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Housing on Main Street

Discussions of main street revitalization often focus on physical improvements and filling commercial space with successful businesses. While these considerations are undoubtedly important, an often overlooked but arguably equally important component of a healthy main street is housing. Housing on or near a main street supports walkability, increases foot traffic for businesses, and improves the safety of the community. In a time when demand for housing in the Hudson Valley is high, many main streets in the region are well-equipped to support new housing due to their existing infrastructure and status as the cultural and economic center of communities. This Main Street Bulletin will explore the benefits of housing on main street and strategies for achieving appropriate, affordable, and desirable housing in downtown areas.

Benefits of Housing on Main Street

There are many benefits of housing on or near main streets. Many of these benefits are related to one another, and ultimately stem from the simple fact that housing increases the number of people in and around main street.

Walkability

Housing on or near main street improves the walkability of the community by increasing the number of people within walking distance of businesses and other points of

interest on main street. This proximity makes it possible for residents to walk to destinations on main street instead of using a vehicle. This benefits the individual and the community at large; residents can enjoy the convenience of walking to destinations on main street, and the community benefits from less vehicles on the road and the associated reduction in traffic congestion and vehicle emissions.

Business Support

Housing located near main street supports local businesses by increasing foot traffic, providing housing for workers, and increasing the potential customer base. Furthermore, nearby residential density increases the variety of business types that can be financially viable on main street, creating a more diverse mix of businesses.

Community

Housing helps create and maintain a sense of community and allows main streets to be more than just a commercial corridor. Main streets are often the traditional cultural and social center of communities where events and gatherings take place. Housing located in the heart of a community further buttresses social connectivity and fosters a sense of collective ownership and neighborhood pride.

Safety

Residential density near main street can improve safety by increasing overall activity, creating a more consistent nighttime population, and fostering social connectivity. In her widely celebrated and influential book *The Death and Life of Great American Cities*, Jane Jacobs introduces the concept of “eyes on the street” whereby neighborhood safety is improved when there are more people around to look out for one another, and the amount of ambient activity discourages potential criminal behavior that might otherwise occur on an emptier street. In these ways, housing can improve the safety of main street and the community at large by increasing activity on the street and providing an opportunity for a neighborhood to be created.

Housing and Main Street Synergy

In addition to the demonstrable benefits of housing on or near main street, there are several practical reasons that make main streets a particularly suitable and desirable location for housing in a community.

Main streets often have existing infrastructure that can accommodate housing better than other parts of a community. In many Hudson Valley communities, vicinity around a main street may be one of the few places with municipal water and/or sewer systems.

Other infrastructure systems like public transit are also more likely to be located in close proximity to existing downtown areas.

Many Hudson Valley towns are primarily characterized by suburban or rural development. Building new housing in these areas can be challenging for several reasons, including a lack of infrastructure. Another common obstacle is the desire of residents to maintain the low-density development pattern, or a general opposition to development often characterized as NIMBYism (Not In My Backyard). Creating housing on or near main street may mitigate some community pushback as it aligns with existing development patterns and allows for low-density areas to remain unchanged.

Another community-wide benefit of siting housing on or near a main street is the preservation of open space. New housing in close proximity to a main street is less likely to result in the loss of significant open space or green space in the community. Housing development in more suburban or rural areas lends itself to larger lots and more impervious surfaces such as roads, driveways, and parking lots which may need to be created.

The City of Beacon is one of many Hudson Valley communities with mixed-use buildings on their main street. Mixed-use buildings like the ones pictured here, with ground-floor commercial uses and residential units above, improve the vibrancy and economic resiliency of downtown Beacon.

Photo by Kate Stryker



Missing Middle Housing

A term coined in 2010 by Architect Daniel Parolek, “missing middle housing” refers to medium-density housing such as duplexes or row homes that is underrepresented or completely absent in many communities throughout the United States. This type of moderate-density housing is a middle ground between traditional single-family homes and large-scale multi-family housing. This means that missing middle housing can fit into the character of almost any neighborhood whether it be suburban, urban, or transitional. Missing middle housing represents a compromise between the demand for housing and the desire to maintain existing development patterns and community character.



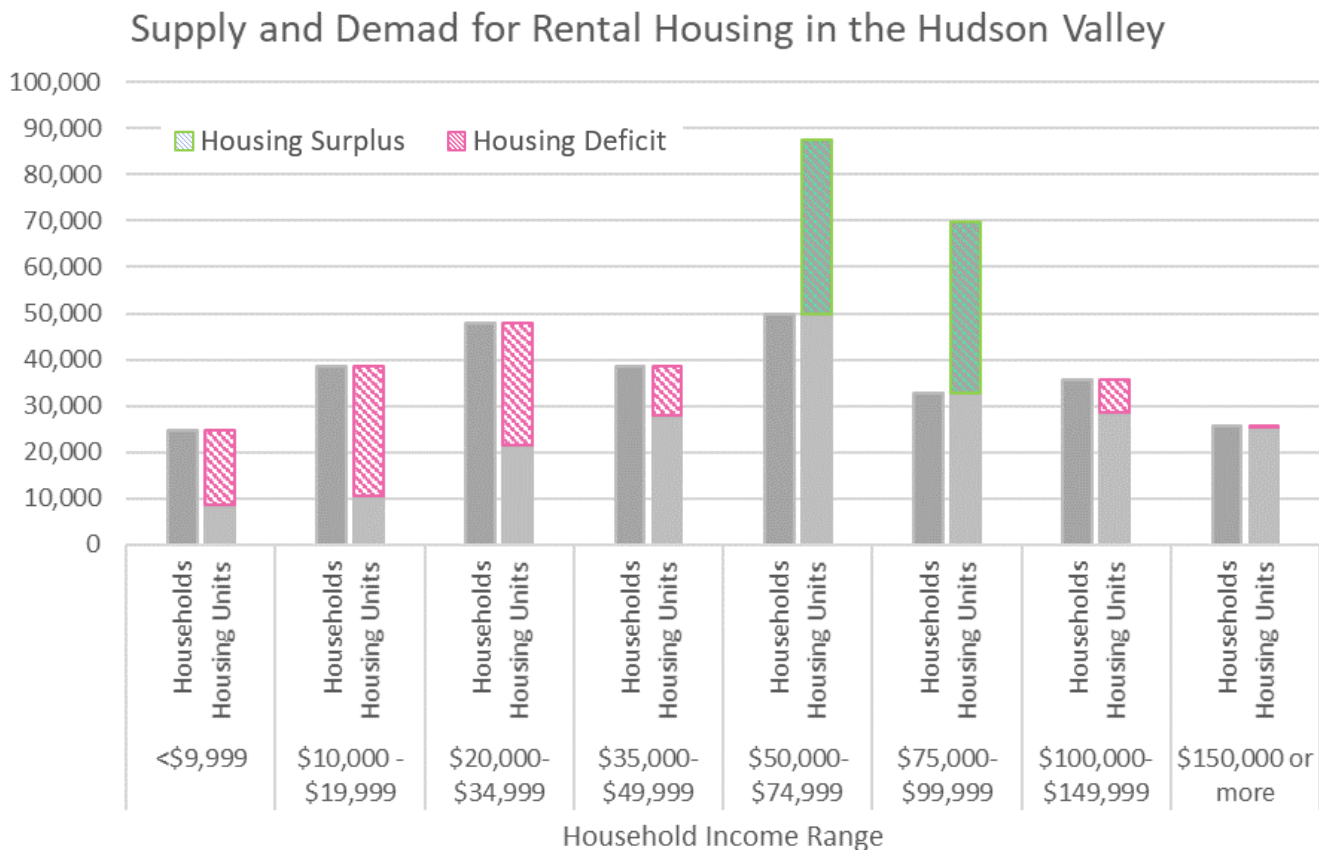
Graphic by Opticos Design Inc.

Though medium-density housing does exist in the Hudson Valley, the proliferation of single family-zoning and other large-lot zones has diminished the areas where this type of housing is allowed to be built. Main streets and neighborhoods adjacent to main streets are good candidates for siting missing middle housing in many communities in the region. The medium-density development that characterizes missing middle housing lends itself to a range of housing types. A diverse array of housing types allows a community to accommodate individuals and families of varying size, income, and housing preferences. It also provides more opportunities for residents to stay in the community if their housing needs or financial situation change.

Housing for a Range of Incomes

Housing that is financially accessible for households across the income spectrum provides both social and economic benefits to a community. A balanced mix of housing options fosters a more diverse and inclusive community. It also can lead to a correspondingly diverse workforce that can fill a variety of job types in the local economy.

In the Hudson Valley there is a mismatch between supply and demand for housing. From a housing cost perspective, there is significant demand for more housing at the lower end of the income spectrum, especially for renters. The chart below compares the number of renter households in the Hudson Valley by income range, compared to the approximate number of housing units that are affordable at that income range. In this case, affordable means that no more than 30% of household income is spent on housing cost.



Source: US Census Bureau, 2020 American Community Survey 5-year Estimates

The chart illustrates that there is a deficit in housing units that are affordable for households earning below \$50,000, and there is a significant surplus of housing units that are affordable to households earning between \$50,000 and \$100,000. The implication of this chart is that many lower-income renter households are forced to live in housing that is unaffordable to them. In fact, data from HUD confirms this finding; just over half of renter households in the Hudson Valley spend more than 30% of their income on housing, and about one in four renter households spend more than half their income on housing. That means that for approximately 80,000 households more than half of their income goes towards rent. This is an especially untenable situation for lower income households that have little money left over for other living essentials let alone savings or disposable income.

Though housing needs differ from municipality to municipality, virtually every community in the Hudson Valley has low- to mid-income households that are particularly struggling with rising housing costs and stagnating wages. While there is no silver bullet to solve this problem, providing a mix of housing options can help mitigate it. A range of housing options, including higher-end housing options, makes it more likely that households of all socioeconomic positions can find housing that is appropriate and affordable. On the lower end of the income spectrum, subsidies are often necessary to reach the level of housing affordability needed.

Though the demand for affordable housing in the region is evident, there is often significant pushback from residents that consider affordable housing to be undesirable for several reasons. Though sometimes these concerns have merit, too often misconceptions or outright discrimination creates unnecessary barriers for much-needed affordable housing. A common refrain about affordable housing is “we don’t need it here.” Many argue that affordable housing will attract so-called undesirable people from outside of their community, or that the occupants of the housing will not support the local economy. However, housing data and simple observation tell us that this is simply not the case. In most communities, the people that would benefit most from affordable housing are living there right now, performing necessary jobs, and acting as a vital part of the community and local economy.

Urban Renewal

In the 1960s and ‘70’s several established commercial districts and neighborhoods in the Hudson Valley were destroyed in the name of Urban Renewal. The Urban Renewal program was ostensibly designed to revitalize blighted urban places, but the actual result was entire neighborhoods leveled with no real plan to rebuild them. African American and other minority neighborhoods were disproportionately targeted by Urban Renewal, and thousands were displaced.

Examples of urban renewal are common throughout the region. In the Rondout neighborhood in the City of Kingston a significant number of buildings were demolished and the road was widened to cover where they once stood. In the City of Newburgh, an entire waterfront neighborhood at the foot of Broadway was razed and never replaced.

Aside from the devastating social and economic impacts, another legacy of urban renewal is the removal of housing near main streets. Some residents may not realize that historically their neighborhood was actually more dense than it is today.

Zoning and Housing

Zoning regulations are among the most powerful tools for shaping the way a community is developed. Despite their importance, many zoning ordinances have not been evaluated or updated in decades. These older zoning codes may no longer reflect the needs of the community and may in fact be unintentionally hindering desired land-use changes. Communities should evaluate their zoning codes and consider whether it allows for and encourages the type of development and uses they would like to see on main street. Specifically, the following common zoning elements should be considered:

Density allowances

Increasing density allowances can create an opportunity for more variety of housing options. Instead of blanket density increases, targeted increases in permitted density in certain areas can create gentle density increases and avoid unwanted large-scale changes that alter community character.

Building Height

Increasing allowable building height allows for the creation of more housing units without increasing the number of impervious surfaces. Building heights can have a significant impact on the look and feel of a community, so significant increases in allowed building height should be carefully considered. To ensure that taller buildings don't appear out of place, design guidelines might specify that buildings must "step up" to maximum allowable height. This creates a more visually cohesive streetscape and more pedestrian friendly sightlines.

Bulk requirements

Bulk requirements such as minimum setbacks, lot size, or floor area ratio may be unintentionally restrictive. Do side setbacks preclude the creation of row homes? Is the maximum floor area ratio making development on certain lots infeasible? These types of questions can identify bulk regulations that should be updated.

Parking requirements

Minimum parking requirements in more urban settings where lots are smaller can be particularly challenging to housing development. Off-street parking takes up valuable space on the lot and counts towards maximum lot coverage. Communities that require more than one off-street parking spot per housing unit should consider reducing or eliminating the parking requirement. Parking in downtown areas is often a hotly-debated topic as it affects both businesses and residents. Parking policy will be the focus of an upcoming Main Street Bulletin later this year.

Inclusionary zoning

Inclusionary zoning refers to zoning ordinances that mandate or incentivize a given portion of units in new housing developments be affordable for low or moderate income households. To align with state and federal financing programs, the terms of affordability are typically described using household income relative to the county Area Median Income (AMI). Inclusionary zoning policies can be a powerful tool for ensuring that new development includes housing that meets the needs of lower-income residents. However, an overly-aggressive inclusionary policy can discourage developers and therefore defeat the intent of the policy, as no new housing is created.

Municipally Owned Lots

Many municipalities across the Hudson Valley own vacant or underutilized parcels of land that are located near or along their main streets. Not all these lots are suitable for housing, but many of them are. In communities that are struggling financially, or struggling to attract investment, it can be tempting to sell municipally owned properties for a quick cash infusion. However, municipalities should carefully consider other options first. Municipally owned lots represent a unique opportunity for municipalities to create the type of development that they want to see. As the owner of the lot, the municipality is in a position to dictate the terms of development beyond what is required by local regulation.

Mixed-Use buildings

One way housing can be created on main street is through mixed-use buildings where a residential use and a commercial or office use are found in the same building. A common configuration of mixed-use buildings is a commercial use on the ground floor with residential apartments on the floors above.

Mixed-use buildings represent a diversified asset with enhanced financial stability. The owner of a mixed-use building benefits from the stability of two different types of uses. If there is a weak market for the commercial space causing the commercial space to be vacant or rented for a very low amount, this issue can be somewhat mitigated by rental income. Similarly, if there is low demand for housing, the impact of vacant apartments or low rents could be mitigated by rental income. Essentially, the diversity of uses in a mixed-use building makes it more resilient to changes in the market. Aside from directly benefiting the property owner, this can also stabilize a main street by reducing building turnover as owners are better positioned to weather economic downturns.

City Owned Lots in Hudson

In the City of Hudson, a series of housing studies conducted by Pattern for Progress identified a need for affordable housing and a number of municipally-owned lots well suited for development. The City of Hudson issued a request for qualifications (RFQ) in December of 2021 to identify qualified developers for these sites, and followed the RFQ with a request for proposals (RFP) for the development of three city-owned lots.

Recognizing the opportunity to fill a need for affordable housing, the city is requiring that one of these city owned lots be developed for affordable housing.



City owned lot at the corner of N. 4th Street and State Street slated to be developed for affordable housing.

Conclusion

Housing is critically important to the vitality and stability of main streets. Housing in downtown areas promotes walkability, supports local businesses, and strengthens social connectivity and community safety. On top of these benefits, main streets are typically well-equipped to accommodate housing and residential density. In a time where much of the Hudson Valley is facing unprecedented housing costs and housing demand, main streets and their adjacent neighborhoods represent an opportunity to create much needed missing middle and affordable housing. By driving new housing to existing downtown areas, we can preserve open space, reduce automobile dependency, and create more vibrant and sustainable communities.



About MAIN STREET: HUDSON VALLEY

MAIN STREET: HUDSON VALLEY is a regional resource center created by Hudson Valley Pattern for Progress. This initiative was started in recognition of the vital role that Main Streets play in our communities. They are hubs for economic growth, social connectivity, cultural experiences and more.

Our main streets are vibrant, but they can also be vulnerable. Some benefit from good planning, steady investment, and a cohesive vision that drives their vibrancy. Others suffer from economic decline, disinvestment, and an inability to recapture the spark that once drove traffic to their streets, sidewalks and shops.

MAIN STREET: HUDSON VALLEY provides programs, services and research that promote the vibrancy of our downtown areas and build local capacity for main street revitalization.

MAIN STREET: HUDSON VALLEY is made possible with support from Empire State Development and Webster Bank

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