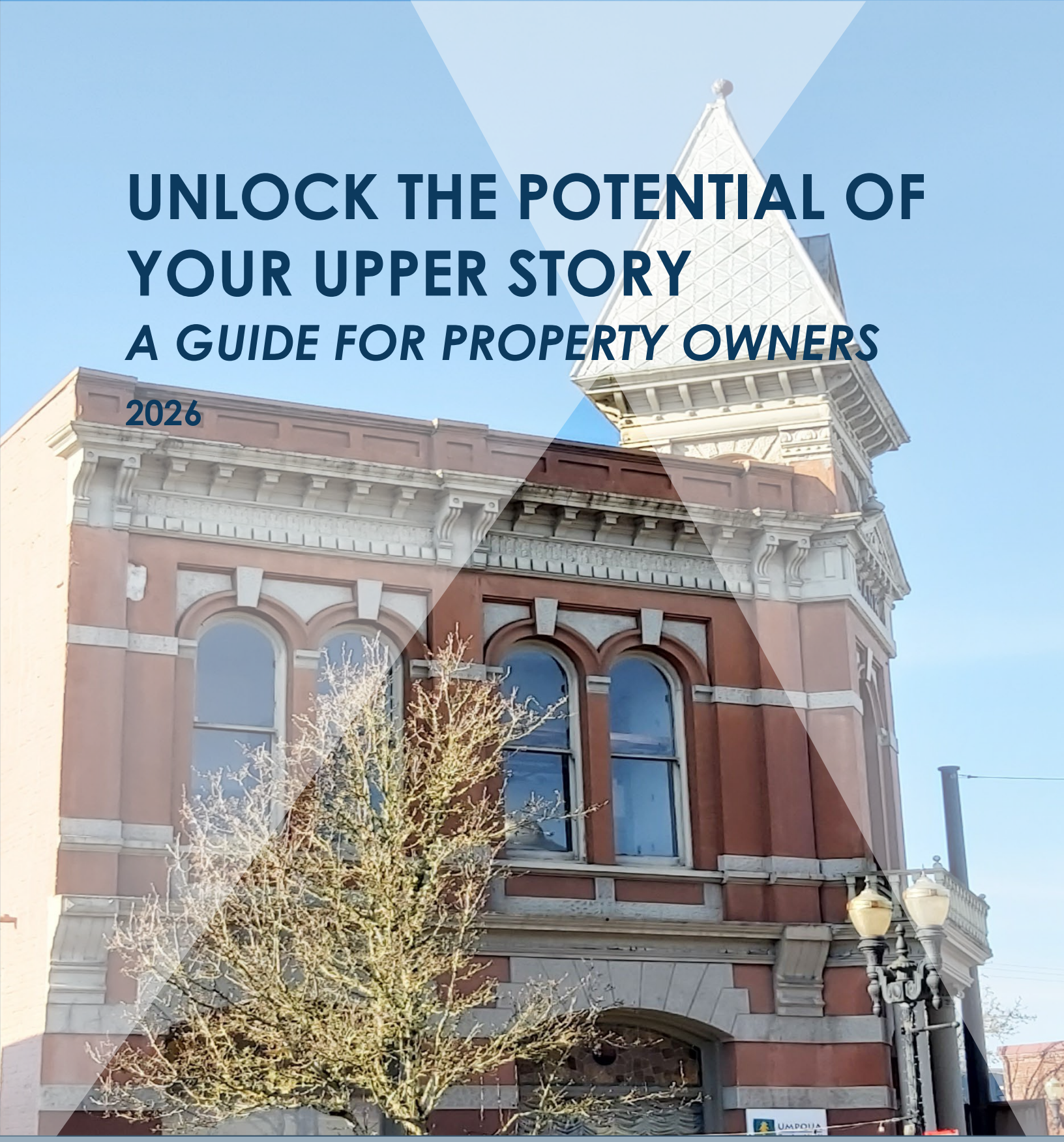


UNLOCK THE POTENTIAL OF YOUR UPPER STORY

A GUIDE FOR PROPERTY OWNERS

2026

OREGON MAIN STREET

OREGON STATE PARKS

OREGON HERITAGE

oregonheritage.org

CULTURAL TRUST

WHY RENOVATE YOUR UPPER STORY?

Vacant upper-story spaces are one of downtown's greatest untapped assets. Many commercial districts across Oregon contain vacant or unused upper floors. Renovating these spaces can create new housing, generate rental income, preserve historic buildings, increase property value, improve building safety, and bring more people downtown to support local businesses.

Benefits

- ⊕ New rental income
- ⊕ Increase property value
- ⊕ Improve long-term building condition and create housing
- ⊕ Preserve historic buildings



Downtown Lebanon

Upper Stories Can Become:

- ✓ Long- or short-term rentals
- ✓ Event or community spaces
- ✓ Business or office space
- ✓ Apartments (market-rate, workforce or affordable housing)
- ✓ Expansion space for growing local businesses
- ✓ Artist and galleries
- ✓ Lodging

Did you know? *Historic buildings across Oregon have unused upper floors that could help address local housing shortages while bringing more life to downtown districts.*

Is your building a good candidate?

Does your building have upper story (or basement) space this is:

- ☐ Currently used for storage?
- ☐ Only partially occupied?
- ☐ In need of seismic, ADA, or safety retrofits?
- ☐ In need of basic maintenance repairs or upgrades?

You Don't Have to Do It Alone!

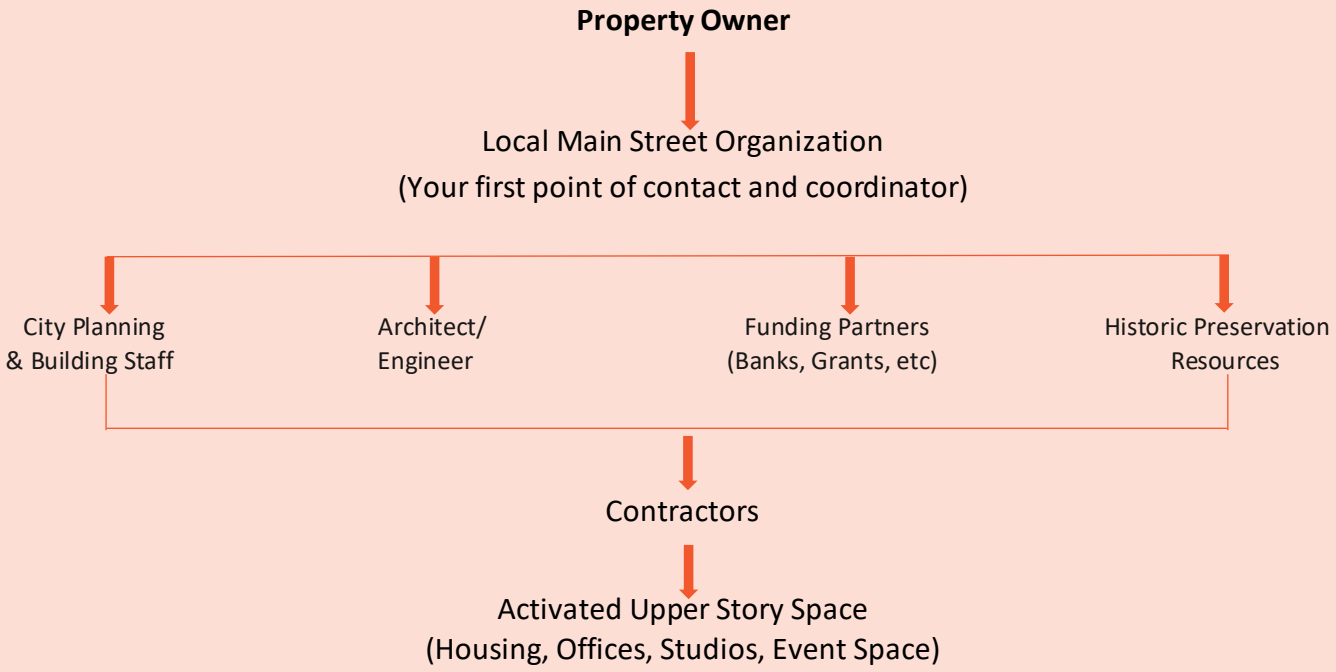
Your Main Street organization can help you:

- Understand your building's potential
- Connect with architects and contractors
- Identify grants and loans
- Navigate permitting
- Find technical assistance
- Learn from similar projects
- Connect with local partners



In-progress renovation of an upper story apartment in Lebanon

Your Typical Project Team Might Look Like This



Ready to Explore Your Upper Story?

Every successful project starts with a conversation. Contact your local Main Street organization to:

- Discuss your building
- Learn about funding opportunities
- Connect with technical experts
- Take the first step toward activating your upper story



Renovated upper story apartment in Albany

RENOVATION ROADMAP

Your Path to Activating an Upper Story

Step1: Start with Your Main Street Organization

Don't start alone!

Your local Main Street organization can help you:

- Explore your building's potential
- Connect you with local partners and technical experts
- Identify grants, loans and incentive programs
- Share examples from similar projects
- Help coordinate with city staff and other organizations you may need to involve

Step 2: Evaluate Your Building

Determine whether your upper story is a good candidate for redevelopment.

A professional assessment can identify opportunities and challenges before investing in design. You'll need to consider:

- Existing building condition
- Structural integrity
- Utilities (water, sewer, electrical)
- Fire and life safety requirements
- Accessibility
- Existing entrance and circulation
- Historic building considerations



Downtown Cottage Grove



Seismic retrofit in upper story in Lebanon

Step 3: Define Your Vision

Decide how you want to use the space.

- Apartments
- Workforce or affordable housing
- Offices
- Artist studios
- Event or community space
- Business expansion

Choose a use that meets both your goals and your community's needs.

Step 4: Build Your Project Team

Successful projects require collaboration. Your local Main Street organization can help you connect with the people you'll need to involve:

- City Planning & Building Staff
- Historic Preservation Experts
- Architect/ Engineer
- Experienced Contractors
- Funding Partners (Banks, Grants, etc)

Step 5: Understand Costs & Secure Funding

Develop a realistic project budget and financing plan. Potential funding sources include:

- Grants
- Revolving loan funds
- Historic preservation incentives
- State and local financing programs
- Private lending
- Owner equity

Preparing a project budget or pro forma can determine financial feasibility before construction begins. Most projects require a combination of funding sources. Your local Main Street organization can help you coordinate multiple funding streams and provide a pro forma template to help you estimate project costs, financing, and potential returns.

Step 6: Complete Design, Permits & Construction

With financing in place:

- Finalize renovation plans and design
- Obtain permits and approvals
- Address applicable building codes
- Hire contractors
- Begin renovation

Building code requirements can be complex, so early communication with local building officials is encouraged. Your local Main Street organization can help you navigate these complexities.

Step 7: Activate Your Upper Story

Once construction is complete:

- Market the space
- Lease residential or commercial units
- Welcome new tenants
- Continue partnering with your Main Street organization to promote your project

Activated upper stories create a more vibrant downtown by increasing housing, supporting local businesses, preserving historic buildings, and bringing more people downtown throughout the day and evening.