

# DUTCHESS COUNTY PLANNING AND DEVELOPMENT LAND USE TRAINING PROGRAM



December 14, 2016

## *Economic Development: The Power of the Plan*



# THE LAND USE LAW CENTER OF PACE UNIVERSITY SCHOOL OF LAW

## *Making the Land Use Legal System Work*

- *Development Readiness*
- *Streamlining the Approval Process*
- *Priority Growth and Conservation Areas*
- *Leading to: Sustainable Communities*



# LAND USE STAFF TONIGHT

Jennie N. Blanchard and John R. Nolon

Land Use Law Center

Pace Law School

(914) 422-4262



# WHO'S IN THE ROOM?

- A. Land Use Board member
- B. Municipal Planning/Building Department staff
- C. Elected officials
- D. County government
- E. Developers
- F. Planners, Attorneys or other professional
- G. Community members
- H. Other

# GETTING STARTED

## The Speeding Supervisor:



# AGENDA

- 6:00 – 6:15 Welcome and Introductions
- 6:15 – 6:30 The Land Use System - Review
- 6:30 – 7:10 The Power of the Plan – Economic Development Planning
- 7:10 – 7:40 Development Readiness: Streamlining
- 7:40 – 8:00 Discussion and Questions



# THE LAND USE LEGAL FRAMEWORK

The New York State land use enabling act delegates authority to **LOCALITIES** to:

- Adopt comprehensive plans
- Zone
- Approve subdivision and site plans
- Issue special use permits
- Award variances



# THE POWER OF THE PLAN



# THE POWER OF PLANNING

- Land use regulations must be in conformance with the comprehensive plan.
- Plans and regulations determine what goes where, how settlements are ordered.  
Land use regulation is “among the most important powers of local government.”
- State has delegated great flexibility to local governments to be innovative.

# TEST: WHAT IS THE DEFINITION OF SPOT ZONING?

And the answer is:\_\_\_\_\_.

Bridgeport c. 1936: zoned a small strip malls into a single-family neighborhood.

What is the planning purpose of that?



# RECOMMENDED CONTENT OF THE PLAN WHERE IS ECONOMIC DEVELOPMENT?

**#15: Section 272-a Town Law:** *Specific policies and strategies for improving the local economy in coordination with other plan topics (ag, environmental areas, population projections, transportation, housing, utilities, other infrastructure, and recreation.*



# IS THE SUPERVISOR'S FAVORITE PROJECT MARKET FEASIBLE: HOW DO WE KNOW?

- The Supermarket



- The Market Rate Housing Project



or Hamlet Infill?



# ATTRACTING EQUITY AND DEBT FINANCING

- Required yield on all financing: 7.25%
- If land costs are \$60/foot; hard construction costs are \$250/foot, and soft costs are \$40/foot, the total cost per square foot for our project are \$350.
- A 1000 square foot apartment would then cost the developer \$350,000 to construct the unit.
- Debt retirement will require \$2,000 per month, a total rent of \$,2500 per month to cover all costs.
- Households must have over \$90,000 incomes to afford this rent.
- If there are not households who have this income the choices are:
  - Don't build the project
  - Lower project costs



# CHANGING MARKETS AND DEMOGRAPHY

The market has changed

The senior tsunami and single-family house prices

Land and building prices in hamlets

Renters and home buyers are looking for places to live and for jobs in higher density areas

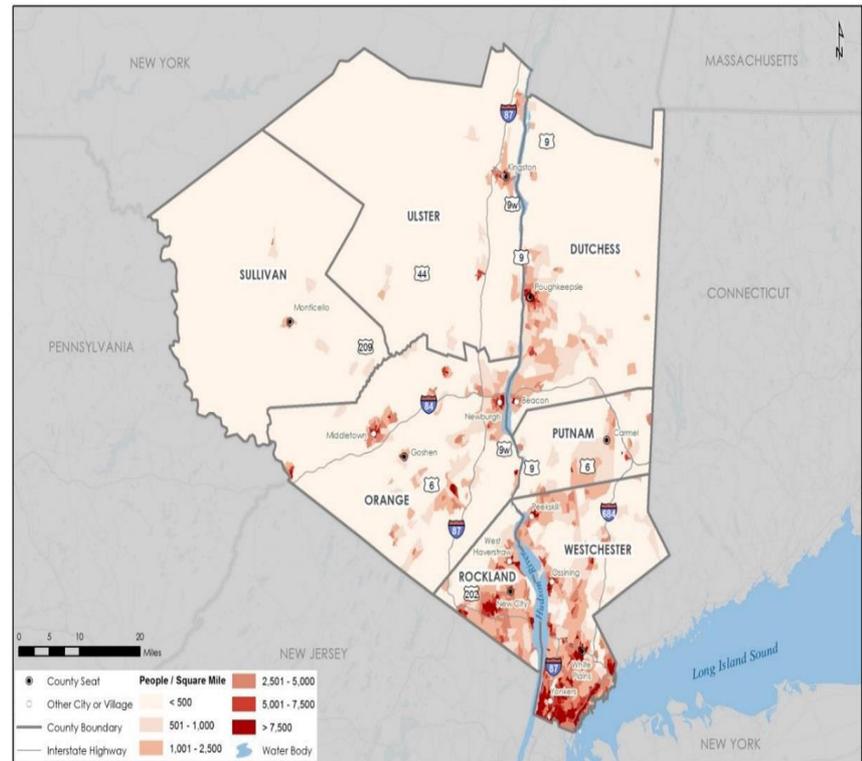
New sectors may be opening up



# UNDERSTANDING MARKET FORCES

## MHREDC RELEVANT SECTORS

- Agriculture
- Tourism, Arts, and Culture
- Distribution
- Food and Beverage
- Health Care
- Information Technology
- Natural Resources
- Renewables
- Housing



# HOW DO WE KNOW?

## A CONVERSATION WITH ANNE SAYLOR

- County Government Resources
  - Rental Study
  - Major Projects Report
  - Single-family Sales Data
  - Other Information
- Reports from Developers and Brokers
- Mid-Hudson Economic Development Council
- State Department of Labor
- U.S. Census Bureau
- State Building Permit Registry
- Hire a Market Analyst Get Market Report



# MODEL ECONOMIC DEVELOPMENT PLAN – WHAT SHOULD IT DO?

- Explain the connection between land use regulations and the new market
- Contain market information
- Identify relevant sectors
- Identify steps leaders can control to become market ready
- Contain a complete menu of strategies to appeal to the market
- Provide a critical educational document for local legislators and citizen/stakeholders.
- Contain a sound strategy to attract needed funding for projects.



# CONTENTS OF AN ECONOMIC DEVELOPMENT PLAN OR POLICY

- Principles and objectives
- Market and data analysis: what is the market
- How to become market ready
- How to lower project costs
- How to get funding
- Implementation strategies to realize local objectives
- What zoning techniques to use



# STRATEGIES TO LEVERAGE NEEDED INVESTMENTS

- Increase density: density bonuses
- Speed up approval process: lower soft costs
- Provide public land
- Property tax abatement: use IDA
- Sales and mortgage tax exemption: use IDA
- Public bond financing at tax exempt rates: IDA
- Secure state grants for infrastructure
- Affordable housing subsidies



# STATE POLICIES THAT TRIGGER FUNDING

- Smart Growth Public Infrastructure Policy Act, especially TOD or TED...(DoS, NYSERDA, DoT)
- Complete Streets Act
- Climate Smart Communities Program
- Community Recovery and Resiliency Act
- Energy Conservation
- Reforming the Energy Vision
- Brownfield Opportunity Area
- Shared planning and zoning strategies



# CORRESPONDING LOCAL ACTIONS

- Infrastructure projects in priority growth areas
- Planning for projects in priority growth areas
- Include complete street improvements in capital budgets and land use regulations
- Reinforce development patterns that mitigate climate change
- Reference DEC inundation maps
- Adopt DoS model laws
- Zone in Solar and Clean Energy Systems
- Include renewables and clean energy facilities in local zoning – including incentives



# WHAT DOES IT MEAN TO BE MARKET-READY?

- To attract employers and developers, communities must have clear policies favoring market-realistic projects and have streamlined development review processes.
- Be sure that land use policies are consistent with investment criteria of developers and those who provide debt and equity financing for development.
- Where market rates won't support project feasibility, use local incentives to leverage state and federal funding.



# WHAT LOCAL LEADERS CAN DO TO BE MARKET READY

- Understand the market: development advisers
- Create clear policies that embrace the market
- Zone for the market in priority growth areas
- Create reliable project approval process
- Train local board members
- Involve and educate citizens
- Maximize public funding and incentives



# BEYOND PLANNING

- Strategy for Adopting Component or Policy
- Development Readiness
- Streamlining the Process



# BEYOND PLANNING

- Discussion of Checklists and Exercise
  - Breakout Session: Checklist on Economic Dev and the Comp Plan
  - Discussion: Checklist on Development Readiness
  - Discussion: Checklist on Streamlining the Process



# GROUP DISCUSSION BRIGHT IDEAS FOR LOCAL STRATEGIES



# PRE-SUBMITTED QUESTIONS



- Some communities are just starting comp plan updates – any advice for them?
- How to ensure that a new comp plan is implemented when the staff that writes it is not the staff that uses it.
- Allowing for too much commercial development along major roads in hopes that something will want to locate there (right-sizing commercial centers)
- How to get infill development on already developed parcels of land (knitting together an existing community)
- What do you do when there is no water/sewer infrastructure at the location you want to build stronger town/village centers
- How to deal with the economics of non-conforming uses?
- New uses that should be incorporated into zoning codes – what is missing from older zoning codes?
- When should paid professionals be at meetings? How to use paid professionals better.
- The importance of planning board and ZBA secretaries



# THE PIRATE: A CAUTIONARY TALE

