitive in regional economic development.

Ultimately, this Upper Floor Revitalization Strategy is more than housing and retail - it is meant to be a

Figure i Tiers Supporting Upper Floor Revitalization



transformational **economic development** project for Tamaqua, and subsequently resources must be allocated for this purpose. In addition to a focus on retail businesses, staff, marketing and funding may be necessary to recruit (and retain) arts and commercial office businesses that will be users both in this first phase of comprehensive revitalization, as well as future phases.

A third support initiative is **energy efficiency**. Making renovated properties as energy efficient as possible will help Tamaqua establish itself as a sustainable community, and even act as an amenity by attracting new residents and businesses. There are number of funding sources for energy efficiency that are currently available, and including “green” construction or energy principles into renovation projects may assist Tamaqua in leveraging competitive funds for a comprehensive renovation project.

# 1 INTRODUCTION

This Study is the second half of a planning initiative led by the Tamaqua Community Partnership to explore ways to renovate and revitalize the upper story spaces in its Downtown District. When Tamaqua was named one of twenty-two Blueprint Communities in Pennsylvania, Borough leaders came together to lay out general and specific goals for the Town. The fifth stated goal was: ***Better utilize the upper floors in the downtown as a place for businesses and residential growth.***

Phase 1 of this initiative, completed in 2008 by Schroeder & Schroeder Consulting, focused on creating an inventory of Downtown structures and an assessment of building, administrative and Downtown-wide conditions that presented potential obstacles to the renovation of upper floors.

From the Phase 1 Study:

*Tamaqua's Downtown has seen a slow but steady turnaround since first being designated as a Pennsylvania Main Street Community in 1998. Although the Main Street District still faces challenges, there is vitality in the business district what was not there before. More than 40 facade improvement projects, the aggressive use of Keystone Opportunity Zones, and the implementation of a municipally funded loan program have made an improvement in the central business district. This work has been complimented by public improvement projects such as beautifully landscaped Victorian Depot Square Park, the restoration of the 1874 Railroad Station, and a \$2.6 million streetscape enhancement. A local, state and National Register Historic District is now in place to preserve the historic nature and resources of downtown.*

This Phase 2 Report focuses on outlining an implementation plan for the renovation of upper story spaces. It is a market-based, real estate development approach outlining a public-private partnership that has the potential of drastically improving a number of Downtown properties in the near-term.

## Methodology of Phase 2

This revitalization plan builds on the data and analysis of Phase 1 to answer three critical questions: (1) What buildings should be examined for potential renovation / restoration; (2) What are the hurdles to renovation; and (3) What buildings should be selected as short-term projects for renovation. The culmination of this process is the Implementation Plan, found in Section 3, which outlines strategies and detailed projects for the Community Partnership, and the Borough as whole, in order to accomplish its goals regarding upper story revitalization.



*Tamaqua's historic train depot is now restored as a restaurant and visitor's center.*

Figure 1.1 Study Area



## Study Area

The Study Area for this project encompasses roughly one block on the north and south sides of Broad Street, between Nescopoc Street on the west, and Greenwood Street to the east (see Figure 1.1). This includes 76 separately, addressed buildings mostly on East and West Broad Street, but also three buildings on Center Street. This is a slightly larger Study Area than from Phase 1.

## Buildings in Study Area

This Report attempts to quantify the scale of renovation potential and need within the Study Area. Using GIS and other data sources, approximate gross square footage and net square footage numbers were calculated. It should be noted that these represent estimates only, and should only be used as a general guide for building renovation and development until exact measurements can be taken. Phase 1 includes the square footage calculations for some buildings within the Study Area, but

access to all buildings was not possible.

Not all of the buildings located in the Study Area are being analyzed for this project. Single-Use Residential and Institutional uses like government and churches are not being considered, as well as buildings that have already been renovated. The calculations for total area are shown in Figure 1.3, on page 11. The entire Study Area holds approximately 840,000 sq. ft. of space. About one-quarter of this total is found in ground level “storefront” space - meaning space that can be configured for businesses, as opposed to the ground level of an apartment building.

By removing the eight buildings already occupied and/or renovated, this leaves 68 buildings with a total of 282,518 net square feet of upper story space.

**Figure 1.2 Candidate Buildings Within Study Area**



**Figure 1.3 Study Area Square Footage Calculations**



*Downtown structures like the Senior Apartments located at 201 E Broad (top), and institutional uses like the First United Methodist Church on W Broad were inventoried but not considered on the final list for potential renovation.*

Project Study Area	Square Feet
Total Gross Square Feet (GSF) of All Buildings*	842,990
Total Net Square Feet (NSF) of Commercial Buildings*	719,625
Total Ground Floor NSF	211,808
Total Storefront NSF**	191,042
Total Upper Story NSF	461,065
Less Occupied, Residential & Renovated Buildings	
ABC Building	122,361
35 W Broad	8,820
Salvation Army (103-109 W Broad)	9,674
Senior Apartments	10,208
Flatiron Building	12,117
Tamaqua School District	7,029
M&T Bank (100 E Broad)	2,377
Wachovia Bank	5,961
	178,547
<b>Total Upper Story NSF for Project</b>	<b>282,518</b>



## 2 ASSESSMENT OF DEVELOPMENT HURDLES

**T**here are four categories that can provide unique hurdles to the renovation of historic structures located in the Downtown District. This Section analyzes each area and summarizes needs that Tamaqua must address in order to move forward with an impactful renovation project.

### (1) Adequate Demand in the Local Market

Real estate projects are non-starters if there is not sufficient demand from users to occupy the space. Developers must ascertain the likelihood of attracting residents, businesses and retail establishments to a new or renovated building, as well as what the market-rate rent is for a particular space or apartment. A building must provide cash flow for its owner in order to be a viable project, meaning there must be enough revenue to cover operating costs and debt service.

### (2) Manageable Public Approvals

A real estate project must pass a number of municipal or other approvals before occupancy is allowed. This includes zoning, meeting building codes, etc. Understanding Federal, State, and local codes are particularly important for the renovation of historic structures, as they must meet modern building code standards. Significant costs can be added to projects if planning for adequate approvals is not considered.

### (3) Physical Characteristics & Location of Existing Buildings

The condition, location and characteristics of buildings play a large role in their successful renovation / rehabilitation. Sufficient market demand may not apply to a particular location, a building may not have enough parking available to serve tenants, or its physical condition may be too deteriorated to warrant renovation - at least without significant subsidy.

### (4) Availability of Financing

Proper financing sources must be available and secured before a real estate project can begin. For the revitalization of historic downtown areas, often traditional methods - i.e. conventional financing - may not be sufficient to elicit cash flow. There are many federal and state funding programs designed to assist in redevelopment and revitalization of historic properties, it is a matter of finding which are the most appropriate for each building and/or use.



*The two most important hurdles to overcome in upper floor restoration will be: (1) the cost of rehabilitating vacant buildings that need a considerable amount of repair to meet building code requirements; and (2) providing sufficient private parking for users of upper floor space.*

## 2.2 Adequate Demand in the Local Market

This Section is a summary of market related findings for Tamaqua and its Downtown area. Data related to these findings can be found in the Appendix.

DCI analyzed 3 core market and economic trends that will have an impact on the Borough's capacity to rehabilitate upper story spaces - Employment Growth, the Housing Market, and the Retail Market.

### Employment / Commercial Office Market

An analysis of the local and regional employment trends is necessary to gauge the market for commercial office space. Overall, the results of this analysis indicates there is some opportunity to capture office space in Tamaqua, but it will not be robust.

Employment in Schuylkill County grew at a reasonable 7.7% rate of growth between 2001 and 2007.

Employment in Tamaqua grew 8% between 2000 and 2008<sup>1</sup>. If employment growth returns to this rate within the next five years, there could legitimately be opportunities for both growth in employment and establishments that would increase the demand for upper story space. Of the types of businesses that would typically occupy "urban" office space, some employment sectors like insurance (-10%), real estate (-15%) and rental and leasing services (-32%) have declined in recent years. However, professional and technical services (+32%), management of companies and enterprises (+24%) and administrative and support services (+33%)<sup>2</sup> have all grown, for a net job growth of 497 jobs within the County over the past decade.

Office space in historic, downtown properties generally represents a "niche" product in the marketplace. This is due to the preponderance of business parks and suburban / peripheral commercial buildings that offer

cheap, quality space. In terms of "capturing" existing businesses or new office related growth, Tamaqua has a regional disadvantage compared to Hazleton and Pottsville-Frackville, which represent much larger population centers, base economies, and have better regional and state-wide transportation access. However, neither Downtown Pottsville or Hazleton are particularly active urban districts. An advantage that Tamaqua can provide is an office environment with access to an interesting quality environment and amenities like daily goods and services, restaurants, etc. It should be noted that this environment does not yet exist.

Overall, the office market should be considered a secondary target market. It might be a growth area once Downtown is more fully established and occupied, but is unlikely to represent a short-term opportunity. A good anecdotal example exists to illustrate this point. When the Flatiron Building was originally renovated, it was supposed to be for commercial office space. The owners found a very limited market for this, however, and have since converted the space to apartments.

An exception to this approach is the velocity from which ground floor spaces can be used for additional retail and dining businesses. There are a number of existing office-based businesses, including real estate offices, lawyers, accountants, etc. that could occupy upper story spaces just as easily as ground floor spaces. A stronger retail market (see page 16) could result in these businesses moving to upper floors, thus the opportunity to utilize existing establishments in newly renovated upper story space.

### Housing Market

Tamaqua and its environs, including Schuylkill County, are not growing in terms of population. The county has slowly been losing population for decades.<sup>3</sup> While estimates are unclear as to the extent of population change in Tamaqua, available information shows growth to be either stagnant or declining.

<sup>1</sup> Source: Bureau of Labor Statistics

<sup>2</sup> represents two-digit NAICS codes for Schuylkill County

<sup>3</sup> Source: U.S. Census



*Several large affordable housing projects already exist within Downtown Tamaqua, including 222 E. Broad (above), a 15 story Low Income Housing Tax Credit Project, 200 E. Broad (below) a 7 story Senior Living apartment building, and 35 W. Broad (not shown), a four story apartment building that accepts Section 8 and other types of low income households.*

With zero percent effective growth in households between Tamaqua, Jim Thorpe, Frackville, Pottsville and Hazleton, there has been limited to no new demand created for housing in the County and its immediate environs. Even Hazleton, which has seen a notable influx of Hispanic households, has experienced a net loss of population in the past decade, meaning the new households are replacing ones that have already left.

Neighboring counties to the east, including Berks, Lehigh and Northampton, have grown at a relatively fast clip of 9-12% over the last decade. These three counties have seen an influx of 95,000 people since 2000.<sup>3</sup> Having once experienced declining population growth, these counties represent a growth ring of population moving outwards from the Philadelphia and New York City metropolitan areas. It is unclear whether this growth will continue to push farther north-west into Schuylkill and Carbon Counties, but the employment growth rate of these counties suggests that it is not imminent.

Any housing related growth and development in Tamaqua must therefore utilize existing households and residents. Despite this disadvantage, there may be an opportunity in the form of affordable housing. The Area Median Income (AMI) of Schuylkill County is placed at \$54,900 by the Department of Housing and Urban Development (HUD). The Median Household Income of Tamaqua is estimated to be much lower - at \$37,855. This means that a large percentage of Tamaqua households would likely qualify for federally subsidized housing units.

Using available demographics, we estimate that between 60-65% of Tamaqua households would be characterized as "Low Income", meaning that their income is 80% or below AMI. 30-35% would be considered "Very Low" or 50% and below AMI, and 17-20% would be considered "Extremely Low", or 30% and below AMI. This suggests an excellent opportunity to create new or rehabilitated, quality housing units targeted to low income households already living in the community. As many as 60% of

existing households qualify for occupation of federally subsidized affordable housing. Examples already exist in Downtown, including the ABC Building.

Housing - specifically *affordable* housing - represents a first-tier market opportunity for upper story spaces. The ability to create market-rate units is less certain, though many are already occupied in the Flatiron Building. Market indicators suggest that affordable housing is the primary opportunity, with market-rate housing for young professionals or empty-nesters following. The depth of the latter market can be assessed once initial building renovations are underway.

## Retail Market

Although Retail or Dining is unlikely to occupy upper story spaces in a community like Tamaqua, gauging the viability of the ground floor retail market is important for several reasons. First, retail and dining businesses are one of the most important amenities for households or employees living or working in Downtown upper story spaces. A large part of the appeal of upper story spaces is their proximity to goods, services and food virtually outside their door. Without sufficient retail amenities, residents and workers tend to drive to these destinations, which can be done from virtually any location across the community.

Second, retail vitality translates into higher rental income for property owners. Low rental income makes it harder to cash flow, and thus finance building improvements. High lease rates, on the other hand, tend to price out independent businesses.

Based on inventory, lease rates and general observations, it can be concluded that Broad Street's retail core is not strong. Reported lease rates are between \$2 and \$5, with the high end representing renovated space. Placed on a national scale, these are extremely low lease rates. Of the 185,000 square feet of "storefront" space inventoried along Broad Street, only 22% of that space was occupied by traditional retail and dining establishments. 26% was occupied



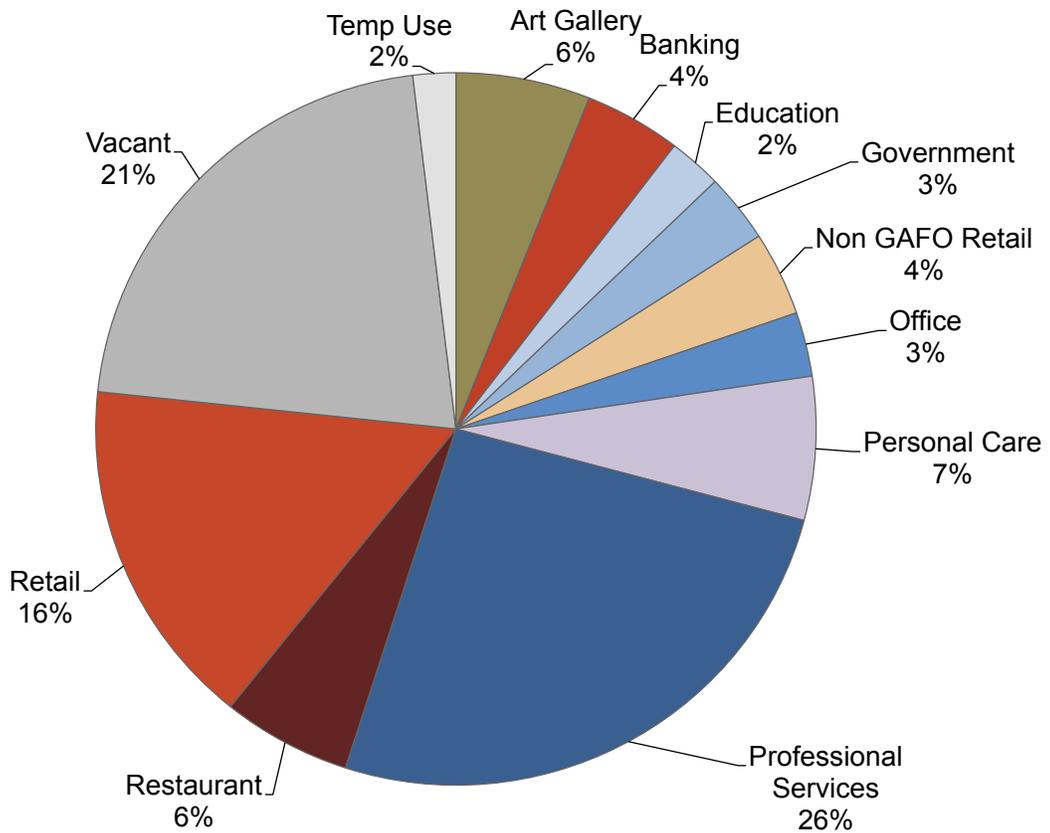
*Retail uses are widely varied in Downtown Tamaqua, with only 22% of existing storefronts consisting of "traditional" retail and dining establishments. One-fifth of the storefronts are vacant, and those that are occupied are estimated to carry rents of only \$3-\$5 a square foot. This presents several challenges to the effort of rehabilitating upper story spaces: (1) the weak overall market is a hurdle in generating enough revenue to support building improvements; and (2) Downtown currently does not have the retail offerings to act as an amenity to new residential or office users.*

Figure 2.1 Storefront Spaces



Figure 2.2 Distribution of Storefront Space Users (Square Footage)

Inventory Conducted During Summer of 2010



GAFO = General, Apparel, Furnishings, Other

by professional services like lawyers, accountants and real estate agents, and another 21% was vacant. This is a sure sign that Tamaqua's downtown retail viability is weak.

On the other hand, there appears to be a fair amount of demand for retail that is untapped by existing businesses, both in Tamaqua and in the Region. Retail supply and demand data estimates that there is as much as \$8.3 million in retail "leakage" within the Borough of Tamaqua.<sup>4</sup> This equates to demand for 26,000 sq. ft. of retail and 10,000 sq. ft. of food & drink (dining). Within a 15 minute drive time, a trade area that includes over 27,000 people including the communities of Tamaqua, Hometown, Coaldale, Lansford and Summit Hill, there is retail leakage of \$47 million - a sum that equates to 150,000 square feet of retail and 37,000 square feet of food & drink businesses.

Clearly, this existing demand is going elsewhere to meet resident's needs. A large portion of this leakage is likely to head to regional retail centers like Hazleton or Pottsville, with an additional portion being spent in larger retail centers like Allentown or Wilkes-Barre. Nevertheless, this data indicates that there should be enough demand in Tamaqua and environs to support additional retail businesses. Given limited land availability in the Town, it is reasonable to assume that this retail leakage could be captured in Downtown storefronts.

Despite market demand, there are a number of hurdles that potentially keep businesses from opening up in Downtown storefronts. One is the quality of space. Many ground floor spaces in the Study Area are not renovated, and can be less desirable to businesses. Certainly, these spaces carry less rent, but the low rate of rents in the Downtown area make quality a more important criterion. Another hurdle is the fact that while Broad Street is a major arterial, it has significantly less

traffic than Center Street / Route 309. Pass-through traffic therefore is difficult to capture if drivers see very limited parts of the historic core.

## Other Markets

Hospitality uses like a hotel or bed and breakfast is a potential market for upper story space, though there is little available data to analyze this market at the moment. Presently, there are no hotels in Tamaqua, and the closest places to stay include Hazleton, about 12 miles away, or Jim Thorpe, 15 miles away.

Artist space, particularly "live-work" space, has gained attention from the community as a possible use of upper story space. This carries a strong possibility given certain circumstances. Real estate and general cost of living is very affordable in Tamaqua, which supports an artist-based lifestyle. There are also opportunities to use existing storefront spaces as arts galleries. If clustered in numbers, this could act as a major destination on its own right, helping to drive customer traffic to Downtown's retailers.

Arts-based economic development has proven to be complex, however, and therefore this strategy must be undertaken with some caution. Communities like Paducah, Kentucky have implemented successful artist relocation programs, only to see real estate boom and artists to move away. Typically drawn to areas with a myriad of cultural offerings, it can be difficult to keep artists in non-urban areas. Broadly, it can be relatively easy to attract artists to live in an area, but it can be much harder to keep them there.

That being said, artist live-work space, especially on a limited scale, could be an excellent short-term opportunity for a potential building user, and there are plenty of examples of successful building re-use projects for the purpose of artist living and working spaces.

<sup>4</sup> Source: ESRI Business Analyst

## 2.3 Manageable Public Approvals

A key hurdle to renovating historic buildings is the ability to meet regulatory requirements like building codes and zoning ordinances. Since many historic buildings were not built to today's code, effectively being "grandfathered" into current codes, the cost of bringing a building up to code can be an expensive process. Another hurdle is zoning. Historically oriented to single-use structures, zoning can add additional layers of regulation to the renovation of many mixed-use historic buildings. Without the proper entitlements for mixed occupancy, the process of gaining variances and special exceptions to zoning codes can be laborious and expensive.

This Section looks at Tamaqua's current ordinances and codes for potential hurdles to upper story renovation.

### Zoning

Tamaqua's zoning ordinances were improved in October 2009, when Downtown zoning was changed to "General Commercial". This combined previous zoning categories of C-1 and C-2. According to the Borough's ordinances, the purpose of the G-C Zoning District is "to provide an area where a wide range of commercial activities may locate and to recognize areas where a nucleus of such a mix of uses now exists."

The G-C District, which covers all of the Study Area, allows 43 uses by Right, including most existing business types. The only uses that require special exceptions include Storage of Fireworks and Explosives, New Telecommunication Towers, Taverns, Nightclubs, Adult Businesses, Commercial Conversions or Home Occupation.

Given the existing zoning language, there is little that appears to be a hindrance to the renovation and occupation of upper story spaces in the G-C District.

### Local Building Codes

The most common building codes violations in existing buildings would be standard violations of any community's building codes, none appears to be unique to Tamaqua.

According to the Borough, the most common code violations keeping upper story spaces from being occupied are: (1) Roof Repairs; (2) Heat; (3) Sprinkler Systems (Phase I noted that only 2 of 29 buildings have sprinkler systems); (4) Sufficient Electrical Wiring; and (5) 2nd Entrance / Exits.

Several years ago, the Borough passed a special Rental Inspection Ordinance (RIO). Since then, 13 buildings in the Study Area have passed code inspection based on the RIO. These approvals allow us to know which buildings in the Study Area sufficiently meet code to be currently occupied by renters. See Figure 6 for more detail.

### Historic District Regulations

The entire Study Area is part of a Nationally Registered Historic District. Though this district creates an additional regulatory layer under which building renovation must adhere, it is not uncommon for such a district to be located in a historic Downtown like Tamaqua's.

Local historic districts apply additional requirements that do have cost implications. The most relevant are usually Facade Improvements and Historic Replacement Windows. For Tamaqua, the necessity of restoring historic facades is not as burdensome as other places, considering that over 40 building facades throughout the Study Area have already been restored. It may be a factor in some properties selected for renovation, but it will be a relatively small issue.

The impact of replacing windows of historic quality is unknown. However, it will probably be relatively costly, at least on a broad scale. There are many buildings without them, as well as many buildings with historic windows covered up. Overall, they should be viewed as a amenity rather than a liability.

### ADA Compliance

A major concern of upper story rehabilitation efforts in Tamaqua has been focused on the necessity of elevators to access upper stories. Elevators, which are relatively expensive (~\$35,000+), can add significant cost to a historic rehabilitation project because they require comprehensive reorganization of building layouts, since most existing buildings in the Study Area were not built with elevator shafts. Part of the concern related to elevators is ADA compliance once upper stories are renovated.

The extent of ADA compliance requirements for existing buildings is ambiguous. Fortunately, the ADA recognizes that it is not always possible to bring existing buildings up to the standards applicable for new buildings.

The ADA Act includes an elevator exemption that does not require the owner to install an elevator in a facility that is being altered if it is less than three (3) stories, or less than 3,000 square feet per story. When contemplating

how and when to bring a building up to ADA standards, two important terms to understand are “public accommodation” and “readily achievable”.

Public Accommodation - A private entity that owns, leases, leases to or operates facilities such as places of lodging, public gathering, recreation, and sale or rental establishments. This includes department stores, hotels, restaurants, shopping centers, hospitals, certain professional offices and other places of public accommodation.

Readily Achievable - Alterations that can be easily achieved without much difficulty or expense. The factors determining readily achievable status include the nature and cost of the action and financial resources of the owner. Alterations include remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangements in the plan configuration of walls and full height partitions. If portions of a public accommodation can be brought into full or partial compliance in a readily achievable manner, they must be.

This review of ADA rules is important because the necessity of providing elevators for ADA compliance may not extend to every building in Downtown Tamaqua. There are a number of buildings that qualify under the criteria of 3 stories and 3,000 sq. ft. per story. This might allow some flexibility in terms of addressing which buildings are best candidates for short-term renovation. It should be noted that this assessment has nothing to do with a market demand for elevators, which may come into play if certain buildings are renovated as offices or residences.

## 2.4 Physical Characteristics of Existing Buildings

The Physical Characteristics and Locations of Existing Buildings are important to understand because different buildings will have different levels of disinvestment and disrepair, affecting cost. This Section addresses the 3 primary physical characteristics of buildings as related to upper story renovation.

### Upper Story Condition

There is not enough information on upper stories in the Study Area to paint a complete portrait of their condition, but using information from Phase 1 and the Borough, we are able to present at least a partial view. We know from the Borough permitting data that 13 buildings in the Study Area were given permits for multi-family occupancy. This does not necessarily mean they are completely renovated, but that they at least have the basic infrastructure to meet building code.

Using Phase 1, which was not able to access every building in Downtown, we can discern that at least 9 properties are completely “gutted”, meaning their condition implies that a full range of repairs will be needed to meet code. Another 12 appear to be “possibly permitted”, meaning a visual inspection of photos indicates that they could be occupied, but it will take a more detailed inspection to know for sure. 37 buildings were classified as “unknown”, although this includes a number of residential buildings located in the Study Area that are not considered candidates for Upper Story Rehabilitation. 23 buildings that are candidates for renovation have unknown upper story conditions.

Phase 1 of this Study noted that although most buildings appear to meet code requirements for existing buildings, apparent code issues were noted:

1. Insufficient or missing stairwell enclosures
2. Missing or damaged smoke detectors, emergency lighting, exit signs
3. Insufficient means of egress

4. Exit doors swing against flow of traffic
5. Non-fire rated corridor doors
6. Post & tube wiring
7. Debris in corridors
8. Insufficient corridor lighting
9. Lack of panic bars
10. Exposed styrofoam ceilings
11. Deteriorated fire escapes / interior stairs
12. Questionable fire ratings for partitions, walls, floor/ceiling assemblies, ceiling/roof assemblies
13. Questionable fire ratings for wall, floor, and ceiling finishes
14. Stairs too steep
15. Stairs w/ open risers
16. Insufficient handrails
17. Offset stairs
18. Missing fire extinguishers

### Facade Renovation

The needs of Facade Renovations are evenly split between High, Moderate and Low (see page ? for definitions). 22 properties have a low need for facade renovation, 19 have a moderate need, and 25 have a high need.

### Elevators

As noted in Section 2.3 , the ADA has varying requirements for elevators in historic buildings. Ultimately, the decision to place elevators will have to be made locally, based in part by the ADA, and in part by the future use of the building. Though different building users have differing needs for elevators, it should be noted that not adding an elevator to a particular building may limit its usability in the future. On the other hand, some buildings within the Study Area are simply too small to cost-effectively add an elevator. These may simply, always be resigned to a particular use.

Figure 2.2 Building Conditions



Example of buildings being classified as “Possibly Permitted” - seemingly occupied or with the potential to be occupied, though unknown as to whether it is actually approved for occupancy.

Example of buildings being classified as “Gutted” - or needing a high level of rehabilitation to meet building codes.

Our building inventory has identified 15 buildings that must have elevators in order to meet ADA requirements. Another 5 buildings are at least 4 stories, though they do not have floor areas above 3,000 sq. ft.

**Parking**

Phase 1 of this Study identified 255 total parking spaces within the Downtown area. The Study Area was expanded slightly for Phase 2, which added an inventory of 58 new spaces. The breakdown of public vs. private is 205 public spaces and 108 private spaces. The majority of public spaces were on-street parking, as well as the public parking lot located at the Train Station.

Observations of the Study Area reveal that there is currently enough public parking for existing uses. Private parking, however, is already at a premium. There is very little available parking for residents or employees of businesses, forcing many to use on-street spaces reserved for retail customers. This situation is only likely to get worse with the introduction of additional upper story users, as well as more retail businesses. Below is a “back of the envelope” assessment of parking needs given a scenario where 75% of ground floor and upper story space is occupied in the Study Area. It is meant to be an illustrative assessment of the scale of future parking needs in Downtown Tamaqua.

**Figure 2.4 Parking Scenario**

Project Study Area	Projected Space Usage	Square Feet	Parking Ratios		Parking Space Estimates	
			Low	High	Low	High
<b>Ground Floor</b>		<b>143,282</b>				
Retail	40%	57,313	2/ksf	3/ksf	115	172
Restaurant	30%	42,984	3/ksf	4/ksf	129	172
Office	10%	14,328	2/ksf	3.2/ksf	29	46
Services	20%	28,656	2/ksf	3/ksf	57	86
					330	476
<b>Upper Floors</b>		<b>345,799</b>				
Office	20%	69,160	1/350sf	1/250sf	198	277
Residential	65%	224,769	1/800sf	1/600sf	65	86
Artist	15%	51,870	1/800sf	1/600sf	281	375
					543	738
				Total	873	1,213
				Shared Parking Discount (30%)	611	849
				Current Inventory	313	313
				<b>Gap</b>	<b>298</b>	<b>536</b>

### 2.5 Availability of Financing

Financing options depend on the strength of the local Downtown market. For Tamaqua, market strength is relatively low. Property is affordable enough for some investors to rehab for their own purposes, but generally market conditions are not sufficient to convince building owners or developers to invest funds to rehab buildings. This is likely due to the fact that potential revenues from building users (businesses or residents) are not high enough to cover the renovation costs needed to bring buildings up to code. While it is true that several buildings in Downtown, like the Flatiron building, have been successfully renovated, what is also true is that these are isolated cases of improvements made by people with enough money to implement pet projects, as opposed to an investor approach of achieving enough project cash flow for both revenue and to re-pay debt service if they used conventional bank financing.

Fortunately, there are a number of non-conventional financing sources available to use in Tamaqua. This section provides a brief discussion of primary funding sources that should be considered for upper floor renovation. A more complete inventory of resources is discussed in Section 3, as well as in the Appendix.

#### (1) Historic Preservation Tax Credits

These are tax credits that promote the rehabilitation of historic structures of every period, size, style and type. Their use is intended for exact situations that this project calls for, especially when so many buildings are eligible properties located in a historic district. Because the State of Pennsylvania does not yet have its own Tax Credit program for historic preservation, this project will need to consider the Federal program, which provides a 20% tax credit for the certified rehabilitation of historic structures.

#### (2) Low Income Housing Tax Credits (LIHTC)

LIHTC Tax Credits are one of the most widely used vehicles to build affordable housing in the country. They

are commonly used in new construction as well as in rehabilitation. As suggested by the market assessment, providing affordable housing may be more appropriate in the short-term over market-rate considering there is limited housing demand within the region. Also, many households would qualify for low-income apartments, meaning that there is a good potential customer base for new units.

To be considered for an LIHTC program, a project must be a residential rental property, commit to a particular low-income occupancy threshold, and operate under the rent and income restrictions for 30 years or longer, pursuant to written agreements with the agency issuing the tax credit.

#### (3) New Markets Tax Credits (NMTC)

NMTCs are Federal tax incentives aimed at providing funds intended for the use in low-income communities (LICs) by designated Community Development Entities (CDEs). In a way, this program is to new and rehabilitated commercial space what LIHTC is to affordable housing.

Downtown Tamaqua is located with two Qualified Census Tracts (QTCs), which means that New Markets Tax Credits may be available for use in Downtown.

#### (4) Community Development Block Grants (CDBG)

CDBG funds are intended for community development purposes, including the acquisition of property for public purposes, construction or reconstruction of streets and infrastructure, demolition, rehabilitation of public and private buildings, public services, planning activities, assistance to nonprofit entities for community development activities, and assistance to private, for profit entities to carry out economic development activities.

## 2.6 Summary of Potential Development Hurdles

### ***Adequate Demand in Local Market***

The best short term market opportunities includes Affordable Housing, which may include Artist apartments or live-work space. Housing will need to be the focus of a renovation project due to the weak retail market. It is hoped that once enough buildings are renovated there will be enough interest from market-rate households, office businesses and retail establishments.

### ***Manageable Public Approvals***

Given the circumstances surrounding the renovation of historic commercial buildings, it does not appear that the Borough of Tamaqua or Schuylkill County have any regulatory requirements that pose a challenge for upper story renovation more than any other community around the state.

### ***Physical Conditions of Buildings***

There are two major development hurdles in this category; Cost of Construction and Parking. The condition of many buildings and the cost to renovate them will play a major factor in project cash flow. However, this hurdle can be mitigated by the availability of certain financing sources, described below.

The provision of sufficient private parking may be the most important hurdle to address as part of this initiative. There are a very limited amount of areas to provide new parking, with many creative approaches already having been employed to provide new public and private parking for the Downtown area.

### ***Availability of Financing***

If the need for conventional financing is reduced, there are a number of funding sources that can be used, potentially in combination to finance upper story renovation projects in Downtown Tamaqua.



### 3 IMPLEMENTATION PLAN

This Section outlines the strategic and tactical approach towards the implementation of an upper story revitalization initiative. The information included here is meant to provide a blueprint for the Community Partnership to implement a short-term renovation (next 1-3 years) project on a targeted number of properties in Downtown. It is intended that these projects serve as a catalytic force to attract private investment throughout the Downtown area, hopefully reaching significant percentages of renovated upper (and lower) floor space in 5-10 years.

#### Target Buildings

The first step of the implementation process was to identify a “short-list” of buildings best suited for short-term development. Through our own analysis and collaboration with representatives of the Community Partnership, a list of properties were assembled and inventoried in greater detail. Details of these properties can be found on pages 28-31.

There were several factors that were considered in assembling this list of properties. Examples include: (1) Properties that had been targeted objectives of the community for some time; (2) The ability of the structure to qualify for certain funding sources, particularly Historic Preservation Tax Credits; (3) Clusters of properties that could be combined into single projects; (4) The ability of the Community Partnership to obtain ownership of the properties; and (5) The general impact of the building’s renovation on creating a cohesive, economically vital Downtown District.

13 properties were identified, 12 are located on West Broad Street, with one property (27 North Pine) included because of the potential for acquisition by Community Partnership. Together, these properties account for 95,990 net square feet of Upper Floor space, which is approximately one-third of the total upper floor square footage deemed “in play” (see page 11).

#### Strategic Approach

Based on the analysis of all available information, conditions and target properties, this Study recommends two potential upper floor renovation strategies for Downtown Tamaqua. Both of them address several criteria deemed important to guide the formation and implementation of each project strategy.

(1) **“Bulk” Renovation** - addressing the renovation of each building in Downtown on a property-by-property basis is a time consuming and potentially wasteful process. By organizing around as many properties as possible, Tamaqua would gain a number of benefits. The first addresses potential funding sources, which are available but difficult to apply for and utilize on a continual basis. Tamaqua would be much better off combining as many properties as possible within the use of each funding sources. Expectations that state and federal sources are available for each individual property renovation would be erroneous. Second, the renovation of several properties simultaneously would provide “economies of scale” regarding materials and labor.

(2) **Clustered Properties** - Adjacent properties should be included as single renovation projects when feasible due to property ownership. One of the many advantages this provides is the ability to lower the cost of providing elevator access to upper floors. Individually, many buildings are inappropriate for the placement of elevators, and adding elevators to every building is cost prohibitive. Renovation projects should examine opportunities to link buildings so that elevator access is provided in one to access the other. An example of this approach is the Flatiron building, that is accessed through 109 E Broad, which the owner acquired in order to provide elevator access to the upper floors of the Flatiron Building.

(Continued on page 32)

### 3.1 Project Buildings

Figure 3.1 Project Buildings



Figure 3.2 Building Inventory and Condition Assessment

	Address	Ground Floor NSF	Renovation Need	Upper Floor NSF	Renovation Need	Facade Restoration Need	Elevator Need
1	27 N. Pine	2,370	Very High	2,140	Gutted	High	No
2	205 W. Broad	8,600	High	16,200	Gutted	High	Yes
3	12 W. Broad	4,250	Low	8,000	Possibly Permitted	None	Yes
4	14 W. Broad	2,500	Low	8,400	Possibly Permitted	Moderate	w/ 12
5	18 W. Broad	4,750	Low	8,900	Possibly Permitted	None	Yes
6	20 W. Broad	2,000	High	3,800	Permitted	High	w/ 24
7	24 W. Broad	4,300	High	11,900	Gutted	High	Yes
8	40 W. Broad	3,200	High	6,000	Gutted	High	Yes
9	44 W. Broad	1,450	High	2,700	Gutted	Low	w/ 40
10	43 W. Broad	3,000	Low	8,200	Gutted	Low	Yes
11	110 W. Broad	1,870	Moderate	5,150	Possibly Permitted	High	Yes
12	112 W. Broad	1,700	Moderate	3,200	Possibly Permitted	High	Yes
13	114 W. Broad	6,150	Moderate	11,400	Gutted	Low	w/ 112
		46,140		95,990			



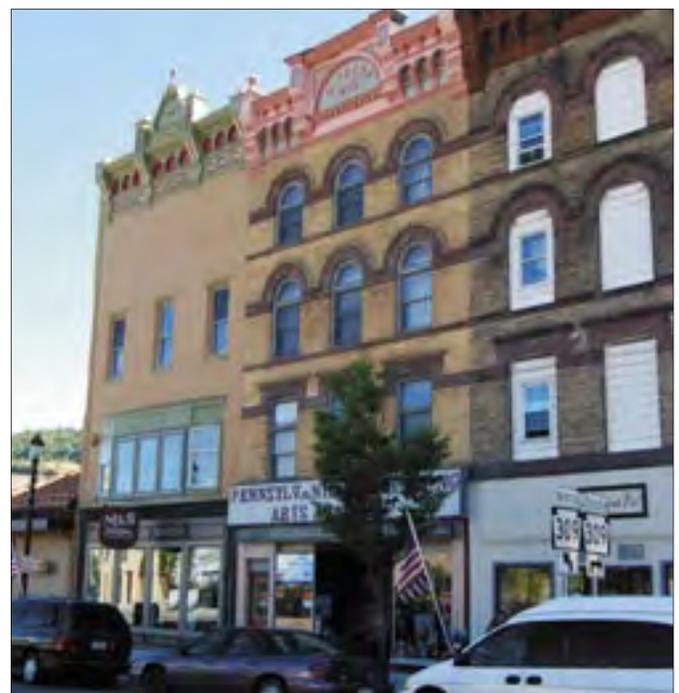
(1) 27 North Pine Street



(2) 205 West Broad Street



(3) 14 West Broad Street



(4) 12 West Broad Street



**(5) 18 West Broad Street**



**(6) 20 West Broad Street**



**(7) 24 West Broad Street**



**(8) 40 West Broad Street**

**(9) 44 West Broad Street**



(10) 43 West Broad Street



(11) 110 West Broad Street



(12) 112 West Broad Street



(13) 114 West Broad Street

### 3.2 Revitalization Strategies

#### **Strategy #1A: Comprehensive Renovation**

To achieve the maximum impact within a short-period, this Study recommends the implementation of a comprehensive rehabilitation project that encompasses all 13 target properties. This skews the less productive incremental approach, better utilizing available funding sources, centralizing project planning, achieves economies of scale, and attempts to revitalize as much of the Downtown area as possible.

This is an approach that represents somewhat of a risk-reward scenario. It will take a great deal of organization and planning to implement, but it has the best potential to drastically improve Downtown Tamaqua within a short-term time frame.

#### **Strategy #1B: Catalyst Projects**

An alternative to the Comprehensive Renovation is a strategy to organize around 3-4 “catalyst” properties. These are properties, or groups of properties, that are intended to generate positive impact on the Downtown beyond property boundaries. They should represent well located properties that are prominent, as well as having features that lend themselves to easy renovation, such as floorplan and positive ownership.

The benefit of the properties selected for implementation is that many are adjacent to each other and could potentially be combined into single projects. There also may be more leeway in terms of building uses, such as targeting one building for artists, another for commercial, another for housing. Disadvantages include the need to put multiple development deals together, including applications for potentially more funding than is required for Strategy #1, at least in terms of how it is dispersed.

Understanding this approach is useful even if the Comprehensive strategy is chosen, because it is highly likely that some individual properties will be excluded from the total due to a variety of reasons.

Potential Catalyst Projects Include:

12, 14 and 18 West Broad  
20 and 24 West Broad  
40 and 44 West Broad  
110, 112 and 114 West Broad  
205 West Broad

#### **Strategy #2: Structured Private Parking**

Parking must be provided in sufficient numbers to achieve either of the revitalization strategies. Each is large enough in scale to warrant the consideration of a publicly financed parking structure that adds private parking to the Downtown area - particularly West Broad Street. The renovation of a few catalyst properties may be possible without new parking, but it is clear that broad revitalization of Downtown will be held back if this issue is not addressed. It is recommended that this be a development project conducted in parallel with either Strategy 1A or 1B.

#### **Strategy #3: Retail Improvement Strategy**

The health of the ground floor spaces is integral to the success of an Upper Story Revitalization project. The businesses on the ground floor generate demand for upper story uses, whether residential or offices. They also are a bell weather of overall Downtown vitality. A third strategy that Tamaqua must implement alongside Development and Parking is a retail/business strategy to attract a better mixture of goods, dining and services in ground floor spaces. Both Strategy 1A and 1B offer opportunities to offer high quality, renovated space to potential businesses.

### 3.3 Development Scenarios

The remaining part of the Implementation Plan includes development scenarios on each of the Strategies listed on the previous page. These scenarios simulate the development planning and financial considerations for each approach. ***It is important to note that these scenarios are not the exact criteria Downtown Tamaqua will use in its eventual implementation of this Study.*** There are too many variables that need to be figured out before a final development package can be put together, particularly regarding the renovation costs for each building.

Instead, this section represents a “how-to” guide on constructing the proposed development strategies, including the use of available funding sources, potential project returns, and organizational capacity.

#### **Comprehensive Renovation (Pages 35-42)**

For Strategy 1A, this Study presents a scenario that incorporates the application and use of Low Income Housing Tax Credits (LIHTC), combined with Historic Preservation Tax Credits, to provide the majority of financing for this proposed project. Pages ? illustrate an estimate of project cost, revenues and how various funding sources are integrated into the project.

The use of LIHTC means that most of the upper floor space in the buildings within the project will have to be utilized for affordable housing. It is understood that the concentration of affordable housing can raise concerns, but this should be addressed through the careful management of units and the households within them. It should also be noted that “affordable” in this case, could very well mean an average Tamaqua household, and not necessarily extremely low income residents. Also, the use of LIHTC will mean that a percentage of the units, potentially up to 30% of the total, will be “market-rate” units. This mixed-use approach is one of the best opportunities for Downtown Tamaqua over the next 5 years.

#### **Catalyst Project (Pages 42 - 43)**

Page 32 outlined several potential catalyst projects. This Study includes a development scenario for one representative project - 205 West Broad. It demonstrates the integration of LIHTC and Historic Preservation Tax Credits to create an artist live-work building.

#### **Parking (Pages 44 - 46)**

A number of sites were evaluated for the construction of structured parking to support either of these strategies, as well as future demand from additional renovations. At the moment, it is assumed that additional parking will need to be provided in the form of structured parking, such as a deck or garage. Adding the cost of this garage onto the renovation project would likely unduly burden it, so it is recommended that the Borough of Tamaqua organize around the creation of a Tax Increment Finance (TIF) District in order to finance a garage project.

TIF Districts will allow the Borough to issue a municipal bond to pay for the garage. Tax Increment created by the additional property value of the renovated Downtown properties will provide the funds for the bond payments. Obviously, the more properties that are renovated, the more tax increment provided. Tamaqua will need to study the impacts of a TIF District, as well as project potential increment from renovated structures. Alternate strategies for parking can be examined, but it should be noted that securing financing for a project, even government sponsored programs like Tax Credits, will be difficult to impossible unless the parking issue is resolved.

#### **Ground Floor (Page 47)**

Page 47 has a brief discussion of strategies that can be employed to improve ground floor spaces, not just within upper story renovation projects, but within the Downtown District in general.

## 3.4 Project Assumptions

### DEVELOPMENT / REHABILITATION ASSUMPTIONS

- All Upper Story spaces in the target buildings will be renovated as rental units available to low income households, as required by the use of LIHTC funds.
- Due to adjacencies and the necessity of providing elevator access, several buildings will be combined to provide separate facades and storefronts yet shared upper floor space. These are as follows:  
  
12 and 14 West Broad  
20 and 24 West Broad  
40 and 44 West Broad  
110, 112, and 114 West Broad
- Elevators will be provided to access all upper floors. It is assumed that there will be a total of 8 elevators added to select buildings or building combinations.
- The 110/112/114 combination requires two elevators because the middle building - 112 - is shorter than its neighbors.
- The addition of an elevator will remove 20% of the leasable space from the ground floor in selected buildings.
- Ground Floor uses are split between office uses (30%) and retail (70%). Percentages of use are placeholders. Both yield the same lease rates in the example pro forma.
- Strategy #1A includes a large amount of ground floor space (46,000 sq. ft.) that may be difficult to absorb into the market in the short-term. Therefore it is assumed.
- Once the preliminary architecture / engineering study is complete, there may be additional costs or potential savings associated with the project.

### COST ASSUMPTIONS

- Cost numbers are conceptual, taken from multiple sources of renovation projects. They do not represent detailed cost estimates from an architect or engineer.
- Cost of Elevator: \$65,000
- Building Renovation Costs:
  - Upper Floor Renovation Cost Assumptions
    - “Gutted”: \$35 / square foot
    - “Possibly Permitted”: \$25 / square foot
    - “Permitted”: \$15 / square foot
  - Ground Floor Renovation Cost Assumptions
    - “Very High”: \$25 / square foot
    - “High”: \$15 / square foot
    - “Moderate”: \$10 / square foot
    - “Low”: \$5 / square foot
- Facade Restoration Costs
  - “High”: \$75,000
  - “Medium”: \$50,000
  - “Low”: \$25,000
- Operating Costs
  - Operating Reserve: 6 Months
  - Replacement Reserve: \$300 / unit
  - Residential Maintenance: \$4,000 / unit
  - Ground Floor Maintenance: \$3.00 / sq. ft.

### REVENUE ASSUMPTIONS

- Average Lease Rate for Ground Floor Commercial Space: \$6 / square foot
- Average size of apartment: 650 square feet
- Residential rent rate: \$0.70 / square foot
- Project should anticipated annual or semi-annual rent escalators on ground floor space.
- May need to provide tenant improvement allowance up to \$10 / sq. ft.
- Parking Revenue (if structured) = \$50 / month per unit

### 3.5 Comprehensive Renovation Scenario

Figure 3.3 Estimated Total Project Renovation Costs

Address	Acquisition	Ground Floor Renovations	Upper Floor Renovations	Facade Restoration	Elevator Cost	Sewer System Connection
27 North Pine	n/a	\$58,750	\$75,250	\$75,000	n/a	\$6,000
12 W. Broad	n/a	\$21,250	\$200,000	n/a	\$65,000	\$24,000
14 W. Broad	n/a	\$12,750	\$210,000	\$50,000	n/a	\$26,000
18 W. Broad	n/a	\$23,750	\$222,500	n/a	\$65,000	\$28,000
20 W. Broad	n/a	\$30,000	\$57,000	\$75,000	n/a	\$12,000
24 W. Broad	n/a	\$64,500	\$413,500	\$75,000	\$65,000	\$36,000
40 W. Broad	n/a	\$48,000	\$210,000	\$75,000	\$65,000	\$18,000
44 W. Broad	n/a	\$21,750	\$94,500	\$25,000	n/a	\$8,000
43 W. Broad	n/a	\$15,000	\$287,000	\$25,000	\$65,000	\$26,000
110 W. Broad	\$62,500	\$18,500	\$128,750	\$75,000	\$65,000	\$16,000
112 W. Broad	\$62,500	\$17,000	\$78,750	\$75,000	n/a	\$10,000
114 W. Broad	n/a	\$61,000	\$400,750	\$25,000	\$65,000	\$36,000
205 W. Broad	n/a	\$215,000	\$567,000	\$75,000	\$65,000	\$50,000
	<b>\$125,000</b>	<b>\$607,250</b>	<b>\$2,944,500</b>	<b>\$650,000</b>	<b>\$520,000</b>	<b>\$296,000</b>

Figure 3.4 Estimated Total Project Costs

		Total Cost	\$ / Unit
1	Property Acquisition	\$125,000	\$845
2	Upper Floor Building Renovation	\$2,944,500	\$19,895
3	Ground Floor Building Renovation	\$607,250	\$4,103
4	Elevator Construction	\$520,000	\$3,514
5	Sewer System Connection	\$296,000	\$2,000
6	Construction Contingency	20%	\$898,550
7	Soft Costs	15%	\$539,130
8	Developer Fee	15%	\$889,565
<b>TOTAL PROJECT COST</b>		<b>\$6,819,995</b>	<b>\$46,081</b>

**Figure 3.5 Estimated Project Revenues**

Address	Ground Floor Revenue		Upper Floor Revenue		Apartments
	Monthly	Annually	Monthly	Annually	
27 North Pine	\$1,175	\$14,100	\$1,505	\$18,060	3
12 W. Broad	\$1,700	\$20,400	\$5,600	\$67,200	12
14 W. Broad	\$1,020	\$12,240	\$5,880	\$70,560	13
18 W. Broad	\$1,900	\$22,800	\$6,230	\$74,760	14
20 W. Broad	\$1,000	\$12,000	\$3,800	\$31,920	6
24 W. Broad	\$1,720	\$20,640	\$11,800	\$99,120	18
40 W. Broad	\$1,280	\$15,360	\$6,000	\$50,400	9
44 W. Broad	\$580	\$6,960	\$2,700	\$22,680	4
43 W. Broad	\$1,200	\$14,400	\$8,200	\$68,880	13
110 W. Broad	\$925	\$11,100	\$5,150	\$43,260	8
112 W. Broad	\$638	\$7,650	\$3,150	\$26,460	5
114 W. Broad	\$2,440	\$29,280	\$11,450	\$96,180	18
205 W. Broad	\$3,440	\$41,280	\$16,200	\$136,080	25
<b>TOTAL</b>	<b>\$19,018</b>	<b>\$228,210</b>	<b>\$67,130</b>	<b>\$805,560</b>	<b>148</b>
Less Ground Floor Vacancy (10%)	<b>\$17,116</b>	<b>\$205,389</b>			
Less Upper Floor Vacancy (7%)			<b>\$62,431</b>	<b>\$749,171</b>	

**Figure 3.6 Preliminary Net Operating Income (Stabilized Year)**

<b>1</b>	<b>INCOME</b>		
2	Residential	\$0.70 / sq. ft.	\$805,560
3	Less Vacancy	7%	\$56,389
4	Sub-Total		\$749,171
5	Ground Floor (Retail + Office)	\$6.00 / sq. ft.	\$228,210
6	CAM Charge-Back	\$2 / sq. ft.	\$92,200
7	Less Vacancy	10%	\$32,041
8	Sub-Total		\$352,451
9	Parking Charge	\$50 / unit / month	\$88,800
	Sub-Total		\$88,800
<b>8</b>	<b>TOTAL INCOME</b>		<b>\$1,181,542</b>
<b>9</b>	<b>EXPENSES</b>		
10	Residential Maintenance	\$4,000 / unit	\$592,000
11	Ground Floor Maintenance	\$3.00 / sq. ft.	\$103,698
12	Replacement Reserve	\$300 / unit	\$44,400
<b>13</b>	<b>TOTAL EXPENSES</b>		<b>\$740,098</b>
<b>14</b>	<b>NET OPERATING INCOME (NOI)</b>		<b>\$441,444</b>
15	Annual Debt Capacity Ratio	1.25 DCR	\$353,155
16	Loan to Value of Debt Capacity		56%

**Figure 3.7 Historic Tax Credit Equity Calculations**

1	Eligible Basis (Total Costs less Acquisition)		\$6,694,995
2	Tax Credits	20%	\$1,338,999
3	<b>Projected Equity</b>	<b>\$0.75 / Dollar</b>	<b>\$1,004,249</b>

**Figure 3.8 Low Income Housing Tax Credit (LIHTC) Calculations**

1	9% LIHTC Qualified Basis		\$6,694,995
2	Less HTC Equity		(\$1,004,249)
3	9% LIHTC Eligible Basis (Total Costs less Acquisition)		\$5,690,745
4	9% Tax Credit	90%	\$5,121,671
5	4% Eligible Basis		\$125,000
6	4% Tax Credit	32.5%	\$40,625
7	Total LIHTC Credit		\$5,162,296
8	<b>Projected Equity</b>	<b>\$0.75 / Dollar</b>	<b>\$3,871,122</b>
9	<b>Equity / Unit</b>		<b>\$26,160</b>

**Figure 3.9 Funding Gap Calculation**

1	Historic Tax Credit Equity	\$1,004,249
2	Low Income Housing Tax Credit Equity	\$3,871,722
3	<b>Funding Gap</b>	<b>\$1,944,023</b>

**Potential Gap Sources**

Conventional Financing  
 CDBG or CDBG Float Loan  
 HOME  
 Elm Street Funds  
 HUD Multi-Family Financing  
 TIF backed loan

AHP Grant (Federal Home Loan Bank)  
 Recovered T-CAP Loans (State of Pennsylvania)  
 Recovered 1602 Dollars (State of Pennsylvania)  
 Recovered CDBG Disaster Funds  
 LISC Backed Loan

**Sources & Uses**

It is estimated that Historic and Low Income Housing Tax Credits will provide equity for two-thirds (67%) of this project. The resulting 33% represents a “gap” that needs to be filled. There are a number of ways to finance this gap, some of which are identified at the bottom of page 38. To complete the example project pro forma, this Report assumes that the project gap will be filled in two ways:

(1) Conventional Financing: As demonstrated in Figure 3.6, the operating pro forma identifies a reasonably large debt capacity potential for the project. However, it should be a goal to reduce the debt service for the project as much as possible for several reasons, such as unpredictable occupancy and guaranteed revenue to building owners who agree to participate in the project. Furthermore, conventional financing - meaning loans provided through private banks - are more difficult to

obtain presently as banks seek to reduce risk. Therefore, it is wise to limit the debt exposure of the product. For this example we will use a target of \$5,000 of conventional debt per unit.

(2) CDBG: Even though Tamaqua is not an entitlement community, the Community Partnerships’s history with implementing Block Grant projects makes it feasible that it could apply for and receive funds for this project for both affordable housing and economic development. Either through direct grants or a CDBG backed loan, we will assume a conservative estimate of \$750,000.

(3) Other Source: There are a number of grants or loans available through different sources. The application of conventional financing and CDBG grant dollars should reduce the remaining gap to the point where it should be able to be financed through a variety of sources, many of which are listed on page 38.

**Figure 3.10 Sources and Uses**

USES		SOURCES		
1	Property Acquisition	\$125,000	Historic Tax Credits	\$973,281
2	Upper Floor Building Renovation	\$2,944,500	Low Income Housing Tax Credits	\$3,753,272
3	Ground Floor Building Renovation	\$607,250	Conventional Financing	\$740,000
4	Elevator Construction	\$520,000	CDBG	\$750,000
5	Sewer System Connection	\$296,000	Other	\$603,442
6	Construction Contingency	\$898,550		
7	Soft Costs	\$539,130		
8	Developer Fee	\$889,656		
<b>TOTAL PROJECT USES</b>		<b>\$6,819,995</b>		<b>\$6,819,995</b>

**Figure 3.11 Net Operating Income (Stabilized Year)**

<b>1</b>	<b>INCOME</b>		
2	Residential	\$0.70 / sq. ft.	\$805,560
3	Less Vacancy	7%	\$56,389
4	Sub-Total		\$749,171
5	Ground Floor (Retail + Office)	\$6.00 / sq. ft.	\$228,210
6	CAM Charge-Back	\$2 / sq. ft.	\$92,200
7	Less Vacancy	10%	\$32,041
8	Sub-Total		\$352,451
9	Parking Charge	\$50 / unit / month	\$88,800
10	Sub-Total		\$88,800
11	<b>TOTAL INCOME</b>		<b>\$1,181,542</b>
<b>12</b>	<b>EXPENSES</b>		
13	Residential Maintenance	\$4,000 / unit	\$592,000
14	Ground Floor Maintenance	\$3.00 / sq. ft.	\$103,698
15	Replacement Reserve	\$300 / unit	\$44,400
16	<b>TOTAL EXPENSES</b>		<b>\$740,098</b>
17	<b>NET OPERATING INCOME (NOI)</b>		<b>\$441,444</b>
<b>18</b>	<b>DEBT SERVICE</b>		
19	Conventional Financing		\$44,922
20	Loan #2		\$36,606
21	Sub-Total		<b>\$81,528</b>
22	<b>CASH FLOW AFTER DEBT SERVICE</b>		<b>\$378,703</b>
23	<b>Capitalization Rate</b>		<b>6.7%</b>

**Organization Structure**

The proposed Comprehensive Renovation project will be complicated to implement, and therefore a discussion of how the project is organized is needed to understand the potential parameters. Since the Community Partnership does not own all of the targeted buildings, it is assumed that this project will need to move forward under a multiple property ownership model. This is possible, though it can be difficult to organize and implement. Indeed, the structure of such a development will be one of the largest hurdles.

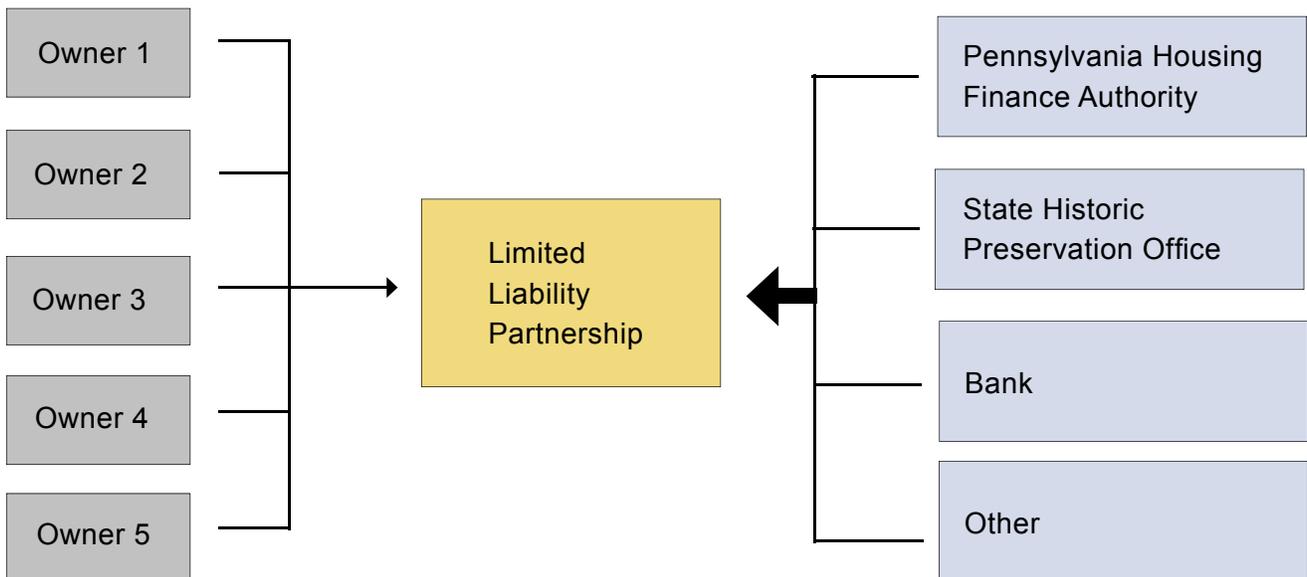
The major component of this project is that if each targeted property is not acquired by the Community Partnership, then each building owner will have to place their property into a single private entity that will be designated as the development organization. Once established, this organization will be able to receive funding such as LIHTC or Historic Preservation Tax Credits. The diagram below illustrates the relationship between building owners and funding sources.

The partnership must evaluate each building owner’s willingness to participate in this development project. The project has pros and cons for building owners. In terms of negatives, each building owner will have to legally transfer some control of the property over to the development organization - though not full control. Also, in order to receive conventional financing, each building owner will have to sign a guarantee in order to secure funding. Finally, if using LIHTC, the upper floors of each building would have to be used for affordable housing for at least 15 years - depending on the structure negotiated with the Housing Finance Authority.

However, the benefits of this renovation program far outweigh its liabilities. The project leverages funding sources that renovate buildings and generate additional cash flow with little investment on the building owners themselves. Owners can be paid out of the project by both the development fee, as well as cash flows. Finally, each owner would be free to sell their building - at a price that reflects the improved value - as long as the buyer commits to keeping affordable housing within the building.

**PROPERTY OWNERS**

**LENDING ORGANIZATIONS**



### 3.6 Catalyst Project Scenario

To calculate a development scenario for a “catalyst” project under Scenario 1B, this study provides an example for a single building - 205 West Broad. The approach behind this property is more or less the same

approach to be used for all other relevant projects, meaning attracting equity through LIHTC or New Markets Tax Credits, depending on the final user of the building. Cost / Revenue numbers are taken from the Comprehensive Renovation Scenario

Figure 3.12 Project Costs - 205 West Broad

Address	Acquisition	Ground Floor Renovations	Upper Floor Renovations	Facade Restoration	Elevator Cost	Sewer Connection
205 W. Broad	n/a	\$215,000	\$567,000	\$75,000	\$65,000	\$50,000

Figure 3.13 Project Revenues

Address	Ground Floor Revenue		Upper Floor Revenue		Apartments
	Monthly	Annually	Monthly	Annually	
205 W. Broad	\$2,867	\$34,400	\$16,200	\$136,080	25
Less Ground Floor Vacancy (10%)	<b>\$2,580</b>	<b>\$30,960</b>			
Less Upper Floor Vacancy (7%)			<b>\$5,580</b>	<b>\$122,472</b>	

Figure 3.14 Historic Tax Credit Equity Calculations

1	Eligible Basis (Total Costs less Acquisition)		\$1,332,551
2	Tax Credits	20%	\$266,510
3	<b>Projected Equity</b>	<b>\$0.75 / Dollar</b>	<b>\$199,882</b>

Figure 3.15 Low Income Housing Tax Credit (LIHTC) Calculations

1	9% LIHTC Qualified Basis		\$1,332,551
2	Less HTC Equity		(\$199,882)
3	9% LIHTC Eligible Basis (Total Costs less Acquisition)		\$1,019,402
4	9% Tax Credit	90%	\$1,019,402
5	<b>Projected Equity</b>	<b>\$0.75 / Dollar</b>	<b>\$764,551</b>
6	<b>Equity / Unit</b>		<b>\$30,582</b>

Figure 3.16 Funding Gap Calculation

1	Historic Tax Credit Equity	\$199,882
2	Low Income Housing Tax Credit Equity	\$764,551
3	<b>Funding Gap</b>	<b>\$368,117</b>

**Figure 3.17 Sources and Uses - 205 West Broad**

USES		SOURCES		
1	Property Acquisition	n/a	Historic Tax Credits	\$199,882
2	Upper Floor Building Renovation	\$567,000	Low Income Housing Tax Credits	\$764,551
3	Ground Floor Building Renovation	\$215,000	Conventional Financing	\$368,117
4	Elevator Construction	\$65,000		
5	Sewer System Connection	\$50,000		
6	Construction Contingency	\$156,400		
7	Soft Costs	\$105,340		
8	Developer Fee	\$173,811		
<b>TOTAL PROJECT USES</b>		<b>\$1,332,551</b>		<b>\$1,332,551</b>

**Figure 3.18 Net Operating Income (Stabilized Year) - 205 West Broad**

1	<b>INCOME</b>		
2	Residential	\$0.70 / sq. ft.	\$136,080
3	Less Vacancy	7%	\$9,526
4	Sub-Total		\$126,554
5	Ground Floor (Retail + Office)	\$6.00 / sq. ft.	\$30,960
6	CAM Charge-Back	\$2 / sq. ft.	\$17,200
7	Less Vacancy	10%	\$4,816
8	Sub-Total		\$52,976
9	<b>TOTAL INCOME</b>		<b>\$179,530</b>
10	<b>EXPENSES</b>		
11	Residential Maintenance	\$4,000 / unit	\$100,000
12	Ground Floor Maintenance	\$3.00 / sq. ft.	\$25,800
13	Replacement Reserve	\$300 / unit	\$7,500
14	<b>TOTAL EXPENSES</b>		<b>\$133,300</b>
15	<b>NET OPERATING INCOME (NOI)</b>		<b>\$46,230</b>
16	<b>DEBT SERVICE</b>		
17	Conventional Financing		\$22,346
18	<b>CASH FLOW AFTER DEBT SERVICE</b>		<b>\$23,884</b>
19	Capitalization Rate		<b>3.5%</b>

### 3.7 Parking Strategy

The rehabilitation and occupation of upper story space in Downtown will generate an increase in demand for parking. Other than an inventory of on-street spaces and parking near the Train Station, topography and existing buildings provide significant hurdles in providing new parking spaces. Increased occupancy of the ground floor will also add to this problem.

Figure 3.19, to the right, calculates the estimated parking demand for the proposed revitalization project, which totals 317 spaces based on traditional parking standards. By making several adjustments, including assuming that most retail customers can park on the street, and that visitors to residential units can also park on the street, we arrive at a private parking space need of 206 spaces.

**Parking Strategy: TIF Funded Parking Garage**

The best method to address the parking need of this implementation plan is a parking deck or garage. There are two hurdles to address for this direction: (1) like parking in general, there are limited areas available for a parking structure; and (2) parking structures are costly. Structured parking typically costs anywhere from \$10,000 to \$15,000 a space.

It is recommended that the Borough create a Tax Increment Finance (TIF) district specifically to support this upper floor revitalization project. This district would then be used to issue a bond that would pay for structured parking to support the newly created retail, office and residential space. The tax increment created from the increased real estate values of the 13 structures will serve to make bond payments.

The following is an overview of potential sites for structured parking. They are illustrated in Figures 3.20 and 3.21.

**Figure 3.19 Estimated Parking Needs**

Address	Square Footage / Units	Parking Assump-tions	Parking Demand
Retail	27,000	4/ksf	108
Office	11,000	1/350sf	31
Residential	148	1.2/ unit	178
			317
Adjustments	Retail Employees		27
	Office Employees		31
	Residents Only		148
			206

**1. Remaly Manufacturing**

There have been discussions about acquiring and demolishing some antiquated industrial buildings around the former Remaly Manufacturing site. The site is approximately 0.40 acres, which would yield 50 - 60 parking spaces in a surface lot. While this site makes sense for broader Downtown parking, it is much more oriented to serving East Broad Street, and is too far away to serve as retail or residential parking for the target properties on West Broad. Street.

**2. M&T Bank Drive-Through**

The M&T Bank drive-through site is ideally placed between East and West Broad Streets, as well as for access along both Broad and Center Streets. The property is approximately 1/3 of an acre. However, while this site has a locational advantage, it is unlikely that the bank would sell the site in the short-term, especially considering that it is an ideal location for its drive-through structure. It would behoove the Community Partnership to keep an eye on this site to see if it every would become available. An alternative short-term option would be to negotiate a shared parking arrangement with the bank so that retail customers can park there in the evening and weekend hours.

Figure 3.20 Potential Sites for Structured Parking



Table 3.21 Size and Potential Cost of Structured Parking by Site

Site	Size (acres)	Surface Parking	Cost* (000s)	2 Story Deck	Cost* (000s)	4 Story Garage	Cost*
1. Remaly Manufacturing	0.40	50-60	\$180	100	\$1,000	200	\$2,400
2. M&T Drive Through	0.32	40-46	\$140	80	\$800	160	\$1,920
3. Gas Station / Car Repair	0.80	100 - 115	\$345	200	\$2,000	400	\$4,800
4. Library Site	0.50	68-80	\$240	140	\$1,400	280	\$3,360
5. Tire Repair Site	0.37	46-54	\$162	100	\$1,000	180	\$2,160
6. Verizon	0.40	50-58	\$174	100	\$1,000	200	\$2,400

\* Does not include acquisition, demolition, site prep, or inclusion of ground-floor commercial space

**3. Gas Station / Car Repair Site**

An alternative centrally located parking location to the M&T Bank site are the two commercial parcels immediately to the south. Although viable businesses exist on the two parcels, it can be assumed that it would be easier to acquire these parcels than the M&T Drive-Through. The problem with the site is that it is much better oriented as a district-wide parking area, as opposed to one that serves new development within the project area. It's distance, combined with the fact that the rail tracks block good access to and from the site work against the viability of the site.

**4. Library Site**

It is understood that discussions have been had about relocating the library because of problems with the sewer system. If this is true, this is a good site for parking to serve parts of the project area, especially 12-24 West Broad Street, which are only a block to the north. The site is approximately 0.50 acres, which would yield 68 - 80 parking spaces on a surface lot.

**5. Tire Repair Site**

This site is currently where Firestone Tires, located in 24 West Broad Street, immediately to the north, operates a Tire Repair garage, which compliments the retail store. Considering that 24 W. Broad is one of the Target buildings, it is feasible to assume that this site would be made available to serve as parking. It is ideally located to serve 12, 14, 18, 20 and 24 W. Broad, and is also proximate to 42 and 44 W. Broad. The site is 0.37 acres.

**6. Verizon Switching Station**

This phone switching station could be an ideal redevelopment option for the construction of a centrally located parking garage - especially a mixed-use garage. It is an ideal site for both project parking as well as district wide parking. Assuming a proper set-back from the Train Station, the site is approximately 0.40 acres.

**Development Direction G: Conversion of Center Street Property for Centralized Downtown Parking Area**

The series of properties along Center Street between Broad and Spruce are generally underutilized and are well located to be re-purposed as central parking lots for the Downtown area. This lot would most likely address future parking needs for retail and special events, but also could be used for office space as well, since the proposed lot would be no more than a maximum 5 minute walk from new office space in the study area.

The best location would be the M&T Bank site, which is currently used as a parking lot and bank drive-thru right at Center and Broad. However, the location of this use in terms of capturing traffic along Center and Broad means that the bank may be unwilling to give up the land, especially if there was no land swap involved. This being the case, several of the parcels to the south, including the auto repair and gas station would be good candidates, with the bank lot potentially used as "shared" parking for evenings and weekends when the bank is not open.

**Table 3.22 Estimated Required Annual TIF Increment to Support Bond**

Site	Size (acres)	2 Story Deck	Cost* (000s)	TIF need	4 Story Garage	Cost*	TIF need
1. Remaly Manufacturing	0.40	100	\$1,000	\$100	200	\$2,400	\$240
2. M&T Drive Through	0.32	80	\$800	\$80	160	\$1,920	\$192
3. Gas Station / Car Repair	0.80	200	\$2,000	\$200	400	\$4,800	\$480
4. Library Site	0.50	140	\$1,400	\$140	280	\$3,360	\$336
5. Tire Repair Site	0.37	100	\$1,000	\$100	180	\$2,160	\$216
6. Verizon	0.40	100	\$1,000	\$100	200	\$2,400	\$240

## 3.8 Ground Floor / Retail Strategy

As discussed previously, the vitality of ground floor businesses is an important criterion in the success of occupying upper story spaces. Steps should be taken to capture available market demand for retail within Tamaqua and its environs.

### ***Link the Renovation of Upper Floor Space with Ground Floor Spaces***

Although no official inventory has been completed regarding the quality of ground floor spaces, observations from the consultant reveal that there is a large percentage of ground floor space that could use renovation. High quality space should assist with attracting higher quality tenants, and the integration of ground floor rehabilitation with comprehensive upper story rehabilitation should defray individual costs sufficiently so that required rents for retail space do not go up too high for local businesses to afford.

Another linkage is the possibility of moving existing office businesses on ground floors to upper stories, including lawyer, accounting and real estate offices. With proper signage and access, these business can do well on 2nd or 3rd floor spaces while not taking up valuable ground floor storefronts, which are best suited for retail and dining.

### ***Prepare a Retail Focused Market and Marketing Strategy***

The occupancy and business mix of ground floor spaces is important enough to conduct a study of its potential. Any such study would have to be conducted by a professional market analyst and would include an analysis of the most appropriate businesses for available spaces, as well as a list of businesses to be targeted for recruitment by the development team.

### ***Hire a Broker to Specifically Market Downtown Storefront Properties***

Good marketing can go a long way towards filling vacant retail spaces. Retail / Commercial brokers dedicated (i.e. paid) to concentrate on filling retail spaces in the Downtown area may be able to utilize connections to retailers and retail markets unavailable to the Borough, Chamber or Main Street organization.

### ***White-Box Targeted Spaces for Regional / National Retailers***

Certain ground floor locations may carry the possibility of being attractive to regional or national retailers or restaurants, particularly those most visible from major transportation routes. In retail markets like Downtown Tamaqua, branded retailers can help “anchor” commercial districts by bringing customers to the area who are already familiar with their product. The additional customer traffic to Downtown benefits other retailers by creating increased levels of familiarity between residents and downtown businesses.

### ***Use an Arts-Based Economic Development Strategy***

Arts based economic development strategies are growing in popularity, and communities with affordable real estate, compelling environments and high quality of life are well-positioned to take advantage of such strategies. As discussed in Section 1, Artist live-work environments appear to be a good short-term opportunity for users of renovation upper story space. What Tamaqua must decide is whether the community wants to push farther into the world of arts-based economic development, leveraging a tourism based, destination economy from a larger initiative, or whether it is satisfied having a smaller number of artist focused buildings / destinations.

## 3.9 Supporting Initiatives

There are a number of support initiatives that will greatly enhance the effectiveness of this Upper Floor Revitalization initiative. They are all extremely important in the long-term economic sustainability of the project, as well as that of Downtown Tamaqua.

### ***Broadband Connectivity***

In the 21st century, Broadband connectivity is becoming as vital an infrastructure component as sewer, electricity and parking. No longer an amenity, connectivity to the internet is an essential component for commerce, services, and education. Any opportunity to simultaneously upgrade the building systems of targeted properties, or at least establish the base infrastructure within the Downtown District, will pay dividends for Tamaqua in the future. Not only will it be more cost effective now, as opposed to retro-fitting later, but it will be a major selling point to users of buildings in Downtown, including residents, businesses and retailers.

### ***Energy Efficiency***

According to a study conducted by the Alliance to Save Energy, Buildings use up to 39 percent of all energy use in the U.S. This finding is one of the reasons why there has been a significant initiative in the past 15 years to address energy consumption in building, either through the Leadership for Energy and Environment Design (LEED) or similar programs. Like broadband infrastructure, the integration of energy efficient components into downtown structures is both a long-term investment, as well as a short-term amenity. Upgrades could mean anything from energy efficient appliances to alternative energy sources like solar and wind. Not only are there funding sources currently out there to assist with the cost of these upgrades, but their integration may help Tamaqua leverage its primary funding sources, especially LIHTC or other funds that are extremely competitive in nature.

### ***Economic Development***

Like the retail focused strategy discussed on page 47, the ability to attract certain types of users for Downtown buildings may require special economic development focused strategies. Other than retail, special attention may have to be directed on new commercial office businesses, as well as artist-based residents and businesses. Understanding that these are targeted market groups is not necessarily sufficient to support this project. Resources such as staff time, marketing and funding will likely be necessary to help recruit these types of users to Tamaqua. It is important to note that this is not just recruitment to Tamaqua - but to Downtown Tamaqua.



