

# Historic Business District Revitalization in the Town of Occoquan, VA

ULI Washington Regional Land Use  
Leadership Institute mTAP

May 19, 2015



# Vision

Q6: What does the Town of Occoquan offer to the region that isn't currently available elsewhere?

**A: The Riverfront Historic Business District is a true destination, offering a historic, small-town experience with an idyllic waterfront setting in the backyard of a major metropolitan region.**

Occoquan has already done the hard work of identifying the path forward, through its strategic planning and visioning processes. Now, the Town needs to implement strategies to retain the assets that make Occoquan a place that others wish to visit.

# Streetscapes, Pedestrian Infrastructure & Beautification

Q1: What is the appropriate approach for Occoquan to address planning of streetscapes, pedestrian infrastructure and beautification measures?

**A: Utilize current capital budgeting process to fund placemaking and pedestrian infrastructure improvements, and to encourage owners to utilize historic building rehabilitation tax credits to promote reinvestment in historic downtown.**

# Placemaking



# Placemaking

Research the costs of:

1. Extending the Riverwalk with permanent structure; and
1. Using barges or other structures on the water to extend the Riverwalk or otherwise create more river frontage.

# Mamie Davis Park - Suggested Design Changes

Goal: To expand the park area, connect the street to the waterfront, and increase visibility.

This can be achieved fairly easily by:

- Removing the low shrubs and fencing/posts at the front of the park;
- Turning the existing on-street parking into an extended park and streetscape area;
- Adding wayfinding signage; and
- Improving the crosswalks.



# Historic Building Rehabilitation Tax Credits

- ❖ What are they?
  - Income tax credits available through State and Federal Programs.
  - Allows for equity financing of historic preservation projects through leveraging of income taxes owed to the government:
    - Federal -- may claim up to 20% of rehabilitation-related expenses on an income-producing property.
    - Virginia -- may claim up to 25% of rehabilitation-related expenses on income-producing and owner-occupied properties.

# Historic Building Rehabilitation Tax Credits

## ❖ Benefits

- Potentially available to all properties in Historic District.
- May make it possible to find debt capital for rehabilitation projects that might otherwise be unavailable, especially where market value of property is less than total cost of improvements.
- Federal/State administration alleviates burden on local government.

## ❖ Additional Resources:

- Virginia Department of Historic Resources (Elizabeth Tune, 804-482-6093) (Chris Novelli, 804-482-6097)
- Virginia Main Street Program (804-371-7030)
- National Main Street Center (202-588-6219)

# Mixed-Use Development

Q2: Is mixed-use development appropriate for the Town's historic business corridor?

**A:** Mixed-use development is appropriate and important for the Town's continued success. That said, it comes with many challenges that need to be addressed for it to be feasible and executed correctly. In particular, adding a 80 to 120 room hotel to the Town's mixed of uses would be a great addition.

Care needs to be taken to assure new development fits into the small town character of Occoquan.

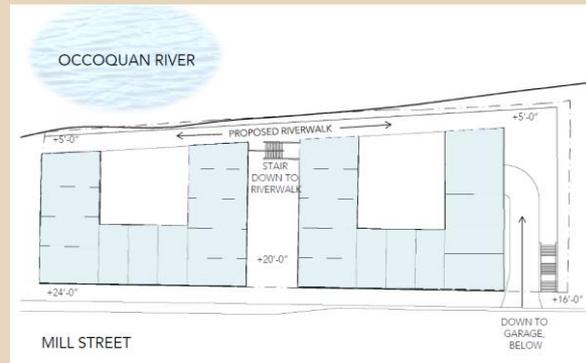
# Mixed-Use Development

Jennings Mill Site (currently for sale with \$2.8 million list price):

- ❖ 1.05 Acres, nearly 25% of the Occoquan & Mill Street frontage.
- ❖ Opportunities:
  - Ability to continue mixed-use environment of Mill Street while creating connection with the new park.
  - Ability to create increased connectivity with the water with view/walking corridors and to complete a quarter of the river walk.
  - Increase tax base.
- ❖ Challenges:
  - Nearly the entire site is in the flood-plain, which increases development/construction costs, future sale/rental risk & makes activating the ground floor along Mill Street more difficult.
  - Lack of comparable new retail, residential (rental apartments or for sale condominiums) and hotel projects to point to for market data/confirmation.

# Mixed-Use Development

Jennings Mill Site (currently for sale):



Design Resource: Tom Donaghy, KGD Architecture,  
202-384-1635

# Mixed-Use Development

Jennings Mill Site (currently for sale):

- ❖ The development of this site has great potential to build upon and enhance Mill Street. At the same, it also has potential to further deactivate the west end of Mill Street and reduce the connectivity with the new park.
- ❖ The site has a similar potential impact on the town's connectivity with the river.
- ❖ It is recommended that the town take an immediate active approach with regards to this development opportunity.
  - Clarify zoning incentives for increased density/height (measuring point), which may open or target the potential buyer pool to different product types (*i.e.*, hotels/inns, retail, for-sale condominiums, rental apartments). Currently the buyer pool is limited based on the site's challenges and relatively low density. Zoning Resource: Mark Viani, Bean Kinney & Korman, 703-284-7287.
  - Or, buy the property (listed at \$2.8 Million) and then ground lease or sell. The site has in place existing income of \$105,000 per year, and these actions would allow the town to have a significant role in future development with regards to the program (*i.e.*, street level retail, public parking) and connectivity to the river and use (*e.g.*, hotel/inn redevelopment with retail).

# Financial Overview

**Q3:** How can the Town leverage public-private ventures to pay for economic development, programming, and improvements, given the small staff and limited budget?

**A:** The Town has good financial flexibility that should allow it to make one or two meaningful investments in supporting mixed use development or infrastructure to attract and support more activity in the historic business corridor. This will likely be in partnership with private or public partners.

# Town Financial Flexibility is Good

1. Balanced operating budget of \$583,000 per year;
1. No debt;
1. \$300,000 of “Free Cash” after allowing for \$300,000 base reserve;
1. Tax rate competitiveness with surrounding jurisdictions;
1. Small tax base means one or two negative financial events have big impact;
1. \$1 million of debt capacity:
  - a. Requires \$88,000 per year for debt service
  - b. Requires good relationship with local bank

# Research Needed to Determine Impact of Investments

1. Need base economic data on the town's economic activity:
  - a. Intern in Master's program at George Mason University
  - b. Number of vacancies and vacancy SF
  - c. Number of restaurants, number of seats and SF of restaurant space
  - d. Number of retail stores and SF of retail space
  - e. Rent survey
  - f. Number of employees
1. Compare base data to market average data to determine "upside" of mixed-use and infrastructure investments.
1. Research small hotels in comparable towns (Smith Travel Research).

# Total Funds for Investment

1. \$300,000 of “Free Cash”
1. \$1 million of debt capacity
  - a. Would likely increase with new tax revenue from mixed-use development
1. County and state funding
  - a. Estimated taxes paid by Occoquan to each of \$1.5 to \$2MM /year
1. Foundation funding

# Parking

Q4: Are there opportunities to improve access to parking?

A: Likely yes, but the first step is to perform a parking study. This study will help guide future decisions related to parking such as restricting parking to certain time limits or periods, adding parking facilities and adding other revenue generating measures.

# Parking Study

- ❖ Evaluate the existing parking supply/constraints and analyze future parking needs to help guide future decisions related to the town's parking.
- ❖ Gorove Slade provided a cost proposal to complete a parking study.
  - Study consists of data collection, analysis & technical report.
  - Total cost - \$9,500; if the town did data collection then the cost would be reduced to \$5,500.
- ❖ Resource: Chad Baird, Gorove Slade, 571-261-9719

# Capitalize on Occoquan River

**Q5:** How can the town further capitalize on its proximity to the Occoquan River?

**A:** See previous placemaking suggestions of extending the Riverwalk through a permanent structure or use of barges or other floating supports and renovating Mamie Davis Park.

Current plans to renovate the footbridge should be completed.

Thank you

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