

Planning for Economic and Fiscal Health

Christopher Zimmerman

Vice President for Economic Development

John Robert Smith

Senior Policy Advisor



Smart Growth America

Making Neighborhoods Great Together

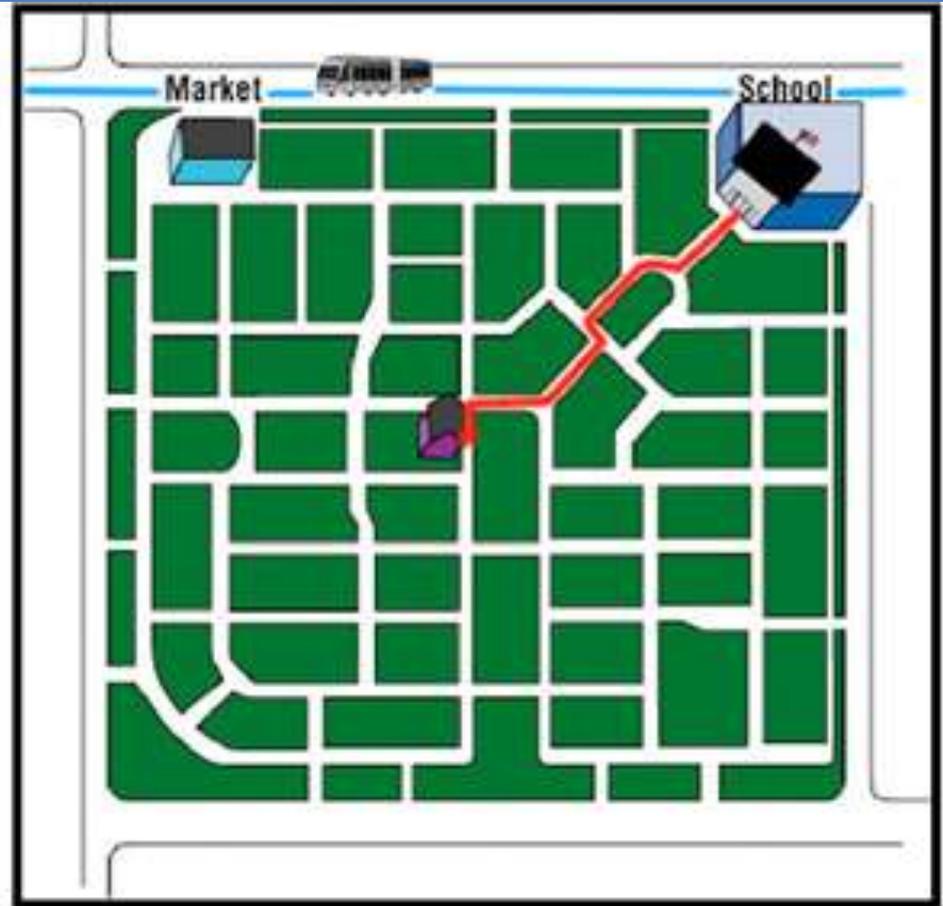
Planning for Economic and Fiscal Health

This is about how the pattern of development
– how we choose to grow –
affects a region's ability to compete
economically, to be fiscally sustainable, and
to provide efficient and effective public
services –
to maintain a high quality of life.

Premise:

The way we **design** and **build** our
communities has enormous
consequences

It affects the way we live our lives on a daily basis.





Traditional town plan

- Mixed-use
- Compact
- Buildings of several stories
- Blocks with multiple building types
- Street grid

Courtesy of Alex MacLean, Landslides

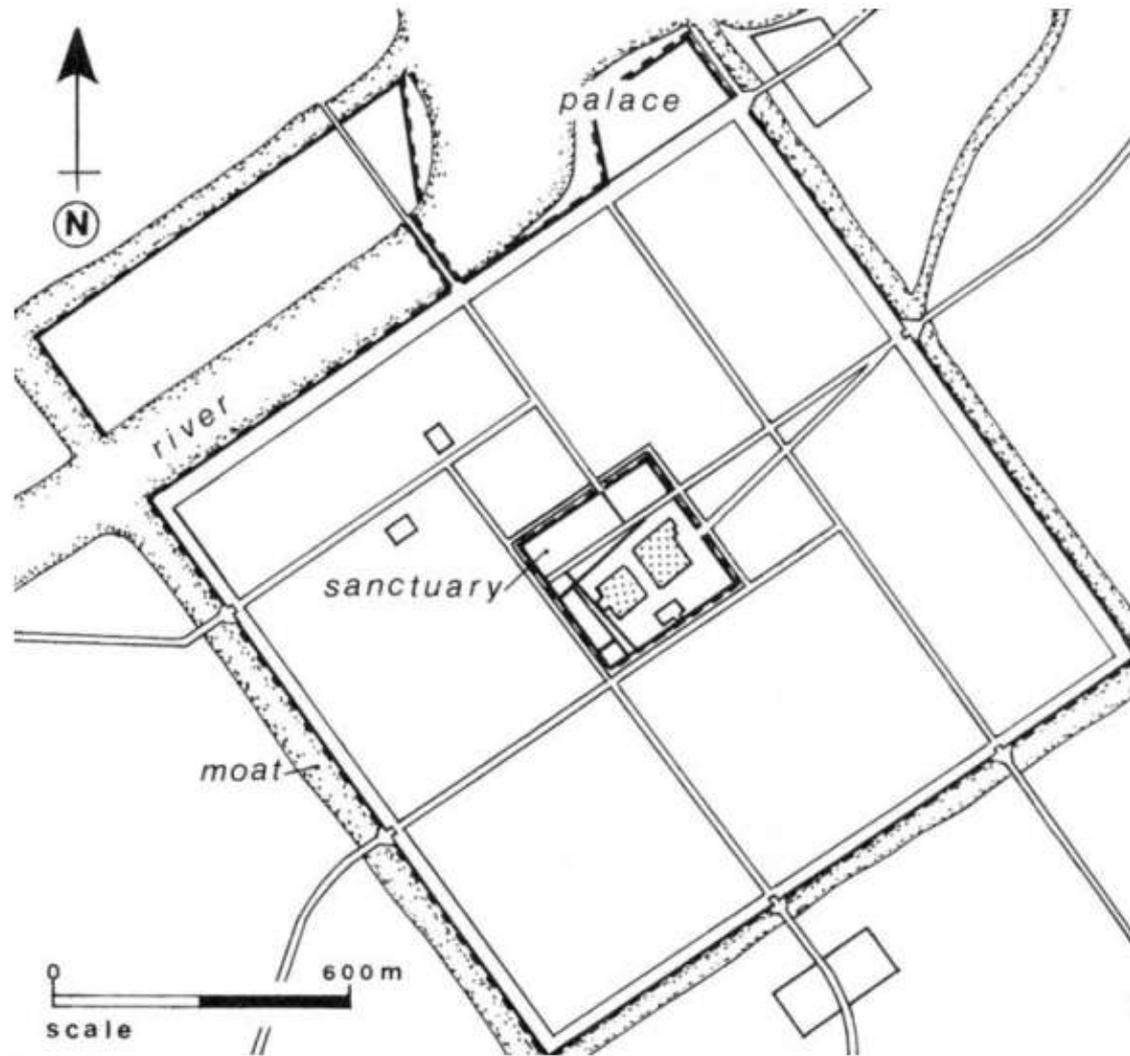


Figure 16: Borsippa, an Important Capital of the Babylonian and Assyrian Periods in Mesopotamia

Source: Modified after Marc Van De Mieroop, *The Ancient Mesopotamian City* (Oxford: Oxford University Press, 1999), 88.



From, **Ancient Town-planning**, By F. HAVERFIELD (Oxford , The Clarendon Press, 1913)

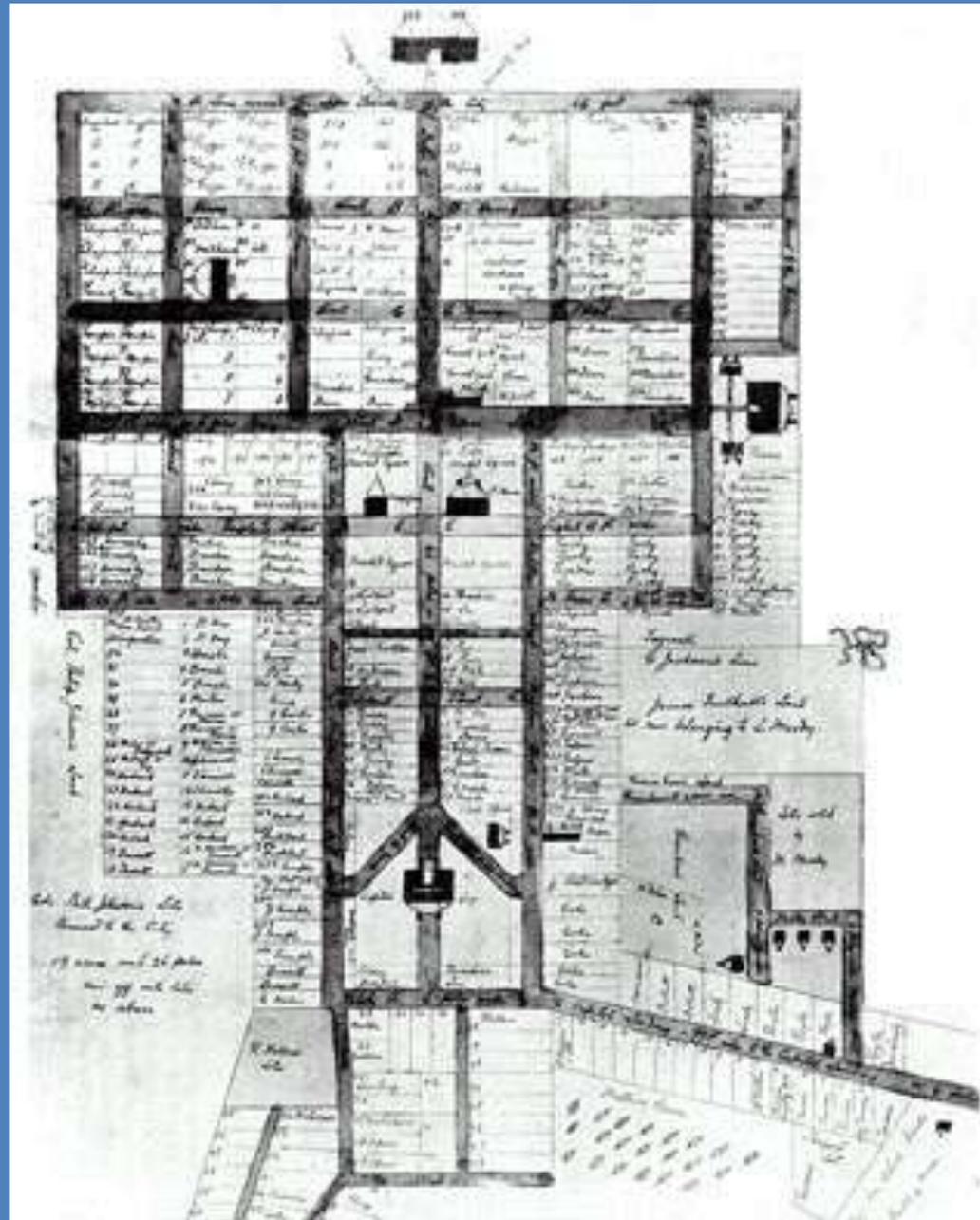
A traditional urban plan: Colonial Williamsburg

major roads

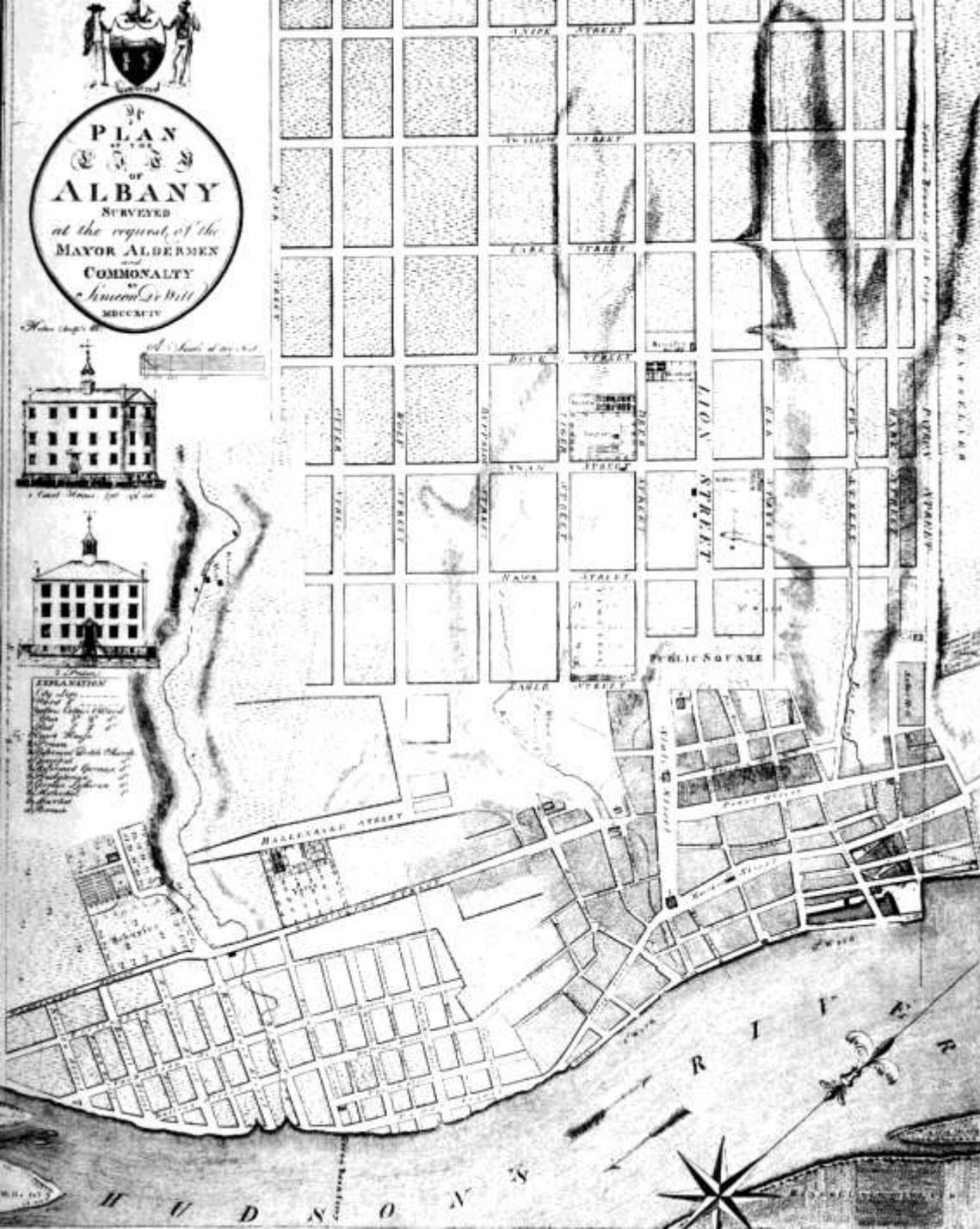
public building sites

six-foot front setback
on which buildings were to front

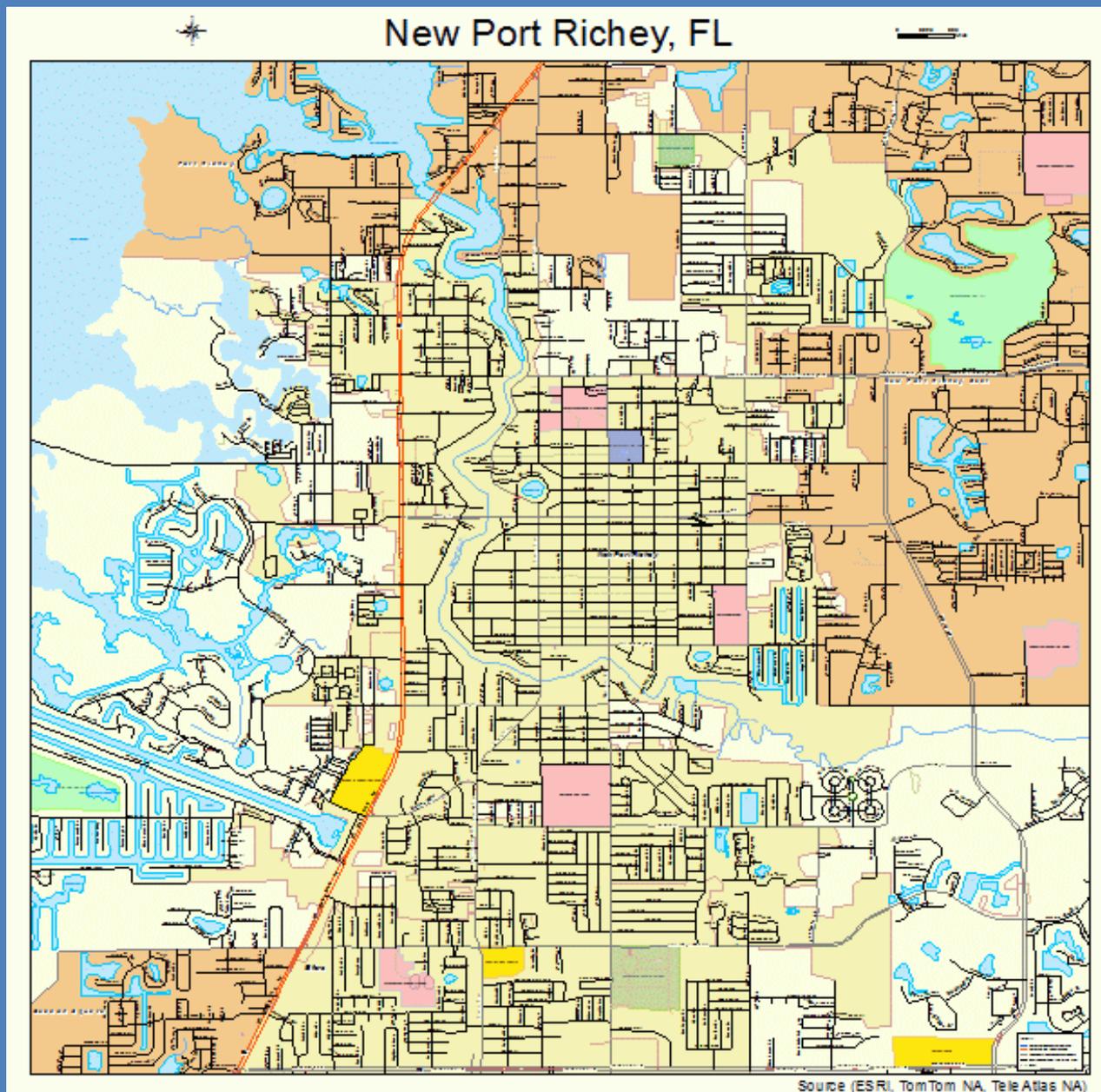
... compact development



America in the 17th century

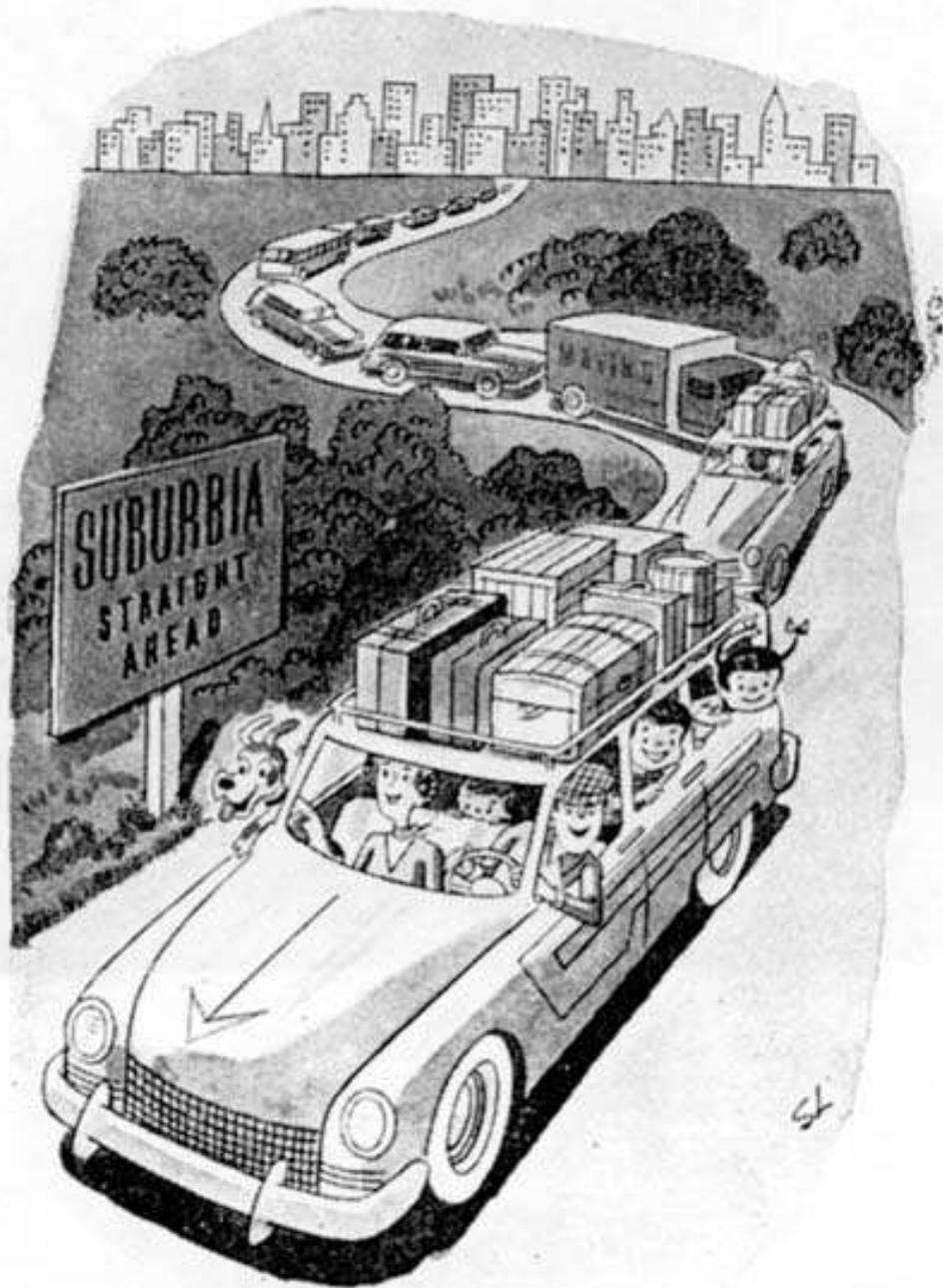


America in the 18th century



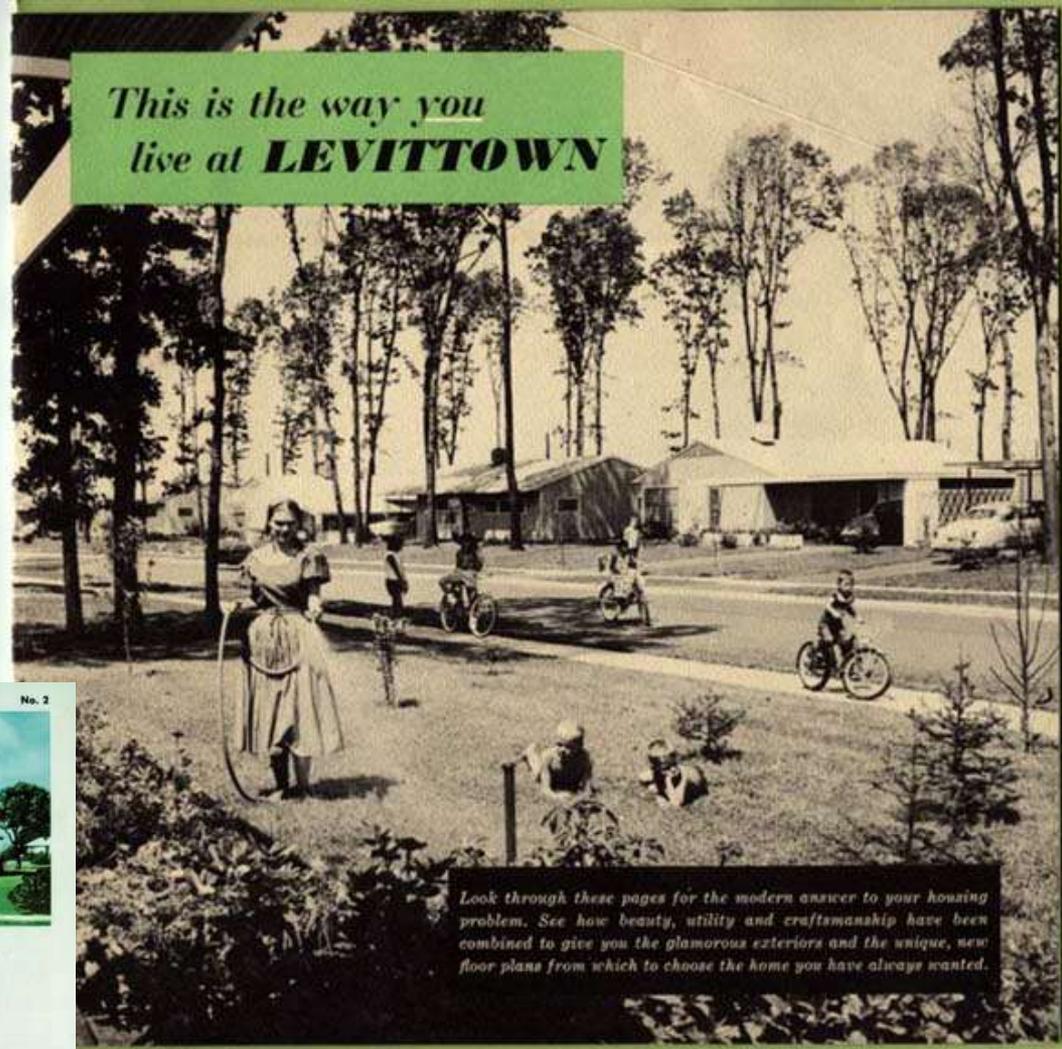
America – late 19th–early 20th century

... the automobile era begins ...



... and America
moves to the
suburbs ...

*This is the way you
live at **LEVITTOWN***



The Levittowner

PRICE: \$10,990 \$67 A MONTH

NO CASH REQUIRED FROM VETERANS

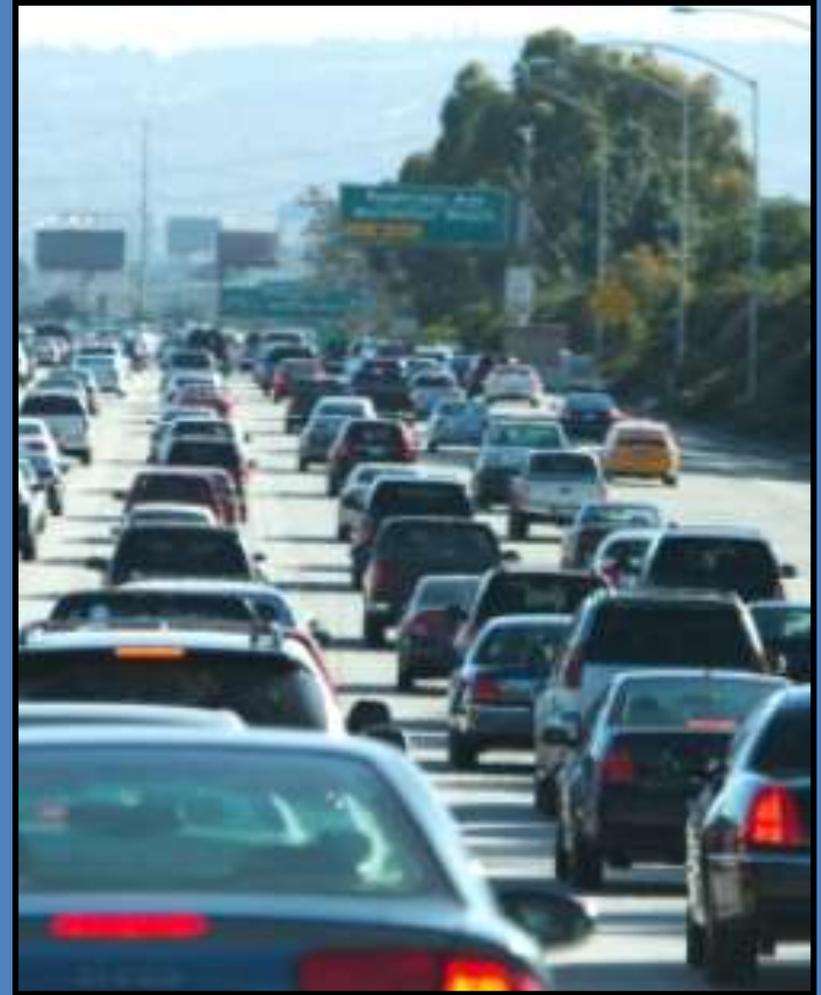


Look through these pages for the modern answer to your housing problem. See how beauty, utility and craftsmanship have been combined to give you the glamorous exteriors and the unique, new floor plans from which to choose the home you have always wanted.

What we thought we were getting



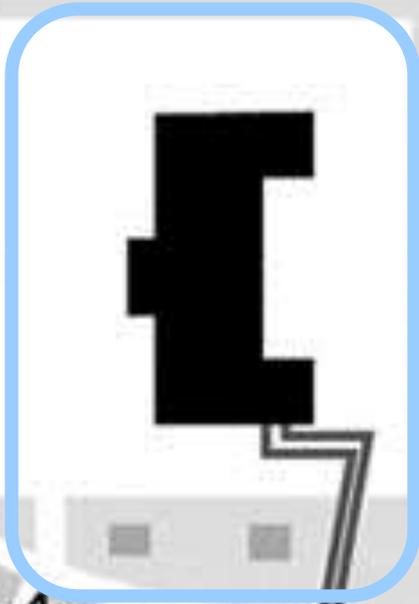
What we've gotten...this...



and this



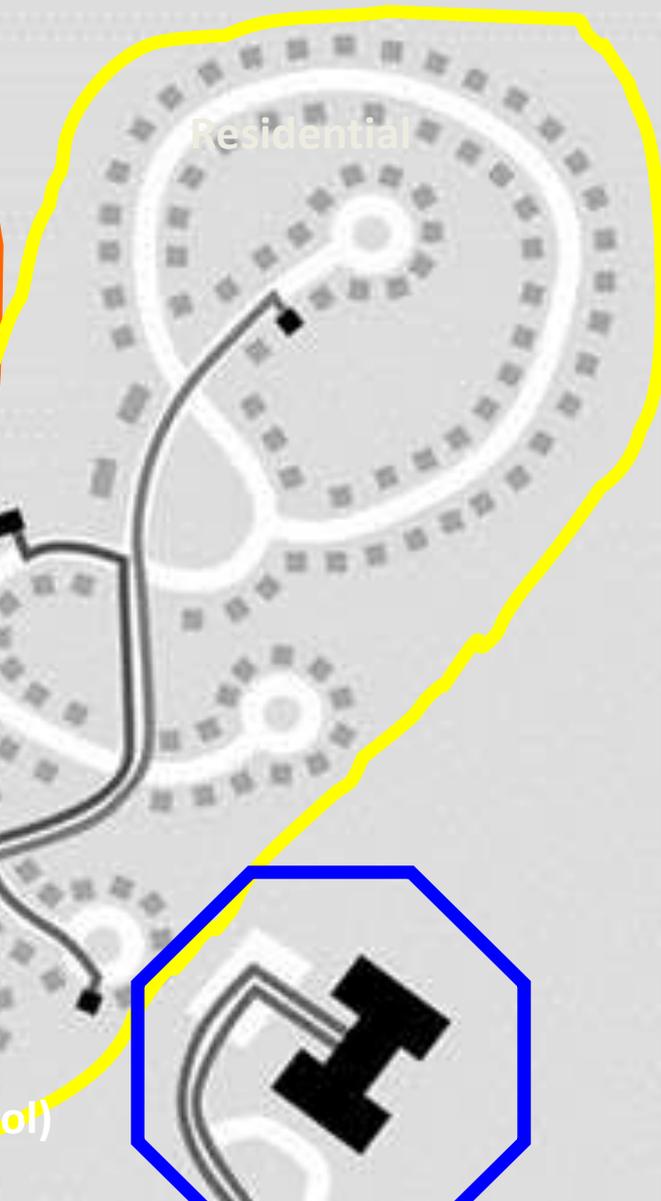
Industrial



Commercial



Residential



Arterial



Civic (School)



Sprawl

**Fragmented land use
with minimal connectivity**



Photo of Baltimore by Alex MacLean

Limited connectivity of the cul-de-sac



Tokel Bend

Rubber Tree Cr

Poinciana Cr

Meadows dog park

Cocoon Plum Cr

Wisteria Cr

Coterie Dr

Baillie Dr

Muriel Ln

Larch Ln

Serene Square

Rubber Tree Cr

Serene Square

Rainfall Dr

Chaste Tree Dr

Baillie Dr

Muriel Ln

Larch Ln

Dansen Cr

Cocoon Plum Cr

Coquina Cr

French Cr

518

Serene Square

Dansen Cr

Travelers Tree Dr

Coquina Cr

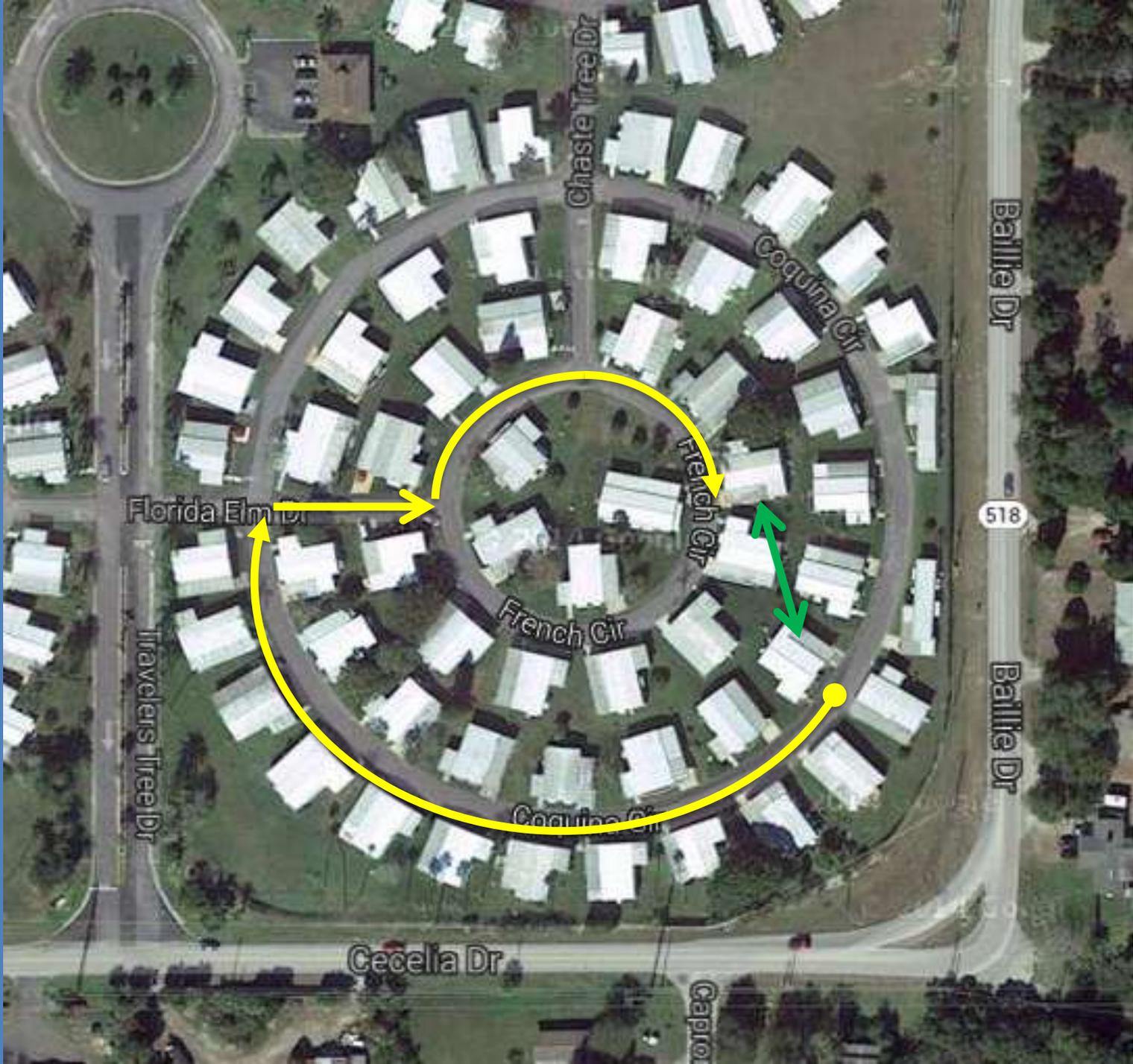
Cecelia Dr

Cecelia Dr

Cecelia Dr

Voorhees Rd

Capron







Land use and transportation decisions
impact many things – including
economic & fiscal performance.

***Land use policy is
economic development policy.***

We'll come back to this.

Now let's look at what's driving
change for our communities.

3 important factors affecting the future of our communities

1. The **market** is changing, especially for housing
2. The recipe for **economic growth** is changing
3. It's getting harder to use tax money to **subsidize inefficiency**

1. The changing market

Your community is changing

Two major demographic changes are driving the market.

- The **rise** of the **Millennials**.
- The **aging** of the **Baby Boomers**.

American households are changing

In the 1950s roughly **half** of all households were **families with kids**.

“Between 1970 and 2012, the share of households that were married couples with children under 18 halved from 40 percent to **20 percent**.”

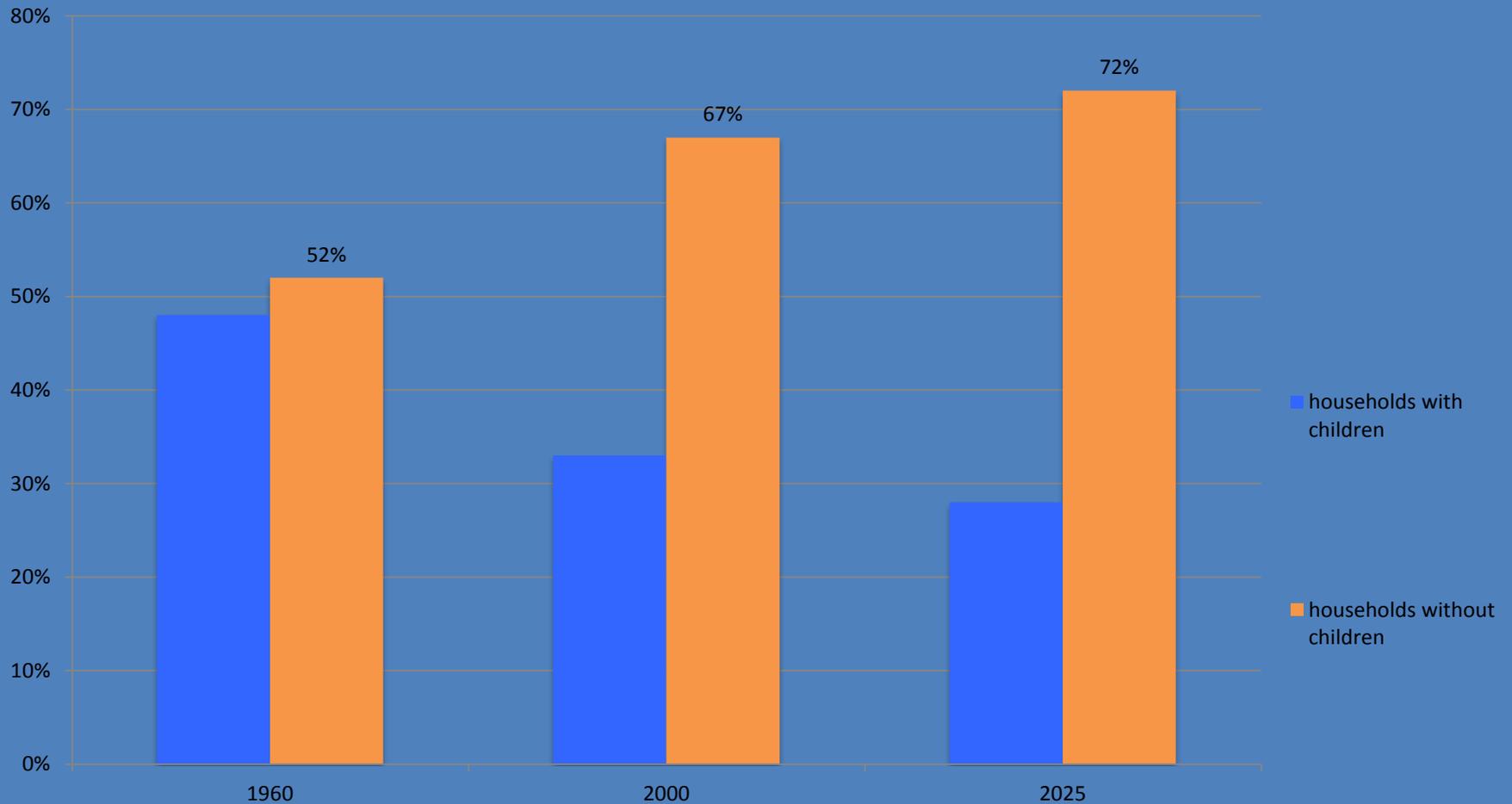
US Census Bureau, *America's Families and Living Arrangements: 2012*

By Jonathan Vespa, Jamie M. Lewis, and Rose M. Kreider

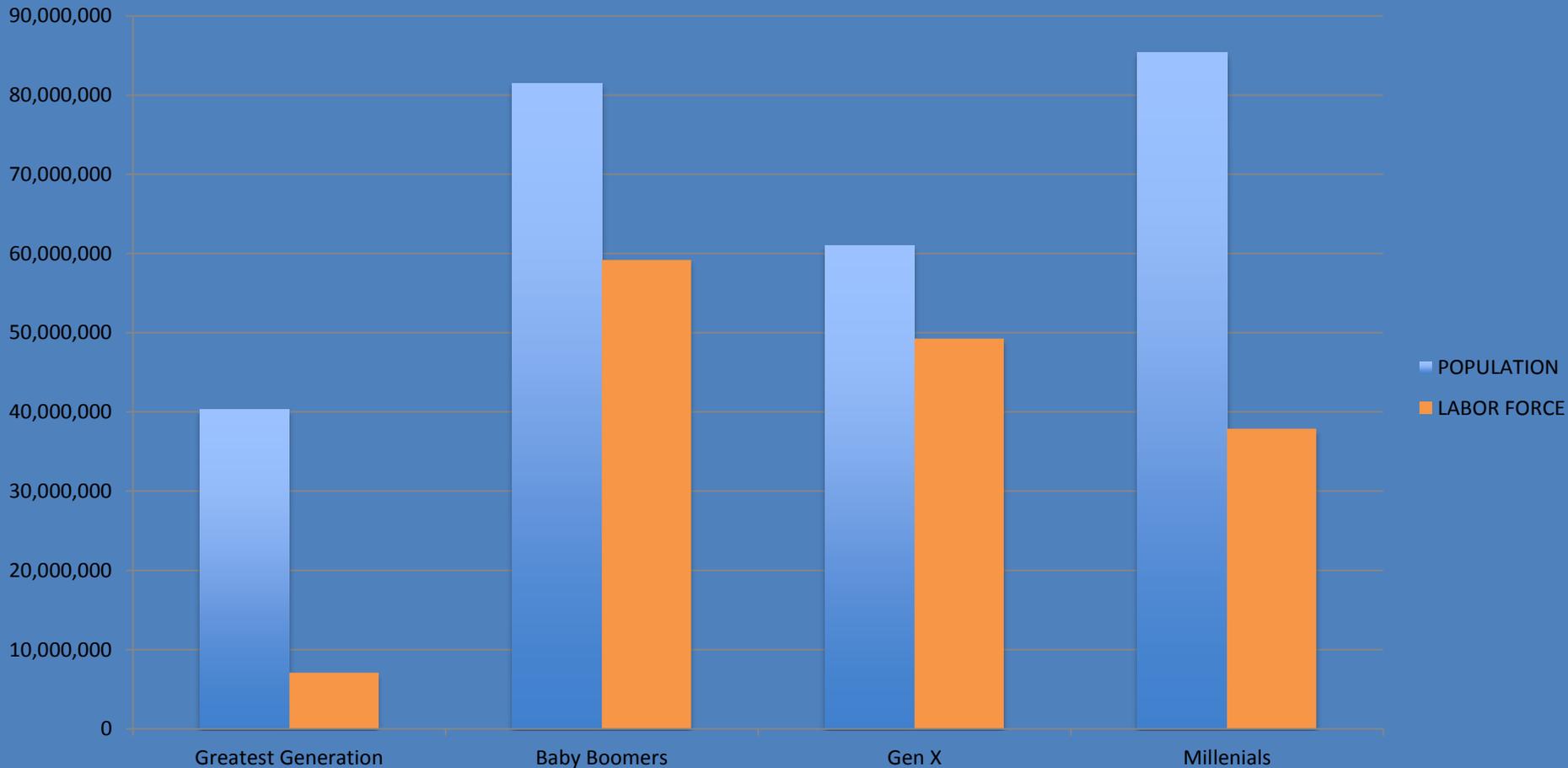
August 2013

Your community is changing

Households with and without children, 1960-2025



Demographic change and the labor force



Your community is changing
and **preferences** and the
market are following.

Millennials

They follow lifestyle,
not jobs.

Millennials choose
where to **live** before
finding a **job**.



Millennials

Of all college-educated
25- to 34-year-olds –

64% looked for a job
after they chose the
city where they wanted
to live.

(U.S. Census)



They seem to want urban living

The New York Times | <http://nyti.ms/1pahHvV>

N.Y. / REGION

Suburbs Try to Prevent an Exodus as Young Adults Move to Cities and Stay

By JOSEPH BERGER APRIL 16, 2014

It is a well-trod trail: Suburban youngsters enter their early 20s, leave their parents' comfortable Tudors or colonials for the pizzazz of the city, dawdle a few years until they find mates and begin having children and then, seeking more space and good public schools, move back to the suburbs and into their own Tudors or colonials.

But that pattern is changing, or at least shifting. A recent report on the suburb-dotted New York counties of Westchester, Nassau and Suffolk, based on United States census data, found that those young people seem to be lingering longer in New York City, sometimes forsaking suburban life

They seem to want urban living

Big US cities boom as young adults shun suburbs

June 28, 2012 - 12:14 AM

HOPE YEN AND KRISTEN WYATT, Associated Press

 Share on Facebook

 Share on Twitter



0

WASHINGTON (AP) — For the first time in a century, most of America's largest cities are growing at a faster rate than their surrounding suburbs as young adults seeking a foothold in the weak job market shun home-buying and stay put in bustling urban centers.

New 2011 census estimates released Thursday highlight the dramatic switch.



Young Americans ditch the car

By Steve Hargreaves @CNNMoney September 17, 2012: 11:30 AM ET



PHOTO: THINKSTOCK

*And they
don't
seem to
want cars*

NEW YORK (CNNMoney) -- America's young people just aren't buying cars like they used to.

The share of new cars purchased by those aged 18-34 dropped 30% in the last five years, according to the car shopping

Preferences: Transportation

Millennials are **driving less**

- From 2001 to 2009, the average annual number of vehicle-miles traveled by people ages 16-34 **dropped** 23 percent.

(source: National Household Travel Survey)

- 26 percent lacked a driver's license in 2010, up 5 percentage points from 2000

(source: Federal Highway Administration)

Preferences: Transportation

Baby boomers turning in their keys

- Using local buses and trains more (source: National Household Travel Survey)
- Bike trips increased 64 percent between 2001 and 2009. (AARP)

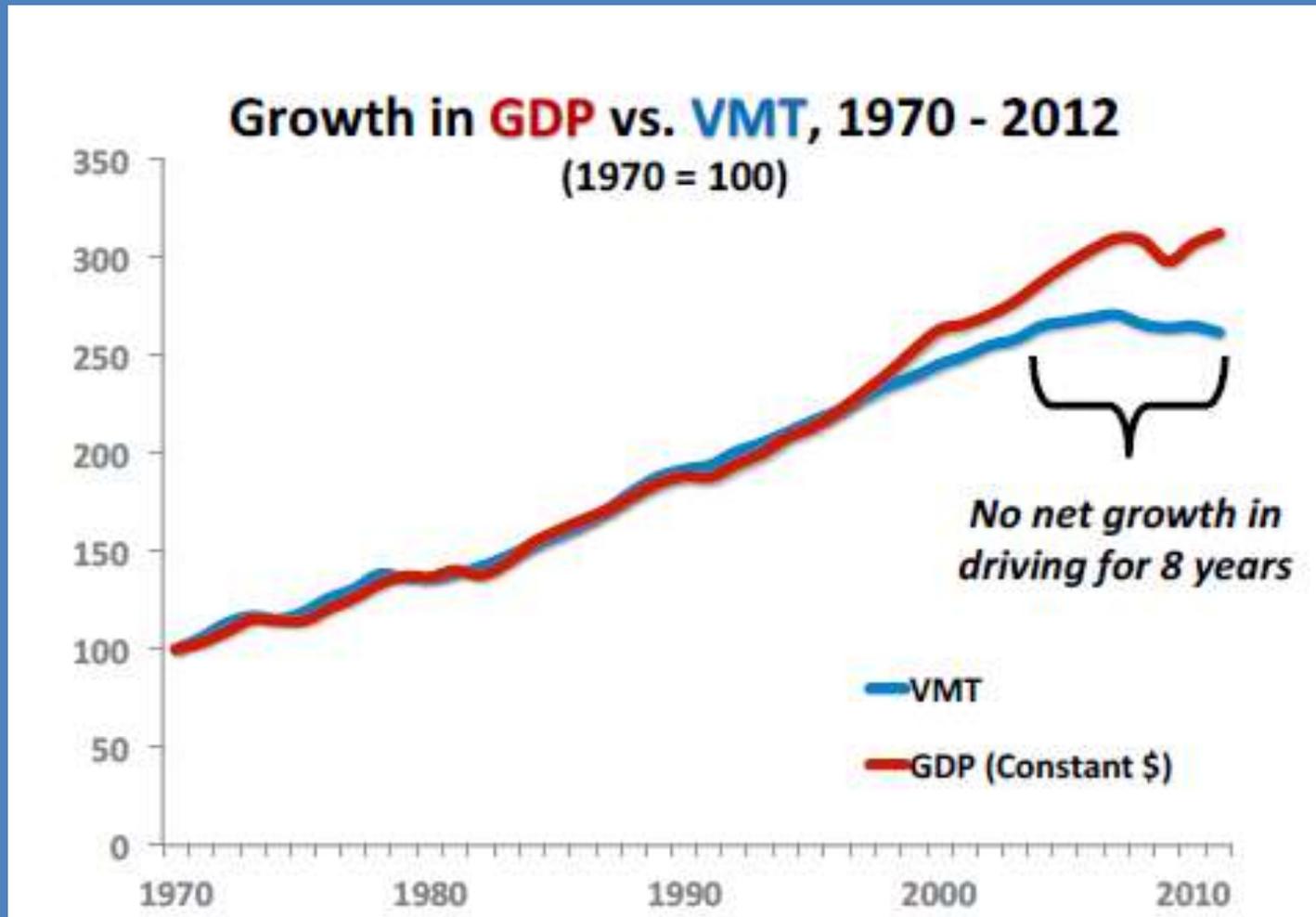
Aside:

They're not that interested in moving to "retirement communities."

Average age entering senior housing used to be 70 – **now it's 86.**



Preferences: Transportation



Actually, everyone's **driving less . . .**

Preferences: Transportation



Source: US Department of Transportation, Federal Highway Administration, <http://www.fhwa.dot.gov/ohim/tvtw/tvtpage.cfm>

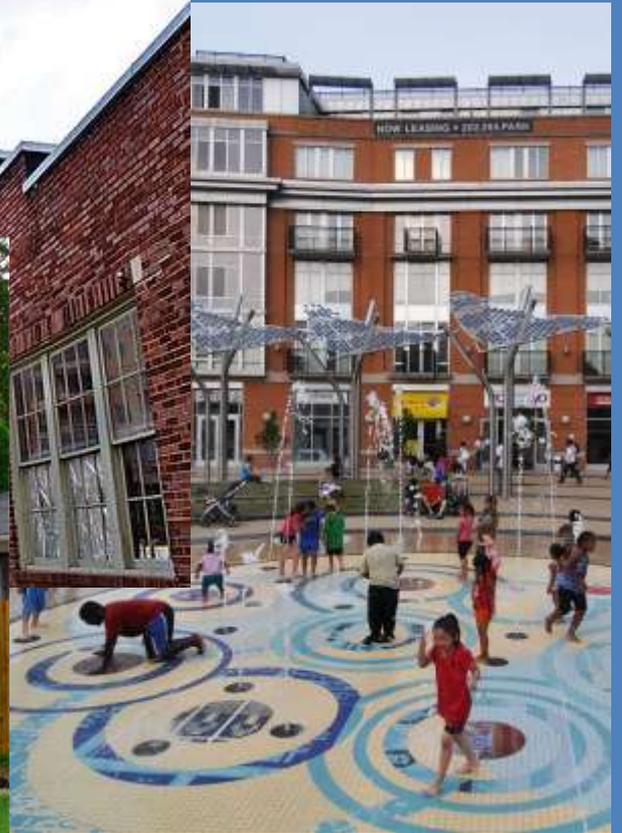
Annual Vehicle-Miles Traveled in the United States and Year-over-Year Changes, 1971-2012

... and it's been happening for a while.

Preferences: Transportation choices



Preferences: Housing choices



Americans Value “Sense of Place,” Whether City, Village, or Rural Town

New urban apartments drawing young professionals



Several new apartment developments in downtown Milwaukee and the east side are drawing young professionals who want an urban lifestyle.



- 1. Latitude Apartments**, southwest corner, N. Farwell Ave. and E. Kenilworth Place, 90 units, opened August 2010
- 2. 1150 North**, northwest corner, E. North Ave. and N. Commerce St., 122 units, proposed
- 3. 1910 on Water**, 1910 N. Water St., 68 units, under construction
- 4. The Mod**, 1910 N. Water St., 68 units, under construction
- 5. The North End**, between N. Water St. and the Milwaukee River, south of Pleasant St., 83 units opened in 2009, construction to begin this fall on 155 additional units, completion by spring 2013.
- 6. The Mod**, 1910 N. Water St., 68 units, under construction

The Washington Times

Detroit's downtown 'starting to fight back'

Upwardly mobile lead the way



“The young, smart and mobile are a key demographic that cities across the country are trying to attract.”

- The Patriot-News, July 23, 2011

“Americans Prefer to Live in Mixed-Use, Walkable Communities”

-- National Association of Realtors

(October 2013):

- 78 percent say neighborhood is more important than the size of the house
- Fifty-seven percent would forego a home with a larger yard if it meant a shorter commute to work

“Americans Prefer to Live in Mixed-Use, Walkable Communities”

-- National Association of Realtors

(October 2013):

- 55 percent of respondents willing to forego a home with larger yard if it meant they could live within walking distance of schools, stores and restaurants as opposed to having larger yard and needing to drive to get to schools, stores and restaurants

Type an address, neighborhood or city

Go

6345 Grand Boulevard

New Port Richey

Favorite

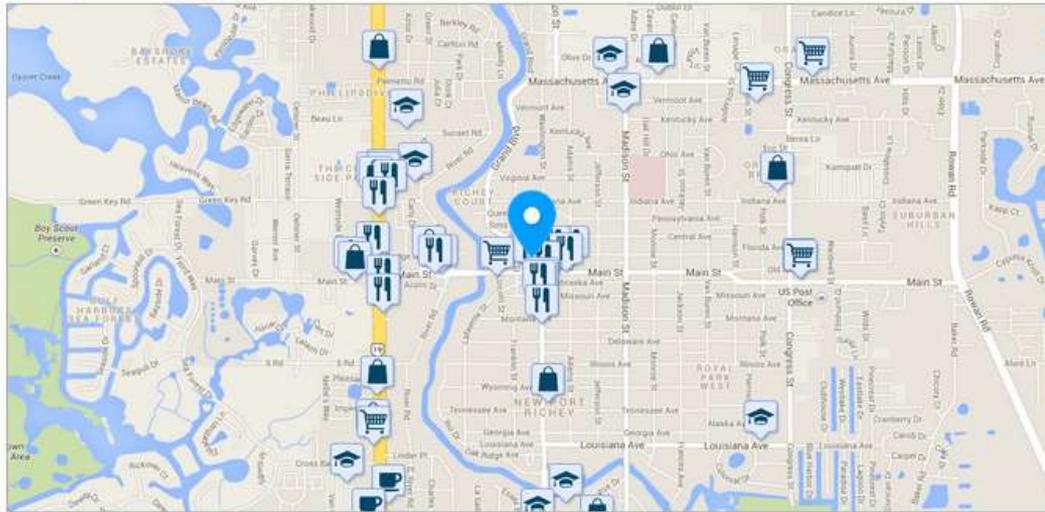
Bigger Map

Nearby Apartments

Walk Score
82

Very Walkable

Most errands can be accomplished on foot.



[View your latest Credit Scores from All 3 Bureaus in 60 secs-\\$0](#)

About this Location

6345 Grand Boulevard has a Walk Score of 82 out of 100. This location is Very Walkable so

Preferences: Housing

Millennials especially are trending away from traditional suburbs

- 47% would prefer to live in a city or a suburb with a mix of houses, shops, and businesses
- 40% would prefer a rural or a **small town**
- 12% say they would prefer a suburban neighborhood with houses only

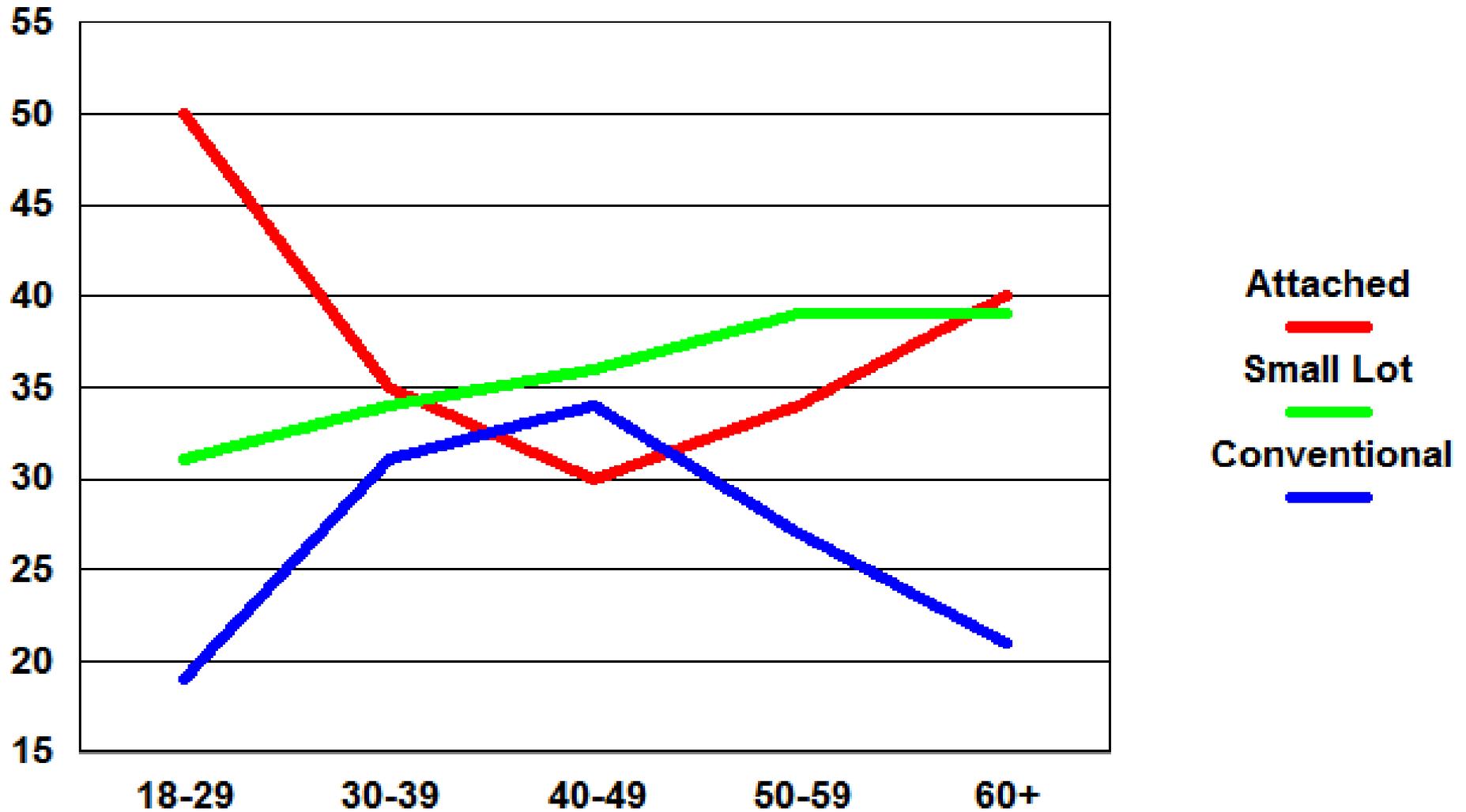
Boomers are **downsizing**

- Increasing numbers, smaller households

Seniors

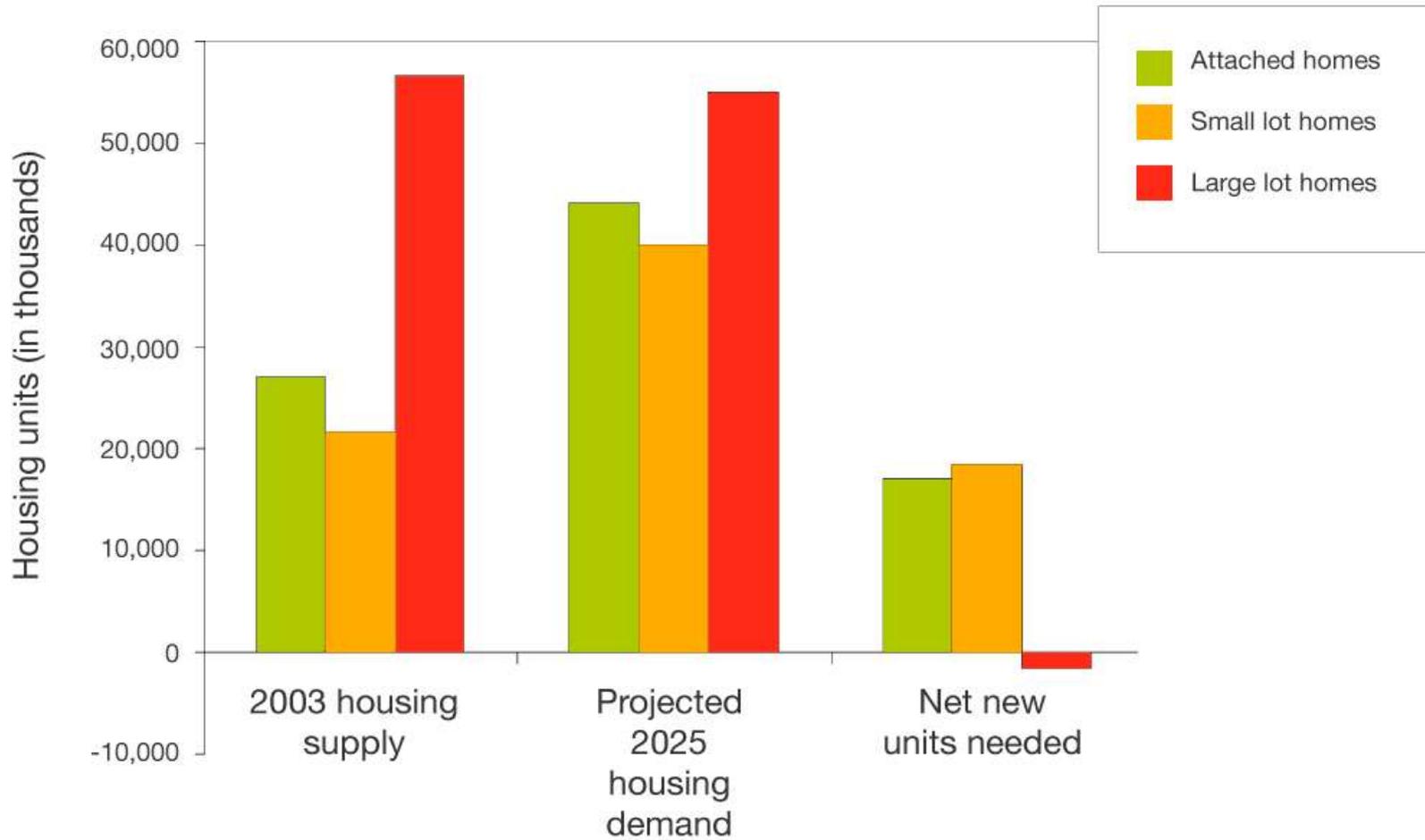
- More senior households every year
- As senior population itself gets older, more smaller households
- The number of senior households will grow twice as fast as all others (A.C. Nelson)
- Shrinking, aging households will be a source of supply of SFD housing, and demand for smaller and multi-family

Housing Type Preference by Age



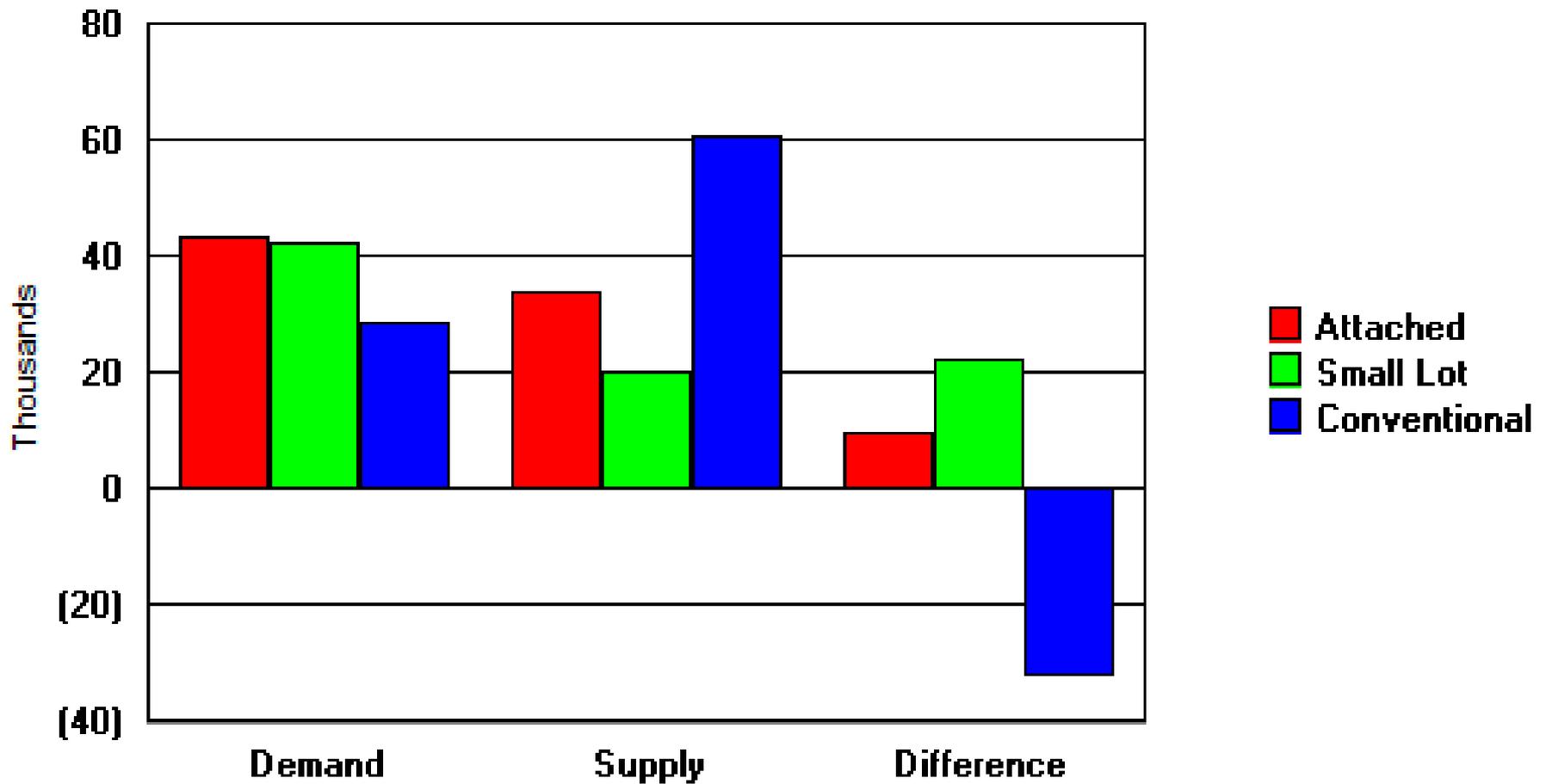
The market: Housing

U.S. real estate supply vs. demand, 2003-2025



Source: From ~ 2003 analysis by Arthur C. Nelson, (now with University of Arizona).

Occupied Housing Demand-Supply Mismatch 2011



Source: Adapted from American Housing Survey 2011 by Arthur C. Nelson, University of Arizona.

Peak sprawl?

Greater Greater Washington

The Washington, DC area is great. But it could be **greater**.

DEMOGRAPHICS

Washington growing more at the center, less at the edges

by [Dan Reed](#) • March 18, 2013

After years of rapid population growth, greater Washington might be slowing down. However, the real story is where most regional growth is happening: in and around the Beltway, not on the fringe.

Yesterday, the Census Bureau released [population estimates](#) for the [Washington-Arlington-Alexandria Metropolitan Statistical Area](#), which encompasses the District and [27 surrounding counties and independent cities](#) in Maryland, Virginia and West Virginia.

While the Washington Post focused on [slightly slower population growth](#) than in previous years, there are much more interesting trends



Revitalize

From the east
coast

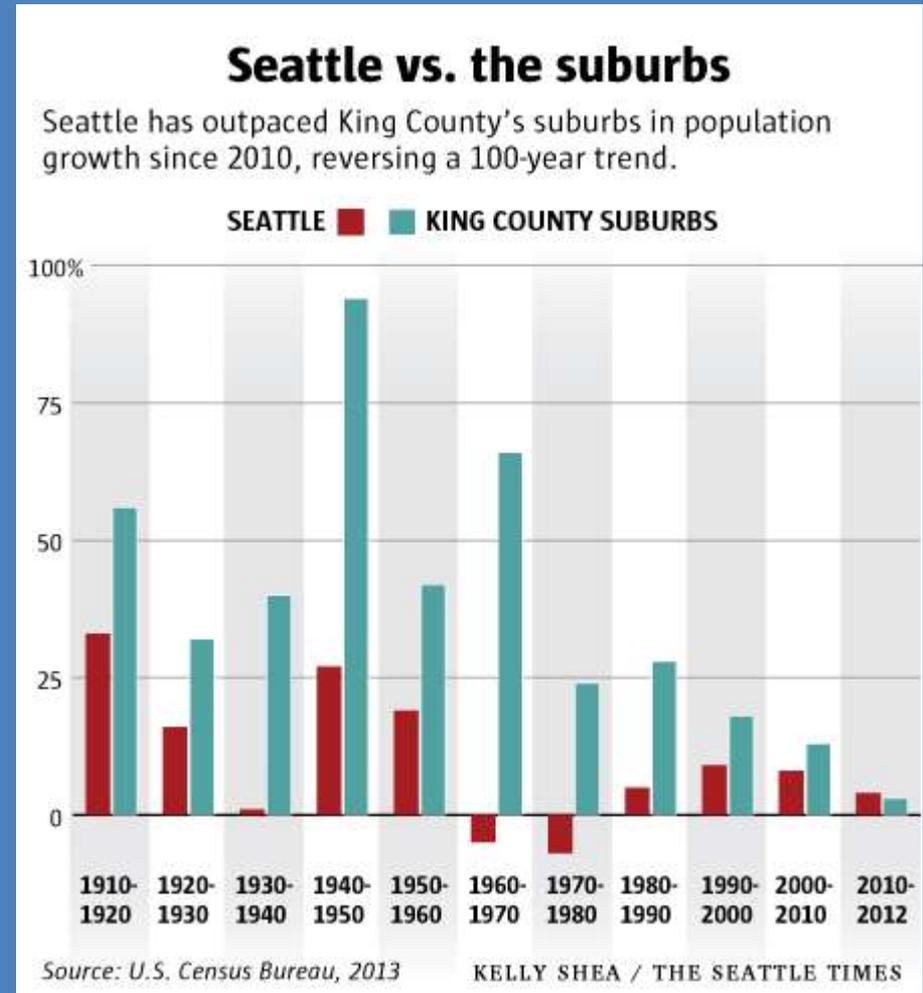
to the west . . .

Peak sprawl?

Seattle growth outpaces suburbs

“For the first time since 1910, Seattle is growing faster than its suburbs, reports *The Seattle Times*”

From Blog post by Robert Steuteville on Better! Cities & Towns
25 Feb 2014



Peak sprawl?

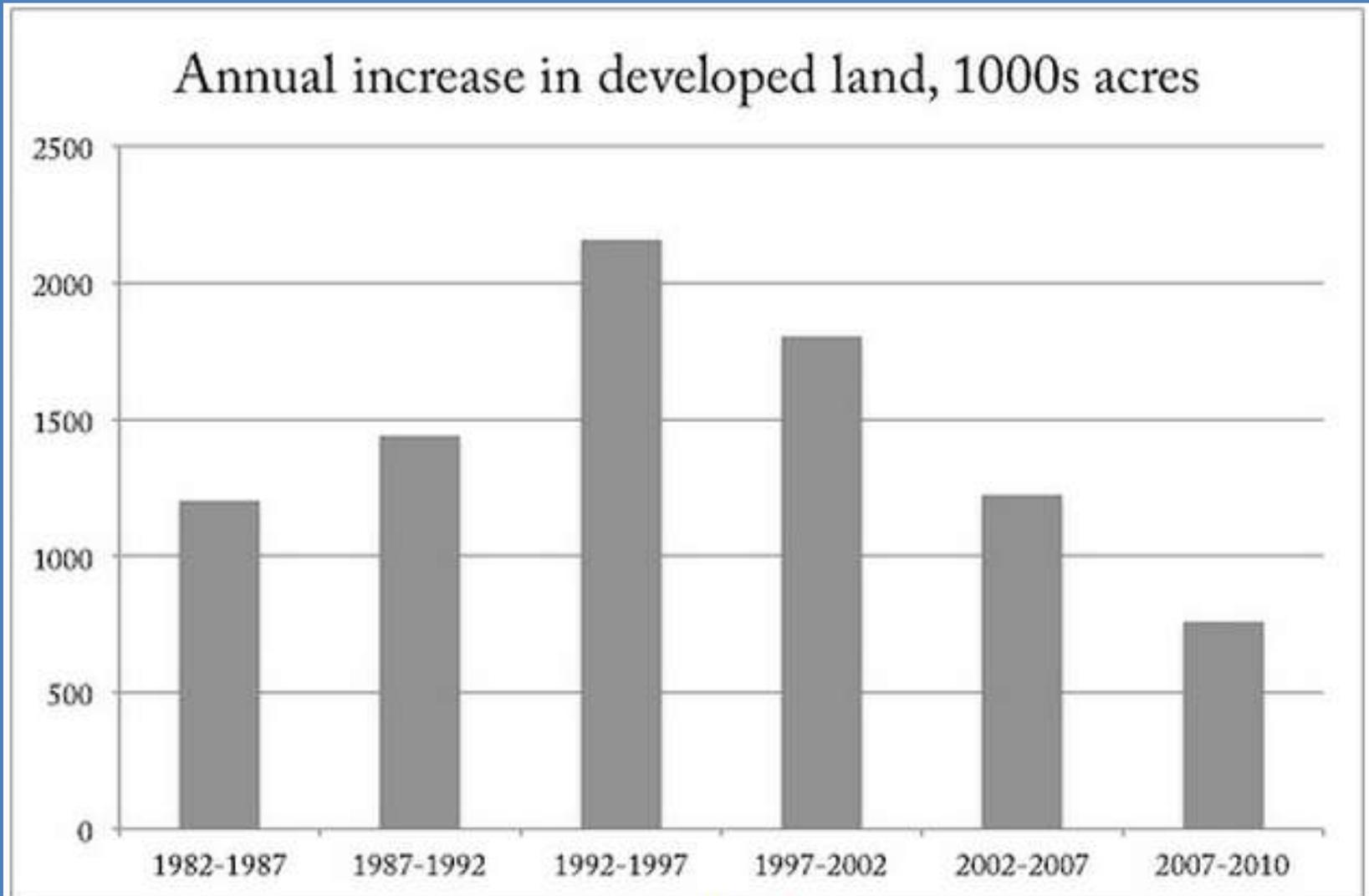
“The last time growth in big cities surpassed that in outlying areas occurred prior to 1920, before the rise of mass-produced automobiles spurred expansion beyond city cores.”

“Big US cities boom as young adults shun suburbs,”

June 28, 2012 - 12:14 AM

Hope Yen and Kristen Wyatt, Associated Press

Peak sprawl?



Graph from the USDA.

How will your community meet the
needs of
millennials and **aging**
boomers in order to improve
your **competitiveness?**

2. The new recipe for economic growth

Economic Development

1. Attract new business
2. Retain existing business
3. Grow new business

The 21st Century Economy

- The “creative economy”; the “knowledge economy”; the “innovation economy”
- Importance of networking, interaction
- Demand for skilled workers



Shift in work
activity →
new work
environments



The Old Model: Plenty of Open Space; no Public Space



Typical Suburban
Workplace

The New Model: Settings for Interaction, Serendipity



Compact development spurs
economic productivity,
especially in
the “Innovation Economy”*

*Doubling of employment density → 20%
increase in patents per capita†*

* Source: “Productivity and the Density of Economic Activity” by Antonio Ciccone and Robert Hall

† Source: “Urban Density and the Rate of Invention” by Gerald Carlino et al.

Why?

- Direct product of proximity?
- The by-product of locations that attract the “creative class”?

Maybe both – but it almost doesn't matter

“Urban vitality drives innovation
and attracts ‘talent.’”

(Freedmen, Tung & Sasaski, 2012)

“Livable cities draw creative people, and
creative people spawn jobs.”

(*Wired*, “Small Cities Feed the Knowledge Economy”,
Adam Davidson, May 31, 2011.)

High tech startups taking an urban turn.

“ high tech development, startup activity, and venture investment have recently begun to shift to urban centers and also to close-in, mixed-use, transit-oriented walkable suburbs.”

“ . . . San Francisco proper now attracts a larger volume of venture capital investment than Silicon Valley.”

Richard Florida, **Startup City:
The Urban Shift in Venture Capital and High Technology**

March 2014

“Talent matters:

Venture investment tracks the geography of talent, especially the percentage of adults who are college grads and the creative class.”

Richard Florida, **Startup City:
The Urban Shift in Venture Capital and High Technology**
March 2014

Features

The battle for talent: How cities are attracting urban professionals

“For today's top talent, the job market is only one thing to consider when choosing where to live. They also want a **vibrant city**, a **creative place** where they can **network** with **other smart people**, and a dynamic place where they can find their next job.”

-- LEE CHILCOTE | TUESDAY, JUNE 10, 2014
<http://www.elevationdcmedia.com>

Businesses respond to changing preferences

Forget big suburban campuses, innovative corporations are moving downtown

By Greg Clark and Bruce Katz | May 22, 2014



Greg Clark is a non-resident senior fellow at the Metropolitan Policy Program at the Brookings Institution and advisor to the OECD,

World Bank and global firms on city strategy.



Bruce Katz is a vice president at the Brookings Institution and founding director of its Metropolitan Policy Program.

(SGA research: > 100 cases; at least 2 in Tampa-St. Petersburg)

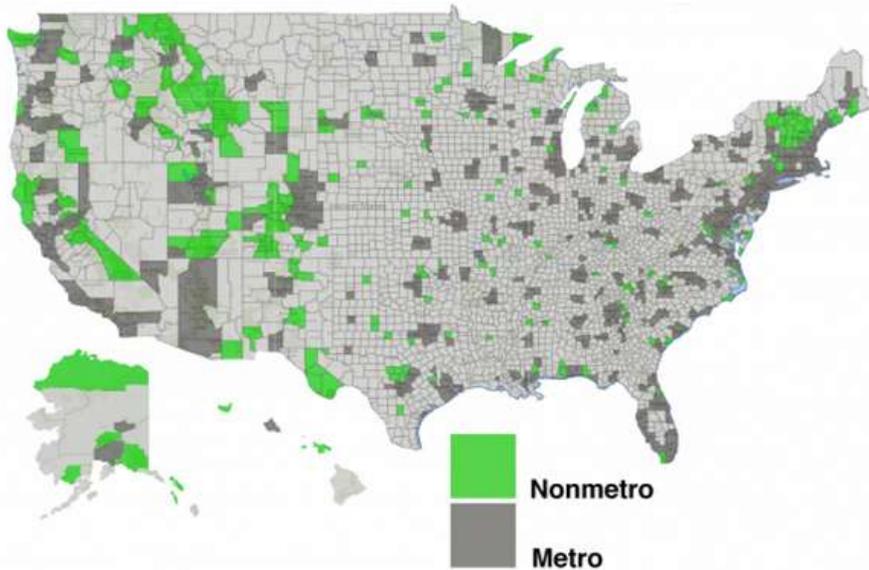
Businesses respond to changing preferences

- Across the country corporations are responding to employee preferences and **moving to the talent**.
- They are **choosing to relocate** from suburban offices to downtown locations.

More than 200 nonmetro counties rank near the top nationally in the percentage of employees who work in “creative class” occupations, according to a USDA Economic Research Study. See how your county stacks up.

By Tim Marema

CREATIVE CLASS COUNTIES, 2007-11



Source: USDA, Economic Research Service data product, Creative Class County Codes, using data from the pooled 2007-11 American Community Survey, U.S. Census Bureau. Click for an [interactive map](#). Creative class counties ranked in the top quarter in employment in creative class occupations. Metro/nonmetro status is based on the 2003 definition. Green counties are nonmetro, creative class. Gray counties are metro, creative class.

At first glance, Kalawao County, Hawaii, Loving County, Texas, and Hinsdale County, Colorado, may not have much in common with Los Angeles, Chicago or New York City.

But these small counties (with a combined population of fewer than 1,000 residents) rank among the nation’s top “creative-class” counties, when measured by the percentage of workers who are employed in creative-class professions.

They are in the top 25% of creative-class employment, alongside some of the nation’s largest cities in the percentage of workers who have jobs in fields like arts, architecture, engineering and other “creative” occupations.

It’s not just big cities

217 small counties (with population of fewer than 1,000 residents) rank among the nation’s top “creative-class” counties.

Note: Pasco County has est’d 45,185 “creative”, or 24.4 % of its workforce.

Source: USDA, Economic Research Service data product, Creative Class County Codes, using data from the pooled 2007-11 American Community Survey, U.S. Census Bureau.

America's Shopping Malls Are Dying A Slow, Ugly Death



HAYLEY PETERSON



JAN. 31, 2014, 12:01 PM

62,757

67

Recommend

3.9k



Share

221



Tweet

626



+1

94



EMAIL



MORE

Shop T.J.Maxx® Clearance

www.tjmaxx.tjx.com

Save Up to 60% On Designer Brands. Shop The Latest In Women's Fashion!

All across America, once-vibrant shopping malls are boarded up and decaying.

Traffic-driving anchors like Sears and JCPenney are shutting down stores, and mall owners are having a hard time finding retailers large enough to replace them. With a fresh wave of



Nicholas Eckhart

The Canton Centre Mall in Canton, Ohio is boarded up and vacant.

“Within 15 to 20 years, retail consultant Howard Davidowitz expects as many as half of America's shopping malls to fail.

‘ . . . we haven't built a major enclosed mall since 2006.’ ”

<http://www.businessinsider.com/shopping-malls-are-going-extinct-2014-1>



PHOTO: SEPH LAWLESS

From Seph Lawless, “Black Friday,” as reviewed in
Autopsy of America: Photos of dead shopping malls

By Aaron Smith [@AaronSmithCNN](https://twitter.com/AaronSmithCNN) July 1, 2014

[Home](#)

[Dead Mall
Stories](#)

[Site
Updates](#)

[Dictionary](#)

[Informative
Links](#)

[Developers](#)

[Merchandise](#)

[About & Contact
Info](#)

[Press](#)



(What if Deadmalls.com had its own magazine... courtesy of Jack Thomas 12/2007)

Welcome to Retail History!

Contents:

- **Dead Mall Stories:**
Read the stories and see the pictures of retail establishments and malls past and some present

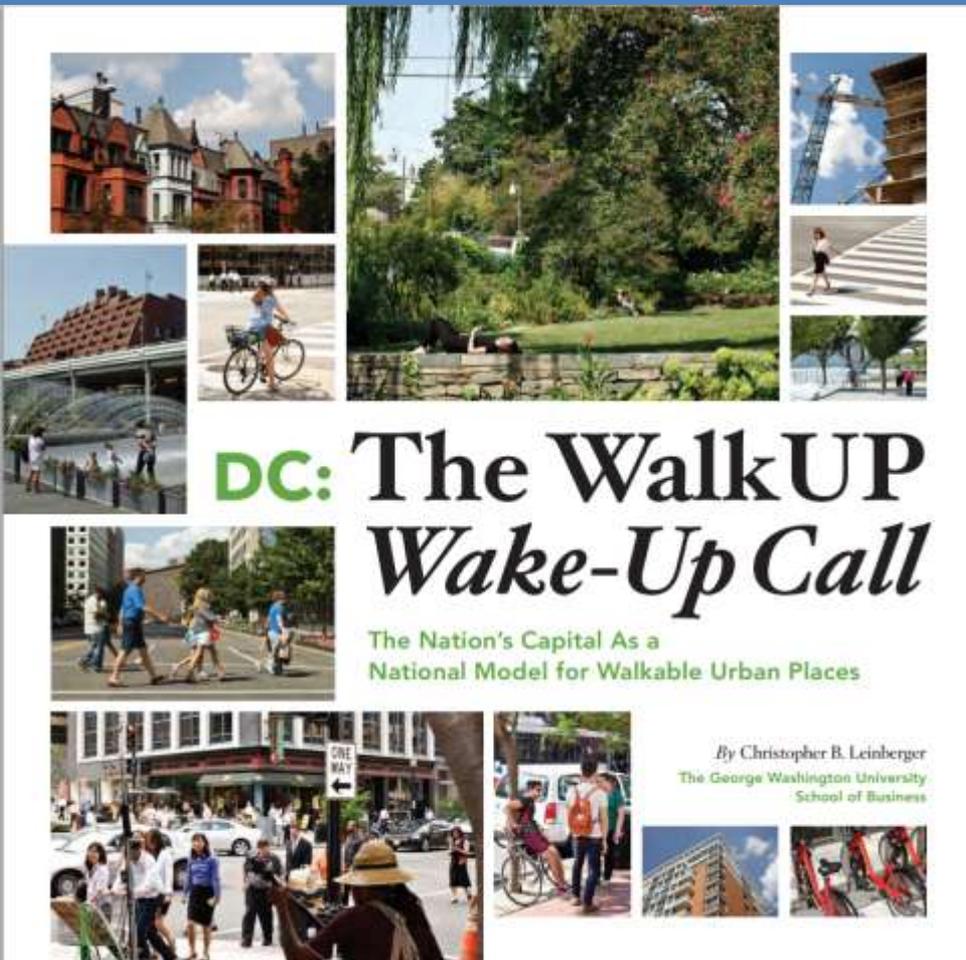


To sum up:

- Cities (regions) want to attract dynamic businesses
- Dynamic businesses want to attract skilled young workers ('millennials')
- Skilled young workers want to locate in dynamic, walkable places

you are in a **ferocious**
competition
over
place

Walkable Urban Places



“ . . . walkable urban places and projects will drive tomorrow’s real estate industry and the economy”

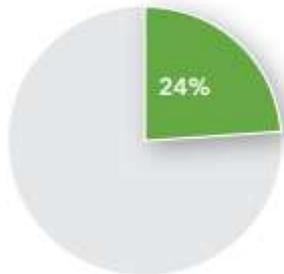
- Christopher B. Leinberger

Walkable Urban Places

Share of Income Property in WalkUPs Over the Last 3 Real Estate Cycles

Income Property = Office, Retail, Apartment and Hotel

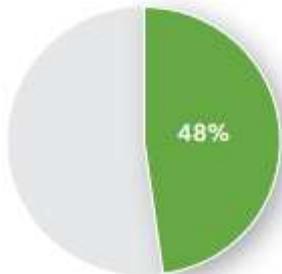
1992-2000



2001-2008



2009-Present

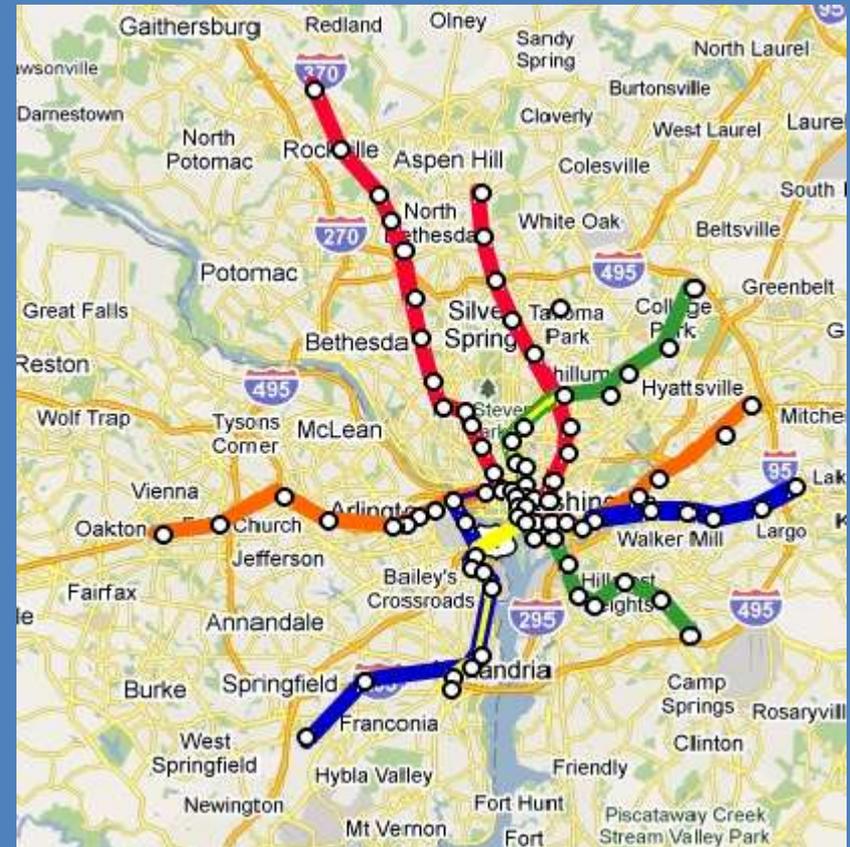


“ . . . walkable urban places and projects will drive tomorrow’s real estate industry and the economy”

Washington since the bust

“The difference remains startling. Of the 5.5 million square feet of office space under construction in the region, about 4.6 million of it, or 84 percent isn’t just near a Metro station but *within a quarter mile of one*, according to data from Jones Lang LaSalle, CoStar Group and Delta Associates.”

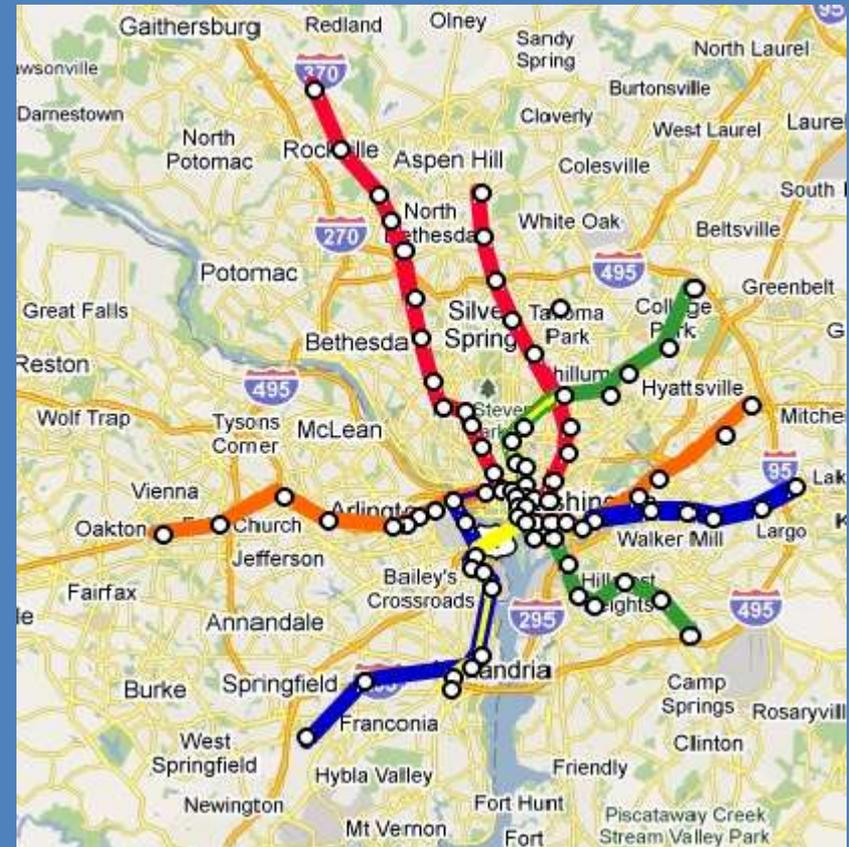
- Washington Post, Oct. 13, 2013



Washington since the bust

“... according to Metro, 28 percent of the region’s real estate value is within a half-mile of Metro stations, even though that property constitutes only 4 percent of the land area.”

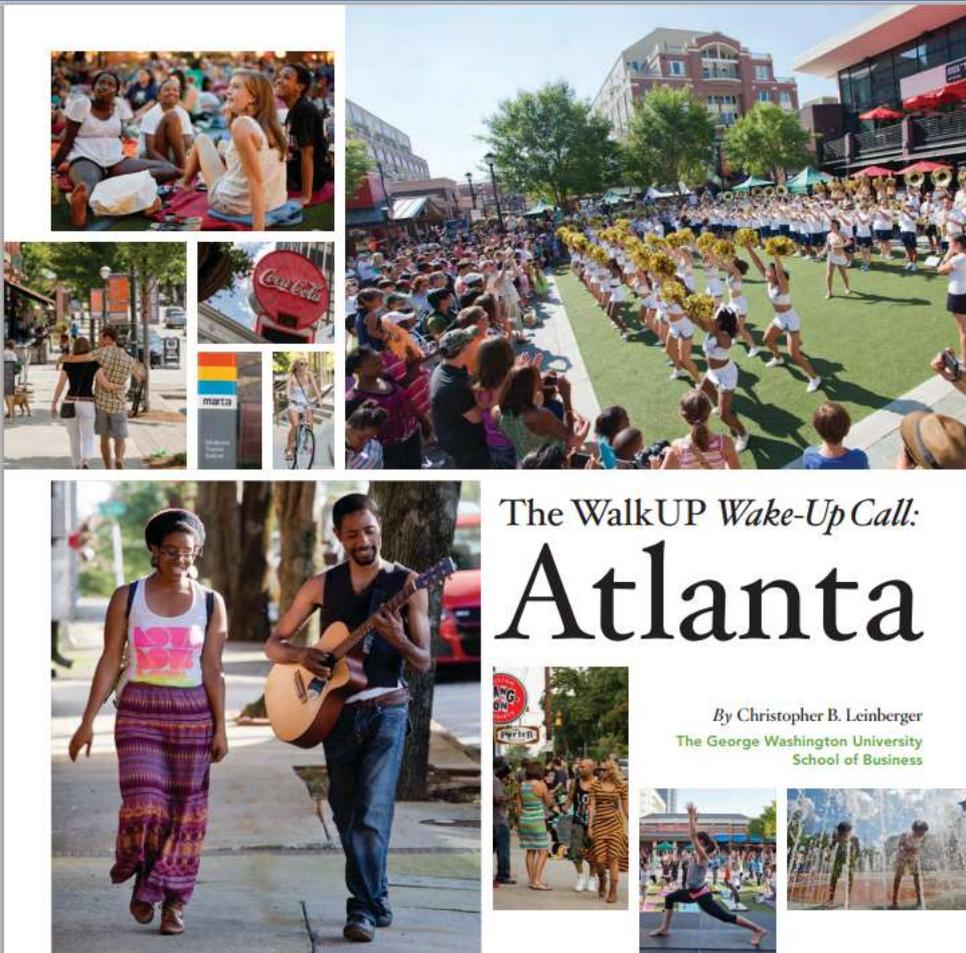
- Washington Post, Oct. 13, 2013



Walkable Urban Places - Atlanta

“Metro Atlanta, the ‘poster child of sprawl,’ is now experiencing the end of sprawl”

- Leinberger



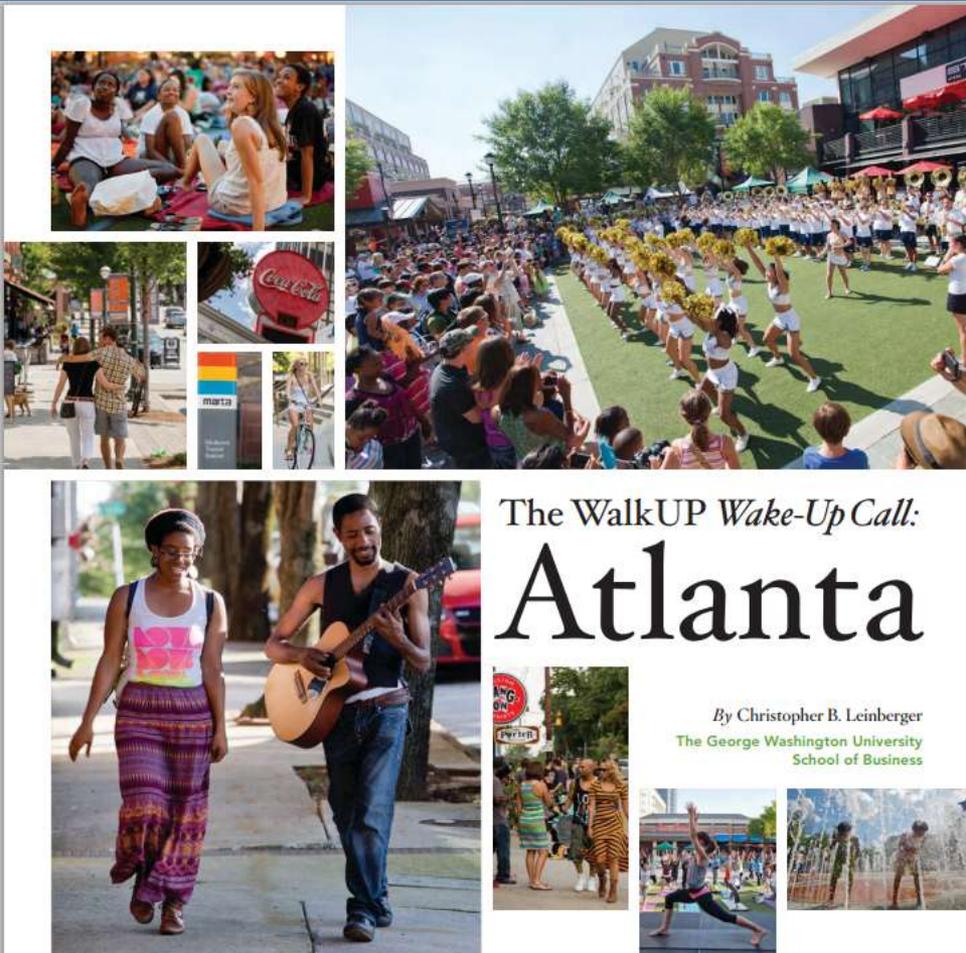
Walkable Urban Places - Atlanta

Report finding:

From 1992-2000, roughly 13 percent of real estate investment in the region went into Current and Emerging 'WalkUPs.'

From 2001-2008, that number **doubled** to 26 percent.

Since 2009, it more than **doubled again**, reaching 60 percent.



There is a price/value premium for walkable places

Applies to residential real estate -

Above-average walkability:

→ \$4,000 to \$34,000 more in home sales price



•Sources: *“Walking the Walk”* by Joseph Cortwright, CEOs for Cities and *“The Walkability Premium in Commercial Real Estate Investments”* by Gary Pivo and Jeffrey Fisher

There is a price/value premium for walkable places

Applies to commercial real estate -

Greater walkability:

→ 1% to 9% increase in commercial property value depending on type; also higher incomes and lower capitalization rates



• Sources: *“Walking the Walk”* by Joseph Cortwright, CEOs for Cities and *“The Walkability Premium in Commercial Real Estate Investments”* by Gary Pivo and Jeffrey Fisher

Distinctive shopping centers that create a sense of place are succeeding ...



... others are failing.



What does your community
need to do to grow a
healthy economy?

Encouraging Job Growth

- Up to **80 percent** of job growth is from *existing businesses*.
- In the new era of specialized, network businesses, *proximity matters*.
- Workplace strategies should focus on *existing concentrations of workplaces*.
- Target those industries related to **existing City assets**.



Westchester PA – 2007 (CZ photo)



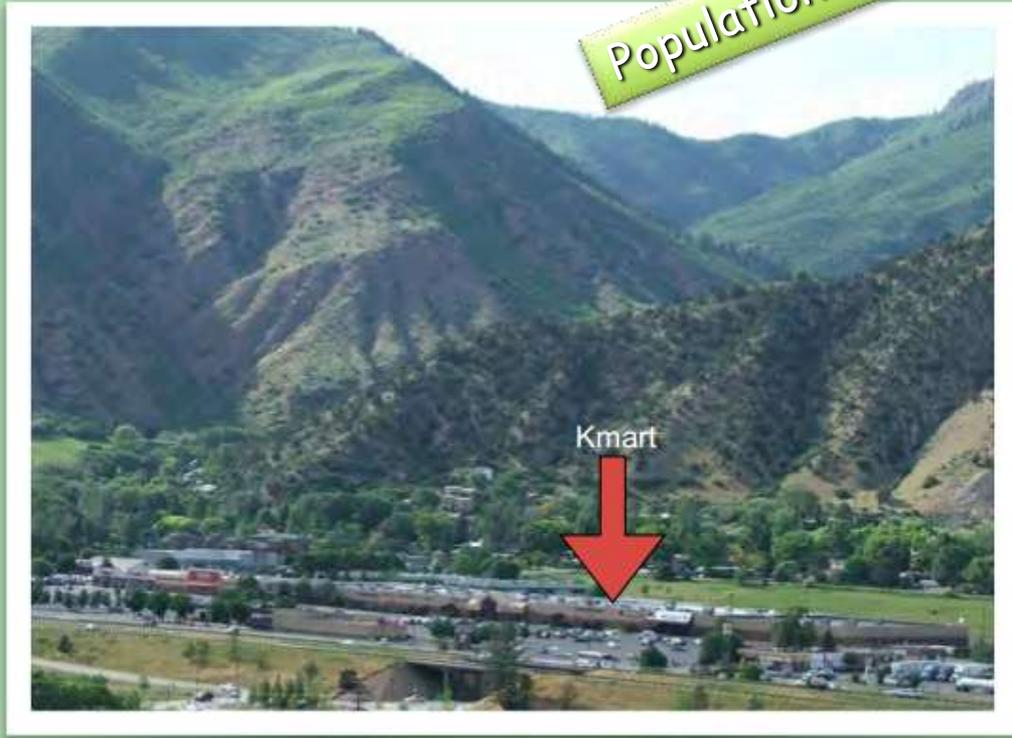
“Walmart Supercenter, an archetypal big box store, in Madison Heights, Virginia.”
(from Wikipedia entry for “Big-box store”)

Garfield County Property Tax Revenue Profile: 2010 Tax Yield per Acre

Population: 56,389



\$287k taxable on 0.06 Acres



\$1.82M taxable on 15 acres

0.4 acres of the Denver Centre would equal one 15 acre Kmart in real estate value.

Smart growth is part of an economic development strategy

Economic development is increasingly a competition over *placemaking*.

Building a great place to live, work, and play *IS* an economic development strategy.



CAPITAL
INVESTMENT SERVICES
A Registered Investment Advisor

BLINK

BAGEL CRUST

PASTRIES

**BAGELS
+
DELI**
• BREAKFAST
• LUNCH
• WRAPS
• SUBS
• SALADS
• COFFEE
• L.O.X. + MORE

3. The high cost of subsidizing inefficiency

How communities
develop affects
costs and **revenue**.

Municipal budgets

A large portion of municipal budgets go to **infrastructure** and **services**.

- building and maintaining roads, bridges, sewer and water lines, etc
- providing fire and police services, trash removal, paratransit, school buses, etc

In addition to infrastructure, there are costs of **operations** and **maintenance**.

Development affects costs



Current Patterns Are a Fiscal Strain



Highway infrastructure is expensive, and tends to destroy much land value

Photo by Alex Maclean

Road “improvements”

Development affects costs

When it comes to **infrastructure** costs...

- Compact development is the best deal.
- Low-density suburban development rarely pays for itself.
- It makes sense to reuse existing infrastructure.



Photo of rural New Jersey by Alex MacLean

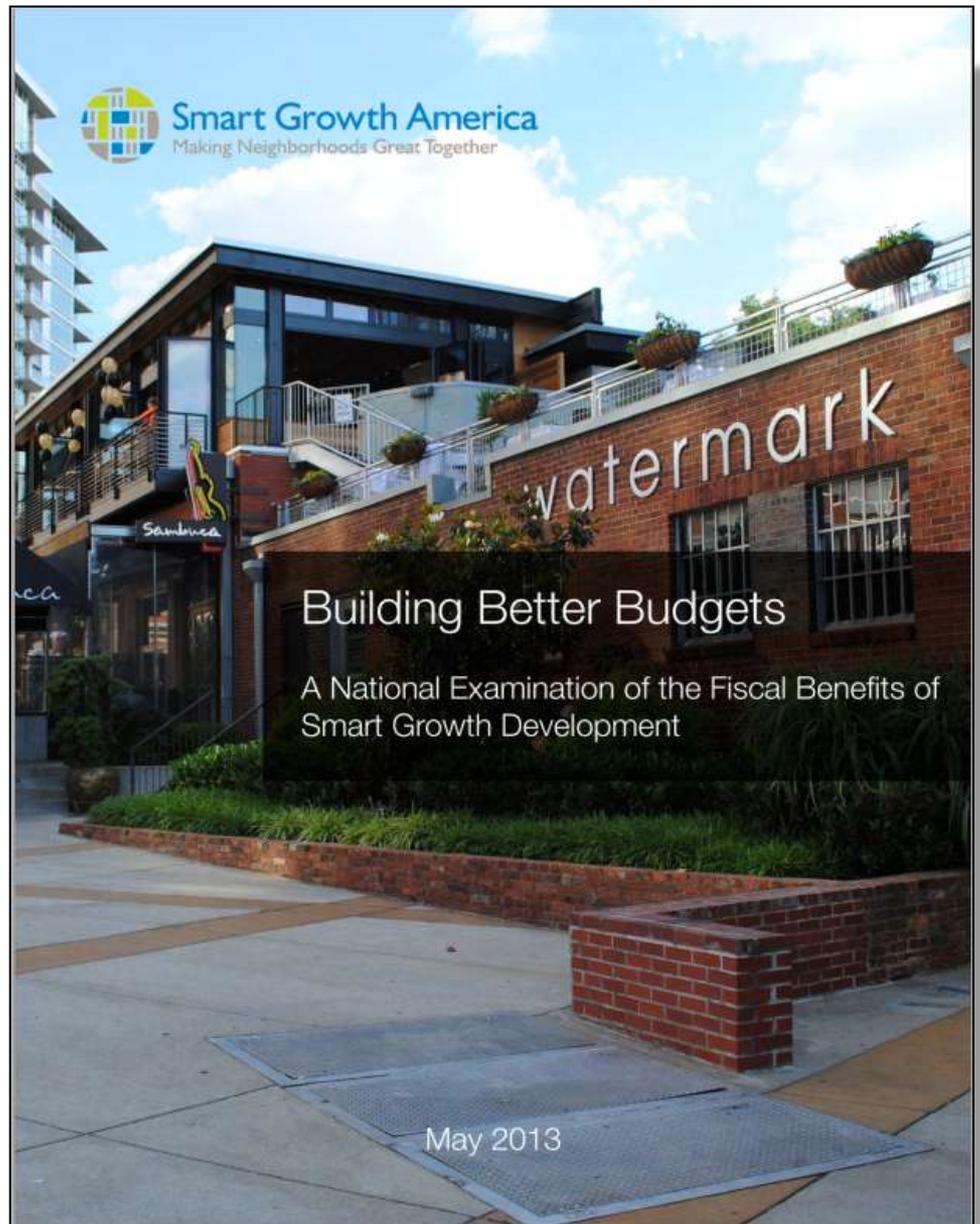
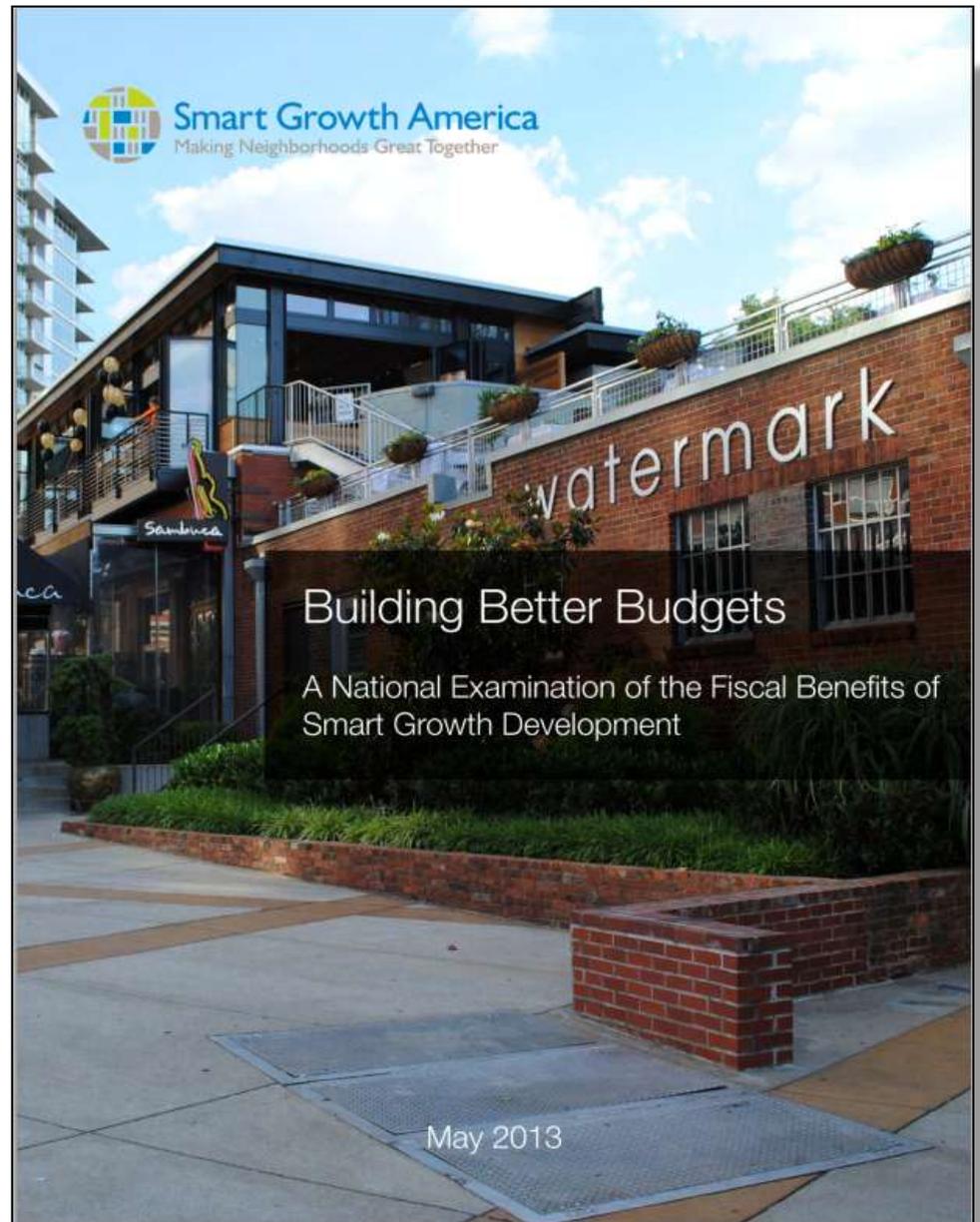
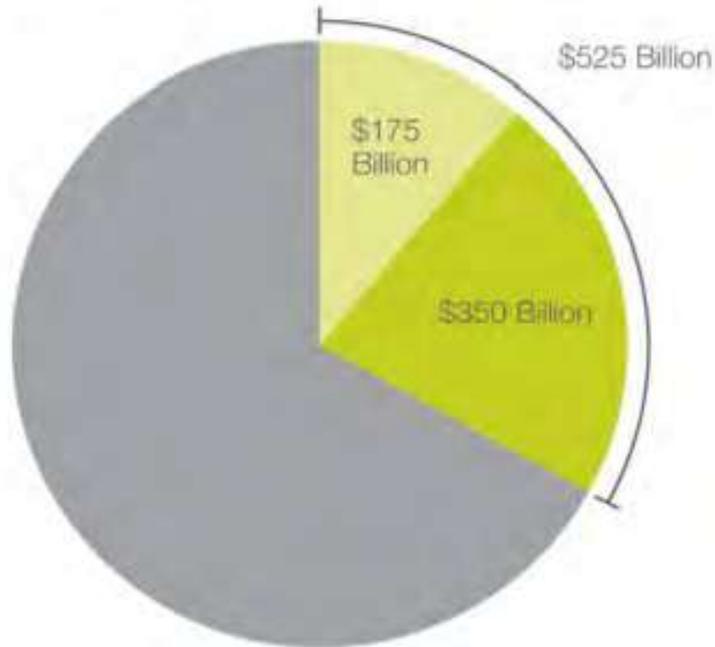


FIGURE 1

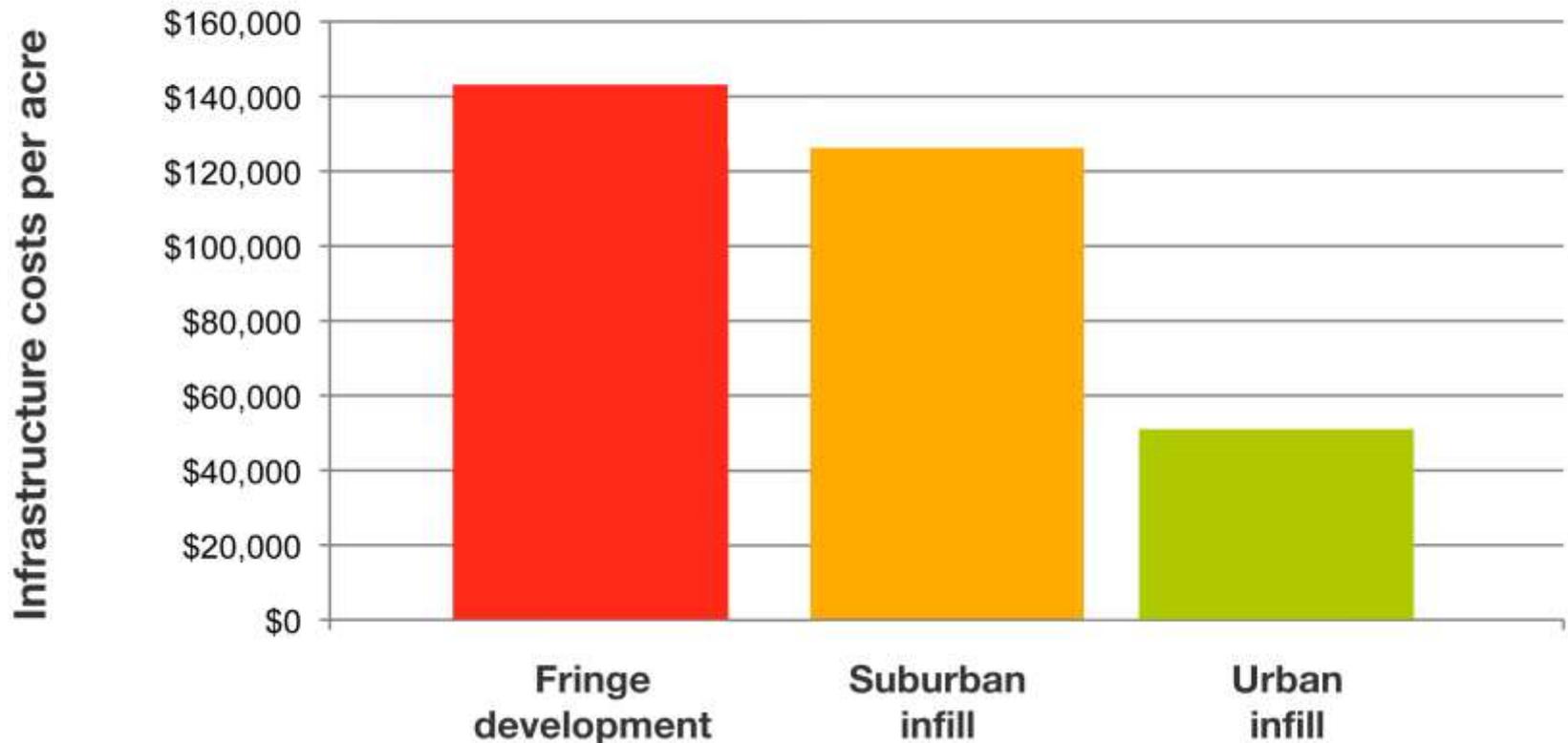
Portion of local budgets influenced by land use choices, nationwide

- Capital
- Operations
- Not Geographically Sensitive



Development affects costs

Per acre infrastructure costs for single-family homes by location



Building infrastructure to serve new development on the fringe can cost a city **up to three times more per acre** than urban infill development.

Development affects costs

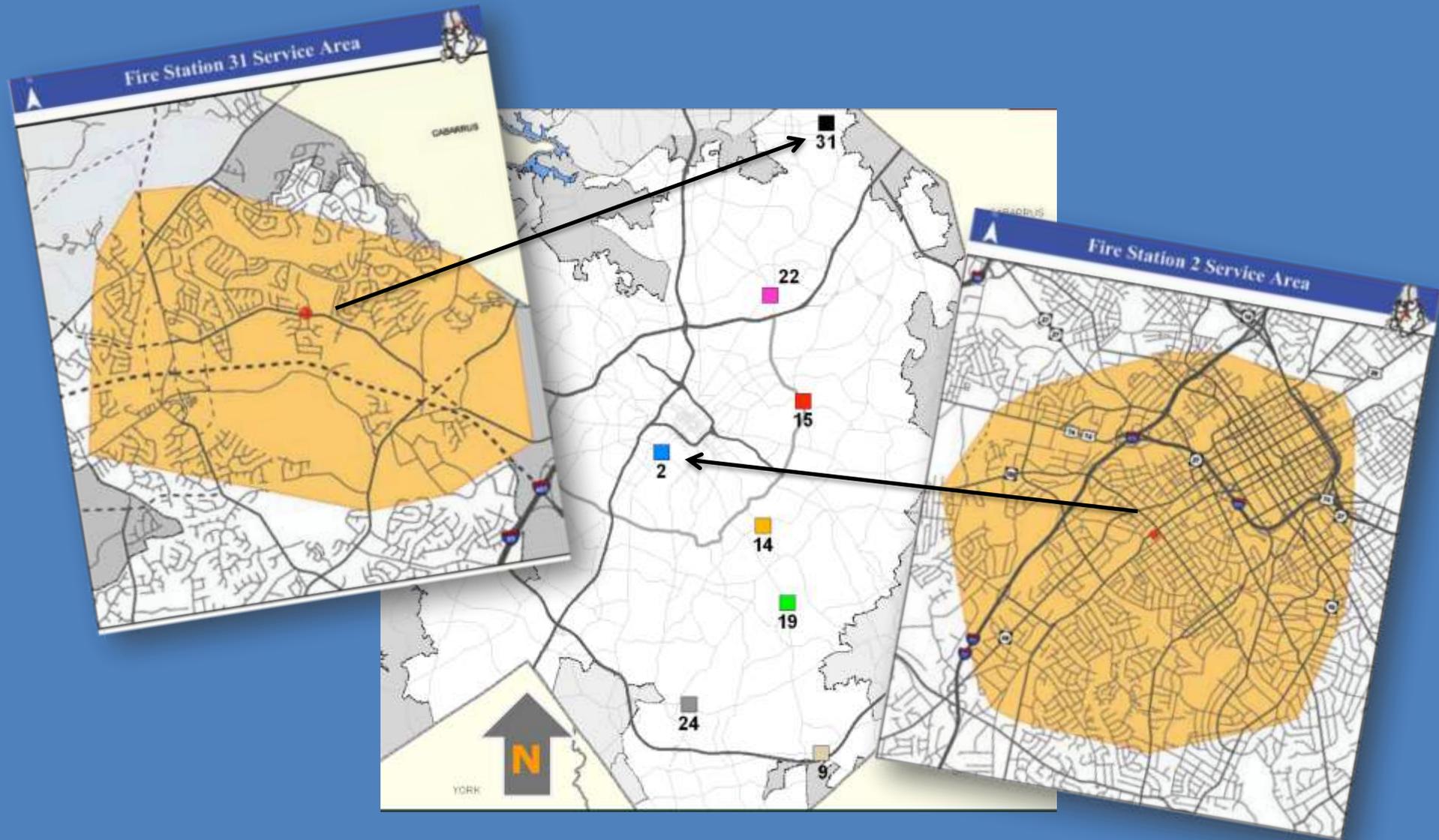
Compact development offers efficiencies in delivering **services** as well.

– Police and fire departments have less area to cover.

– Fewer miles of road to cover for trash pickup, school buses, and snow removal.

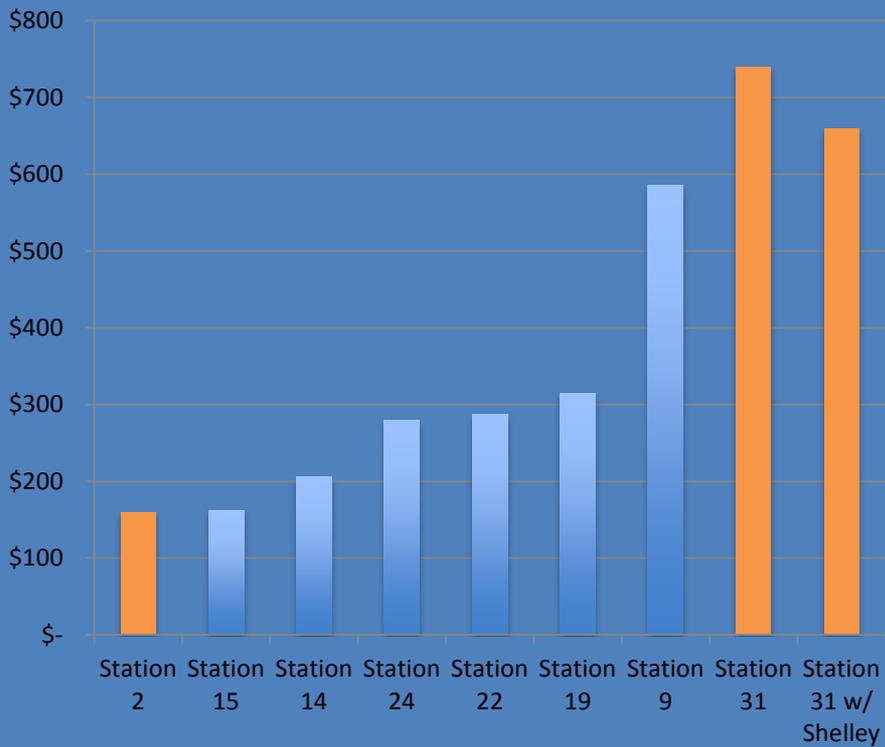


Development affects costs



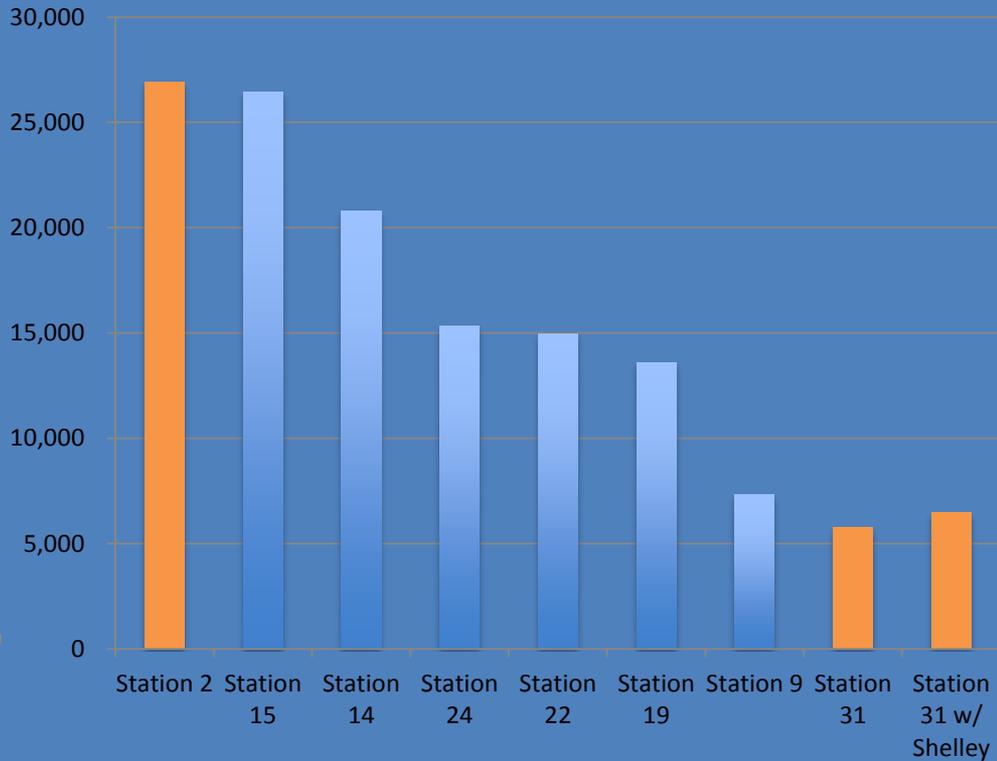
Development affects costs

Annualized Per-Capita Life Cycle Costs
(based on 2-apparatus station)



Greater Connectivity ←→ Less Connectivity

Households per Fire Station



Greater Connectivity ←→ Less Connectivity

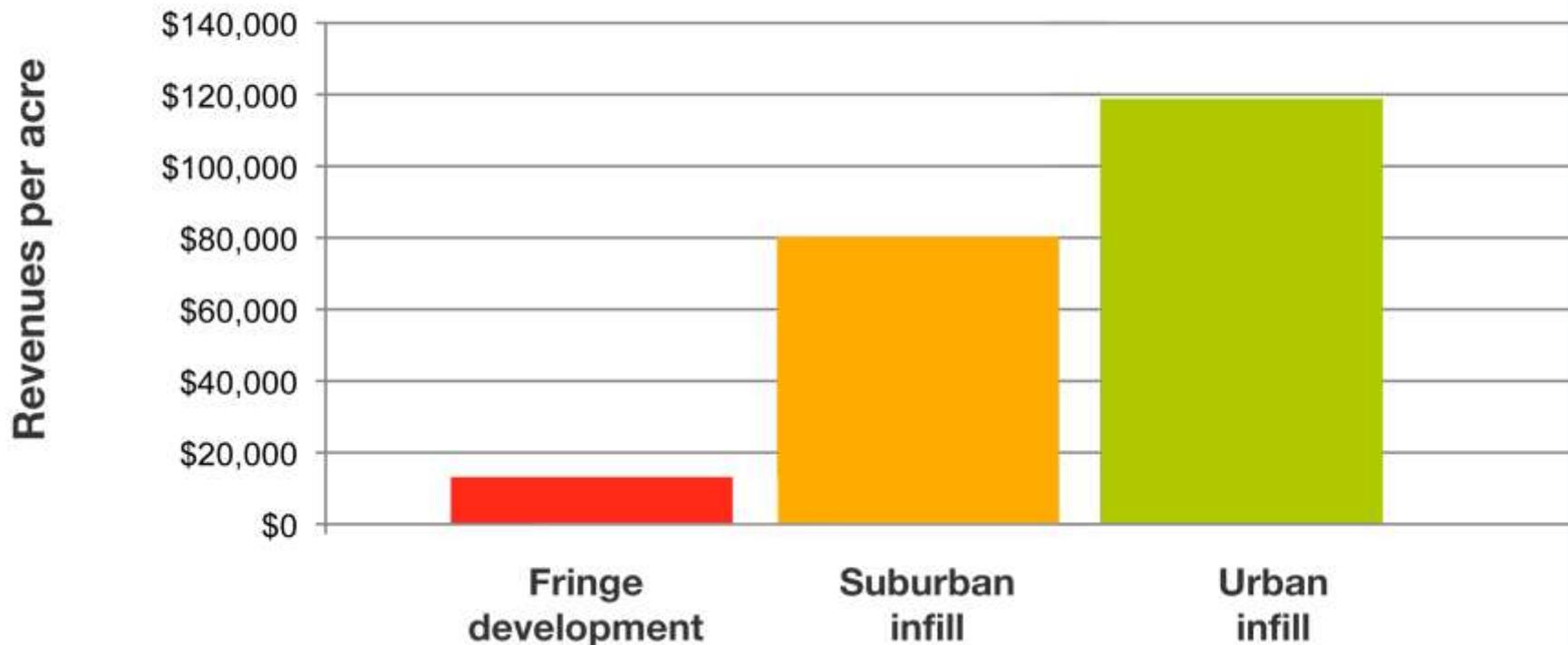
Development affects revenue

When it comes to **revenue**...

- Compact development is the best deal.
- Low-density suburban development generates much less per acre revenue.
- You can increase your property tax base significantly simply by bringing back areas that already exist

Development affects revenue

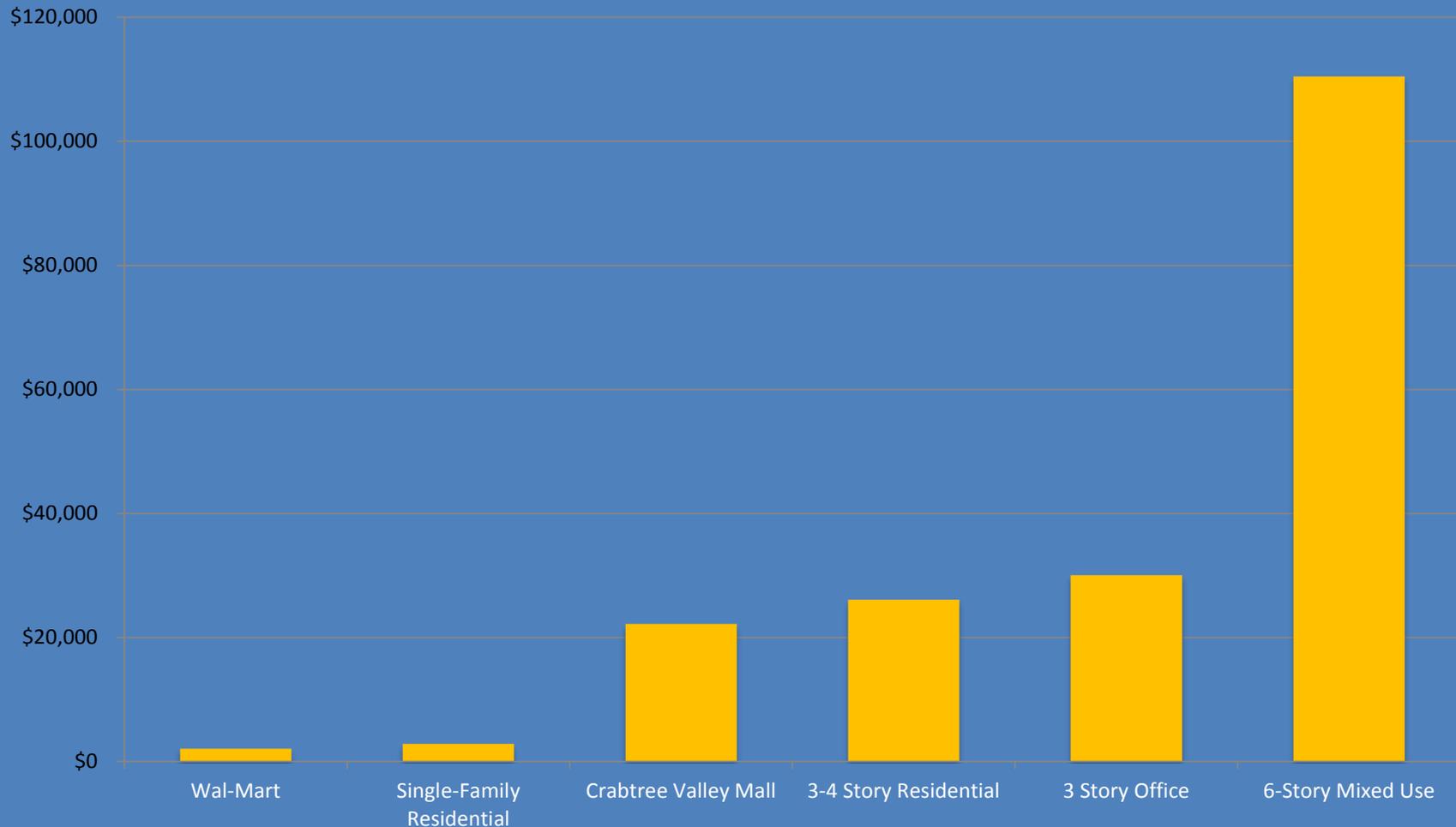
Per acre revenues by density and location in the State of California

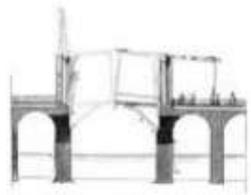


Multifamily housing in near an area's center can generate **nine times more revenue per acre** than traditional large-lot, single-family housing on the fringe.

Development affects revenue

Municipal property tax yield (per acre) 2011 Raleigh, NC



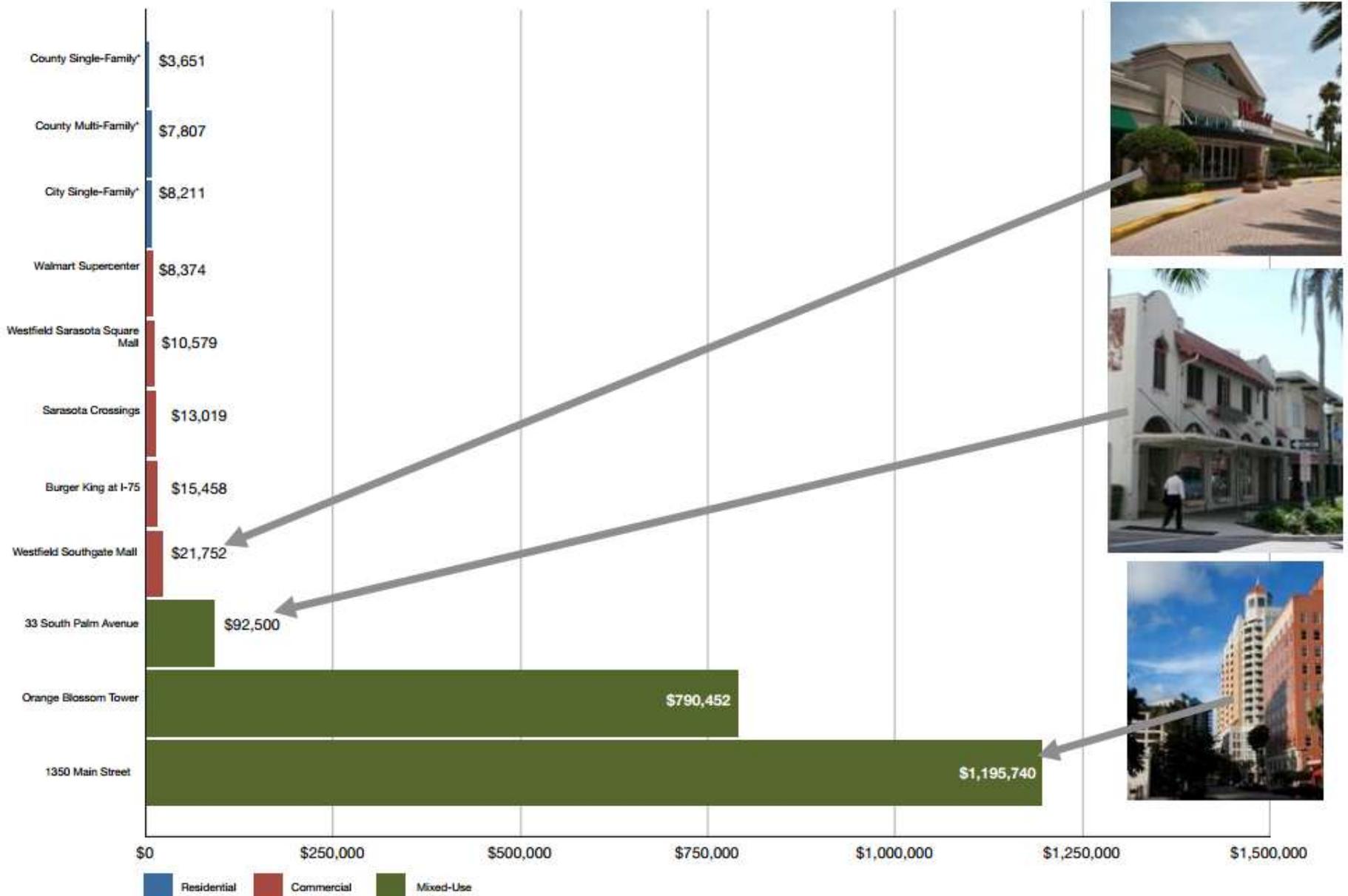


Public Interest Projects, Inc.
Joseph Minicozzi, AICP
Joem@pubintproj.com



Land Consumed (Acres):	34.0	00.2
Total Property Taxes/Acre:	\$ 6,500	\$634,000
City Retail Taxes/Acre:	\$ 47,500	\$ 83,600
Residents per Acre:	0.0	90.0
Jobs per Acre:	5.9	73.7

Sarasota County Property Tax Revenue Profile: 2008 Tax Yield per Acre

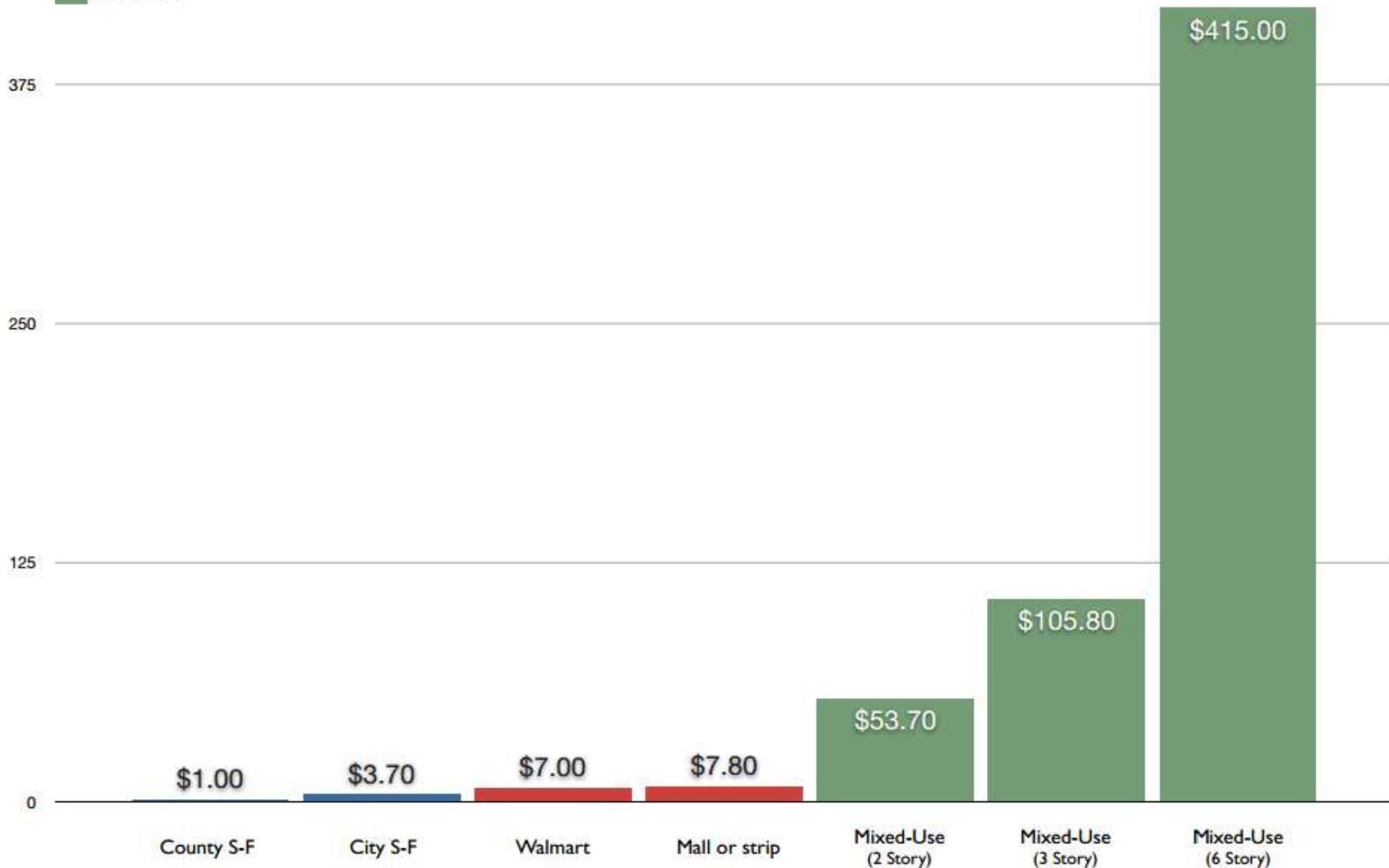


*Average values per Board of Realtors

County Property Taxes/Acre

Ratio Difference of 15 City Sample Set

- Residential
- Commercial
- Mixed-Use



Arlington, Virginia

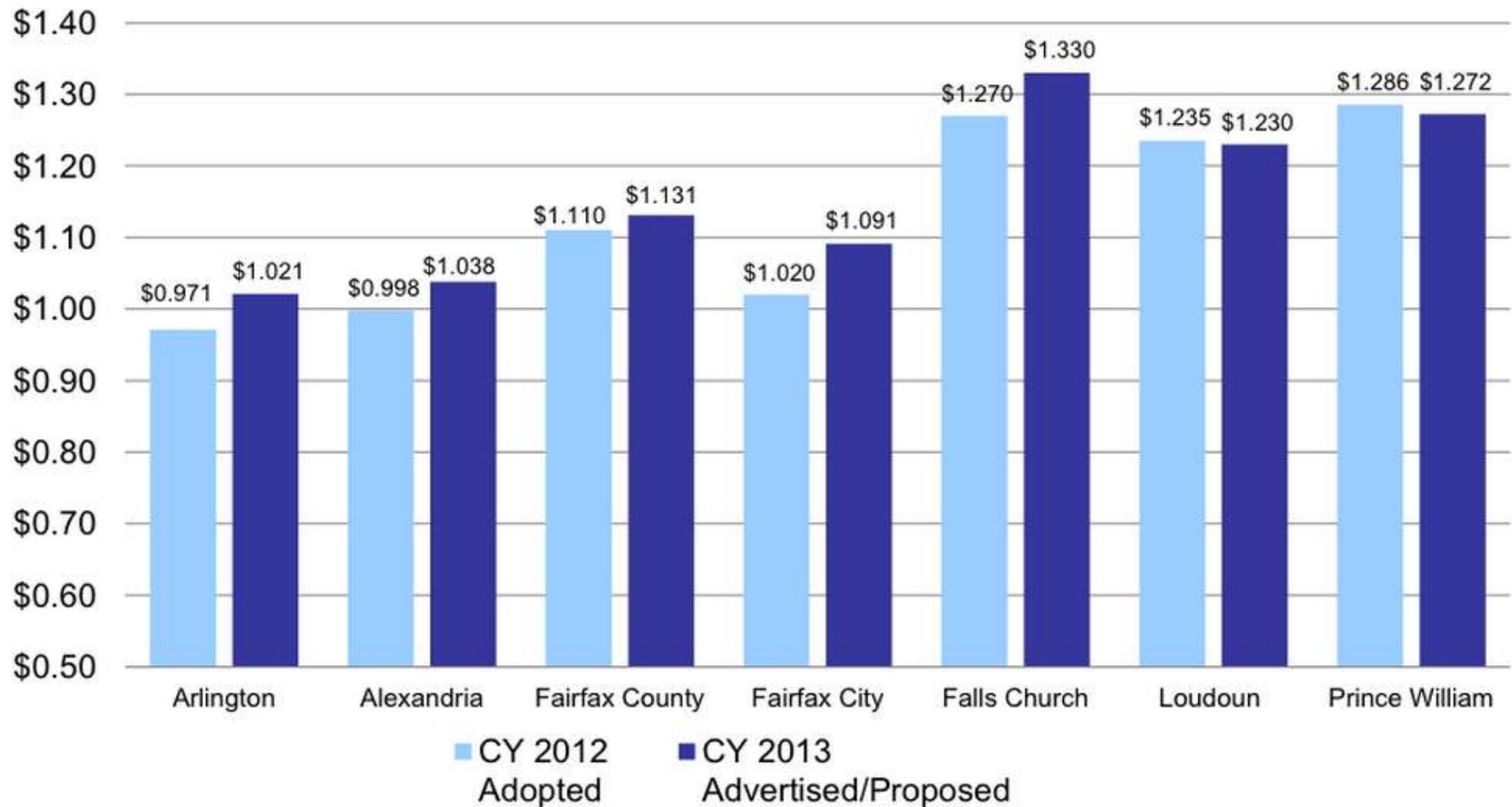
Focused development in two Metro corridors



- **About 10 % of the County's land area**
- **Generates about 50% of tax revenue**
- **Tax base:**
49% commercial
51% residential

Jurisdiction Tax Rate Comparison

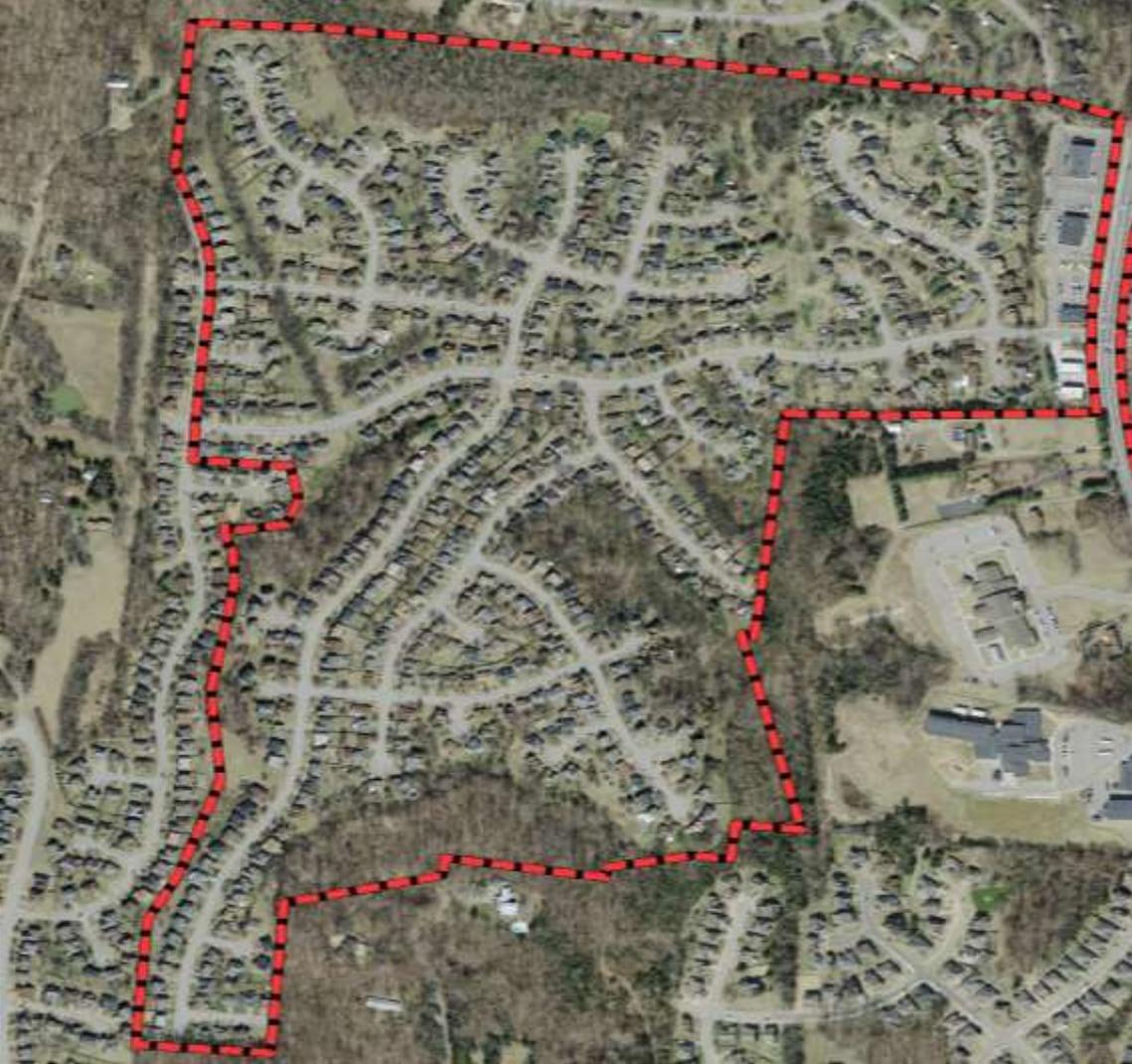
Total Rate Applied to Residential Properties



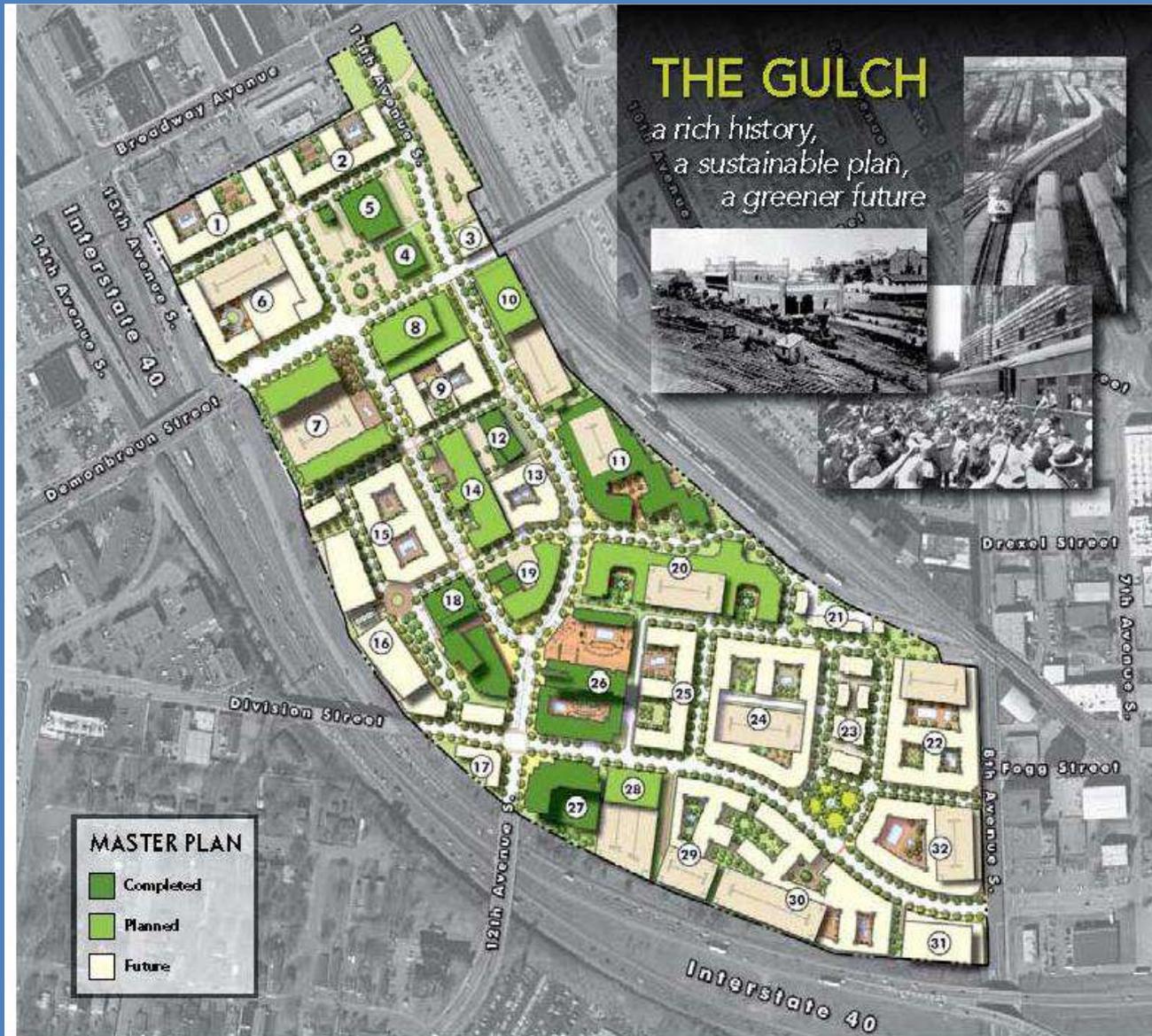
Nashville Case Study

- 3 development projects
 - *Bradford Hills (conventional suburban)*
 - *Lenox Village (“New Urban suburban”)*
 - *The Gulch (smart growth)*
- Operating Costs only
 - *No infrastructure cost analysis*
- General Fund only

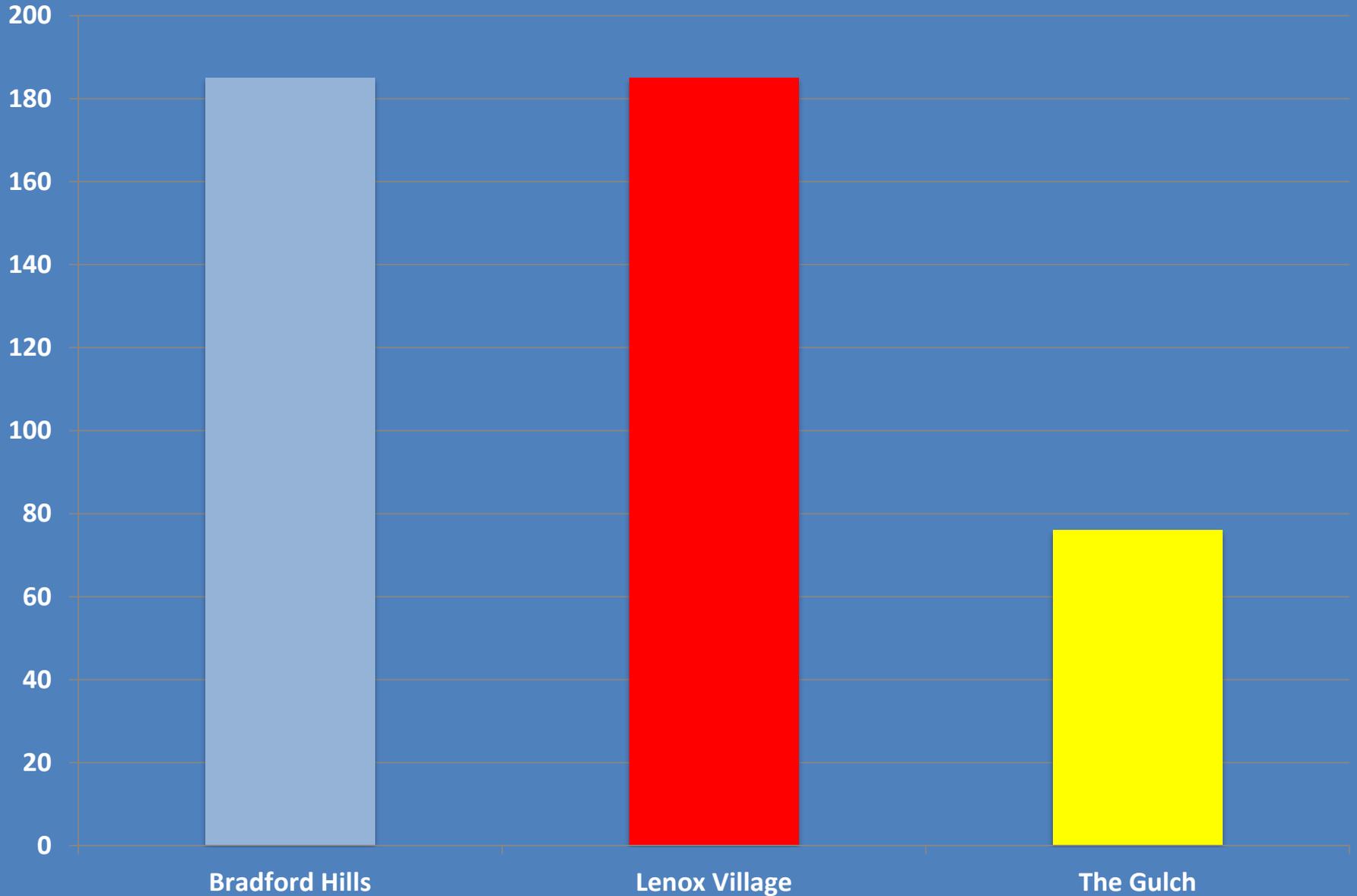
Bradford Hills (conventional suburban)



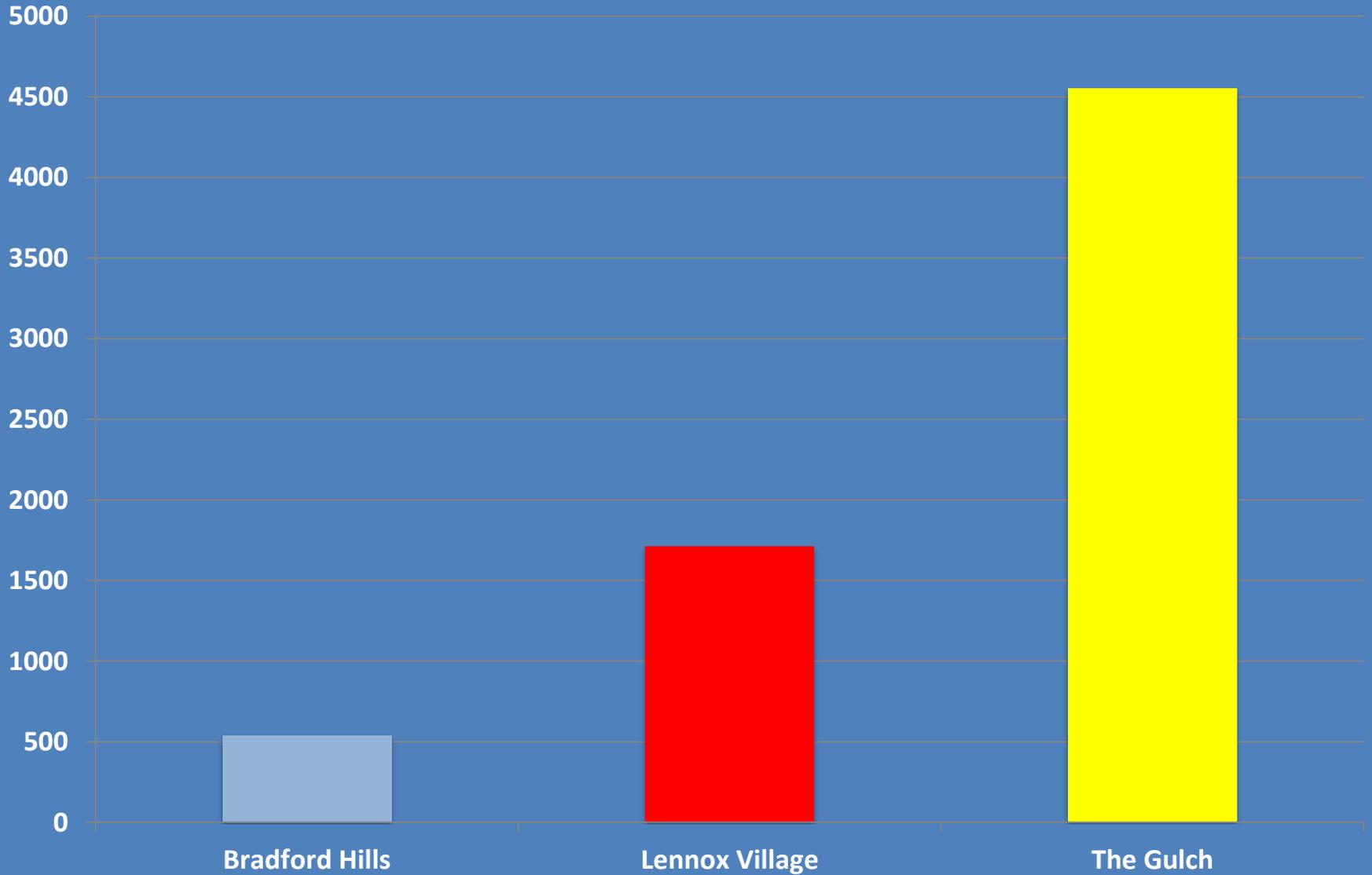
The Gulch (smart growth)



Project Acreage



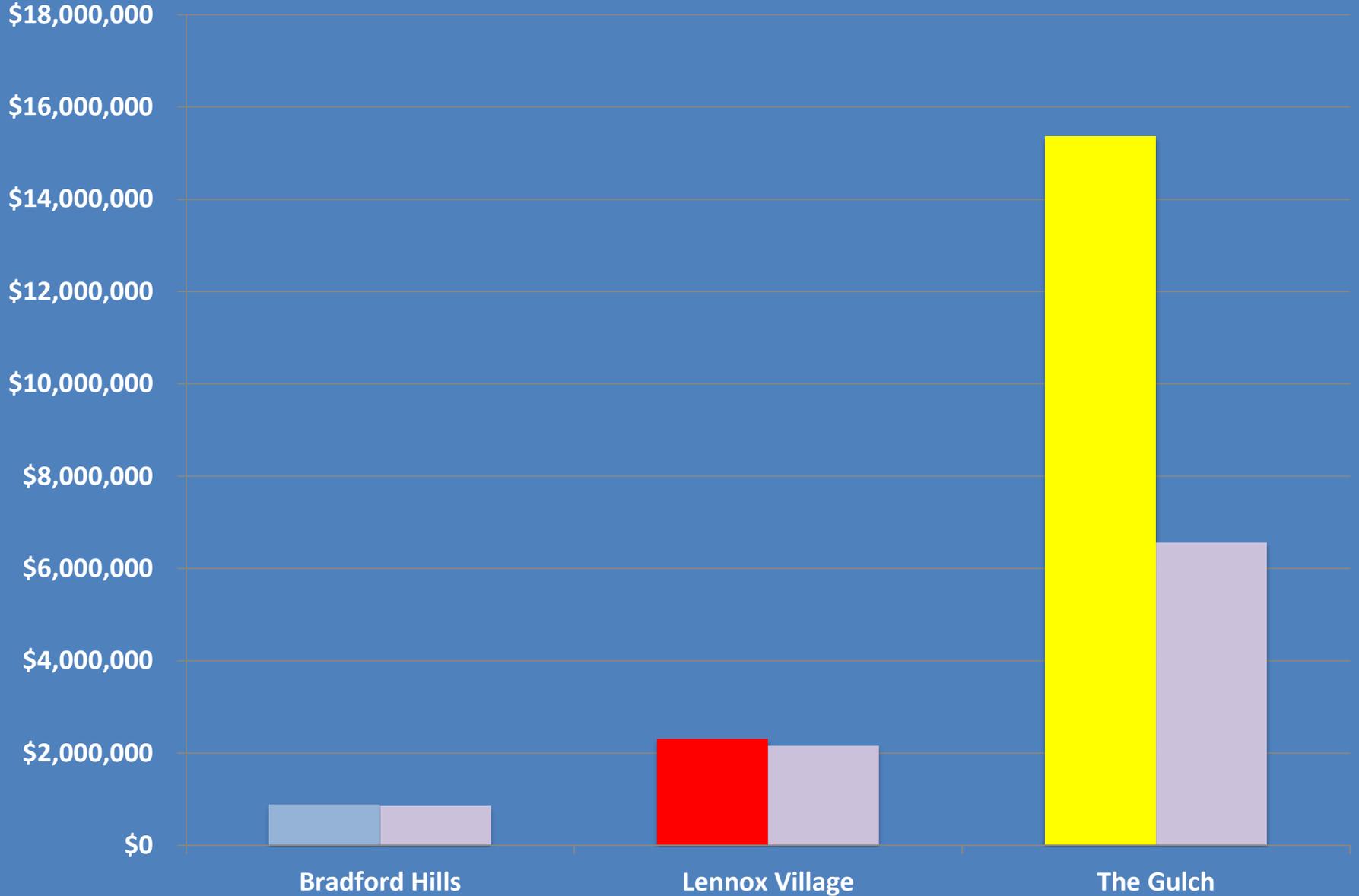
Housing Units



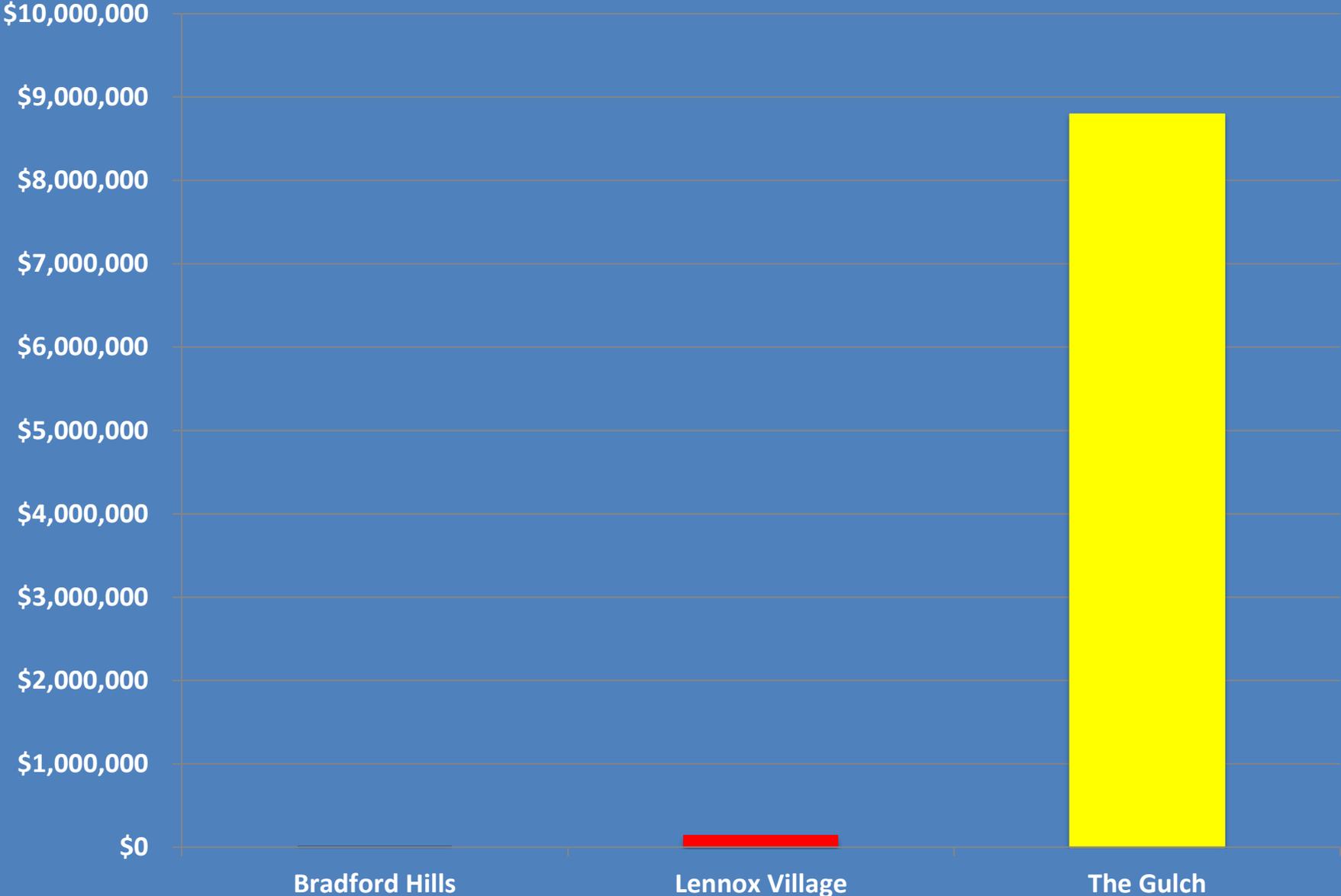
Gross Revenue



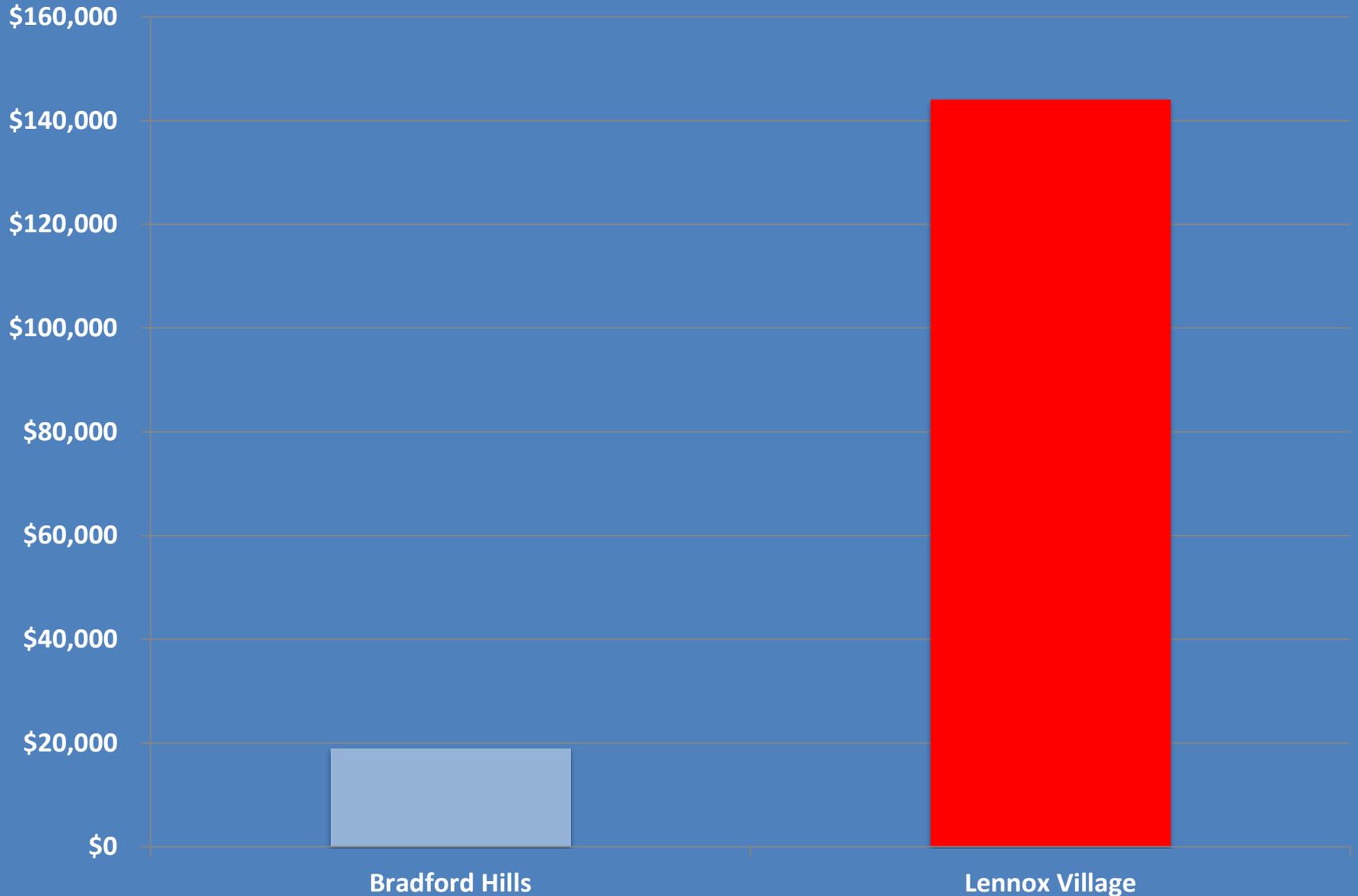
Revenue and Cost



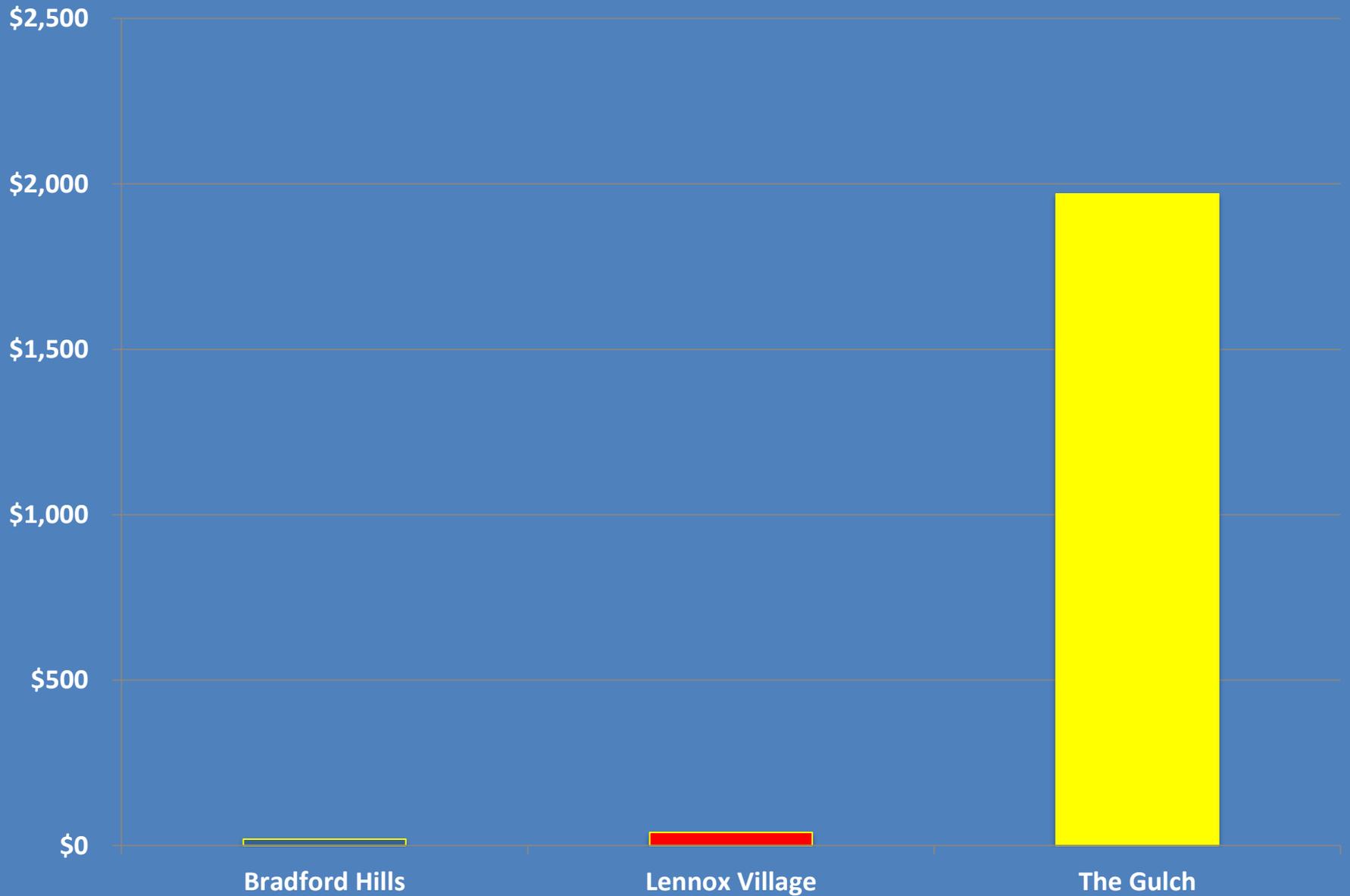
Net Revenue



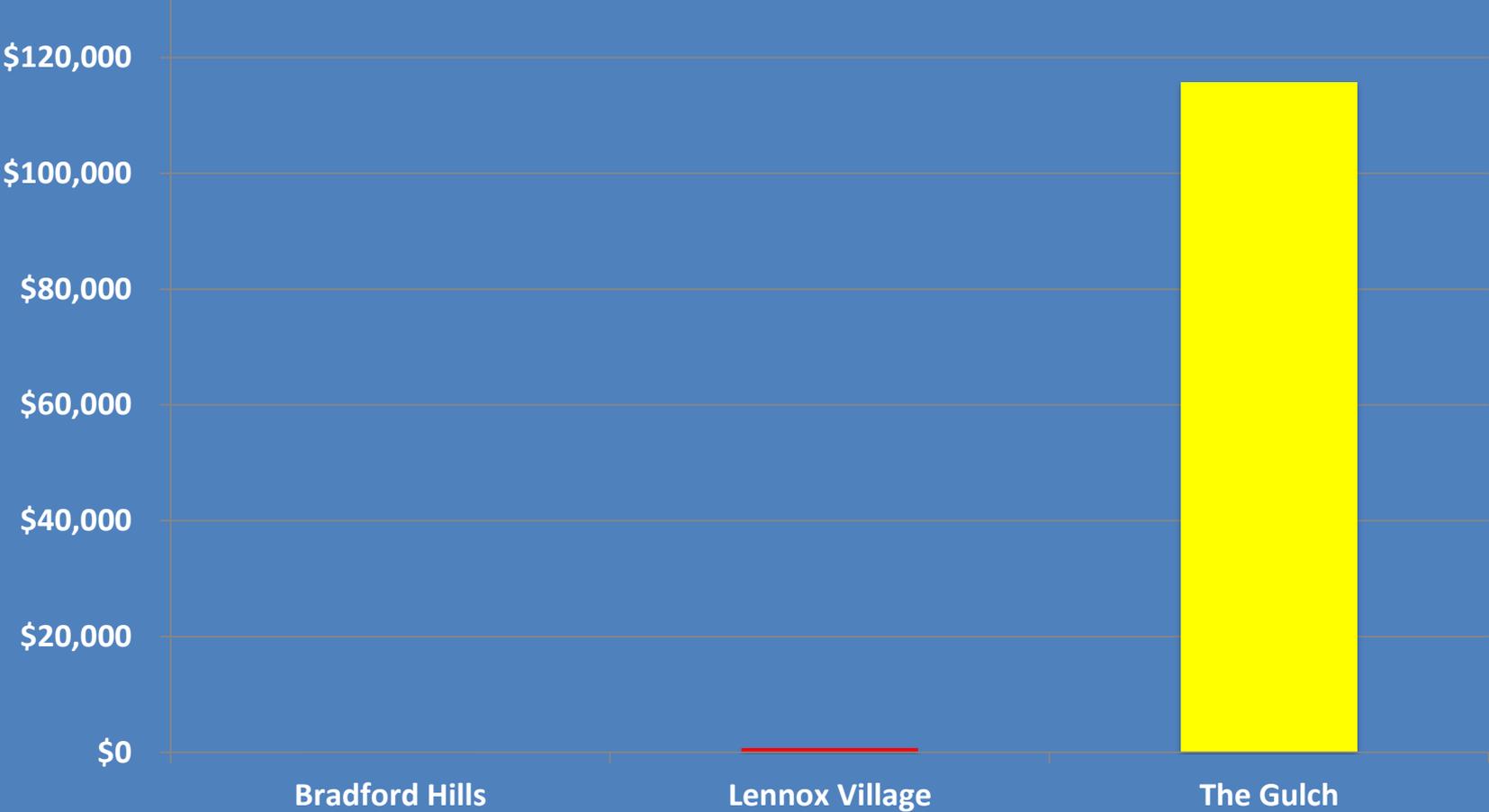
Net Revenue Without The Gulch



Net Revenue Per Housing Unit



Net Revenue Per Acre



Bottom Line

1. Downtown and close-in neighborhoods yield much higher return
2. Village-style suburban development yield higher return
3. These surpluses can be used to offset costs of existing neighborhoods
4. When infrastructure is added to the mix, these trends probably become stronger
5. As Nashville-Davidson County runs low on developable land, these considerations become vastly more important.

“metropolitan decentralization has new meaning today given the strained fiscal conditions of states and localities that bear the primary responsibility for providing infrastructure to accommodate new development”

Robert Puentes and Peter McFerrin
The Intersection of Place and the Economy
(Brookings, 2012)

“Compact development patterns and investment in projects to improve urban cores could save taxpayers money and improve overall regional economic performance”

(Muro and Puentes 2004)

Can your community afford the
high cost of
inefficient development patterns,
while missing the
rewards from smarter growth?

The big questions

- How will your community meet the **needs** of **millennials** and **aging boomers** in order to improve your **competitiveness**?
- How can your community take advantage of the **changing nature of the economy** in order to create **jobs and wealth**?
- Can your community continue to **subsidize** inefficiencies of development patterns and not reap the potential **reward**?

Thank you



John Robert Smith
Christopher Zimmerman



Smart Growth America
Making Neighborhoods Great Together

Questions?

Placemaking

Making it work –

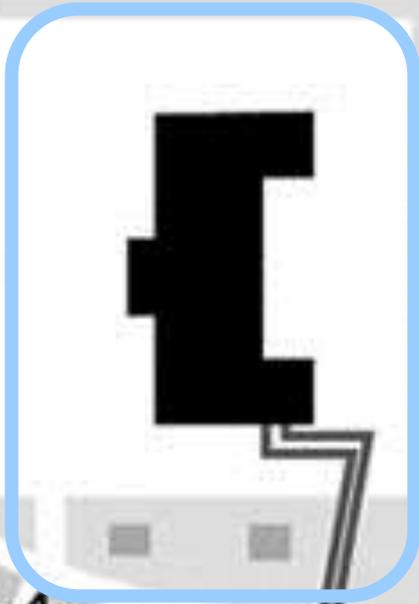
Key public policy actions

- Compact development
- Good urban design
- Infrastructure for pedestrians
- Crank up the transit service

Land patterns & urban design

It doesn't work if land use is fragmented,
isolating uses, if the built environment
is designed entirely around cars

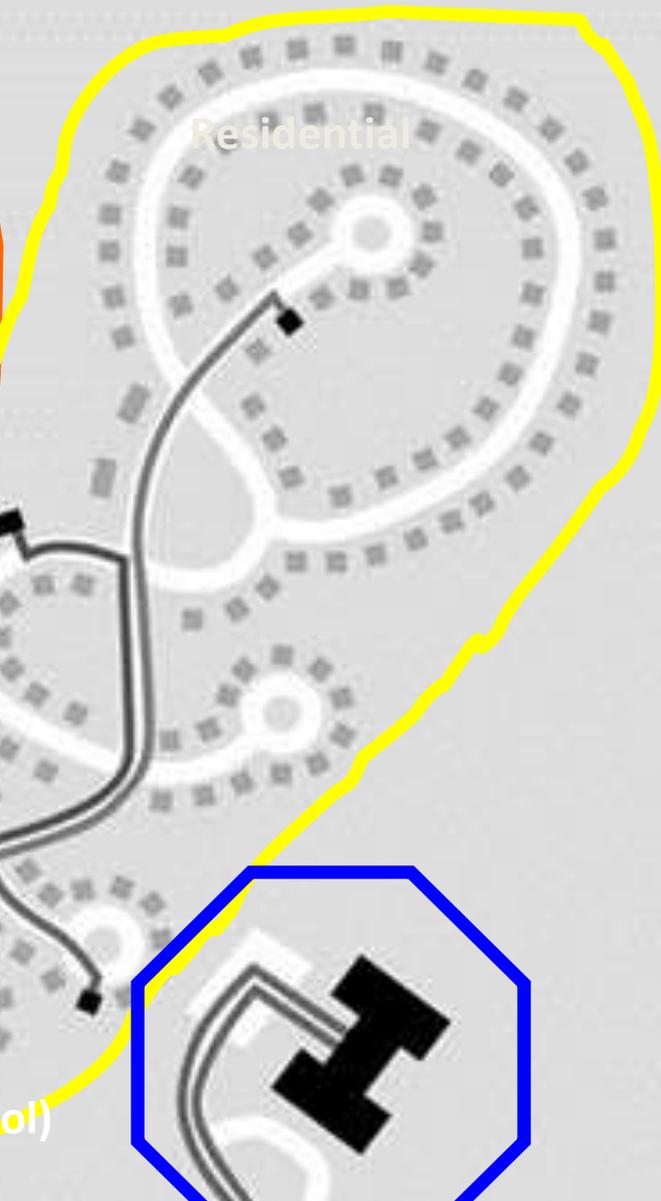
Industrial



Commercial



Residential



Arterial



Civic (School)



Sprawl

**Fragmented land use
with minimal connectivity**

Land patterns & urban design

Compactness and concentration
is the key



Mer

Porte d'Anvers

lines

Porte de
Austreduc

la grande Etuse
de la Sotte

la petite Etuse
de la Sotte

Porte et Etuse du Nord

Porte de

LIÈGE

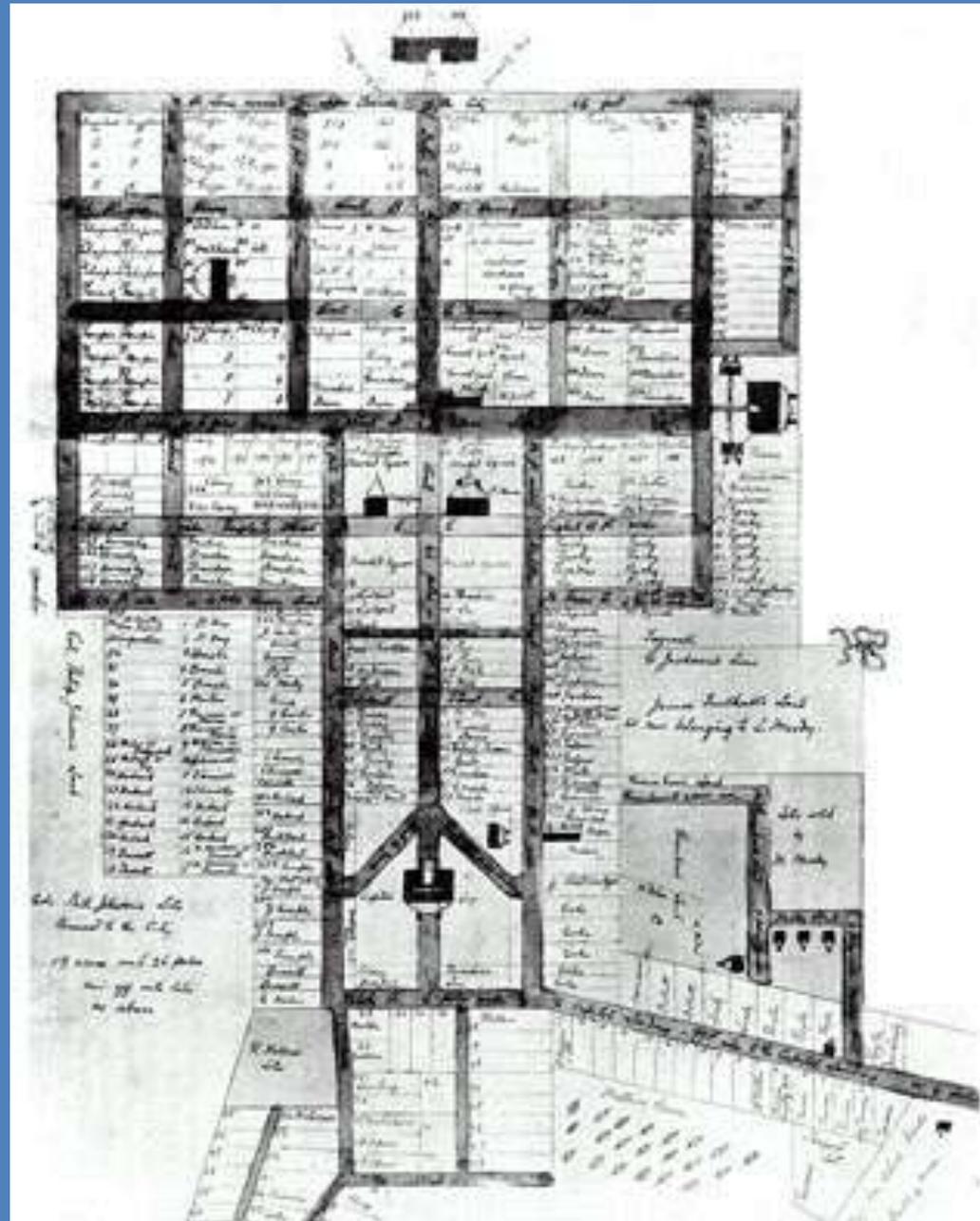
A traditional urban plan: Colonial Williamsburg

major roads

public building sites

six-foot front setback
on which buildings were to front

... compact development



Traditional town plan



- **Mixed-use**
- **Compact**
- **Buildings of several stories**
- **Blocks with multiple building types**
- **Street grid**

Courtesy of Alex MacLean, Landslides

**Dense development concentrated close to
Metrorail stations**

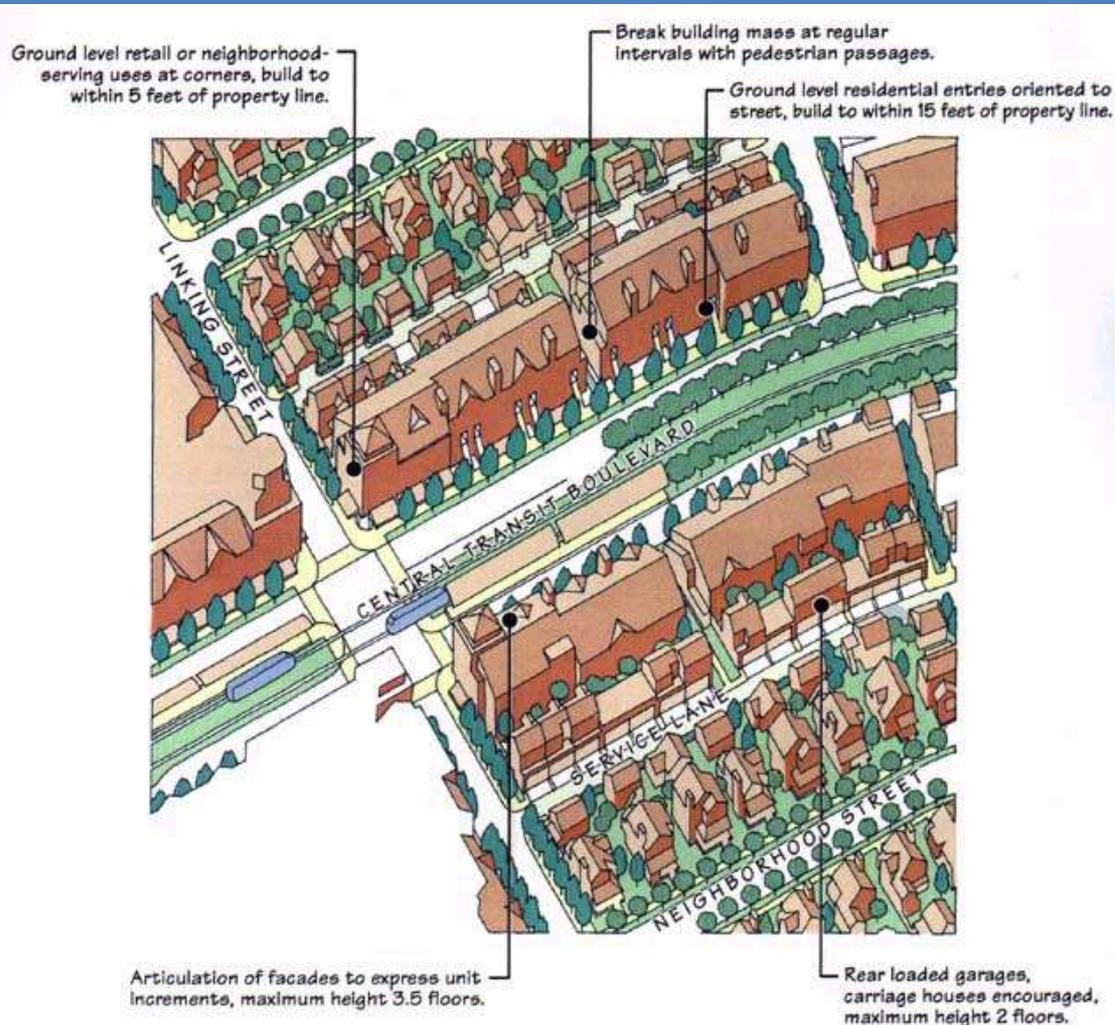


Ballston-Va. Square



Shirlington Village

Urban design



Design issues

- Coherence
- Ground plane
- Transitions
- Parking



**Coherent built environment
(creating attractive streets and other public spaces)**

What not to do

Disregard the first floor

COLUMBIA SQUARE
Blank walls





WELCHOVA

No Parking











Setbacks are a setback

How many rules does this building break?



1. Setback
2. Driveway
3. Curb cuts
4. ?

What *to* do











1653
1651

Blende

Blende

657

Ristorante
NAPOLI PIZZERIA

Ristorante
BARAKA

P

G
871

G
871

Design for pedestrians



Design for Pedestrians







Pedestrian Infrastructure

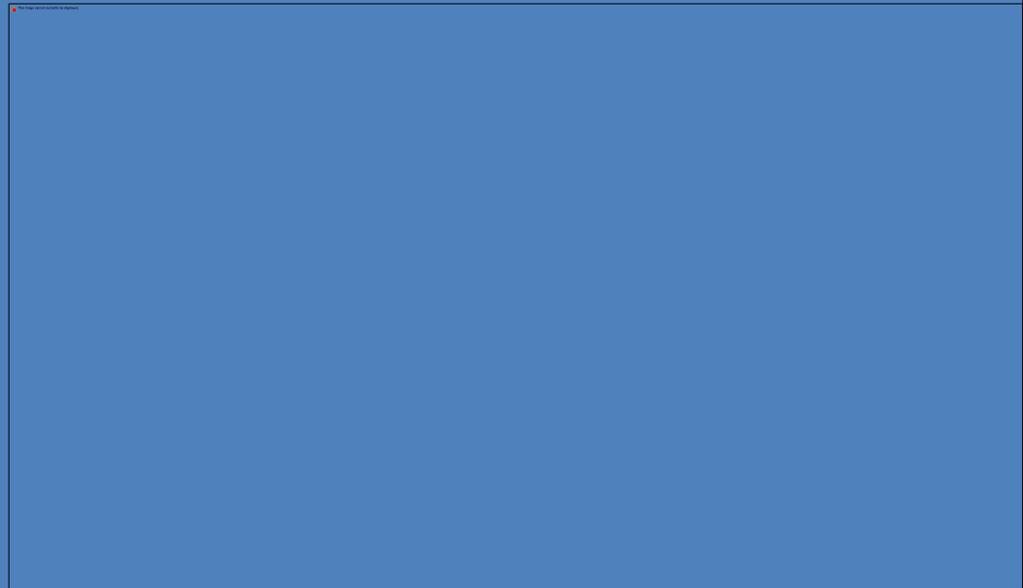


Pedestrian Infrastructure . . . and bikes, too.

The Complete (or multi-modal) Street

Crank up the transit

Bus Transit Center



Shirlington Village

EXAMPLE

Shirlington



Converting a one-block strip shopping center to a mixed-use development

Shirlington Village 1989

Before redevelopment,
site was dominated by
parking lots.

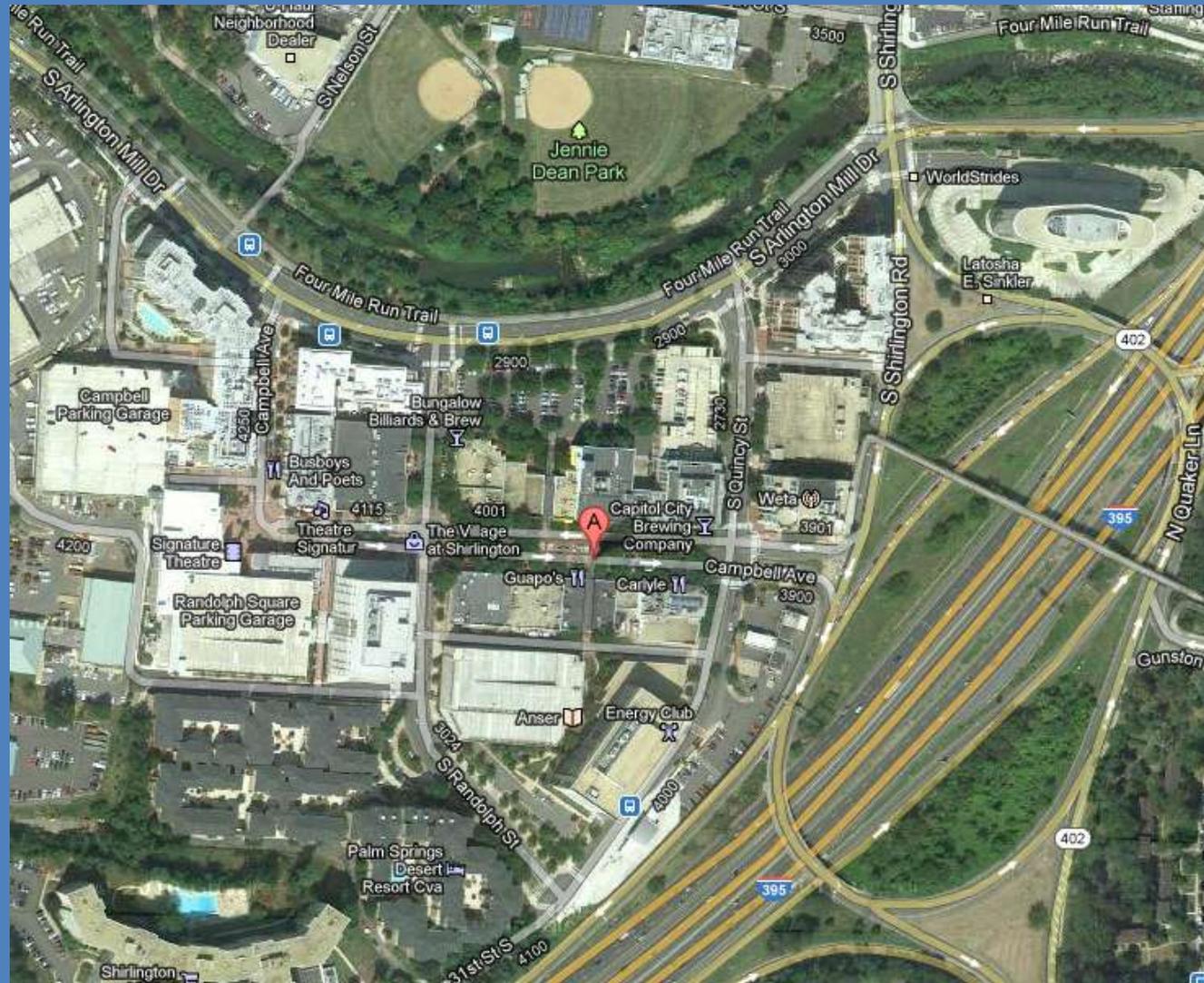
Red areas were all surface
parking.



Shirlington Village 2010

After completion, new building and streets replace almost all surface lots.

Five parking structures located behind building frontages, and just one remaining small surface lot (# "5" in next figure).





New street grid and network of sidewalks

Three new traffic signals and intersection improvements to connect Shirlington with an adjacent arterial street and the regional park

½ mile of new landscaped connecting sidewalks to link to an adjacent neighborhood

Creating a Pedestrian-Friendly Environment



BUSBOYS & POETS

NO
PARKING
LOADING
ZONE
←→

Active sidewalks – seating, permeable facades



Residential units over retail

Shirlington

Apartments (rental & condo)
over street-level retail

Including a 2-story grocery

1,000 residential units

300,000 sq ft retail

580,000 sq ft office

57,000 sq ft library & theatre

106 hotel rooms

*All in about 2 blocks, next to
a highway*





	2000	2010	% increase
Office, s.f.	151,000	581,000	285%
Retail, s.f.	228,000	302,000	33%
Cultural, s.f.	0	57,000	∞ %



	<u>2000</u>	<u>2010</u>	<u>% increase</u>
Housing units	2,200	3,700	68%
Population	3,700	4,500	22%
Employment	1,200	3,700	208%

Cameron Davidson



Fiscal impact

SOURCES OF MAJOR LOCAL TAX REVENUE

Commercial RE Tax	\$2,313,672
Condominium RE Tax	\$1,133,475
Apartment RE Tax	\$1,920,660
Sales & Meals Tax	\$1,303,346
Transient Tax	\$347,651
BPOL	\$809,785
Business Tangible Property	\$462,323
TOTAL LOCAL TAX REVENUES	\$8,291,323

REVENUES GENERATED

Sales & Meals	\$28,333,606
Hotel Rooms Rates (Pre-Tax)	\$6,621,921

An aerial photograph of a city street, likely in Atlanta, Georgia, showing a mix of modern and older buildings, parking lots, and green spaces. The street is lined with trees and has several cars visible. In the background, more city buildings and a large green area are visible under a clear sky.

Thank you

Christopher Zimmerman



Smart Growth America
Making Neighborhoods Great Together

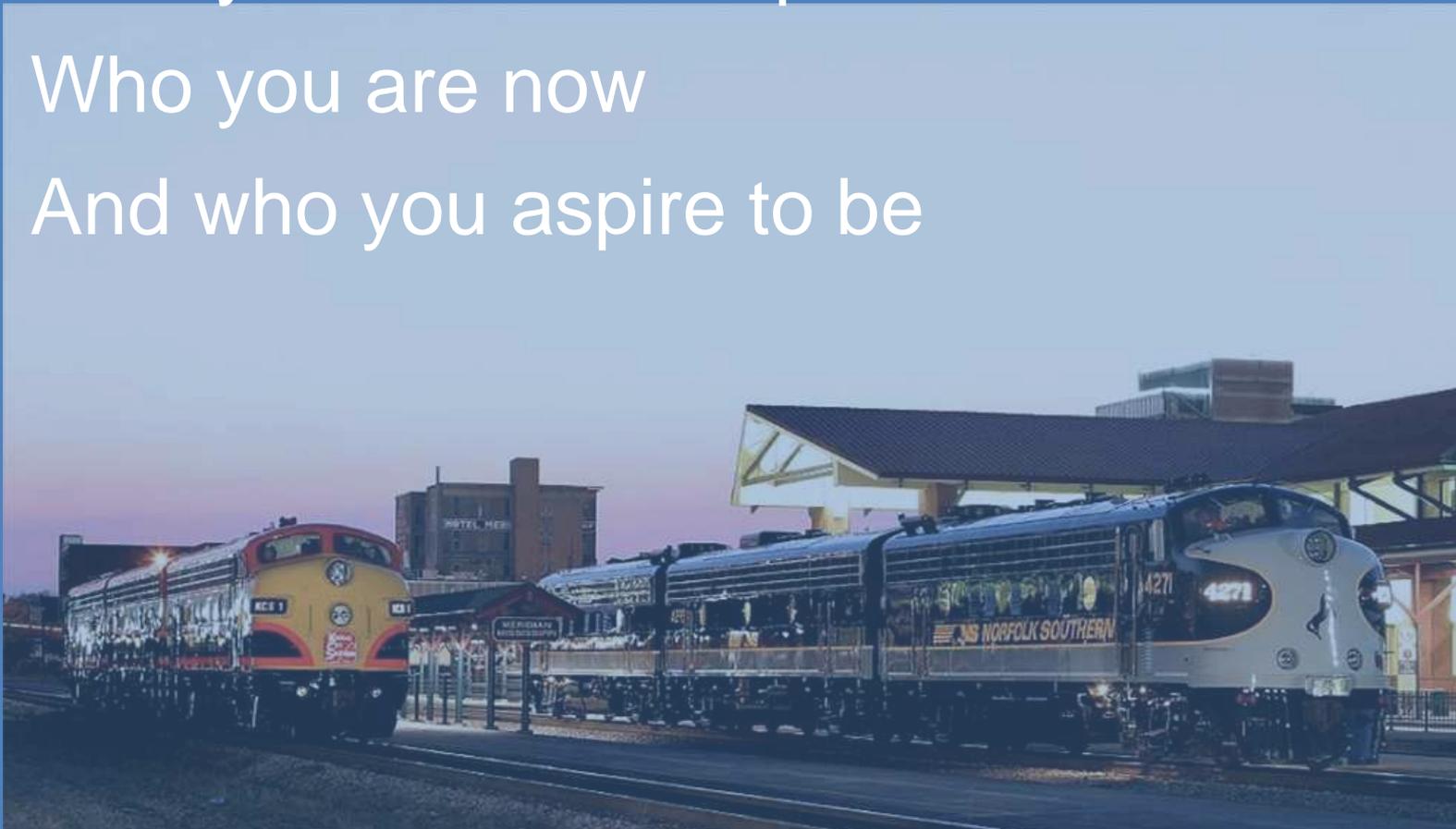
Meridian, MS



Your identity is key

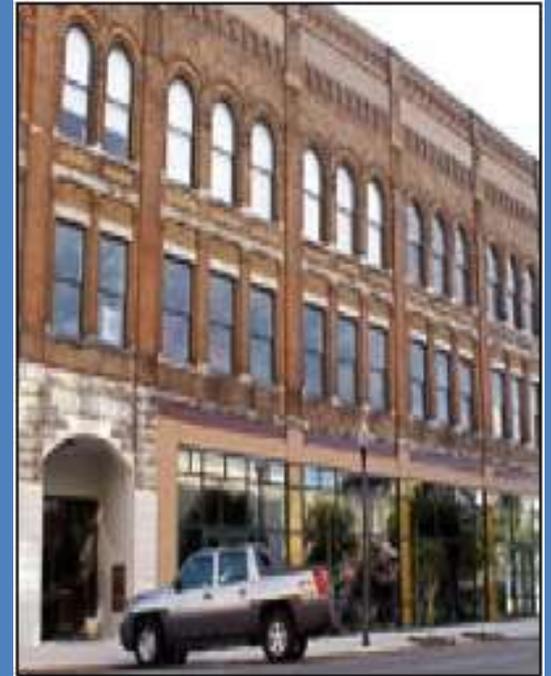
In any public project you need to know:

- Who you were in the past
- Who you are now
- And who you aspire to be





Private development
of \$135 million in
surrounding area
New life for historic
structures



Affordable Housing Restoring Neighborhoods

HUD HOPE VI grants of \$17.3m
Leveraged an additional \$35m
Total investment of \$55m in affordable housing



Put Meridian on a diet





Oprah comes to town

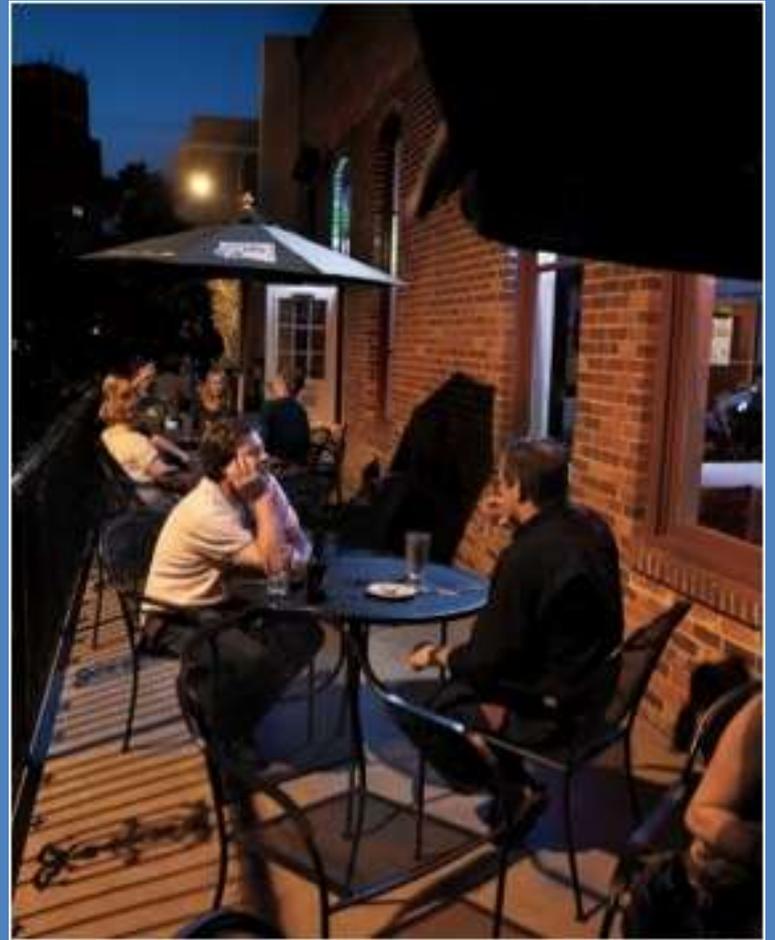






50th Anniversary with Itzhak Perlman

Wynton Marsalis



Meridian, MS November 3, 2007
Copyright © 2007 Common Cents Computers



It is critical to engage for future generation





