



Assessing Development Opportunities

Implementing Centers

September 2013—Wasatch Choice for 2040 Consortium



**PARSONS
BRINCKERHOFF**

This plan has been prepared for Salt Lake County by the PlaceMaking Group at Parsons Brinckerhoff and their subconsultants.

Salt Lake County
Community Resources and
Development Division
2001 South State St
Salt Lake City, Utah 84190
www.slco.org

Parsons Brinckerhoff, Inc.
88 East Winchester St
Suite 400
Murray, Utah 84107
www.pbworld.com

Project Team:
Tom Hester
Kimi Iboshi Sloop
Nick Amrhein
Sharon Grader
Allyson Powers
Tienna Kim

Project Managers:
David White
ddwhite@slco.org
Richard Brockmyer
rbrockmyer@rideuta.com

Consultant Team:
Salt Lake County
Utah Transit Authority
Parsons Brinckerhoff
Don Whyte

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Advisory Committee (Name/Company)

Gil Avellar	Sandy City	Mike Glenn	Utah Office of Housing and Community Development	Greg Montgomery	Ogden City
Keith Bartholomew	University of Utah / UTA Board	Dean Graham	Better City	Chris Nelson	University of Utah
Kerry Bate	Salt Lake County Housing Authority	Robert Grow	Envision Utah	Claudia O'Grady	Utah Housing Corporation
Susan Becker	Zions Bank	Andrew Gruber	WFRC	Christina Oliver	Salt Lake County
Jake Boyer	The Boyer Company	Lindy Hahn	Morgan Stanley	Adam Olsen	American Fork
Mike Bradshaw	Momentum Development	Gordon Haight	Herriman City	Christie Oostema	Envision Utah
Spencer Brimley	Salt Lake County	Mike Hathorne	Suburban Land Reserve	Bill Peperone	Provo City
Paul Bringham	Salt Lake County	Kim Haywood	GE Capital	Robert B. Rendon	Zions Bank
Richard Brockmyer	UTA	Howard Headlee	Utah Bankers Association	Tara Rollins	Utah Housing Coalition
Michael Brodsky	Hamlet Homes	Charles Henderson	UTA Board	George Shaw	South Jordan
David Cannon	Suburban Land Reserve	Aric Jensen	Bountiful city	Matt Sibul	UTA
Dale Carpenter	Salt Lake County	Bruce Jones	UTA	Rhoda Stauffer	Park City
Lisa Cheng	Utah Asian Chamber of Commerce	Janice Kimball	Salt Lake County Housing Authority	Dan Velazquez	Salt Lake City
Christopher Chesnut	UTA	Ted Knowlton	WFRC	David White	Salt Lake County
David Devan	Parleys Partners	GJ LaBonty	UTA	Don Whyte	Elevated Real Estate Solutions LLC
Terry Diehl	Wasatch Pacific Inc.	Frank Lilly	South Salt Lake	Jill Wilkerson-Smith	Salt Lake City RDA
James Divver	Zions Bank	Dan Lofgren	Cowboy Partners	Ernest D. Willmore	ICO Development
Chad Eccles	MAG	Peter Makowski	Ogden City	Randy Woodbury	Woodbury Corporation
Stanley Ellington	Utah Black Chamber of Commerce	Ty McCutchan	Kennecott	Pauline Zvonkovic	HUD
Steve Erickson	Utah Housing Corporation	Gary McGinn	Provo City	John Janson	Utah APA
Michael Gallegos	Salt Lake County	Marci Milligan	Lotus Community Development		
Bryson Garbett	Garbett Homes				



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INTRODUCTION

The vision in Wasatch Choice for 2040 is long-term: a 30 year plan to accommodate 1.4 million additional residents in the four-county region while at the same time enhancing the economy, protecting natural areas and providing choices for living and traveling. Wasatch Choice for 2040 calls for future growth to be focused in a variety of activity centers across the region consistent with the following elements:

- Provide public infrastructure that is efficient and adequately maintained
- Provide regional mobility through a variety of interconnected transportation choices
- Integrate local land-use with regional transportation systems
- Provide housing for people in all life stages and incomes
- Ensure public health and safety
- Enhance the regional economy
- Promote regional collaboration
- Strengthen sense of community
- Protect and enhance the environment

Implementation strategies to focus and guide the development are needed to ensure that the centers respond to the needs and desires of the communities in the Wasatch region in order to achieve their desired potential.

Articulating the desired future of a region that focuses growth in centers is only one piece of the puzzle to create great mixed-use places: implementation of the vision is another. Above all, implementing the centers vision requires an understanding of the role centers play in the Wasatch region and the relationship of each center to each other and the larger regional market.

Guidebook Purpose

The purpose of the guidebook is to help elected officials and the public sector understand the development process, barriers and strategies for development, and how they can positively influence the development of centers within their communities. The guidebook seeks to help communities identify the policy, infrastructure, financial, and market barriers through an assessment at the community, plan area and parcel levels. Tools and strategies are identified to create centers with choices for residents to live close to where the work and opportunities to walk or bike to shop. Some of the new center development will be redevelopment and infill, and other development may be greenfield or vacant lot development. Not all barriers and strategies apply to both circumstances, just as they may not apply in all communities. The intent of the report is to provide an overview of the range of possibilities for developing centers.

Wasatch Choice for 2040 Definition of a Center



The creation of mixed-use centers is a key strategy to implement Wasatch 2040. Centers are generally defined as having the following elements:

- ✓ Historical and emerging regional destinations of economic activity
- ✓ Choices for residents to live close to work, walk or bike to shop
- ✓ Great transit and road access
- ✓ A sense of place
- ✓ Compact urban form, oriented toward the pedestrian
- ✓ Mix of land uses with connections between the uses
- ✓ Safe, enjoyable walking environment

The strategies in this document are based on best practices from the around the United States and are simply suggestions for how to move the concept of centers from a vision to reality. Some of the suggestions may seem like they are pushing the envelope for the Wasatch Front Region, and moving them forward will be an uphill battle and, in some cases, difficult to achieve in the short term. The suggestions are provided in this document to help educate local decision makers about options and to start a discussion.

When the time is right to move these concepts forward as recommendations, more details will be needed to understand how to implement the strategy for the region.

It must also be noted that there are other elements that are vital to creating a vibrant community. For example, social, environmental and economic sustainability are important features of successful, thriving communities. The suggestions provided in the document touch on, but do not focus on, sustainability. However, the [Envision Tomorrow Plus](#) (ET +) is one tool the region has at its fingertips to help assess the sustainability of various growth options.

Guidebook Organization

The guidebook is organized as follows:

- **Introduction:** overview of the document, including its purpose.

- **Principles for Community Development:** introduction of seven principles that guide developer-friendly community development. Each principle is then described in detail, with examples.
- **Assessing Development Readiness:** overview of the community assessment tool that can be used to assess how well a community is applying the principles for community development. This section also provides an outline of a site analysis assessment document that will help identify barriers and opportunities and prioritize next steps for successful center implementation.

Relationship to Other Wasatch Choice for 2040 Tools

As part of the Wasatch Choice for 2040 effort, multiple tools are being developed to advance the implementation of the centers vision. The tools are intended to support one another. Some of the other tools being developed include:

- **Envision Tomorrow Plus (ET +)** can model development feasibility of alternative scenarios and provide real-time evaluation of the scenarios' impact on various measures, such as transportation effects, market demand, housing and transportation costs, energy consumption, air quality impacts, water and land consumption, public fiscal impacts, return on investment to the devel-





oper and lender, optimum redevelopment timing, public health impacts, employment growth and resilience, and public art and amenities.

- **Regional Housing Analysis** uses existing municipal housing plans and demographic and economic data to assess the current and projected supply of and demand for different types of housing, including low- and moderate-income housing. The analysis will recommend how centers can support a large share of the region's housing need, with multiple transportation options.
- **Utah Form Based Code Template/Manual** provides a zoning tool to assist in the implementation of the vision for a center. It addresses, through a process, the various components of creating a place.

More detail can be found at www.wasatchchoice2040.com. Each of these tools, along with this Implementation Guidebook, provide methods to evaluate the development in centers and tools to move forward the principles for community development described in the following section.



PRINCIPLES OF COMMUNITY DEVELOPMENT

Communities must have the right framework for development in order to achieve the desired change in the development pattern. A successful framework is grounded in understanding, communication and education such as:

- understanding of the needs, impacts of decisions and context for decisions;
- communicating those needs and expectations through public education and the alignment of policies and plans;
- evaluating the barriers and possible strategies to address the need; and
- educating the public and decision makers about the strategies that can move the region forward to implementation.

The following seven principles can help communities create a framework that is development-friendly—one that lets the development community know the center is “open for business”—while at the same time, setting a solid framework to implement the vision for the center.

1. Understand the Development Context

For a center to thrive, it is important to understand the market, site and economic context for development. Often, visioning

exercises result in the identification of grand, yet unrealistic, ideas of what a place could be. Not all centers are equal in location, stage of the development cycle, opportunities and willingness for public-private partnerships, market competition, etc.

2. Leverage Development Opportunities

Working together, the public and private sector can focus on the strengths of a development site and leverage opportunities through partnerships such as joint development and expedited provision of public services. Leveraging development opportunities can jump-start development, catalyze the development of other parcels, and facilitate development where it may not otherwise occur given the market conditions.

3. Engage the Community and Form Partnerships

Successful development requires the right idea, money to do it and the political will to get it done. Historically, revitalization of communities has required the public sector to take a strong leadership role, whether that be helping developers maneuver the approval process, prioritizing public improvements in areas where redevelopment is desired, or providing financial assistance

Seven Principles of Community of Development

1. Understand the development context
2. Leverage development opportunities
3. Engage the community and form partnerships
4. Identify development barriers
5. Manage the issues, barriers and risks
6. Establish a development-friendly environment
7. Understand the costs and benefits



to facilitate development. Only after the public sector takes the initiative to reduce risk will the private sector typically be willing to commit time and money to a project.

4. Identify Development Barriers

Real and perceived barriers can create roadblocks to taking action. The process to overcome the barriers begins with identifying risks and mitigating weaknesses. Knowing what different types of risks are, how to identify them and the potential impacts on both the private and public sectors will help identify which barriers are most important to resolve. Types of barriers include market, regulatory, infrastructure (including transportation), environmental, ownership, ownership rights and responsibilities, and physical conditions.

5. Manage the Barriers and Risks

After the barriers have been identified, effort must be taken to manage the barriers in order to reduce the risks. In many cases, the issues and barriers cannot be eliminated completely, but can be reduced or managed in order to increase the viability of the project and reduce the potential risk to the investors.

6. Establish a Development-friendly Environment

Developers like to work in communities where the risk is known and the process is transparent. Sending a clear signal that “we are open for business, our community is a willing partner for quality development, and are ready to work with you” will provide opportunities for the desired development in centers.

7. Understand the Costs and Benefits

As part of the process to manage the issues and barriers, the costs and benefits of various strategies should be weighed and prioritized for orderly development (i.e., infrastructure goes in before the housing and retail, acting as a catalyst and creating a sense of place). Included in the cost/benefit analysis should be an assessment of the impacts for both the public and private sectors in order to identify the risks that require the least cost to overcome while providing the highest benefit.



PRINCIPLE 1: Understand the Development Context

The vision in Wasatch Choice for 2040 focuses growth in centers throughout Weber, Davis, Salt Lake and Utah counties. These centers are destinations that provide opportunities for people to live close to where they work, and to walk or bike to shopping and other activities. The vision also calls for an improved transit and road network to improve connectivity in and between the centers, creating greater choices for where people can live, work, shop and play – and creating a region that thrives socially, economically and environmentally.

Each center is unique, serving the local population and vision for how that center should be locally defined. However, the centers are competing in the same regional economy and do not have the same market opportunities. The market opportunities vary in each center based on location, state of evolution, willingness to partner with the private sector, competition and related factors and conditions. In reality, real estate markets and development potential translate into people and the quality of life experiences that they want to have. People consider conditions, access, the availability of goods and services, and

✓ **Development opportunities and patterns will vary based on a range of conditions. Most importantly, development will respond to market demand and will locate close to successful places.**

amenities such as schools, parks, recreational facilities and open space and community/social facilities when they seek where to live or locate businesses.

In this development context, the market means a place to live, work, shop, visit, and play. Markets are the expression of people's needs and desires, as well as real estate's ability to satisfy those needs and desires. In other words:

- Changing household demographics and population growth affects housing needs and capacity.
- Income and other demographic characteristics determine retail needs and spending patterns.
- Employment determines office and industrial space needs.
- Population growth and policy determine public uses, institutions and the role of government.
- The availability of viable developable land determines the ability to satisfy the demand.

In the end, the development that occurs in one center will influence the amount and type of development that occurs at a neighboring center. Understanding this, implementation of the regional vision should be done with a long term view. Through multiple community processes, a specific vision for the community emerges which can then be implemented by the local government through various land use, transportation and infrastructure plans.

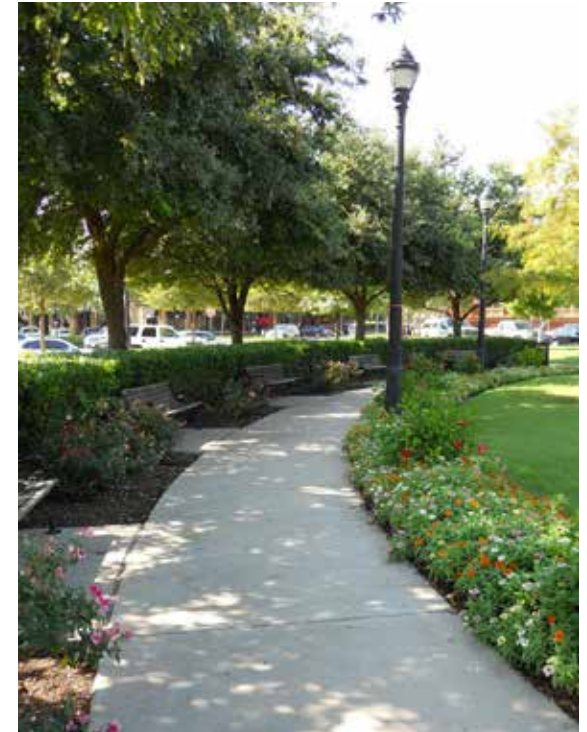
Grounding the discussion of context with an analysis of market realities will help everyone

Resources

Methods to Understand the Development Context

- ✓ The *Community Development Checklist* provides a method to assess the local context for development. It is described in the section [Assessing Development Readiness](#)
- ✓ The *Regional Housing Analysis* will identify the regional supply and demand for housing in the Wasatch Region. www.wasatchchoice2040.com
- ✓ The Envision Utah report *Workforce Housing: Markets, Realities, Concerns and Solutions* summarizes research on the changing demographics in Utah. www.envisionutah.org

involved understand the role a specific center can plan regionally and locally. Insight into the real estate potential of an area can be attained through an assessment of the area's size, character, role in the market, and the demographics of the population and visitors to be served. After identifying the regional and local role of a center, an analysis of a particular site can create realistic expectations of what uses could exist on the parcel to serve the local market. Having a complete picture helps both the public and private sector identify the barriers, risks and opportunities for



development. A general context can be gained by reviewing the Wasatch Choice for 2040 place types as well as the place type description found in the the template form based code available on the Wasatch Choice for 2040 website.

PRINCIPLE 2: Leverage Development Opportunities

The development community focuses more on the short term market, when the investment is most opportune. The capital, market and operating risks and evaluations in relation to the investment potential, and desire speed and flexibility in the development process in order to capture the opportunity. What may seem economically feasible tomorrow may not be today. For example, retail businesses have a pro forma business plan for 8-15 years, office is 20-35 years, industrial uses can be transitional, and residential housing tend to survive for much longer periods of time.

Successional Development

Planning for development must acknowledge that the desired development pattern and urban form may take multiple development cycles to occur. The concern, then, is the ability to preserve the public's long term vision even when there are immediate market barriers that result in development inconsistent with the vision. By planning for successional development, development can occur in the short term that addresses the conditions of the current development market while preserving opportunities for efficient future development. In order to meet the needs of the entire community, housing for low-and moderate-income families and seniors must also be an integral part of the planning and development

process. Equitable housing opportunities (that is, opportunities for all levels of income) must be intentionally part of the shared vision and mandate of the public and private sectors.

✓ Leveraging development opportunities creates an environment for additional growth and development, resulting in more value and greater potential for success in creating a place where people want to be, rather than simply another building.

Successional development includes three primary elements:

1. **Establish a long-term development vision and circulation framework** for a multimodal network that accommodates a possible transformation of the existing street and block system. Creating a smaller block grid can be an important element in making vibrant and vital places, and serve as a conduit for pedestrians/bicyclists. The lot and block sizing will influence the type of development that is attracted to the area,



Development opportunities can come in all shapes and sizes. Existing surface parking lots and vacant parcels are just two examples.

along with a host of other conditions, such as accessibility and connectivity. When possible, future street easements should be located along existing property lines so that new streets can be constructed with future development. For example, “Shadow platting”, a process that identifies the utility and transportation easements required



Temporary uses, such as farmers markets or streetfairs, are good ways to utilize land if the current market does not support development.

for higher-density development, is a tool that can be used to provide for more dense development with a more refined street and infrastructure network.

2. **Provide infrastructure for more intense future development.** This can include the location and sizing of infrastructure, especially below ground infrastructure, to accommodate more dense development located in a manner consistent with the expected future road right of way. Providing the infrastructure in the short term to accommodate future growth for the next one or two development cycles allows public investments to be leveraged through the planned obsolescence of certain development

forms that can then be converted to other development forms when the pro forma for the existing use is no longer viable. For example, a parking lot near a transit hub today could be redeveloped into more housing, retail, employment or other uses when the demand for parking near the hub has declined.

3. **Locate buildings clear of possible future road easements.** The location and size of existing buildings on parcels can either facilitate or impede redevelopment. To increase the potential for redevelopment in the desired urban form, locate buildings and design future streets consistent with the future planned street network in the long-

term vision. When buildings are located in the center of a parcel, future development can be hindered because subdividing the land may result in undersized parcels and scale issues.

The concept of successional development is illustrated in case studies on the following pages.

Murray TOD Areas

The purpose of the Murray Transit Oriented Development District (TOD) area is to encourage pedestrian oriented design, promote development and protect the public health, safety and welfare by preserving the unique character of existing areas for future use and development. The district encourages compact, mixed use development near transit stops. Carefully planned mixed uses include neighborhood-oriented commercial and restaurant space and increased opportunities for transit and pedestrian activity. It is established to preserve and encourage the pedestrian character of commercial areas and to promote street life and activity by regulating building orientation and design and accessory parking facilities while prohibiting certain high impact and automobile oriented uses.

One of the challenges faced is developers that have not caught the vision of mixed use at TOD areas. Specifically, some don't believe that they can fill the lower level commercial space. In TOD areas, the code requires a minimum ceiling height of 12 feet (east of the UTA Trax lines or on principal streets). This standard encourages lower level commercial space but does require the lower level to be utilized for commercial purposes. However, because this area is a designated Redevelopment Area, the Redevelopment Agency has entered into development agreements with developers and have required that the lower level space be built

to commercial building code standards to allow for future commercial space when the market is more favorable. Additionally, the city has promoted the concept of live work units (lower level commercial space, upper level residential) that have been developing and have been extremely marketable.

Another TOD area is the Murray City Center District. The Murray City Center District (MCCD) is envisioned as the commercial, civic and cultural center for the community and is a new mixed use district intended to enhance physical, social and economic connections for redeveloping downtown Murray City resulting in a richer, more vibrant cultural environment. This district applies similar characteristics to those found in the TOD by encouraging pedestrian-oriented design, promoting development opportunities, and increasing residential and commercial densities. The anticipated development model promotes sustainable, compact, mixed use, transit oriented uses with neighborhood oriented commercial, restaurant, civic, cultural and residential spaces to promote street life and activity by regulating building orientation and design.

The MCCD is located in the downtown area adjacent to the Central Trax stop. In this area no residential uses are allowed on the first floor of any new buildings. Therefore, the city is

promoting full commercial structures or lower level commercial with upper level residential or commercial uses.

These two areas are beginning a transformation process that is establishing a solid mix of commercial and residential uses to create walkable, vibrant, transit oriented areas.



CASE STUDY

Framework for Successional Development

Broadway Marketplace a 42-acre place in Denver, Colorado is located at Broadway and Alameda Avenue. It was redeveloped through the leadership of the Denver Urban Renewal Authority (DURA) working with two development groups. DURA provided relocation assistance as part of the acquisition process. In 1992 DURA selected a development group to redevelop the site. In 1993 DURA provided \$16.7 million in tax-increment financing

(TIF) funds towards to \$44 million redevelopment into a 420,000 retail center. A management group acquired the property in 2007 and the city approved a General Development Plan in 2009 for the site that allows increased densities, greater utilization of nearby transit and planning for the third generation of development for this site. The aerial images show how a street grid was introduced and is currently used for surface parking. As

land values increase, and vision for the area will be incrementally implemented.

www.renewdenver.org/redevelopment/dura-redevelopment-projects/denver-county/broadway-marketplace.html



PRINCIPLE 3: Engage the Community and Form Partnerships

Change of any kind starts with education—an understanding of why the change is needed and the benefits of the change. Encouraging development in centers is no different. It must start with educating the general public as to the benefits of centers development. They in turn can influence the pattern of development through their purchasing choices that influence the market and their choices at election time to support candidates who will make decisions to facilitate centers development.

✓ Through partnerships between the public and private sector, both parties will better understand and support each other in their pursuit of successful development.

Change also requires many partners to help a community strengthen itself and develop towards its full potential. People make decisions on where to live and work based on livability factors such as walkability, quality education, housing variety, and the existence of community/social amenities. Therefore, it is critical that public and private partners collaborate with each other: cities/counties,

the state, school districts, community colleges, universities, merchants, public health officials, private developers, financial institutions and the general public.

Land Use, Transportation and Urban Design Partnerships

The responsibility for integrating land use, transportation and good design is shared primarily among three parties: the general public; local government agencies, and developers/private property owners.

The **general public** helps to create the vision of the future, supported by local governments through various public involvement efforts, and ultimately becomes the champion of the vision to ensure that the desired change becomes reality. The general public includes property owners, residents and employees of the region as well as groups and individuals with unique perspectives and resources that they can bring to the table, such as school districts, advocacy and interest groups, colleges and universities, merchants, public health officials and non-profit agencies.

Local government agencies are responsible for implementing the vision through land use plans, regulations, and the provision of transportation and public infrastructure services.

Developers and private property owners are responsible for the development of specific parcels. In addition, other sectors of the general public, such as financial institutions, schools and large employers, have responsibilities in creating change.



The role of each partner varies as development occurs, moving from the vision for change at a large community scale, to the actual physical development of a parcel. Through regional planning efforts such as Wasatch Choice for 2040, visions are established based on the input of the general public, residents and employers in the region. It is the responsibility of the local agencies to see that the implementing


regulations are in place to create the urban form desired. This is done through creating visions for specific plan areas and local plans and regulations, such as general plans, special districts, such as urban renewal plans, zoning regulations, urban design standards, and transportation master plans.

Involving the public in the visioning process will help achieve community buy-in of the long term vision for the center. An individual or group serving as a champion for the project can help generate excitement and ensure that the intent behind the vision remains true as the vision moves from plan to reality. General public support for the vision will also help with implementation: people will be more likely to speak out in support of development consistent with the vision, or against development that is not consistent.

After the framework for change is established, the responsibility for physical development is shared. Public agencies, at the state, regional and local levels, have powers that the private sector needs to achieve redevelopment, including the ability to condemn land through eminent domain, and require development standards over larger areas. The public sector may also be able to create conditions that will direct a market or increase absorption of a given market at a specific place, such as through a redevelopment agency. These powers can help allow for redevelopment and can reduce some risks to the private sector, thereby

CASE STUDY

Engaging in Partnerships on Catalytic Sites



As part of the Sustainable Communities Grant effort, Envision Utah led a scenario planning effort at six catalytic sites located throughout the Wasatch Front including Salt Lake City, Magna, Sandy, Provo and the Meadowbrook light-rail station area. Using community and stakeholder involvement from a series of public meetings, several future land use scenarios were developed for each site. Each of these scenarios were then analyzed using the Envision Tomorrow Plus (ET+) model to provide information on the impact that those scenarios would have on environmental sustainability, trip generation, affordability, and city and county revenue and expenditures.

Results of these tests were then shared and discussed with the community, ultimately leading to the creation of a preferred scenario vision for the area.

The process included input from many different partners, including residents, land owners, local businesses, elected officials, and developers to ensure that the preferred vision was reflective of the entire community. Feedback and input were gathered in a number of different ways including keypad polling, visual preference surveys, web surveys, and map exercises where groups of participants literally mapped out the development they'd like to see.

allowing them to focus on quality development. The private sector, in turn, can deliver real estate assets and buildings in response the market. Financial institutions can facilitate the development of the desired urban form by working with developers to finance non-traditional development, such as mixed-use, mixed-income, high density or reduced parking developments. Large employers and institutions can also facilitate changes to the development

pattern by partnering with developers to ensure long term lease agreements. If everyone involved in implementing the vision stays true to its intent, changes to the development pattern will occur, supported by the market and resulting in an enhanced quality of life. More information about the financing tools and strategies available to local governments can be found in the [Financing Strategies](#) section of this report.



PRINCIPLE 4: Identify Barriers to Development

In theory, centers should be the most sought after places to develop great projects that integrate a range of opportunities to live, work, shop and play linked by transit. Barriers that block or impede a project's ability to move forward can hinder successful center development. The range of barriers is great: some are physical, some are political, some are perceived and some are long term. Barriers also vary based on the scale (i.e., community, project area, parcel) being affected. For example, a development barrier at the parcel level, such as the existence of environmental constraints on the parcel, may not be considered a barrier at the community scale because it does not affect the overall ability of the community to function as a center. Most barriers fall into one of six categories:

1. **Market** barriers relate to existing and forecast real estate supply conditions, coupled with economic and demographic trends that impact demand for new commercial and residential land uses. Market barriers can be perceived or real.
2. **Regulatory/Land Use/Zoning/Code** barriers include government codes, policies and procedures that limit or prohibit development consistent with the vision for the center.
3. **Transportation/Mobility/Infrastructure** barriers restrict or inhibit desired development and livability because services are not available to support the development. These barriers can also reduce a new development's visibility and access

Summary of Developer Interviews

What Are the Barriers?

A summary of developer interviews conducted by Parsons Brinckerhoff offer perspectives of development barriers and helpful ways local governments can partner to reduce risk.

1. Market demand for TOD is currently thin. Unconstrained land supply and uncongested travel conditions make TOD a choice, not a necessity.
2. Enforcing development typologies and design criteria not yet supported by market economics does not work. It would be better to encourage successional development that can evolve over time.
3. Access to transit does not drive the development decision. Land cost is top priority.
4. High land costs, sometimes due to unrealistic landowner expectations, are resulting from unlimited zoning with densities and entitlements that do not meet market demand.
5. Many jurisdictions that are either inflexible, not development-friendly, or make the process complicated or difficult.

from vehicular and foot traffic in the area, diminishing its marketability.

4. **Environmental** issues, such as parcels that require environmental clean-up or sensitive habitat disturbances, can create barriers because they require creative solutions that may increase risk and cost.
5. **Legal, Title and encumbrance** barriers may limit the potential for the type and amount of development that can occur.
6. **Physical conditions**, such as topography or parcel size, can result in barriers to development.



Key

- Market
- Regulations
- Transportation Infrastructure
- Environment
- Legal, Title, and Encumbrances
- Physical Barriers

Market Barriers

The quantitative factors of market supply and demand, combined with qualitative factors such as access to transportation, goods and services, schools, healthcare and parks and recreation, together with the site's

locational strengths and weaknesses for new development, complementary uses such as existing restaurants/entertainment for potential new residential users to patronize, and local perception of the site, impact the ability to successfully deliver new development. Without a keen understanding of the redevelopment potential in a community, it is difficult to assess the market opportunity that exists. Potential market barriers include:

- **Cost of land.** Redevelopment will not occur unless it is a profitable venture, and high land costs increase project risk and potential profitability from the developer's perspective. Developers tend to have ability to manipulate a defined project's costs and achievable revenue, and as such, acquiring land at a reasonable price can have a significant impact on financial feasibility. While zoning requirements vary by jurisdiction, the common perception is that unlimited

densities and mixed-use zoning can serve to facilitate or unlock development opportunity at a given site. While this is generally true if the previous zoning was restrictive, this classification can also lead to high land prices that hinder development. If a non-developer landowner envisions high-rise development or some other scenario that may not have market support, then they will expect a price for the land that will not justify market-driven development formats and hinder development activity in an area otherwise in need of revitalization.

✓ Barriers at the community and project area levels affect ultimate development at the parcel scale.

- **Weak market conditions.** Retail development, for example, will not be feasible unless it has a strong concentration of households and daytime population from which to draw customers. The surrounding demographic profile must reflect the necessary profile of the desired retailer, with enough density (residential rooftops) to make it a viable location for retailers. For example, grocery store anchors in a neighborhood center may require a certain minimum threshold of households within a two to three mile area, and a minimum average or median household income in that defined geography. A market analysis can determine whether or not the right demographic profile exists within the community to support the particular type of development envisioned for a site.
- **Lack of developer interest.** Just like with a used car lot, potential buyers have many choices and must assess tradeoffs of site attributes that may not be directly comparable, i.e. good location versus challenging infrastructure needs, or attractive land price versus a difficult local regulatory environment. If developers are not able to locate the opportunities they are comfortable with in one area, they will move on to other communities. An economic development strategy that identifies redevelopment opportunities and promotes the commercial and residential strengths of the area or a given site can

help to increase visibility and facilitate redevelopment. This strategy provides visibility to the development opportunity and gives the city a platform to demonstrate that it wants to be a partner with the developer and help them be successful. Experienced developers know that having a true partner on the public side is critical to efficiently meeting local development requirements, and seek out opportunities in places with less onerous processes and fast, reliable turnaround times.

Regulatory Barriers

Often, cumbersome regulations can require developers to expend additional time and money, reducing overall returns and making development less feasible. Even after going through complicated and time consuming processes, many developers fear that arbitrary decisions guide development processes. One-on-one interviews with local developers active in the Wasatch Front Region indicate that in some cases, complex or unclear regulations can discourage developers from even considering certain communities. Additionally, requirements may be contrary to market demand regarding parking, size or other development attributes, further complicating a project's feasibility. As a result, redevelopment at the desired densities, land use mix, or urban form may not be occurring due to the following barriers:



- **No vision, concept plan or master plan.** As a result, the site has no plan for potential developers to follow that will differentiate the area from other places in the community. A public process to create a vision at the community level, a conceptual plan at the project area level and a development program/master plan at the parcel level can define the type of development that is desired in a particular center.
- **Desired uses prohibited.** The existing zoning regulations may not allow the desired land uses, such as horizontal or vertical mixed-use, compact development or high density housing, as allowed uses. Requiring variances or extended approval processes can increase the approval time and cost which can result in some developers looking to other communities with streamlined development approval processes.



- **Desired design prohibited.** The existing zoning may not support, and may even prohibit, the type of development desired in the vision by not allowing certain design features. Often zoning codes require large setback or building height limitations that make it impossible to build at a higher density, for example.
- **Same standards in and out of centers.** If the density, setback and design standards apply to all zones within the community and do not differentiate for centers, the potential development inside and outside a designated center could look the same. Place specific zoning is important to reinforce the vision for areas as well as create unique places that are different from other locations in the community. Creating an overlay zone, or changing the zoning, for centers can allow for more compact development and a pedestrian environment that is more conducive to walking than the area outside centers.
- **High/costly parking standards.** According to Transit Cooperative Research Program (TCRP) Report 128: *Effects of TOD on Housing, Parking and Travel* (2008), residential uses in centers near transit generated an average of 44 percent fewer vehicle trips than that estimated by the Institute of Transportation Engineers (ITE) manual (3.754 versus 6.715 daily trips per unit), meaning that not as many parking spaces are required in transit oriented type development. At a cost of approximately \$3,000 per surface parking space and \$12,000 per structured space, parking is a significant part of the cost of development. Allowing for transit-based reduced parking ratios in appropriate zones or shared parking may enable development projects to pencil that might not be able to otherwise.
- **Unclear and complex regulations.** Often, the regulatory framework is cumbersome and difficult to navigate. Code cleanup and streamlining and help simplify the process for developers by making the process easier, outcomes predictable, and, as a result, the development process less costly. Rather than serving to keep bad development out through complex code language, regulations should facilitate good development through an expanded design-focus and expedited review process.

- **Political/public opposition.** The “Not in My Backyard” (NIMBY) attitude and public opposition to change can be a barrier to achieving the desired vision. Education and engagement are the primary strategies to address opposition. When the public isn’t engaged in developing the vision, or does not understand the benefits of center development, the chances of opposition are greater. If the public participates in the development of the vision, in a meaningful way, the vision should reflect the public’s values. If their values are reflected in the vision and the public process educates them as to the benefits of centers, the opposition can be turned into champions speaking out in support of the vision and change.



Transportation/Mobility/ Infrastructure Barriers

The lack of or inadequate services create barriers to development because it means more cost to developers. Potential barriers may include a lack of neighborhood linkages, streets that are designed to move traffic and are not conducive for walking, and limited capacity to provide water, sanitary sewer, storm water, telecommunications, gas or electric utilities. Potential transportation, mobility and infrastructure barriers include:

- **Lack of linkages and connectivity.** Inadequate access to and within a site makes it

difficult to support development. Access can be difficult if there are dead-end streets or cul-de-sacs, an incomplete sidewalk network, or multiple busy streets or driveways that must be crossed by pedestrians. If a site has good connectivity and easy and safe access for automobiles, cyclists and pedestrians, it will likely have more customers to support the businesses. With current development patterns, it may not always be possible to increase linkages and connectivity. Adding street connections or breaking up block sizes in long term transportation plans, or requiring future streets to include sidewalks and bike lanes, will help to increase connectivity in the long run.

- **Lack of necessary infrastructure capacity.** With compact development being the desired form in urban centers, much of the existing infrastructure likely does not have the capacity necessary to accommodate increased density. The challenge is funding the necessary infrastructure in a timely manner to serve the new development. Amending capital improvement plans to identify the future infrastructure needs is only half of the solution. Identifying funding gaps and unmet timing constraints, and then identifying matching mechanisms and programs to help close the funding and timing gaps will enable increased capacity to be built.

- **Lack of parking.** If people cannot find parking near their destinations, they often give up in frustration and do business elsewhere. An assessment of parking availability and location through a parking study can identify where there are parking constraints and recommend options to address the constraints.
- **Lack of bicycle and pedestrian connections.** Within a project area, even with compact land uses, the lack of safe, convenient and continuous bicycle and pedestrian connections can create an environment that is auto-centric. At a minimum, bicycle and pedestrian connections to major destinations should be provided to facilitate walking and bicycling within the center.



Environmental Barriers

Environmental barriers tend to be most prevalent at the parcel level, creating roadblocks to development of specific parcels. Barriers may include the following:

- **Environmental remediation needed.** Developers are risk adverse. An area that has an active environmental review or that may require environmental clearance/clean-up will raise red flags for potential developers. Typically, the area a few hundred feet around a site requiring environmental clean-up should be tested. This can raise costs for developers even if the

project area is found to be clean. If remediation is required, the environmental clearance process can be expensive and lengthy, and often results in a less than desirable site for redevelopment. Working with existing land owners to identify what environmental clearance is required and initiating the process can help facilitate future development of the site.

- **Habitat Disturbance Mitigation.** Some geographic areas that contain sensitive habitats and critical habitats of species are protected under the [Endangered Species Act](#) (ESA). Under the ESA, species may be listed as either endangered or threatened. “Endangered” means a species is in danger of extinction throughout all or a significant portion of its range. “Threatened” means a species is likely to become endangered within the foreseeable future. All species of plants and animals are eligible for listing as endangered or threatened. If a planned development overlaps a sensitive habitat, this can cause barriers in the form of time delays, cost for mitigation and possible reduction of developable areas. This can be challenging if a highly valued part of the proposed development is not developable due to habitat disturbance. For example, this can be the case if a sensitive habitat exists along a waterway that development had planned to engage.



Legal, Title and Encumbrance Barriers

At the parcel level, legal, title and encumbrance factors that limit options for development create barriers to successfully building and marketing a project. Challenges to site development include fragmented ownerships without consistent adjacent zoning, governance limitations, and cost/increased risk due to encumbrances and other title issues. Examples of such barriers include:

- **Development encumbrances.** Sites may have legal requirements, such as liens or right of way issues limiting what can be developed. Encumbrances usually impact the ability to sell the site, and may be transferred with site ownership. For example, one on one interviews with developers identified an aversion to pursuing projects on certain sites owned by the UTA that were purchased using federal money. Due to potential land title transfer restrictions, residential developers were concerned about the marketability of condominiums and other for-sale end products at those sites, and sought other opportunities.
- **Title ownership issues.** Small properties in urban areas potentially changed hands potentially many more times than green-field development sites in more suburban areas. They likely were bisected several times in the past and may have complicated legal boundary and other physical attri-



butes that can only be uncovered through research conducted by an experienced title company. Public partners should be proactive in uncovering any issues with properties in RDAs or that they wish to promote for redevelopment. The more information in this regard that can be conveyed to potential developers, the lower the site's risk profile becomes, and the less aversion developers will have to investigating the opportunity.

Physical Barriers

At the parcel level, the physical features of a site can be assets or barriers for a site. Natural features can provide development opportunities, such as greater views if the topography includes hills. They can also serve as development barriers. As noted in the environmental barriers section, some physical

features, such as soil conditions, typography or natural features, may limit development or require additional site preparation or modifications to standard architectural drawings that can result in increased development cost and thus increased risk. In some cases, potential developers may walk away from a project because they do not have the experience to know how best to adapt their designs or find a creative solution that can lead to a quality project. Other physical barriers could include:

- **Parcelized ownership.** Small lots and oddly shaped lots can create development challenges. In urban areas, small lot sizes are common; some level of assemblage for larger projects should be expected. In some instances, a public partner can assist by making strategic purchases of underutilized property in areas it plans to market

for redevelopment. While eminent domain can be used as part of a redevelopment authority (RDA), its use in private property acquisition is currently a politically sensitive topic in Utah and elsewhere.

- **Development limited by natural features.** The net cost per acre may increase, and thus the return on investment decrease, for developers if a significant portion of the land is not developable due to natural features, such as streams, floodplains or wetlands. In order to help developers envision the potential for the site, renderings could be produced that communicate the potential development footprint of the site. At the project area level, the natural features can be incorporated into the conceptual plan to work to the benefit of all development within the area. The cost and opportunity of preserving land can be shared through public purchase of land.



PRINCIPLE 5: Manage the Issues, Barriers and Risks

The key to managing the issues, barriers, and risks is to understand which risks can be mitigated by the public sector stakeholders with a reasonable amount of resources and investment. Particularly those that create the most value, such as those that can potentially catalyze ongoing development and reduce other risks. At the same time, the public sector should formulate longer-term strategies to address larger barriers. For example, the creation of an overlay zone would be considered a regulatory strategy to address certain land use issues and physical barriers, but may also address transportation issues. Development assistance strategies could touch on market barriers (such as a publically funded market analysis for a project area or a community-wide economic development strategy to introduce potential developers/employers to the

- ✓ Removing barriers will facilitate development
- ✓ Understanding developer needs and market characteristics is key to a successful public-private partnership

opportunities in the region) or environmental barriers (such as working with Department of Environmental Quality to streamline the environmental clean-up process). In the context of the suggested strategies, “public assistance” or “development assistance” does not need to translate to a public agency contributing financial resources to a project. In the context of the strategies provided under

this principle, “public assistance” generally means to problem solve with the development community. It means public agency staff being willing to think outside the box to work together to find solutions that are a win-win for everyone. In some cases, this might mean the public agency staff being advocates for the developer with other agency departments or modifying codes and standards to provide more flexibility and certainty in the process. Yes, in some cases it might also mean entering into a joint development project, or buying environmentally sensitive land to reduce the overall cost of a project for developers. The point being, there are many different ways to provide public assistance as highlighted in the suggested strategies to mitigate the identified issues, barriers and risks. The strategies identified generally fall into three categories:

- **Market strategies**—addressing the site-specific market strengths and weaknesses to tailor efforts that serve to leverage strengths, mitigate weaknesses, and capitalize on identified market opportunities.
- **Regulatory strategies**—addressing land use, transportation and infrastructure improvement needs and identifying those that most effectively foster new development and revitalization.
- **Financing strategies**—tapping into financial mechanisms available to local governments to help pay for the public improvements associated with development and/or subsidize new development.

These potential strategies are described in more detail below. The application of the strategies will be dependent upon the site-specific scenario and the community's will, resources, and regulatory framework. Some of the strategies described below may push communities in the Wasatch Region out of their comfort zone and may not be feasible to implement in the short term. It is not our intent to provide unrealistic suggestions. Rather, the suggestions are provided as a means of sharing alternative strategies to facilitate future mixed-use, higher density growth in centers. If the concepts are not part of the discussion, they cannot be rejected, or accepted.

Many strategies can address more than one barrier. For each strategy, icons appear that link the strategy to the types of barriers it addresses.

CASE STUDY

Market Analysis for Catalytic Sites

As part of this guidebook creation, high-level market analyses were conducted for five catalytic sites. The market analysis methodology includes the factors to consider in

analyzing the site, assessing competitive supply, sizing demand potential, and numerous local, regional, state, and national resources to pull from. The market analysis can be

found at this link. [Implementing Centers: Assessing Community Development Opportunities and Barriers: Market Analysis.](#)

At the end of this section, reference sheets summarize the barriers identified in Principle 4 with the strategies suggested here in Principle 5.

Market Strategies



- **Conduct a market analysis.** The first step to identifying an effective market strategy is to conduct a market analysis of the identified area given targeted uses. An analysis of trends in residential, retail, office, civic, cultural, and community development should be conducted at a regional and local scale. This analysis serves as the foundation for any economic development recruitment effort by helping to identify the strongest near-term opportunities by land use. This will provide the public stakeholder with an understanding of which land uses make the most sense to promote and incentivize,

Envision Utah has produced several tools to help with site redevelopment. The tools include:

Brownfield Redevelopment Toolbox that offers a step-by-step overview of the typical brownfield redevelopment process

Redevelopment Solutions Overview is a model that estimates development costs and revenue for a potential redevelopment site

Local Government Economic Development Toolbox identifies strategies to bring jobs to communities

www.envisionutah.org

resulting in a more optimal return on its investment of resources, financial and otherwise. A market analysis considers the complexities of the location, the market



area or geography to be served, the depth and quality of competition by land use, land values, financially feasible density levels, achievable pricing/lease rates, and economic and demographic demand conditions. It incorporates historical, current, and forecast future market conditions. In simplistic terms, a market analysis looks at the site/area's locational strengths and weaknesses for new development, the demand in the catchment area, and the ability for the site/area to serve that demand in light of the competitive supply.

Depending on the scenario, the market analysis should focus on both the near and long term market opportunities. If near term development opportunities are identified, the public stakeholders can focus strategies to facilitate and incentivize these opportunities. However, should conditions appear weak, the priority can be shifted from incentivizing development

to focusing on near term improvements to infrastructure and other improvements that can help set the stage for development in the mid- to long-term as the site/area evolves. As such, the market analysis can inform the stakeholder on the near term opportunities and where it will most effectively allocate resources.



- **Conduct parcel-level utilization analysis.** A utilization analysis provides an inventory of land in the defined area that is potentially ripe for redevelopment by identifying those parcels that are either vacant or underutilized based on the existing use. Using tax assessor data, this process takes into account the building-to-land value ratio and/or the potential and ability to assemble land and/or rezone adjacent parcels to create one large development opportunity.

Using building-to-land value ratio exclusively, an accepted rule of thumb is that sites with the building-to-land value ratio of less than 50% are most likely to be redeveloped. The ET + tool may be helpful in conducting this kind of study and allows users to project out building-to-land values for different time horizons.



- **Assist with land assembly.** Although it is often financially difficult for public agencies to purchase adjacent parcels with the intent of assembling land for development, there are steps that public agencies can take to assist with land assembly, such as:
 - Assist housing authorities, development authorities, land banks and land trusts identify potential lands for purchase.

- Form a land bank to buy properties for future development. The land bank can also hold abandoned or tax delinquent properties for future development. Land banks can be managed by public agencies or non-profit entities.
- Assist developers and property owners with the creation of a legal agreement between landowners of contiguous parcels.



- **Study parking tools.** Too much parking results in higher costs for developers. Not enough parking may mean customers shop elsewhere and cause problems with development financing. Finding the balance between too much and not enough is important. A parking study could look at parking strategies at a district-level and study in more detail the feasibility of reduced parking standards, paid parking zones, and shared parking facilities within districts. Education of the general public, financial institutions and decision-makers regarding the strengths and weaknesses and implementation challenges will be an important element of a parking study. Parking tools that may be identified through a parking study include:
 - Reduced parking—Compact, mixed-use places with access to transit (typical of centers) require less parking than tra-

CASE STUDY

Parking Tools



Parking in auto-centric Beverly Hills, California has long been an issue. With a thriving business district, including both commercial and retail uses, parking is at a premium. The city uses multiple tools to manage parking:

- ✓ a system of city-owned and operated parking structures and surface lots, located in the Business Triangle, South Beverly Drive, and South La Cienega Boulevard
- ✓ on-street metered and time-limited parking spaces, and

ditional, auto-oriented development. Reducing parking standards to allow for less parking will require that planning commissions, economic development directors, city councils and developers be educated as to the opportunity to reduce required parking. One way to test

- ✓ privately-owned and operated parking structures and surface lots.

Although parking standards are consistent with traditional required off-street parking minimums, the city has an “in-lieu” parking program that provides an option for commercial developers to pay a per-space fee to the city in lieu of providing the required parking capacity. The program is limited to the Business Triangle district and is intended for restaurants, retail and equipment sales, convenience shops, museums and the re-use of National Register-listed buildings.

On-street parking is limited based on the functional classification of the roads. For example, an arterial street designed to carry through traffic typically does not provide on-street parking. A local street, designed to provide for local traffic movements, generally allows parking for adjacent land uses.

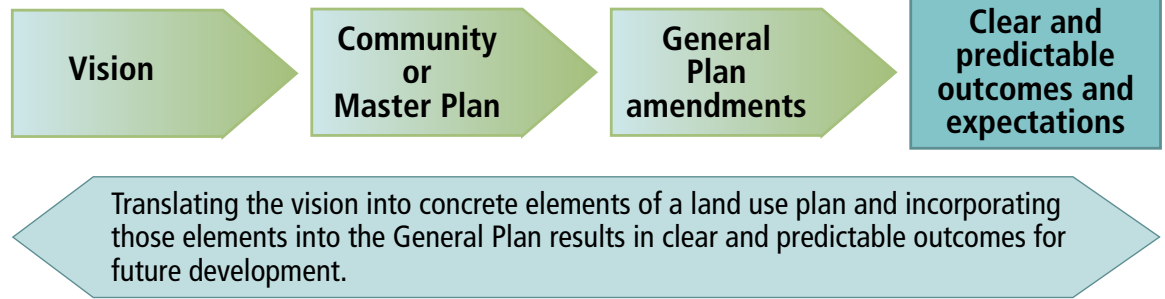
City-owned parking structures and on-street parking are managed by a division of the City’s Department of Transportation.

the applicability of reduced parking is to work with a developer as a case study and agree to a modification to reduce parking before the development process begins. The Template Form Based Code provides additional information and recommendations for parking require-



ments for different types of centers. The ET + model allows users to test different parking requirements and the effect on development feasibility.

- Manage parking—The availability of parking can be managed either through time limited or paid parking. Because the mentality of most people is one of “why should I pay when I can get it for free”, a paid parking strategy should be implemented on a district or center scale in order to create an even playing field.



- Shared parking—Shared parking structures are a good way to increase the buildable land in an area and improve the urban form. Creation of shared parking can be done by a defined project area, or by identifying a district that is considered walkable. Having shared parking facilities built by private entities is challenging in that the high cost of structured parking is often more than private developers can support, especially in areas where charging for parking. In addition, lenders and mortgage bankers are long-term players (i.e., 10, 20 or 30 years), and may have concerns about supporting shared parking if the security arrangement could be compromised by a shared parking agreement that may change in the future. Public investment in structured parking, in partnership with developers of adjacent sites, can reduce or eliminate the private financing challenges, and make a structured parking component more feasible.

The Template Form Based Code provides additional information on shared parking considerations and a template ordinance. The Urban Land Institute’s Shared Parking book is another source for additional information.

Regulatory Strategies



- **Develop a vision, concept plan or master plan.** Developing a vision, concept plan or master plan for a center will help communicate the public’s desire for the type of uses, character and amenities to be developed in the center. Typically led by a public agency, the process works best and reflects the community’s values when there are significant and frequent opportunities for the residents, employees, property owners and other stakeholders of the area to provide input in the process. In addition to the land uses, vision and master planning doc-

uments can have mixed-income housing and sustainability and energy efficiency elements. Being able to compare multiple scenarios, as can be done using the ET + tool, is useful in that it illustrates the trade-offs of various options for growth.



- **Align policy and regulations with vision.** Visions statements should reflect public desire. The general plan and zoning codes should codify the vision, making it a reflection of what the public desires. Having this consistency between the public desire, vision and implementing regulation creates an environment where developers feel more certain of what they are proposing and will help communities get the type of development that they desire. The policies and regulations that must be aligned include:
 - The **General Land Use Plan** provides a community with additional detail and directions regarding a variety of desired outcomes, such as redevelopment sites and mixed-use areas, urban form, and site design.
 - The **zoning code** regulates which land uses are allowed where, and provides direction as to the form the development should take. Zoning designations within centers should be more compact, with higher densities and a greater mix of uses.

- **Land use, development, design, and transportation regulations** are used by cities and counties to implement the policies set out in the general plan. These standards can positively or negatively influence the quality of the walking environment and built environment. The design and character of a place is addressed through the design standards.



- **Incorporate sustainability in the code.** In order to address environmental barriers, the code can incorporate sustainability elements and standards to provide for thoughtful development that protects natural features and resources. Adding elements such as energy efficiency to the code adds to longevity of the development and vitality of the place by making it more sustainable in the long term.



- **Consider the long-view.** As mentioned earlier, the market does not always allow the desired development to be built right away. In order to provide a stronger likelihood that the center develops as desired in the long term, several strategies can be implemented:
 - Codify the vision for the desired development in the zoning code and design





standards so that all development is consistent with the desired outcome.

- Create land use plans and policies that support the concept of Successional Development. Work with developers to orient buildings in such a way to allow for infill development when the market is right. By having land use and transportation regulations that support the concept of successional development, developers are provided with clear expectations and communities are able to achieve the vision they are striving for.

- Allow shadow platting, as feasible, that identifies the utility and transportation easements required for higher-density development as well as the parcel lot lines for higher-density lots.



- **Set clear development expectations.** Certainty and predictability occurs when the policies, regulations and desired outcomes are clear. Just like a student and teacher relationship, results are better with clear expectations, positive feedback, communi-

cation, and working together to solve problems rather than a checklist that results in a grade. Land use, transportation and urban design standards should bolster development in centers, rather than creating the same standards of development in and outside of centers. For the areas outside centers, it may be prudent to selectively reduce the retail and employment uses in order to reduce the opportunity for these areas to encroach on development that should be occurring in the centers, and therefore avoiding the unintended consequence of each jurisdiction competing with itself.

In order to promote more intense development in centers, consider incorporating the following into the local land use regulations:

- Prohibit auto-oriented uses (i.e., drive through banks and restaurants, gas stations, auto repair shops) within ½ mile of a transit station.
- Set minimum residential and commercial densities to ensure that development can support transit and walking.
- Create parking maximum limits.
- Apply a design overlay, or change zoning in centers, which requires pedestrian connections and building orientation to transit stations.



The challenge with policies that regulate land uses, urban form, and design is they can be too prescriptive, causing conflicts between code, financial feasibility and market demand. A form based zoning code provides the most flexibility for developers while still maintaining clear expectations for the development that is to occur in a certain area. The *Template Form Based Code*, available at www.wasatchchoice2040.com, is an excellent starting place for communities looking to make land use regulation changes, providing a detailed guidebook and template ordinances that were developed with the Wasatch Front Region in mind.



- **Accelerate the review and entitlement process.** While a clear zoning ordinance goes a long way in addressing regulatory barriers, the corresponding application and review process is also a critical component. Developers want flexibility, speed and fairness in their review processes. Providing a review process that responds to these needs will create an impression that the city is “open for business”. Developers are more interested in working in communities where they are understood, valued, and seen as partners. As an example, Salt Lake City’s Transit Station Area (TSA) zone uses

a tiered application review approach based on a development review scoring system. Applications that score 100 points or more are approved without a public hearing, incentivizing developers to incorporate important development guidelines into their projects. This process helps meet the city’s vision for the area, allows design flexibility as long as certain criteria are met and reduces review time and associated costs for developers. This can also be accomplished by promoting more permitted uses than conditional uses.



- **Update plans to provide transportation connections.** Providing multi-modal transportation connections starts at the planning stage. By updating street standards and transportation plans to include bicycle and pedestrian connections to key destinations, future streets will be built to include bicycle lanes and sidewalks, and areas lacking connections will be identified as needing improvements. Future improvements to the street grid and block pattern should incorporate modifications to create more walkable blocks. An ideal walkable place has a perimeter length of a block between 800 feet and 1,600 feet. Any block side longer than 400 feet should include pedestrian connections. Understanding that the market does not always support and it is not always feasible to create small block lengths, a progressive transportation plan should be adopted that applies the concept of successional development.



- **Address future infrastructure needs.** A developer is more likely to build in a location that has an adequate level of infrastructure and amenities, such as streets, water, sewer, utilities, public safety, schools, parks and open spaces. Three tools

Resources

EPA document Infrastructure Financing Options for Transit-Oriented Development

In January 2013, the EPA released a report titled “Infrastructure Financing Options for Transit-Oriented Development”. The report highlights several tools that can fund infrastructure improvements related to TOD such as streets, sidewalks, parking, energy, water and stormwater. The tools highlighted with associated case studies are:

1. Direct fees, including user and utility fees and congestion pricing.
2. Debt tools, including private debt, bond financing, and federal and state infrastructure debt mechanisms.
3. Credit assistance, including federal and state credit assistance tools and the Transportation Infrastructure Finance and Innovation Act (TIFIA).
4. Equity, including public-private partnerships and infrastructure investment funds.
5. Value capture, including developer fees and exactions, special districts, tax increment financing, and joint development.
6. Grants and other philanthropic sources, including federal transportation and community and economic development grants and foundation grants and investments.
7. Emerging tools, including structured funds, land banks, redfields to greenfields, and a national infrastructure bank.

The report provides additional detail on the three of the strategies suggested in this document:

1. Partnerships with nonprofit or private entities such as universities, hospitals, and corporations that are inextricably tied to their locations because of real estate holdings, capital investment, history, or mission.
2. Corridor-level parking management that would set parking prices and manage parking demand across a transit corridor or system, including both transit station parking and surrounding on- and off-street spaces.
3. Land banking that can make it easier and more affordable to assemble and acquire land for TOD infrastructure.

The report can be found at: www.epa.gov/smartgrowth/pdf/2013-0122-TOD-infrastructure-financingreport.pdf

In Hillsboro, Oregon, a parcel in the downtown had sat vacant and ready for redevelopment for over ten years. To facilitate the development the City prepared the site and led the process to cleanup low-level contamination. The barrier of contaminated soil environmental clean-up was remediated with plans for underground parking: the soil had to be dug up anyway. The

Department of Environmental Quality (DEQ) issued a Prospective Purchasers Agreement that kept the project moving forward by removing any liability to the developer in return for an action that demonstrated substantial public benefit. DEQ accepted the development of the property with its inherent economic public benefits as satisfying the agreement's requirement.



can help ensure that the necessary public and urban infrastructure is provided:

- Establish an internal jurisdictional staffing team responsible for implementation as much as regulation. This may include the Mayor, City Manager and other key decision makers. The purpose of this group is to think holistically about how to facilitate change, and where the city or county invests its resources to facilitate development.
- Prioritize infrastructure improvements in centers to make land “shovel-ready”. This includes adding projects to capital improvement plans, and prioritizing infrastructure needs in future centers.
- Provide public funding for infrastructure projects. The details of financing options are included in the financing tools below.



- **Assist developers with regulatory approvals.** Obtaining certain environmental and development approvals can be a daunting task, especially if the approval process is mired in layers of bureaucracy. Local governments can provide guidance during the review and approval process and can act as a liaison between the public agency and the developer to help the developer maneuver through the processes. In some cases, this may mean providing technical assistance as the project moves through the review process. In other cases, it may mean identifying the right process that could streamline the approval process.



- **Create a cultural and habitat survey.** As part of the process to identify the existence and significance of environmental barriers, the local government can conduct a habitat survey to inventory the existing conditions. Such a survey can also be used to inventory cultural amenities, such as affordable housing. Providing this background information about a project area helps to clarify expectations for future development.



Ogden River Project (Riverbend)

In 2002, Ogden City Redevelopment Agency created the Ogden River Redevelopment Area to help spur development of the area. Ogden City RDA provided the needed primary improvements such as new roads and a major river restoration project. These crucial investments allowed the Ogden River Project to move forward. Now formally called Riverbend, it is a 60-acre, master planned, mixed-use, transit-oriented neighborhood that features retail, office, and residential uses. Situated ½ mile from the Ogden Intermodal Center, the project area is located in the heart of

downtown Ogden along the newly restored Ogden River. Riverbend is the primary redevelopment focal point of a complete revitalization of downtown Ogden, Utah beginning in 2000. Significant environmental improvements have been made to the area, including the investment of \$5 Million to restore the Ogden River, which flows through the center of downtown Ogden and is a designated Blue Ribbon Fishery, the Ogden City Redevelopment Agency moved to acquire property in hopes of creating the desired master planned downtown neighborhood. The project area's close proximity to commuter rail and bus transit lines provides residents and employees walkable access to public transportation. Construction of Phase I commenced in Fall 2010, and Ogden City has selected PEG Development to begin development of Phase II. PEG is a well-known development company with housing projects along the Wasatch Front (www.pegdevelopment.com). Phase III of Riverbend is still in the planning process. Details of each phase of development are as follows:

Phase I

Phase I of Riverbend is located between 20th and 18th Streets, and between Washington Blvd

and Grant Ave. This phase calls for 69 townhome units and 60 apartment units, 3 live/work units of residential, being developed by South River LLC. Thus far, 15 townhome units have already been constructed, with approximately 80% sold at this time. In addition, Phase I calls for 33,000 SF of retail, 22,500 SF which has already been constructed by individual property owners.

Phase II

The Ogden 20th Street Investors comprised of PEG Development, R&O Construction, a highly respected, top-ranked local commercial builder, will be developing Phase II; the blocks between Grant Avenue and Childs Avenue. Phase II is broken down into two phases. Phase I calls for approximately 150 apartments and 20 townhomes. Phase II calls for 8 townhomes, 60 live/work units, and 12,000 SF of retail/office space. Construction is expected to begin Fall 2013 or Spring 2014.

Financing Strategies



- **Implement Tax-Increment Financing (TIF).** TIF is a local funding tool used by municipalities to accelerate the development of projects that are a high priority for the public agency but do not have strong enough economics to guarantee investment by the landowner. In general terms, tax-increment financing is a mechanism for capturing all or part of the increased property tax paid by a subset of properties within a designated area. TIF is not an additional tax, nor does it deprive governments of existing property tax revenues up to a set base within the TIF district. Instead, part of or all of future property taxes (above the set base level) resulting from increased property values or new development are dedicated to paying for the public improvement or development incentive that caused the value increases and additional development.

TIF is most commonly used by local governments to promote housing, economic development, and urban redevelopment in established neighborhoods. TIF revenues can be used as they accrue on a pay-as-you-go basis, or can be bonded against. In some cases, some communities have bonded against TIF to assist with property assemblage to facilitate

development. Numerous redevelopment authorities (RDAs) in Utah have used TIF to varying degrees of success. While some RDAs have drawn relatively large boundaries spanning numerous blocks, others, such as those set up by the Ogden RDA, have taken a more targeted approach, defining numerous RDA project areas with smaller geographic parameters, spanning fewer parcels and blocks.

Ogden has had a number of successful redevelopment efforts in recent years relative to its size and regional context. This targeted approach also takes timing into consideration. State legislated “haircut” provisions require the percentage of tax increment to diminish over time. In Ogden, the RDA will identify potential project areas but wait to establish them until there is an interested developer. Once the development plan is refined,

Grants and funding for brownfields and land revitalization is available through EPA and the State DEQ. For more information:

- ✓ www.epa.gov/brownfields/grant_info/index.htm
- ✓ www.deq.utah.gov/
- ✓ An interactive map to help determine where potential environmental barriers might exist can be found at: <http://enviro.deq.utah.gov/>



CASE STUDY

Using Multiple Strategies at Fairbourne Station



Fairbourne Station rendering courtesy of GSBS Architects

West Valley City, Utah, has been working diligently over the last several years to create what will ultimately be a 75 acre, mixed-use, transit-oriented downtown referred to as Fairbourne Station. Fairbourne Station is replacing old, blighted retail and residential with more intense development near 3500 South and about 3000 West. The City's

efforts began with the adoption of the Center Vision, a small area plan that was adopted as part of the City's General Plan in 2004. In that same year the City established the City Center RDA, making tax increment financing a tool available to promote redevelopment. In 2006, the City adopted the City Center Zone, the City's first form

based code with essentially no height or density limitations. A community development area or CDA was also established to allow sales tax to be used as an incentive.

The City has also worked closely with UTA and UDOT to make several important transportation improvements that serve Fairbourne Station. A park and ride facility was constructed in 2008 for transit patrons. UDOT, together with UTA, completed the widening of 3500 South to include additional travel lanes as well as center running bus rapid transit (BRT) in 2010. In that same year UTA completed a bus hub that currently serves 10 bus routes. In 2011, UTA completed the West Valley light rail extension now known as the green line.

Despite the transportation improvements and the adoption of a small area plan, transit supportive zoning and economic development tools, redevelopment did not occur until after the City stepped in and began to assemble property and install new infrastructure. The difficulties developers faced to assemble land from multiple property owners, demolish buildings and install new infrastructure were too great despite all of the incentives the City offered.

With property assembled, the project has taken off. A beautiful new promenade and an Embassy Suites were recently completed and a new 225-unit apartment building is now under construction.

the RDA initiates the district so that the early years of revenue generation are not lost while waiting for developer interest in the site. This approach maximizes TIF revenue generating potential and avoids the potential for development to occur late in the life of the project area. While it may be more administratively cumbersome to define and manage numerous smaller redevelopment projects, resulting TIF revenue will also be more narrowly concentrated on improving and benefiting the specific project area.

Conversely, while TIF revenue may be applied with less focus in a larger defined area, it also provides the RDA with more flexibility in channeling revenue from successfully developed parcels to those in need of additional improvement within the larger defined boundary. There are various pros and cons to each, and the right approach will depend on the site- or area-specific scenario.

RDAs are authorized to use TIF for three distinct purposes:

- **Urban Renewal Areas (URAs)** require a finding of blight and allow for tax increment from all overlapping public agencies to be used for project funding. The establishment of an urban renewal area requires the majority vote of the RDA's taxing entity committee, made up



of representatives from the overlapping taxing agencies.

- **Economic Development Areas (EDAs)** are formed to support projects with potential to become employment centers. EDAs work much the same as URAs except that there is no blight requirement and tax increment cannot be collected from retail land uses. This distinction was made to discourage the transfer of public tax dollars to big box retailers. EDAs are best suited for office and light industrial developments.
- **Community Development Areas (CDAs)** are similar to URAs and EDAs except that the taxing entity committee does not need to approve the creation of a CDA. The sponsoring municipality has the option to use its share of both the property tax increment and the sales tax

increment to fund public facilities. Overlapping taxing entities have the option to participate in the project's funding through the use of an interlocal agreement. Like EDAs, CDAs do not require a finding of blight.

The processes to establish URAs, EDAs, and CDAs are somewhat similar. For each mechanism, the first step in the process is for the RDA board to adopt a resolution designating the area and authorizing next steps. URAs have the longest timeline and most steps involved, due to the blight finding requirement, which requires a parcel-by-parcel analysis of the proposed area. URAs also have the power of eminent domain during the first five years of establishment. CDAs have the fewest steps involved because they do not require approval by a taxing entity committee.



EDAs must include an economic benefits analysis to justify public funding.



- **Leverage federal tax credit programs.** The federal government offers three major tax credit programs that are targeted toward community and economic development. Tax credit awards are based on qualified private construction costs. In most cases, the successful applicant sells the right to the tax credits in return for an equity investment in the project, making the tax credit allocation essentially the same as a grant award. The unused public funds can then be applied to other high priority projects. Furthermore, the tax credits serve an attractant for regulated capital from large financial institutions, who are seeking to lend and invest in low- and moderate-income communities in order to satisfy their Community Reinvestment Act (CRA) requirements and in order to do the right thing for communities in which they provide a broad spectrum of financial services.
- **New Markets Tax Credits (NMTC).** The New Markets Tax Credits (NMTC) program was established by Congress in 2000 to spur new or increased investment into operating businesses and other non-residential real estate projects located in low-income census tracts

and communities which serve low- and moderate-income families and individuals. This program permits individual and corporate investors to receive federal tax credits in exchange for their investment in projects that will have a significant impact on areas with economically disadvantaged populations.

NMTC is competitive in the sense that specialized financial intermediaries or institutions called Community Development Entities (CDEs) apply to the Community Development Financial Institutions (CDFI) fund for the authorization to award tax credits in an amount equal to 39% of qualified local investments in disadvantaged communities. In turn, the CDEs invest the credits in qualified projects, oversee the development financing and make sure that program requirements are met. The strength of each CDE's project portfolio and success rate are contributing factors to its chances of receiving future funding from CDFI. Although NMTC investments take place between two private entities—the CDE and the developer—public support can play a major role in the CDE's decision to fund a project.

This program has several advantages over traditional economic development funding:

- ◆ The debt and equity infusions received from the CDE and tax credit investor are substantially equivalent to receiving grant funding.
- ◆ Sometimes, no significant up-front investment is required of a developer to submit a project to one or more CDEs for consideration.
- ◆ Although projects can spend a significant amount of time in the CDE's project pipeline, financial close is generally achieved within six months of beginning the process.

- **Low Income Housing Tax Credits (LIHTC).** The Low Income Housing Tax Credit (LIHTC) program is an indirect Federal subsidy used to finance the development of affordable rental housing for low-and moderate-income households. Each state housing agency awards these tax credits to developers of qualified projects on a competitive basis. Priority is given to projects that benefit the lowest income families and are structured to remain affordable for the longest period of time.

The portion of a project that is eligible for LIHTC is based on the percentage of affordable units multiplied by the projects eligible costs, which do not include land acquisition or permanent

financing costs. New construction and substantial rehabilitation projects not already receiving federal funds are eligible for tax credits at a rate of approximately 9% of qualified project costs. Other qualified projects are eligible for tax credits at a rate of approximately 4%.

Although LIHTCs cannot be combined with NMTCs, a mixed-use project can be split into its residential and non-residential components in order to apply for both programs separately.

- **Historic Tax Credits (HTC).** Two different types of tax incentives are available for projects that preserve historic buildings. A 20% credit is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior to be "certified historic structures." In addition, a 10% tax credit is available for the rehabilitation of buildings that are not certified by the Secretary of the Interior but were placed in service before 1936. HTCs may be combined with either NMTCs or LIHTCs. The building must meet the following requirements to qualify for the 10% tax credit:

- ◆ It must be rehabilitated for non-residential use;



- ◆ At least 75% of the existing external walls must remain in place (and 50% must remain external); and
- ◆ At least 75% of the internal structural framework must remain in place.



- **Use transportation-related special federal programs.** The federal government, through various USDOT administrations, offers competitive grant programs and financing for infrastructure projects that can create new opportunities for local development. While most opportunities have limits to the use of funding for infrastructure purposes, a proper strategy that identifies improvement projects creating major transportation benefits will also create development opportunities.

Applications that are co-sponsored by multiple state and local units of government are encouraged and generally scored higher.

- The Transportation Investment Generating Economic Recovery Program (TIGER) is an example of such a program, which is applicable to new interchange projects, transit stations, bike paths, and other amenities that can significantly improve the competitiveness of a development site. The Transporta-

tion Infrastructure Finance & Innovation Act (TIFIA) is another program, which under MAP-21 has had its provisions eased to accommodate smaller projects. Though still geared to transportation projects, real estate non-profit organizations such as Smart Growth America are working with the USDOT to explore ways to make TIFIA financing more available and applicable for developers, especially related to transit oriented development projects.

- US Department of Housing and Urban Development (HUD) Programs. HUD program notices of funding availability are announced each year. These competitive grant programs can be used for a variety of purposes related to redevelopment, urban infill, and other real estate project planning initiatives. Eligible uses vary by grant.

Linking Strategies to Barriers

The following pages provide a summary of the barriers and identify which strategies can be implemented to reduce the impact of or eliminate the barriers.





Market

Related to...

- ✓ Existing and forecast real estate supply conditions
- ✓ Economic and demographic trends
- ✓ Supply and demand of commercial and residential land uses

Barriers

- ✓ Cost of land
- ✓ Weak market conditions
- ✓ Lack of developer interest

Strategies

- ✓ Conduct a market analysis
- ✓ Conduct parcel-level utilization analysis
- ✓ Assist with land assembly
- ✓ Study parking tools
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Incorporate sustainability in the code
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Accelerate the review and entitlement process
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Implement Tax-Increment Financing (TIF)
- ✓ Leverage federal tax credit programs
- ✓ Use transportation-related special federal programs



Regulations

Related to...

- ✓ Government codes, policies and procedures
- ✓ Vision for the center
- ✓ Subic involvement

Barriers

- ✓ No vision, concept plan or master plan
- ✓ Desired uses prohibited
- ✓ Desired design prohibited
- ✓ Same standards in and out of centers
- ✓ High/Costly parking standards
- ✓ Unclear and complex regulations
- ✓ Political/public opposition

Strategies

- ✓ Conduct a market analysis
- ✓ Study parking tools
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Incorporate sustainability in the code
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Accelerate the review and entitlement process
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Assist developers with regulatory approvals
- ✓ Create a cultural and habitat survey
- ✓ Implement Tax-Increment Financing (TIF)
- ✓ Leverage federal tax credit programs



Transportation Infrastructure

Related to...

- ✓ Provision of public services
- ✓ Access and circulation

Barriers

- ✓ Lack of linkages and connectivity
- ✓ Lack of necessary infrastructure capacity
- ✓ Lack of parking
- ✓ Lack of bicycle and pedestrian connections

Strategies

- ✓ Conduct a market analysis
- ✓ Conduct parcel-level utilization analysis
- ✓ Assist with land assembly
- ✓ Study parking tools
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Incorporate sustainability in the code
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Accelerate the review and entitlement process
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Assist developers with regulatory approvals
- ✓ Implement Tax-Increment Financing (TIF)
- ✓ Leverage federal tax credit programs
- ✓ Use transportation-related special federal programs



Environment

Related to...

- ✓ Environmental clean-up
- ✓ Natural features

Barriers

- ✓ Environmental remediation needed
- ✓ Development limited by natural features

Strategies

- ✓ Conduct parcel-level utilization analysis
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Incorporate sustainability in the code
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Accelerate the review and entitlement process
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Assist developers with regulatory approvals
- ✓ Create a cultural and habitat survey
- ✓ Leverage federal tax credit programs



Legal, Title and Encumbrances

Related to...

- ✓ Potential for the type/amount of development that can occur

Barriers

- ✓ Development encumbrances
- ✓ Title ownership issues

Strategies

- ✓ Conduct a market analysis
- ✓ Conduct parcel-level utilization analysis
- ✓ Assist with land assembly
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Accelerate the review and entitlement process
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Assist developers with regulatory approvals
- ✓ Implement Tax-Increment Financing (TIF)
- ✓ Leverage federal tax credit programs
- ✓ Use transportation-related special federal programs



Physical Barriers

Related to...

- ✓ Topography or parcel size

Barriers

- ✓ Configuration of parcel size limits development opportunities

Strategies

- ✓ Conduct parcel-level utilization analysis
- ✓ Assist with land assembly
- ✓ Develop a vision, concept plan or master plan
- ✓ Align policy and regulations with vision
- ✓ Incorporate sustainability in the code
- ✓ Consider the long-view
- ✓ Set clear development expectations
- ✓ Update plans to provide transportation connections
- ✓ Address future infrastructure needs
- ✓ Create a cultural and habitat survey
- ✓ Leverage federal tax credit programs



PRINCIPLE 6: Establish a Development-Friendly Process

For a developer, the cost and risk of the land development approval process are big hurdles to overcome. The risk occurs in the need to secure the land before approval is provided. The cost is not only in the land and the land development fees, but also in the holding time of the land as it works through the land development approval and environmental clearance processes. The risk is also in the uncertainty of development due to legal, title

✓ Understanding the developer perspective is the first step to removing barriers and becoming a partner with the development community.

and encumbrance barriers. Because many of these barriers are related to legal and regulatory processes, local governments have an opportunity to partner with developers to lower the perceived risk of development on a particular site.

Tools to Establish a Development Friendly Process

Local governments that are known for being development friendly tend to have more development in their communities at any given time. Being “development-friendly” does not mean approving all land development proposals that are submitted. Rather, it means being:

- Fast—having an approval process that moves as quickly as possible.

- Friendly—engaging in problem solving with the development community rather than just saying “no”.
- Flexible—having code language that allows for flexible solutions, yet is consistent with a common set of outcomes. A form based code is a good example of being flexible.
- Fair—having clear and predictable expectations and standards for review.

Best practice strategies to create a developer-friendly process include:

- **Adopt an attitude of “we are open for business”.** This includes providing clear and concise criteria for development approvals, both in guidelines and approvals. Having a transparent approval process, with clear criteria for approval, will assist



developers in understanding the requirements for approval. Work with local developers to get feedback on the existing approval process to identify areas in which it is clunky or difficult to maneuver. The purpose of the code, and the requirements, do not need to change. The consistency of the process and how criteria are applied will most likely require modifications.

- **Create a fast track approval process.** Developers who comply with specific requirements for good quality design could have their reviews expedited. A fast track process does not need to be different than the existing processes: it may be allowing a development to go through an administrative review (e.g., permitted use) rather than a quasi-judicial review (e.g., conditional use) if it meets certain requirements. The effect should be better design for the

community and reduced risk, cost and time required for the developers.

- **Identify “champions” to provide local public leadership.** This should occur early in the center planning process to provide motivation and resolve issues. Ideally, the relevant government agency should identify both an internal staff person and a political leader for this role. The political leader would be responsible for pulling together the human infrastructure – such as business leaders, developers, lenders, citizen activists, neighborhood groups, realtors and other interested parties – to secure support and provide motivation. An internal staff person can help coordinate the multiple departments within the local government, quickly resolve issues and act as liaison to policy makers.
- **Be a leader.** Leadership from both the public and private sectors articulates the community’s vision and keeps things moving. Leadership at the public level includes being a partner with developers and acting as a facilitator, rather than a roadblock, to move center development forward.
- **Create partnerships.** If the public sector is to truly partner with the private sector, jurisdictional staff and policy makers need to be knowledgeable and understand the local and regional markets, their dynamics, how they are measured, the factors that affect change and other characteristics that impact sales or rents, revenues and timing. By accepting an attitude of “we are open for business”, it communicates that the community is ready to work with developers to get the right type of development in place.
- **Enter into a public-private partnership** A public-private partnership on a key development parcel can reduce the land cost to developers, and allow more control over the



development on a parcel to ensure that the type of development desired is built. Public private partnership strategies include:

- Public acquisition of land to be sold to private developers at a reduced cost in exchange for specific requirements. Land acquisition can occur through low-interest bonds, land banks, donations or grants.
- Reduction or forgiveness of past due taxes on tax-foreclosed property for buyers willing to provide mixed-use or mixed-income developments.
- **Advocate for developers.** Local governments can work with DEQ to facilitate DEQ issuing a Prospective Purchasers Agreement that keeps the project moving forward by removing any liability to the developer in return for an action that demonstrated substantial public benefit. If the
- site is owned by a public agency, site clean-up can be conducted before the site is sold.
- **Allow transfer of development rights.** For sites with natural features that limit development, local governments can allow developers to transfer their development rights (i.e., density) on that site another site without physical constraints in order to preserve the natural features for the public good.
- **Encourage multiple projects.** The addition of several projects at once enhances the sense of place and creates a buzz. The more active the place is, the more interest there will be. For example, the city, county or non-profit organization can add amenities, like flower baskets, street furniture or garbage cans, to the area to make it more inviting. Community events can be held in the center to draw people to the area.
- **Advertise the opportunity.** Incorporating key development areas into the city or county's economic development strategy can increase exposure, which can in turn create interest in development. Develop pro-forma plans for the sites, hold community design charrettes to identify feasible options for the site, or hold developer roundtables to discuss the pros and cons of site development. Increasing exposure and getting a better sense of why developers are not interested in a particular site will help identify solutions to facilitate development.



PRINCIPLE 7: Understand the Costs and Benefits

- ✓ The process of understanding the costs and benefits will help to prioritize improvements that will result in the highest return on investment

Understanding the economic and social benefits of development will help all partners know where to start with the site development process. In some cases, benefits may outweigh increased up-front costs of development. For example, the urban form in centers requires infrastructure to accommodate a higher volume of need, activity, people and services. This may cost more than traditional lower density development in the short term, but it will have greater long term benefits. The ET+ tool can be used to examine costs and benefits of specific development tools.

Each individual development decision adds up to something more than one house or one office building: each decision shapes the environment in which we live and our sense of place. The

impacts of the decisions should be looked at from both the individual project perspective as well as the larger community perspective. For example, is the project consistent with the values of the community and the vision for where it wants to be at the parcel level as well as the larger community level? On a project by project basis, it is easy to overlook the larger vision for immediate results, such as increasing the tax base, creating jobs, or relieving congestion at a key intersection.

The next section, Assessing Development Readiness, provides the framework and tools for which to assess the costs and benefits in the community.

ASSESSING DEVELOPMENT READINESS

Assessing the community's development readiness will provide a general understanding of the climate that shapes development, whether it is the overall vision for the type of development desired, the market and demographic trends that impact the timing and patrons for development, or the processes by which development is approved. Completing the assessment will provide a sense of how well the community complies with the seven principles of successful community development.

By providing a snapshot of the conditions and trends in the community, the assessment will help identify when the community is ready for center development to occur and assist in identifying catalytic sites for investment based on the market potential for center-type development.

There are three basic levels of assessment that should occur:

1. Community—The assessment will identify the community's competitive advantage, compared to other communities in the region, and the ease of getting a development approved.
2. Project area—The assessment will assess the market potential for the project area, responding to the question “what is the competitive advantage of the project site? In geographic terms, this could be thought of as maybe a station area, corridor, or center.
3. Parcel level—The assessment will seek to understand the development costs related to the specific site being considered for redevelopment.

Once the assessment is complete, it can be used to present center development issues and options to decision makers, stakeholders, developers, potential investors and community members.

Community Assessment Tool

The Community Assessment Tool is one method to assess community readiness for development. The tool considers the degree to which the barriers exist at each of the three levels by providing the basic analysis of how a community facilitates and encourages the desired type of development.

The community assessment tool is a decision tree, asking questions to which “yes” or “no” answers can lead to different next steps. The tool is designed to be easy to use, based on the categories of barriers at the three levels of assessment. The assessment tool can be found on-line at the [Implementation Centers](#) web site. It is an interactive tool, enabling communities to begin the assessments and then come back to it when progress has been made.



The Community Assessment Tool can be applied at the parcel or project level to create an assessment that identifies where the barriers exist in a given community. The level of detail in the analysis will depend on whether or not you have identified a specific parcel or project area.

The site analysis assessment document summarizes the information gathered through the application of the community assessment tool. The document identifies the basic site conditions, and any barriers at the community, project area and parcel levels. For each barrier, strategies can be identified to eliminate or reduce the impact. These strategies, along with actions and priorities from other planning tools, can serve as the action plan for moving the center forward from a conceptual plan to reality. A suggested outline for the final assessment document is as follows:

- Study area location
- Summary of existing market conditions
 - based on existing information
- Land use vision for the area
 - based on existing plans
- Land use regulation governing the area
 - including zoning, land use, overlay plans/district, ownership patterns and development reviews/approvals
- Environmental issues affecting the area



- Parcel utilization
 - including protected areas, active environmental clean-up sites
 - including location and percent of vacant parcels
- Legal title and encumbrances
 - Such as RDA applicability
- Physical characteristics
 - topography, size and configuration of parcels, street grid and block size
- Transportation network
 - connectivity and network, parking, planned transportation/infrastructure improvements
- Opportunities for development and next steps

- concluded from Community Assessment Tool and various other planning tools, like the local/regional Housing Element, and inAnchor on page [redacted] includes actions and priorities

Moving from Assessment to Action

The opportunities for development and next steps provide an action plan that will move the community forward by identifying actions and priorities. To be most effective, the action plan should identify the following:

- Priorities
- Actions
- Timeline
- Budget



- Responsible agency/person
- Partner(s), if any

Example project level analysis assessments been completed for four sites in the region: Ogden, Provo, Magna and Meadowbrook, in the document [Demonstrated Site Assessments](#). All four assessments have gone down to the project area level, but not the parcel level for a specific site.

CONCLUSION

Assessing the development potential for a community, a project area and a specific site is only the beginning of the process to facilitate development. Taking action to reduce the barriers and the risks will be the true sign to developers that a local government is a ready and willing development partner. Yet, with all the other responsibilities of local government and limited resources, elected officials and key decision makers cannot say “yes” to every proposal or every strategy to increase development potential. The strategies selected for implementation must be determined in a calculated way. Trade -offs, for both staff time and other projects of importance in the community, must be understood. Priorities for

how and where the community wants to grow must be made so that resources can be focused appropriately.

Moving from a shared vision for growth to assessing the development context and barriers, creating partnerships and priorities, communities can establish partnerships and priorities and move forward with an action plan that will result in community projects that will advance the vision of a great mixed-use place where people have greater choices to live, work, shop and play.

