

The Changing Landscape of Urban Regeneration

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“To be successful today, cities have to develop their own unique formula that addresses the four dimensions of urban success: talent, innovation, connections and distinctiveness.”

CEOs for Cities

Current Context

- There is no question the world we live in today is fully of challenges.
- Many places search for a recipe for future economic prosperity.
- The change we are undergoing brings with it sweeping implications for the way we work and live, the way we organize our time, the nature of family and community structures, and the role and function of urban centers.
- With this change, **Creativity and “PLACE”** has become the driving force that will propel economic growth and development of cities, regions and nations.
- This requires viewing the challenge through a comprehensive lens.

Continued

- According to the Gallup organization, of the 7 billion people on Earth, there are 5 billion adults aged 15 and older.
- Of these 5 billion, 3 billion tell Gallup they work or want to work. Most of these people need a full time formal job.
- The problem is that there are currently only 1.2 billion full time formal jobs in the “world”.
- This is a potentially devastating global shortfall of about 1.8 billion good jobs.
- It's against this context that the chase for economic prosperity is occurring. It is a global contest for jobs and economic prosperity.

With Challenge Comes Opportunity

- Strong demographic and economic trends also are contributing to a renewed urban focus that is changing how Americans want to live and work — both in our cities and their surrounding inner ring suburbs.
- A combination of lifestyle and economic factors, as well as heightened environmental consciousness and reducing sprawl are all contributing to this direction.
- Many communities are exploring ways to target investments to core urban areas and their surrounding inner ring suburbs with the intent of creating walkable urban communities designed around the needs of people.
- Getting ahead of this curve and understanding the dynamics associated with this opportunity is important for communities seeking to adapt.

Challenge of Capturing the Opportunity

- Limited Resources (Local, State and Federal)
- Many communities are working off outdated playbooks
- Competition (Every community is trying to figure it out)
- Not much patience for planning around a comprehensive vision
(Do something now)
- Adjusting to the changing context of redevelopment and job creation (Things are not what they use to be)
- Measuring impact and making good investment decisions that drive both financial ROI and SROI for the community
- Collaboration, Collaboration, Collaboration

Presentation Purpose

- The purpose of today's presentation is to discuss a comprehensive redevelopment strategy in the context of the changing landscape of urban regeneration as a point of reference to exploring an improved basis for implementing a successful urban development strategy.
- In doing so, we will review seven key areas if considered may position communities to be more competitive in furthering economic prosperity in a time of reduced and limited resources. The seven areas are:
 1. The need to adapt
 2. Base strategy in reality
 3. Place Matters
 4. Know thyself, analytics as a tool to guide efforts
 5. Comprehensive redevelopment vision and strategy
 6. Align development efforts to strategy objectives
 7. Implementation of the plan

The Need to Adapt

Historically, economic development has tended to revolve around individual sites and projects and the attraction, retention and expansion of new employers.

However, it has become increasingly clear that “traditional” economic development does not work in all instances.

As such, it is unlikely that all US cities will fare well in the global economy.

There will be winners and losers, with the winners determined by their quality-of-place, ability to attract and retain talent, ability to innovate and to be highly productive producers of value-added products and services.

The opportunity to collaborate on a cohesive vision can go a long way to stemming the challenging economic conditions threatening the sustainability of communities.

Strategy Based in Reality

- Programs to support urban redevelopment has shifted from a direct grant approach to a market based strategy. As such, **limited resources remain** and those that do are highly competitive.
- In today's environment, **operating from the position that resources are limited**, and focusing on a redevelopment framework which assist the community in generating ongoing revenues and meeting both ROI and SROI for all its projects is critical for long term sustainability.
- The end game should be a community strategy which acknowledges this reality and adjust accordingly.

Place Matters

- Placemaking is the art of **identifying the unique assets of a community to create and develop strategies and outcomes around** quality of life and economic sustainability that best connects people with their place.
- As such, all community and economic activity must be grounded somewhere in the community that's connected to its greatest assets, not disconnected.
- Reduce fragmentation and target resources to areas of greatest success.

The Rising Importance Of Placemaking Is Reflected In National Trends

The positive impact of “Eds and Meds” in urban redevelopment is increasingly apparent

- Constitute non-transient, “fixed assets” for a community, increasing land values, stabilizing tax base, and providing consistent economic demand for goods and services.¹
- Purchasing power can drive the success of local providers of goods and services.¹
- Ability to bring the community into the classroom through teaching and research. ¹

Placemaking is playing a more significant role in business and industry attraction

- The economics of locating in a diverse and livable community appeal to companies as recruiting is easier and turn-over is lower.⁴

There is an growing emphasis on high-density development to support sustainable growth principles

- Suburban households devote, ~24% of income to transportation vs. 12% for households in walkable neighborhoods.²
- Example: A 12 square-mile expansion of the Denver Metro area would cost \$293M in infrastructure costs to the community, region, and state.³

Research demonstrates the benefits of creating transit-oriented development with access to education and employment

- Benefits include lower costs of living, lower obesity rates, improved employee retention rates, and increased desirability of community.⁵

1) Brookings Institute, 1990

2) Brookings Institute, 2010

3) Denver Regional Council of Governments, 2003

4) Fast Facility, 2005

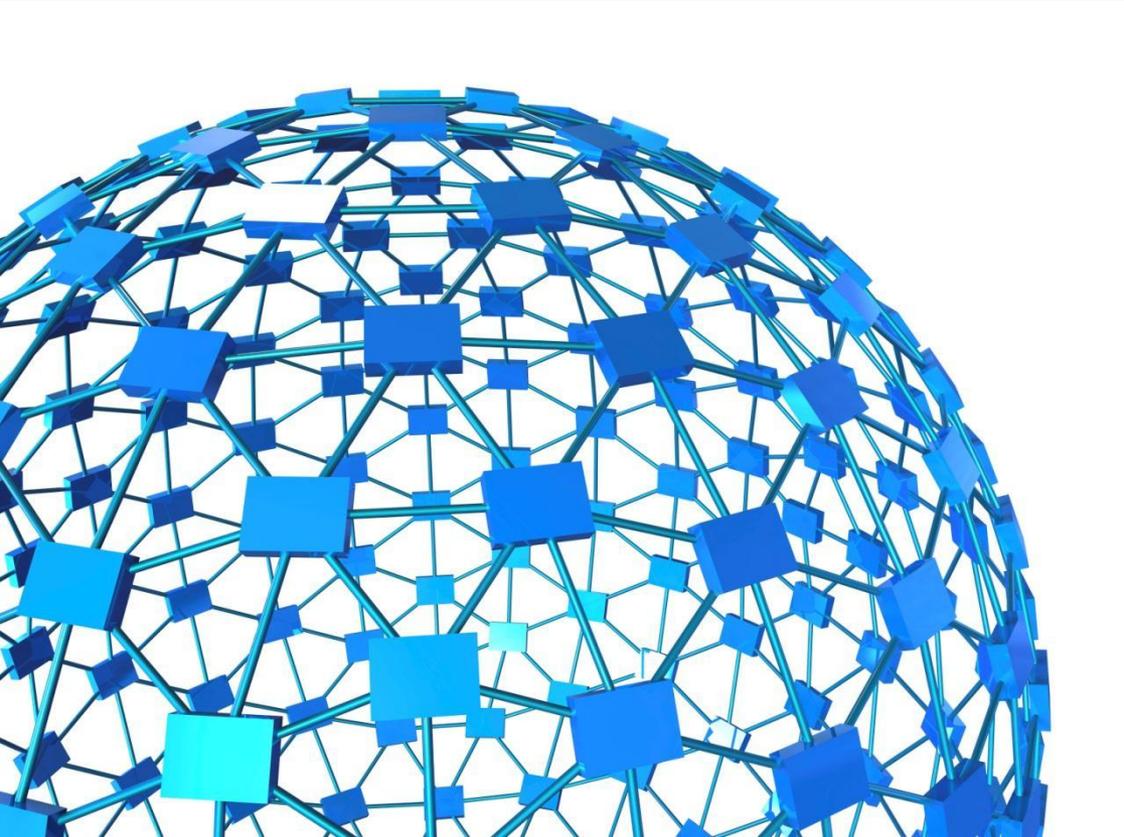
5) Boston College Institute for Responsible Investment & Center for Transit-Oriented Development, Living Cities, 2009

Know Thyself, Why Analytics Matter

- Conducting an economic assessment of a community's assets, anchor institutions and strengths to **uncover hidden economic potential** is vital to leveraging and targeting investment for the greatest impact.
- It's one of the most important steps a community can take to design a redevelopment strategy for action.
- Not doing so is like having a rudderless ship.

Global Philosophy: Build Local – Compete Global The Analytical Basis for Strategy

- Leverage local strengths to compete globally



Comprehensive Redevelopment Vision and Strategy

The redevelopment strategy should convey a vision that:

- Attracts the marketplace and enthusiastic private development partners
- Incorporates an integrated strategy to support redevelopment over time
- Demonstrates the economic feasibility of the proposed projects
- Convinces the marketplace of the community's desirability
- Wins informal consensus from the relevant agencies
- Continues to build consensus among the stakeholders and general public
- Capitalizes on existing plans and projects that help to advance the plan
- Maximizes the use and or leverage of area assets in development projects
- Identifies & invests in projects that build on the underutilized assets
- Provides elements for job long term job creation and shared value
- Provides a mechanism for reporting on the progress on a quarterly and yearly basis

Why is this work important?

- The world's GDP is roughly \$60 trillion of which the US is \$15 Trillion or 25%.
- It is estimated that the world GDP will grow to about \$200 Trillion in the next 30 years.
- So, that means that \$140 Trillion in new customers and business and jobs will be up for grabs.
- Communities that position themselves to capitalize on this trend with an acute emphasis on place making and growing their economies from within will be the centers of economic prosperity.
- It is just that simple.....
- Those that continue to run outdated plays chasing prosperity will be in an accelerated downward spiral and may never recover, after all, like anything else cities do will struggle.

Conclusion

- Small businesses are the economic engine of the American economy
- Imagine this, by 2025, 10% of the world's GDP growth will come from large and middleweight cities in America.
- Of the projected \$140 Trillion in new GDP, that's \$14 Trillion to tap into. Imagine grabbing a fraction of that growth and what it would do for a city and the region?
- THINK ABOUT IT....."PLACE MATTERS" AS AN ANCHOR FOR SMALL BUSINESS GROWTH AND DEVELOPMENT WHERE THE BULK OF THIS GDP GROWTH WILL COME FROM. STRATEGY MATTERS.....

Conclusion

- While the process is not perfect, incorporating the seven areas discussed today as part of a community's redevelopment efforts can go a long way to enhancing a community's ability to be successful in a constrained urban redevelopment environment.
- While all communities are not the same, they all are operating in a constrained environment where thinking comprehensively about redevelopment efforts is as important today as any other time in the regeneration of American communities.

Thank You

Questions