Housing & Residential Development

"You can get in your car and drive home, but if you live downtown, you *are* home."

Pat Whalen
President, Public Interest Projects, Inc.

Importance of Housing to Downtown

Housing is a cornerstone of downtown development and a key ingredient of a strong downtown economy. Downtown housing extends the cycle of activity beyond the workday, creating a "twenty-four-hour" urban neighborhood that is vibrant and active around the clock. The vitality created by a "24-hour" downtown generates a positive image, draws increased numbers of visitors, and improves safety by providing "eyes on the street." Downtown residents create and expand the market for downtown businesses by demanding a diverse mix of products and services including retail, restaurant and entertainment facilities. Additionally, downtown residents create a constituency to take an active role in downtown growth and improvement issues.

Other benefits of downtown housing include more efficient use of the city's infrastructure, expanded housing and lifestyle choices for area residents, and reduced reliance on the automobile. The benefits of housing to downtown are magnified when a diversity of housing options are available for people of all incomes.

Ideally, Downtown workers should be able to find housing that is affordable at their income, either to rent or purchase. This would allow those people who want to live downtown to do so.

Housing will play a key role in supporting the continued revitalization of Downtown Asheville. Downtown's ability to reach its enormous potential will be strongly linked to the continued and accelerated development of a diverse range of housing options.

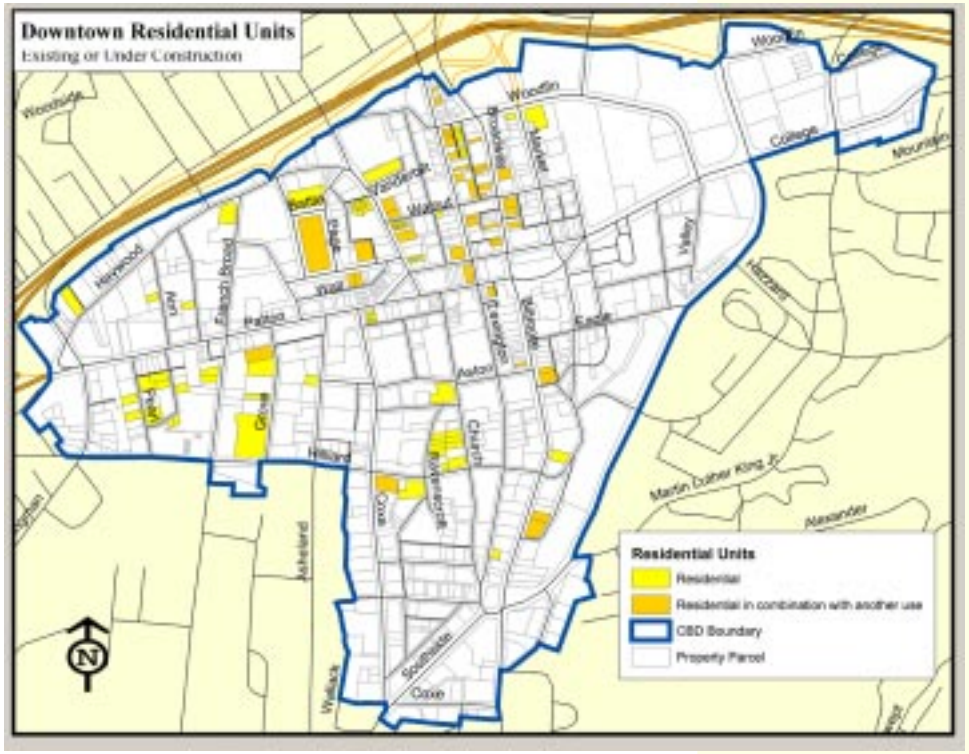
Recent History and Present Downtown Housing

With the Downtown revitalization efforts of the late 1980s and early 1990s, several residential developments were completed, including condominiums at 21 and 60 Haywood Street. The immediate success of these projects, which totaled twenty-two units, demonstrated a strong market for Downtown housing. Public Interest Projects, a private development company, added substantially to the number of

residential units Downtown by redeveloping the Carolina Apartments on North French Broad, the Turnbilt Apartments on Biltmore, and the Asheville Hotel and the old Penney's building, both at Haywood and Walnut Streets.

According to the U.S. Census Bureau, in 2000 there were 1351 people living in Downtown Asheville, an increase of 532 people from 1990. Although much of the increase is due to an increase in people living in group quarters (institutions, dorms, etc.), the number of people living in households increased by twenty-eight percent. Downtown's current residential population is roughly equal to that of Biltmore Forest.

At the end of 2001, there were approximately ninety-five condominium units and forty-eight rental units under development. Approximately fifty of the condos and all forty-eight apartments are expected to be occupied by the end of 2002. Available units are predominantly high-end units with sales prices ranging from $140,000 to $600,000, and costs per square foot ranging from $200 to $350. Rental prices for the new Grove Arcade apartments are approximately $1.20/square foot per month.



Downtown housing comes in all shapes and forms: (clockwise from top left) Kress Condominiums; Asheville Hotel Apartments; Merritt Park Condominiums; an alley apartment.

Virtually all of the existing Downtown housing units and those under development are located on the upper floors of renovated historic buildings. Although residences are scattered throughout the Downtown area, the highest residential concentration is found in the Battery Hill district, especially on Haywood Street.

Challenges to Downtown Housing

Although residential development in Downtown Asheville has proven to be highly successful, there are a number of challenges that must be overcome in order for Downtown's housing market to truly thrive.

Costs of Conversion: Most buildings that are converted to residential uses were constructed in the 1920s or 1930s and originally housed offices or hotels on the upper floors. Therefore, they typically require major upgrades. A chief factor in the cost to convert historic buildings to residential uses is compliance with building and fire code provisions, including Americans with Diabilities Act (ADA) standards. Building regulations have changed significantly over the years and when older

buildings are refurbished, they must be brought into conformance with today's standards. This can add significant costs. It is hoped that the rehabilitation code pilot program, available for use in spring 2002, will serve to reduce rehabilitation costs.

Affordability: Because of the costs associated with converting historic buildings to residential use, coupled with a strong demand for high-end units, virtually all housing construction in the last two years has been unaffordable to the vast majority of City residents. While these new units make up only a share of the total number of existing units downtown, it is important that future units be made available at a range of prices.

Obstacles to New Construction: Although new construction avoids many of the costs associated with building conversions, it has its own set of challenges. Among these are the high costs of Downtown property, high construction costs in an in-fill setting, and difficulty in property assemblage.

Perception of Downtown: Although the perception of Downtown has improved dramatically in recent years, there continues to be a large segment of the community who view Downtown as unsafe or otherwise undesirable as a place to live. This perception exists despite extensive statistics that indicate a relatively low incidence of crime, particularly crimes against persons, in the Downtown area.

Services/Livability: While not necessarily a challenge to the development of Downtown housing, the lack of residential services, including a grocery store, hardware store, and general discount store, may deter some potential residents from moving Downtown. The provision of these services, along with improvements in the quality and maintenance of the public realm would improve Downtown livability and serve to attract additional Downtown residents.

Despite these challenges, Downtown Asheville has tremendous potential as an attractive, vibrant urban neighborhood. Its character, derived from its unique architecture, public spaces and eclectic population, will continue to draw new residents. As opportunities to develop housing within existing buildings diminish, new construction is likely to occur.

The public and private sectors must work together to achieve the vision of Downtown as a vital, diverse, and desirable neighborhood. In order to ensure the continued revitalization of Downtown to the benefit of the entire region, further action to stimulate more housing—and a wider diversity of housing products—is needed.

Downtown living in different stages: the Battery Park Apartments (top); the Aston Condos under construction (bottom left); and the Rice White Building, future site of apartments (bottom right).

Vision, Goals, and Strategies

Vision: Downtown Asheville will be a clean, safe, and vibrant neighborhood consisting of distinct districts where a diverse population lives among a rich variety of workplace, cultural, shopping, and entertainment options. Quality public spaces, pocket parks, and streetscape amenities will give identity and a sense of community to Downtown and serve as magnets to attract residents to a wide range of housing options.

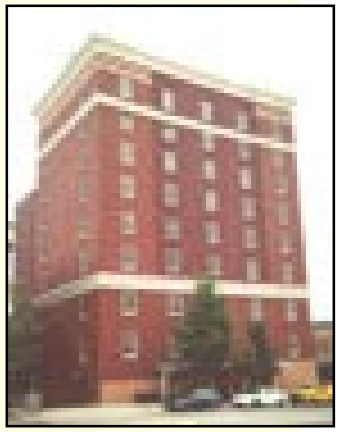
Goal I. Substantially increase the number of people living Downtown and in nearby neighborhoods.

Strategies:

1. Continue to improve the physical environment of Downtown, making it an increasingly desirable place to live.
   a. Support the Pack Square Renaissance Project.
   b. Provide pocket parks and improved landscaping in each Downtown district.
   c. Explore the development of a new park or large public space at the western end of Patton Avenue.
   d. Connect parks and public spaces with attractive, functional streetscapes.
   e. Provide a high level of maintenance in the public realm, including streets, sidewalks, and parks.
   f. Improve the design review process to help ensure a quality built environment for both existing and new construction.
   g. Address the parking needs of Downtown residents. Seek opportunities for the shared use of parking facilities—serving business needs during the day and residential needs at night.

2. Encourage the continued development of residential units on upper floors of existing buildings.

3. Encourage new construction of housing in Downtown and adjacent areas.
   a. New construction in the Downtown core and gateway areas should incorporate retail or other active uses at ground level.
   b. New high-density single-use residential construction is appropriate in the area south of Hilliard Avenue and at the



western end of Downtown.

c. Provide residential uses as a component of public/private catalytic development projects.

d. Assist in the assembly of land for residential projects.

e. Encourage a wider mix of housing types and products in the Downtown area.

f. Investigate economic incentives for targeted types of housing.

g. Support efforts to redevelop the West-End/Clingman Avenue neighborhood as described in the WECAN Plan.

4. Review existing zoning and building code provisions in areas surrounding Downtown and remove regulatory hurdles to residential development.

5. Develop incentives to increase residential densities in surrounding areas, particularly along gateway corridors.

6. Improve public awareness that Downtown is a safe, vibrant, viable neighborhood.

a. Develop marketing programs to improve the public perception of Downtown and to attract new Downtown residents.

b. Form a Downtown neighborhood association as a member of the Coalition of Asheville Neighborhoods to represent the interests of Downtown residents.

Goal II: Provide a range of housing options to attract an economically and socially diverse population.

Strategies:

1. Pursue changes in the State Building Code that may reduce the costs of developing Downtown housing.

2. Encourage the development of "affordable" or middle-range housing in the Downtown area.

a. Identify the market that is currently under-served in the Downtown area.

b. Acquire properties and/or use existing City-owned properties suitable for housing and make them available at favorable rates for the development of housing for targeted market.

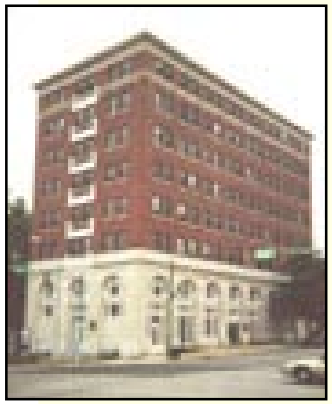
c. Provide "affordable" or mid-range residential units as a component of public/private catalytic development projects.
d. Educate developers about programs, grants, and credits available for building affordable housing.
e. Make information about vacant or under-utilized land readily available to housing developers.
f. Explore new models for home ownership, e.g., co-ops, co-housing, etc.
g. Explore the creation of incentives and/or creative financing mechanisms for the development of affordable and mid-range housing.
h. Utilize Housing Trust Fund monies for the development of affordable housing in the Downtown area.

3. Use local, State, and Federal subsidies to preserve and improve housing units Downtown that are affordable to very low income people, including those with special needs.

Goal III: Improve the Overall Livability of Downtown Asheville.

Strategies:

1. Encourage the development of a complete range of goods and services to meet the needs of Downtown residents. A grocery store and a hardware store have been identified as primary needs.
   a. Assemble statistical, demographic, and marketing materials, which demonstrate a market for needed businesses.
   b. Identify those businesses needed to support a growing and diverse residential population
   c. Explore the creation of incentives for the private sector to provide needed businesses.
   d. Acquire properties and/or use existing City-owned properties suitable for needed businesses and make them available at favorable rates for these uses.
   e. Provide needed businesses as a component of public/private catalytic development projects.



2. Continue to improve the physical environment of Downtown, making the Center City an increasingly desirable place to live.
   a. Support the Pack Square Renaissance Project.
   b. Provide pocket parks, improved landscaping in each Downtown district.
   c. Explore the development of a new park or large public space at the western end of Patton Avenue.
   d. Connect parks and public spaces with attractive, functional streetscapes.
   e. Provide a high level of maintenance in the public realm, including streets, sidewalks and parks.
   f. Improve the design review process to help ensure a quality built environment.
   g. Address the parking needs of Downtown residents. Seek opportunities for the shared use of parking facilities - serving business needs during the day and residential needs at night.

3. Improve the safety and cleanliness of the Downtown environment.
   a. Implement Quality Forward's "adopt a street" program to supplement City efforts at litter removal.
   b. Create public-private partnerships and support existing efforts to manage ongoing Downtown social issues including graffiti, vandalism, loitering and panhandling.
   c. Business and property owners should seek creative opportunities to fund enhanced maintenance and beautification (beyond what the City would ordinarily provide).
   d. Provide additional kiosks Downtown for posting handbills.
   e. Increase police presence as feasible.
   f. Consider the development of new ordinances to ensure that a high standard of livability is maintained (i.e. panhandling ordinance).

4. Improve and strengthen pedestrian connections and transit opportunities both within Downtown and between Downtown and surrounding neighborhoods.
   a. Extend streetscape elements along streets that link Downtown with surrounding neighborhoods (Montford, West End/Clingman, East End) as a method of enhancing the pedestrian experience.

b. Create new pedestrian connections where needed.

5. Improve relations between the City and Downtown residents by making City policies more resident friendly where feasible.

Interior shots of Downtown Asheville residences