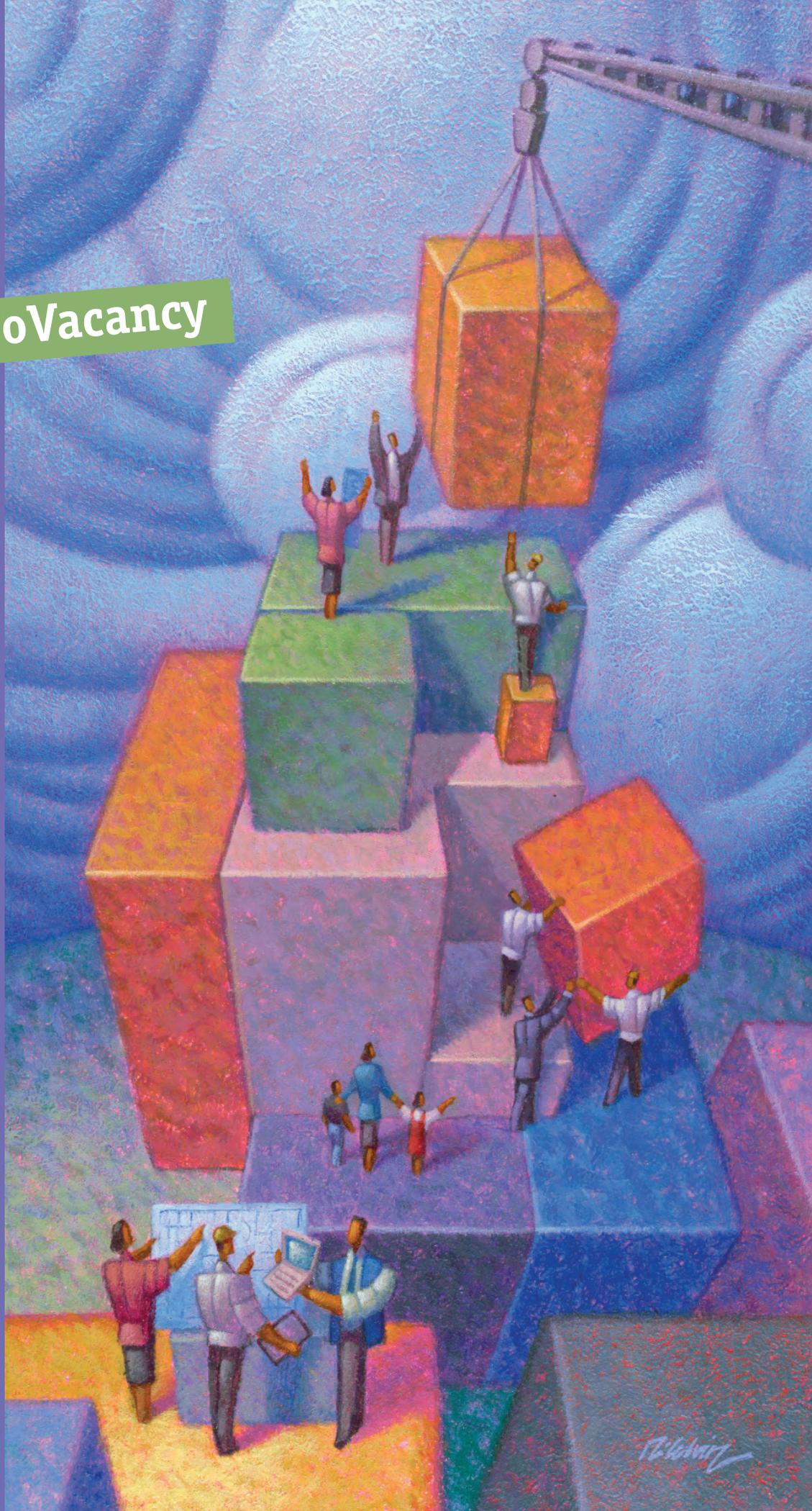


Operation NoVacancy

Helps Spur
Reinvestment
in Distressed
Commercial
and Industrial
Corridors

BY ANDREA SURRATT,
DAVE LEONETTI,
AND MIKE BENNETT



T. Bennett

This article is based on the case study application the City of Hickory, North Carolina, submitted to the Alliance for Innovation for its May 2009 Transforming Local Government conference. The Alliance for Innovation is a networking association for cities and counties that are committed to innovation and transforming local government. For more information on the alliance, go to <http://www.transformgov.org/>.

The changing nature of industrial and commercial development has led to disinvestment in certain areas of Hickory, North Carolina. In response, the city recently undertook a program called Operation NoVacancy, an economic development initiative that aims to attract reinvestment in distressed commercial and industrial corridors. An innovative vacant building inventory tool and grant program, Operation NoVacancy encourages new and existing businesses to locate in vacant and underused buildings within six target redevelopment zones.

The program got underway in 2007, when the fire and planning departments asked a management intern to develop an inventory of all the vacant commercial and industrial buildings in Hickory (population 41,000). After reviewing a memo and map of the vacant buildings' locations, the City Council initiated Operation NoVacancy in February 2008. During an open comment session, one council member — a staunch supporter of redevelopment efforts in the central city area — focused the discussion on the fact that the city had more than one million square feet in vacant space available, cluttering the landscape and providing a reminder of Hickory's changing economy. The city has experienced a major shift in its economy, having lost more than 29,000 manufacturing jobs between 2000 and 2007. In 2000, manufacturing jobs made more than 42 percent of jobs in the region; in 2007, only 31 percent of jobs were in manufacturing. One alderwoman suggested that staff develop a grant program and provide incentives for major employers to retain employees or expand their business and to think creatively to address this problem.

In response to this discussion, city staff formed the Redevelopment Committee, which included representatives from the city manager's office and the planning, fire, commu-

nity, economic development, public services, and Catawba County building services departments. The committee's major work focused on five areas:

- enhancing the vacant building inventory that was developed in 2007
- designating a commercial revitalization area
- creating a vacant building revitalization grant program
- unifying existing redevelopment programs
- reaching out to stakeholders

The makeup of the committee enabled divisions, sectors, and jurisdictions to cross typical boundaries and share information toward a common purpose. As simple as it may sound, the ability to come together in this way was the key to developing an innovative program and achieving a common goal.

The city had more than one million square feet in vacant space available, cluttering the landscape and providing a reminder of Hickory's changing economy.

VACANT BUILDING INVENTORY

The Fire Department historically tracked which buildings were vacant within the city, for fire prevention purposes. The intern assigned to the inventory project started out by enhancing the fire department's listing, which contained only a building's address and whether or not it was vacant. The intern added property information such as building square footage, ceiling heights, zoning information, photos, realtor information, historic designation, etc. (See Exhibits 1, 2, and 3 for screen captures of information available on the Web site.) The intern visited each property to take photos and obtain real estate contact information. Much of the information on building square footage came from the county assessment reports, which are available online, and information about sprinkler systems was on file with the Fire Prevention Bureau. This additional information allows developers, site selectors, preservation groups, and other interested parties to see which buildings might fit their needs. Property listings are also available in PDF form.

The inventory is also available as a layer on the city's geographical information system (GIS) site, which is also available online. This allows users to access a wealth of additional information such as the location of the floodplain, infrastructure locations, topographical information, and aerial photography. The GIS site has a query function that allows users to search for buildings that meet specific criteria.

Exhibit I: Web Platform to Operation NoVacancy Inventory Tools



While it is relatively common for local and regional economic development corporations (EDCs) to have GIS-based inventories of available sites, the city's inventory takes the analysis one step further. Most EDCs only focus on sites that are being actively marketed by the development or real estate community. Hickory tracks all vacant structures, allowing staff to enhance the redevelopment component of the initiative. A significant percentage of the vacant buildings in the revitalization area are not being actively marketed, and many are obsolete commercial and manufacturing facilities located in areas that the traditional real estate market has left behind. Operation NoVacancy is devoted to tracking all properties where redevelopment needs to occur, which is very

uncommon in ordinary governmental operations. Operation NoVacancy represents a proactive approach to solving a city issue that also assists the private market. This approach addresses issues affecting not only development, but also the quality of life within the targeted redevelopment zones.

By making it possible for employees from different divisions to work together, Hickory was able to use existing information to create an interactive tool and develop a consolidated program that encourages redevelopment of commercial properties. With the exception of GIS support from the Western Piedmont Council of Governments, all the work was performed in-house.

**COMMERCIAL
REVITALIZATION AREA**

GIS software allowed staff to plot all vacant structures on a map (see Exhibit 4). The Redevelopment Committee identified clusters of vacant buildings, which led to the designation of six targeted redevelopment zones. The city adopted a redevelopment plan for each of the six areas.

The West Hickory/Green Park zone was chosen as a pilot project for the program. This area contained a high concentration of vacant and obsolete manufacturing facilities, surrounded by older residential areas that were, for the most part, reasonably stable. City officials were concerned, howev-

Another important aspect of Operation NoVacancy is marketing and improving the city's existing redevelopment programs.

er, that this area would continue to decline without intervention. The plan proposes sidewalk, bus shelter, and curb and gutter improvements that have been identified as a priority in the city's sidewalk master plan and in the West Hickory/Westmont Neighborhood Plan — \$300,000 was budgeted in the 2008 - 2009 fiscal year budget to complete this work as the city's capital contribution to the West Hickory community, which must live with the impact on the landscape of numerous vacant buildings.

The proximity of these six led to the creation of a unified commercial revitalization area. The committee is working to

Exhibit 2: Vacant Building Inventory Listing

Section		NW		GIS PIN		370205192773		Building Type: Manufacturing/Industrial	
1020 Main Av	Status	Multi-Unit	Suspect Brownfield	Sq. Footage	Lot Acreage	Min Ceiling Height	Max Ceiling Height	Year Built	Exterior Walls
	Under-utilized	N	Y	20510	0.66	8	10	1890	Brick/Stucco
	Land Valuation	Building Valuation	Total Valuation	Zoning	City Limits				
	\$17,300	\$97,100	\$114,400	C-5	Y				
	Real Estate Broker: Owner			Contact Number: (828) 327-4890					
	Notes: Piedmont Wagon Building								
<hr/>									
Section		NW		GIS PIN		370205190704		Building Type: Warehouse	
1030 Main Av	Status	Multi-Unit	Suspect Brownfield	Sq. Footage	Lot Acreage	Min Ceiling Height	Max Ceiling Height	Year Built	Exterior Walls
	Vacant	N	Y	20000	0.52	15	15	1965	Brick/Stucco
	Land Valuation	Building Valuation	Total Valuation	Zoning	City Limits				
	\$27,200	\$160,900	\$188,100	I-2	Y				
	Real Estate Broker: Rent			Contact Number: (828) 324-0665					
	Notes:								
<hr/>									
Section		NW		GIS PIN		370205099734		Building Type: Warehouse	
1040 Main Av	Status	Multi-Unit	Suspect Brownfield	Sq. Footage	Lot Acreage	Min Ceiling Height	Max Ceiling Height	Year Built	Exterior Walls