

Planners & Developers

Same Community, Different Worlds

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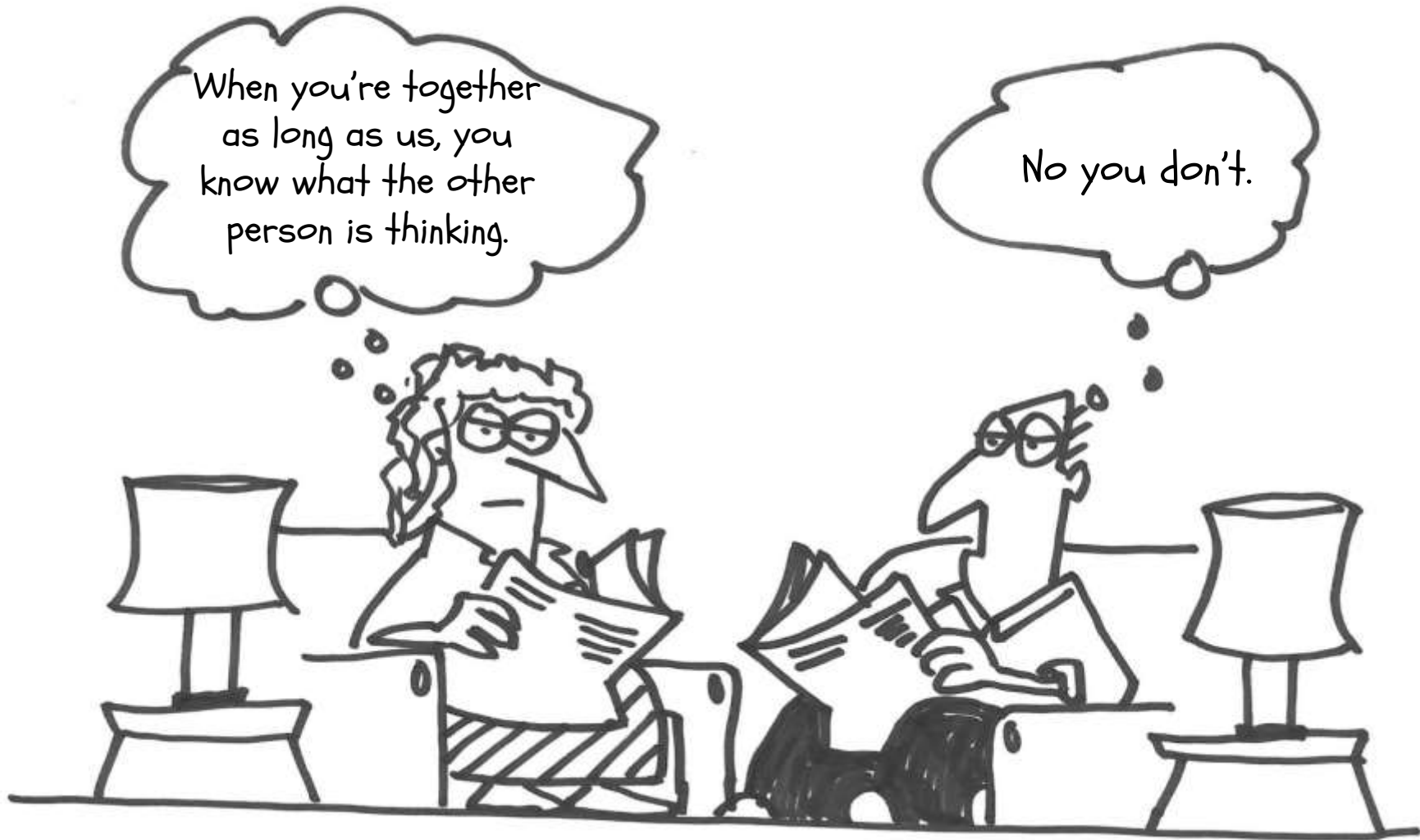


2018 APA ARIZONA CONFERENCE
CREATING COMMON GROUND

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FLAGSTAFF, ARIZONA

When you're together
as long as us, you
know what the other
person is thinking.

No you don't.



Common Relationship Problems:

- **Manage Conflict Effectively**
- **Starving the Marriage Emotionally**
- **Power Management Struggles**
- **Money Management**
- **Emotional Betrayals**
- **Criticism Vs Complaining**
- **Defensiveness Vs Accepting Influence**
- **Sexual Frustration**

The Good News:

When stress taxes an overall strong marriage, it is hard to see how healthy the relationship actually is. Couples are relieved to learn that they have a sound marriage. In these cases, what's needed are adopting particular skills, like communication and understanding, not a complete overhaul.



CHALLENGE

CONFLICT

DESIRED GOAL



DESIRED GOAL

Accept conflict as a given

Identify shared goals

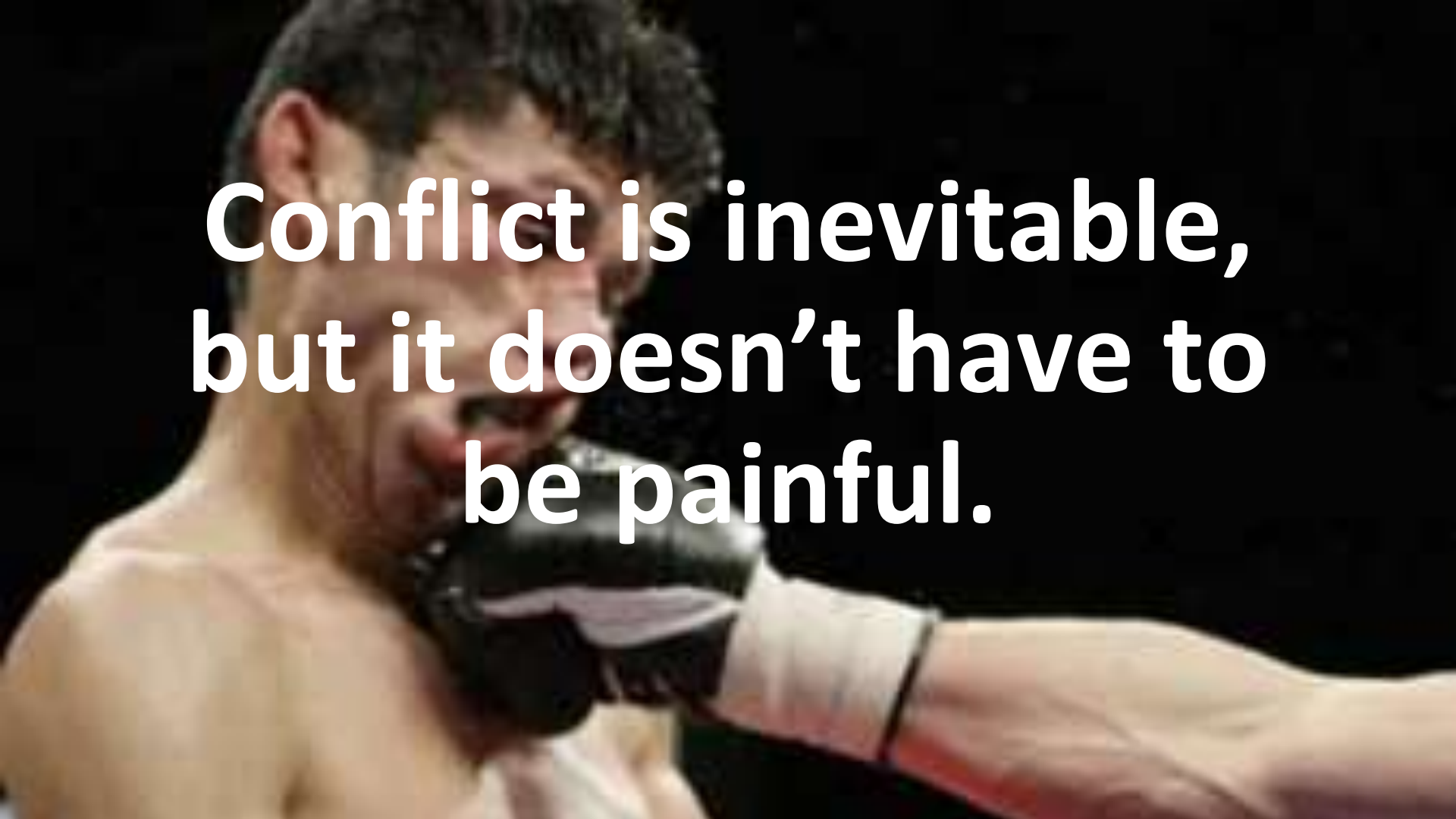
Identify opportunities

Understand

Manage conflict



We have an amazing ability to look at the same thing yet see something completely different.



**Conflict is inevitable,
but it doesn't have to
be painful.**

**Why is conflict
so common?**

**While we are going through the same process,
we have different views on that process.**

We may not always be in the same stages of development.



**While we are going through the same process,
we have different views on that process.**

Planner

- Concerns of community/stakeholders
- Plan/Vision
- Politics

**While we are going through the same process,
we have different views on that process.**

Developer

- Cost/profit
- Delays
- Ego
- Reputation



People resist change.

- Human nature
- NIMBYs
- Fear of the unknown
- Politics

People resist change.

As agents of change, this is a difficult spot for planners.

- Comprehensive/General Plan
- Community Growth
- Keepers of the evolving code



Development is very intertwined.

- Externalities
 - The world doesn't end at the property line
 - Nexus for improvements
 - Exactions

A photograph of an elderly man with white hair and sunglasses, wearing a blue and white plaid shirt and blue shorts, standing on a wooden picket fence. He is looking towards the right. The fence runs across the middle of the frame. In the foreground, there is a large, well-manicured green topiary bush. The background shows a green lawn, a concrete path, and some garden plants. The text "Common sources of conflict" is overlaid in the center of the image.

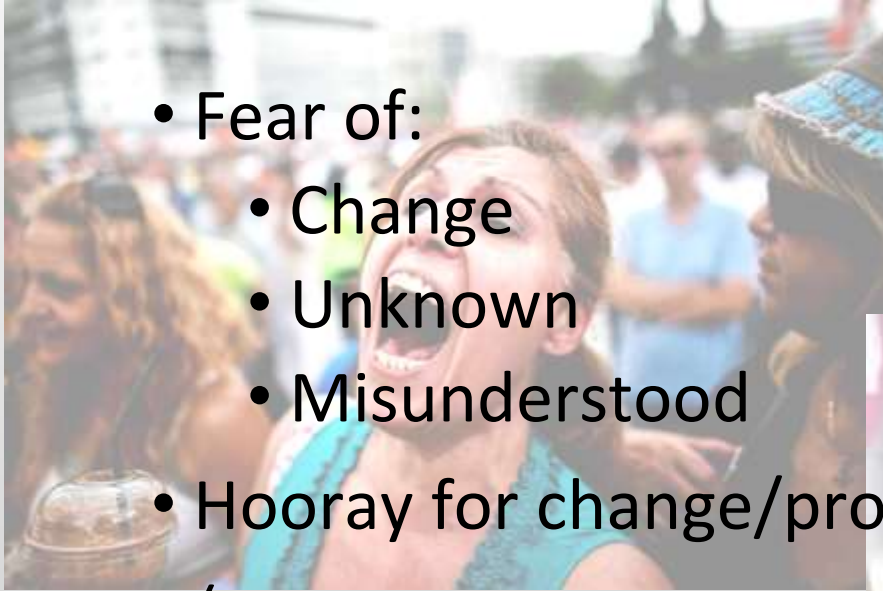
**Common sources
of conflict**

NIMBYs



NIMBYs

- Fear of:
 - Change
 - Unknown
 - Misunderstood
- Hooray for change/progress!
(except near my property)
- Politics

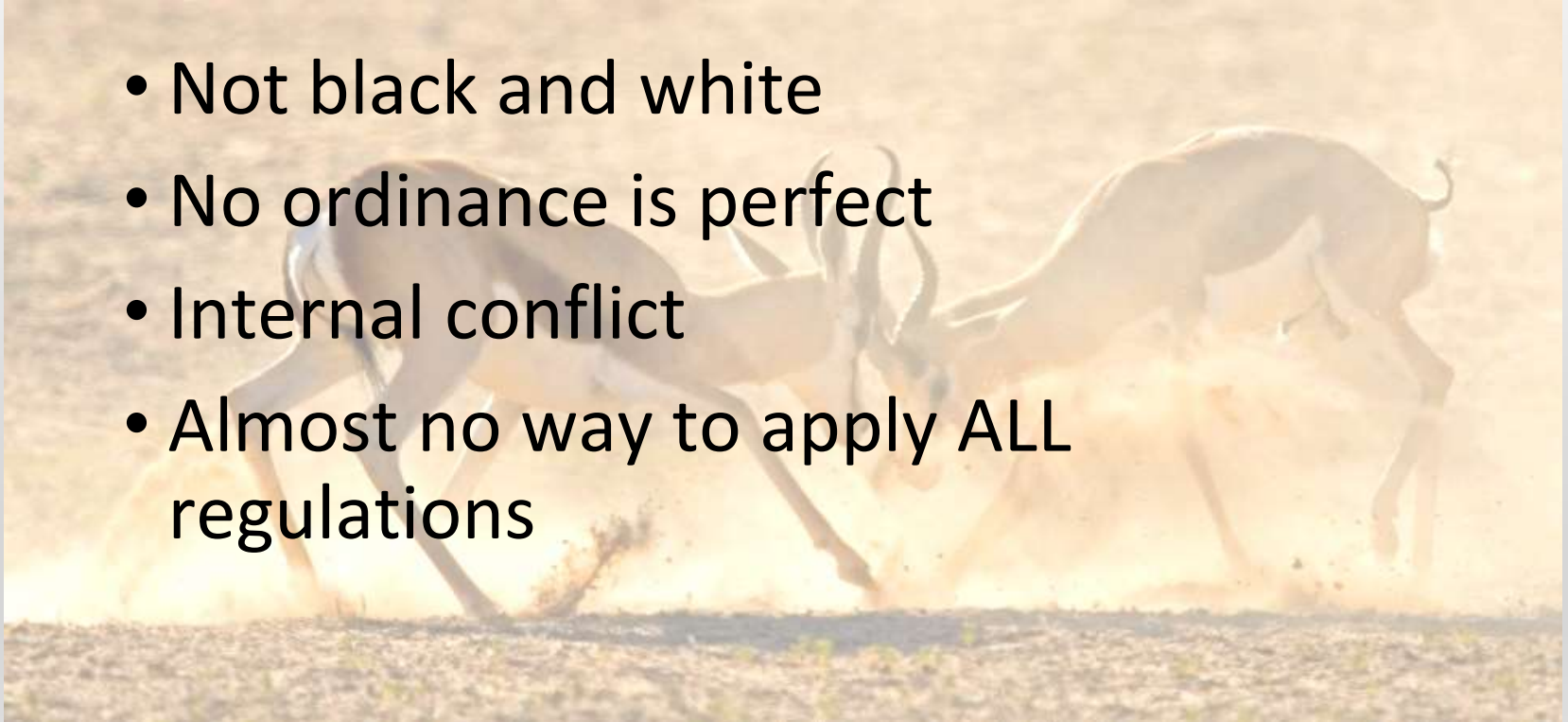


**Conflicting development requirements
can create conflict.**



Conflicting development requirements can create conflict.

- Not black and white
- No ordinance is perfect
- Internal conflict
- Almost no way to apply ALL regulations



Requirements from outside the process can create conflict points.

- State or Federal Environmental Issues
- Development Finance
 - Constraints on timing
 - Public vs private funding
- Satisfying neighbors
- Politics



Tools to better manage conflict

Goals

The **desired results** of a goal are the specific, measurable, achievable, relevant, and time-bound (SMART) outcomes that an individual or organization plans and commits to achieve. The goal is the end toward which effort is directed, and it is established by setting specific, realistic, and targeted objectives.

to be best in any re
point of view.

Empathy

understanding an
feelings, thought
other exper

education

ed·u·ca·tion

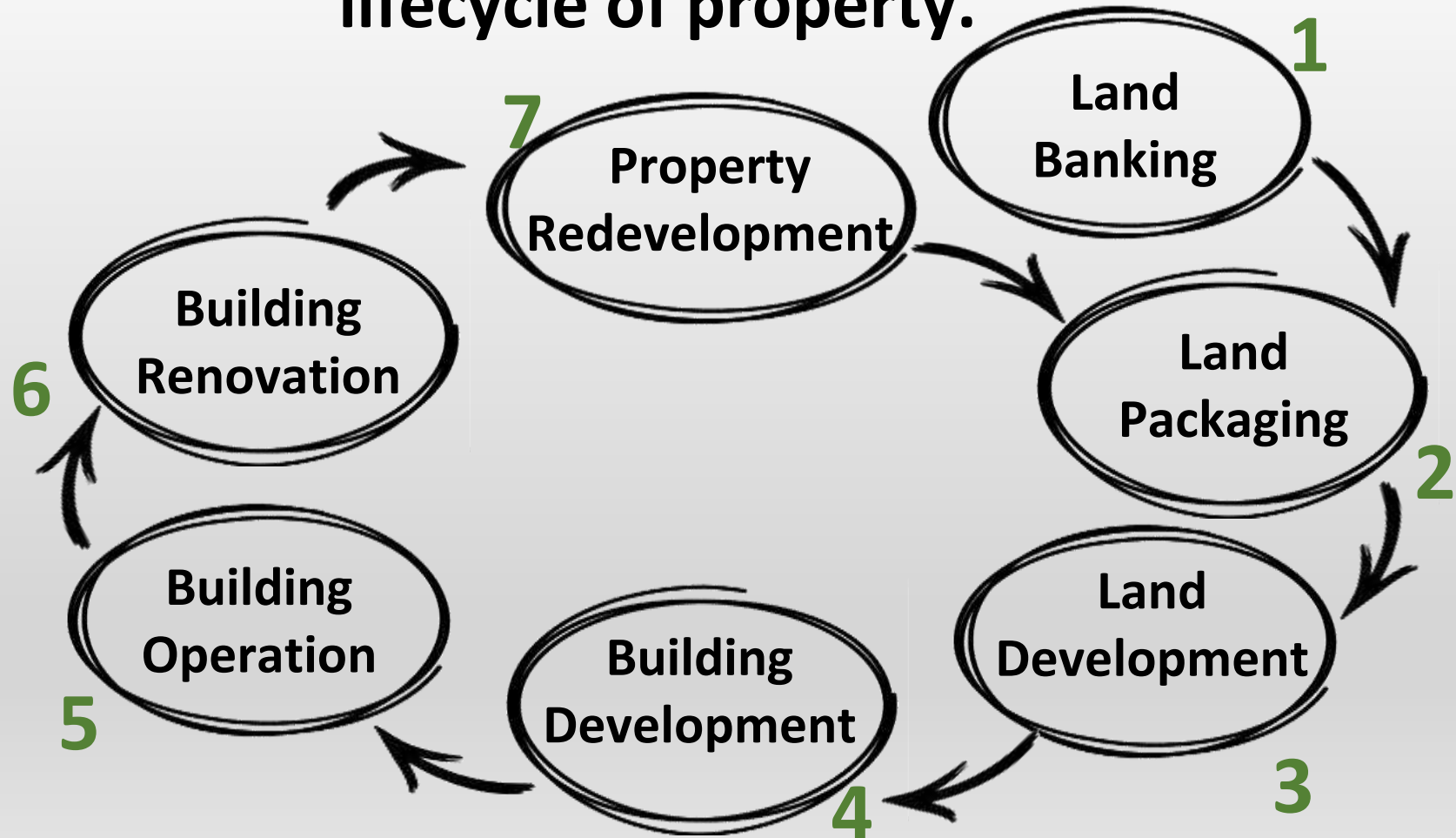
/,edʒə'keɪʃ(ə)n/

1 [U] the activity of educating in schools, colleges, and universities; the policies and arrangements for this: Education is a major part of the Secretary of Education's work. Did you know that?

**See the process in a
new light.**

Property has a Lifecycle

Collectively, these segments create the 7 stage lifecycle of property.



In each stage the developer is working to increase the value of the property.

The Developer achieves tasks by:

- Spending money
- Using unique talents and skills
- Taking risks

WHY?

To increase the value of the property.

Remember...

- ☑ In each stage tasks are completed, capital is committed, risks are taken, and value is created.
- ☑ Most Developers do not have the skill or capital to do all the stages.

The Real Estate Development Matrix

Adapted from Dr. Daniel Kohlhepp

Carey School of Business, Johns Hopkins University

Overlaying the STAGES and the TASKS creates a real estate development matrix.



The Real Estate Development Matrix

	Land Banking 1	Land Pack. 2	Land Dev. 3	Building Dev. 4	Building Operation 5	Building Renov. 6	Property Redev. 7
Acquisition							
Financing							
Market Studies							
Environmental							
Approvals							
Improvements							
Accessibility							
Disposition							

Developers work down a column or stage to create value through the process.

Stage 1

Task I. Acquisition

Task II.

Task III.

Task IV.

Task V.

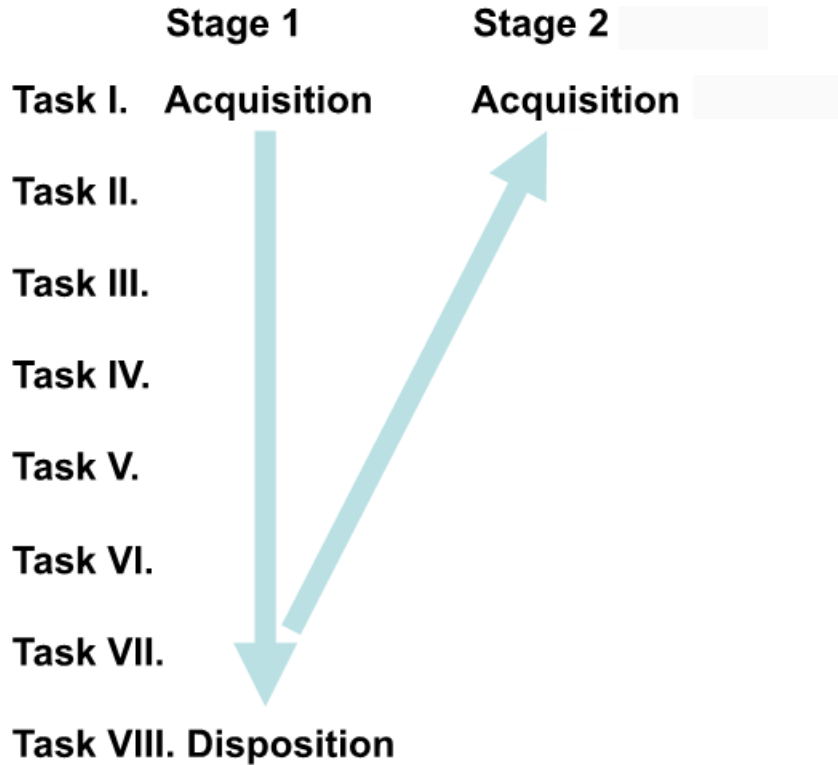
Task VI.

Task VII.

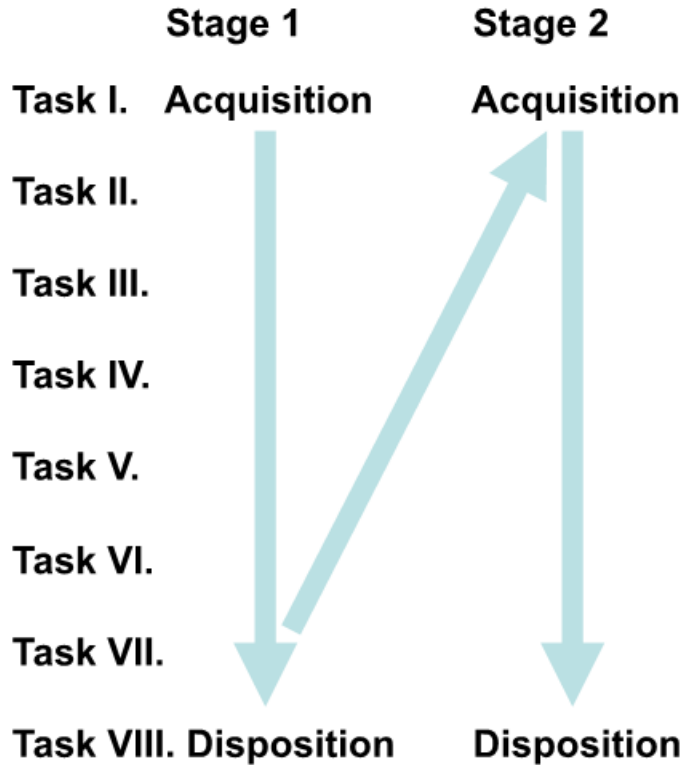
Task VIII. Disposition



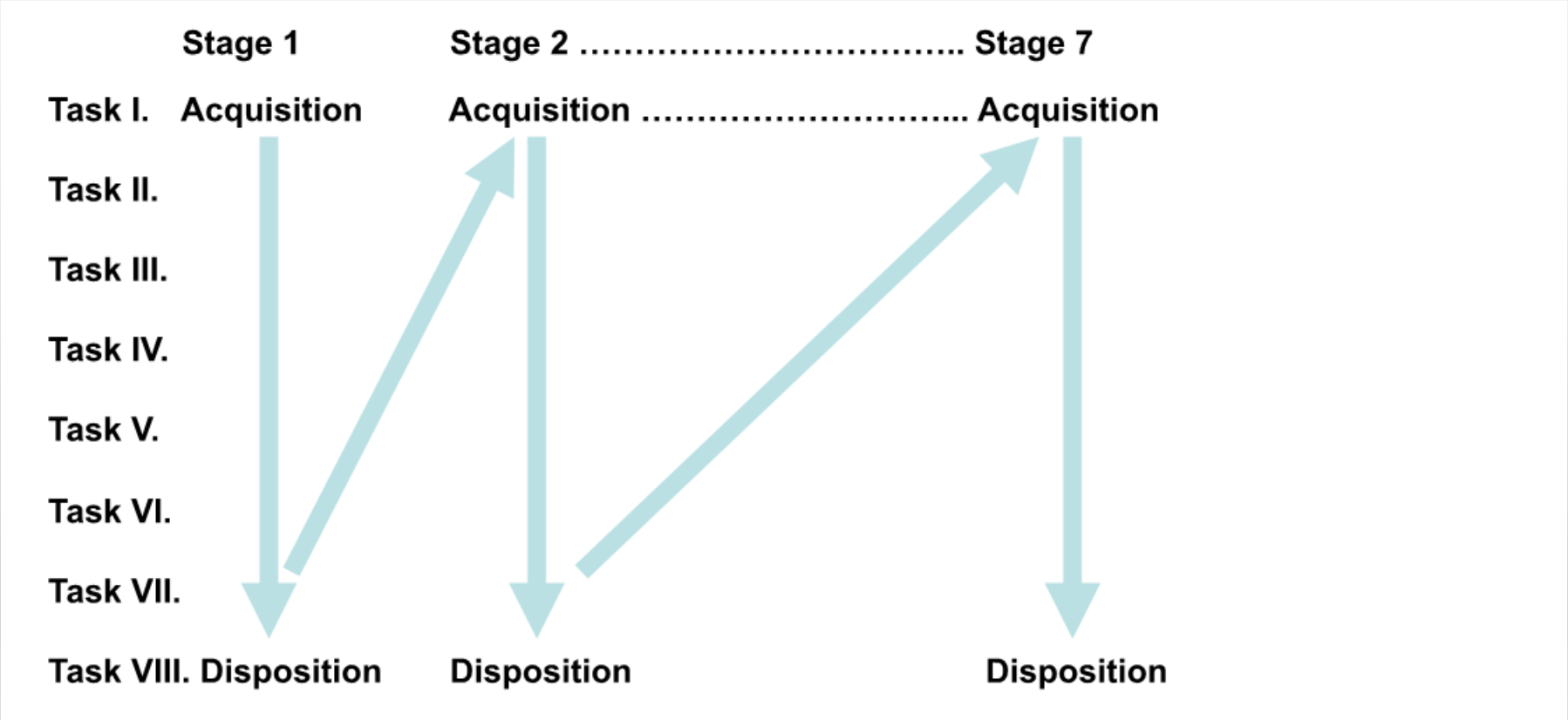
Developers work down a column or stage to create value through the process.



Developers work down a column or stage to create value through the process.



Developers work down a column or stage to create value through the process.



Professionals work across the rows.

Stage 1 Stage 2 Stage 3 Stage 7



Every cell represents a capital expenditure, a risk, a profit center, and an opportunity to create value.

	Land Banking 1	Land Pack. 2	Land Dev. 3	Building Dev. 4	Building Operation 5	Building Renov. 6	Property Redev. 7
Acquisition							
Financing							
Market Studies							
Environmental							
Approvals							
Improvements							
Accessibility							
Disposition							

The process is full of risk which is mitigated through a waterfall.



Payment of loans and project costs

Return of principal

Preferred return

Promotional return

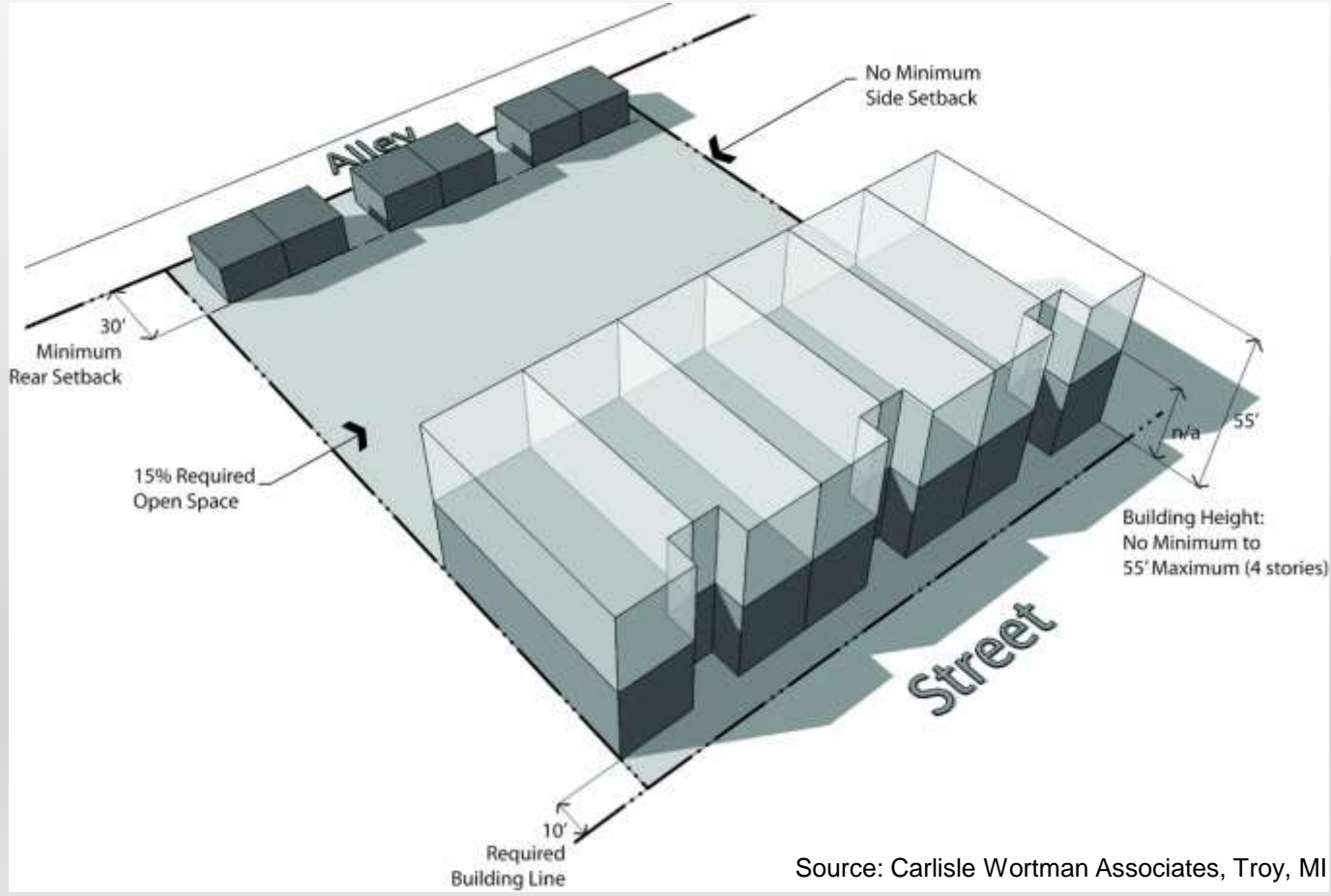
Return to Developer

Opportunities

Educate

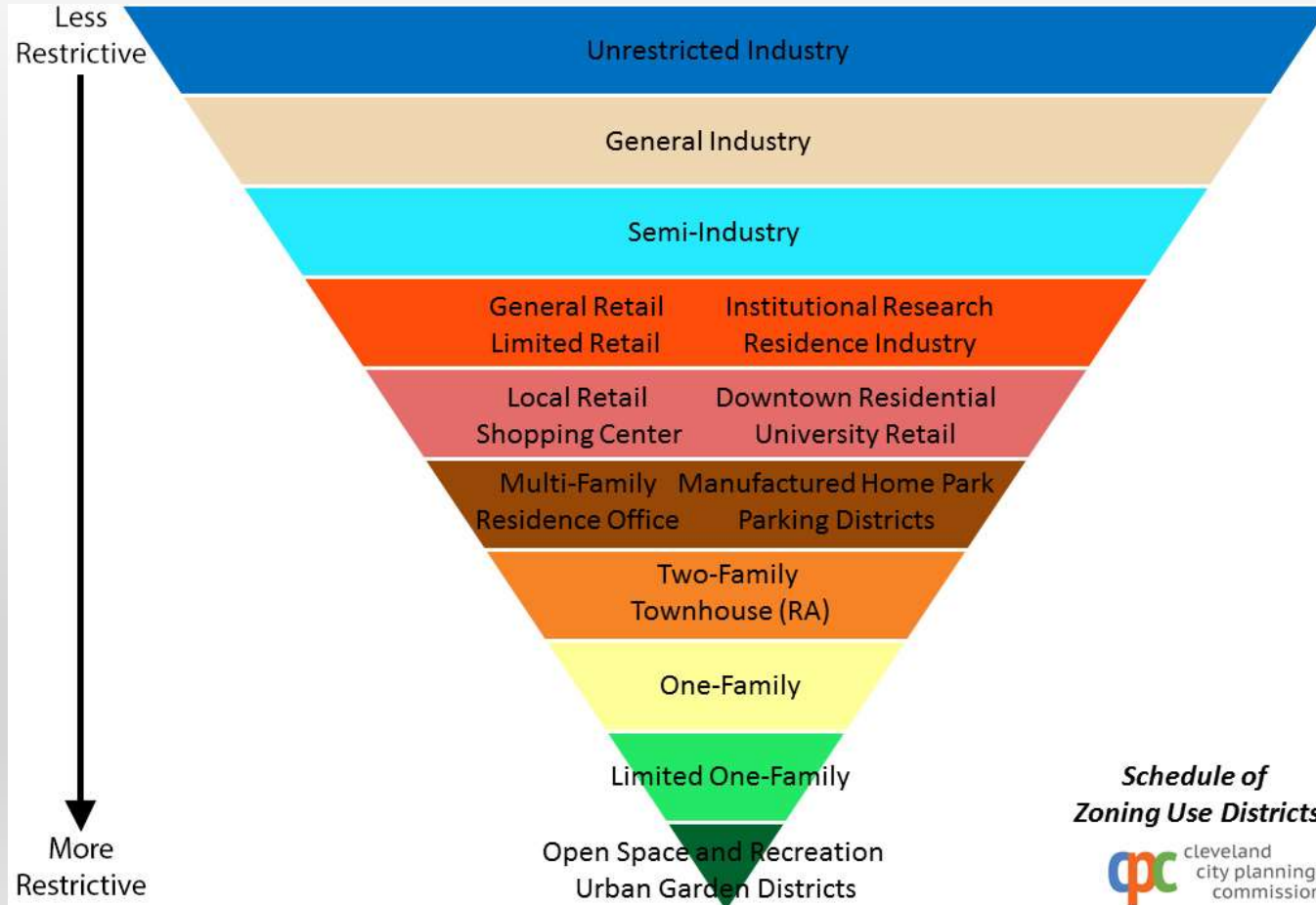


Provide Opportunities for Flexible Zoning

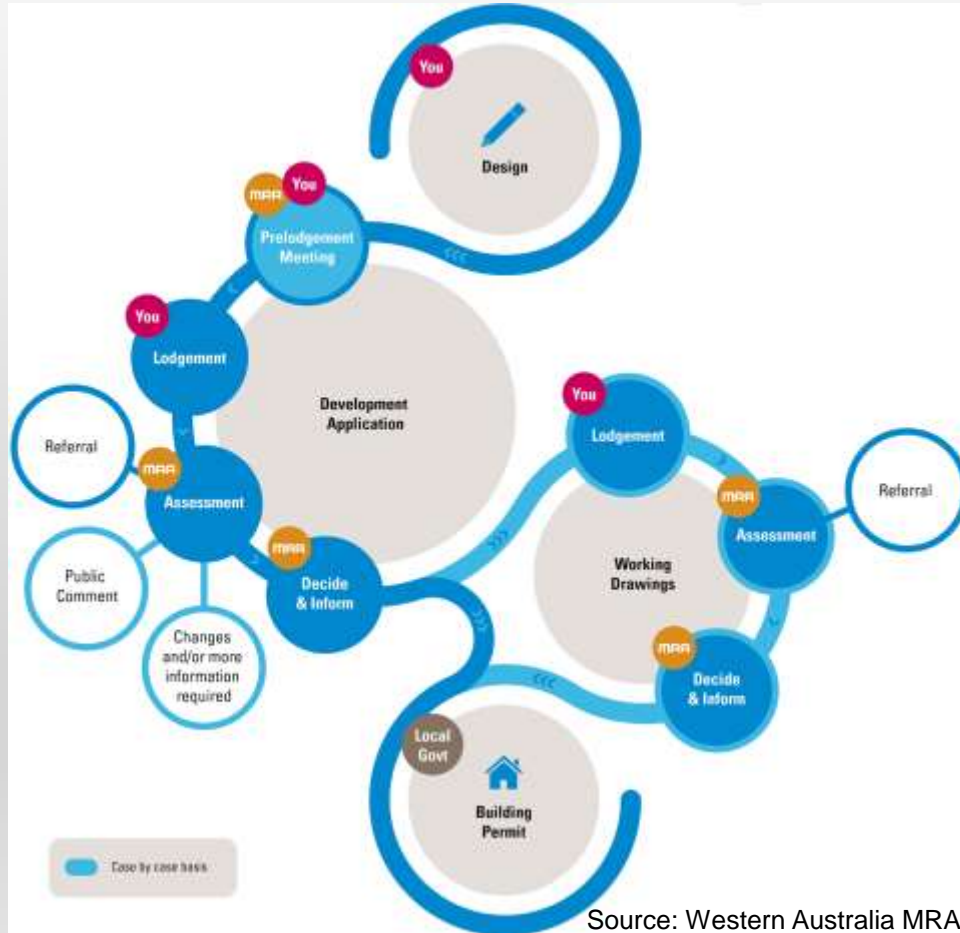


Source: Carlisle Wortman Associates, Troy, MI

Provide Opportunities for Flexible Zoning



Simplify Approval Process



Explore Private/Public Partnerships



Consider Incentives

State Incentives:

- Additional depreciation schedules
- Tax credits for quality jobs
- Job training reimbursable grant program
- Foreign trade zones
- Refundable income tax credits for renewable energy projects and research and development activities

Consider Incentives

Local Incentives:

- Development Agreements
- Facade Improvement Programs
- Fast Track Permitting
- Government Property Lease Excise Tax
- Redevelopment Districts

Consider Incentives

Local Incentives:

- Community Facilities Districts
- Green Business Incentive Programs
- Industrial Development Authority Bonds
- Online Permit Application
- Electronic Plan Review

Consider Adaptive Reuse Programs

CITY OF
MARICOPA
PROUD HISTORY · PROSPEROUS FUTURE



Adaptive Reuse Program

"Revitalize to contribute to economic vitality and create more vibrant neighborhoods"

Program Overview

The Heritage District Adaptive Reuse Program assists property and business owners seeking to reuse older residential buildings within the Heritage District Mixed Use overlay for commercial purposes. A streamlined process has been established for most qualifying projects to expedite development and make timeframes and costs more predictable. By deferring costly on-site and off-site improvements such as hardscape parking and street improvements, the program also offers new opportunities to reuse underutilized properties and encourages investment and redevelopment within the Heritage District. Per the goals of the City's Redevelopment Plan and Planning Maricopa (General Plan) this program is intended to provide needed services, amenities and jobs to the community.



Timing is important.



Spend money where it adds the most value.



There is a better way!

**Conflict does not have to
be a painful prerequisite
of the process.**

**Understand the
opportunities that arise
from our different roles
in the process**

**Consider incentives and
flexible methods**

**What questions
do you have?**