# The phenomenon of inequitable development and national efforts to overcome it

Hawaii Congress of Planning Officials Virtual ConferenceOctober 21, 2020





Smart Growth America envisions a country where no matter where you live, or who you are, you can enjoy living in a place that is healthy, prosperous, and resilient.

Advocacy

Technical Assistance

**Thought Leadership** 









National Complete Streets Coalition









# Time for a New Lens



## WalkUPs:

- A form of development with higher density, multiple real estate product types in close proximity or within the same property, and multiple modes of transportation to move people and goods to the place.
  - Within the WalkUP, nearly everything is within walking distance.

#### **METROPOLITAN LAND USE OPTIONS:**

#### **REGIONALLY SIGNIFICANT**



**WALKUP:** Metro Area Acreage: 1%

#### **LOCAL SERVING**



Metro Area Acreage: 2-6%



**WALKABLE** 

**URBAN** 

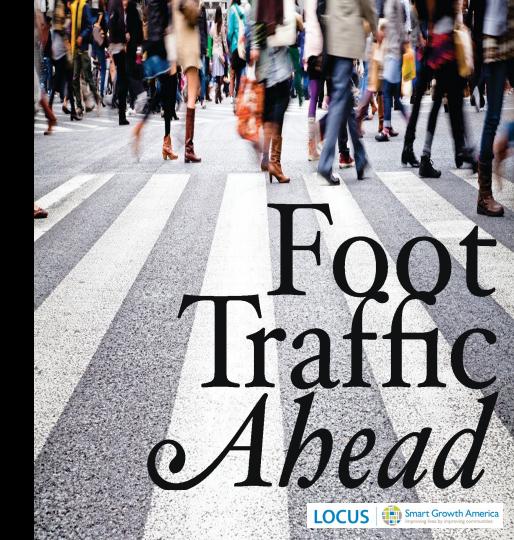




Metro Area Acreage: 90-94 %

# **Benefits of WalkUPs:**

- Walkable urban office space in the 30 largest metros commands a 105 percent rent -persquare -foot premium over rents in drivable suburban areas.
- Rental multi-family commands a 61 percent rentper-square -foot premium over rents in drivable suburban areas.
- Inclusive accessibility to jobs and opportunity.
- Increases economic productivity .
- Significant environmental and public health benefits.
- Transportation costs are dramatically lower
  than in drivable suburbs, due to more diverse and
  less expensive mobility options, like transit,
  walking, and biking.



#### **Core Values**

#### Why American Companies are Moving Downtown







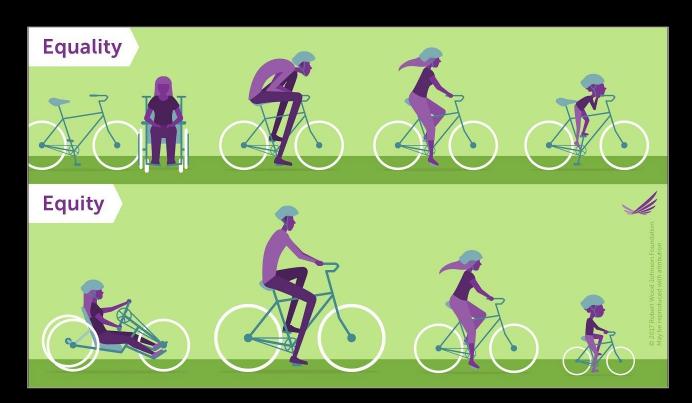
IN PARTNERSHIP WITH



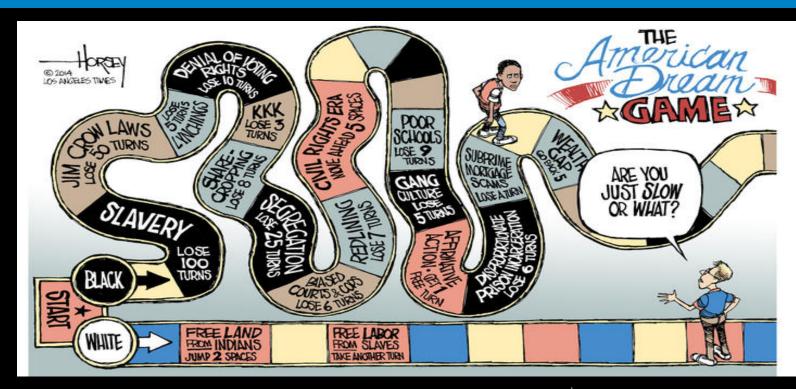
Center for Real Estate and Urban Analysis
THE GEORGE WASHINGTON UNIVERSITY



## What does equitable development look like?



### The phenomenon of inequitable development



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### What does affordable housing look like?





#### Traditional affordable housing measures ignore transportation costs

H+T Costs % Income: 35%

Housing: 19% Transportation: 16%

Housing + Transportation Costs % Income

Housing + Transportation Costs % Income ?

Block Group: 35%

*Note:* Additional statistical data is available at several larger geographies. Using the Geographic Focus Selector, you may choose the following:

CBSA: Urban Honolulu, HI

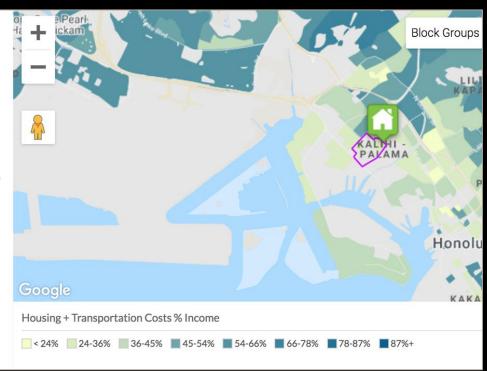
County: Honolulu, HI

Municipality: Urban Honolulu, HI

Tract: 15003005800

MPO: Oahu MPO

U.S. House District: Hawaii Congressional District 1





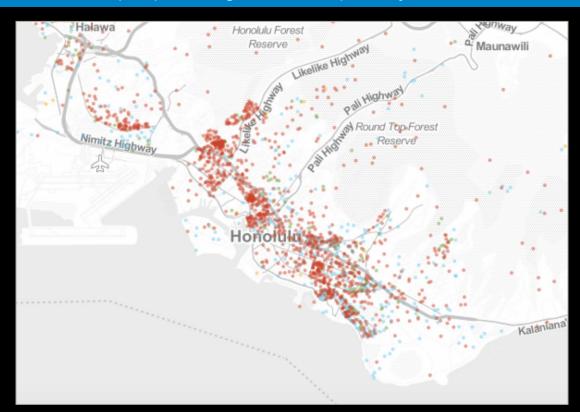
## Residential and apartment districts



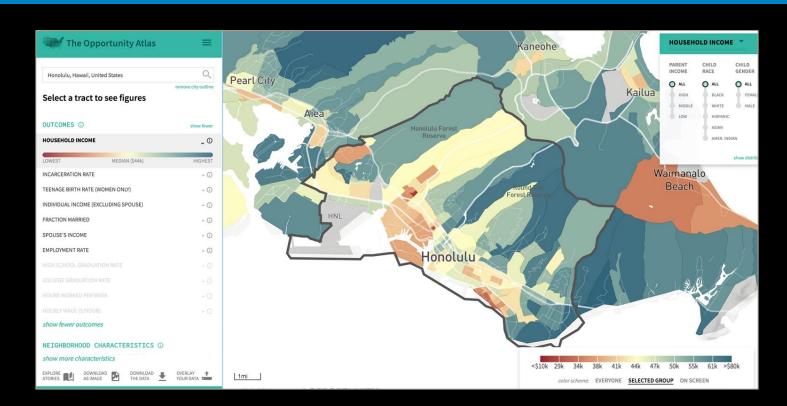


## Poverty, race, and place

~34,000 people living below the poverty line in Honolulu



### Poverty, race, and place





#### Common Equitable Development Policy Interventions



**Tenant Protections** 

**Density Bonuses** 

Condo Conversion Restrictions

Inclusionary Zoning

Linkage Fees

**Overlay Zones** 

Contracting and Procurement Prioritization







### Challenges to implementing equitable development

- No consensus on community leaders or an appropriate strategy leader group,
- Presence of an adversarial group focused on derailing the process and gaining control over negotiations,
- Wish List vs. Trade Offs,
- Experiencing meeting/ process fatigue,
- Anxiety over efficient decision making, paired with a short process timeline,
- Desire to study EVERYTHING, and
- 3rd party validator, punching bag, or both .



# Community mechanisms to increasing permanently affordable housing



## Community Benefits Agreements (CBAs)

A legally enforceable contract between a coalition of community-based organizations or City and the developer of a proposed project. In exchange for the coalition's or the cities' public support of the project in the approval process, the developer agrees to contribute benefits to the local community if the project moves forward. In this way, the coalition or the city has a hand in shaping the project, while the developer builds community support and strengthens local partnerships.

#### CITY OF SOMERVILLE

ORDINANCE NO. 2018-\_\_\_ IN THE BOARD OF ALDERMEN: \_\_\_\_

#### COMMUNITY BENEFITS NEIGHBORHOOD COUNCIL DESIGNATION

Be it ordained by the Board of Aldermen, in session assembled, that Chapter 7 of the Code of Ordinances of the City of Somerville, is hereby amended by inserting the following Article VIII:

#### Sec. 7-171. Definitions

"Community Benefits" shall mean the provision of programs or services that directly benefit Somerville residents including but not limited to human services, the arts, cultural enrichment, sustainability measures, public health, preventing and mitigating commercial and residential displacement, housing, educational programs focused on science, technology, engineering, and other areas of community enrichment.

"Community Benefits Agreement" shall mean a written agreement negotiated by and between a designated neighborhood council and a developer to mitigate development impacts in a specific neighborhood arising from such developer's project. A Community Benefits Agreement may include a commitment to provide or fund one or more Community Benefits.

"Community Benefits Funds" shall mean monies offered to and received by the City in connection with any agreements entered into with the City or otherwise by which funds are given to and held by the City to be expended for community benefits and other related purposes.

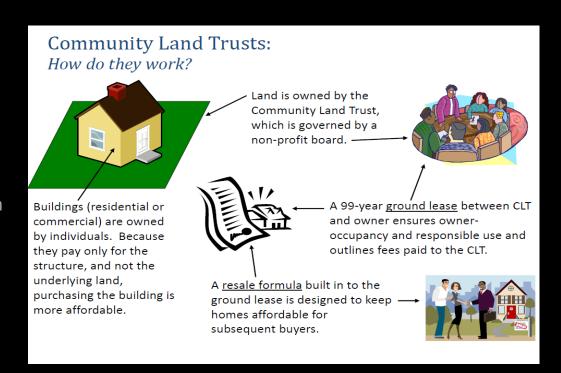
"Community Benefits Stabilization Fund" or "Fund" shall mean any fund created for the specific purpose of funding community benefits and other related programs. Such Fund shall be created by the Board of Aldermen pursuant to G.L. c. 40, sec. 5 and any expenditures therefrom shall be appropriated in accordance therewith. Funds allocated to mitigate development impacts in a specific neighborhood shall be deposited into a neighborhood-specific community benefits stabilization fund sub-account.

"Neighborhood Council" shall mean an open, inclusive, transparent and duly democratic non-profit



#### **Community Land Trust**

A community land trust separates the ownership of land from housing, making the housing more affordable. The trust acquires property and maintains ownership of the land while renting or selling the housing on the property. This prevents the market from significantly driving up the cost of the housing. When a CLT homeowner sells their home, they receive a portion of the increased property value and the CLT receives the remainder, allowing them to keep the property affordable for the next tenants/owners.





## **Equitable Development Scorecard**



#### Land Use Practices



Equitable Land Use practices require evidence that the overall vision, plan, and implementation includes local community's assets, aspirations, potential, and preferences with the intention of retaining current residents and developing projects that promote people's health, well-being and prosperity.

Fill out the criteria below. Feel free to take notes in the empty space and add, change, or cross out criteria that do not apply to your community or project.

\_\_/\_\_\_ Add up scores below for Equitable Land Use Practices Score

	Responsible Sector (Developer/Community/Gov's
Beneficial and harmful impacts on environmental health, economic prosperity, and social vitality are assessed.	
The development site meets environmental standards on clean air, water, and soil without increasing soil toxicity, air and water pollution.	
Environmental justice pollution cleanup efforts are designed to progress into a community-driven vision for development.	
People focused land use minimizes car-oriented design with complete streets elements.	
	prosperity, and social vitality are assessed.  The development site meets environmental standards on clean air, water, and soil without increasing soil toxicity, air and water pollution.  Environmental justice pollution cleanup efforts are designed to progress into a community-driven vision for development.

Equitable

#### Economic Development Practices

Equitable Economic Development practices require evidence that policies and programs prioritize community based financial intelligence, sustainable wealth creation, and high quality job opportunities that prevent unwanted displacement of residents and small businesses from low-income communities and communities of color.

Fill out the criteria below. Feel free to take notes in the empty space and add, change, or cross out criteria that do not apply to your community or project.

\_\_/\_ Add up scores below for Equitable Economic Development Practices Score

Give each criterion on a scale of 1 (low) to 5 (high)	Responsible Sector (Developer/Community/Gov/t)
New capital and investment opportunities are created to promote local small business development, arts/cultural-based businesses, and entrepreneurial opportunities.	
High quality, diversified, and employee-intensive businesses owned by people of color are created to sustain a strong economic base and provide job opportunities for the full employment of a diverse set of skills.	
Lease agreements prioritize neighborhood business opportunities.	
Project uses local workforce/education programs to connect residents to project construction jobs and long term employment within the project.	
	New capital and investment opportunities are created to promote local small business development, arts/cultural-based businesses, and entrepreneurial opportunities.  High quality, diversified, and employee-intensive businesses owned by people of color are created to sustain a strong economic base and provide job opportunities for the full employment of a diverse set of skills.  Lease agreements prioritize neighborhood business opportunities.



# Partnerships: Nationwide Children's Hospital Columbus, Ohio

- Hospital partnering with local Methodist community development group to rehabilitate a
  historically low -income neighborhood adjacent to the hospital.
- Investing in affordable housing, rehabilitation of blighted and vacant properties, increasing standard of livability, and improving public health outcomes.



#### **Upzoning**

