

Downtown's future is housing, not office space

End of state leases makes it essential to change the mix

Downtown Lansing's Washington Square has the making of a great place. Its relatively compact corridor of reasonably scaled historic buildings could be the perfect backdrop for a vibrant, urban district that is alive both day and night. The key ingredient — mixed use.

JAY C. JUERGENSEN

The recent media spotlight on downtown's challenges brought attention to something the conspicuous observer can easily recognize — downtown could use some help!

Around the country and in a few places in Michigan, our traditional centers of commerce have lost the luster of their retail heritage and are remaking themselves as mixed-used districts, with new and diverse entertainment and housing opportunities.

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The new reality for Washington Square is based on the simple fact that there will be no more demand for Class B and C office buildings from the state — not now, not ever. And that's actually a good thing.

Using buildings along Washington Square just for offices kept the restaurants open for lunch, but caused the place to feel quite dead at night.

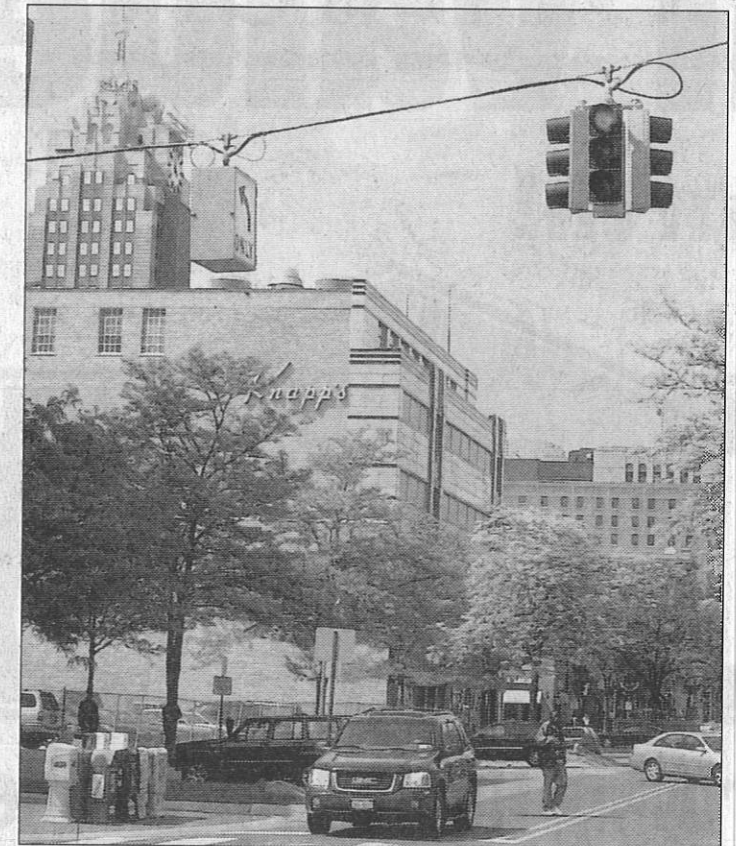
The loss of state leases actually creates an opportunity to introduce some other uses, such as housing. Suddenly, the place is alive 24/7 with residents who would call the district home. And of course, more residents equal more consumers, which equal more retail and services.

Across the country, there is renewed interest in downtown living. Lansing's incentive program grew out of the work of its Blue Ribbon Committee in 2000. While limited in total dollars, it has spawned 19 lofts and 21 façade improvements and helped secure more than \$36 million in private investment.

This demonstrates there is demand.

Converting the larger buildings into housing may be costly, but there will be more units to offset those costs, as well as more incentives and resources. Historic tax credits, brownfield tax credits and affordable housing financing all exist to help underwrite these deals.

In other Michigan communi-



State Journal file photo

Calling it home: A revival for downtown Lansing should focus on merging new housing and retail spaces, not on awaiting new office contracts, argues a Michigan-based expert on community development.

ties, we find three key elements referred to as a "Framework for Success." They include:

► **Clear and concise planning** — a vision that outlines the future.

► **Consistency** — embraced by every stakeholder and effectively communicated.

► **Public and private sector leadership** — interest, support and partnership in an organization exclusively focused on and advocating for downtown.

The 2000 plan has had measurable results. Even though there are differing opinions about the future, the Principal Shopping District (PSD) has been an invaluable vehicle for change as it brought together private and public sector lead-

ers. It continues to effectively focus on downtown and its work should be fully supported and championed by the downtown building owners — especially since they will be the key beneficiaries of the PSD's work.

As the seat of state government, Lansing's historic core has a unique opportunity. The governor is on record wanting to create "cool cities" and she's charged her economic development czar (Lansing's former mayor, by the way) with this initiative.

Ultimately, the new reality for Michigan's cities could begin right here, if the public and private sector leaders will recognize the opportunity and seize it.