



CITY OF CHARLESTON West Virginia



Council Member – 13th WARD

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Urban Renewal and Economic Development, Chair
Finance Committee
Parking Committee

TO: Urban Renewal and Economic Development Committee
FROM: Brent Burton, Chair
RE: Committee Meeting

UNTIL FURTHER NOTICE, MEETINGS WILL BE MADE AVAILABLE TO THE PUBLIC VIA ZOOM

There will be a Committee meeting of Urban Renewal and Economic Development on September 23, 2020 at 12:00 PM, in the A/V Conference Room, City Hall, Room 308.

***Join via internet:**

<https://us02web.zoom.us/j/85075946174?pwd=OUhiUWwwTURYNVhLa2VyKzROUkIWZz09>

Passcode: 873089

***Join via Telephone: (312) 626-6799 or (929) 436-2866**

Webinar ID: 850 7594 6174

***Join via CivicClerk: <https://charlestonwv.civicclerk.com>**

Agenda

Approval of Previous Minutes

1. 2-6-2020

Presentation on the 2020 Downtown Charleston Housing Study - Charleston Area Alliance(Susie Salisbury) & Bowen National Research(Patrick Bowen)

1. Housing Needs Snapshot

Administration Updates

BB/ns

MINUTES

URBAN RENEWAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING

5:30 P. M., FEBRUARY 6, 2020

A/V CONFERENCE ROOM

Brent Burton, Chair, called the meeting of the Charleston City Council Committee on Urban Renewal and Economic Development to order at 5:30 p.m., FEBRUARY 6, 2020, in the Audio/Visual Room in City Hall.

Committee Members Present:

Brent Burton, Chair

Tiffany Wesley-Plear, Vice Chair (via phone)

Ben Adams

Naomi Bays

Jennifer Pharr

Bobby Reishman

1. Approval of Previous Minutes – Councilmember Bays moved to approve the minutes of the previous meeting on 1-23-2020. Councilmember Pharr seconded. There was no objection and the minutes were approved.

2. Discussion concerning downtown revitalization, housing and the new projects from the water crisis settlement funds.

Councilmember Burton asked Mayor Goodwin and Chief of Staff, Matt Sutton, to give the Committee an update. Mayor Goodwin asked if members had questions regarding the outline for the Community Participation Fund that they had been given. She reminded them that the funds have to go through a 501(c)(3). Councilmember Bays confirmed that they could buy equipment for a Community Center.

Mayor Goodwin added that the enhancements have been made to the Coliseum and Convention Center, such as the basketball/volleyball courts. She stressed that there had been no plan on how the newly renovated Convention Center was to be utilized to its maximum potential. The funds will be used to attract people/groups to the facilities.

Mayor Goodwin also stated that some of the money in the Business Economic Impact Fund will go to façade grants. Additionally, it will also go to assist businesses in creating business plans. The Administration is currently working to coordinate with the local Universities and Business Schools for an unspecified entrepreneurial project. Councilmember Bays confirmed that the façade grants will be based on similar CURA grants but for the entire City.

Mayor Goodwin stated that a long-term but very important project will be advertising and promoting the City. The Administration wants to develop strong, effective marketing strategies. The Mayor added that last May, the Convention Center and CVB had a meeting to create a strategy to work together to promote the facility. Anything spent for advertising and marketing will need to have quantitative and qualitative data attached to it, such as focus groups and surveys. It will be a national approach. As an example, Mayor Goodwin cited the colors assigned to the different neighborhoods; it was a good idea, but was executed inconsistently. She stressed that this kind of re-branding will take a lot of time and funds to do correctly and effectively. Councilmember Wesley-Plear stated that a friend from out of town was confused about the different colors, and the reasons behind them weren't obvious or meaningful. Councilmember Adams asked what the process and time frame would look like. The Mayor answered that research would come first, involving outside companies and focus groups, and future decisions would be based on the results.

Councilmember Pharr asked if there was any sort of requirement that the various groups involved (CVB, Charleston Main Streets, CAA, etc.) would have to effectively communicate with each other and the Administration if the City had provided funds to them. Mayor Goodwin answered that there was. Mayor Goodwin stated that she believed that if the City went to those various groups with any research data that had been gathered, it would be easier to get them on board. Sutton stated that, in his experience, the most successful City re-brandings are those that listened to the outside consultants. Councilmember Pharr pointed out that the City does not have any billboard in any direction that describes what they can do in Charleston. The Committee discussed that the blue travel signs are not allowed by the DOH, but they could get

creative with billboards on strategically placed buildings along the interstate. Mayor Goodwin stated that the City needs to think about what it can invest in that will attract massive amounts of people, such as sports tourism.

Mayor Goodwin updated the Committee on the installation of the kayak dock by saying that the location may need to be changed to the other side. The goal is to get it completed by Spring. The Administration is also working on relaunching the Charleston Summer Youth Professional and Career Program for 14-17-year-old kids to get experience in a career field. Councilmember Wesley-Plear suggested reaching out to West Virginia State.

Chief of Staff, Matt Sutton, stated that over the past few weeks, there had been a very large amount of business owners seeking medical marijuana permits. While the City does not reap the tax benefits of the dispensaries, they do provide 8-16 jobs at each location, with growth facilities providing more. Councilmember Adams asked if there was going to be a cap on locations per region. Sutton answered he did not think that will be the case as there are only a few cities in the state in which the businesses seem interested. Sutton added that the businesses seems most interested in Kanawha City, Downtown and the West Side.

Councilmember Pharr suggested that the Committee invite the leadership of the CVB, Charleston Main Streets, CAA, etc. to speak about updates and what the groups' commitment will be to work together.

Councilmember Pharr asked for an update on the search for a new Director for the Convention Center. Sutton answered that the consultants met with the stakeholders and will begin to write the job description based on those needs. The Convention Center Board is also looking into hiring an outside marketing and booking firm.

Councilmember Reishman motioned to adjourn the meeting. Councilmember Adams seconded.

Meeting adjourned.

Downtown Charleston, WV Market-Rate Housing Needs Snapshot

Snapshot of Market-Rate Housing Needs Assessment
by Bowen National Research



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Snapshot Summary



DOWNTOWN STUDY AREA (DSA)

ABOUT THE SNAPSHOT

The Charleston Area Alliance, with **support from the Greater Kanawha Valley Foundation and United Bank**, hired **Bowen National Research** to conduct a housing study on downtown Charleston, West Virginia to:

- Provide an update on the 2015 downtown Charleston housing study.
- Obtain updated data and information on market-rate housing needs.
- Serve as a catalyst for property development in Charleston and the Kanawha Valley.

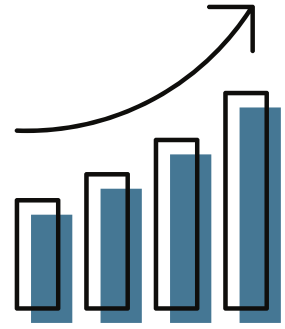
SCOPE OF WORK

- Evaluated demographics and analyzed economic conditions.
- Inventoried existing housing stock rents/costs and availability for market-rate housing.
- Evaluated livability factors.
- Gathered community input.
- Provided housing gap estimates.



CAPITOL STREET, CHARLESTON, WV

The Snapshot



HOUSING GAP ESTIMATES

The study estimated there are **424 units needed** in downtown Charleston within the next five years.

322 rental units needed in downtown Charleston.

102 for-sale units needed in downtown Charleston.

Renter household growth in downtown Charleston is projected to occur among those earning \$60,000+, indicating a **need for higher priced housing products.**

DEVELOPMENT OPPORTUNITIES

There are desirable buildings and parcels poised **for potential development.**

Much of the study area properties are **eligible for Federal and State Historic Tax Credits** due to their location within a National Register Historic District.

Downtown Charleston has three Census Tracts recently designated as Qualified Opportunity Zones (QOZ). QOZs spur investment in communities through tax benefits.

DEMOGRAPHICS & ECONOMIC CONDITIONS

Charleston, West Virginia should explore strategies that offer a diversified housing stock to attract and retain millennials, ages 25-45, and accommodate a senior population, ages 65+.

Focus on **LIVEABILITY**, which creates housing options for all ages, incomes and abilities.

DOWNTOWN'S SUCCESS

atlas lofts

The Atlas Building project is a testimony to the potential for mixed-use rental space in downtown Charleston. The lofts feature 52 premier studios, and 1BR and 2BR apartments with ground floor commercial space. Pre-leasing began in August 2020 and within two weeks, the property manager saw a **pre-lease rate of 44%, well above the national average of 30%.**

The Atlas Building's success is not included in the Bowen report due to the project being under construction.



ATLAS BUILDING, CHARLESTON, WV

parkview lofts



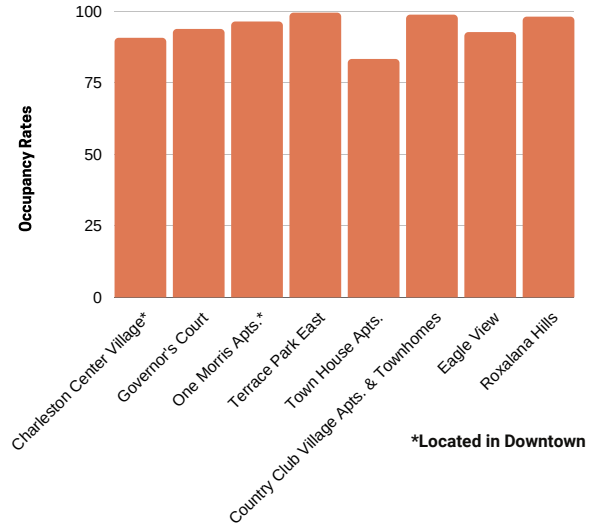
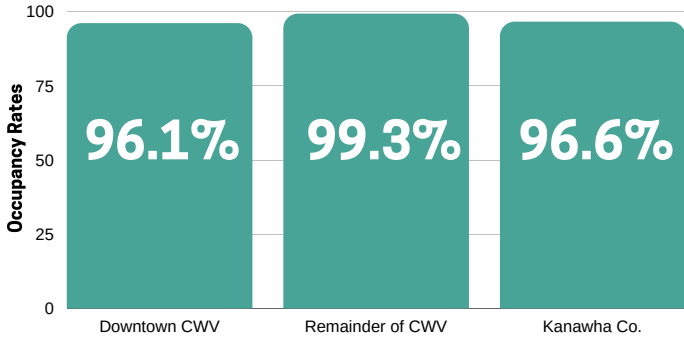
PARKVIEW LOFTS, CHARLESTON, WV

Parkview Lofts is a **success story for condominium development** in Charleston, WV. Based on information from the local Tax Assessor, most of the units sold between \$200,000-\$349,000, with the majority at or above \$270,000. These price points **make for an average price per-square-foot of \$203.**

Most of the available downtown condominium products are priced above \$200,000, with average price per-square-foot between \$136-\$258. These figures, as well as the Parkview Lofts project, are desirable illustrations of pricing potential for new downtown condominium projects.

MARKET-RATE HOUSING INVENTORY

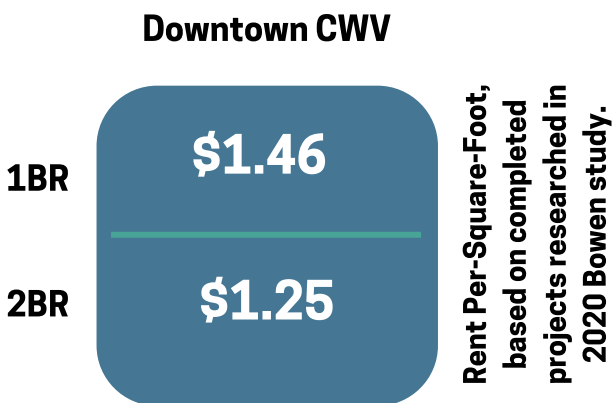
High occupancy rates reveal few choices for prospective downtown renters. **Healthy market rates fall between 94-96%.**



The significant shortage of available units outside of downtown Charleston adds to the rental demand.

Downtown rents among the most common unit types are generally higher, which indicates rent premiums for downtown development.

The eight sampled market-rate housing projects have a total of 1,410 units and a combined occupancy rate of 95.3%, indicating a good level of demand for higher end market-rate rentals.



The market-rate housing inventory data and rent per-square-foot provides a baseline for establishing rents and features for future, comparable projects.

More recent downtown projects are seeing price per-square-foot ranging from \$1.17-\$1.76.

FOR-SALE HOUSING

County-wide home sales remain steady and sell relatively quickly.

Average downtown sales price is \$202,075, which is about **\$20,000 more than the average for the remainder of Charleston.**

City-wide availability rate is 2.3%, within range of typical healthy markets.

LIVABILITY FACTORS



Charleston's downtown is considered a *walker's paradise*, where daily tasks do not require a car.



Strong economic network including employee work locations, community services and retail are concentrated in the downtown Charleston area, making it easy to access work and leisure in a central location.

COMMUTING PATTERNS

Over **47,000 people** commute into Charleston on a daily basis. It is anticipated that as additional housing is added to Charleston overall, the market will have a greater chance of attracting commuters as potential residents to the city and into downtown Charleston. **Attracting less than 1% of daily commuters would fill the housing gap over the next 5 years.**

47,000+
 **Daily Commuters**