

# PLANNING TOOLKIT FACT SHEET

## Commercial & Office Redevelopment

## planningtoolkit.org

## **INTRODUCTION**

The necessity of redeveloping commercial and office space for different uses is growing as the way people shop, dine and conduct business changes.

As brick-and-mortar retail facilities increasingly fall victim to the rise in online shopping, and as world events change how people seek entertainment and work opportunities, many municipalities are faced with an increase in shuttered businesses.

Redeveloping these spaces offers an opportunity to recoup financial losses and broaden a community's economic base. However, it may require changes to long-established zoning districts or municipal codes.

A major recent example of commercial redevelopment is repurposing shopping malls. Faced with the prospect of a vast empty building, many mall owners and developers are scrambling to figure out how to repurpose their spaces. This often includes outside investment from a diverse group of tenants.

Many empty malls have been successfully repurposed into apartment buildings, warehouses, mixed-use spaces for dining, retail or living, and even greenhouses.

Successful commercial redevelopment is often a

complex issue because of relying on outside funding and developer interest, as well as municipal zoning that restricts diverse or mixed uses.

One solution being explored is the creation of mixeduse zoning and overlay districts that can help to address concerns and encourage redevelopment.

### **BENEFITS**

- Offer opportunities for mixed uses in one place;
- Takes advantage of existing development and infrastructure;
- Projects may be eligible for grants or tax incentives;
- Provide economic development opportunities to improve a community's tax base;
- Enhance community character.

## **DRAWBACKS**

- Market demand and a community's desires may not match;
- Reuse projects may not feasible without significant investment;
- Residents may object to certain uses, especially any that increase traffic or density;



Photo Credit: American Planning Association



• Communities may not have spaces that qualify for grants or tax incentives.

## **RESOURCES**

#### **Best Practices and Guides**

- <u>Reinventing Office Parks</u>
- <u>Redevelopment Done Right</u>
- <u>Redeveloping Commercial Vacant Properties</u>
- Mall Redevelopment Strategies
- <u>10 Principles for Rethinking the Mall</u>
- <u>Regulatory Strategies for Infill & Redevelopment</u>
- Lower Paxton Twp. Towne Centre Zoning District

#### Examples

- The Arcade Providence, RI (micro-apartments)
- Mayfield Mall Mountain View, CA (office space)
- Galleria at Erieview Cleveland, OH (mixed-use)
- Nanuet Mall Nanuet, NY (mixed-use)
- Lancaster, PA Adaptive Reuse Projects
- Harristown Development Financial Assistance & Tax
  Incentives

#### Financial Assistance and Tax Incentives

- Federal Funding
- <u>Commonwealth Financing Authority</u>
- PA DCED Programs/Incentives
- <u>PA Economic Development Organizations</u>
- <u>New Market Investment Tax Credits</u>
- <u>Historic Tax Credits</u>
- Low-Income Housing Tax Credits
- Local Economic Revitalization Tax Assistance (LERTA): Check with your municipality



## RELATED FACT SHEETS ON PLANNINGTOOLKIT.ORG

- Affordable-Attainable Housing
- Brownfield Redevelopment
- Historic Resource Protection
- Main Street Programs

## **TIPS TO CONSIDER**

- MUNICIPALITIES SHOULD CONSIDER MIXED-USE ZONING DISTRICTS OR RELATED OVERLAYS TO PROMOTE REDEVELOPMENT AND INFILL DEVELOPMENT;
- INVENTORY YOUR COMMUNITY'S RESIDENTIAL AND RETAIL NEEDS;
- STAY INFORMED ABOUT KEYSTONE OPPORTUNITY ZONES AND OTHER POSSIBLE RESOURCES.



## **CREATED BY**

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