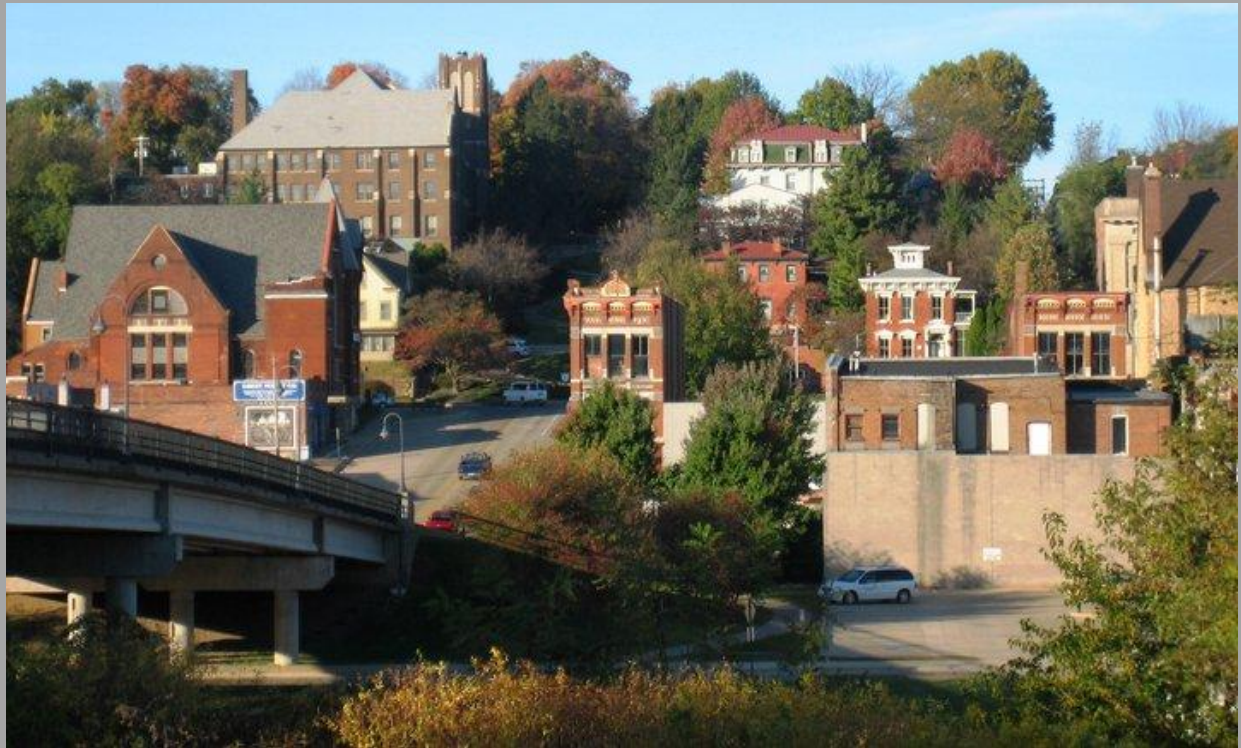


MAY 10, 2011

IOWA
INITIATIVE FOR
SUSTAINABLE
COMMUNITIES

DOWNTOWN REDEVELOPMENT IN BURLINGTON, IOWA



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Executive Summary

The following is a compilation of the five reports completed by the Iowa Initiative for Sustainable Communities over the course of its work for Downtown Partners, Inc., in Burlington, Iowa.

Case Studies provide an analysis of successful economic development and historic preservation programs in four Midwestern cities: Rock Island, IL; Davenport, IA; Iowa City, IA; and Dubuque, IA.

Redevelop Downtown Burlington is a guide to the numerous national, state, and local financial incentives that can support investment and redevelopment in Downtown Burlington.

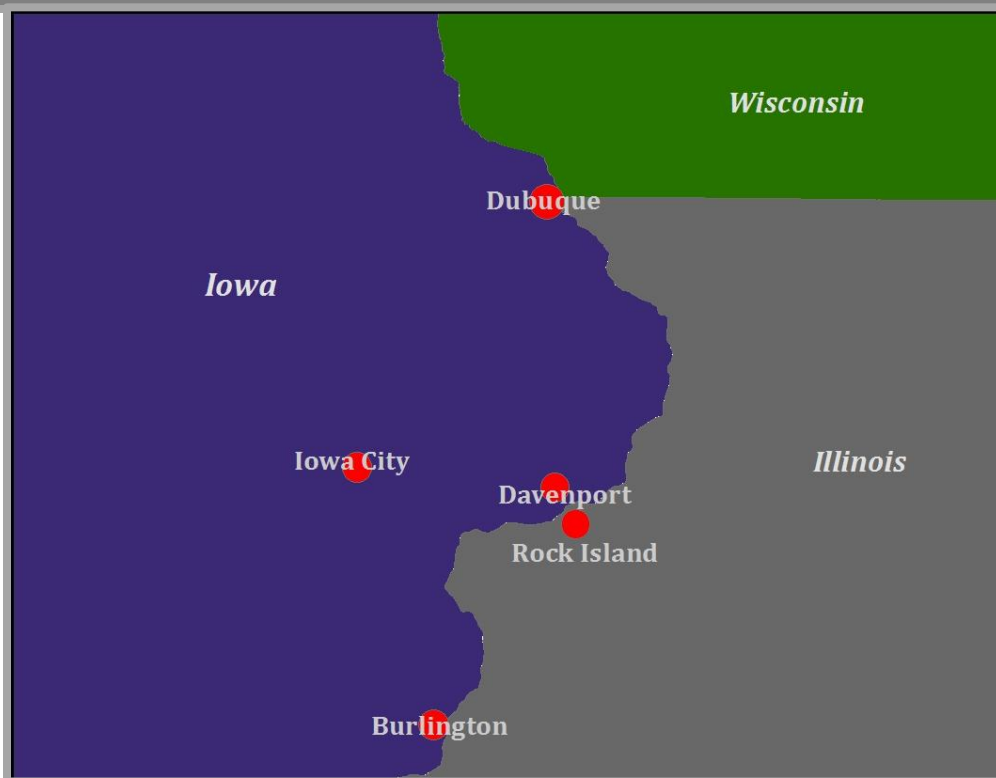
The *Action Plan for the Bookend Buildings* outlines the strategy that Downtown Partners, Inc. will pursue to facilitate redevelopment of the Bookend Buildings, a group of adjacent structures with the addresses of 512, 514, 518, 520, and 522 Jefferson Street in Downtown Burlington, Iowa.

The *Investment Proposal for the Bookend Buildings* presents information for investors relevant to the purchase and rehabilitation of the Bookend Buildings. The report provides background information on the Bookend Buildings, an overview of demand for redevelopment of the buildings, cost estimates for renovations, an overall cost analysis, details about available financial incentives, and an introduction of green building options.

The *Vision for Downtown Redevelopment* presents the key findings and recommendations of the Iowa Initiative for Sustainable Communities, which are based on input from a broad cross-section of the Burlington community, as well as on background research and a business inventory of Downtown Burlington.

November 10, 2010

Field Problems: Burlington Case Studies



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Executive Summary

The purpose of this report is to provide Downtown Partners, Inc. with an analysis of successful economic development and historic preservation programs in communities comparable to Burlington based on population, geographic location, city make-up, and project scope.

The ensuing report will present case studies of four Midwestern cities: Rock Island, IL; Davenport, IA; Iowa City, IA; and Dubuque, IA. The case studies detail programs in these four cities that are relevant to the needs of downtown Burlington and could be utilized for future redevelopment. The following programs will be discussed:

- Downtown Commercial/Residential Space Inventory (Rock Island)
- TIF for Residential Development (Rock Island)
- Infill Design Standards (Davenport)
- Urban Revitalization Tax Exemption (Davenport)
- Downtown Redevelopment, Commercial Property Preservation, and Historic Preservation Loan Programs (Davenport)
- Key Historical Preservation Goals (Iowa City)
- Methods to Measure the Impact of Historic Preservation (Iowa City)
- Financing Tools for Urban Renewal (Dubuque)
- Urban Revitalization Program (Dubuque)

Those programs which Downtown Partners deems most relevant will then be examined further to determine exactly how they are implemented and to analyze their effectiveness. With this information the Burlington Field Problems Team will be able to offer recommendations on how Burlington might develop similar programs.

Case Study: Rock Island

Rock Island, Illinois has population and income levels that are very similar to Burlington's. Like Burlington, it faces a declining population and significant challenges to its downtown. Although being part of the Quad Cities offers many advantages, Rock Island's geography also results in increased economic competition, which has significant impacts on the economic vitality of Rock Island's downtown. The City of Rock Island is currently pursuing two key programs that may be particularly relevant to downtown Burlington.

Downtown Commercial/Residential Space Inventory

In 2006, Rock Island completed a Downtown Strategic Plan for 2007-2010, which contains nine objectives and strategies set forth by appointed committees. These nine objectives are deemed to be essential projects for the successful revitalization of downtown Rock Island. The report's most relevant objective is Objective One: to "increase utilization and occupancy of the downtown properties, ultimately enhancing activity and commerce". Vacant downtown buildings hint at a market failure and indicate the need for some corrective action; yet before Rock Island can determine what actions to take, the City must have sufficient knowledge about the current uses and occupancy rates of properties in the downtown. Thus, Objective One calls for the creation of a downtown residential and commercial space inventory that includes the type and amount of space both in use and available. From there, the City plans to determine the ratio of square footage for each use that would ensure a vibrant downtown. After Rock Island completes this initial inventory, the City will make information about the unoccupied space available to the public via a website which it will update monthly.

Application to Burlington:

Determining what downtown Burlington lacks is difficult without having an inventory of current uses. Downtown Partners has mentioned that it would like to develop an inventory of available commercial, retail, and residential space in downtown Burlington. Completing such an inventory would be a productive first step; however it is also important to determine the ideal amount of space that each use would occupy. Downtown Partners could then apply these findings to their redevelopment efforts in downtown Burlington. Downtown Partners could also publish the inventory of unoccupied space, allowing potential investors or businesses to easily see which spaces are available to invest in.

TIF for Residential Development

Rock Island created its Downtown TIF Upper Story Housing Loan Program in 2003, and according to the Rock Island planning staff, the program has been very successful. When Rock Island began the program, it saw the use of TIF funds for residential use as a way to keep the structures from being abandoned. These loans can be used for exterior or interior rehabilitation costs. They are forgivable with a zero percent interest rate, as long as the loan recipient still owns the property after five years. There are two different loan amounts. The first is \$10,000 for units that have been occupied in the past five years, and the second is a maximum of \$20,000 for all other redeveloped

units. TIF funds are capped at 40 percent of the total project costs. To ensure greater success, the following must be specified in a development agreement between the City and loan recipient:

- Recorded mortgage
- Minimum private investment
- Ownership for five years following rehabilitation or City's TIF share is immediately repaid upon sale
- First floor must remain viable for five years following renovation
- Insurance, property taxes and City must be paid and current
- No income or rental controls apply

Application to Burlington:

Rock Island's TIF program has been very successful in redeveloping the upper stories of buildings for residential use. Although Downtown Partners does not decide how Burlington applies its TIF funds, they could propose that the City implement a similar program. The Bookend Development falls into Burlington's TIF District, as does a large proportion of other downtown buildings, so the application of TIF funds to residential development in that district could be highly effective in encouraging upper story redevelopment in the downtown.

Sources:

City of Rock Island, Renaissance Rock Island. *Downtown Strategic Plan 2007-2010* <http://liveri.com/images/stories/pdfdowntown/downtownstrategicplan.pdf>

City of Rock Island. *TIF Housing Program*. 2003. <http://www.rigov.org/economicdevelopment/tifhousingprogram.html>

U.S. Census Bureau. *American FactFinder*. www.census.gov

Case Study: Davenport, Iowa

Like Burlington, Davenport is located on the shores of the Mississippi River and it, too, was historically an industrial port city. Davenport was hit very hard by the farm crisis of the 1970s, which prompted significant economic decline. Davenport has achieved very visible redevelopment since the 1990s, earning it the City Livability Award in 2007. The City of Davenport and Downtown Davenport, a local economic development organization that is similar to Burlington's Downtown Partners, Inc., have employed several means to achieve this development, including design standards, tax exemptions and loan programs.

Infill Design Standards

Like many cities, Davenport has several historic areas which are not necessarily defined as historic districts. New development in these areas is often inconsistent with neighborhood design, and until recently, the city lacked sufficient tools to enforce design standards. As a result, the Community Planning and Economic Development Department conducted a series of informational meetings about infill design standards. They found strong support by neighborhoods to enact these standards and even tentative support among builders and developers – as long as they did not impose requirements that were too cumbersome and as long as the time required to obtain a building permit remained reasonable. In the summer of 2008, the Davenport City Council unanimously adopted Infill Design Standards as part of Davenport's Zoning Ordinance. Overall, the Standards affect more than 50 neighborhoods and foster new development that is compatible with existing neighborhood design.

Application to Burlington:

Although Burlington has an extensive historic district, it does have downtown blocks that are not included in this demarcation. Infill Design Standards for areas not covered by the historic district could foster compatible design in Burlington's downtown area, promoting a sense of unity and consistency that would be highly beneficial to the downtown environment.

Urban Revitalization Tax Exemption

The goal of the Urban Revitalization Tax Exemption is to encourage private investment by providing an exemption on any increase in property taxes resulting from physical improvements to a property. The program targets specific districts within Davenport, but can be applied to a wide range of structures, including commercial and industrial buildings, residences, and abandoned housing.

Application to Burlington:

A similar tax exemption could incentivize both minor improvements to currently utilized properties and major restorations of unutilized or underutilized buildings in Downtown Burlington.

Loan Programs

Davenport's Downtown Redevelopment Program provides funds for the rehabilitation of qualifying commercial and industrial buildings. The program's goal is to eliminate and prevent blighted conditions in targeted areas. Funds are typically provided in the form of no-interest loans.

The Commercial Property Preservation Loan Program is a loan program that provides funding for the rehabilitation of commercial building facades in targeted economic development areas. The program requires a non-public match of funds.

Davenport also has a Historic Preservation Revolving Loan Fund, which provides low-interest loans, forgivable loans and some grant funds for the preservation of historic buildings. This program also requires a non-public match.

Application to Burlington:

The creation of loan funds for redevelopment or façade repair in downtown Burlington can encourage investment that will result in very visible improvements to the downtown area.

Sources:

City of Davenport – *Community Planning and Economic Development*
<http://www.cityofdavenportiowa.com/departments/index.php?fDD=9-0>

Downtown Davenport - <http://www.downtowndavenport.com/>

Case Study: Iowa City, Iowa

Although nearly double the size, Iowa City is similar to Burlington in that it was founded in the 1830s and contains a downtown area that includes numerous historical buildings. Both cities face the challenge of encouraging economic development while still preserving their historic buildings and architecture.

While the City of Burlington does not have a designated Historic Preservation Plan, it does include a six-page Historic Preservation section in its 1997-2016 Comprehensive Strategic Plan. Through the creation of its Historic Preservation Commission in 1994 and the inclusion of Historic Preservation into its comprehensive planning, Burlington has shown its commitment to preserving some of the city's oldest buildings.

Iowa City adopted its first Historic Preservation Plan in 1992. In 2007-2008 the City of Iowa City updated and adopted a new Historic Preservation Plan that focuses on various districts and neighborhoods throughout the city. The plan was funded by Iowa's Resource Enhancement and Protection (REAP) Program and was administered by the State Historical Society of Iowa. The Historic Preservation Plan outlines 10 main goals the City hopes to achieve in-line with its Comprehensive Plan.

Key Goals of the Historic Preservation Plan

The following goals have been taken from the 2008 Iowa City Historic Preservation Plan and represent elements applicable redevelopment in downtown Burlington:

Goal #3: Establish economic incentives to encourage the preservation of historic buildings and neighborhoods

The objectives that were created to accomplish Goal #3 of the Iowa City Historic Preservation Plan include the establishment of various programs that include a property tax abatement program for historic buildings, a private loan pool for rehabbing historic buildings, and a historic loan program using CDBG funds.

Funding provided by the various units of government include tax credits and assessment abatements in designated historic areas to fund improvements. Private lenders can independently, or with a non-profit or government entity, provide financing tools or revolving loan funds to encourage historic preservation. All financial tools, no matter how sophisticated, have been developed for the same purpose: to provide funding for the acquisition or rehabilitation of projects that involve historic resources.

Application to Burlington:

The development of economic incentives by the government and private sources has been an effective strategy for preserving historic resources. Such incentives can encourage redevelopment of the Bookends and other buildings in downtown Burlington. An integral component of the Burlington Field Problems project is the development of an investment proposal which would be an

appropriate document in which to detail the economic incentives that will be available to potential investors and developers.

Goal #4: Provide the technical assistance necessary to preserve and improve historic properties

The fourth goal of the Iowa City Historic Preservation Plan details the need for technical assistance, which includes the provision of information about certain methods for rehabilitation, reconstruction, restoration, and documentation of historic resources. The objectives of providing technical assistance are to promote good design, the proper methods of development, and affordability. This support can be accomplished through individual counseling and training programs.

Iowa City's objectives to achieve Goal #4 include offering technical assistance to historic rehabilitation projects through a design review process, formulating and implementing a downtown design program, and continuing the availability of home improvement workshops.

Application to Burlington:

This fourth goal can serve as a potential guide for Burlington as it looks to redevelop more of its historic buildings at a larger scale. The technical assistance that Burlington will provide for the restoration of historic properties should be defined in Component Two of the Burlington Field Problems Project.

Goal #5: Heighten public awareness of historic preservation in the community and improve preservation education efforts for various audiences

In order to gain support for policies that encourage historic preservation and community investment in historic resources, an informed public is needed. Iowa City outlines seven objectives in order to achieve Goal #5. Some of these objectives include: Maintaining a marketing approach for all education and promotion products and activities; Create volunteer opportunities and special events; Establish and maintain preservation as an element in community improvement efforts, Continue to broaden and strengthen non-profit historic preservation groups; Develop new education efforts aimed at the general public, local officials, owners of historic properties, and target audiences such as elementary students.

Application to Burlington:

Iowa City provides very specific objectives that can also apply to the development process of the Bookend Development and all redevelopment in Downtown Burlington. It is important to build up the public support through various outlets such as schools and non-profits. Iowa City also emphasizes the need to be consistent throughout all marketing approaches for educational and promotional products and activities.

Measuring the Impact of Historic Preservation

Public opposition to historic preservation can result from a lack of information or data on its benefits. Iowa City's 2008 Historic Preservation Plan includes information on methodologies that can be used to examine the economic benefits of historic preservation. This information is making the case for preservation as a vital and cost-effective economic development tool.

Public, and especially local, preservation incentives can be used to leverage significant amounts of private capital, create local jobs, and stimulate a wide range of economic activity. While studies have observed these positive benefits in other locations, a local analysis may be needed in order to convince the general public of these benefits. An economic impact of preservation in Burlington may prove to be most resourceful at this time. The Iowa City Historic Preservation Plan offers up a methodology for measuring the economic impact of preservation in three key areas: Rehabilitation, Property Values, and Heritage Tourism.

Rehabilitation:

For analysis of Federal Investment Tax Credit projects: Involves collecting data from NPS and Iowa State Historic Preservation Office. The total direct value of rehabilitation efforts can be calculated both annually and cumulatively.

For analysis of indirect impacts of rehabilitation: Using RIMS II multipliers to estimate the amount of household economic activities among employees directly or indirectly involved with the economic impact. RIMS II multipliers that should be used: 12.0300- Other maintenance and repair. (Other possible multipliers include: 11.0101, 11.0102, 11.0800)

Property Values:

Involves looking at the Total Appreciation Since Designation, Value Comparison and Rate of Values Change, and Median Sales Price (compared to other areas).

Heritage Tourism:

Historic areas attract visitors who provide a significant source of revenue for the local economy. By surveying tourists, the total and sources of tourism revenue can be analyzed. Information that should be compiled includes: Attributes of city that attracted tourism; How money was spent during visits; Characteristics/demographics of heritage tourists

According to the City of Iowa City's Director of Historic Preservation Christina Kuecker, much of Iowa City's 2008 Historic Preservation plan has not been implemented. However, the guidelines are more user-friendly and streamlined now, compared to the original plan drafted in 1992. Recommendations found in the plan enabled programs like the UniverCity Neighborhood Partnership, which is a joint effort between the City of Iowa City and the University of Iowa to achieve a healthy balance of owner-occupied and rental units in the city's historic neighborhoods.

Although Burlington and Iowa City differ in many elements, both cities have a stock of historic buildings that need to be preserved. Iowa City has taken more drastic steps to ensure the protection of its historic buildings and neighborhoods, and can serve as a model to the City of Burlington and more specifically Downtown Partners Inc. as the redevelopment of the Bookend Building is planned.

Source:

Iowa City Historic Preservation Plan - <http://www.icgov.org/site/CMSv2/file/planning/urban/histPlan.pdf>

Case Study: Dubuque, Iowa

Dubuque's downtown experienced decline in the 1960s-70s when a number of retail establishments were lost to new development on the west side of town, resulting in first floor vacancy levels as high as 55%. In the 1980s Dubuque experienced further decline throughout the city and unemployment of up to 23% following closing of the city's largest employer, John Deere. When residents began to relocate, the city started an economic recovery public planning process called "Vision 2000" which focused on recruiting new industry for job growth and revitalizing the waterfront and downtown. A Downtown Dubuque Master Plan was adopted in 2004 after a four year planning process, which included six elements of downtown revitalization: commerce; culture, education, and entertainment; historical features; public space and open areas; residential living; and transportation. In 2005 they followed up with "Envision 2010", a plan in which citizens provided ideas for livability, affordability, and opportunity for Dubuque's future.

In recent years Dubuque has become a regional hub for healthcare, tourism, education, and financial services as well as a leader of job growth in the Midwest. IBM's decision to locate a technology center in Dubuque bringing in 1300 new jobs to the city confirms its successes in economic development. Dubuque has also made considerable efforts to incorporate sustainability with their revitalization. The city has been recognized for their work in recent years through the following awards:

- *Excellence in Economic Development Award* by International Economic Development Council (2010)
- *All-Star Community* by Iowa League of Cities (2010)
- *Excellence in Economic Development Award for Excellence in Historic Preservation-led Strategies* by U.S. Commerce Department.
- *America's Top 100 Places to Live* by RelocateAmerica.com (2009)
- *Most Livable Small City* by the United States Conference of Mayors (2008)

Urban Renewal

Dubuque uses urban renewal as a financing tool which utilizes increases in property taxes in certain districts to promote development in those areas. There are currently seven urban renewal districts including Greater Downtown, where the urban renewal program offers several types of incentives.

- The Downtown Rehabilitation Loan Program creates financial incentives to encourage revitalization of blighted areas, retain/produce jobs, and create housing units within the district while also addressing building code deficiencies. Loans of up to \$300,000 per building may be provided through a project with a minimum of \$10,000 loaned at one time. The loans are for 20 years with 3% interest rates.
- The City also offers Loan Forgiveness for creating jobs or housing opportunities in the Downtown Dubuque Urban Renewal District. For each new full-time job created and maintained or for each new housing unit created \$2000 of the loan may be forgiven.

- Façade grants are available based on total project costs. The grant will match private contributions to the project up to \$10,000.
- Design grants are given for up to \$10,000 to offset pre-development costs of the Downtown Rehab Loan Program. Grant coverage includes architectural or engineering fees, feasibility studies, environmental assessments and other related soft costs.
- Financial Consultant Grants are given to determine the feasibility of a project applying to the Downtown Rehab Loan Program. Grants are provided of up to \$15,000 based on total project costs and an equal match of private contributions.

Application to Burlington: Similar incentives in Burlington’s downtown could initiate revitalization efforts not only in the Bookend Buildings, but in many of the other buildings that are currently vacant and dilapidated. The urban renewal financial incentives offered could be especially useful because they cover a range of cost aspects applicable to the redevelopment of the Bookend Buildings. Also, because new upper story housing units are planned for the buildings, the project could further benefit from the loan forgiveness.

Urban Revitalization Program

The program focuses on the revitalization of residential properties in Dubuque’s older neighborhoods and offers property tax exemption for new improvements made to qualified residential properties and some commercial properties. Applicants may receive a 10-year exemption from the property tax liability that would normally accompany numerous property improvements.

Application to Burlington: Tax exemption is another incentive for potential investors to redevelopment projects in downtown Burlington that could help mitigate project costs in the long run.

Sources:

<http://www.cityofdubuque.org/>

<http://www.ncl.org/>



redevelop

DOWNTOWN BURLINGTON



*A Guide to Available Financial Incentives
& Tools for Redevelopment*

April 2011

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Introduction

Downtown Burlington currently offers a wide array of investment opportunities for private developers and business owners. Vacant and unused buildings are available for redevelopment into stores, restaurants, offices, and residential units. Revitalization of downtown properties is advantageous to developers, future tenants, and the greater community for several reasons. Among these are:

- **Central Location.** Available properties are located in the heart of the city near jobs, restaurants, activities, and other amenities. Downtown establishments decrease travel time for residents and promote walkability in the area.
- **Architecture.** Several buildings in the downtown feature unique, historically significant architecture. Many of Burlington's downtown properties are listed in the National Register of Historic Places due to their historic and architectural significance.
- **Sustainability.** The greenest building is one that is already built. Reuse of an existing building prevents materials from going to the landfill and is the ultimate form of recycling. Developers working on rehabilitation projects also have the opportunity to implement green building techniques.
- **Jobs.** Downtown spaces often attract independent, locally-owned businesses which will create additional jobs within the Burlington community. Those working downtown are likely to support other nearby businesses.
- **Revenue.** Vacant and dilapidated properties in downtown Burlington often bringing in little or no property tax revenue, but have the potential to increase the property tax base in the city. Redevelopment will increase the value of the property, contributing a greater amount to the community's tax base.
- **Safety.** Empty, neglected buildings can be a fire hazard and can invite unwanted criminal activity if there are no people present throughout the day.
- **Downtown as a Destination.** Downtown Burlington currently has stores and restaurants which attract people to the area. New establishments can build on what is already available creating a larger mixed-use district. This will make downtown a destination for non-residents and tourists, as well as local residents.

There are numerous **Financial Incentives** in place to support investment and redevelopment in Downtown Burlington. This document provides an outline of what is currently available to investors as well as business and property owners. For more information on each of the incentives, please click on the corresponding links.

Historic Preservation Incentives

Downtown Burlington is home to several historic buildings in need of investment. Restoring these buildings can be particularly challenging because rehabilitation must meet historic preservation standards. Fortunately, there are many available incentives at the federal and state level to increase project feasibility and offset any additional costs of historic preservation. Properties located in a historic district or on the National Register of Historic Places are eligible for historic preservation incentives. A [map](#) and [listing](#) of National Register properties in Burlington and additional information are available on the City of Burlington's Historic Preservation Committee [website](#).

Federal Historic Tax Credits

A **26% Federal Tax Credit** is available for the certified rehabilitation of historic structures including those on or eligible for the National Register of Historic Places or contributing properties in a registered historic district. The credit is equal to 26% of the amount spent on certified rehabilitation, and is generally claimed for the tax year that the rehabilitated building is placed in service. The standard federal tax credit is 20%, but because Burlington was considered a disaster area after recent flooding, an additional 6% tax credit has been made available. A **10% Tax Credit** is also available for non-residential properties which have not received historic designation, but were occupied prior to 1936. The application process consists of two or three parts depending on the type of property. The three parts are as follows:

- Part 1 - Evaluation of Significance of the Property
- Part 2 - Description of Rehabilitation Work
- Part 3 - Request for Certification of Completed Work

Part 1 is not needed for properties already listed on the National Register of Historic Places, but Parts 2 and 3 must be completed by all applicants. Applications are accepted on an ongoing basis and should be submitted well in advance of the project start date

[A Guide to the Federal Historic Preservation Tax Incentives Program](#)

[Historic Preservation Tax Incentives Booklet](#)

[State Historical Society of Iowa's Federal Tax Credit Information](#)

State Historic Tax Credits

A **25% Tax Credit** is offered by the State Historic Preservation Tax Credit Program for qualified rehabilitation costs of properties on the National Register of Historic Places, those determined eligible by the State Historic Preservation Office, those contributing to historic districts, and local landmarks. To be eligible for the credit, qualified costs of renovations for commercial or mixed-use properties must exceed 50% of the assessed value of the building. Applications for state historic tax credits consist of a three part process similar to that of the federal historic credits. For projects under \$500,000, applications are accepted throughout the year until all available credits are reserved. For projects over \$500,000, applications are accepted only during the first 10 business days of July. State and federal historic tax credits can be combined.

[State Historical Society of Iowa's State Tax Credit Information](#)

Historical Resource Development Program

The State Historical Society of Iowa offers a **Historic Preservation Matching Grant** as part of the Historical Resource Development Program (HRDP). Applications are considered for the treatment, protection, or rehabilitation of sites, buildings, structures, objects or districts that are listed on the National Register of Historic Places. The match ratio of the grant depends on the type of applicant (nonprofit, individual, business). An individual applicant must provide a \$.75 match for every grant dollar awarded. At least a \$.50 must be a cash match while \$.25 can be an in-kind match. Applicants are encouraged to request \$50,000 or less. Application deadlines occur once a year, generally in May.

HRDP also offers an **Emergency Grant of up to \$15,000** to protect a threatened historic property listed on the National Register of Historic Places or determined eligible for the National Register by the State Historic Preservation Office. There is no specific deadline for the application and the review process only takes a couple of weeks.

[State Historical Society of Iowa's Historical Resource Development Program](#)
[Historical Resource Development Program Emergency Grants Information](#)

Downtown Incentives

Design Assistance

Because Burlington is a Main Street Community, Main Street Iowa offers **Design Assistance at No Cost** and no obligation to downtown business and property owners. A Main Street Iowa design consultant will work with business or property owners to develop feasible maintenance and façade improvements to buildings in the downtown district. Along with finished architectural renderings of possible improvements, the owner receives suggestions regarding signage, awnings, paint colors, and appropriate care. For more information download the application below and call Downtown Partners, Inc. (DPI) at 319.752.6365 to schedule a design visit.

[Design Assistance Application](#)

Façade Improvement Loan Program

DPI sponsors a façade improvement loan program intended to stimulate improvements to the exterior of downtown commercial buildings. Owners and/or tenants of existing buildings within the SSMID (Self Supporting Municipal Improvement District) project area are eligible. Tenant applicants are required to submit written evidence of the building owner's approval of the application. **Loans up to \$5,000** are available, but at least 50% of the cost of the façade improvement project must be paid for by the owner. The loans terms are three years at 0% interest. Monthly installments are paid directly to DPI. Applications are available online and at the Downtown Partners office. The DPI Design Committee will review each application and design to determine if it meets the criteria. For more information contact DPI at 319.752.6365.

[Façade Loan Improvement Program Guide and Application](#)

Main Street Mortgage Loan Program

A partnership between Main Street Iowa, the Iowa Finance Authority, and the Federal Home Loan Bank of Des Moines offers **Loans of \$50,000-\$250,000** for rehabilitation of upper floor housing or commercial properties or for new construction on lots in historic commercial districts in downtowns of Main Street Communities such as Burlington. Projects must meet Main Street Iowa's vision of a revitalized historic commercial district. Loans for the program will have terms between 3 and 15 years, with up to a 30-year amortization. The interest rate is fixed at 1.35% above the Iowa Finance Authority's cost of funds for the proposed loan term. Loans are awarded on an ongoing basis.

[Main Street Iowa/Iowa Finance Authority Loan Program](#)

Upper Story Residential Redevelopment

Forgivable Loans of \$50,000 per dwelling unit are available for rehabilitation of upper story apartments. Units which receive this funding must be rented to income qualified households, and the rent charged cannot exceed a predetermined rate. Loans will be forgiven after 15 years if the property owner complies with rent and income restrictions during this time. For more information, contact Sara Hecox at the Southeast Iowa Regional Planning Commission at 319.753.4311 or shecox@seirpc.com.

City of Burlington Incentives

The City of Burlington offers various incentives for construction and development within the corporate limits of the community.

Business Enterprise Zones

Businesses locating or expanding in an established Enterprise Zone may be eligible to receive certain local and state tax incentives.

Eligibility requirements for Business Enterprise Zone incentives:

- The business must make a minimum qualifying investment of \$500,000 over a three year period. Qualifying investment includes the cost of land, buildings, improvements to buildings, manufacturing machinery and equipment, and/or computer hardware.
- The business must create or retain at least 10 full-time, project-related jobs over a three year period and maintain them for an additional two years.
- The business must provide all full-time employees with a standard medical and dental insurance plan of which the business pays 80% of the premiums for employee-only coverage, pays 50% of the premiums for family coverage, or provides a monetarily-equivalent benefit package.
- The business must pay new or retained employees a starting wage which is equal to or greater than 90% of the average county or regional wage, whichever is lower.
[Wage thresholds requirements](#)
- The business cannot be a retail establishment or a business whose entrance is limited by coverage charge or membership.

- The business cannot close or relocate its operation in one area of the state and relocate substantially the same operation in the Enterprise Zone.
- The local Enterprise Zone Commission and IDED must approve the business' application for Enterprise Zone program incentives prior to project initiation.

Available Tax Incentives for those eligible:

- A local property tax exemption of up to 100% of the value added to the property to a period not to exceed 10 years may be available.
- Additional funding for training new employees. If applicable, these funds would be in addition to those authorized under the Iowa New Jobs Training Program.
- A refund of state sales, service, or use taxes paid to contractors or subcontractors during construction.
- For distribution center projects, a refund of sales and use taxes paid on racks, shelving, and conveyor equipment.
- An investment tax credit of up to a maximum of 10% of the qualifying investment, amortized over 5 years. This tax credit is earned when the corresponding asset is placed in service and can be carried forward for up to seven additional years or until depleted, whichever occurs first.
- The State's refundable research activities credit may be increased while the business is participating in the program.

Individual Enterprise Zones may have additional requirements. Contact the Iowa Department of Economic Development along with relevant local organizations to determine eligibility. Businesses locating or expanding in an Enterprise Zone may apply for benefits by completing an application. Local Enterprise Zone Commissions review applications and, upon approval, forward them to the Iowa Department of Economic Development for final approval.

[City of Burlington Enterprise Zone Map](#)

[City of Burlington Enterprise Zone Information](#)

[Iowa Dept. of Economic Development Business Enterprise Zone Information](#)

Housing Enterprise Zones

Developers and contractors building or rehabilitating housing in Burlington's Enterprise Zone may be eligible to receive state tax incentives.

Eligibility requirements for Housing Enterprise Zone incentives:

- The developer or contractor must build or rehabilitate at least four single-family homes or at least one multi-family building containing three or more units in a certified Enterprise Zone.
- The housing must, when completed and made available for occupancy, meet HUD Housing Quality Standards and local housing codes.
- The housing project must be completed within two years of the start of construction or rehabilitation.
- The local Enterprise Zone Commission and IDED must approve the developer or contractor's application for Enterprise Zone program incentives prior to project initiation.

Available Tax Incentives for those eligible:

- A refund of state sales, service or use taxes paid during construction.
- An investment tax credit of up to 10% of the investment directly related to the construction or rehabilitation of the housing.* The tax credit is based on the new investment used for the first \$140,000 of value for each home or unit. This tax credit is earned when the home or unit is certified for occupancy and can be carried forward for up to seven additional years or until depleted, whichever occurs first.

*If the project is, in part, financed through federal, state, and local government tax credits, grants, and forgivable loans, these amounts cannot be included for purposes of calculating the investment tax credit.

[City of Burlington Enterprise Zone Map](#)

[City of Burlington Enterprise Zone Information](#)

[Iowa Dept. of Economic Development Housing Enterprise Zone Information](#)

Tax Increment Financing (TIF)

Tax Increment Financing (TIF) is an economic development tool which allows the City of Burlington to earmark property tax revenues generated from an increase in assessed value within a defined TIF district. The captured revenues from the TIF are used for further investment within the district, such as infrastructure improvements. TIF proposals must be submitted to the City of Burlington Finance Department and will be reviewed on a case by case basis.

[What is TIF?](#)

[Burlington TIF Districts Map](#)

[City of Burlington TIF Information](#)

Urban Revitalization Tax Exemption

The City of Burlington offers a tax abatement program for various types of property. In order to qualify, the improvements must increase the assessed value by at least 15%. Commercial property utilized for retail purposes may abate a maximum value of \$5,000,000. Multifamily housing, or residential property assessed as commercial, may abate 50% of the increased valuation, up to \$50,000 per dwelling unit.

The exemption schedule options include:

- A 3-year, 100% tax exemption
- 10-year sliding scale: 80% - year 1, 70% - year 2, 60% - year 3, 50% - year 4, 40% - years 5 & 6, 30% - years 7 & 8, 20% - years 9 & 10.
- 10- year, 75% exemption for residential assessed as commercial

The exemption is applicable up to a \$75,000 increase in assessed value, as determined by the County Assessor. Properties located in a Tax Increment Financing District are not eligible for tax abatement. Applications are accepted continuously and are available through the City Finance Department.

[City of Burlington Tax Abatement Information](#)

[Urban Revitalization Tax Exemption Application](#)

Energy Efficiency Incentives

By incorporating energy-efficiency into rehabilitation projects, investors can receive tax benefits and other incentives in addition to lower monthly utility bills and energy savings.

Alliant Energy Incentives

The energy-efficient commercial buildings measure provides a tax deduction of up to \$1.80 per square foot for new or renovated buildings that exceed the ASHRAE 90.1-2001 standard by 50%. There are deductions for:

- Interior lighting
- HVAC systems
- Hot water heating systems
- Building envelope

A partial deduction of \$.60 per square foot can be taken for measures affecting the building envelope, lighting or heating and cooling systems. The credits have been extended through December 31, 2013.

There is also a new tax credit for Combined Heat and Power (CHP). Systems smaller than 50 MW with a minimum efficiency of 60% (20% of energy produced must be electric energy, and 20% must be thermal energy) can qualify for a 10% investment tax credit on the first 15 MW.

[Energy-Efficiency and Renewable Energy Tax Credits Sheet from Alliant Energy Iowa Business Rewards](#)

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March 7, 2011

Action Plan for the Bookend Buildings



© Downtown Burlington Facebook Group

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Purpose

This report outlines the strategy that Downtown Partners, Inc. will pursue to facilitate redevelopment of the Bookend Buildings, a group of adjacent structures with the addresses of 512, 514, 518, 520, and 522 Jefferson Street in Downtown Burlington, Iowa.



Bookend Buildings, October 2010

Background

The Bookend Buildings are a highly significant feature of Downtown Burlington. Located at the foot of the famous Snake Alley and along a major entryway to the Downtown, the Bookend Buildings are central to the retail development along Jefferson and 6th Streets. Built in 1883 by prominent local businessmen Samuel Mellinger and William Forney, this group of buildings has been used as commercial space for a wide range of businesses including an electric supply company, laundry, bakery, sewing machine company, costume rental store, and bank offices. The buildings have also served as a knitting factory, saloon, church, and grocery store. The Bookend Buildings are a contributing property in the West Jefferson Historic District, which was added to the National Register of Historic Places in 1991. This district encompasses roughly the 400-800 blocks of West Jefferson Street. It is one of five Historic Districts throughout Burlington.



Above: Photograph of the Bookend Buildings as home to Burlington Electrical Supply Co. around 1920. *Right:* Photograph of HR Foehlinger Furniture, which occupied 522 Jefferson in the 1890s



Over the years, the Bookend Buildings have experienced serious disinvestment and decay. This disinvestment is evidenced by vacant, dilapidated storefronts and the complete lack of any activity on-site. At the current time, each building is entirely vacant on every floor. The development's most recent tenant on the first floor moved out in 2007, while the upper stories have not been occupied since the 1950s.

This situation is problematic for several reasons. First, vacant buildings with empty storefronts weigh heavily on a downtown economy. Although there is commercial life on the blocks to the east *and* west of the 500 block of Jefferson, shoppers oftentimes reach the Bookends and assume there is nothing more to downtown. Secondly, the non-use of these buildings eliminates any street life that might otherwise exist, which leads to the safety issues that arise on unwatched streets. Lastly, historic buildings provide important ties to a city's past, and it is the responsibility of a city to preserve this heritage for the enjoyment of future generations.



Currently empty storefronts in the Bookend Buildings

Even beyond the economic, safety and historic arguments for preservation of these buildings, their redevelopment presents an immense opportunity for the City of Burlington. The Bookends' storefronts could provide prime real estate for downtown retailers, and their upper stories could house apartments or condominiums with spectacular views of Burlington's picturesque Downtown.

Furthermore, the redevelopment of the Bookends will represent a powerful step forward in the revitalization of Downtown Burlington. This project has the potential to benefit not only private investors, but also the City; Downtown Partners, Inc.; Main Street Iowa; the business owners and employees of Downtown Burlington; and all Burlington residents who use and care about the Downtown. Successful redevelopment of the Bookend Buildings is likely to spark great enthusiasm about the potential for Downtown Burlington, and may spur further investment in the redevelopment of other vacant buildings.



A rendering by Main Street Iowa that details how the Bookend Buildings might appear after redevelopment

Current Status

The Bookend Buildings are currently owned by the Walsh Family Trust. The trust has agreed to sell this group of buildings to Downtown Partners, Inc. for approximately \$155,000. Though there have been many delays in this process, there seems to be a newfound sense of urgency to close the sale, as the Trust's insurance company is no longer willing to cover an unoccupied building. A sale is expected before the end of April, 2011.

Plan for Purchase and Resale

It is the intention of Downtown Partners, Inc. to purchase the Bookend Buildings and to quickly resell the buildings to an investor or group of investors whom will be responsible for financing and managing the buildings' redevelopment.

Shortly after purchase, Downtown Partners, Inc. will work to raise excitement and to pique the interest of potential investors by publicizing this project through local media outlets. Downtown Partners will also host a volunteer cleanup day to prepare the Bookend Buildings for resale and to foster community enthusiasm about the redevelopment of this local landmark.

To inform potential investors of the opportunity to invest in the Bookend Redevelopment Project, Downtown Partners, Inc. and the Iowa Initiative for Sustainable Communities will develop an investment proposal which outlines the expected costs of redevelopment, available grants and tax credits, and the anticipated profitability of this investment. At the end of April 2011, potential investors will be invited to a public presentation at which representatives of the Iowa Initiative for Sustainable Communities will present the investment proposal.

Because Downtown Partners, Inc. will be reselling the Bookend Buildings at a set price (which will be close to the price at which it initially purchases the buildings from the Walsh Family Trust), it will be important that Downtown Partners work proactively to eliminate any conflict that might develop in the event that there is more than one potential investor. The Iowa Institute for Sustainable Communities recommends that Downtown Partners develop criteria by which it will select an investor. Downtown Partners should then release a Request for Proposals which outlines their preferences and which requires potential investors to detail how they do meet or how they plan to meet these preferences. Already, Downtown Partners has stated preference for local ownership, for retail/commercial space on the first floor and residential space in the buildings' upper stories, and for a restored and well-maintained exterior. Downtown Partners also noted that this project should serve as a model for environmental stewardship. The Iowa Initiative for Sustainable Communities recommends that the Request for Proposals inquire specifically about intended material reuse, plans for recycling and disposing of waste, and any energy-efficient and eco-sensitive products or practices that will be employed in the redevelopment process.

To ensure that this project maintain all historic components of the buildings' facades, Downtown Partners should file an application for the Bookend Buildings to be designated as a local historic landmark by Burlington's Historic Preservation Commission.

Although it may be challenging for Downtown Partners, Inc. to ensure that the winning bidder follow through on promises of environmental stewardship, the Downtown Partners Board should evaluate the investor on the basis of their performance. This evaluation can be taken into account when considering future proposals from this investor.

Project Support

Downtown Partners, Inc. and the Iowa Initiative for Sustainable Communities are developing a Downtown Redevelopment website that will serve as a resource for individuals taking on redevelopment projects in Downtown Burlington. This website will provide information about relevant grants and tax credits, will present case studies of past redevelopment projects, will identify local businesses and services that could help with the redevelopment process, and will serve as a forum for discussion about Downtown redevelopment. Downtown Partners should direct investors in the Bookend Redevelopment Project to this online resource.

April 25, 2011

Investment Proposal for the Bookend Buildings



Nick Breitbach

Nick Faselt

Albert Han

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EXECUTIVE SUMMARY

The Investment Proposal for the Bookend Buildings presents information for investors relevant to the purchase and rehabilitation of the properties located at 512, 514, 518, 520, and 522 Jefferson Street in Burlington, Iowa. This information has been formulated by the Iowa Initiatives for Sustainable Communities (IISC) in partnership with Downtown Partners, Inc. during September 2010-April 2011.

The ensuing report provides background information on the Bookend Buildings, an overview of demand for redevelopment of the buildings based on public input, cost estimates for renovations, an overall cost analysis, details about available financial incentives, and green building options.

This document is intended to be used as a resource for potential investors in making a decision to invest in the Bookend Buildings.

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INTRODUCTION

The purpose of this report is to provide potential investors with the necessary resources and information to make a knowledgeable investment in the Bookend Buildings, a group of adjacent structures with the addresses of 512, 514, 518, 520, and 522 Jefferson Street in Burlington, Iowa.

About the Bookend Buildings

The Bookend Buildings are a highly significant feature of Downtown Burlington. Located at the foot of the famous Snake Alley and along a major entryway to the Downtown, the buildings are central to retail development along Jefferson and 6th Streets. The Bookend Buildings were built in 1883 by prominent local businessmen Samuel Mellinger and William Forney, and have been used as commercial space for a wide range of businesses including an electric supply company, laundry, bakery, sewing machine company, costume rental store, and bank offices. The buildings have also served as a knitting factory, saloon, church, and grocery store. The Bookend Buildings are a contributing property in the West Jefferson Historic District, which was added to the National Register of Historic Places in 1991. This district encompasses roughly the 400-800 blocks of West Jefferson Street and is one of five Historic Districts throughout Burlington.



Above: Photograph of the Bookend Buildings as home to Burlington Electrical Supply Co. around 1920.

Over the years, the Bookend Buildings have experienced serious disinvestment, which is evidenced by vacant, dilapidated storefronts and the complete lack of any activity on-site. At the current time, each building is entirely vacant on every floor. The development's most recent tenant on the first floor moved out in 2007, while the upper stories have not been fully occupied since the 1950s.

Current Status of the Bookends

The Bookend Buildings are currently owned by Downtown Partners, Inc. They were purchased on April 12, 2011 from W. Cook Inc. for \$155,000. It is the intention of Downtown Partners to resell the buildings to an investor or group of investors whom will be responsible for financing and managing the buildings' redevelopment.

WHY INVEST IN THE BOOKEND BUILDINGS?

The Bookend Buildings offer an exciting investment opportunity. These vacant and unused buildings have the potential to be redeveloped into stores, restaurants, offices, apartments, and condominiums. Revitalization of downtown properties like the Bookend Buildings is advantageous to investors, future tenants, and the greater community for several reasons. Among these are:

- **Central Location.** The Bookend Buildings are located in the heart of the city near jobs, restaurants, activities, and other amenities. The upper stories have spectacular views of Burlington's picturesque downtown. Furthermore, downtown establishments decrease travel time for residents and promote walkability in the area.
- **Architecture.** The Bookend Buildings feature unique, historically significant architecture. Because the properties are listed on the National Register of Historic Places, they are eligible for additional financial incentives.
- **Sustainability.** The greenest building is one that is already built. Reuse of an existing building prevents materials from going to the landfill and is the ultimate form of recycling. Developers working to rehabilitate the Bookends will also have the opportunity to implement green building techniques.
- **Jobs.** Downtown spaces often attract independent, locally-owned businesses which will create additional jobs within the Burlington community. Those working downtown are likely to support other nearby businesses.
- **Revenue.** Vacant and dilapidated properties in Downtown Burlington often bring in little or no property tax revenue, but have the potential to increase the property tax base in the city. Redevelopment will increase the value of the property, contributing a greater amount to the community's tax base.
- **Safety.** Empty, neglected buildings can be a fire hazard and can invite unwanted criminal activity.
- **Downtown as a Destination.** Downtown Burlington currently has stores and restaurants which attract people to the area. New establishments in the Bookends can build on what is already available creating a larger mixed-use district. This will make downtown a destination for non-residents and tourists, as well as local community members.
- **Financial Incentives.** There are numerous incentives in place to support investment and redevelopment in Downtown Burlington. These incentives are outlined on page 13 and described in greater detail in Appendix B.

DEMAND FOR REDEVELOPMENT OF THE BOOKENDS

To determine the potential for redeveloping the Bookend Buildings into a viable mixed-use development, the Iowa Initiatives for Sustainable Communities administered a Downtown Living Survey and conducted focus groups during March and April of 2011. The goals of this research were to determine the market and demand for upper-story living and to identify commercial opportunities in Downtown Burlington. The following is a brief summary of the findings.

Upper-Story Living

The results of the surveys and focus groups identified a demand for upper-story living in Downtown Burlington. Based on the results of the Downtown Living Survey:

- 13.5% indicated they were likely to live in an apartment in Downtown Burlington within the next two years. Of those likely to move, the majority were between the ages of 19 – 34 years old.
- 29.2% indicated they would rent and 25% said they would own (45.8% indicated they were not likely to move downtown). The 19–25 and 45–56 year old groups made up the majority of residents likely to rent, while the 45–56 year olds were also the most likely to own.
- 76% of respondents indicated they would prefer a loft in an historic building
- 57% of respondents prefer two bedroom units and 43% prefer two bathrooms.
- The potential rents respondents were willing to pay mostly varied between the \$350 - \$500 and \$501 - \$800 ranges.
- For owner-occupied units, 40% of respondents are willing to make a mortgage payment of \$501-\$800. The survey also found that 30% of the 45–56 year old respondents are willing to make a monthly mortgage payment of over \$1000. Survey results for willingness to pay for downtown housing are illustrated in Figure 1.

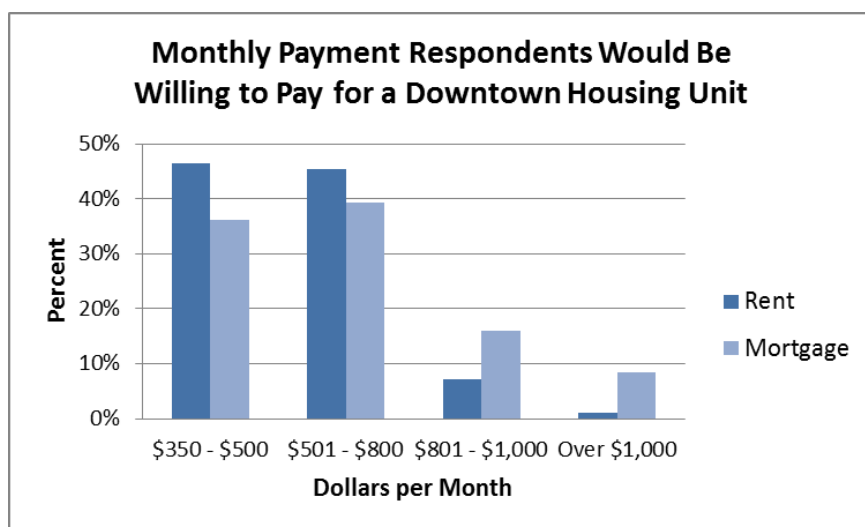


Figure 1: Survey Results of Willingness to Pay for Downtown Housing

Open-ended questions on the survey and focus group discussions provided qualitative data related to the market and demand for downtown living. Participants saw the market for downtown living to include retired residents and empty nesters looking to downsize or have the option to travel. Also, young singles and couples who are career-focused are more likely to look downtown for an apartment or condominium. When asked, “what, if anything, would make you more likely to consider living downtown?” a majority of respondents indicated better parking options such as on-site parking and covered parking. Other suggestions included: utility assistance, outdoor space or rooftop access, and a secure building.

Commercial and Retail Opportunities

Through the Downtown Living Survey, a scaled response system was used to gauge respondents’ opinions on commercial and retail options, services, and amenities in Burlington’s Downtown. A “recommendations” section was then included to gain insight into the specific amenities participants would like to see in the downtown. The results of this research show there is an opportunity to expand Downtown Burlington’s retail, commercial, and dining options.

Survey results indicate that 85% of respondents feel that there is little variety in the shopping options available downtown. A third of those respondents made recommendations as to types of stores they would like to see. These recommendations include: hardware store, drug store, office supplies, men’s and women’s clothing, furniture, florist, crafts and specialty shops.

Over 55% of respondents felt that there were not enough dining options, although 40% indicated they come downtown at least once a week to eat out. The most frequently mentioned type of dining missing from the downtown was lunch options, more specifically a place to have a quick lunch. Several participants work downtown and have to drive outside of the downtown area at lunchtime. The lack of a bakery was also mentioned in both focus group sessions and survey responses. Many of the survey respondents and focus group participants enjoy current downtown restaurants but indicated the need for other types of cuisine such as Indian, vegetarian, sushi, barbeque, Chinese, Thai, and Greek.

Finally, the need for additional coffee shops and an Internet café was a frequent topic among both survey respondents and focus group participants. Nearly 63% of survey respondents indicated that Downtown Burlington did not have enough coffee shops to meet their needs. College students mentioned needing a place to meet friends that is also conducive for studying because the library has limited hours. Young professionals mentioned needing a coffee shop to go to in the evenings and on Sundays.

The results of the 2011 Downtown Living Survey and Focus Groups have shown there is demand for apartments and condominiums in Downtown Burlington, as well as for additional retail and dining options. The Bookend Buildings, once redeveloped, have the potential to meet the market needs that Burlington residents have indicated. Furthermore, upper-story apartment units would create a continuous customer base that would help support these potential businesses.

BOOKEND BUILDING COSTS

Purchase Price

The purchase price of the Bookend Buildings will be approximately \$155,000 plus any minor carrying costs endured by Downtown Partners while in possession of the properties. The buildings must be purchased as a set and are not available for sale individually.

Renovation Costs

The Bookend Buildings have been vacant for many years and are in need of extensive rehabilitation. The total estimated costs of these renovations were found to be \$2,741,822 based on RSMeans' 2010 edition of *Interior Cost Data*. RSMeans is an industry accepted method of developing cost estimates for both new construction and remodeling projects.

Table 1 shows the total square footage of the Bookend Buildings and the cost per square foot for renovations based on use. It was assumed that the first floor of each building will be commercial units and the upper stories will be residential units. Therefore, of the total 22,781 square feet of building space, 13,031 square feet was assumed to be residential space and 9,750 square feet was assumed to be commercial space. Square footage data was obtained from the Des Moines County Assessor's Office.

Table 1: Cost Estimates for the renovation of the Bookend Buildings using $\frac{3}{4}$ Cost Data

Use	Total Square Footage	Cost per Square Foot	Total Renovation Cost Estimate
Residential	13,031 sq ft	\$111.73	\$1,455,954
Retail	6,611 sq ft	\$103.55	\$684,569
Office	1,600 sq ft	\$157.88	\$252,608
Restaurant	1,539 sq ft	\$226.57	\$348,691
TOTAL	22,781 sq ft		\$2,741,822

Source: RSMeans *Interior Cost Data* 2010

The cost estimates for the Bookend Buildings also assume the commercial space will consist of four retail units, one office unit, and one restaurant. The Bookend Buildings currently have only five storefronts, therefore this assumption would require the largest unit at 514 Jefferson Street to be divided into two smaller units. The cost estimate per square foot for redeveloping commercial space differs depending on the use of the space, with restaurant being the most expensive and retail being the least expensive. The residential square foot cost estimates do not differ for condominiums and apartments, so the cost per square foot is the same for all residential space.

RSMeans additionally incorporates geographic location, size of the project, and several other factors in determining a cost estimate. Appendix A further details the specific steps involved in formulating the square foot renovation cost estimates for the redevelopment of the Bookend Buildings' residential and commercial space using RSMeans.

Note: The renovation cost estimates in this document are not guaranteed. They are intended only to give potential investors a general idea of rehabilitation costs. Downtown Partners and the Iowa Initiative for Sustainable Communities recommend that detailed cost estimates be obtained from a professional contractor.

COST ANALYSIS FOR THE BOOKEND BUILDINGS

The Bookend Buildings require substantial rehabilitation prior to leasing or selling space to residential or commercial tenants. A financial valuation for the project has been completed employing industry standard principles. The valuation assumes that the main (ground) floor of the property will be utilized by commercial tenants with one office, one restaurant, and four retail spaces. Floors two and three will offer ten residential rental units

Renovation costs were found to average \$120 per square foot, to be incurred over three years, while subsequent potential rental income is not likely to exceed \$7 per square foot per year. Based on this information alone, the project is not operationally profitable for an intermediate investment horizon. However, lucrative tax credits make the project financially attractive for a real estate developer with Federal and State of Iowa tax liabilities exceeding the level of the credits over the renovation period. Furthermore, additional financial incentives for redevelopment (outlined on page 13) are not included in this analysis, but are available to increase the profitability of the project.

The next page contains a summary of the Bookend Building Cost Analysis.¹ Our ten year analysis yields a 3.08% internal rate of return (annual unleveraged). The following page itemizes the estimates and assumptions used in the analysis.

¹ Detailed financial output, for internal uses only, is available upon request.

Bookend Buildings' Cost Analysis Summary

Table 2: Cost Analysis Summary

Timing & Inflation	
Reporting Period	June 1, 2011 to May 31, 2021; 10 years
Inflation Month	Analysis
General Inflation Rate	2.00%
Property Size & Occupancy	
Property Size	22,780 Square Feet
Alternate Size	1 Square Foot
Number of Rent Roll Tenants	16
Total Occupied Area	0 Square Feet, 0.00%, during first month of analysis
General Vacancy	
Method	Percent of All Rental Revenue
Rate	25.00%
Debt Financing	
Number of Notes	1
Beginning Principal Balance	\$1,919,275
Average Year 1 Interest Rate	6.50%
Property Purchase & Resale	
Purchase Price	\$155,000
Resale Method	Capitalize Net Operating Income
Cap Rate:	10.00%
Cap Year	Year 11
Commission/Closing Cost	\$54,601
Net Cash Flow from Sale	\$1,037,419
Present Value Discounting	
Discount Method	Annually (Endpoint on Cash Flow & Resale)
Unleveraged Discount Rate	15.00%
Unleveraged Present Value	(\$466,508) at 15.00%
Unleveraged Annual IRR	3.08%
Leveraged Discount Rate	15.00%
Value of Equity Interests	(\$244,843) at 15.00%

Cost Analysis Disclaimer

The Bookend Building Cost Analysis incorporates the following assumptions:

1. Rental income:
 - a. Residential revenues obtained from HUD Fair Market Rent in Des Moines County.
 - b. Commercial revenues estimated from inventory data collected in the City of Burlington.
2. Possession of the property transfers on June 1, 2011.
3. Renovation funding total \$2,741,822 is assumed to be financed by a lender with 30% equity (\$822,547) required by the investor(s). Loan terms assume a 10-year amortization and an annual interest rate of 6.50%. Disbursement of funding for property renovations begins in June 2011 and is spread over three years.

a. Year 1 (June 2011-May 2012): Units 101-106	\$1,285,868
b. Year 2 (June 2012-May 2012): Units 203-206 & 301-302	\$1,089,639
c. Year 3 (June 2013-May 2014): Units 201,202,207,208	\$366,474

Renovation grants and other incentives are available, but have not been applied to this analysis.

4. Rental income begins one year after renovations are initiated:
 - a. June 2012 (Suites 101-106), five year commercial leases.
 - b. June 2013 (Suites 203-206 & 301-302), one year renewable residential leases.
 - c. June 2014 (Suites 201,202,207,208) one year renewable residential leases.
5. The analysis incorporates historic tax credits in the amount of 51% of renovation costs (26% Federal and 25% Iowa). The property is not profitable until at least the sixth year of operations so the credits are applied as miscellaneous revenues throughout the three year period during which renovation costs are incurred. Since the property itself is not profitable for an intermediate horizon, the credits are of value only to an investor whose Federal and Iowa tax liabilities exceed the level of the credits in the next three tax years.²
6. Average vacancy rate for all units is 25%. Renewal probability for all leases is 75%.
7. Annual inflation is 2%.
8. Depreciation expense is the required straight-line method with a life of 32.42 years, a weighted average of the depreciable lives of apartments (27.5 years) and office/retail (39 years).
9. Tax rates: ordinary income = 20%, capital gains = 15%, depreciation recapture = 25%.

² Other available tax credits (e.g., New Market), which can be used in conjunction with those applied in the analysis, further enhance the financial viability of the project.

AVAILABLE FINANCIAL INCENTIVES

There are numerous financial incentives in place to support investment and redevelopment in Downtown Burlington. The following section provides an outline of what is currently available to investors as well as business and property owners. Additional information on each of the incentives is available in Appendix B as well as on the websites provided. An electronic version of the financial incentives information will be available on the Downtown Partners website.

Historic Preservation Incentives

- Federal Historic Tax Credits
- State Historic Tax Credits
- Historic Resource Development Program
 - Historic Preservation Matching Grant
 - Emergency Grant

Downtown Incentives

- Design Assistance
- Façade Loan Improvement Program
- Main Street Mortgage Loan Program
- Upper Story Residential Redevelopment

City of Burlington Incentives

- Business Enterprise Zone Tax Incentives
- Housing Enterprise Zone Tax Incentives
- Tax Increment Financing (TIF)
- Urban Revitalization Tax Exemption

Energy Efficiency Incentives

- Alliant Energy Incentives

Other Incentives

- New Market Tax Credits

POTENTIAL INVESTMENT AND MANAGEMENT STRUCTURES

The following section is intended to provide basic information to individuals that are new to investing in real estate. This information is not meant to be exhaustive, or to serve as official legal advice. The Iowa Initiative for Sustainable Communities and Downtown Partners recommend that all potential investors conduct detailed research and consult with a legal professional.

Investment Structures

Numerous decisions need to be made about the legal framework and management of your investment. These decisions include determining the number of individuals that will hold stake in the investment, defining the role that each investor will play, and determining whether the investor(s) will form an LLC, a corporation, or another entity.

An individual could opt to invest in the Bookend redevelopment project alone. Alternatively, he or she could choose to partner with one or more co-investors. When more than one investor is involved, the invested parties should plan to take on either a passive or an active role. Roles should be determined based on the desired level of involvement of each investor, as well as on logistical concerns about communication among multiple active stakeholders.

Investors must also decide whether they will incorporate, and under which legal structure they will organize their real estate investment. Limited Liability Companies (LLCs) have become the most common structure used to organize real estate investments. LLCs are favored among investors for their strong liability protection, tax advantages, and flexibility. LLCs are the recommended investment structure for the Bookend Redevelopment project for the same reasons. Based on their project and individual needs, investors might alternatively consider filing as an S or C corporation. Table 3 on the following page summarizes the advantages and disadvantages of the various business structures.

Table 3. Potential Investment Structures

Type of Entity	Number of Individuals	Advantages	Disadvantages	Recommendation
Limited Liability Company	1+	<ol style="list-style-type: none"> 1. Extraordinary Flexibility 2. Effective Shield Against Personal Liability 3. Pass-through Tax Treatment 	<ol style="list-style-type: none"> 1. Governed by Complex Partnership Tax Rules 2. Unattractive to Venture Capitalists 3. Limitation on Capital Structure 	Recommended
S Corporation	1+	<ol style="list-style-type: none"> 1. Effective Shield Against Personal Liability 2. Pass-through Tax Treatment 3. Easy to Convert to C Corporation 	<ol style="list-style-type: none"> 1. Limitation on Type and Number of Shareholders 2. Limitation on Capital Structure 3. Onerous Formalities and Recordkeeping 	Should Be Considered if Entity will have fewer than 100 shareholders and plans to seek venture capital in the future
C Corporation	1+	<ol style="list-style-type: none"> 1. Best Shield Against Personal Liability 2. Best Entity to Attract Venture Capital 3. Flexible Capital Structure 	<ol style="list-style-type: none"> 1. Not a Pass-through Entity (Subject to Double Taxation) 2. Onerous Formalities and Recordkeeping 3. Costly Set-up and Maintenance 	Should be Considered if Entity Will be Large and is Planning to Seek Venture Capital
Limited Partnership	2+	<ol style="list-style-type: none"> 1. Limited Liability 2. Facilitates Outside Investment 3. Pass-through Tax Treatment 	<ol style="list-style-type: none"> 1. Unlimited Liability for General Partners 2. Creature of Statute 3. Limited Partners May not Participate in Management 	Not Recommended
General Partnership	2+	<ol style="list-style-type: none"> 1. Ease of Formation 2. Relatively Inexpensive 3. Separate Legal Entity 	<ol style="list-style-type: none"> 1. Unlimited Liability 2. Bars Outside Investment 3. Fiduciary Obligations by and to All Partners 	Not Recommended
Sole Proprietorship	1	<ol style="list-style-type: none"> 1. Easy to Form 2. Very Inexpensive 3. No Double Taxation 	<ol style="list-style-type: none"> 1. Unlimited Personal Liability 2. No Equity Issuances 3. No Continuity of Existence 	Not Recommended

Management Structures

Business condominiums are becoming a common ownership structure for commercial properties. These condominiums are similar to residential condominiums in that businesses purchase commercial space within a building, but the building and its common spaces are managed by a property owner, who maintains the common property for a monthly maintenance fee. The benefits of managing the property as a business condominium would accrue to both the property owner and the business owners: business owners would avoid eternal lease payments and would build equity in their condominium, while property owners would no longer bear the burden of seeking tenants to ensure their building is fully-leased. Thus, condominiums may provide a viable alternative to lease agreements for both the commercial and residential space in the Bookend Buildings.

GREEN BUILDING

The redevelopment of the Bookend Buildings, as well as other properties in Downtown Burlington, provides the opportunity to incorporate green building techniques. While the reuse of an existing building is already a sustainable option, developers working to rehabilitate the Bookends can also take advantage of savings on future operating costs by implementing energy efficient materials and other green options.

This section will provide a brief oversight on some of the green building aspects that developers should be aware of when redeveloping historic buildings in Downtown Burlington. It also provides a list of resources developers can use to find more detailed information on green building techniques.

Green Building and Historic Preservation

Due to the high cost of rehabilitating the Bookend Buildings, prospective developers are likely to focus on reducing their costs by using historic tax credits and grants. However, it is also important to consider that using green building techniques will provide a cost savings in the long run. Two factors will help offset the increased costs incurred by developers. First, the use of energy efficiency tax credits will reduce the increased initial costs associated with green building techniques. Secondly, demand is greater for energy efficient units compared to those that do not include these features.

There is a common misconception that developers must choose either green building techniques or historic preservation when rehabilitating a building, however it is possible to incorporate both green building techniques and historic preservation into the same project.

GREEN & MAIN WORKSHOPS

An Iowa initiative which focuses on transforming existing buildings and neighborhoods into sustainable communities provides a green building series on sustainable renovation. Workshops held every couple months focus on the various aspects of sustainable renovation of historic properties. For more details on the workshops, visit the Green and Main website at <http://greenandmain.org/>.

Green Streets Criteria

The Iowa Green Streets Criteria are the result of the Iowa Department of Economic Development adopting the national Green Communities Criteria. The Iowa Green Streets Criteria consist of eight sections of green building requirements that promote energy efficiency and reduce the environmental impact of development projects. The Iowa Green Streets Criteria do not apply to all rehabilitation projects, but the Criteria provide a detailed green building template that all rehabilitation projects can and should follow. The Criteria are mandatory for projects receiving Iowa Department of Economic Development Housing funds, Community Development Block Grant

Program Community Facilities and Services funds, and Main Street Iowa Challenge Grants. Appendix C of this report includes a copy of the Iowa Green Streets Criteria worksheet titled *Green Communities Development Team Worksheet*. The eight sections of the Iowa Green Streets Criteria are summarized below:

INTEGRATED DESIGN

The Integrated Design Section includes a Green Development Plan, and the project redevelopment team must commit to following the Green Streets Criteria.

LOCATION

Because the projects in Downtown Burlington will mainly consist of rehabilitating historic buildings, the Location Section does not have great relevance to Downtown Burlington. However, location does come into play in terms of connecting the newly rehabilitated project to the pedestrian grid. If a building is rehabilitated in the Downtown and the location previously did not have sidewalks, the developer should build sidewalks.

SITE IMPROVEMENTS

When rehabilitating a building it is important to take into consideration storm water management and to limit the environmental impact of the rehabilitation project.

WATER CONSERVATION

Reducing water consumption reduces the use of a finite resource and also reduces utility bills. Thus, it is important to install water efficient plumbing fixtures and appliances in both residential and commercial units.

ENERGY EFFICIENCY

Installing energy efficient appliances may increase the initial cost of purchase, but the benefit is reduced utility bills. Because efficient appliances use less energy, the amount of nonrenewable resources used for the building is reduced providing both savings and environmental relief.

MATERIALS BENEFICIAL TO THE ENVIRONMENT

Salvaging a building's original materials reduces the amount of materials that ends up in landfills as well as the amount of material that must be transported to the building's site.

HEALTHY LIVING ENVIRONMENT

Historic buildings are likely to contain asbestos, so the first step in the construction process should be to properly mitigate the asbestos in the building. During the rehabilitation process it is important to not use materials that will potentially emit any harmful chemicals. One major concern is that volatile organic compounds exist in conventional paints.

OPERATIONS AND MAINTENANCE

Because tenants rather than property owners will occupy many of Downtown Burlington's rehabilitated buildings, it is important to educate tenants about how their rentals' green features

operate. A green feature that is not properly operating will not provide the optimal energy savings and cost savings.

Cost and Benefits of Improving Energy Efficiency

Before rehabilitating a building, the owner of the building should hire a professional to conduct an energy audit of the building. The energy professional will advise the building owner about ways he or she can conserve energy and reduce utility costs. Table 4 displays the added cost of installing an energy efficient product, the savings from the product, and the length of time it takes for a building owner to pay for the increased cost of a more energy efficient product. The added costs take into consideration the higher cost of energy-saving products and materials, as well as the labor cost for sealing air leaks or insulating walls. As the table shows, in the long run, improving the energy efficiency of a building definitely reduces costs and pays for itself.

Over 50 percent of a building’s utility costs are the result of heating and cooling the building, so properly insulating a rehabilitated building is a great way to improve energy efficiency and reduce utility bills. Due to the poor condition of the interior of many of the buildings in Downtown Burlington, the interior will likely need to be completely gutted. Gutting the interior provides the perfect opportunity to properly insulate the buildings. Besides energy efficiency, the insulation will also provide fire resistance for the building as well (United States Department of Housing and Urban Development).

Table 4: Added Cost and Savings from Using Energy Efficient Rehab Materials

Measure	Added Cost (\$/sq ft)	Savings (\$/sq ft/yr)	Payback (Years)
Programmable Thermostat	0.02	0.09	0.2
Windows (U factor ≤ 0.35)	0.09	0.09	1
Seal Air Leaks	0.30	0.13	2.3
Insulate Ceilings	0.61	0.11	5.5
Insulate Floors	0.45	0.16	2.9
Insulate Walls	0.34	0.14	3.4

Source: United States Department of Housing and Urban Development

Additional Resources

The following are a list of resources from the Iowa Department of Economic Development's Iowa Green Streets Criteria that provide information on green building projects at the national and the state level.

- American Institute of Architects, Iowa Chapter – www.aiaiowa.org
- Building Green, LLC/Environmental Building News – www.buildinggreen.com/
- Center on Sustainable Communities – www.icosc.com/
- Certified 3rd-Party Energy Raters – www.natresnet.org/directory/raters.aspx
- Energy Star - www.energystar.gov
- Green Home Guide – www.greenhomeguide.org/
- Iowa Energy Center – www.energy.iastate.edu/
- MidAmerican Energy <http://www.midamericanenergy.com/ee/default.aspx>
- U.S. Green Building Council – www.usgbc.org/

APPENDICES

APPENDIX A – COST ESTIMATES USING RSMEANS

Appendix A provides details on determining renovation cost estimates for the Bookend Buildings using RSMeans' 2010 edition of *Interior Cost Data*.

Cost Factors

RSMeans derives its cost figures by analyzing approximately 11,000 projects, and then develops $\frac{1}{4}$, median, and $\frac{3}{4}$ cost figures. The $\frac{3}{4}$ cost figure signifies that a project's cost is greater than 75 percent of renovation projects in RSMeans' database. The $\frac{3}{4}$ cost figure was used in the estimates for the Bookend Buildings due to the current condition of the buildings and estimated level of renovations that will be necessary.

Location Adjustment

Because RSMeans uses national data to develop cost estimates, the figures had to be adjusted to account for differences in the local price of labor and other construction inputs compared to the rest of the United States. The City Cost Index value is used as a multiplier to adjust the estimates based off the national cost figures. For Iowa, RSMeans provides the average construction costs for six cities. Those cities are Council Bluffs, Davenport, Des Moines, Dubuque, Sioux City, and Waterloo. Due to proximity and economic characteristics, Davenport's modifier was used to adjust the national value.

RESIDENTIAL SPACE

RSMeans provides square foot estimates for three types of apartment buildings: low rise (1-3 story buildings), mid-rise (4-7 story buildings), and high rise (8-28 story buildings). The Bookend Buildings fall within the 1-3 story building category so the low rise square foot estimates were used.

According to RSMeans, the typical size of a low rise apartment building in the United States is 21,000 square feet. The following steps outline the process of developing a cost estimate for the residential space in the Bookend Buildings.

- 1) Use the Square Foot Project Size Modifier to develop a Size Factor for the residential space in the Bookend Buildings. The equation used to find the Size Factor for the residential space in the Bookend Buildings is:

$$\frac{\text{Proposed Building Area}}{\text{Typical Size of the Project}}$$

$$\frac{13,031 \text{ sq ft}}{21,000 \text{ sq ft}} = 0.621$$

- 2) Put the 0.621 Size Factor in RSMeans' Area Conversion Scale below. The resulting Cost Multiplier for the residential space in the Bookend Buildings is 1.08. The 1.08 Cost Multiplier is used to adjust the square foot cost that RSMeans gives for the construction cost per square foot for low rise apartment buildings.

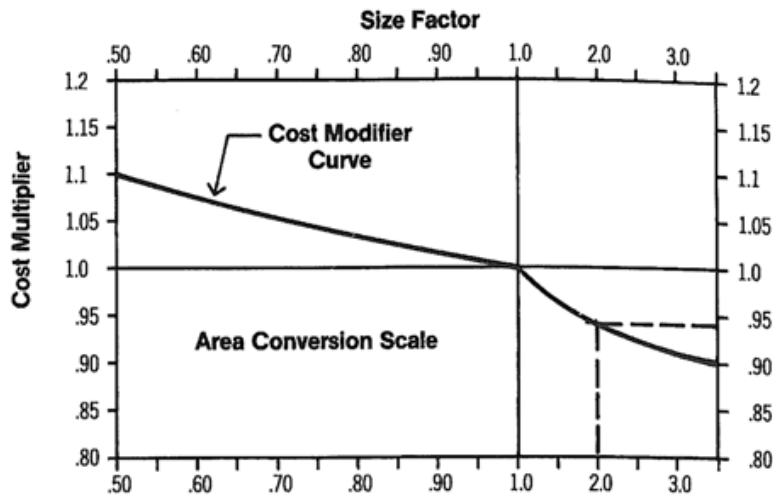


Figure 2: Area Conversion Scale

Source: RSMeans *Interior Cost Data 2010*

- 3) The national $\frac{3}{4}$ cost per square foot for a low rise apartment building is \$111 per square foot. Table 5 below displays the Cost Multiplier, $\frac{3}{4}$ (\$/sq ft), and Burlington’s Cost Index. The Adjusted Cost is the actual square foot cost for the residential space in the Bookend Buildings. The Adjusted Cost formula is:

$$\text{Adjusted Cost} = \text{Cost Multiplier} * \text{Three-Fourth Cost} * \text{Burlington’s Cost Index}$$

Using these steps it was found that redeveloping the Bookend Building’s 13,031 square feet of residential space will cost \$111.73 per square foot.

Table 5: Inputs Used to Develop the $\frac{3}{4}$ Square Foot Cost Estimates for the Residential and Commercial Space in the Bookend Buildings

Type of Space	Bookend Building's Total Area (sq ft)	Area of a Typical Building (sq ft)	Cost Multiplier	Three-Fourth Cost (\$/sq ft)	Burlington's Cost Index	Adjusted Cost (\$/sq ft)
Residential	13,031	21,000	1.08	111.00	0.932	111.73
Retail	6,611	7,200	1.01	110.00	0.932	103.55
Office	1,600	20,000	1.1	154.00	0.932	157.88
Restaurant	1,539	4,400	1.1	221.00	0.932	226.57

Source: RSMeans *Interior Cost Data 2010*

COMMERCIAL SPACE

To find the Adjusted Cost per square foot for the three types of commercial space, the same process used to find the square foot cost for residential space is also used to find the square foot cost for commercial space. RSMeans provides a different $\frac{3}{4}$ cost per square foot and a different size of the typical building for retail, office, and restaurant uses. The remainder of this section will detail the process for the three types of commercial uses.

RETAIL SPACE

To find the Adjusted Cost per square foot of the 6,611 square feet of retail space in the Bookend Buildings, the three steps from the Residential Space section must be followed. It is important to note that as Table 5 above indicates, the Cost Multiplier for the retail space is 1.01. The reason the retail Cost Multiplier is less than the Cost Multipliers of the other types of uses is because the amount of square feet of retail space in the Bookend Buildings is only slightly less than the area of the typical retail space. Due to economies of scale and the major cost coming from the construction of the building itself, the construction cost per square foot for the retail space in the Bookend Buildings is just above the $\frac{3}{4}$ cost without taking into consideration Burlington's cost index.

Using the equation from Step 3, the Adjusted Cost is: $1.01 * \$110.00 * 0.932 = \$103.55/\text{sq ft}$.

OFFICE SPACE

Again, the three steps outlined above are used to find the Adjusted Cost per square foot for the Bookend Building's 1,600 square feet of office space. Table 5 shows the Cost Multiplier for office space is 1.1, and when dividing the amount of office space by the typical size of an office building, the quotient is not on the sliding scale in Figure 2 on the previous page. Therefore, a project with a Size Factor less than 0.5 has a Cost Multiplier of 1.1.

Using the equation from Step 3, the Adjusted Cost is: $1.1 * \$154.00 * 0.932 = \$157.88/\text{sq ft}$.

RESTAURANT SPACE

The same steps are followed to find the Adjusted Cost per square foot for the 1,539 square feet of restaurant space in the Bookend Buildings. As was the case with the office space, the Size Factor for the restaurant space is less than 0.5, so the Cost Multiplier is 1.1. The logic that the Cost Multiplier of the office space was 1.1 holds true for the restaurant space's Cost Multiplier.

Using the equation from Step 3, the Adjusted Cost is: $1.1 * \$221.00 * 0.932 = \$226.57/\text{sq ft}$.

Source: RSMeans *Interior Cost Data* 2010

APPENDIX B – FINANCIAL INCENTIVES GUIDES

Historic Preservation Incentives

Downtown Burlington is home to several historic buildings in need of investment. Restoring these buildings can be particularly challenging because rehabilitation must meet historic preservation standards. Fortunately, there are many available incentives at the federal and state level to increase project feasibility and offset any additional costs of historic preservation. Properties located in a historic district or on the National Register of Historic Places are eligible for historic preservation incentives. A map and listing of National Register properties in Burlington and additional information are available on the City of Burlington's Historic Preservation Committee website (<http://www.burlingtoniowa.org/development/committees/hpc/>).

FEDERAL HISTORIC TAX CREDITS

A **26% Federal Tax Credit** is available for the certified rehabilitation of historic structures including those on or eligible for the National Register of Historic Places or contributing properties in a registered historic district. The credit is equal to 26% of the amount spent on certified rehabilitation, and is generally claimed for the tax year that the rehabilitated building is placed in service. The standard federal tax credit is 20%, but because Burlington was considered a disaster area after recent flooding, an additional 6% tax credit has been made available. A **10% Tax Credit** is also available for non-residential properties which have not received historic designation, but were occupied prior to 1936. The application process consists of two or three parts depending on the type of property. The three parts are as follows:

- Part 1 - Evaluation of Significance of the Property
- Part 2 - Description of Rehabilitation Work
- Part 3 - Request for Certification of Completed Work

Part 1 is not needed for properties already listed on the National Register of Historic Places, but Parts 2 and 3 must be completed by all applicants. Applications are accepted on an ongoing basis and should be submitted well in advance of the project start date

A Guide to the Federal Historic Preservation Tax Incentives Program:

<http://www.nps.gov/history/hps/tps/tax/incentives/index.htm>

Historic Preservation Tax Incentives Booklet:

http://www.nps.gov/history/hps/tps/tax/download/HPTI_brochure.pdf

State Historical Society of Iowa's Federal Tax Credit Information:

<http://www.iowahistory.org/historic-preservation/tax-incentives-for-rehabilitation/federal-tax-credits.html>

STATE HISTORIC TAX CREDITS

A **25% Tax Credit** is offered by the State Historic Preservation Tax Credit Program for qualified rehabilitation costs of properties on the National Register of Historic Places, those determined eligible by the State Historic Preservation Office, those contributing to historic districts, and local

landmarks. To be eligible for the credit, qualified costs of renovations for commercial or mixed-use properties must exceed 50% of the assessed value of the building. Applications for state historic tax credits consist of a three part process similar to that of the federal historic credits. For projects under \$500,000, applications are accepted throughout the year until all available credits are reserved. For projects over \$500,000, applications are accepted only during the first 10 business days of July. State and federal historic tax credits can be combined.

State Historical Society of Iowa's State Tax Credit Information:

<http://www.iowahistory.org/historic-preservation/tax-incentives-for-rehabilitation/state-tax-credits/index.html>

HISTORIC RESOURCE DEVELOPMENT PROGRAM

The State Historical Society of Iowa offers a **Historic Preservation Matching Grant** as part of the Historic Resource Development Program (HRDP). Applications are considered for the treatment, protection, or rehabilitation of sites, buildings, structures, objects or districts that are listed on the National Register of Historic Places. The match ratio of the grant depends on the type of applicant (nonprofit, individual, business). An individual applicant must provide a \$.75 match for every grant dollar awarded. At least a \$.50 must be a cash match while \$.25 can be an in-kind match. Applicants are encouraged to request \$50,000 or less. Application deadlines occur once a year, generally in May.

HRDP also offers an **Emergency Grant of up to \$15,000** to protect a threatened historic property listed on the National Register of Historic Places or determined eligible for the National Register by the State Historic Preservation Office. There is no specific deadline for the application and the review process only takes a couple of weeks.

State Historical Society of Iowa's Historical Resource Development Program:

<http://www.iowahistory.org/about/grants/hrdp/index.html>

Historical Resource Development Program Emergency Grants Information:

http://www.iowahistory.org/education/assets/emergency_hrdp_info.pdf

Downtown Incentives

DESIGN ASSISTANCE

Because Burlington is a Main Street Community, Main Street Iowa offers **Design Assistance at No Cost** and no obligation to downtown business and property owners. A Main Street Iowa design consultant will work with business or property owners to develop feasible maintenance and façade improvements to buildings in the downtown district. Along with finished architectural renderings of possible improvements, the owner receives suggestions regarding signage, awnings, paint colors, and appropriate care. For more information download the application below and call Downtown Partners, Inc. (DPI) at 319.752.6365 to schedule a design visit.

Design Assistance Application: <http://www.growburlington.com/dtp/pdf/DesignAsstsForm.pdf>

FAÇADE IMPROVEMENT LOAN PROGRAM

DPI sponsors a façade improvement loan program intended to stimulate improvements to the exterior of downtown commercial buildings. Owners and/or tenants of existing buildings within the SSMID (Self Supporting Municipal Improvement District) project area are eligible. Tenant applicants are required to submit written evidence of the building owner's approval of the application. **Loans up to \$5,000** are available, but at least 50% of the cost of the façade improvement project must be paid for by the owner. The loans terms are three years at 0% interest. Monthly installments are paid directly to DPI. Applications are available online and at the Downtown Partners office. The DPI Design Committee will review each application and design to determine if it meets the criteria. For more information contact DPI at 319.752.6365.

Façade Loan Improvement Program Guide and Application:

<http://www.growburlington.com/dtp/pdf/FacadeImprovementLoanProgram.pdf>

MAIN STREET MORTGAGE LOAN PROGRAM

A partnership between Main Street Iowa, the Iowa Finance Authority, and the Federal Home Loan Bank of Des Moines offers **Loans of \$50,000-\$250,000** for rehabilitation of upper floor housing or commercial properties or for new construction on lots in historic commercial districts in downtowns of Main Street Communities such as Burlington. Projects must meet Main Street Iowa's vision of a revitalized historic commercial district. Loans for the program will have terms between 3 and 15 years, with up to a 30-year amortization. The interest rate is fixed at 1.35% above the Iowa Finance Authority's cost of funds for the proposed loan term. Loans are awarded on an ongoing basis.

Main Street Iowa/Iowa Finance Authority Loan Program:

<http://www.iowalifechanging.com/community/mainstreetiowa/ms-ifa-loan.aspx>

UPPER STORY RESIDENTIAL REDEVELOPMENT

Forgivable Loans of \$50,000 per dwelling unit are available for rehabilitation of upper story apartments. Units which receive this funding must be rented to income qualified households, and the rent charged cannot exceed a predetermined rate. Loans will be forgiven after 15 years if the property owner complies with rent and income restrictions during this time. For more information, contact Sara Hecox at the Southeast Iowa Regional Planning Commission at 319.753.4311 or shecox@seirpc.com.

City of Burlington Incentives

The City of Burlington offers various incentives for construction and development within the corporate limits of the community.

BUSINESS ENTERPRISE ZONES

Businesses locating or expanding in an established Enterprise Zone may be eligible to receive certain local and state tax incentives.

Eligibility requirements for Business Enterprise Zone incentives:

- The business must make a minimum qualifying investment of \$500,000 over a three year period. Qualifying investment includes the cost of land, buildings, improvements to buildings, manufacturing machinery and equipment, and/or computer hardware.
- The business must create or retain at least 10 full-time, project-related jobs over a three year period and maintain them for an additional two years.
- The business must provide all full-time employees with a standard medical and dental insurance plan of which the business pays 80% of the premiums for employee-only coverage, pays 50% of the premiums for family coverage, or provides a monetarily-equivalent benefit package.
- The business must pay new or retained employees a starting wage which is equal to or greater than 90% of the average county or regional wage, whichever is lower.
Wage thresholds requirements: <http://www.iowalifechanging.com/business/wagerates.aspx>
- The business cannot be a retail establishment or a business whose entrance is limited by coverage charge or membership.
- The business cannot close or relocate its operation in one area of the state and relocate substantially the same operation in the Enterprise Zone.
- The local Enterprise Zone Commission and IDED must approve the business' application for Enterprise Zone program incentives prior to project initiation.

Available Tax Incentives for those eligible:

- A local property tax exemption of up to 100% of the value added to the property to a period not to exceed 10 years may be available.
- Additional funding for training new employees. If applicable, these funds would be in addition to those authorized under the Iowa New Jobs Training Program.
- A refund of state sales, service, or use taxes paid to contractors or subcontractors during construction.
- For distribution center projects, a refund of sales and use taxes paid on racks, shelving, and conveyor equipment.
- An investment tax credit of up to a maximum of 10% of the qualifying investment, amortized over 5 years. This tax credit is earned when the corresponding asset is placed in service and can be carried forward for up to seven additional years or until depleted, whichever occurs first.
- The State's refundable research activities credit may be increased while the business is participating in the program.

Individual Enterprise Zones may have additional requirements. Contact the Iowa Department of Economic Development along with relevant local organizations to determine eligibility. Businesses locating or expanding in an Enterprise Zone may apply for benefits by completing an application. Local Enterprise Zone Commissions review applications and, upon approval, forward them to the Iowa Department of Economic Development for final approval.

City of Burlington Enterprise Zone Map:

<http://www.burlingtoniowa.org/development/maps/ez10.pdf>

City of Burlington Enterprise Zone Information:

<http://www.burlingtoniowa.org/development/incentives/index.html>

Iowa Department of Economic Development Business Enterprise Zone Information:

http://www.iowalifechanging.com/business/enterprise_zones.aspx

HOUSING ENTERPRISE ZONES

Developers and contractors building or rehabilitating housing in Burlington's Enterprise Zone may be eligible to receive state tax incentives.

Eligibility requirements for Housing Enterprise Zone incentives:

- The developer or contractor must build or rehabilitate at least four single-family homes or at least one multi-family building containing three or more units in a certified Enterprise Zone.
- The housing must, when completed and made available for occupancy, meet HUD Housing Quality Standards and local housing codes.
- The housing project must be completed within two years of the start of construction or rehabilitation.
- The local Enterprise Zone Commission and IDED must approve the developer or contractor's application for Enterprise Zone program incentives prior to project initiation.

Available Tax Incentives for those eligible:

- A refund of state sales, service or use taxes paid during construction.
- An investment tax credit of up to 10% of the investment directly related to the construction or rehabilitation of the housing.* The tax credit is based on the new investment used for the first \$140,000 of value for each home or unit. This tax credit is earned when the home or unit is certified for occupancy and can be carried forward for up to seven additional years or until depleted, whichever occurs first.

*If the project is, in part, financed through federal, state, and local government tax credits, grants, and forgivable loans, these amounts cannot be included for purposes of calculating the investment tax credit.

City of Burlington Enterprise Zone Map:

<http://www.burlingtoniowa.org/development/maps/ez10.pdf>

City of Burlington Enterprise Zone Information:

<http://www.burlingtoniowa.org/development/incentives/index.html>

Iowa Dept. of Economic Development Housing Enterprise Zone Information:

<http://www.iowalifechanging.com/community/housing/ez.aspx>

TAX INCREMENT FINANCING (TIF)

Tax Increment Financing (TIF) is an economic development tool which allows the City of Burlington to earmark property tax revenues generated from an increase in assessed value within a defined TIF district. The captured revenues from the TIF are used for further investment within the district, such as infrastructure improvements. TIF proposals must be submitted to the City of Burlington Finance Department and will be reviewed on a case by case basis.

What is TIF?: <http://www.burlingtoniowa.org/tif.html>

Burlington TIF Districts Map: <http://www.burlingtoniowa.org/development/maps/tifdistricts.pdf>

City of Burlington TIF Information:

<http://www.burlingtoniowa.org/development/incentives/index.html>

URBAN REVITALIZING TAX EXEMPTION

The City of Burlington offers a tax abatement program for various types of property. In order to qualify, the improvements must increase the assessed value by at least 15%. Commercial property utilized for retail purposes may abate a maximum value of \$5,000,000. Multifamily housing, or residential property assessed as commercial, may abate 50% of the increased valuation, up to \$50,000 per dwelling unit.

The exemption schedule options include:

- A 3-year, 100% tax exemption
- 10-year sliding scale: 80% - year 1, 70% - year 2, 60% - year 3, 50% - year 4, 40% - years 5 & 6, 30% - years 7 & 8, 20% - years 9 & 10.
- 10- year, 75% exemption for residential assessed as commercial

The exemption is applicable up to a \$75,000 increase in assessed value, as determined by the County Assessor. Properties located in a Tax Increment Financing District are not eligible for tax abatement. Applications are accepted continuously and are available through the City Finance Department.

City of Burlington Tax Abatement Information:

<http://www.burlingtoniowa.org/development/incentives/index.html>

Urban Revitalization Tax Exemption Application:

http://www.burlingtoniowa.org/finance/tax_abatement_form.pdf

Energy Efficiency Incentives

By incorporating energy-efficiency into rehabilitation projects, investors can receive tax benefits and other incentives in addition to lower monthly utility bills and energy savings.

ALLIANT ENERGY INCENTIVES

The energy-efficient commercial buildings measure provides a tax deduction of up to \$1.80 per square foot for new or renovated buildings that exceed the ASHRAE 90.1-2001 standard by 50%.

There are deductions for:

- Interior lighting
- HVAC systems
- Hot water heating systems
- Building envelope

A partial deduction of \$.60 per square foot can be taken for measures affecting the building envelope, lighting or heating and cooling systems. The credits have been extended through December 31, 2013.

There is also a new tax credit for Combined Heat and Power (CHP). Systems smaller than 50 MW with a minimum efficiency of 60% (20% of energy produced must be electric energy, and 20% must be thermal energy) can qualify for a 10% investment tax credit on the first 15 MW.

Energy-Efficiency and Renewable Energy Tax Credits Sheet from Alliant Energy:

http://www.alliantenergy.com/wcm/groups/wcm_internet/@int/documents/contentpage/023345.pdf

Iowa Business Rewards:

<http://www.alliantenergy.com/UtilityServices/ForYourBusiness/ProductsServices/BusinessRewardsIncentives/IowaBusinessIncentivePrograms/index.htm>

Other Incentives

NEW MARKET TAX CREDITS

The New Market Tax Credit (NMTC) program allows an investor to receive a tax credit of 39% of the cost of the investment against Federal income taxes over a period of seven years. For years 1-3, the investor may receive a credit equal to 5% of the total amount paid for the stock or capital interest at the time of purchase. For years 4-7, the credit is 6% annually. In order to receive New Market Tax Credit funds, an organization must be certified as a Community Development Entity (CDE).

To qualify as a CDE, an organization must:

- be a domestic corporation or partnership at the time of the certification application;
- demonstrate a primary mission of serving, or providing investment capital for, low-income communities or low-income persons; and
- maintain accountability to residents of low-income communities through representation on a governing board of or advisory board to the entity.

Community Development Financial Institutions Fund Information on the New Market Tax Credit Program:

http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5

APPENDIX C – GREEN STREETS CRITERIA

Green Communities Development Team Worksheet

Developer Name: _____
 Project Name: _____
 Address (Street/City/State): _____



Please note that partial points are not awarded, unless specifically noted for a criterion.

This worksheet provides a quick overview of the criteria and is a convenient resource for the project development team to track progress towards meeting the green criteria during the planning stage. Please refer to the individual criterion for detailed information on how to comply with that particular criterion.

Distinguishing Between Types of Rehab

For the purposes of this criteria, gut rehabilitation is defined as an activity or project that involves extensive (substantial) rehabilitation. Refer to the full definition of gut rehabilitation on page 2 of the criteria. Rehabilitation is defined as projects with activities that are less extensive than gut rehabilitation.

LH= Aligned with LEED for Homes credit. For more information on the LEED for Homes rating system, please go to www.usgbc.org.

YES	NO	?		Integrated Design	Maximum Points
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	1.1 LH	Green Development Plan Submit Green Development Plan outlining the integrated design approach used for this development that demonstrates involvement of the entire development team.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	1.2	Applicant/Recipient, Architect/Project Designer, and/or Contractor Certification Certify in writing at various stages of the development process intent to comply, and actual compliance with all of the MANDATORY Iowa Green Streets Criteria.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	1.3	Universal Design and Visitability Create spaces that meet the needs of all people: young, old, abled, and disabled.	5
			Site, Location and Neighborhood Fabric		Maximum Points
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.1a LH	Smart Site Location - Proximity to Existing Development: New Construction Provide site map demonstrating that the development is located on a site with access to existing roads, water, sewers and other infrastructure within or contiguous (having at least 25 percent of the perimeter bordering) to existing development.	Mandatory <i>(except infill site or rehabs)</i>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.1b LH	Smart Site Location - Protecting Environmental Resources: New Construction Do not locate new development within 100 feet of wetlands, critical slope areas, land identified as habitat for a threatened or endangered species; or on land previously used as public park land, land identified as prime farmland, or with elevation at or below the 100-year floodplain.	Mandatory <i>(except infill site or rehabs)</i>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.1c LH	Smart Site Location - Proximity to Services: New Construction Locate projects within one-quarter mile of at least two, or one-half mile of at least four community and retail facilities.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.2a	Compact Development: New Construction Achieve densities for new construction of at least six units per acre for detached/semi-detached houses; 10 for town homes; 15 for apartments.	25
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.2b	Compact Development: Residential Increase average minimum densities to meet or exceed: seven units per acre for detached/semi-detached; 12 units for town homes; and 20 units for apartments.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.3	Walkable Neighborhoods: Sidewalks and Pathways Connect project to the pedestrian grid. Include sidewalks or other all-weather pathways within the project linking the development to public spaces, open spaces and adjacent development.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.4	Walkable Neighborhoods: Connections to Surrounding Neighborhoods Provide a site plan demonstrating at least three separate connections from the development to sidewalks or all-weather pathways in surrounding neighborhoods.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.5a LH	Smart Site Location: Passive Solar Heating/Cooling Orient building to make the greatest use of passive solar heating and cooling.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.5b LH	Smart Site Location: Grayfield, Brownfield or Adaptive Reuse Site Locate the project on a grayfield, brownfield or adaptive reuse site.	15
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	2.6 LH	Transportation Choices Locate project within one-quarter mile radius of adequate public transit service.	12

YES	NO	?		Site Improvements	Maximum Points
Y	N	?	3.1	Environmental Remediation Upon award of an IDED contract for funding, conduct a Phase I Environmental Site Assessment and provide a plan for abatement if necessary.	Mandatory <i>(except scattered-site single family)</i>
Y	N	?	3.2 LH	Erosion and Sedimentation Control For projects disturbing one (1) acre or more, obtain a DNR stormwater permit. For projects disturbing less than one (1) acre, implement EPA's Best Management Practices for erosion and sedimentation control during construction referring to the EPA document, <i>Storm Water Management for Construction Activities</i> .	Mandatory
Y	N	?	3.3 LH	Landscaping Provide a tree or plant list certified by the architect or landscape architect that the selection of new trees and plants are appropriate to the site's soils and microclimate and do not include invasive species. Locate plants to provide shading in the summer and allow for heat gain in the winter.	Mandatory <i>(if providing landscaping)</i>
Y	N	?	3.4 LH	Surface Water Management Capture, retain, infiltrate and/or harvest the first 1.25 inches of rain that falls in a 24-hour period. Note: Mandatory for <u>new construction</u> project applications submitted after January 1 st , 2010.	Mandatory <i>(new Construction)</i> 25 <i>(Gut Rehab and Rehab)</i>
Y	N	?	3.5	Storm Drain Labels Label all storm drains or storm inlets to clearly indicate where the drain or inlet leads.	2
				Water Conservation	Maximum Points
Y	N	?	4.1 LH	Water-Conserving Appliances and Fixtures – Residential Install water-conserving fixtures with the following minimum specifications: toilets – 1.3 GPF; showerheads – 1.75 GPM; kitchen faucets – 2.0 GPM; bathroom faucets – 1.75 GPM. Water-Conserving Appliances and Fixtures – Non-Residential Install water-conserving fixtures with the following minimum specifications: toilets – 1.6 GPF; urinals – 1.0 GPF, public lavatories - .5 GPM or better at 60 psi, showerheads – 1.75 GPM; kitchen faucets – 2.0 GPM or better.	Mandatory
Y	N	?	4.2	No Irrigation Do not install irrigation.	Mandatory
				Energy Efficiency	Maximum Points
Y	N	?	5.1a LH	Efficient Energy Use – Residential Meet IECC 2009 and Energy Star standards (single family and low rise residential) and achieve a HERS Index of 70 using a third-party HERS Rater. Efficient Energy Use – Non-Residential and Residential Structures with Four or More Stories Above Grade Exceed ASHRAE 90.1-2007 by 10 percent.	Mandatory
Y	N	?	5.1b	Efficient Energy Use: Less than Gut Rehabilitation Perform an energy analysis of existing building condition, estimate costs of improvements, implement measures that will improve building energy performance by 15 percent from pre-renovation figures.	Mandatory
Y	N	?	5.2 LH	Energy Star and Energy Efficient Appliances If providing appliances, install Energy Star clothes washers, dishwashers and refrigerators, and dryers with built-in moisture sensors.	Mandatory <i>(if providing appliances)</i>
Y	N	?	5.3a	Efficient Lighting: Interior – Residential Install the Energy Star Advanced Lighting Package in all interior units and use Energy Star or high-efficiency commercial grade fixtures in all common areas and outdoors. Efficient Lighting: Interior – Non-Residential Meet or exceed current ASHRAE standard 90.1-2007 for interior lighting or follow applicable interior lighting guidelines from the ASHRAE Advanced Energy Design Guides.	Mandatory
Y	N	?	5.3b LH	Efficient Lighting: Exterior Install daylight sensors or timers on all outdoor lighting, including front and rear porch lights.	Mandatory

YES NO ?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	5.4	HVAC Sizing, Installation and Duct Systems Size heating and cooling equipment in accordance with the Air Conditioning Contractors of America (ACCA) Manual, parts D, J and S.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	5.5	Electricity and Gas Meters Install individual or sub-metered electric and gas meters.	2
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	5.6 LH	Additional Reductions in Energy Use Exceed the relevant Energy Star HERS score for low-rise residential buildings or exceed other standards by increased percentages.	Optional <i>(see full criteria)</i>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	5.7a LH	Renewable Energy Install PV panels, wind turbines or other renewable energy source to provide at least 10 percent of the project's estimated electricity demand.	15
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	5.7b	Photovoltaic (PV) Ready Site, design, engineer and wire the development to accommodate installation of PV in the future.	2
Materials Beneficial to the Environment					Maximum Points
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.1a LH	Construction Waste Management Develop and implement a construction waste management plan to reduce the amount of material sent to the landfill by at least 25 percent.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.1b	Construction Waste Management: Additional Diversion Reduce the amount of construction waste sent to the landfill by and additional 25 percent or more.	Optional <i>(see full criteria)</i>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.2	Durable and Low-Maintenance Exteriors Specify durable siding materials such as masonry or fiber cement to reduce or eliminate rot and reduce need for painting.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.3 LH	Recycled Content Material Use materials with recycled content; provide calculation for recycled content percentage based on cost or value of recycled content in relation to total materials for project. Minimum recycled material must be 5 percent.	14
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.4 LH	Certified, Salvaged and Engineered Wood Commit to using at least 25 percent (by cost) wood products and materials that are salvaged wood, engineered framing materials or certified in accordance with the Forest Stewardship Council.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.5a LH	Reduce Heat-Island Effect: Roofing Use Energy Star-compliant and high-emissive roofing or install a "green" (vegetated) roof for at least 50 percent of the roof area; or a combination of high-albedo and vegetated roof covering 75 percent of the roof area.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.5b LH	Reduce Heat-Island Effect: Paving Use light-colored, high-albedo materials and/or an open-grid pavement with a minimum Solar Reflective Index of 0.6 over at least 30 percent of the site's hardscaped area.	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.5c LH	Reduce Heat-Island Effect: Plantings Locate trees or other plantings to provide shading for at least 50 percent of sidewalks, patios and driveways within 50 feet of a building.	5
Healthy Living Environment					Maximum Points
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	7.1 LH	Low / No Volatile Organic Compounds (VOC) Paints and Primers Specify that all interior paints and primers must comply with current Green Seal standards for low-VOC limits.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	7.2 LH	Low / No VOC Adhesives and Sealants Specify that all adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. Caulks and sealants must comply with Regulation 8, Rule 51 of the Bay Area Air Quality Management District.	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	7.3	Urea Formaldehyde-free Composite Wood Use particleboard and MDF that is certified compliant with the ANSI A208.1 and A208.2. If using nonrated composite wood, all exposed edges and sides must be sealed with low-VOC sealants.	Mandatory

YES NO ?

<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.4 LH Green Label Certified Floor Coverings Do not install carpets in below grade living spaces, entryways, laundry rooms, bathrooms, kitchens or utility rooms. If using carpet, use the Carpet and Rug Institute’s Green Label certified carpet, pad and carpet adhesives.</p>	Mandatory <i>(if providing floor coverings)</i>
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.5a LH Exhaust Fans: Bathroom – Residential Install Energy Star-labeled bathroom fans that exhaust to the outdoors and are connected to a light switch and are equipped with a humidistat sensor or timer, or operate continuously.</p> <p>Exhaust Fans: Bathroom – Non-Residential Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.</p>	Mandatory
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.5b LH Exhaust Fans – Kitchen: New Construction – Residential Install power vented fans or range hoods that exhaust to the exterior.</p> <p>Exhaust Fans – Kitchen: New Construction – Non-Residential Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.</p>	Mandatory
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.5c Exhaust Fans – Kitchen: Rehabilitation – Residential Install power vented fans or range hoods that exhaust to the exterior.</p> <p>Exhaust Fans – Kitchen: Rehabilitation – Non-Residential Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.</p>	5
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.6a LH Ventilation – Residential Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above three stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.</p> <p>Ventilation – Non-Residential Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.</p>	Mandatory
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.6b Ventilation: Rehabilitation – Residential Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above three stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.</p> <p>Ventilation: Rehabilitation – Non-Residential Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.</p>	10
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.7 Water Heaters: Mold Prevention Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans with drains piped to the exterior of the dwelling and with non-water sensitive floor coverings.</p>	Mandatory
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>7.8 Cold and Hot Water Pipe Insulation Insulate exposed cold and hot water pipes in climates and building conditions susceptible to moisture condensation.</p>	Mandatory

YES NO ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

Y N ?

7.9a	Materials in Wet Areas: Surfaces In wet areas, use materials that have smooth, durable, cleanable surfaces. Do not use mold-propagating materials such as vinyl wallpaper and unsealed grout.	Mandatory
7.9b	Materials in Wet Areas: Tub and Shower Enclosures Use fiberglass or similar enclosure or, if using any form of grouted material, use backing materials such as cement board, fiber cement board or equivalent (i.e., not paper-faced).	Mandatory
7.10a	Basements and Concrete Slabs: Vapor Barrier Provide vapor barrier under all slabs. For concrete floors either in basements or on-grade slab install a capillary break of 4 four inches of gravel over soil. Cover all gravel with 6-millimeter polyethylene sheeting moisture barrier with joints lapped 1 foot or more. Install at least 1” extruded polystyrene below slab in addition to the vapor barrier to control mold growth. On interior below grade walls, avoid using separate vapor barrier or below grade vertical insulation.	Mandatory
7.10b LH	Basements and Concrete Slabs: Radon – Residential In EPA Zone 1 and 2 areas, install passive radon-resistant features below the slab along with a vertical vent pipe with junction box available, if an active system should prove necessary. For substantial rehab, introduce radon-reduction measures if elevated levels of radon are detected. Basements and Concrete Slabs: Radon – Non-Residential For new construction projects, follow the guidance contained in the EPA document, Radon Prevention in the Design and Construction of Schools and other Large Buildings. For gut rehabilitation projects, test the building for presence of radon. If elevated levels of radon exist, introduce radon-reduction measurements.	Mandatory
7.11	Water Drainage Provide drainage of water to the lowest level of concrete away from windows, walls and foundations.	Mandatory
7.12 LH	Garage Isolation – Residential Provide a continuous air barrier between the conditioned (living) space and any unconditioned garage space. In single-family houses with attached garages, install a CO alarm inside the house on the wall that is attached to the garage and outside the sleeping area, and do not install air handling equipment in the garage. Garage Isolation – Non-Residential Non-Residential — Meet or exceed the current ASHRAE ventilation standard 62.1-2007 for commercial and institutional buildings but not less than the values required by local code unless approved by the authority with jurisdiction.	Mandatory
7.13 LH	Clothes Dryer Exhaust Clothes dryers must be exhausted directly to the outdoors with a rigid-type vent.	Mandatory
7.14 LH	Integrated Pest Management Seal all wall, floor and joint penetrations with low-VOC caulking. Provide rodent-proof and corrosion-proof screens (e.g., copper or stainless steel mesh) for large openings.	Mandatory
7.15	Healthy Flooring Materials: Alternative Sources Use non-vinyl, non-carpet floor coverings in all rooms.	15
7.16	Smoke-free Building Enforce a “no smoking” policy in all common and individual living areas in all buildings. See full criteria for “common area” definition.	2
7.17 LH	Combustion Equipment: Includes Space and Water-Heating Equipment Specify power vented or combustion sealed equipment. Install one hard-wired CO detector for each sleeping area, minimum one per floor.	Mandatory

YES NO ?

			Operations and Maintenance		
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	8.1 LH	<p>Building Maintenance Manual Provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water-system turnoffs, lighting equipment, paving materials and landscaping, pest control and other systems that are part of each occupancy unit; an occupancy turnover plan that describes the process of educating the tenant about proper use and maintenance of all building systems.</p>	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	8.2 LH	<p>Occupant's Manual Provide a guide for homeowners/building owners and renters that explains the intent, benefits, use and maintenance of green building features, along with the location of transit stops and other neighborhood conveniences, and encourages additional green activities such as recycling, gardening and use of healthy cleaning materials, alternate measures for pest control and purchase of green power.</p>	Mandatory
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	8.3 LH	<p>Homeowner/Building owner and New Occupant Orientation Provide a walk-through and orientation to the homeowner/building owner or new occupant using the Occupant Manual from 8-2 above that reviews the building's green features, operations and maintenance along with neighborhood conveniences.</p>	Mandatory

April 25, 2011

Vision for Downtown Redevelopment

Burlington, Iowa



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PURPOSE

The purpose of this report is to offer an overarching vision for redevelopment in downtown Burlington, Iowa. This report presents the findings and recommendations of the Iowa Initiative for Sustainable Communities (IISC), which are based on the results of a business inventory of the downtown area and the public input gathered through IISC's broad-based community engagement process. The recommendations detailed in this report define the actions that Downtown Partners, Inc., should take to promote the sustainable redevelopment of Downtown Burlington.

ACKNOWLEDGEMENTS

The Vision for Downtown Redevelopment would not have been possible without the dedicated support of Downtown Partners, Inc., the continual consultation provided by Burlington's resident experts, the hard work of a committed group of volunteers, or the thoughtful input that was shared by countless members of the Burlington community.

EXECUTIVE SUMMARY

This Vision for Downtown Redevelopment in Burlington, Iowa presents the key findings and recommendations of the Iowa Initiative for Sustainable Communities, which are based on input from a broad cross-section of the Burlington community, as well as on background research and a business inventory of Downtown Burlington.

The ensuing report provides an explanation of IISC's partnership with Downtown Partners; an explanation of the 2011 Downtown Inventory and an analysis of Inventory results; and a detailed description of IISC's community engagement process; as well as a summary of public input gathered through interviews, surveys, and focus groups.

This document is intended to be used as a guide for Downtown Partners, Inc. as it continues to promote sustainable redevelopment in Downtown Burlington. This document is also meant to inform the City, developers, business owners, and the general public about the potential for upper-story redevelopment and other opportunities for the overall improvement of Downtown Burlington.

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INTRODUCTION

BURLINGTON

Known for its scenic location and unique charm, Burlington is one of the most historic cities in the state of Iowa. This rich history is evidenced by the ornate historical buildings and churches that line the streets of Downtown Burlington. The city's location along the Mississippi River made Burlington into a thriving port with a bustling downtown. In recent decades, however, major employers have relocated or shut down. As suburban development became more prevalent, much of Burlington's population and many of its businesses dispersed from the city center. As a result, empty storefronts and vacant buildings have become common throughout the downtown. While many of Downtown's buildings have successful businesses on the ground floor and occupied residential units above, numerous buildings have been abandoned and are in poor condition. This deterioration has negative implications for the finances, aesthetics, and safety of Downtown and of the community as a whole.

VISION FOR DOWNTOWN REDEVELOPMENT

This Vision is the product of a partnership between Downtown Partners, Inc. and the Iowa Initiative for Sustainable Communities. From August 2010 to April 2011, a team of graduate students from the School of Urban and Regional Planning at the University of Iowa worked with Downtown Partners, Inc. to identify and address the challenges that face Downtown Burlington. IISC and Downtown Partners sought also to identify the strengths and opportunities that would support redevelopment of the Downtown.

Early on, vacant storefronts were identified as one of the biggest challenges facing Burlington's downtown. Downtown Partners named the plethora of historic buildings as one of the Downtown's major strengths, and upper-story redevelopment was identified as one of the area's greatest opportunities.

Together, Downtown Partners, Inc. and the Iowa Initiative for Sustainable Communities developed a strategy that would utilize these strengths and opportunities to address the challenge of vacant buildings in Downtown Burlington. This strategy had multiple components, which included the collection of reliable data about vacancy rates, as well as current and comprehensive information about business and nonprofit entities in the downtown. This information was used to develop an action plan and investment proposal for the revitalization of one group of historic buildings that could serve as a model for redevelopment of other buildings in the future. The final part of the strategy included broad-based community engagement in the form of interviews, a survey, and focus groups. The multiple project components informed the planning recommendations that are herein put forth by the Iowa Initiative for Sustainable Communities.

KEY FINDINGS

The key findings made throughout the course of the Iowa Initiative for Sustainable Communities' work in Burlington are as follow:

DEMAND EXISTS FOR UPPER STORY RESIDENCES

Survey and focus group results have confirmed that demand exists for upper story residences. Demand is strongest for lofts in historic buildings and for units having two bedrooms, 1.5-2 bathrooms, covered parking, and access to outdoor living space.

BURLINGTON RESIDENTS APPRECIATE WHAT DOWNTOWN CURRENTLY HAS TO OFFER, BUT WOULD LIKE TO SEE MORE VARIETY IN DOWNTOWN'S BUSINESSES

Responses from surveys and focus groups confirmed that Burlington's residents care deeply about the downtown. Architecture, history, and location, as well as Snake Alley and the Mississippi River, were noted as major assets to Downtown Burlington.

Research participants provided valuable feedback about the types of businesses that they would like to see Downtown. These included a place to purchase necessity items, a drug store, restaurants offering quick lunch options, and an additional coffee shop. Overall, research participants expressed a desire for greater variety in Downtown's shops, restaurants, and bars.

ASIDE FROM GOING TO WORK, THERE ARE A LIMITED NUMBER OF REASONS FOR WHICH RESIDENTS VISIT DOWNTOWN

Survey and focus group results suggested that Burlington area residents go Downtown primarily for work, to attend community events, or to dine at a handful of restaurants. Shopping was not identified as a common reason for visiting Downtown.

MULTIPLE INFORMATION GAPS EXIST REGARDING THE AVAILABILITY OF RENTAL HOUSING, COMMUNITY EVENTS, REDEVELOPMENT RESOURCES, AND DOWNTOWN BUSINESSES

Focus group participants expressed that adequate information about downtown rental housing and landlords is not readily available. Regarding community events, many focus group participants expressed that they were well-informed about larger events, but did not know about some of the smaller Downtown events, such as outdoor movies during the summer months.

Discussions with local developers determined that many developers are unaware of the wide range of grants and other financial incentives that are available for Downtown redevelopment projects.

It was also determined that the City and Downtown Partners lack adequate information about businesses and other entities that exist in Downtown Burlington. The data that is available was collected by Main Street Iowa in the 1980s, and is thus out of date. The assessor's office, too, lacks current information regarding ownership, use, and addresses of downtown properties.

OPPORTUNITIES EXIST TO EVALUATE CURRENT FINANCIAL INCENTIVES AND TO DEVELOP NEW INCENTIVES THAT WILL FURTHER ENCOURAGE DOWNTOWN REDEVELOPMENT

Burlington is less aggressive than other nearby cities in using financial incentives to promote Downtown redevelopment. Cities such as Davenport, IA, Dubuque, IA, and Rock Island, IL apply tax-increment financing to residential redevelopment (Rock Island), offer multiple no- or low-interest loan programs to support rehabilitation of targeted buildings (Davenport), and designate urban renewal districts (Dubuque), to promote the redevelopment of the cities' downtown areas. Burlington currently offers some financial incentives; however, these are far fewer than those in other nearby cities.

REDEVELOPMENT OF DOWNTOWN BURLINGTON IS ALREADY UNDERWAY

Downtown Burlington has several recent success stories: several historic buildings have been redeveloped and turned into viable mixed-use developments. Other exciting projects are currently underway.

Downtown Burlington also has numerous supporters with valuable ideas, investment interest, and overall hope for the success of Downtown; however, some residents are hesitant about investing in the downtown because the future is unclear.

PARTNERSHIPS ARE KEY TO THE SUCCESSFUL REDEVELOPMENT OF DOWNTOWN BURLINGTON

Downtown Partners cannot achieve the redevelopment of Downtown Burlington without the support and active involvement of the greater Burlington community. Already, City planners, private developers, and community members have expressed strong interest in the future of Downtown Burlington. The City, its residents, and the private market play an essential role in moving redevelopment efforts forward.

RECOMMENDATIONS TO DOWNTOWN PARTNERS

The following section details the Iowa Initiative for Sustainable Communities' recommendations to Downtown Partners, Inc. as it pursues the sustainable redevelopment of Downtown Burlington:

CONTINUE AND EXPAND SUPPORT FOR THE REDEVELOPMENT OF UPPER STORY UNITS

Inform developers about the market for upper story housing in Downtown Burlington. Communicate the findings of the Downtown Living Survey, which describe space, price, parking and other preferences as they relate to downtown residences.

Serve as a source of information for downtown property owners interested in redeveloping their upper stories. Compile resources that will inform these individuals about the typical redevelopment process and anticipated costs. Provide potential redevelopers with up-to-date information about available grant money and tax credits.

Foster support for upper story redevelopment among entities other than Downtown Partners. Educate the City, business owners, and Burlington's citizens about the integral role that upper story redevelopment can play in the revitalization of Downtown Burlington.

FOCUS ON THE RECRUITMENT OF EXISTING BUSINESSES AND THE DEVELOPMENT OF NEW BUSINESSES THAT WILL FILL THE MARKET GAPS IDENTIFIED IN THIS REPORT

Develop a strategy that will encourage existing businesses to relocate in Downtown Burlington. Survey area businesses about their needs and preferences as these relate to location, then work to accommodate reasonable needs and preferences. Market to existing businesses by informing of the benefits of a Downtown location – stress the market potential created by Downtown's sizable workforce.

Provide start-up assistance to local entrepreneurs, and link these entrepreneurs to resources like the Iowa Small Business Development Center. Create a revolving loan fund for business start-ups. Provide affordable commercial space for these enterprises: consider opening a small business incubator in one of Downtown's large vacant buildings. The incubator would provide a space for small businesses to explore their market and test their business model before they invest in the high costs associated with opening a shop.

BUILD ON THE ASSETS THAT DO DRAW PEOPLE DOWNTOWN AND DEVELOP NEW WAYS TO ATTRACT RESIDENTS AND VISITORS DOWNTOWN

Evaluate the reasons for which area residents come Downtown, as identified by survey respondents and focus group participants.

Build on assets, like community events, that are successful in drawing people downtown. Consider opportunities to expand the events that exist and to market these events to a wider audience. Also consider opportunities to develop new events. Poll the public about events that they would like to see Downtown, and then partner with business owners, community organizations, and others to make them happen.

Encourage more frequent visits to Downtown by offering a wider range of activities. Expand recreational opportunities by encouraging private market construction of an indoor workout center, or publicly funded construction of an outdoor trail system. Expand the number of activities geared

to young children, as these tend to also attract parents who would be likely to shop in Downtown's businesses. Encourage students to frequent Downtown by supporting private market development of an internet café, coffee shop, or other study space. Urge administrators at Southeast Iowa Community College to consider opening a satellite campus in Downtown Burlington, and market available space.

Evaluate the reasons that residents are not coming Downtown more often to dine or shop. Recommend that businesses consider advertising online and through social media. Also provide recommendations on ways that business owners might make themselves more marketable to Downtown's sizable workforce (for example: by offering quick lunches and office delivery, as well as expanded business hours to remain open after the end of the typical workday).

ADDRESS INFORMATION GAPS BY IMPROVING THE VISIBILITY OF INFORMATION THAT IS CURRENTLY AVAILABLE AND BY ADVOCATING FOR BETTER DATA COLLECTION

Improve the visibility of information about commercial and residential spaces available Downtown. Increase marketing of both large and small community events.

Centralize information useful to developers, such as information about available properties, financial incentives, and building codes. Identify a liaison at the City who can provide education and advice about building codes and permits. This would help the developer and the City to identify anticipated roadblocks and potential solutions early-on, thus reducing frustration and reducing project timelines. Advocate for the City to begin requiring business licenses, which would drastically improve the quality of information available about Downtown businesses. Advocate for the Assessor's office to update records to reflect changing addresses, building uses and business names.

WORK WITH THE CITY TO EVALUATE EXISTING FINANCIAL INCENTIVES AND CONSIDER NEW INCENTIVES THAT WILL FURTHER ENCOURAGE REDEVELOPMENT IN DOWNTOWN

Evaluate the effectiveness of Burlington's existing financial incentives. Consider adapting incentives that are working in other downtowns to the context of Downtown Burlington.

CONTINUE AND EXPAND THE MARKETING OF SUCCESSFUL REDEVELOPMENT PROJECTS

Continue to market successful redevelopment projects through tours, local media, and social media. Further publicize the redevelopment that is underway in Downtown Burlington to raise awareness among citizens and potential investors in the greater region.

PARTNER WITH THE CITY, THE PRIVATE SECTOR, AND THE PUBLIC TO ACHIEVE THESE RECOMMENDATIONS

The recommendations of the Iowa Initiative for Sustainable Communities cannot be fulfilled by Downtown Partners alone. Partnering with the City and other institutions, as well as developers, business owners and Burlington's citizenry will increase efficiency and ease the implementation of Downtown Partners' work. Such partnerships will be absolutely key to the redevelopment of Downtown Burlington.

DOWNTOWN INVENTORY

Because the City of Burlington does not require business permits, neither the City nor Downtown Partners, Inc. has current and comprehensive information about Downtown businesses. This lack of information is problematic because it limits the ability of these entities to assess commercial gaps, to identify market opportunities, to analyze employment in the Downtown, and to communicate essential information to business owners.

Downtown Partners, Inc. and the Iowa Initiative for Sustainable Communities partnered to conduct a Downtown Inventory that would address this information gap. The Inventory covered all businesses, government offices, and other entities in Downtown Burlington's Self Supported Municipal District (SSMID). A map of the SSMID can be found in Appendix A. Survey responses provided Downtown Partners with vital information about the business mix and employment in the Downtown, as well as contact information, business hours, and other useful details about rental rates and building use. The Inventory also enabled Downtown Partners and IISC to identify vacant storefronts in the downtown, which were used to estimate Downtown Burlington's overall vacancy rate.

METHODOLOGY

The survey form that was employed for the Downtown Inventory can be found in Appendix B. The Inventory began on February 18 and was conducted on an ongoing basis until March 31, 2011. Surveys were distributed and collected by a coalition of IISC team members and volunteers from the Burlington community. ArcGIS (Geographic Information System software) was used to organize and map the data that has been collected to date. This dataset has been provided to Downtown Partners, which can update the dataset regularly to include inventory follow-up and to reflect changes resulting from entities that open, close, or relocate.

SUMMARY OF FINDINGS

Of the 294 business, governmental, and non-profit entities that exist in Downtown Burlington, 134 were successfully surveyed. This accounts for an overall response rate of 45.6%. For various reasons, several entities either did not receive or did not complete the Inventory survey: some chose not to participate, others were inaccessible during surveying hours, and others required follow-up beyond the allocated surveying period.

Table 1: Inventory Survey Response Rate

Total Number of Downtown Entities	294
Surveys Completed and Returned	134
Overall Response Rate	45.6%

A total of 39 vacant properties were identified, representing a vacancy rate of 13.3% for non-residential properties in the Downtown.

Table 2: Vacancy Rates in Downtown Burlington

Vacant Properties	39
Total Properties	294
Vacancy Rate	13.3%

The map in Figure A illustrates the locations of vacant buildings within Burlington’s SSMID. Vacant buildings are concentrated along Jefferson Street, particularly between 3rd and 7th Streets.

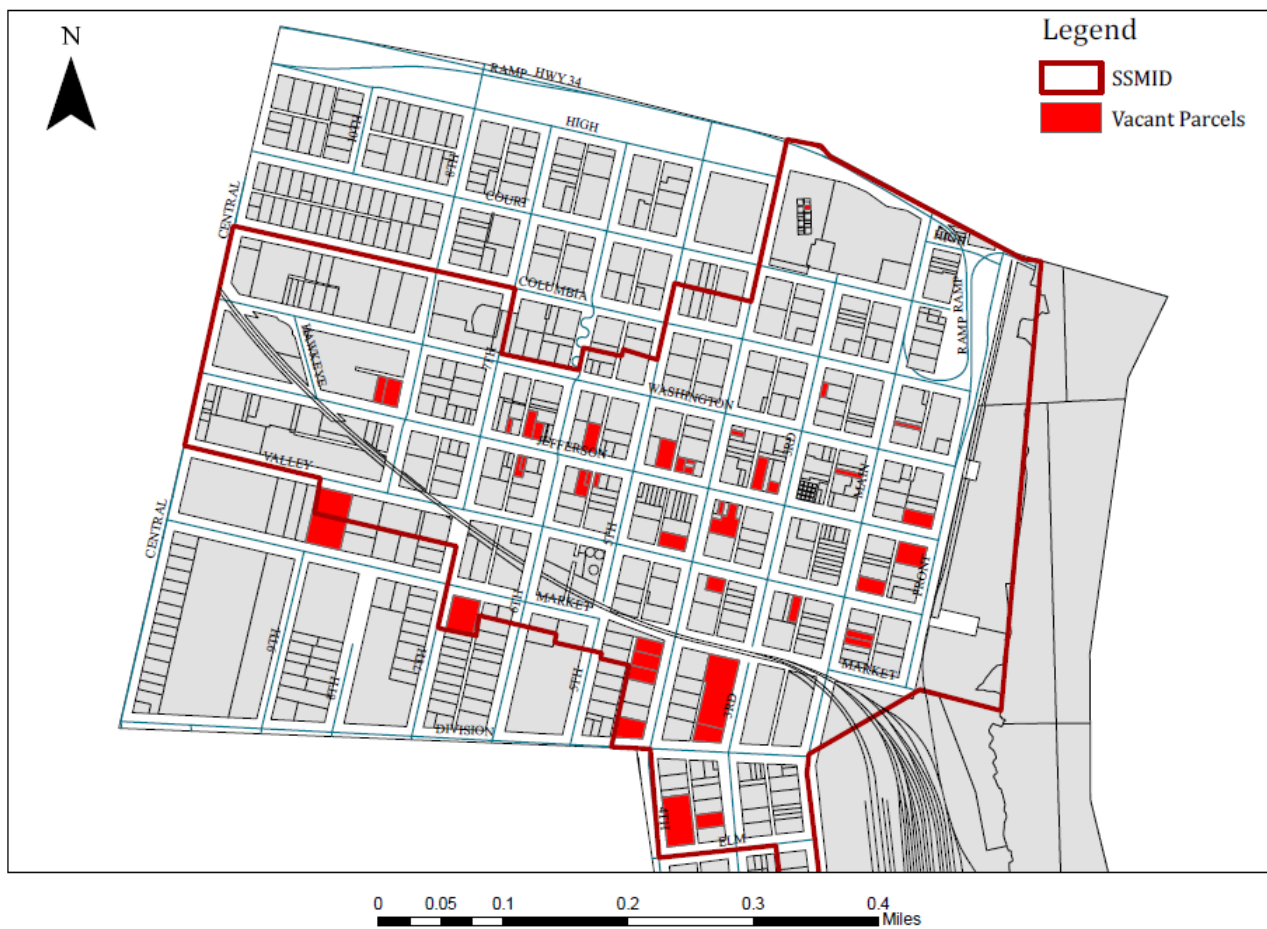


Figure A: Map of Vacant Properties in Downtown Burlington

Survey respondents were asked to indicate the number of full-time, part-time, and seasonal workers that they employ. Responses indicated that there are at least 1,564 jobs in Downtown Burlington: of this total, 1,224 (78%) are full-time employees, 287 (18%) are part-time employees and 53 (4%) are seasonal employees. As these results account for only 45.6% of Downtown entities, it is likely that the actual number of jobs in Downtown Burlington far exceeds 1,564.

Table 3: Number of Employees in Downtown Burlington

Employment	Reported Number of Employees
Full-time	1,224
Part-time	287
Seasonal	53
Total	1,564

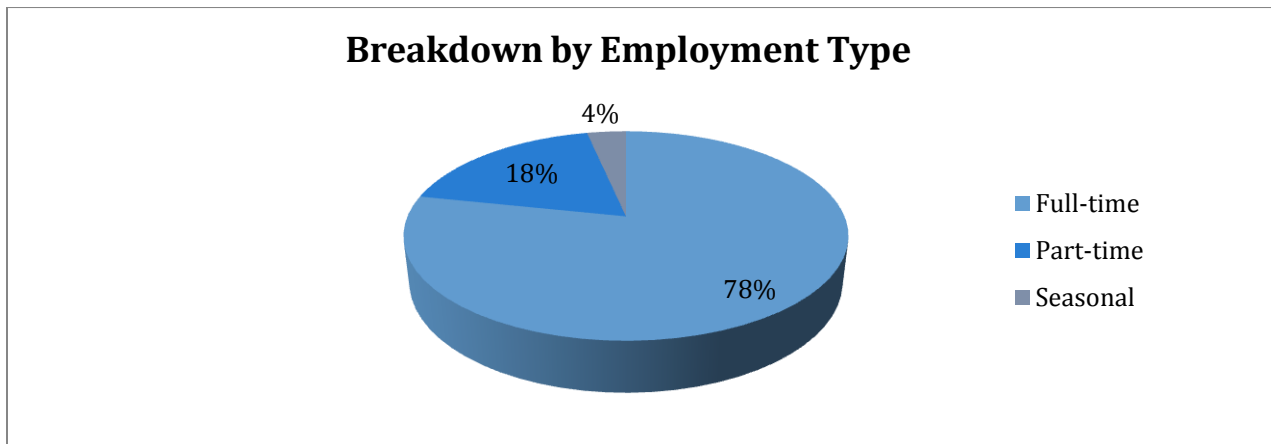


Figure B: Employment Type in Downtown Burlington

Respondents were asked to classify their business as Retail, Service, Manufacturing/Wholesale, Non-Profit/Church, or Government. Several businesses self-identified with more than one of these classifications. The overwhelming majority (54%) of the Downtown entities included in this inventory are service-oriented. Less than one-third (29%) are retail businesses. Both government and non-profits/churches account for 10% of all Downtown entities.

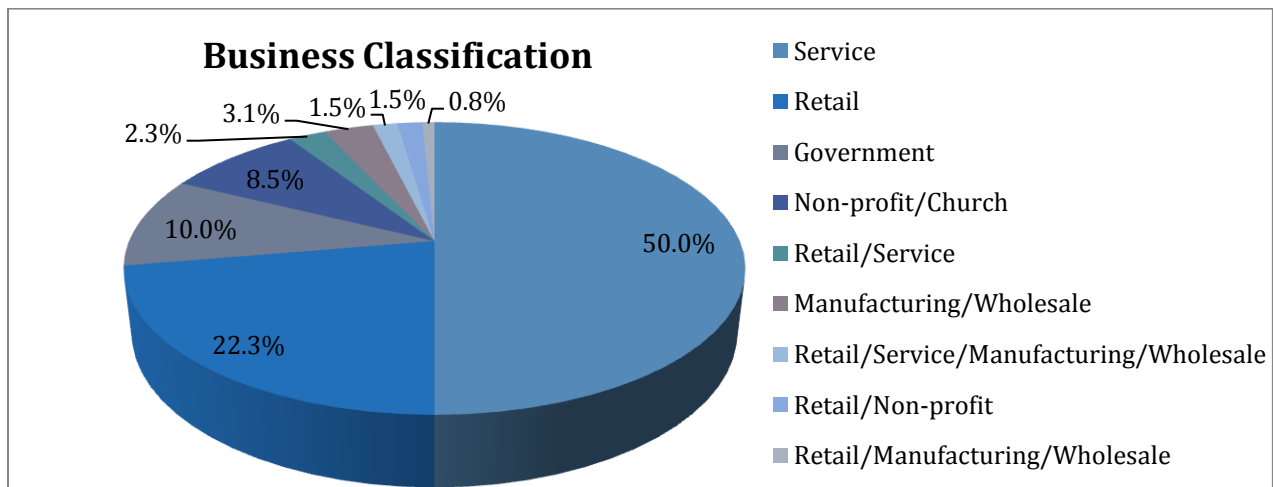


Figure C: Downtown Businesses by Classification

The map in Figure D illustrates the locations of the various business classifications. This map indicates that service and retail-oriented businesses are mostly concentrated in the heart of the SSMID, with government and non-profit/church entities located nearer to the boundaries of the SSMID.

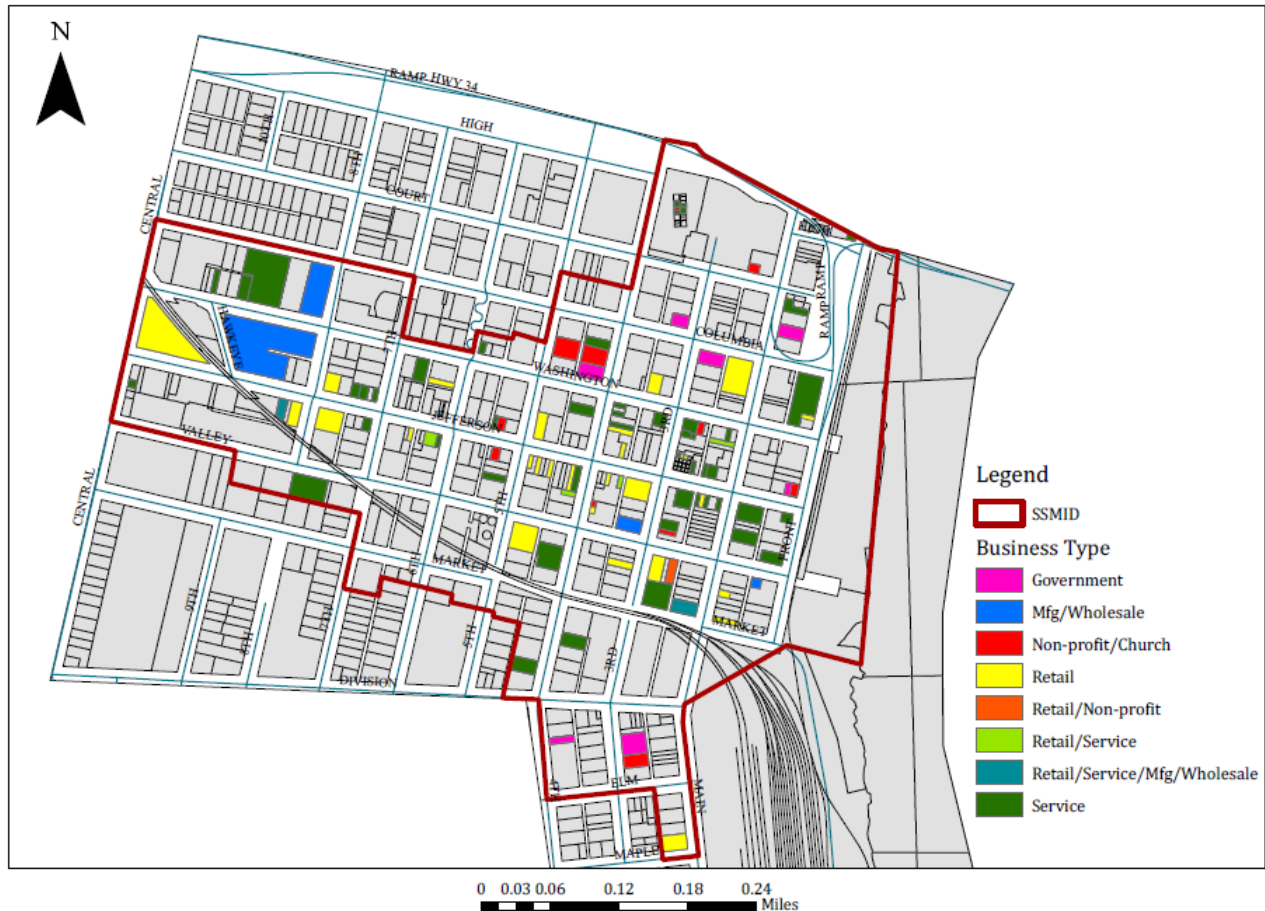


Figure D: Map of Business Classifications in Downtown Burlington

Survey respondents were also asked about whether they rent or own their Downtown space, the year that their business was established, their business hours, whether they had parking for employees, whether they pay their own utilities, whether they had a programmable thermostat, and whether they kept their display windows lit at night. A visual summary of their responses is provided in Appendix C.

COMMUNITY ENGAGEMENT

Downtown Partners, Inc. promotes the acquisition and redevelopment of vacant buildings into viable mixed-use developments. The Iowa Initiative for Sustainable Communities worked with Downtown Partners and Burlington residents to gauge demand for upper-story living and to identify commercial and retail opportunities in Downtown Burlington. Both survey and focus group research were conducted to address these topics. The following section describes the methodologies and findings of both research approaches.

METHODOLOGY

DOWNTOWN LIVING SURVEY

To gather quantitative data, a 24-question survey was created and administered both online using SurveyMonkey.com, and in a hard copy format. Survey questions included respondents' current use of the downtown area, their opinions on downtown services and amenities, their preferences for downtown housing options, and basic demographic information. To achieve a wide-range of respondents, links to the online survey were sent to college students and various community groups including the Rotary Club, Kiwanis Club, Young Professionals Network, and the Chamber of Commerce. A link to the survey was also posted on the "Downtown Burlington" Facebook group's page. Hard copies of the survey were administered at the Burlington Senior Center and a Downtown Burlington church. A "recommendations" option was available after specific questions to allow for the collection of qualitative data. All results were combined for an overall analysis of the survey responses. A copy of the Downtown Living Survey is provided in Appendix D of this report.

DOWNTOWN LIVING FOCUS GROUPS

Focus groups were conducted to gather further qualitative data from specific demographic groups. Three different hour-long focus group sessions took place at the Burlington Library during the spring of 2011. Focus groups included individuals who were retired or nearing retirement, downtown business owners, and young adults. A moderator's guide was created to identify specific research objectives. The four objectives included:

1. What are participants' perceptions of living in Downtown Burlington?
2. How can Downtown Burlington attract residents to upper-story housing units?
3. What are participants' levels of satisfaction with the businesses and services offered in Downtown Burlington?
4. What are the participants' visions for the future of Downtown Burlington?

Sub-questions were then created to facilitate discussion. A group exercise was also integrated into the focus group sessions. This exercise asked participants to indicate which currently vacant buildings (based on ten buildings identified by Downtown Partners and planners for the City of Burlington) they saw as being of high priority to redevelop. Focus group sessions were audio recorded and notes were taken so all feedback could be accurately gathered and analyzed.

SUMMARY OF FINDINGS

DOWNTOWN LIVING SURVEY

The following are the results and findings based on the 165 surveys that were submitted both online and in hard copy form during the surveying period:

SATISFACTION WITH DOWNTOWN SERVICES AND AMENITIES

The majority of the survey respondents are familiar with and frequent Downtown Burlington for various reasons. About 12% of survey respondents currently live in Downtown Burlington, while 27% work downtown and 83% come downtown for other purposes. Respondents were most likely to come downtown to dine, utilize government services, go to the library, and attend community events. They were least likely to come downtown for medical or health care purposes, business services, and church. About 70% of respondents come downtown to shop only once a month or less. This coincides with the majority of respondents' opinions that Downtown Burlington offers too little in terms of shopping variety:

Table 4: Survey Respondents' Opinions on Downtown Burlington's Shopping Variety

	Too Little		Right Amount		Too Much
Response	87	41	20	2	0
Percent	58%	27.3%	13.3%	1.3%	0%

Recommendations made by survey respondents regarding the shopping variety in Downtown Burlington included the need for a hardware store, drug store, office supplies, men's and women's clothing, furniture, florist, crafts and specialty shops.

More respondents are satisfied with the Downtown's dining options compared to shopping variety. 43% of respondents felt there was the right amount of places to eat, but over 55% still believe there is not enough.

Table 5: Survey Respondents' Opinions on Downtown Burlington's Dining Options

	Too Little		Right Amount		Too Much
Response	29	53	64	2	0
Percent	19.6%	35.8%	43.2%	1.4%	0%

Recommendations made by survey respondents include the need for a café or sandwich shop, and an establishment that offers quick lunch options for people who work downtown. While many respondents enjoy some of Downtown's current restaurants, they see a need for other cuisine options such as Indian, vegetarian, sushi, barbeque, Chinese, Thai, and Greek.

The majority of survey respondents feel Downtown Burlington has enough bars and nightclub options. Some recommendations made included the need for more live music venues and up-scale bars.

Table 6: Survey Respondents' Opinions on Downtown Burlington's Bars/Nightclub Options

	Too Little		Right Amount		Too Much
Response	28	24	73	4	8
Percent	20.4%	17.5%	53.3%	2.9%	5.8%

Downtown Burlington currently has one coffee shop that many of the survey respondents enjoy; however, the majority feels the downtown area could use at least another one. Some comments and recommendations provided were the need for a place that provides Wi-Fi, longer hours, more seating, and expanded food options.

Table 7: Survey Respondents' Opinions on Downtown Burlington's Coffee Shop Options

	Too Little		Right Amount		Too Much
Response	51	40	51	2	1
Percent	35.2%	27.6%	35.2%	1.4%	0.7%

Parking availability is an important issue to people who come downtown to shop, dine, etc., and also for business owners who want to ensure their customers have somewhere to park. The majority of respondents feel there is a shortage of parking, while slightly fewer than 40% believe there is an adequate amount.

Table 8: Survey Respondents' Opinions on Downtown Burlington's Parking Availability

	Too Little		Right Amount		Too Much
Response	47	41	55	4	0
Percent	32%	27.9%	37.4%	2.7%	0%

While several respondents feel there is enough parking, comments and recommendations regarding the parking situation in the downtown area include: the need for more long-term parking options, better signage regarding parking options, and construction of a parking ramp.

DEMAND FOR UPPER-STORY LIVING

In order to gauge the demand and market for upper-story living, nine questions were included to gather quantitative data on respondents’ opinions and preferences. These responses were then cross-tabulated with respondents’ ages.

About 14% of survey respondents indicated they would possibly move into an apartment in Downtown Burlington within the next two years, with over 7% indicating it is “very likely.” The majority of those likely to move downtown are between the ages of 19 – 34. Those between the ages of 45 – 56 and 57 – 64 were the most unlikely to move downtown in the next two years. This supports the results of the Downtown Living Focus Groups, that single and young professionals would be more likely to live in upper-story units, compared to those who might still have children living at home. Almost 11% of those respondents over age 65 indicated that they would possibly move downtown in the next two years, which also supports the focus group findings and community interviews that upper-story living is convenient for retirees.

The majority of the survey respondents indicated that downtown living is a possibility at some point in their future. Of those who would live downtown, almost 30% would choose to rent while 25% would like to own. Those respondents 19 – 25 years old are most likely to rent a downtown unit while those 45 –56 would prefer to own.

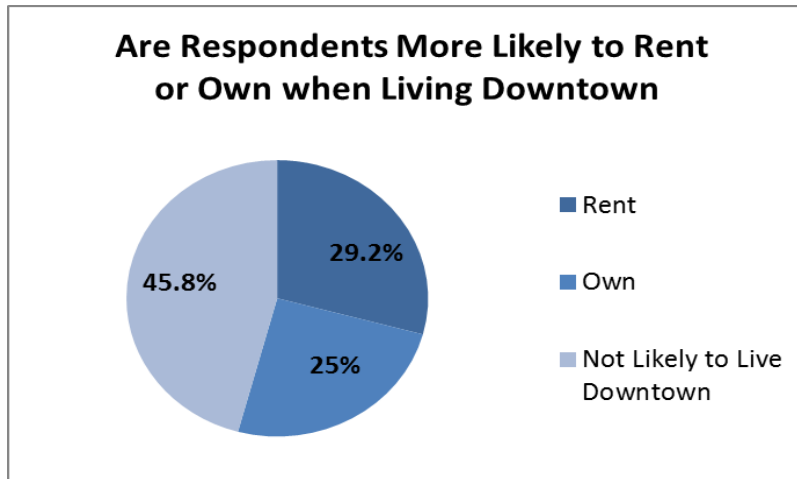


Figure E: Survey Respondents’ Preferences for Renting or Owning a Downtown Residence

Table 9: Age Group Breakdown of Preference for Renting or Owning a Downtown Residence

Age Group	Rent	Own	Not Likely To Live Downtown
19-25	64.3%	14.3%	21.4%
26-34	24.1%	20.7%	55.2%
45-56	28.1%	34.4%	37.5%
57-64	20%	20%	60%
65+	19.2%	23.1%	57.7%

In terms of preferred building age, most survey respondents (about 47%) indicated they did not have a preference for the age of the building. 44% would prefer an older building and almost 9% would like a newer building. However, when asked to choose which type of building they would prefer to live in, an overwhelming 76.5% indicated they would prefer a loft in a historic building. The majority of each age group indicated this as their preference, with almost 93% of respondents aged 19 –25 choosing a loft in a historic building. These results are promising because a great number of Burlington’s historic buildings have the potential to be redeveloped into this housing style.

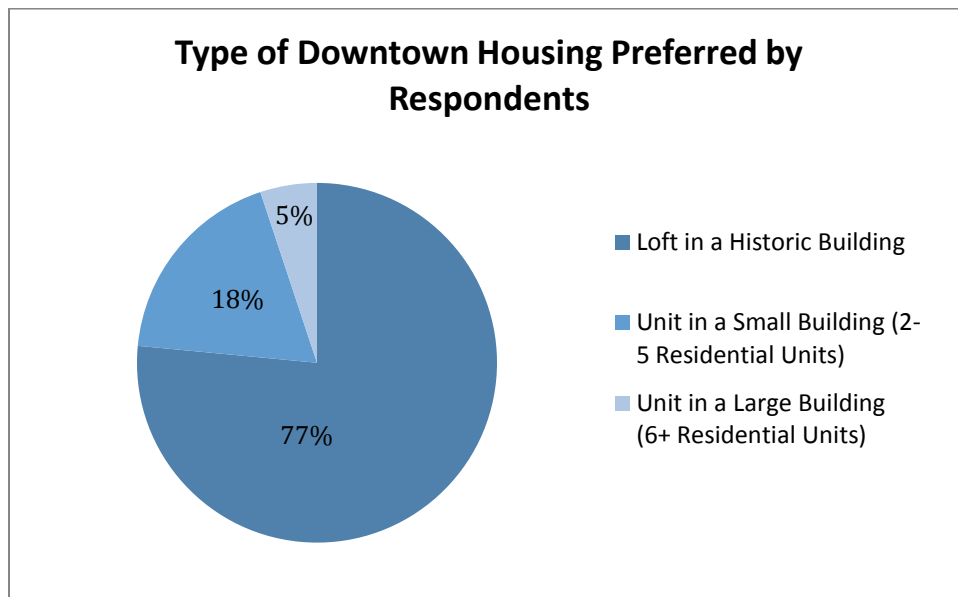


Figure F: Preference for Downtown Housing by Type

Table 10: Age Group Breakdown of Downtown Housing Preference by Type

Age Group	Loft in a Historic Building	Unit in a Small Building (2-5 Residential Units)	Unit in a Large Building (6+ Residential Units)
19-25	92.9%	7.1%	0%
26-34	85%	10%	5%
45-56	80%	10%	10%
57-64	70.6%	29.4%	0%
65+	54.5%	36.4%	9.1%

When it comes to the specifics of a downtown apartment or condo unit, the majority of survey respondents indicated that they would prefer units with two bedrooms. Most respondents also prefer two bathroom units, with many also indicating 1.5 bathrooms as their choice. This information would be helpful to any developers looking to decide on how big units should be vs. how many units to construct.

Table 11: Survey Respondents' Preferred Number of Bedrooms

Bedrooms	1	2	3	4	5+
Response	6	58	35	3	0
Percent	5.9%	56.9%	34.3%	2.9%	0%

Table 12: Survey Respondents' Preferred Number of Bathrooms

	1	1.5	2	2.5	3+
Response	16	40	44	1	1
Percent	15.7%	39.2%	43.1%	1%	1%

As is illustrated in Figure G, the price survey respondents would be willing to pay for both rental units and owner-occupied units vary slightly. Although monthly rents between \$350 and \$500 are preferred by most respondents (46.5%), about 45% of total respondents are willing to pay between \$501 and \$800 for a downtown housing unit. The majority of those willing to pay \$501-\$800 are between the ages of 26 – 34 and 45 – 56 years old. 19 – 25 year olds are more willing to spend \$350-\$500 a month on rent. Respondents who indicated a willingness to pay rents over \$801 were mostly aged 45 and older.

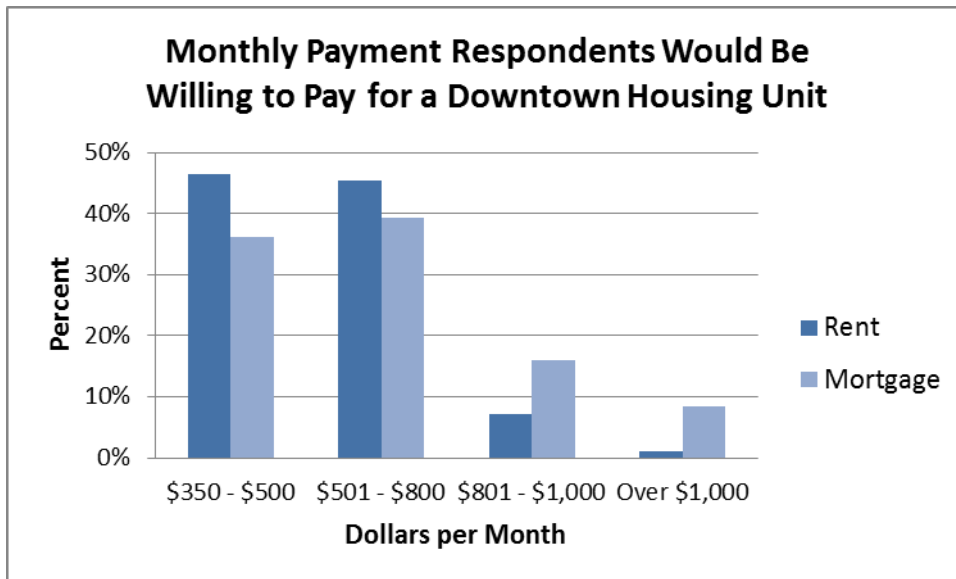


Figure G: Survey Respondents' Willingness to Pay for Monthly Rent/Mortgage

Mortgage payments tended to be higher. Most respondents indicated a willingness to pay \$501-\$800 per month on their mortgage. 24.5% of respondents are willing to make monthly payments of over \$800 on a unit, with approximately 10% indicating they would pay over \$1000 per month.

This shows that there is a demand for higher-end owner-occupied. The majority of respondents willing to pay over \$1000 were between the ages of 45 – 56 years old.

An open-ended question was included in the Downtown Living Survey and asked respondents, “What, if anything, would make you more likely to consider living downtown?” Over one third of survey takers responded. Responses included:

- Better parking options: dedicated, on-site, and covered parking
- More shopping and dining options
- A river view
- Reasonable pricing
- A remodeled historic building
- Better upkeep of the downtown area
- An assisted living facility

The survey concluded by collecting basic demographic information from the respondents. Detailed demographic results are located in Appendix E of this report. In summary, the majority of respondents (59.4%) are over the age of 45. Females made up 66.7% of respondents, and almost half are married (47.3%). Almost 80% of the respondents currently live in Burlington and most own their home. About 33% of respondents come downtown for work. One-third of respondents hold a Bachelor’s Degree and one-fifth of all respondents have a household income of \$50,000 - \$74,999.

A summary of survey responses not discussed in this analysis can be found in Appendix F.

DOWNTOWN LIVING FOCUS GROUP

Focus groups were conducted to expand upon survey results and to gain further insight into Burlington residents’ opinions and preferences regarding the Downtown and upper-story living. The following is a summary of all three focus groups that were conducted, based on the research objectives outlined in the moderator’s guide. A copy of the moderator’s guide can be found Appendix G of this report.

OBJECTIVE 1: PARTICIPANTS’ PERCEPTIONS OF LIVING IN DOWNTOWN BURLINGTON

Young Adults: The group saw people most likely to live downtown as being singles and young professionals in their 20’s and 30’s. They viewed living downtown as beneficial because you are able to walk to various places, however they also note that there is not a lot to do. One participant actually lives in a renovated upper-story apartment and is able to walk to work. Another participant wanted to live Downtown, but noted that it was difficult to find out what rentals were available and who owns them. A couple of participants mentioned the income restrictions on some apartments as preventing many young professionals from being able to live downtown.

Business Owners: Participants saw the market for living downtown as mostly being retired people and empty nesters. They, too, thought young singles and couples that are career-focused would prefer living space like an upper-story unit downtown. Some of the benefits they saw to living downtown included: little to no outdoor maintenance required, ability to downsize to a simpler

lifestyle, location and proximity to various businesses and downtown events, and the new train whistle ordinance has made the area a lot quieter. Participants believed rehabilitating many of the buildings downtown will be a big obstacle, and that there needs to be an increase in the amount of shops and restaurants if people are going to choose to live downtown.

Retirees and Individuals Nearing Retirement: The group viewed the types of people who would be likely to live downtown as being young and unmarried people. They saw this market as being very artistic, unique, and educated people who prefer to be in the “mix of things.” They thought Burlington’s population tends to be much older and might not be the type of people who would want to live downtown. They saw many benefits to living downtown, including the location and proximity to various businesses, the library, restaurants, and downtown events. They saw living downtown as being an economic advantage because you drive less and spend a lot less money on property maintenance. The group also had a deep appreciation for the historic and unique buildings.

OBJECTIVE 2: IDEAS ON ATTRACTING RESIDENTS TO UPPER-STORY HOUSING UNITS

Young Adults: Participants saw the accessibility to rental and Downtown information as being an obstacle to attracting people downtown. They said renting in Burlington is a hard thing because there isn’t much to be had, and what is advertised as being available, is not in good condition. They suggested that someone create a website that would provide a list of landlord and property management companies’ contact information, available downtown rental units, nightlife and recreation options, and events. The group thought that Burlington’s population-decline and aging population could be an obstacle in attracting people downtown. However they saw downtown units as having great value for the amount of space offered at lower rents. They thought help with utilities or better-insulated units could draw more people downtown because it can be expensive to heat older buildings; and that the inclusion of outdoor space would also attract people. One participant suggested that developing the rooftops of buildings would provide nice common areas and great views. Overall, the group thought that if more attractive businesses came downtown, people would definitely want to live closer to that environment.

Business Owners: Participants thought the development of lofts and more open floor plans would be more attractive to people. They felt that designated parking is very important and having some outdoor space to socialize, grill, etc. would be beneficial. They mentioned a garage not being important but creating a carport from a deck as being an option to provide both outdoor space and covered parking. They do not think many people in Burlington would be able to afford upscale living, but the development of quality renovated units with updated appliances could draw people downtown and make them willing to pay a little more for a place that is well-done. Some barriers they thought need to be addressed are the ability to have pets in the units, downtown safety, and building fires.

Retirees and Individuals Nearing Retirement: The group discussed several elements that would make living in a downtown upper-story unit more attractive. Some of these recommendations include: a washer and dryer in the apartment, sound proofing, fire safety, designated parking, handicap accessibility, an elevator in the building, aesthetically pleasing buildings, and great views. The group also identified some barriers that might be keeping people from considering downtown living. The parking issue came up frequently in the group’s discussion, as did the poor condition of

many buildings downtown. They thought that many people do not have enough confidence in the Downtown to make an investment and that Burlington's demographics are slanted against young upstarts who would be interested in downtown living.

OBJECTIVE 3: PARTICIPANTS' LEVELS OF SATISFACTION WITH THE BUSINESSES AND SERVICES OFFERED IN DOWNTOWN BURLINGTON

Young Adults: Group members first discussed what they currently come downtown for and some noted that there is not very much for people their age to do downtown, especially for those who are under 21. For college students the library was a big draw to do homework and study, however its limited hours and lack of food and drink options make it difficult to go there often. For young professionals, they mentioned enjoying some of the downtown bars and restaurants and felt there was an adequate amount of bars, though more restaurants are needed. All participants mentioned the need for a coffee shop or Internet café that offered expanded hours, more seating, and free Wi-Fi. In terms of retail and shopping options, the group mentioned a few stores they like to go to, but overall, participants felt the limited hours and lack of necessity items make it difficult to frequent stores in the Downtown. One participant works downtown and found it surprising how many people drive outside of the Downtown for lunch. The group thought a sandwich shop would thrive downtown, because it would provide an option for a quick lunch. In terms of services and amenities, the group was split on how safe they felt walking downtown at certain times. They thought the parks were few and too small, and that an extended trail is needed along the river. Parking was cited as being a big issue especially time limits and availability during events. The lack of advertising of downtown events and stores was mentioned as being a problem- some participants did not know about events that others did.

Business Owners: Participants felt that the Downtown is dying because there is not a good mix of businesses. They currently come downtown for insurance and legal services, banking, and the post office. They felt retail is needed to keep the Downtown going and storefronts need to be redone. In terms of dining options and bars they felt that the variety is just not there, but that the downtown area does have a good start. They thought more ethnic food is needed and a more upscale but quaint bar is needed as well. They believed more retail would create immediate success. One recommendation was to create a co-op in one of the large vacant buildings like the Dial Building, so small businesses could share the expenses and be more profitable. In terms of amenities, participants felt there was not enough park space or parking in the core of the downtown area. They thought a community center would bring residents downtown, and that businesses would come after residents do.

Retirees and Individuals Nearing Retirement: The group mentioned coming downtown for a variety of reasons, most commonly for work, the library, dining, the farmers market, and for church. They felt there was a lack of retail options and therefore they shop outside the Downtown for the majority of their purchases. Gaps in the downtown retail options they cited include office supplies, hardware, clothing, dollar store, drug store, florist, sporting goods, and bakery. They thought current businesses are doing a good job and make you feel welcome, but feel that the products sold downtown are items you would typically give as gifts. The Greater Burlington Partnership was mentioned as promoting the location of new businesses outside of the downtown area. Participants thought the Downtown had a few great restaurants but were lacking specific cuisines such as Indian and Thai. One participant mentioned that the Downtown needed some sort of fast sandwich

and soup shop, or just a quick lunch spot for those who do not have more than an hour for their lunch breaks- all others agreed. They all felt that more advertising of downtown shops, restaurants, and events needed to be done on both a local and regional level. One participant mentioned the upkeep of the downtown area needed to become more of a priority. The group cited garbage on the streets, broken windows, and rundown buildings as being a deterrent. They did not think the amount of parking was too big of an issue but that the increase in apartment units could make it a problem. They did feel that the parking limitations and policies can be frustrating to people wanting to come downtown.

OBJECTIVE 4: VISION FOR THE FUTURE OF DOWNTOWN BURLINGTON

Young Adults: Group participants felt as though Burlington's history, downtown area, size, location on the river, and proximity to larger cities are some of its greatest strengths as a community. They believed the disinvestment, and lack of businesses and interest in Downtown needs to be addressed. When asked what their vision for the future of Downtown Burlington was, participants were quick to share what they wanted to see. Some of the responses included: the addition of a sports warehouse with numerous courts to host regional tournaments, more necessity shops downtown and not just gift shops, a satellite college campus, a wide-variety of housing options, a live music venue, more non-alcohol establishments to socialize, and an Internet café. They believed that there needs to be more of a focus put on downtown living, restaurants/bars, small businesses, and warehousing. They want to see the preservation of Downtown's older and historic buildings, and an emphasis placed on tourism. Participants thought more signage and marketing would be beneficial to Downtown's long-term success.

Business Owners: Participants viewed Burlington's location on the river and some of its downtown events, such as Steamboat Days, as being a couple of its strengths. They believed that building codes may be preventing the revitalization of the downtown area. Their vision for the future of Downtown Burlington included people living downtown with all of the businesses full again. They would like to see Burlington draw in tourists with specialty shops and restaurants, and also providing a safe place for kids to go. Changes they thought need to be made include: the rehabilitation of buildings into appropriate spaces for people and businesses to rent, vendors need to come downtown, and people need to start coming back downtown to socialize. Ideas they contributed to achieve their vision included a shuttle from downtown to the casino, more antique shops, lower rents for business owners, and finding contractors willing to take on the small projects, not just the big ones.

Retirees and Individuals Nearing Retirement: This group identified numerous strengths of Downtown Burlington. Some of the strengths identified included: Burlington's history, its location on the river, architecture, the new library and unique churches. They saw Downtown Burlington as a place that could attract a younger demographic by promoting arts, dancing, and music. They thought just having older people move downtown would not do anything for the long-term success of the community. Their vision for the future of Downtown Burlington included full storefronts in a concentrated area with vital shops, music events on the weekends, cleaner and well-maintained streets, many people walking around, and more advertising being done. Changes they felt should be made to reach this vision included: stop the erosion of the quality population, bring in more jobs to attract young professionals, restore the old buildings, create more parking options, create a

better environment for entrepreneurs, enforce building upkeep, and promote Downtown Burlington through a variety of media outlets throughout the region.

CHRONOLOGICAL APPROACH TO DOWNTOWN REDEVELOPMENT

Notable redevelopment projects have been completed in Downtown Burlington's recent past, and other promising projects are currently underway. Downtown Partners intends to encourage this progress in various ways. Downtown Partners' active role in supporting redevelopment of the Bookend Buildings, located on the 500 block of Jefferson Street, is one example of how Downtown Partners is applying its resources to encourage revitalization of the downtown. Downtown Partners has purchased these buildings, and has worked with the Iowa Initiative for Sustainable Communities to develop an investment proposal that details the estimated costs of revitalizing these buildings as well as the projected returns on this investment.

The redevelopment of the Bookend Buildings will be just one step in an incremental approach to the revitalization of Downtown Burlington, but it will serve as an important model for the role that Downtown Partners, investors, and the City can play in the redevelopment of future buildings in the downtown.

Although the support that Downtown Partners provides for the redevelopment of future buildings will not necessarily take the same form as its support for the Bookend Buildings, the organization is already thinking about its next steps. Together with planners from the City of Burlington, Downtown Partners has identified a list of buildings that it sees high-priority for redevelopment. These buildings were chosen based on their architectural and aesthetic values and geographic location of the buildings. The list includes:

- 412 N. 3rd Street
- 100 N. 4th Street
- The Baptist Church
- The Dehner's Building
- The Dial Building
- The Kresge Building
- The Mississippi River Building
- The Penny's Building
- The Tama Building
- The Type Writer Shop Building

To gather public input about which of these buildings the Burlington community saw as highest-priority for redevelopment, IISC asked focus group participants to identify their top three priorities. This was done through an exercise in which participants were shown the name and a picture of each 'priority' building, and were asked to put a first, second, and third-priority sticker next to its name. The results of this exercise are summarized in Table 13.

The Tama building was the top choice for redevelopment overall: this building ranked as highest-priority for both the Young Professionals focus group and for the Retirees and Individuals Nearing Retirement group. The Dehner's building ranked second, with the Retirees and Individuals Nearing Retirement group displaying a strong preference for prioritizing the redevelopment of this building. The Baptist church ranked as the third priority.

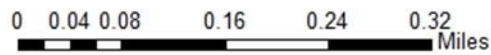
Table 13. Focus Group Meeting Results – High Priority Buildings

Buildings	Young Professionals	Retirees and Individuals Nearing Retirement	Business Owners	Total
412 N. Third Street	4	1	0	5
100 N. Fourth Street	0	4	0	4
Baptist Church	3	4	4	11
Dehner Building	2	10	5	17
Dial Building	0	0	2	2
Kresge Building	2	6	0	8
Mississippi River Building	2	3	0	5
Penney Building	3	3	1	7
Tama Building	12	13	0	25
Type Writer Shop Building	2	4	0	6
Total Number of Participants	5	8	2	15

*For analysis purposes, 1st-priority stickers were assigned 3 points; 2nd priority stickers were assigned two points, and 3rd-priority stickers were assigned one point.

APPENDICES

APPENDIX A: MAP OF BURLINGTON'S SSMID



Downtown Burlington Inventory

Basic Building Information
 Street Location _____
 Vacant Available Occupied
 Lot / Parcel # _____
 Building # _____

Building Information
 Building Name _____
 Building Address _____
 City _____ State _____ Zip _____
 Owner(s) _____
 Contact Name _____
 Contact Address _____
 City _____ State _____ Zip _____
 Contact Phone _____ Fax _____
 Contact Email _____
 Last Date of Sale _____ Sale Amount _____
BUILDING insured? YES NO
 Other _____

Physical Characteristics
 Zoning Type _____
 # of Floors _____
 # of Commercial Units _____ # in Use _____
 # of Residential Units _____ # in Use _____

Building Condition Poor Fair Good Very Good Excellent
 Comments on Conditions _____

Space Information
 Total Building Square Footage _____
Floor Usage
 Basement _____
 1st Floor _____
 2nd Floor _____
 3rd Floor _____
 4th & Above _____

Historic Information
 Date of Construction _____
 Individual Register Listing: National Local
 District Listing: (If Yes, Check All That Apply)
 Contributing Non-Contributing Significant

Property Availability For Sale
 Asking Price _____
 Realtor _____
 Email _____
 Realtor Phone _____

Business Information
 Business Type Retail Service Mfg/Wholesale
 Non-profit/Church Gov't
 Business Name _____
 Contact Name _____
 Mailing Address _____
 Business Phone _____ Fax _____
 Business Email _____
 Business Website _____
 Date Business Was Established _____
 Does the Business Own Rent Plan to Own the Space
 If Renting, What is the Monthly Rent _____
 Lease Ending Date _____ Term? _____

Business Classification
 Business Description _____
 Niche/Specialty _____
 Primary Products _____

Business Hours Open Close
 Monday _____
 Tuesday _____
 Wednesday _____
 Thursday _____
 Friday _____
 Saturday _____
 Sunday _____

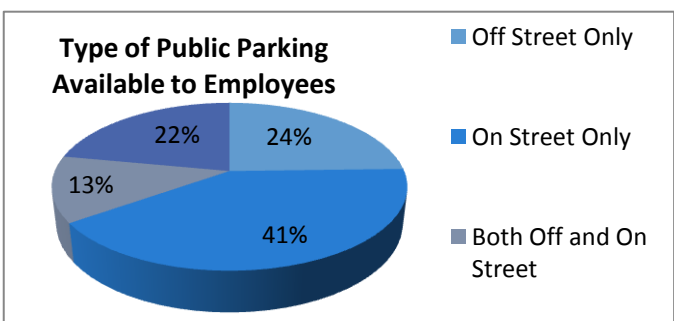
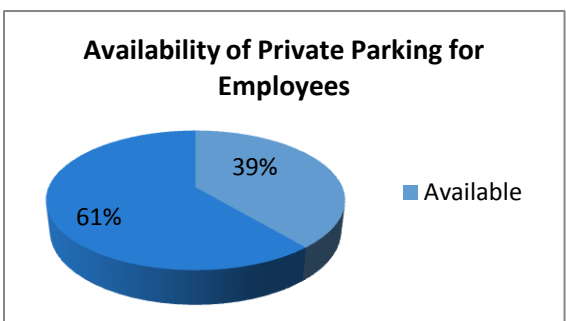
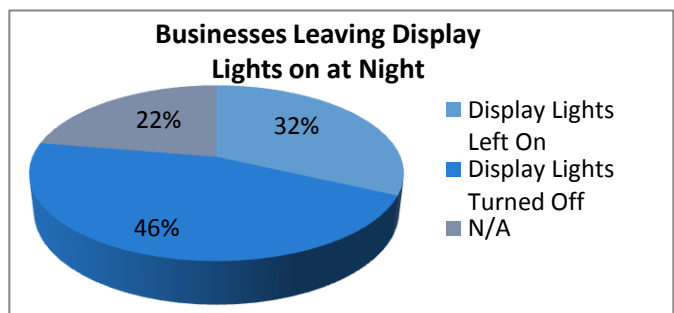
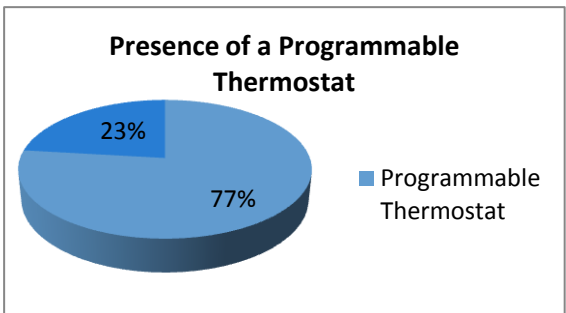
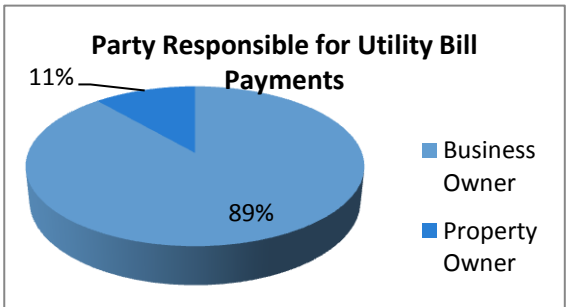
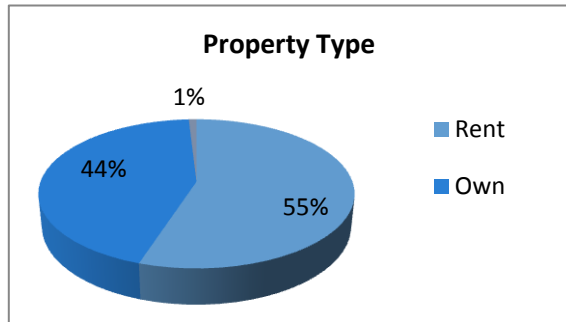
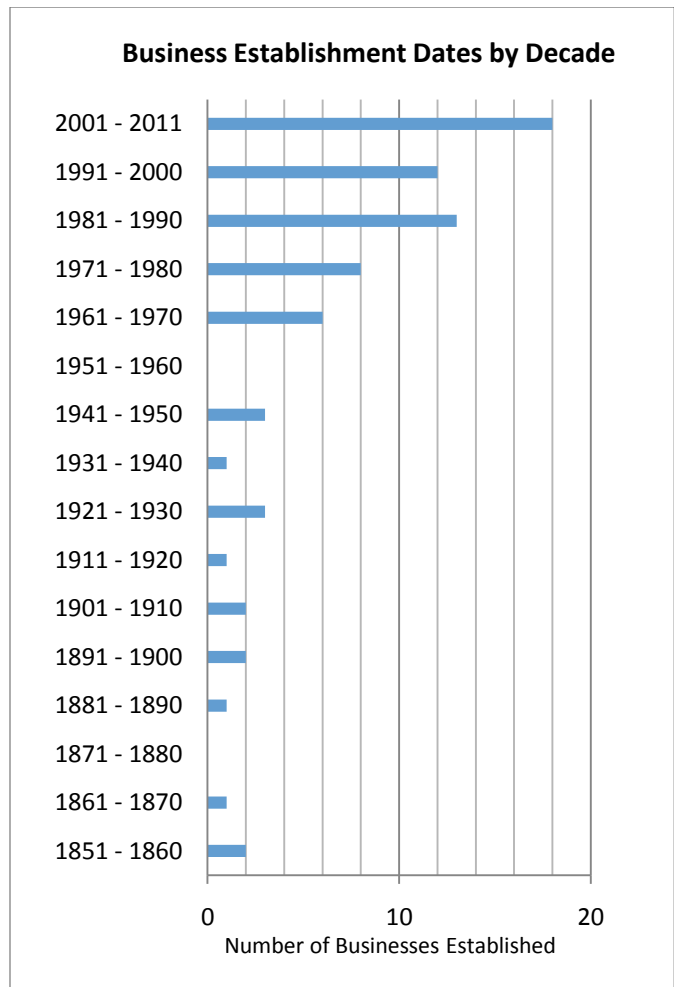
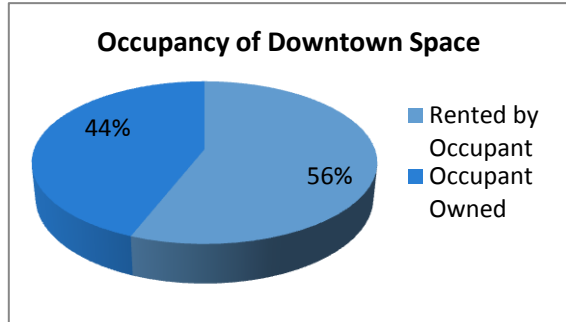
Employee Information
 # of Full-Time _____ # of Part-Time _____
 # of Seasonal _____

Parking for Employees (check box, enter number)
 Private lot _____
 Public Off Street _____ On Street _____

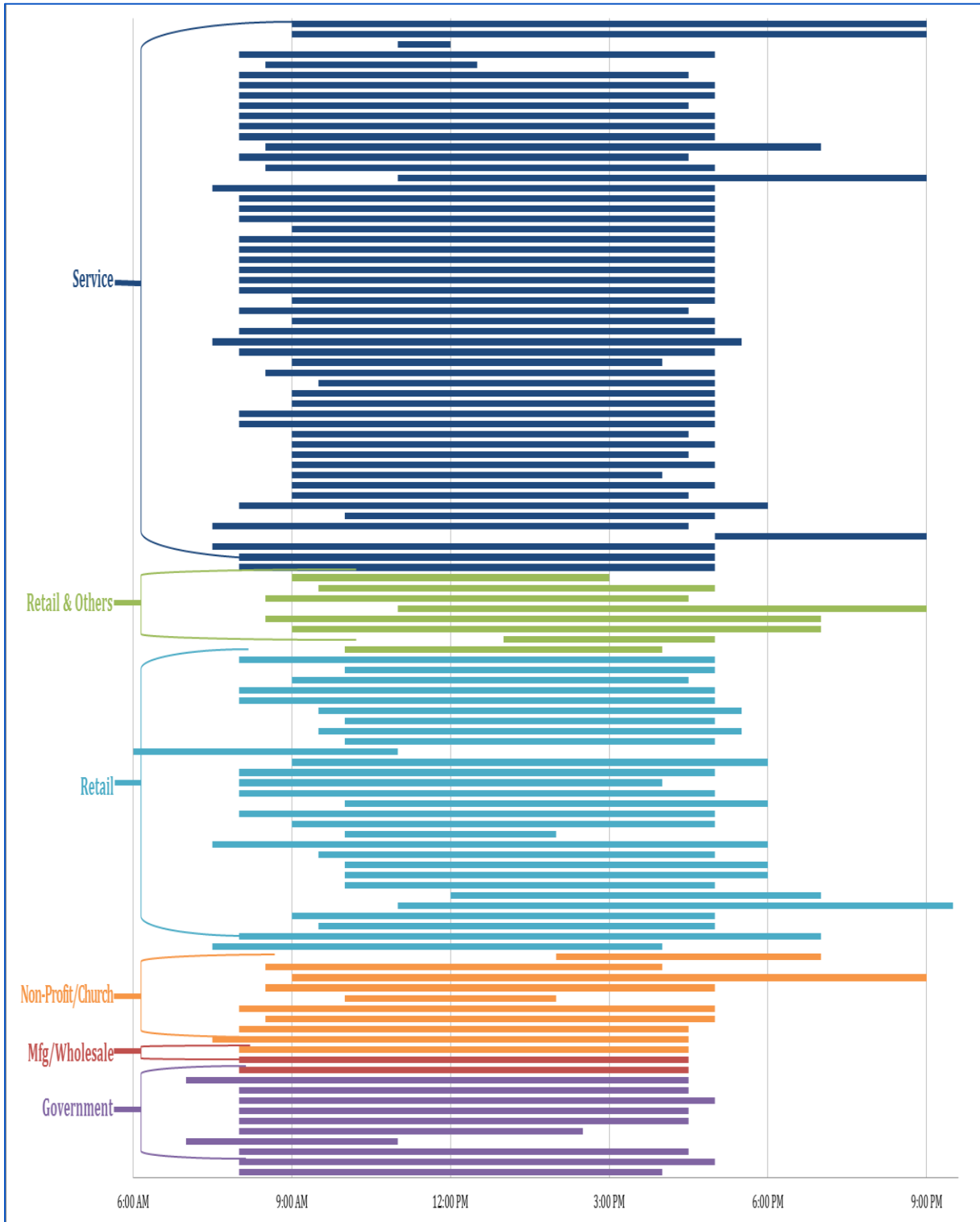
Extra Information
 Pay own utilities? Y ___ N ___ Notes _____
 Programmable thermostat? Y ___ N ___
 Display windows kept lit at night? Y ___ N ___ NA ___
 Other Useful Information _____

Completed By _____	Date _____
Updated By _____	Date _____

APPENDIX C: ADDITIONAL DOWNTOWN INVENTORY RESULTS

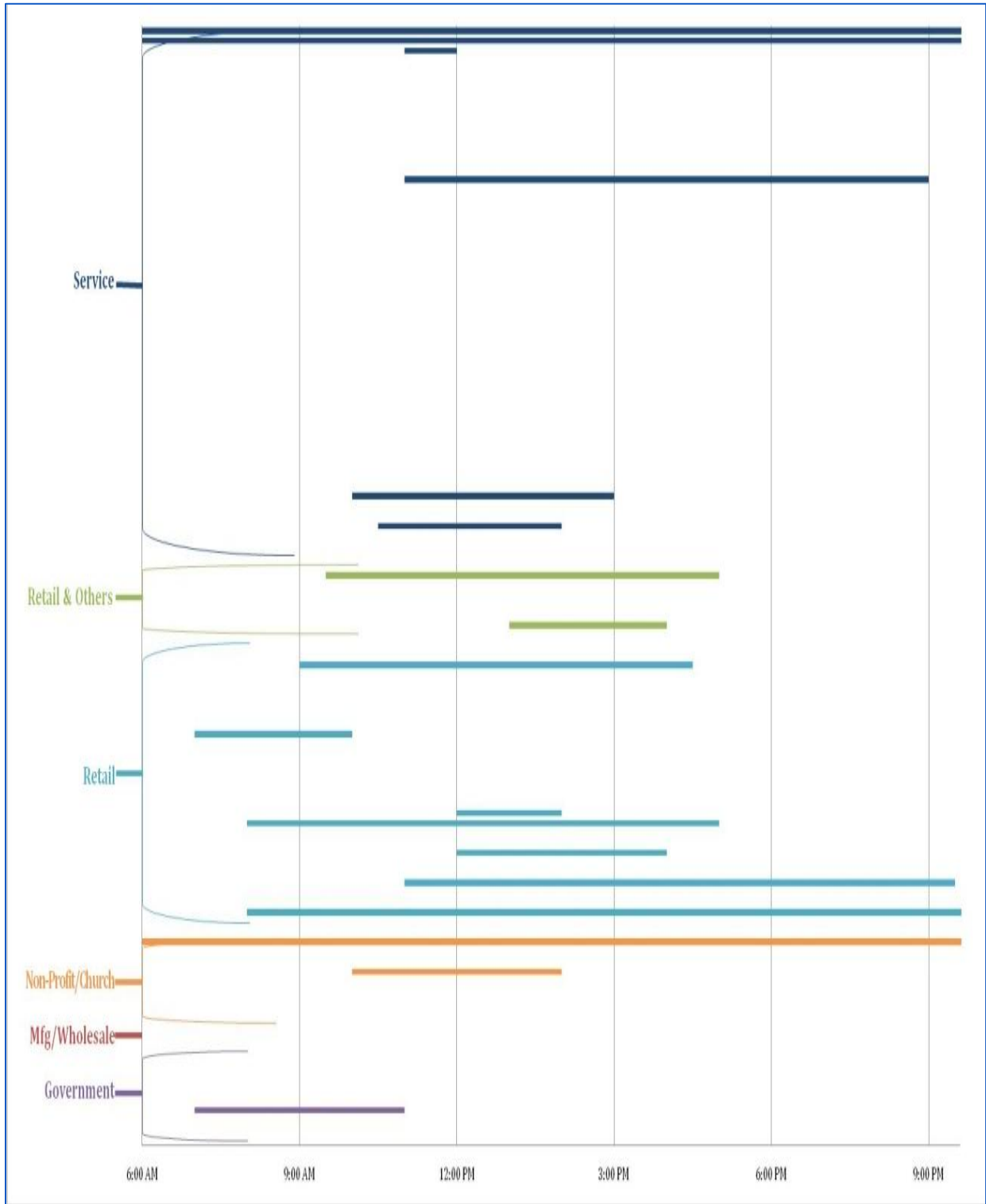


Weekday Business Hours in Downtown Burlington



*Five service businesses offer businesses offer hours by appointment only

Weekend Business Hours in Downtown Burlington (Sunday)



APPENDIX D: BURLINGTON DOWNTOWN LIVING SURVEY 2011

The following survey was created by graduate students from the University of Iowa's School of Urban and Regional Planning. In conjunction with Downtown Partners Inc., the students are working on a project involving the redevelopment of Burlington's Downtown District. This is a survey of Greater Burlington residents and visitors who are familiar with Downtown Burlington. This survey is completely anonymous: names and other identifying information will not be published.

I. Reasons & frequency for downtown visits

1. Please mark "X" for all that apply to you:
 - I live in Downtown Burlington.
 - I work in Downtown Burlington.
 - I go to Downtown Burlington for other purposes.

2. How often do you pursue each of the following activities in downtown Burlington? Please mark "X" to indicate which frequency applies to each activity.

Activity	Frequency				
	Daily	More than Once Weekly	Once Weekly	Once a month	Less than once a month
Shopping					
Eating Out					
Nightlife Activities					
Banking or Personal Finance					
Medical/Health Care					
Government Services (post office, city hall)					
Business Services (lawyers, realtors)					
Library or Learning Activities					
Church					
Parks and Recreation					
Sightseeing					
Community Events					
Other					

II. Satisfaction with Downtown Burlington

Circle the number on the scales below that best represents your opinion for each category. Please provide any recommendations on the lines below.

3. Downtown Burlington's shopping variety:

Too Little		Right Amount		Too Much
1	2	3	4	5

Specific Recommendations:

4. Downtown Burlington's dining options:

Too Little		Right Amount		Too Much
1	2	3	4	5

Specific Recommendations:

5. Downtown Burlington bars/nightclubs:

Too Little		Right Amount		Too Much
1	2	3	4	5

Specific Recommendations:

6. Downtown Burlington coffee shops:

Too Little		Right Amount		Too Much
1	2	3	4	5

Specific Recommendations:

7. Downtown Burlington's parking:

Too Little		Right Amount		Too Much
1	2	3	4	5

Specific Recommendations:

III. Interest in Downtown Living

Please place an "X" in the box that best represents your response to each question:

8. How likely are you to live an apartment in Downtown Burlington within the next two years?

Very Unlikely	Somewhat Unlikely	Unsure	Somewhat Likely	Very Likely
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. If living in Downtown Burlington is a possibility, would you be more likely to rent or own?

Rent	Own	Not likely to live downtown
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10. If living in Downtown Burlington is a possibility, what type of downtown housing would you prefer?

Building type:	Loft in Historic Building	Unit in Small Building (2-5 residential units)	Unit in Large Building (6+ residential units)		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Age of Building:	New	Old	No Preference		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Number of Bedrooms:	1	2	3	4	5+
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of Bathrooms:	1	1.5	2	2.5	3+
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. How much monthly rent would you be willing to pay for a downtown apartment?

\$350 ~ \$500	\$501 ~ \$800	\$801 ~ \$1,000	Over \$1000
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. How much of a monthly mortgage would you be willing to pay for a downtown housing unit?

\$350 ~ \$500	\$501 ~ \$800	\$801 ~ \$1,000	Over \$1000
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13. What, if anything, would make you more likely to consider living downtown?

IV. Demographic Information

The following demographic questions have been included to provide the survey administrator's more detailed information regarding respondents' preferences and responses.

14. Please mark an "X" in the box that includes your age:

18 Years & Under	19 ~ 25 Years	26 ~ 34 Years	35 ~ 44 Years	45 ~ 56 Years	57 ~ 64 Years	65 Years +
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15. Please mark your gender:

Male	Female
<input type="checkbox"/>	<input type="checkbox"/>

16. What is your marital status?

Single	Married	Unmarried but Living with Significant Other	Separated	Divorced	Widowed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

17. How many children under 16 years old live in your household?

0	1	2	3	4	More than 4
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

18. What is your current residential location?

Downtown Burlington	Burlington (Outside of Downtown)	West Burlington	Other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. If you are currently a Burlington resident, how long have you lived in the city?

Less than 2 Years	3 ~ 5 Years	6 ~ 10 Years	11 ~ 20 Years	21 ~ 30 Years	Over 30 Years	Not a Burlington Resident
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. In your current living situation, do you:

Own	Rent	Live with someone free of charge (parent, guardian, significant other)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

21. Which of the following best describes your primary area of employment (please select one):

- | | | |
|---|---|---|
| <input type="checkbox"/> Homemaker | <input type="checkbox"/> Construction | <input type="checkbox"/> Manufacturing |
| <input type="checkbox"/> Retired | <input type="checkbox"/> Finance & Insurance | <input type="checkbox"/> Military |
| <input type="checkbox"/> Student | <input type="checkbox"/> Government & Public Administration | <input type="checkbox"/> Mining |
| <input type="checkbox"/> Unemployed | <input type="checkbox"/> Health Care & Social Assistance | <input type="checkbox"/> Publishing |
| <input type="checkbox"/> Agriculture, Forestry, Fishing | <input type="checkbox"/> Hotel & Food Services | <input type="checkbox"/> Real Estate, Rental, or Leasing |
| <input type="checkbox"/> Arts, Entertainment & Recreation | <input type="checkbox"/> Information – Services & Data | <input type="checkbox"/> Religious |
| <input type="checkbox"/> Broadcasting | <input type="checkbox"/> Information – Other | <input type="checkbox"/> Retail |
| <input type="checkbox"/> Education – College, University | <input type="checkbox"/> Processing | <input type="checkbox"/> Scientific or Technical Services |
| <input type="checkbox"/> Education – Primary/Secondary (K - 12) | <input type="checkbox"/> Legal Services | <input type="checkbox"/> Telecommunications |
| <input type="checkbox"/> Transportation & Warehousing | <input type="checkbox"/> Utilities | <input type="checkbox"/> Other |

22. Where is your place of employment located?

Downtown Burlington

Burlington (Outside of Downtown)

West Burlington

Other

23. What is the highest level of education that you have completed?

- | | |
|--|--|
| <input type="checkbox"/> Grammar School | <input type="checkbox"/> Bachelor's Degree |
| <input type="checkbox"/> High School or GED | <input type="checkbox"/> Master's Degree |
| <input type="checkbox"/> Vocational/ Technical | <input type="checkbox"/> Doctoral Degree |
| <input type="checkbox"/> Some College | <input type="checkbox"/> Other |

24. What is your current household income?

Under \$10,000

\$10,000 -- \$19,999

\$20,000 -- \$29,999

\$30,000 -- \$39,999

\$40,000 -- \$49,999

\$50,000 -- \$74,999

\$75,000 -- \$99,999

\$100,000 -- \$150,000

Over \$150,000

APPENDIX E: DEMOGRAPHIC INFORMATION ABOUT SURVEY RESPONDENTS

Question 14: Please indicate your age.

	18 Years & Under	19-25	26-34	35-44	45-56	57-64	65+
Response	0	15	29	17	34	25	30
Percent	0%	10%	19.3%	11.3%	22.7%	16.7%	20%

Question 15: Please indicate your gender.

	Male	Female
Response	50	100
Percent	33.3%	66.7%

Question 16: What is your marital status?

	Single	Married	Unmarried but Living with significant Other	Separated	Divorced	Widowed
Response	36	71	14	1	12	16
Percent	24%	47.3%	9.3%	0.7%	8%	10.7%

Question 17: How many children under 16 years old live in your household?

	0	1	2	3	4	More than 4
Response	115	19	14	2	0	0
Percent	76.7%	12.7%	9.3%	1.3%	0%	0%

Question 18: What is your current residential location?

	Downtown Burlington	Burlington (Outside of Downtown)	West Burlington	Other
Response	11	108	7	25
Percent	7.3%	71.5%	4.6%	16.6%

Question 19: If you are currently a Burlington resident, how many years have you lived in Burlington?

	Less than 2	3-5	6-10	11-20	21-30	Over 30	Not a Burlington Resident
Response	8	18	16	18	17	45	21
Percent	5.6%	12.6%	11.2%	12.6%	11.9%	31.5%	14.7%

Question 20: In your current living situation, do you:

	Own	Rent	Live with Someone Free of Charge (Parent, Guardian, Significant Other)
Response	103	36	9
Percent	69.6%	24.3%	6.1%

Question 21: Which of the following best describes your primary area of employment?

Type of Employment	Response	Percent
Retired	29	19.6%
Finance and Insurance	25	16.9%
Other	20	13.5%
Health Care & Social Assistance	11	7.4%
Manufacturing	10	6.8%
Hotel & Food Services	7	4.7%
Retail	7	4.7%
Arts, Entertainment & Recreation	5	3.4%
Student	5	3.4%
Legal Services	5	3.4%
Government & Public Administration	4	2.7%
Religious	3	2%
Education - Primary/Secondary (K-12)	3	2%
Construction	2	1.4%
Education - College, University	2	1.4%
Scientific or Technical Services	2	1.4%
Homemaker	2	1.4%
Publishing	2	1.4%
Information - Services & Data	2	1.4%
Telecommunications	1	0.7%
Broadcasting	1	0.7%

Question 22: Where is your place of employment located?

	Downtown Burlington	Burlington (Outside of Downtown)	West Burlington	Other
Response	40	47	12	23
Percent	32.8%	38.5%	9.8%	18.9%

Question 23: What is the highest level of education that you have completed?

	Grammar School	Bachelor's Degree	High School or GED	Master's Degree	Vocational/ Technical	Doctoral Degree	Some College	Other
Response	1	50	27	18	9	10	34	2
Percent	0.7%	33.1%	17.9%	11.9%	6%	6.6%	22.5%	1.3%

Question 24: What is your current household income?

	Response	Percent
Under \$10,000	8	6%
\$10,000-\$19,999	11	8.3%
\$20,000-\$29,999	17	12.8%
\$30,000-\$39,999	14	10.5%
\$40,000-\$49,999	12	9%
\$50,000-\$74,999	26	19.5%
\$75,000-\$99,999	14	10.5%
\$100,000-\$150,00	21	15.8%
Over \$150,000	10	7.5%

APPENDIX F: ADDITIONAL DOWNTOWN LIVING SURVEY RESULTS

Question 1: Please select all that apply to you:

	Live Downtown	Work Downtown	Other Purposes
Response	19	43	132
Percent	11.9%	27%	83%

Question 2: How often do you pursue each of the following activities in downtown Burlington? Please select to indicate which frequency applies to each activity.

Shopping

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	2	16	26	45	60
Percent	1.3%	10.7%	17.4%	30.2%	30.5%

Dining

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	0	27	34	44	46
Percent	0%	17.9%	22.5%	29.1%	30.5%

Nightlife Activities

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	1	12	18	34	79
Percent	0.7%	8.3%	12.5%	23.6%	54.9%

Banking or Personal Finance

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	7	28	30	32	57
Percent	4.5%	18.2%	19.5%	20.8%	37%

Medical/Health Care Services

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	0	1	1	4	130
Percent	0%	0.7%	0.7%	2.9%	95.6%

Government Services (Post Office, City Hall)

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	7	19	24	56	47
Percent	4.6%	12.4%	15.7%	36.6%	30.7%

Business Services (Lawyers, Banking)

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	4	2	6	10	116
Percent	2.9%	1.4%	4.3%	7.2%	84.1%

Library or Learning Activities

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	6	13	25	47	59
Percent	4%	8.7%	16.7%	31.3%	39.3%

Church

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	1	12	20	5	100
Percent	0.7%	12.9%	9.3%	15.7%	61.4%

Parks and Recreation

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	1	18	13	22	86
Percent	0.7%	12.9%	9.3%	15.7%	61.4%

Sightseeing

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	4	18	24	32	66
Percent	2.8%	12.5%	16.7%	22.2%	45.8%

Community Events

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	2	16	21	51	64
Percent	1.3%	10.4%	13.6%	33.1%	41.6%

Other Reasons

	Daily	More than Once Weekly	Once Weekly	Once a Month	Less than Once a Month
Response	13	15	7	15	56
Percent	12.3%	14.2%	6.6%	14.2%	52.8%

Questions 3-7: Please indicate on the scale below the option that best represents your opinion for the following categories.

Downtown Burlington’s Shopping Variety

	Too Little		Right Amount		Too Much
Response	87	41	20	2	0
Percent	58%	27.3%	13.3%	1.3%	0%

Downtown Burlington’s Dining Options

	Too Little		Right Amount		Too Much
Response	29	53	64	2	0
Percent	19.6%	35.8%	43.2%	1.4%	0%

Downtown Burlington’s Bars/Nightclubs

	Too Little		Right Amount		Too Much
Response	28	24	73	4	8
Percent	20.4%	17.5%	53.3%	2.9%	5.8%

Downtown Burlington’s Coffee Shops

	Too Little		Right Amount		Too Much
Response	51	40	51	2	1
Percent	35.2%	27.6%	35.2%	1.4%	0.7%

Downtown Burlington’s Parking

	Too Little		Right Amount		Too Much
Response	47	41	55	4	0
Percent	32%	27.9%	37.4%	2.7%	0%

Question 8: How likely are you to live in an apartment in Downtown Burlington within the next two years?

	Very Unlikely	Somewhat Unlikely	Unsure	Somewhat Likely	Very Likely
Response	100	13	15	9	11
Percent	67.6%	8.8%	10.1%	6.1%	7.4%

Question 9: If living in Downtown Burlington is a possibility, would you be more likely to rent or own?

	Rent	Own	Not Likely to Live Downtown
Response	42	36	66
Percent	29.2%	25%	45.8%

Question 10: If living in Downtown Burlington is a possibility, what type of downtown housing would you prefer?

	Loft in a Historic Building	Unit in a Small Building (2-5 Residential Units)	Unit in a Large Building (6+ Residential Units)
Response	75	18	5
Percent	76.5%	18.4%	5.1%

If living in Downtown Burlington is a possibility, would you prefer a new or an old building?

	New	Old	No Preference
Response	9	45	48
Percent	8.8%	44.1%	47.1%

If living in Downtown Burlington is a possibility, how many bedrooms would you prefer?

	1	2	3	4	5+
Response	6	58	35	3	0
Percent	5.9%	56.9%	34.3%	2.9%	0%

If living in Downtown Burlington is a possibility, how many bathrooms would you prefer?

	1	1.5	2	2.5	3+
Response	16	40	44	1	1
Percent	15.7%	39.2%	43.1%	1%	1%

Question 11: How much monthly rent would you be willing to pay for a downtown apartment?

	\$350 - \$500	\$501 - \$800	\$801 - \$1,000	Over \$1,000
Response	46	45	7	1
Percent	46.5%	45.5%	7.1%	1%

Question 12: How much of a monthly mortgage would you be willing to pay for a downtown housing unit?

	\$350 - \$500	\$501 - \$800	\$801 - \$1,000	Over \$1,000
Response	34	37	15	8
Percent	36.2%	39.4%	16%	8.5%

**Downtown Burlington Living
Focus Group Research Project
Moderator's Guide**

Moderator: Graduate Students from the University of Iowa School of Urban & Regional Planning
Date: March 31st & April 5th 2011
Location: Burlington Public Library
Participants: Participants will include four different but homogenous groups of individuals who live in the Burlington area. These groups will include: young professionals and college students, retirees and individuals nearing retirement, and downtown business owners.

RESEARCH QUESTIONS/OBJECTIVES:

1. What are participants' perceptions of living in Downtown Burlington?
2. What are participants' levels of satisfaction with the businesses and services offered in Downtown Burlington?
3. How can Downtown Burlington attract residents to upper-story housing units?
4. What are the participants' visions for the future of downtown Burlington?

OPENING:

- A. Welcome to the session
- B. Introduce moderators
- C. Brief explanation of focus group research process:
 - a. There are no right or wrong answers
 - b. Session will last approximately 60 minutes
 - c. Explanation of qualitative, focus group research
 - d. Session is being audio taped for analysis purpose.
 - e. Explanation of the goals of this research.

DISCUSSION QUESTIONS:

Participants' perceptions of living in Downtown Burlington:

- Do you, or does anyone you know live in Downtown Burlington?
- What do you see as the plus side of living downtown?
- What type of people do you think are most likely to live downtown?

Ideas on attracting residents to upper-story housing units:

- What do you think of living in mixed-use developments (businesses on the bottom, residential on top; for example the old Schramm building)?
- What housing characteristics do you think people would find most desirable?
 - -eg rent/buy, number of bed/bath, parking, outdoor space, # units per building, age of the building, views of the river?
 - Do you think the average person would be willing to pay more, less or the same to live downtown?

- Do you think the average person would be willing to pay more, less or the same for a loft in a historic building?
- What do you see as the barriers to downtown living?
- What could the City or developers do to address some of these barriers?

Gauging participants' levels of satisfaction with the businesses and services offered in Downtown Burlington:

- What do you go downtown for?
- What do you have to go elsewhere for that you would be willing to buy/do downtown?
- How satisfied are you with the variety of businesses in downtown?
 - dining options
 - bars
 - shopping
 - coffee shops
 - What about the quantity? Quality?
- How satisfied are you with amenities and services in downtown?
 - open space
 - safety
 - parking
 - community services

Vision for the Future of Downtown Burlington:

- What do you see as successful downtowns in Iowa (nearby)? What do you think makes them successful?
- What are Burlington's strengths?
- If you could make three changes to the city, what would they be?
- As a Burlington resident, what is your vision for the future of Downtown Burlington?