CONCURRENT SESSION

Make No Small Plans:
Innovative Western Planned Communities

10:00—11:10 a.m.
Friday, April 22, 2005
Sturm College of Law

Moderator: **Darcie White**
Associate
Clarion Associates
Denver, Colorado

Panelists: **Andy Laurenzi**
Project Director, State Land Trust Program
Sonoran Institute
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San Diego, California

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Principal Planner
City of Tucson, Arizona

Make No Small Plans: Innovative Western Planned Communities

Rocky Mountain Land Use Institute
Annual Conference—April 22, 2005

Presentation Overview

- **Urban Form – Character and Pattern of Growth**
- **In Search of "Big Plans": Case Study Research**
  - ✓ Background
  - ✓ Planning Lessons and Challenges
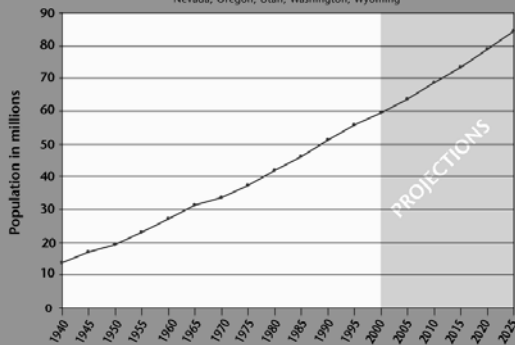 - ✓ Market Lessons
- **Implementation Case Study: City of Tucson**

Western States Population, 1940 to 2025

Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, Wyoming
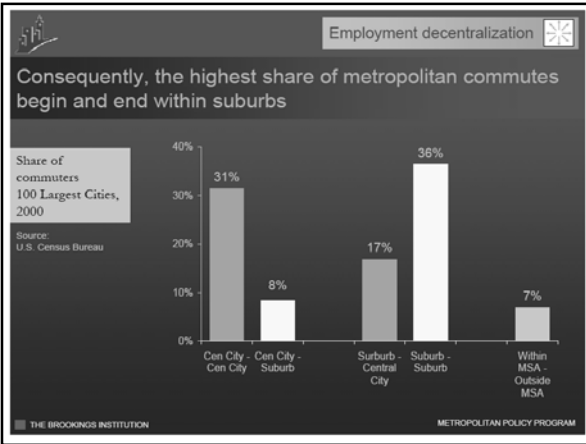
PROJECTIONS

Source: U.S. Census Bureau, March 2001

Percent Change in Resident Population for the 50 States, the District of Columbia, and Puerto Rico: 1990 to 2000

AK 14.0

Percent Change
Three Times U.S. Rate — 39.6 or more
Two Times U.S. Rate — 26.4 to 39.5
U.S. Rate (13.2) — 13.2 to 26.3
No Change — 0 to 13.1
— Less than 0

WA 21.1
OR 20.4
ID 28.5
NV 66.3
CA 18.8
UT 29.6
AZ 40.0
MT 12.9
WY 8.9
CO 30.6
NM 20.1
ND 0.5
SD 8.5
NE 8.4
KS 8.5
OK 9.7
TX 22.8
MN 12.4
IA 5.4
MO 9.3
AR 13.7
LA 5.9
WI 9.6
IL 8.6
MI 6.9
IN 9.7
KY 9.7
TN 16.7
MS 10.5
AL 10.1
GA 26.4
FL 23.5
OH 4.7
WV 0.8
VA 14.4
NC 21.4
SC 15.1
ME 3.8
NY 5.5
PA 3.4
NH
VT
MA 5.5
RI 4.5
CT 3.6
NJ 8.9
DE 17.6
MD 10.8
DC -5.7

HI 9.3

PR 8.1

Prepared by Geography Division

US CENSUS BUREAU

Suburbs ↑

Still, population is decentralizing in nearly every U.S. metropolitan area

Selected cities and suburbs, population growth 1990-2000

Source: U.S. Census Bureau

■ City ■ Suburbs

Atlanta: 6% / 44%
Chicago: 4% / 16%
Denver: 19% / 37%
Memphis: 7% / 22%
Top 100: 9% / 18%

THE BROOKINGS INSTITUTION

METROPOLITAN POLICY PROGRAM

Suburbs ↑

Every household type grew at faster rates in the suburbs than in cities

Population growth, 1990-2000

Source: William Frey. "A Census 2000 Study of City and Suburb Household Change." Brookings, Forthcoming

	All Households	Married - no children	Married - with children	Other Family - no children	Other Family - with	Nonfamily
Central City	8.6%	-1.9%	5.5%	10.4%	19.0%	12.9%
Suburbs	18.0%	10.3%	11.8%	20.1%	41.2%	26.9%

THE BROOKINGS INSTITUTION

METROPOLITAN POLICY PROGRAM

Growing Smarter at the Edge

- Infill and re-development in the core and inner ring suburbs are key components of a smart growth agenda
- However most of our new growth will occur at the edge
- Smart growth requires playing the inside game and the outside game

Growing Smarter at the Edge

- Encouraging trends in large-scale master planned communities – "Greenfield Development without Sprawl: Role of Planned Communities" – Jim Heid
- Urban Land Institute– "Ten Principles of Smart Growth on the Suburban Fringe"
- Sonoran Institute/Lincoln Institute of Land Policy – "Growing Smarter at the Edge"
- Sonoran Institute/Lincoln Institute of Land Policy Joint Venture on State Trust lands

Trends in Master Planned Communities

- Integration of open space and trails with region wide system – Green infrastructure
- Mobility options
- Mixed uses – commercial/residential/civic
- Diverse housing options
- Phased infrastructure development and financing mechanisms

In Search of "Big Plans": Case Study Research

Land Use Objectives:

- Western "edge city" locations
  - ✓ variety of regions
  - ✓ variety of economic conditions
- Contemporary models of "progressive" MPCs
- Successful district and neighborhood-scale activity centers
- Mix of land use types
- Local government planning frameworks that foster "progressive" MPCs

Market and Economic Performance Objectives:

- **Market, economic performance of "progressive" master-planned development in urban edge environments**
- **Balance between competing interests of regional and neighborhood/ community centers**
- **Successful planning models and development patterns that:**
  - ✓ Maximize and preserve long-term value
  - ✓ Have positive impact on the cost of providing public services, including public schools

Major Case Study Projects:

- **Rancho Viejo (Santa Fe, NM)**
- **Mesa del Sol (Albuquerque, NM)**
- **Verrado (Buckeye, AZ)**
- **Vistancia (Peoria, AZ)**
- **DC Ranch (Scottsdale, AZ)**
- **Rancho Sahuarita (Sahuarita, AZ)**
- **Summerlin (Las Vegas, NV)**
- **Hidden Springs (Boise, ID)**
- **Otay Ranch (Chula Vista, CA)**
- **North City Future Urbanizing Area (San Diego, CA)**

Town Center Projects:

- **DC Ranch (Scottsdale, AZ)**
- **Desert Ridge Marketplace (Phoenix, AZ)**
- **Kierland Commons (Phoenix, AZ)**
- **Otay Ranch (Chula Vista, CA)**
- **Summerlin (Las Vegas, NV)**
- **Stapleton Redevelopment Area (Denver, CO)**

Planning Lessons

- **Provide clear direction at the Master Plan level**
  - ✓ Need to provide a clear, "big picture" framework
  - ✓ Sends clear message regarding expectations for plans submitted
  - ✓ Leave communities better equipped to enforce implementation of goals and objectives

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Planning Lessons

- **Provide a clear process for Master Planned Communities…and don't budge on the "basics"**
  - ✓ Mix of uses
  - ✓ Open space
  - ✓ Pedestrian orientation

Planning Lessons

- **Allow flexibility within planning framework**
  - ✓ Density ranges
  - ✓ Mix of housing types
  - ✓ Reduced street widths
  - ✓ Variable lot sizes

Planning Challenges

- **Taking the "standard" out of design standards**
  - ✓ Need to ensure consistency between phases…without monotony

Planning Challenges

- **Maintaining a regional perspective**
  - ✓ Coordinate infrastructure improvements
  - ✓ Establish strong connection to public lands and regional open space system
- **Implications of phasing must be anticipated**
  - ✓ Connections/Compatibility
  - ✓ Continuity

Market Lessons

- **Deliver housing at a variety of price points**
  - ✓ Affordable to different market segments
  - ✓ Consistent with household incomes and characteristics in the market area
  - ✓ Accelerates absorption, reduces risk, enhances value
  - ✓ Build's internal move-up market

Market Lessons

- **Develop a strategy of providing amenities affordably**
  - ✓ MPCs can obtain premium pricing relative to their markets because of the amenities provided
  - ✓ Larger communities with a broad range of housing types tend to obtain pricing closer to market average
  - ✓ Projects in areas with relatively low residual land value, even after improvements, have less room to absorb expensive amenities
  - ✓ Preserved open space vs. recreational facilities

Who lives in higher density?

The changing U.S. population
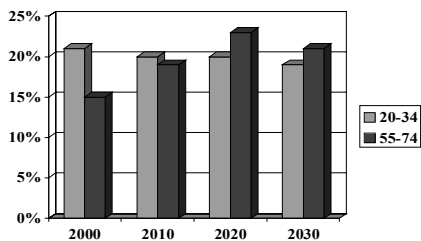
The changing U.S. population
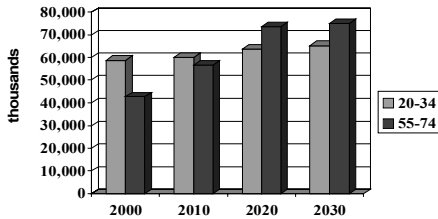
What retailers like density?

- **Lifestyle retailers**
  - ✓ Services, specialty stores, entertainment, dining
- **Ones that target urban demographics**
  - ✓ Age, ethnicity, professions, attitude
- **Independents**
- **Retailers that see under-served markets**
- **Retailers seeking concentrated buying power**
- **Retailers that adapt formats to gain market share**

How is retail sized?

- **Target market area(s)**
  - ✓ Neighborhood?
  - ✓ Community?
  - ✓ Regional?
  - ✓ Visitor?
- **Market area buying power**
- **Competition**
- **Site access to market relative to competition**
- **Tenant requirements**
  - ✓ Credit tenants for financing

Fit density to your land value

Concept of residual land value

Revenues over time

- **Operating costs over time**
- = Net Income over time
- **Development costs over time**
- = Net cash flow over time
- / **Discount rate (cost of $ + risk)**
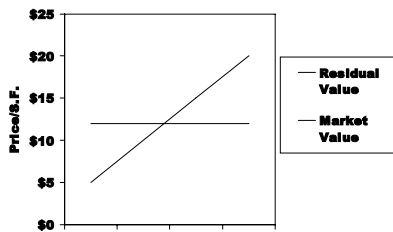- = Present value = Residual value

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Residual value vs. market value

Parking costs per sq. ft. by type – when density makes economic sense

Land Value

- Surface
- Tuck-under
- Above Grade Structure
- Underground
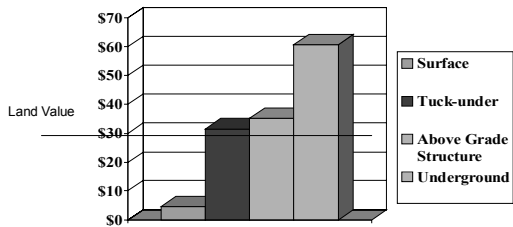
Implementation Case Study: City of Tucson

Major Themes for Improvement

1. Provide for a "Big Picture" context and objectives for the Plan and a set of core values for the HAMP
2. Refine the Organization of the Policies
3. Build In More Flexibility on the Specifics of Individual Plan Elements
4. Clarify Relationship between the HAMP Policies and Private Sector Master Plans
5. Strengthen and Clarify Links to the City's Regulations and Existing Policy Document

Implementation Issues

- **Will the Design Guidelines and Other Plan Policies Achieve the HAMP's Goals?**
  - ✓ Clarify goals upon which changes to existing regulations can be based

- **What Obstacles to Implementation Success Exist?**
  - ✓ Current regulations do not address key goals of HAMP or are contrary to them.

Implementation Issues

- **What are the Inconsistencies with Existing City Codes and Land Use Ordinances?**
  - ✓ Development concepts and standards in HAMP not addressed in existing regulatory documents
  - ✓ Overlap/inconsistencies between HAMP standards/guidelines and existing provisions
  - ✓ Contradictions between HAMP standards/guidelines and existing regulations and guidelines

Incremental Growth

Incremental Planning
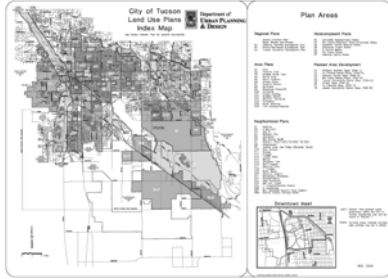
New Opportunity

HAMP: 10,800 AC

8,000 AC Vacant Land

Comprehensive Planning for:

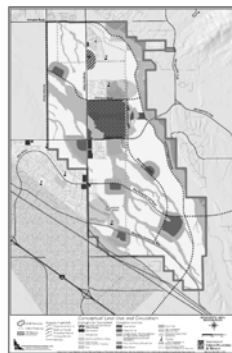- Land Use
- Circulation
- Parks/OS
- Public Facilities

HAMP Conceptual Plan

New Zoning Tool

Planned Community Development Zone

- ✓ Zoning for Master Planned Communities
- ✓ Flexibility at Development/Over Time
- ✓ Creative Approaches to Achieving HAMP Goals

PCD Zone Challenges

- ✓ Balance of Regulation vs. Creativity
- ✓ Ensure HAMP Goals are Met
- ✓ How to Integrate PCD Review into Existing Development Review Process
- ✓ How to Manage L-T "Zoning - Type" issues (Changes in use, variances, etc)
- ✓ How to Make PCD Attractive to Developers - Most of HAMP Zoned for SFR

Questions?