

# National Best Practices for Site Development

## Metro Employment Land Site Readiness Toolkit

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Prepared by:



# Acknowledgements

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# Executive Summary



# Introduction

## Background

The Port of Portland (Port), working with Metro, Greater Portland Inc, and economic partners throughout the region (known as the Project Advisory Team or PAT), seek to address the challenge of ensuring an adequate supply of development-ready employment lands within the Portland metro area. The region's supply of development-ready employment land is limited. Many of the region's industrial sites are years away from being development-ready. Having a healthy inventory of varying sizes and locations of employment lands in the region is key to supporting a thriving local economy.

The seven key site readiness challenges facing regional employment lands are: site assembly/aggregation, natural resource mitigation, infrastructure, brownfield remediation, gravel pit conversion, redevelopment and

entitlements. To address these challenges, the Port and the PAT secured funding from Metro to create an “Employment Land Site Readiness Toolkit” and retained a consultant team led by Cascadia Partners to prepare the toolkit. This document is a summary of 28 tools identified through National Best Practice Research conducted by the consulting team to identify innovative approaches to dealing with these development challenges.

The PAT also commissioned a look at best practices related to equitable impact assessments. Equitable impact assessments are tools that local jurisdictions can use to apply an equity lens to employment land policies, programs and projects to help better understand community impacts and incorporate community benefits in design and decision-making.

Development Challenge	Lead Consultant	Support Consultant(s)
Site assembly/ aggregation	ECONorthwest	Cascadia Partners, Development Research Partners
Natural resource mitigation	Stantec	Cascadia Partners
Infrastructure	FCS Group	Caudaloso
Brownfield remediation	Stantec	Development Research Partners
Gravel pit conversion	Stantec	Cascadia Partners
Entitlements	Cascadia Partners	ECONorthwest
Redevelopment	Cascadia Partners	ECONorthwest
Equity development	ECONorthwest	Cascadia Partners



## Purpose

The goal of this National Best Practices Research project is to identify a range of potential tools that could be implemented within our region to overcome the seven development challenges facing our regional employment lands.

Not all site readiness tools are created equal: some are narrowly focused, others broad and multi-faceted. Some require only local action, while others require state legislation. Not surprisingly, often the most impactful tools require political leadership and action at the state level.

Additionally, it is worth noting that in some instances an optimal outcome can be achieved by combining multiple tools. One should not view these tools in isolation.

The description of tools in this report, the opportunities they generate, and the path to their implementation will vary depending on the context of a specific place. For this reason, this report is intended to provide a high level overview, with enough detail to provide solid direction, while accommodating the variety of issues that a particular context may face.

The consultant team divided into subject-matter expert sub-teams with lead and support roles to conduct the research. A summary of the team members and key roles is outlined below.

# Key Findings

## Universe of Tools

### Tools Informed by the Candidate Site List

The list of 59 candidate employment sites provided by the PAT represent a wide range of challenges and opportunities (see map in Appendix A), and informed the tools the consulting team identified and detailed in this report. There were publicly-owned sites and privately-owned sites; large and small sites; centrally located and peripheral sites; brownfield and greenfield sites; and industrial and commercial sites.

### Range of Implementation Options Included

The consulting team focused on exploring both “quick win” tools that can be implemented immediately and inexpensively at the local level as well more powerful tools that would be more complex to implement (i.e., require state action) but also have a more significant impact. Each tool summary includes a helpful graphic indicating the relative level of implementation Effort and Impact.

## Financing is Critical

There are no silver bullets when it comes to the challenges facing employment lands in our region. The barriers are often interrelated and many sites face multiple barriers that could benefit from a layering of multiple tools. That said, the fundamental challenge to employment land readiness is a lack of available low-cost financing. Many states have implemented powerful financing tools that Oregon could benefit from studying. Most of these boil down to providing much needed, low-cost, long term financing to projects. These tools would require state legislation; however, economic development practitioners have successfully advocated for tools at the state level, such as the recent legislation enabling local Brownfield Land Banks.



## Opportunities Now

About half of the tools identified are immediately implementable at the local level and many have no direct cost. These tools are focused on reducing regulatory or process barriers to capture market strength in places where the market is strong. It must be mentioned that these tools generally have a more narrow or limited impact than the financing tools because many of the region's employment sites face challenges beyond just regulation and process. Implementation hurdles range from the need for state legislative action to unique tax challenges in Oregon.

State action to enable new tools, establish new funding sources and change tax structures would have an outsized impact on advancing land readiness. A coordinated, regional focus to encourage state action is recommended.

## Oregon is Particularly Revenue Challenged

Oregon has fewer and more limited sources of revenue than other states. For instance, property tax revenue growth is limited over time and does not keep up with market changes. Oregon does not have a sales tax and implementing fees, as a work-around, is politically fraught.

These limitations will undermine the potential impact of several of the financing tools outlined in this report, compared to their use in other states, unless changes are made at the state level. There are no work-around strategies that would be as impactful as state action to address these limitations head-on.

# Equitable Impact Assessments

Regional leaders have increasingly prioritized equity-related outcomes in the decision-making process. This includes decisions around public policy and the allocation of public funds. Consideration of equity should also extend to decisions made regarding regional employment lands.

Equitable impact assessments can provide multiple benefits related to employment land site readiness. These assessments can help cities and counties evaluate employment land policies, programs and projects to address social equity. They can also help evaluate how site readiness tools can support equity outcomes through design and implementation.

As part of another element of this project, social equity will be one criterion used to determine which of the priority sites will be the focus of the three development roadmaps. Considerations of social equity will be incorporated into the roadmaps for these sites.

A detailed summary of equitable impact assessments and several case studies are included in this report, after the employment land site readiness tool descriptions.

# Site Development Tools Matrix

This matrix is a summary of key considerations for each of the tools in this document. For each tool, the matrix indicates whether the tool requires local or state implementation, the relative level of effort required to implement the tool, and the level of impact the tool could have in our region.

The rating of implementation effort represents how difficult or time consuming the process of implementation could be. As a general rule, tools that require state legislation require more effort and are rated “high”. If several parties must participate in the implementation rather than a single entity or jurisdiction, that would be considered a “high” effort.

The rating of the level of impact the tool could have is a relative ranking of the range and depth of applicability of the tool. Considerations for this ranking include whether a tool would only benefit or affect a few sites or would have broad regional application.

It is important to note that leadership and priorities vary significantly across the region. So what one community may find difficult to implement, another community may find relatively easy. This ranking is intended to provide guidance on the *relative* differences between the tools.

Site Development Tool	Local vs State Implementation	Effort	Impact
<b>ENTITLEMENTS</b>			
1 Expanded Uses in Commercial Zoning	Local	Low	High
2 Industrial Mixed-Use Zone & Bonus	Local	Low	Medium
3 Denser Industrial Entitlements	Local	Low	Medium
4 Adaptive Reuse Incentives / Code Exemptions	State & Local	High	Medium
<b>REDEVELOPMENT</b>			
5 Metropolitan Districts	State	High	High
6 Major Public Site Repurpose	Local	Low	High
7 Land Value Tax	State & Local	High	High
8 Single Parcel URA/TIF Districts	Local	Medium	Medium
9 Title to Foreclosed Properties	State & Local	High	Low
10 Micro Commercial Spaces	Local	Low	Medium



## Site Development Tool

## Local vs State Implementation

## Effort

## Impact

### SITE ASSEMBLY / AGGREGATION

11	Enhanced Redevelopment Authority	State & Local	High	High
12	Graduated Density Bonus	Local	Medium	Low
13	Industrial Land Bank	Local	Medium	Medium

### INFRASTRUCTURE

14	Major Streets Transportation Improvement Program	Local	High	High
15	Community Facilities District (CFD)	State & Local	High	Medium
16	Transportation Benefit Districts	State & Local	Medium	Medium
17	Enhanced Finance Infrastructure District	State & Local	High	High
18	Reimbursement District	Local	Low	Medium

### BROWNFIELD REMEDIATION

19	Tax Incentives	State & Local	Medium	High
20	Surcharge-based Cleanup Funds	State	High	High
21	Non-governmental Technical Assistance Provider	State & Local	Low	Medium

### GRAVEL PIT CONVERSION

22	Aggregating Sites	Local	Low	Low
23	Required Exit Planning	State & Local	Medium	High
24	Strategic Phasing and Reuse	Local	Medium	Medium
25	Local Government Collaboration / Planning Assistance	Local	Low	High

### NATURAL RESOURCE MITIGATION

26	Regional Advance Mitigation Planning	Regional, State & Local	Medium	High
27	Wetland/Floodplain Mitigation Bank	Regional, State & Local	Medium	High
28	Regional Green Infrastructure	Regional, State & Local	Medium	High



# Site Development Tools and Case Studies

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# Entitlements

## Summary of Tools

Of the seven challenges which this “National Best Practices” report addresses, the Entitlement Tools challenge is probably the easiest to implement. These tools generally involve revisions to local codes and practices, and therefore can be implemented at the local level (i.e., little or no state action is necessary for these tools). This is not to say that actions to modify local codes is always without controversy. Any action a city or county may take that potentially results in more development has the potential to engender community resistance. But the fact that a local jurisdiction can make these changes without outside consultation makes these tools much easier to implement than several of the tools in other categories. It should be noted that the fourth tool - “Adaptive Reuse Incentives/Code Exemptions” - requires the approval of state building officials; but it does not require legislative action. Moreover, these tools, if broadly implemented (i.e., by a number of jurisdictions) could have broad impact. Most cities and counties have development opportunities that could capitalize on most or all of these tools.

This category contains the following tools and case studies:

- 1. Expanded Uses in Commercial Zoning**  
Case Study: Sam’s Club Fulfillment Center (Memphis, TN)
- 2. Industrial Mixed-Use Zone & Bonus**  
Case Study: Hundred Hooper (San Francisco, CA)
- 3. Denser Industrial Entitlements**  
Case Study: Georgetown Crossroads (Seattle, WA)
- 4. Adaptive Reuse Incentives / Code Exemptions**  
Case Study: Old Bank District (Los Angeles, CA)  
Case Study: WebPT (Phoenix, AZ)

# Expanded Uses in Commercial Zones

	IMPACT		
	Low	Med	High
EFFORT	High		
	Med		
	Low		

## Defining the problem

Two recent trends in retail have identified both a challenge and an opportunity affecting buildings in commercial zones. First, there has been a wave of closures of retail stores (particularly in suburban malls and big boxes) due to rapidly changing shopping habits like online shopping and home delivery. Related, there is a rapid growth in space need for shipping/receiving, logistics, and distribution. The locational and building type needs for these two uses is similar but traditional commercial zoning often does not allow for these emerging uses which are generally classified as “industrial”.

## How tool solves challenge

Expanding commercial zoning to allow for shipping and logistics uses can help these “box store” sites reinvent themselves and stay operational. Adaptive reuse is a more sustainable means to deal with abandoned big boxes than demolition and new construction.

“Big box” retail sites have ample parking, loading bays, and generally high floor to ceiling heights necessary for efficient stacking of shipping parcels. These sites are also generally adjacent to major regional transportation facilities, such as freeways and arterials that are already designated freight routes.

## Tool Mechanics

Implementing this tool is as simple as expanding the permitted use table for commercial zone districts to include traditionally “industrial” uses like warehousing, shipping/receiving and freight activities.

## Implementation Steps

1. No state action required and no direct cost associated (other than staff or consultant time to amend the zoning/development code).
2. Audit the development code to determine which zones should be modified (most jurisdictions have multiple commercial zones). The city may not want to allow logistics/distribution facilities in commercial or mixed use zones in traditional downtowns. Also determine if there are other provisions in the affected zones that need to be modified beyond the list of allowed uses (e.g., minimum parking requirements).
3. Initiate a legislative amendment to a city’s development code to expand permitted uses within commercial zone districts. Notify the Oregon Department of Land Conservation and Development (DLCDD), and affected stakeholders (community interests, developers).
4. Draft revisions to the affected codes.
5. Conduct public hearings - Planning Commission and City Council.

## Implementation Considerations

The main considerations are a likely increase in truck traffic but a reduction in vehicle (visitor) traffic.

## Point of Contact

Division of Planning and Development  
 125 N. Main Street, Ste. 468  
 Memphis, TN 38103  
 Phone: (901) 636-6601



# Case Study

## **Name / Location:**

Sam's Club Fulfillment Center / Memphis, Tennessee

## **Description:**

Numerous big box stores such as Walmart and Kmart have closed locations across the country, leaving vast empty buildings with redevelopment potential. Depending on the context, large format stores either go through adaptive reuse, or are demolished for new development. In many cases, the large amount of parking space can also be used for redevelopment. In the case of Sam's Club, the 135,000-square-foot former big box retail structure in Memphis suited Sam's Club's evolving needs as it moves from traditional retail to an e-commerce focus, and the building was adequately repurposed for its new function as a fulfillment center. The Memphis project is the first of 12 new fulfillment centers that Sam's Club intends to undertake around the country.

## **Problem:**

An obsolete big box retail facility was no longer profitable or functional; and Sam's Club needs suitable large facilities for its e-commerce fulfillment centers.

## **Solution:**

The 135,000-square-foot facility was converted by Sam's Club into the fulfillment center. The site is zoned with a flexible zone that allows for distribution facilities as well as retail (the former use).

## **Research Sources:**

- *Shuttered Sam's Club Converted into eCommerce Center.* (2018). Retrieved from: <https://www.pymnts.com/news/retail/2018/sams-club-fulfillment-center-ecommerce-chicago/>

# Industrial Mixed-Use Zone & Bonus

		IMPACT		
		Low	Med	High
EFFORT	High		■	
	Med			
	Low			

## Defining the problem

Industrial and “maker space” uses have a relatively low value compared to other uses, such as residential, retail, office and hotel. In strong market areas, this puts industrial uses at a disadvantage when competing for land and leasable space.

Our region has legacy industrial areas that are located within increasingly desirable downtown areas. Market pressure in these areas has increased land values beyond what is feasible for industrial developers to pay. In addition, creative office and retail users have outcompeted industrial users for space and resulted in rapidly escalating rents.

The modern definition of “industrial” is much broader than in previous generations. Boutique fabricators, craft brewers and distillers, and creative offices with a production component are redefining the industry. These businesses tend to pay higher wages and employees want a central location with urban amenities.

## How tool solves challenge

Industrial density and use bonus programs have emerged as tools to incentivize the development of industrial and quasi-industrial uses in areas with strong market potential where they would otherwise be priced out of the market.

The tool enables developers to cross-subsidize the construction of lower valued industrial uses in exchange for the right to build higher valued uses, like residential, office and hotel. Both New York and San Francisco have enacted local industrial density bonus programs.

## Tool Mechanics

The density and use bonus program works by granting the right to build high-value uses in exchange for also building lower valued uses. This same principle has been used for decades to incentivize the production of affordable or workforce housing units in strong market locations.

Density bonus programs leverage underlying market strengths, like location, to extract a community benefit from a private real estate transaction. As such, they do not typically require subsidy, so their costs are low and mainly administrative.

The effectiveness of the tool depends on two main components, and the entitlement spread created between them. First, the base zone entitlements should be relatively low and restrictive in order for the bonus to have value to the developer. High by-right base zone entitlements can dilute the impact of bonus programs. Second, the bonus entitlements should be relatively large to have a sizeable financial impact. Generally, the bonus (high-value) amount should be several times the required, low-value space amount. This will ensure that the rational financial decision is to take advantage of the program and build the industrial uses. Setting the bonus amounts too low will result in underperformance of the land and perhaps no net new production of industrial space.

Starting a density bonus program does not require state action. A bonus program can be enacted at the local jurisdiction level. The program can be limited to a specific area with an overlay or instituted more broadly covering entire zone districts. Administration of the program can be handled by current planning and permitting staff, as with any other zoning or permitting issue.



### Implementation Steps

1. No state action or direct subsidy is required.
2. City ordinance is likely needed to establish basic policy goals and tool parameters.
3. Local department leadership and staff can establish key program details, such as:
  - a. The base entitlements, intensity and uses;
  - b. Bonus allowances and permitted use types (i.e., what types of industrial or makerspaces are eligible for the bonus?); and
  - c. Eligibility areas (i.e., overlay zone or zone-based designations).
4. Non-profit partner to own and/or manage the industrial space may need to be secured.

### Implementation Considerations

- Location is a key consideration when contemplating a density bonus program. The best locations are ones that have relatively high market demand, but that are also appropriate for quasi-industrial uses. High-value residential only areas would not be a good fit, but essentially any other non-residential or mixed-use area could be acceptable.
- Changing base entitlements, particularly reducing them, can be challenging. In areas that are transitioning from industrial to other uses, the zoning may already be rather restrictive and ideal for this type of bonus program. However, in areas that already have permissive zoning, it can be challenging to reduce the base entitlements enough to give the bonus enough value to be effective.

- The relationship of the bonus amount to the required industrial amount is critical to success. In order to be effective, the bonus amount generally needs to be several times the required amount. In other words, the bonus amount should be 3-5+ times the amount of the required industrial space. Mixed-use projects are already very complex. Adding a third or fourth use type into the site and space planning and the associated financing can be challenging.
- A non-profit partner that can buy and/or manage the new industrial space that is created through the program is an important consideration. Developers are often product-focused, and a residential or hotel developer may not be able to or interested in owning and/or managing industrial space. In addition, having this partner can help developers secure lease agreements or letters of interest that can overcome financing challenges.

### Point of Contact

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# Case Study

## Name / Location:

Hundred Hooper / San Francisco, California

## Description:

Hundred Hooper is a 400,000-square-foot mixed-use development that includes 53,000 square feet of leasable, finish-to-suit “production space” made possible through the San Francisco Production, Design and Repair (PDR) bonus policy. The bonus program requires 33% of new development in the district to be PDR uses which enables up to 67% (2-to-1 ratio) of new uses to be higher valued, such as office, retail, and hotel.

## Problem:

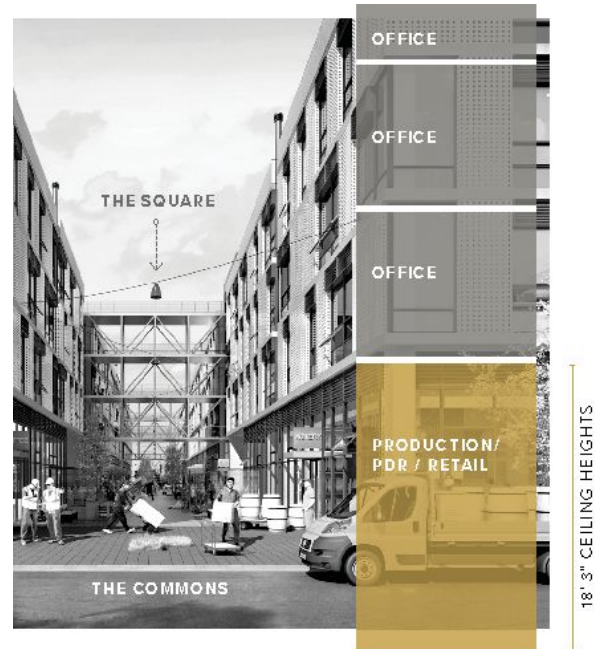
San Francisco faced pressure to rezone industrial areas with strong market potential, or costly development challenges that could not be overcome by relatively low-value industrial uses.







## Solution:

The City/County preserved industrial options by allowing for higher return uses to cross-subsidize the production of desired lower value, higher wage uses, in this case production or maker space. In addition, a non-profit partner was able to acquire and manage the newly created “production” space.

## Research Sources:

- *Creating an Innovative Mix: What We Can Learn from San Francisco. (2016).* Retrieved from: [https://prattcenter.net/sites/default/files/25\\_kent\\_policy\\_brief\\_final\\_0.pdf](https://prattcenter.net/sites/default/files/25_kent_policy_brief_final_0.pdf)



 <p><b>PRODUCTION / PDR</b> ±53,000 sf Light industrial, production space available</p>	 <p><b>RETAIL SPACE FOR PDR USER</b> Up to ±16,000 sf Potential sit-down restaurant, brewery, coffee roaster, or winery</p>
 <p><b>THE OFFICES</b> ±314,000 sf Class A office space on floors 2-4 leased to Adobe</p>	 <p><b>CURBSIDE LOADING</b> Ground-floor roll up doors in select locations</p>
 <p><b>ACCESSIBILITY</b> Close proximity to I-280 and Highway 101</p>	 <p><b>FLOOR TO SLAB HEIGHT</b> 19'-6" to 20'-7"</p>



# Denser Industrial Entitlements

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Prime industrial land is in short supply and the areas where industrial uses are permitted are often very low-density zone districts. Many industrial areas, both greenfield and infill, require substantial infrastructure upgrades or investments prior to development. The low density allowed in many industrial zones does not enable enough value density to be located on a site to overcome the infrastructure cost hurdles. This leads to a negative effective land value (residual land value) in many locations, which means these lands will not develop. Our region has many examples of employment lands that have been vacant or underdeveloped for decades.

## How tool solves challenge

In locations with high market strength, increasing the density allowances for industrial and employment uses may unlock development potential. Land prices and infrastructure costs are often fixed costs, which means lower intensity developments have a harder time overcoming the barriers than higher intensity developments. Aligning the zoning entitlements with the highest intensity the market can deliver may allow land costs to be absorbed. These changes may also allow a more dense project to cover the cost of new or upgraded infrastructure.

## Tool Mechanics

Implementing this tool is simply a matter of adjusting key zone district standards to enable more intensive building forms and increase value density.

## Implementation Steps

1. No state action is necessary and no direct subsidy is required.
2. Change local zoning code standards to enable more dense industrial development.
  - a. Understand maximum market potential and calibrate standards accordingly.
  - b. Take a comprehensive look at zone standards, not just height.

## Implementation Considerations

- Planners often think increasing density is simply a matter of increasing height or floor area ratio (FAR), but a more comprehensive set of changes is needed. Adjustments to parking standards, setbacks, lot coverage and landscaping requirements that allow more of the site to be used for income producing buildings are also often necessary. Additional infrastructure costs due to denser uses should also be considered.
- Calibrating zoning to the maximum market potential in the near to medium term is both critically important and challenging. Market dynamics shift faster than zone standards change. Increasing zoning density can be a difficult political process. It is important to engage with innovative local designers, builders and developers during the zone change process to understand the upper bounds of what could be feasible in the near to medium term.

## Point of Contact

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# Case Study

## Name / Location:

Georgetown Crossroads / Seattle, Washington

## Description:

Georgetown Crossroads is the first multi-level distribution facility in the nation. The developer Prologis, built this 590,000-square-foot, three-level project in 2017 on the site of a former single-level, 50-year-old warehouse. The site enjoys close proximity to the Port of Seattle as well as major freeways/arterials. The bottom two levels are dedicated for fulfillment, occupying over 400,000 square feet of space. The third level, at more than 180,000 square feet, has a 16-foot clear height and two loading docks supported by three forklift-accessible freight elevators. The floor has been designed for office, manufacturing and light warehousing use, but not for heavy-duty fulfillment.

## Problem:

Prologis wanted to maximize the efficiency of a site through vertical expansion. Typical industrial zoning restricts height and lot coverage and costs of multi-level construction can be positive. This site is zoned IG-2, General Industrial, which has no height limit and generous lot coverage requirements. Some jurisdictions in the Portland region would not allow the height of Georgetown Crossing (height of approximately 70 feet). Another challenge is the high cost of construction. It may cost as much as an additional \$150/square foot to construct a multi-level distribution facility. Only high-value land justifies such a cost.

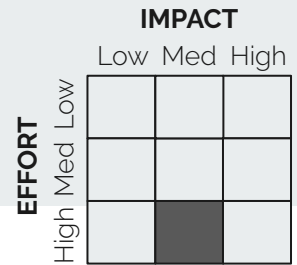
## Solution:

Prologis constructed a 590,000 square foot fulfillment center on three stories. This project features ramps for truck access to second floor loading docks, in addition to a freight elevator that helps move products vertically between the floors. Prologis broke the mold on multi-level distribution, recognizing high land costs, historically low vacancy rates (and commensurate increase in rents), increasing demand for shipping/delivery, and increasing transportation costs.

## Research Sources:

- *Rising to the Challenge with the First U.S. Multi-story Warehouse.* (2017). Retrieved from: <https://www.prologis.com/logistics-industry-feature/rising-challenge-first-us-multistory-warehouse>
- *Prologis Builds First Multi Level Distribution Center.* (2018). Retrieved from: <https://www.freightwaves.com/news/smart-capacity/prologis-builds-first-multilevel-dc>

# Adaptive Reuse Incentives / Code Exemptions



## Defining the problem

Strict interpretations of building code can make the adaptation of existing buildings to suit new uses impossible or very costly, which incentivizes demolition or continued abandonment of parts of or entire buildings. With the large number of aging buildings in the Portland region, the question of how to maximize the benefit of the existing building stock looms large over analyses regarding regional employment lands.

## How tool solves challenge

Jane Jacobs, author of *Death and Life of Great American Cities*, famously wrote that “cities need old buildings so badly it is probably impossible for vigorous streets and districts to grow without them.” This is because old buildings provide cheap and flexible space for entry-level and low-margin businesses to operate and thrive. Jacobs also wrote that “Old ideas can sometimes use new buildings. New ideas must use old buildings.”

Providing a pathway for the cost-effective adaptive reuse (AdRu) of existing buildings can help create lower rent employment spaces that are affordable to industrial, creative and start-up businesses. A recent study from the National Trust for Historic Preservation\* found that, to grow their economies, cities should make it easier to reuse small buildings; and that, in some cities, “older commercial buildings languish, with empty upper floors or vacant storefronts. Cities can help unlock the potential of these spaces by removing barriers, such as outdated zoning codes and parking requirements and streamlining permitting and approval processes.”

\* *Older, Smaller, Better: Measuring how the character of buildings and blocks influences urban vitality*, National Trust for Historic Preservation (NTHP): [http://dillonm.io/articles/NTHP\\_PGL\\_OlderSmallerBetter\\_ReportOnly.pdf](http://dillonm.io/articles/NTHP_PGL_OlderSmallerBetter_ReportOnly.pdf)

## Tool Mechanics

The tool works primarily by easing the regulatory approval process on adaptive reuse efforts for older buildings, by providing financial incentives for AdRu, and by lowering the construction costs associated with reuse by loosening the applicable requirements.

Flexibility and options are needed in meeting building code, seismic, accessibility, and fire requirements when adapting old buildings to new uses.

A single permitting point of contact is provided, which can be in the form of a dedicated lead planner, to facilitate projects through the review process and ensure that zoning relief and permit review fee waivers are applied properly.

Building reuse is integrated as a goal in other policy initiatives and reforms (i.e., zoning code updates, building code reforms, parking policy changes, transit oriented development guidelines, climate plans, and zoning code updates).

Jurisdictions provide financial incentives to repurpose older buildings by setting aside money from development review revenue to cover costs like permitting and architectural fees.

Most of the implementation measures are taken by local jurisdictions, though the state building official can also be a partner in building code reforms.

Key partners include planning, zoning, historic preservation, and building code officials.

Local architects experienced with adaptive reuse projects are a key resource, that can help the tool evolve and work better over time based on their iterative feedback.



### Implementation Steps

1. Each local jurisdiction provides a single point of contact for AdRu projects. For example, Phoenix, AZ, chose to establish an Office of Customer Advocacy, a one-stop shop within the Development Services Department. The office was placed in a visible first-floor location of their development services building and staffed by employees with extensive experience and knowledge about development. Staff act like a primary care physician handling a small business owner's case and connecting them to various city resources, giving them revitalization options besides knocking down buildings.
2. Apply the International Existing Buildings Code to AdRu projects, rather than the code requirements of the International Building Code (IBC) for new buildings.
  - a. Or, apply the requirements of the building code that was in effect at the time of the building's original construction.
3. Provide zoning relief tools for parking, setbacks, density, height, landscaping, and screening.
4. Integrate processes for these tools and concurrent multi-discipline development review.
5. Give priority to AdRu projects when processing zoning applications.
6. If the building is historic, provide a Certificate of No Effect for historic preservation purposes.
7. Implement more flexible definitions of building use to make future adaptation to changing market needs easier, faster, and less expensive.

### Implementation Considerations

- A successful adaptive reuse program should have a guiding priority of maintaining safety with proper engineering surveys while helping business owners reduce their time and costs. It may require action by the state building official, working with local building officials, to allow broader local interpretation of building codes.
- This loosening of building code interpretations must be paired with zoning changes that exempt AdRu projects from key standards, especially those that were not in place when the building was originally constructed, and those that may apply to a proposed new use but not to the original use.
- One possible unintended consequence is that adaptive reuse projects can serve to extend the life of existing buildings, which may have a lower floor area ratio than the zoned capacity of any given site. This must be balanced with the potential to bring lower cost space to market, which is vital for stimulating economic growth.
- The amount of older buildings where adaptive reuse is a potential option is significant in older parts of cities. All buildings have an economic life that eventually will make them potential candidates for adaptive reuse as their original uses cease and leave them vacant. It is just a matter of time.

### Point of Contact

Phoenix, AZ: Office of Customer Advocacy,  
602-534-7344

Los Angeles, CA: Mayor's Office of Housing and  
Economic Development, 213-978-0600



## Case Study 1

### Name / Location:

Old Bank District / Los Angeles, California

### Description:

One block with four formerly abandoned historic office buildings in Los Angeles was redeveloped into a mix of office, retail, services, loft apartments, and event space.

### Problem:

Abandoned buildings in a prime location were not being used.

### Solution:

Adaptive reuse incentives were cited as the key that unlocked the reuse potential of older buildings in downtown LA, leading to more than 14,000 new housing units being created between 1999 and 2012. California Environmental Quality Act (CEQA) does not apply if a project is “by-right” in a building that is not historically significant. This provides project flexibility in meeting seismic and other requirements.

### Research Sources:

- *Adaptive Reuse Program*. (2019). Retrieved from: <https://www.downtownla.com/images/reports/adaptive-rescue-ordinance.pdf>
- *Learning from Los Angeles*. (2013). Retrieved from: [https://la.uli.org/wp-content/uploads/sites/26/2013/08/Partnership-for-Building-Reuse-Learning-from-Los-Angeles-2013\\_opt.pdf](https://la.uli.org/wp-content/uploads/sites/26/2013/08/Partnership-for-Building-Reuse-Learning-from-Los-Angeles-2013_opt.pdf)



## Case Study 2

### Name / Location:

WebPT / Phoenix, Arizona

### Description:

A 6,600-square-foot building in Phoenix, originally used as tortilla factory, was converted for use as tech offices.

### Problem:

Abandoned buildings in a prime location were not being used.

### Solution:

Streamlined permitting and review process at city of Phoenix enabled the redevelopment of this site.

### Research Sources:

- *Adaptive Reuse: Turning Blight into Bright*. (2019). Retrieved from: <https://www.ccim.com/newscenter/commercial-real-estate-insights-report/adaptive-reuse/?gmSsoPC=1#localcollab>
- *Phoenix Adaptive Reuse Program Eases the Way for Downtown Development*. (2016). Retrieved from: <https://www.bookweb.org/news/phoenix-adaptive-reuse-program-eases-way-downtown-development-34606>
- *Adaptive Reuse Program*. (2019). Retrieved from: [https://www.phoenix.gov/pddsites/Documents/TR\\_T/dsd\\_trt\\_pdf\\_00594.pdf](https://www.phoenix.gov/pddsites/Documents/TR_T/dsd_trt_pdf_00594.pdf)

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# Redevelopment

## Summary of Tools

Unlike the national best practices for the “Entitlements” challenge, there is a fairly wide range of implementation complexity for the tools addressing the “Redevelopment” challenge. Some of these tools (“Major Public Site Repurpose”, “Single Parcel Urban Renewal Areas”, and “Micro Commercial Spaces”) can be implemented at the local level, with only city council action. Others require legislative action at the state level and some could be challenging from a political standpoint (“Metropolitan Districts” and “Land Value Tax”), and are therefore unlikely to be implemented in the near term. These more complicated tools are nonetheless worth considering since they have been used effectively in other states. That said, all of the redevelopment tools have potentially wide applicability and any jurisdiction could take advantage of them.

This category contains the following tools and case studies:

- 1. Metropolitan Districts**  
Case Study: Belmar Redevelopment Project (Lakewood, CO)
- 2. Major Public Site Repurpose**  
Case Study: Stapleton (Denver, CO)
- 3. Land Value Tax / Split-Roll Taxation**  
Case Study: Harrisburg Split-Roll System (Harrisburg, PA)
- 4. Single Parcel URA/TIF Districts**  
Case Study: Seaholm Redevelopment Project (Austin, TX)  
Case Study: Wilsonville Tax Increment Finance (TIF) Zones (Wilsonville, OR)
- 5. Title to Foreclosed Properties**  
Case Study: Midcity Baton Rouge Affordable Housing (Baton Rouge, LA)
- 6. Micro Commercial Spaces**  
Case Study: Micro Commercial Spaces (New York City, NY)

# Metropolitan Districts

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Many employment sites throughout our region require substantial new or upgraded infrastructure to be developed, and often these costs exceed the value of the land. Infrastructure costs for large-scale development projects are rarely feasible to be financed through private equity and debt. Without a tool to overcome this cost imbalance, these sites are likely to sit idle.

Existing tools often have a narrow set of eligible projects, uses and potential revenue sources. They tend to be inflexible and best suited to finance the construction of a single, near-term infrastructure item. They also can have a relatively high bar to establish in the first place. For instance, Local Improvement Districts (LID) require signatures from a majority of property owners and a jurisdictional vote to decide if a LID will be established. If two-thirds of property owners object, the city cannot proceed with a vote at all.

## How tool solves challenge

Metropolitan Districts are a special district established by state law in Colorado. They have a wide range of potential uses, sources of revenue and can be established by the private sector. Under Colorado law, Metropolitan Districts are considered to be an independent unit of government and, as such, are vested with wide ranging powers, including the ability to assume low-cost bond financing to construct infrastructure. Revenue for bond payments can be raised from a wide variety of sources, such as special assessments, fees, and property and sales taxes. The flexibility and autonomy of Metropolitan Districts have made them a very popular tool to finance infrastructure. They have been used for urban infill, brownfield redevelopment, and large-scale greenfield developments.

## Tool Mechanics

Colorado state statutes establishes Metropolitan Districts as a subdivision of the state, like a city. The statutes define a narrow set of eligibility requirements that make establishing a new Metropolitan District fast and predictable, because they are not subject to a political process.

No popular or jurisdictional vote is required for the formation of a Metropolitan District; they only require cooperation among affected property owners. Local jurisdictions only have the ability to decide on the eligibility of a Metropolitan District based on a narrow set of state requirements, including having a Service Plan that provides at least two basic services and identifying an eligible set of electors. Electors must be registered to vote and either: 1) a district resident or 2) a private owner in the district. The elector requirements allow private corporations to determine all electors, and there is no recall or popular election that can upend the board.

Once established, a Metropolitan District can set about establishing fees, taxes, and special assessments to fund a wide range of activities, including infrastructure construction, management, business development. Activities (costs) born by the developer related to furthering the project can be deemed eligible expenses and paid by Metropolitan District funds. In addition, the debt assumed by the Metropolitan District is non-recourse to the original owner/developer and is not backed by the jurisdiction that the property is within.

Metropolitan Districts can operate in perpetuity and change or add new fees, taxes, or special assessments based on changing construction budgets or new projects. This makes them particularly well suited to large-scale, multi-phased projects.

### Implementation Steps

1. State enabling legislation is required.
2. Development of state rules regarding Metropolitan District eligibility, such as Service Plan and Qualified Electors, are needed.
3. Metropolitan District formation by private or public entity requires:
  - a. Service Plan,
  - b. Qualified electors for board,
  - c. Bond issuance,
  - d. Construction of infrastructure, and
  - e. Development of real estate.



*Denver's Union Station renovation was financed, in part, using Metropolitan Districts.*

### Implementation Considerations

- The key strengths of Metropolitan Districts are their ability to raise revenue from multiple sources, adjust revenue and projects over time, and make decisions quickly outside of a political process. With such wide-ranging power, comes risk. Special consideration would be required when enacting state legislation to preserve the right balance of these strengths and accountability.
- Oregon currently has property tax revenue limitations and a lack of sales tax that could hamper the impact of a financing tool like Metropolitan Districts. However, there are likely ways to creatively define certain fees so as to enable this tool to still be effective in the state. Oregon has experimented with classifying new revenue as fees rather than sales taxes to avoid prohibition against a sales taxes. This could enable the implementation of something resembling a Metropolitan District but further investigation is needed.
- Metropolitan Districts are particularly well suited for large-scale, multi-phased development projects because of their ability operate for long periods of time, and adjust projects and revenue.

### Point of Contact

Colorado State Department of Local Affairs (DOLA)  
Division of Local Government  
303-864-7720





# Case Study

## **Name / Location:**

Belmar Redevelopment Project / Lakewood, Colorado

## **Description:**

A 22-block, 104-acre redevelopment of former Villa Italia Mall originally opened in 1966 and closed in 2001. A multi-layered financing strategy helped remediate and redevelop the site into a major mixed-use town center for this suburban community. The Metropolitan District allowed for financing of major infrastructure through additional property taxes and sales fees. The build-out includes 777,000 square feet of retail space, 300,000 square feet of office space, 190,000 square feet of hotel space, 1,048 housing units, 9 acres of public parks/plazas, and 5,000 parking spaces (garage, surface, and street).

## **Problem:**

The Villa Italia Mall was a dead mall in part of region with no “center.” The site lacked both modern, basic infrastructure and placemaking infrastructure necessary to create a successful mixed-use town center. Developers of the site needed the ability to borrow/bond for new infrastructure and a mechanism to assess property owners, residents and business owners taxes and fees to pay bond obligations.

## **Solution:**

Metropolitan Districts can be set up by a landowner with very limited requirements from the state and virtually no oversight from local jurisdictions. They are required to provide two or more basic infrastructure service items, like sewer or water, and often are designed to provide many. Importantly, they can exempt themselves from the Colorado “taxpayer bill of rights” (TABOR) amendment that limits the amount of property tax that can be levied. This allows them to assess at higher rates and reassess more often than would otherwise be allowed by state law.

## **Research Sources:**

- *Belmar: A Colorado Brownfields Success Story*. Retrieved from: <http://coloradobrownfields.org/portfolio/belmar-mixed-use-redevelopment-lakewood/>
- *Belmar: “Urbanizing” a Suburban Colorado Mall*. (2013). Retrieved from: <https://urbanland.uli.org/development-business/belmar-urbanizing-a-suburban-colorado-mall/>
- *The Publication of Private Business*. Retrieved from: <https://www.coloradofuturescsu.org/wp-content/uploads/2016/12/Metropolitan-Districts-in-Colorado-The-Publicization-Of-Private-Business.pdf>

# Major Public Site Repurpose

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

A handful of large, publicly-owned sites exist within the region, but their planning and development could have an outsized impact on the region given the magnitude of development, habitat, and open space that could be possible. The development of these large-scale sites poses unique challenges. Traditional surplusing of these large properties in a single transaction leads to very high carrying costs for the purchaser that can steer the new owner towards a development program that maximizes quick cash return, such as a residential subdivision. Large sites are likely to be developed in phases, potentially over several real estate cycles, so the right balance of clear vision, goals, and flexibility are necessary. A unique and long-term public-private partnership (P3) arrangement is needed that does not fit the typical P3 model.

## How tool solves challenge

The key to repurposing a large site is a phased ownership transfer from a non-profit entity to a private entity. This is important because non-profit (or public) owners are not taxed and can help the project avoid significant long term carrying costs. A private, non-profit partner is preferable to a government owner to ensure that rapid and predictable land transfer can happen as market opportunities arise.


This arrangement has clear benefit for market-rate development partners, but this type of relationship also makes it far easier to include community benefits in a project that would not otherwise happen. For instance, incorporating parks, open space, and civic uses is feasible because those areas were not purchased by a developer who would be reluctant to forego development on this portion of the property.

## Tool Mechanics

Public entities can create project-based, non-profit landholding entities that can partner with a private developer or developers to develop a large, multi-phased site. These non-profit landowners can act more quickly and independently than if the land were owned publicly. The private development partner can request and be granted ownership of smaller portions of the site to develop in phases, thereby limiting carrying costs. Generally, the developer would have what amounts to a sales option on the property that assures them a fast and predictable supply of long term land to build, assuming key performance standards are met.

## Implementation Steps

1. Conduct high level public/stakeholder planning process to define “must have” and “nice to have” elements of any future development. For instance, wetlands and unbuildable stream areas can be set aside right away, or key regional trail, road, or infrastructure linkages can be identified as required in any development scenario.
2. Create a non-profit entity that will act as owner and steward of this high-level plan during the phased development of the site.
3. Select a master developer and negotiate a set of purchase option terms that include performance standards that respect the fulfillment of the plan obligations.



### Implementation Considerations

Clearly defining needs without being overly prescriptive about how to achieve these needs is important, particularly on very large, long-term development sites that will be developed over several, changing market cycles.

### Point of Contact

Forest City Stapleton, Inc  
303-382-1800  
<http://www.stapletondenver.com/>

Calthorpe Associates  
510-548-6800  
<http://www.calthorpe.com/>



*Denver's Stapleton Airport redevelopment before and after.*



# Case Study

## **Name / Location:**

Stapleton Airport / Denver, Colorado

## **Description:**

Stapleton is a 4,700-acre master planned development of a former airport on the east side of Denver that has been gradually redeveloping for over a decade. A private, non-profit entity was formed to own the land tax-free, and sell phases as-needed to the chosen private development partner. This arrangement reduced the land carry costs for such a large site, with payment of taxes only on what was in the immediate development phases. The site underwent a master planning process that resulted in a plan for 12,000 new homes, 13 million square feet of office and commercial spaces, and hundreds of acres of new parks.

## **Problem:**

The decommissioning of Stapleton International Airport presented a unique opportunity for redevelopment. However, large sites take multiple years or decades to develop so having a non-profit land holder and partner can help offset large land carry costs (e.g., limit property taxes to immediate phases of development).

## **Solution:**

A unique planning process resulted in the creation of a community-supported development plan. A private, non-profit (Stapleton Development Corporation) was created through a partnership between the city and Denver Urban Redevelopment Authority. The Stapleton Development Corporation was granted legal power to hold and sell land for development which proved useful as it allowed for strategic, phased development of the land by Forest City, the chosen master developer for the site. The creation of a private, non-profit entity is something that is unique to the Stapleton case study that could be helpful on the handful of large, publicly-owned employment sites in our region.

## **Research Sources:**

- *Stapleton Mixed Use Master Plan*. Retrieved from: <https://casestudies.uli.org/wp-content/uploads/2015/12/C034004.pdf>
- *City of Stapleton*. Retrieved from: <https://www.stapletondenver.com/community/our-story/>

# Land Value Tax / Split-Roll Taxation

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

The existing property tax system taxes land and improvements at the same rate. When improvements are made to a property, the property tax assessment goes up accordingly once the improvements are completed. This provides a disincentive to develop property, as the holding costs on underdeveloped land are lower than taxes on more developed land.

## How tool solves challenge

A split-roll tax flips conventional property taxes on their head by levying a much higher tax rate on land than on buildings. Shifting the tax burden in this way encourages more efficient and economically intensive use of land, and discourages owners from underutilizing land or engaging in buy-hold land speculation.

This market-based approach to encouraging efficient use of land could be geographic or zone-based in order to focus on employment lands or avoid neighborhoods.

A lower tax rate on improvements removes a potential disincentive to redeveloping vacant property. A higher tax rate on land discourages real estate speculation because developers cannot sit on undeveloped or underdeveloped land without suffering steep costs.

## Tool Mechanics

Legislation would be required in Oregon to allow split-roll taxation to be implemented either statewide or independently by local jurisdictions.

Under split-roll taxation, property assessments are divided into two parts: the value of the land, and the value of the buildings. A ratio or multiplier is established between the two assessment rates. For instance, setting land tax rates at 10 times the rate of tax on improvements.

This ratio could be set statewide, or on a jurisdiction by jurisdiction basis, or based on some other geography (i.e., land use or zoning). This ratio needs to be sufficiently high to promote the intensification of land use and discourage the underutilization of potentially useful land.

A regular public evaluation process should calibrate these rates and relationships in order to maximize the incentive to invest and minimize unintended consequences.

Land value is already established and updated regularly by property tax assessors in Oregon, so minimal administrative costs would be associated with implementing a split roll taxation system.



*Parking lots in downtown areas are not discouraged with current property tax structure*

### Implementation Steps

1. Pass state legislation authorizing split-roll taxation within Oregon.
2. Determine the ratio between land and improvement taxation rates.
  - a. Decide on whether this ratio varies by geography, and if so, which geographical units (jurisdiction, zoning class, metropolitan region, etc.).
  - b. Provide a mechanism for this ratio to be adjusted over time.
3. Monitor market action and land price changes as vacant land finds new highest and best use.
4. Conduct countywide property tax reassessments on a regular, recurring schedule to improve equity.



*High land value taxes incentivize development of vacant or underutilized parcels. Example of a redeveloped parking lot in Arlington, VA above*

### Implementation Considerations

- The cost of services is increasing, while the funding required to provide them has not kept up, leading to an interest in implementing property tax reform in Oregon, possibly as soon as the next legislative session.
- It is unclear how split-roll taxation might conflict with the property tax limitations which might, if strictly interpreted, prevent taxes from increasing under split-roll taxation and thus reduce its effectiveness at closing government funding gaps. It could still be an effective tool for reducing any real estate land speculation that involves land fallowing or keeping land uses at intensity levels significantly below the highest and best use.
- Low-intensity land uses may eventually get priced out or encouraged to intensify in order to pay a higher tax rate on land. This may lead to different considerations and consequences in residential as opposed to employment areas, which any detailed tax reform effort involving split-roll taxation would need to address, using strategies such as low income property tax deferrals.

### Point of Contact

Dauphin County Tax Assessor's Office  
717-780-6101



# Case Study

## Name / Location:

Harrisburg Split-Roll System / Harrisburg, Pennsylvania

## Description:

Harrisburg's split-roll system, enacted in 1975, encourages new construction and economic revitalization. It is accomplished by reducing the tax rate on buildings while raising the tax rate on land. While not a full land value tax, it has proven to be a remarkably effective tool to incentivize private owners to maximize the use of their land.

## Problem:

In 1981, Harrisburg was listed as the second-most distressed city in the nation, requiring new tools to incent development/redevelopment.

## Solution:

Beginning with the implementation of the split-roll property tax and gradually increasing the tax on land while decreasing the tax on buildings, Harrisburg has sustained an economic resurgence. As of 2001, the value of taxable real estate was over \$2.2 billion, versus \$212 million in 1982. Over 26,000 building permits were issued from 1982 onwards, representing over \$2.65 billion in new investment. Even adjusted for inflation, this is more than for any period since Harrisburg became a municipality in the year 1791, with most of this investment undertaken since 1990. There were over 5,500 businesses on the city tax rolls in 2001 compared to 1,908 in 1981. The number of vacant structures in Harrisburg (over 5,500 in 1982) has been reduced by 85% to less than 400. Among cities that have gone to a split-roll system, there is a considerable spread between the taxes on the value of land and those on the value of buildings. For instance, Pittsburgh's tax rate on land is nearly six times the rate of buildings. The Titusville ratio is nearly 9 to 1, while Harrisburg's ratio, which has been 3 to 1, will soon change to 4 to 1.

## Research Sources:

- *Why Don't More Cities Tax Based on Value of Land Rather Than What You Put On It?* (2013). Retrieved from: [nextcity.org/daily/entry/cities-split-rate-property-taxes-value-capture-land-value-Innovation-lab](http://nextcity.org/daily/entry/cities-split-rate-property-taxes-value-capture-land-value-Innovation-lab)
- *Land Value Rights*. Retrieved from: [www.earthrightsinstitute.org/news-4/publications/land-value-rights/226-pa-tax-reform](http://www.earthrightsinstitute.org/news-4/publications/land-value-rights/226-pa-tax-reform)
- *Split-Rate Property Taxation*. Retrieved from: [wealthandwant.com/themes/Split-Rate\\_Taxation.html](http://wealthandwant.com/themes/Split-Rate_Taxation.html)

# Single Parcel URA/TIF Districts

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Some communities have underutilized sites that fall outside the coverage of traditional urban renewal areas/tax increment finance districts (URA/TIF districts) or Enterprise Zones.

## How tool solves challenge

Cities can create URA/TIF districts for specific underutilized or vacant properties within their jurisdiction. Some communities create single site URA/TIF districts for the purpose of investing in site readiness and development and attracting high-quality, job-producing tenants to specific underutilized or vacant industrial properties. Sometimes a single site or project can be easier to establish as a URA/TIF than an entire district, particularly if the site is large enough to generate significant tax increment funds from development itself and/or if the site is isolated with fewer impacts on neighboring communities.

This tool could be useful for communities that: 1) lack an enterprise zone that provides tax abatements to attract eligible employment uses, or 2) are not interested in implementing a broader URA/TIF district due to political reasons, competing priorities, or capacity of their current URA/TIF.

## Tool Mechanics

Cities must follow state statute (Oregon Revised Statute 457) which governs URA/TIF districts. They can establish a single site URA/TIF district or could apply the same approach to a targeted set of sites.

A single site URA/TIF district has the same authority, restrictions, and limitations as a multi-property district. However, there can be fewer stakeholders and less time-consuming process to establish these focused districts. There are administrative costs and time associated with setting up even a non-controversial URA/TIF, so this tool is likely best for particularly challenging sites (or for properties with particularly compelling opportunities).

Cities can determine the maximum term of the URA/TIF in years, and the maximum indebtedness. If no qualifying investment occurs within a predetermined number of years of creating the URA/TIF Zone, the City may decide to terminate the URA/TIF.

URA/TIF agencies can provide direct grants to property owners using URA/TIF funds. Agencies can bond against tax revenue from anticipated private development to pay for eligible uses under ORS 457 (e.g., infrastructure, building improvements, other capital investments). Cities may impose minimum investments, minimum job levels and average wage levels as a prerequisite to initiation of single site URA/TIFs.



### Implementation Steps

1. For each site, a city would need to set up a URA/TIF per ORS 457. It would need to follow state statutes around maximum indebtedness, maximum area covered by URA/TIF within the jurisdiction, etc.
2. Identify boundary areas, potentially working with property owners and prospective developers.
3. Cooperate with local taxing jurisdictions per ORS 457 legal requirements.
4. Conduct public vote, if applicable within the jurisdiction.
5. If approved and implemented, develop a scoring mechanism for eligible investments that accounts for number of jobs, income levels, and level of investment but leaves room for flexibility.



*Urban renewal can be applied to complicated single-site parcels as a way to leverage development*

### Implementation Considerations

- Eligible developments may be at odds with tax abatement programs, such as an Enterprise Zone or Strategic Investment Program.
- Like other public finance methods, creation of a single site URA/TIF would require consultation with local taxing jurisdictions.
- If a city sets criteria that are too strict, a city may not be able to attract development to chosen sites. It is important to calibrate such criteria as minimum investment, minimum job count, minimum average wage level, to local market conditions. This may entail consultation with developers, and an assessment of investment patterns in similar markets.
- There are limited circumstances where this approach could be useful, but, in those cases, it could unlock development potential.
- This approach is likely best for the most challenging sites, since creation of the URA/TIF requires time for implementation, and, in some jurisdictions, a public vote.
- There may be potential pushback from the business community about which sites are eligible.
- If development is unsuccessful, the repayment mechanism could be in jeopardy. Public debt may not be possible, depending on the URA/TIF structure.
- Partners could explore a regional mechanism which would create and manage single-site employment URA/TIFs. This would likely require changes to ORS 457.

### Point of Contact

City of Austin Urban Renewal Board  
Sandra Harkins, Neighborhood Housing and  
Community Development  
512-974-3128



# Case Study

## Name / Location:

Seaholm Redevelopment Project / Austin, Texas

## Description:

The Seaholm Power Plant is a 7.8-acre redevelopment adjacent to downtown Austin that include a city-owned power plant site and a few surrounding parcels. The plant's main building is an iconic Art Deco structure that had been vacant and out of operation for years. The development program includes the renovation of the 136,000 square foot power plant building, an office building, a 60-unit condo building, a 180-room hotel and 50,000 square feet of retail space. Employment tenants include a Trader Joe's grocery and a 35,000 square foot office for MapMyFitness, an Under Armour company.

## Problem:

The Seaholm site was large and lacked basic urban infrastructure like streets, sidewalks and public open space. The cost of renovating the large historic structure was significant. Low cost financing tools were needed to make the project financially feasible.

## Solution:

Texas law allows Tax Increment Financing (TIF) districts to be established on a single site or at a district scale. Similar to Oregon, TIF revenue can be used to secure bonds to finance public infrastructure. The City formed a small, 30-year TIF district around the site in order to capture future property tax revenue to underwrite the bonds that were used to fund the construction of public infrastructure necessary to support a large-scale development. A master plan for the site was created that resulted in new, very dense zoning standards, and a new street, trails and open space plan that would be funded, in part, by TIF revenue supported bonds. The City formed a partnership with master developer Southwest Strategies Group. The TIF project list included partial funding for the power plant building rehabilitation, partial funding of a large 1.5 acre public plaza, and the entire cost of the new street improvements. The project is built, fully leased and successful. The redevelopment as created more than 200 jobs and is expected to produce \$2 million a year in tax revenue.

## Research Sources:

- *City of Austin Seaholm Redevelopment Project: Project Plan and Reinvestment Zone Financing Plan.* March 2009
- *Seaholm Development project webpage:* <http://www.seaholmdevelopment.com/>



# Case Study

## Name / Location:

Wilsonville TIF Zones / Wilsonville, Oregon

## Description:

Wilsonville established six TIF Zones on vacant warehouse property in 2013. The TIF Zones are similar to regular urban renewal areas (URAs) and require the same process for implementation. However, there are several key differences in the implementation of the districts. First, unlike traditional URAs, there will be no public debt involved. Second, TIF Zones have a specific purpose to provide property tax incentives for companies who invest in one of the five properties and create above-average wage jobs. TIF Zones offer businesses a rebate of up to 75 percent of the property tax increment (growth) resulting from their qualifying investment in a TIF Zone property.

Current TIF Zones include the former corporate headquarters of Joe's Sports and Outdoor on Southwest Boeckman Road; the former Nike distribution center off Southwest 95th Avenue; the former Ikon distribution center, also off Southwest 95th; the 250,000-square-foot Wilsonville Distribution Center on Boones Ferry Road; and a former Hollywood Video distribution center just off Elligsen Road near Argyle Square in north Wilsonville.

## Problem:

The city of Wilsonville sees manufacturing and technology as important industries for the future of the City's economy. There are several warehouse sites in the City that could accommodate businesses in those industries if a developer was able to reposition the properties. Wilsonville does not qualify for Oregon's Enterprise Zone program because it is not considered economically disadvantaged under state criteria. The TIF Zones program provides a similar incentive.

## Solution:

Since 2013, the City has not activated its TIF Zones on any of the six sites. The City required that companies invest at least \$25 million in capital improvements and/or qualified equipment, and create 75 or more new, permanent full-time jobs that pay a minimum of 125% of the average Clackamas County wage. The City learned from prospective developers that these eligibility criteria were too stringent, and this was limiting participation. The City is currently in the process of recalibrating the eligibility criteria for new investments so that more uses could be eligible which could incentivize new development.

## Research Sources:

- *City of Wilsonville - Incentives*. Retrieved from: <https://www.ci.wilsonville.or.us/economic/page/incentives>
- Phone Conversation with Tiberius Solutions (consultant working with the City of Wilsonville), May 15, 2019.

# Title to Foreclosed Properties

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

During a recession, properties can be foreclosed on for failure to pay property taxes. Counties assume ownership and the maintenance and management of these properties can be costly. Many counties will hold public auctions to sell these properties. During a recession, there may be few buyers or buyers may be buying to hold and speculate on a sale when the market recovers, but have no plans to develop the sites themselves. This pattern can result in clusters of blighted properties in certain neighborhoods that impact surrounding property values and are slow to see investment.

Redevelopment agencies (RDAs) and Land Bank Authorities have difficulty paying for new land, especially if they are not provided with seed capital from other government entities. Establishing a system whereby certain governmental or quasi-governmental entities are offered right of first refusal for foreclosed properties can provide a much-needed source (“pipeline”) of land for these entities.

## How tool solves challenge

Granting RDAs, Land Bank Authorities, and URA/TIFs the right of first refusal on publicly foreclosed properties would achieve several objectives. First, it would provide counties with a fast way to remove properties from their balance sheets. Second, it would provide a new pipeline of properties to public agencies that often struggle to secure property. Third, it would reduce speculation in the form of private “land banking.” Fourth, it would increase the odds that broader community benefits could be achieved through the redevelopment of these properties.

## Tool Mechanics

State law dictates certain rules and criteria that public agencies need to follow when disposing of property. This can include granting certain public agencies the right of first refusal for certain property types.

An eligible organization, such as a RDA, can review foreclosed property inventories on a regular basis. The agencies can determine which are desirable and exercise their right of first refusal to acquire. The “cost” can be established in a number of ways. At the high end, it could include the combined back taxes owed and administrative costs incurred to the county. In Louisiana, there is no direct cost assigned, which incentivizes the RDA to take more properties off the balance sheets of the county. The “cost” to the RDA is an estimate of future ownership costs (e.g., demolition, renovation, or simply mowing the grass) and the legal costs to clear the title. These costs can range but they are often well below the market value of the property, even in a recession.

Once the property has changed owners, the RDA then is responsible for maintenance and clearing title. After the title is cleared, the property can be leveraged into a public-private partnership or land banked to assemble with surrounding properties. The property has market value with limited cost liabilities, allowing the RDA to leverage that market value, which is often a significant component of public subsidy on projects.

### Implementation Steps

1. State administrative rule change is required to establish the right of certain public agencies to exercise a right of first refusal on publicly foreclosed properties before public auction.
2. Establish communication protocols between counties and eligible receiving agencies to share inventories of foreclosed properties.
3. Establish timelines for exercising right of first refusal and public auction.
4. Eligible receiving agencies need to establish property management capacity and engage cost-effective legal counsel to clear title of properties.



*Example of a foreclosed commercial property*

### Implementation Considerations

- While this tool can be very powerful in recessions or down market periods, it will not be fruitful in boom times when there are fewer foreclosures. It is hard to imagine a down market in 2019, but recessions are all but guaranteed to happen again and having this tool in place prior to the next recession would likely prove beneficial.
- This strategy can also assist RDAs and Land Bank Authorities in long term land assembly efforts. These assemblies can enable projects of a larger scale than would otherwise happen on small sites, but the assembly period can also take a long time and result in underutilized properties at key locations for years. The Lents Town Center area is an example of that phenomenon locally, where Prosper Portland has been assembling property for over a decade and only recently has significant redevelopment occurred.

### Point of Contact

Tara Titone, Director, East Baton Rouge  
Redevelopment Authority  
225-387-5606  
ttitone@ebrra.org



# Case Study

## Name / Location:

Entergy Site and Surroundings / Midcity Baton Rouge, Louisiana

## Description:

The local URA/TIF Authority, East Baton Rouge Redevelopment Authority (EBRRA) had a right of first refusal to receive title to foreclosed properties from the Parish (County) of East Baton Rouge, in Louisiana. EBRRA was obligated to clear title prior to soliciting redevelopment partnerships, but EBRRA is not responsible for any liens (e.g., back taxes). The cost to clear title and maintain property (e.g., fence, mow grass) is often far less than market price.

## Problem:

During the economic downturn, Baton Rouge had many abandoned and foreclosed properties in the Midcity area surrounding a large former power plant, called the Entergy Site, that EBRRA owned. The County was burdened with the cost of owning the dilapidated parcels and they had little market value at the time. The EBRRA was negotiating a public-private partnership (P3) at the time that would, if successful, raise the land value of surrounding parcels.

## Solution:

EBRRA evaluated a list of foreclosed properties provided by the parish to select which properties they wanted and would exercise their right of first refusal to acquire. The decision process involved understanding the costs associated with holding, cleaning, and clearing the property and title compared to the potential sale value or joint venture partnership opportunities in the future. Several sites around the Entergy Site were selected because of the potential value lift from the large-scale P3 development the EBRRA was negotiating at the time. These sites were evaluated for potential mixed-income housing development sites in partnership with non-profit and faith-based community partners. The EBRRA as a redevelopment authority has the ability to bond against future revenue created by property appreciation, and use this funding stream to purchase foreclosed properties for improvement.

## Research Sources:

- *East Baton Rouge Redevelopment Authority*. Retrieved from: [http://ebrra.org/main/inside.php?page=featured\\_1](http://ebrra.org/main/inside.php?page=featured_1)

# Micro-Commercial Spaces

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Starting a new business is risky, potentially expensive, and an effort that is statistically unlikely to succeed. Yet, local economic growth depends on new business development as innovation produces new firms and new business models. History provides many examples of businesses started in a garage. Every new business needs affordable space within which to begin and grow.

## How tool solves challenge

Creating small, affordable retail, manufacturing, offices, and/or maker spaces are all strategies to open up opportunities and pathways to entrepreneurship for start-ups and small businesses. Spaces could be leased, or even sold as condominiums or cooperatives, to provide opportunities to build long-term wealth.

Creating micro-commercial spaces can be an effective equitable development strategy, as it can lower the cost of entry for new business startups.

While the private market can create micro-commercial spaces, zoning and municipal codes can often get in the way. Key strategies to facilitate micro-commercial spaces include eliminating minimum parking requirements, allowing for a broad mix of uses, creating streamlined approval processes for adaptive reuse projects, and reforming building codes to allow subdividing buildings into smaller spaces.

## Tool Mechanics

Micro-commercial spaces are mostly enabled and encouraged at the local level. However, the state building official could provide assistance by reforming building codes to allow subdividing buildings into smaller spaces statewide.

Local jurisdictions should check zoning codes to ensure that parking, use, and other requirements do not effectively prevent micro-commercial projects. Allowing for a mix of uses is the key to encouraging micro-commercial spaces, for instance, allowing a business to manufacture and sell its goods in the same space. Dividing larger buildings up into multiple smaller spaces could be infeasible if parking requirements get in the way.

In general, it should cost very little to encourage and support micro-commercial spaces, while yielding multiple potential economic dividends, including new business creation, job growth, and ultimately growth in the tax base.



*Small commercial spaces are cheaper to rent, opening opportunities to a wider market*

### Implementation Steps

1. Reform building codes to facilitate subdividing buildings into smaller spaces.
2. Loosen zoning codes regarding parking, use, and other requirements that could prevent micro-commercial spaces.
3. Implement adaptive reuse programs that reduce barriers to converting older buildings into multiple smaller spaces to house a variety of new uses.
4. Work with community economic development groups (e.g., Micro Enterprise Services of Oregon, Mercy Corp NW, Ascent Funding, Craft3, Oregon Translational Research and Development Institute, Small Business Development Centers) to establish pathways from training programs and other entrepreneur development efforts to micro-commercial space developers and promoters.

### Implementation Considerations

- Micro-commercial spaces can offer pathways to entrepreneurship for traditionally economically disadvantaged populations.
- Micro-commercial spaces can benefit from transit and active transportation options to support workforce and client access.
- Larger existing sites can be subdivided into smaller spaces in a variety of contexts to encourage different combinations of small retail, manufacturing, office, and other space uses.
- Key partners in creating successful micro-commercial spaces include municipalities, private developers, business and economic development organizations, Certified Development Corporations, non-profits, and of course, motivated entrepreneurs.

- Anchor tenants may help make micro-commercial spaces more feasible.
- Setting of lease terms is important particularly with respect to subleasing.
- In addition to small sized commercial space, such developments should include flexible space to allow for on-site expansion. The lease terms and or flexibility within the site for relocating businesses should address this.

### Point of Contact

New York City Economic Development Corporation,  
212-619-5000



*Smaller spaces often attract a diversity of users*





# Case Study

## **Name / Location:**

Micro-Commercial Spaces / New York City, New York

## **Description:**

Similar to the now ubiquitous food carts across the Portland region, micro-commercial spaces provide for entry-level commercial spaces that allow small businesses to establish a low-risk proof of concept. Larger spaces, such as old warehouses, are subdivided into smaller spaces that are then subleased, leased, or turned into commercial condominiums and sold to emerging new businesses seeking affordable space.

## **Problem:**

Pathways to entrepreneurship need to be established, particularly for traditionally marginalized communities. Alternatives to “getting a job” are needed to allow for meaningful participation in the economy and wealth-building to economically disadvantaged populations.

## **Solution:**

Small flexible spaces greatly reduce overhead costs for small business owners. Combined with business development and entrepreneurial training programs, small flexible spaces can provide increased access on the economic ladder for early stage startups. Micro-manufacturers involved in food processing and food production are one group of potential tenants that are crucial to the growth of food and dining businesses in a city. Many producers that start using shared kitchens have gone on to establish full-service restaurants, expanded to roving food trucks, or even created special sauces for restaurants distributed across cities. Consumer-facing producers that create high-value items with small equipment, like jewelry, scarves, and small furnishing goods, typically require small workshops that measure 400-800 square feet each.

## **Research Sources:**

- *Is Tiny Commercial Real Estate The Next Big Thing?* (2018). Retrieved at: [www.bisnow.com/charlotte/news/retail/is-tiny-commercial-real-estate-the-next-big-thing-83166](http://www.bisnow.com/charlotte/news/retail/is-tiny-commercial-real-estate-the-next-big-thing-83166)
- *Empty Stores Are Killing New York City. Is This the Fix?* (2018). Retrieved at: [www.citylab.com/equity/2018/10/vacant-storefronts-nyc-commercial-rent-control/574069/](http://www.citylab.com/equity/2018/10/vacant-storefronts-nyc-commercial-rent-control/574069/)
- *Tiny Restaurants Turn Into Small Wonders.* (2013). Retrieved at: [www.craigslist.com/article/20130811/RETAIL\\_APPAREL/308119972/tiny-restaurants-become-money-magnets](http://www.craigslist.com/article/20130811/RETAIL_APPAREL/308119972/tiny-restaurants-become-money-magnets)

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# Site Assembly/Aggregation

## Summary of Tools

Site assembly and the challenge of “unwilling seller” property owners is a key challenge that can be solved with carrots like high purchase prices, patience through changes in ownership, or sticks like the use of eminent domain. The tools identified in this section focus primarily on new carrots, like expanded entitlements in “Graduated Density Bonuses” and increased patience and purchasing power of “Industrial Land Banks”. An expansion of eminent domain is an avenue that would require state action and could face political and legal headwinds.

Of the three national best practice tools identified for the site assembly/aggregation challenge, two (“Graduated Density Bonuses” and “Industrial Land Banks”) can be instituted relatively simply at the local level, although it is possible that the land bank tool may require some minor modifications to state law. The third tool for this development challenge (“Enhanced Redevelopment Authority”) is more politically complex and would require changes to state law in order to implement.

This category contains the following tools and case studies:

- 1. Enhanced Development Authority**  
Case Study: Menomonee Valley Industrial Center (Milwaukee, WI)
- 2. Graduated Density Bonus**  
Case Study: Kadota Fig Neighborhood (Simi Valley, CA)
- 3. Industrial Land Bank**  
Case Study: Cleveland Industrial Commercial Land Bank (Cleveland, OH)

# Enhanced Redevelopment Authority

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Redevelopment Authorities (RDAs) are adept at large-scale, complex redevelopment projects but sometimes lack the full range of tools needed for purposeful development.

## How tool solves challenge

Development authorities have broader powers in site redevelopment (e.g., site condemnation), financing tools (e.g., exempt from state tax measures, allow fees, capture frozen base) and risk tolerance (i.e., deal participation). This creates a stronger, more nimble “public” partner in public-private partnerships.

RDAs are especially effective in large-scale and complex redevelopment projects and land assembly, which could be applicable to large-scale employment land redevelopment.

## Tool Mechanics

A RDA is an independent political and corporate body that is not an agency of a municipality. The RDA has more nimble operations and flexible capital than if housed in a jurisdiction. RDAs are granted broad powers to plan and implement actions needed to redevelop underused and deteriorated areas to encourage new development and to promote growth.

Key parties that interact with a RDA include local jurisdictions, private landowners, and developers.

Funding can come from a variety of sources, including grants and possibly private funds. As an independent corporation partnered with a city, county, or region, RDAs can creatively leverage other funding sources. Revenue generation potential depends on the structure of the authority and what assets it holds, but is similar to a land bank in its powers.

Oregon laws may limit the potential powers of a RDA. More research and discussion is needed if jurisdictions are interested in implementing this tool. Interested parties should explore potential statutory changes to expand URA/TIF or land banking authority to focus on site readiness and employment lands explicitly, and potentially to grant additional necessary powers.

RDAs are implemented at the local level, but interested parties could consider a cross-jurisdictional regional approach.

## Implementation Steps

1. Convene stakeholders to explore interest in statutory changes to expand URA/TIF or land banking authority to focus on site readiness and employment lands explicitly, and potentially to grant additional necessary powers.
2. Additional steps will be identified from these discussions on statutory changes and will vary depending on the current structure of specific cities.

## Implementation Considerations

- Some entities are granted statutory authority to undertake redevelopment with greater independence and power, especially for condemnation.
- A regional approach that would pool resources across jurisdictions and look at employment land as a regional portfolio may be a benefit.
- There could be concerns regarding governance and ensuring that powers are used for public purpose.
- RDAs could be limited in scope to achieve a specific goal (e.g., living wage job production).

## Point of Contact

Redevelopment Authority of the City of Milwaukee  
414-286-5730



# Case Study

## **Name / Location:**

Menomonee Valley Industrial Center / Milwaukee, Wisconsin

## **Description:**

The Redevelopment Authority of the city of Milwaukee (RACM) is an independent corporation created by state statute in 1958. The Redevelopment Authority is a leader in the field of economic development. Over the years, it has issued bonds in excess of \$1 billion to leverage and support private investments.

The Redevelopment Authority was a key player in the redevelopment of the Milwaukee Railroad Shops property in the western end of the Menomonee Valley. Once home to manufacturing plants, the property was abandoned in 1985 when the Milwaukee Railroad went bankrupt. In 2002, before the City acquired the site, local partners organized a national design competition to plan the redevelopment of the property. The blighted site later became the subject of Milwaukee's largest eminent domain action, and the Redevelopment Authority acquired the land from Chicago-based CMC Heartland Partners for \$3.5 million in 2003.

## **Problem:**

Like many brownfields, the site has an industrial history going back to the 19th century. Redevelopment of the site required an active public champion who could lead implementation and consolidate the different funding sources required to revitalize the site.

## **Solution:**

Since redevelopment, the city has spent \$24 million to create the 60-acre Menomonee Valley Industrial Center. Key projects included the purchase and demolition of the former railroad shops, an environmental cleanup, and new roads and parks. Property taxes from the new businesses, and the sale of business park parcels, are paying back the City's cash.

## **Research Sources:**

- Milwaukee's Menomonee Valley. Retrieved from: <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.593.583&rep=rep1&type=pdf>
- Redevelopment Authority. Retrieved from: <https://city.milwaukee.gov/racm#.XLT5-5NKhTZ>
- Wisconsin Legislature: 66.1333. (2019). Retrieved from: <https://docs.legis.wisconsin.gov/statutes/statutes/66/XIII/1333>

# Graduated Density Bonus

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Individual property owners “holding out” on land that is valuable for redevelopment, especially when there is land assembly/aggregation.

## How tool solves challenge

Allowing higher density for larger sites incentivizes property owners to cooperate in land assembly. This increases land value for all parties and reduces transaction costs for assembling land.

Some communities incorporate density bonuses into their zoning code that allow higher density on larger sites to encourage cooperation in land assembly. This incentivizes developers to pay higher premiums for adjacent land. It can help to decrease the problem of “hold outs” by motivating property owners to cooperate in a land assembly that can increase land values for all parties. Graduated density zoning does not eliminate the incentive to hold out, but it can instill a fear of losing out on an economic opportunity. If this tool deters strategic hold outs and reduces the transaction cost of assembling land, it can increase the probability of a successful redevelopment.

## Implementation Steps

1. Identify Plan District(s) or overlay zone(s) where the bonus would apply.
2. Determine applicable base zone designations within the Plan District that could access the graduated density bonus.
3. Conduct outreach with property owners to hear issues and concerns.
4. Determine eligibility requirements and bonus entitlements.
5. Draft code and run through applicable decision-making bodies.
6. Finalize code and run through applicable decision-making bodies and fine tune as necessary

## Tool Mechanics

Density bonuses are legal in Oregon and are adopted at the local level in the zoning code. Regulations must identify specific eligibility thresholds and bonus entitlements, which could reduce program utilization.

Key partners include developers, landowners, and cities to implement zoning codes.

There is no cost to implement density bonuses beyond funding needed for code rewrite and staff to administer program.

## Implementation Considerations

- Tool is most applicable for commercial and residential infill redevelopment in parcelized areas, especially in master planned areas.
- Hold outs may be more common in areas that have a small amount of property owners who own a large number of parcels that have already seen increased entitlements.
- Existing entitlements for employment land in most areas of the region are already high enough to allow dense development, even without this incentive so this tool may have limited application.
- Getting the density bonus right may require several iterations and outreach with development partners.
- This may be most effective in a plan district where hold out landowners are known.

## Point of Contact

City of Simi Valley Planning Division  
805-583-6769



# Case Study

## Name / Location:

Kadota Fig Neighborhood / Simi Valley, California

## Description:

Few jurisdictions have implemented graduated density bonuses, and even fewer explicitly for employment lands. One example of implementation in a residential area is the Kadota Fig neighborhood in Simi Valley. Since the area is centrally located, there was a strong enough market for high-density, master-planned redevelopment. However, the City did not want to implement its zoning code in a piecemeal fashion. Since some residents opposed new regulations allowing for higher density development, policymakers asked planners to develop a new approach.

City planners knew that achieving good urban design would require land assembly among the many property owners in the area. The planners devised an approach that granted increased entitlements to sites of at least 13 acres. When compared with conventional zoning, the land assembly requirement to build at a higher density likely increased the rewards to the original owners.

## Problem:

The plan area had 18 parcels with 32 property owners with different interests. There were several potential holdouts who would have prevented the master plan from moving forward.

## Solution:

The graduated density policy provided an incentive to hold out landowners to participate in the land assembly and reap a greater economic benefit, and drive higher density residential development. This tool could be applied to commercial and industrial areas as well. Essentially, the tool entails establishing a base density cap, which may be increased for projects that involve a larger, aggregated site.

## Research Sources:

- *Graduated Density Zoning*. (2008). Retrieved from: <http://shoup.bol.ucla.edu/GraduatedDensityZoning.pdf>
- *How Zoning Can Ease Land Assembly*. (2017). Retrieved from: <https://urbanland.uli.org/development-business/zoning-can-ease-land-assembly/>

# Industrial Land Bank

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

There are no entities whose focus is solely on the aggregation of employment lands. Current law only allows for land bank authorities for known or potential brownfields. When acquiring property, prospective purchasers may be reluctant to take on environmental liability or the cost of environmental cleanup. Liability for contamination extends to prospective purchasers that had nothing to do with the original contamination and inhibits development potential.

## How tool solves challenge

Land Bank Authorities (LBA) or land banks could be formed with a specific focus on assembly of parcels for commercial and industrial redevelopment regardless of brownfield status. They would enable public control of abandoned property and assembly of parcels for commercial and industrial redevelopment.

Because land banks are tax-exempt organizations that have limited land carrying costs, they are particularly well positioned to aggregate properties – a process that can take a very long time.

In addition, land banks can break the chain of title to clear future purchasers of potential liability associated with contamination. This can greatly improve the market potential of brownfield sites.

It is important to note that this tool does not apply where there is no willing seller.

## Tool Mechanics

In 2015, House Bill 2734 provided a legal mechanism for local government agencies to form a brownfield land bank in Oregon. These land bank authorities authorized under Oregon Revised Statute (ORS) 465.600-621 can:

1. Acquire, rehabilitate, redevelop, reutilize or restore brownfield properties;
2. Bring action to recover remedial action costs or damages and court expert witness fees, and reasonable attorney fees;
3. Issue debt; and
4. Avoid under certain circumstances environmental liability existing on properties once acquired or operated by the land bank.

Land banks are authorized at the state level but implemented at the local level.

ORS 465 only allows for *brownfield* land bank authorities. Oregon law does not allow for LBAs for “clean” sites, only known or potential brownfields. The definition of a brownfield is fairly broad and may allow more expansive application of this tool to other employment lands.

As a public agency, the land bank will have access to economic development grant funding, but it can also collect funds from other public and private sources. Land banks can generate revenue from the lease or sale of land holdings.

Seed capital (likely from a state or local body) or proceeds from the sale of donated land generates the seed capital required to fund initial land bank activities. Ideally, land banks become self-sustaining over time. Revenue from activities, such as the buying and selling of land or leasing of held lands sustains operational costs.

As a public agency, the land bank will have access to state and federal grant funds that can assist in conducting environmental site assessment and cleanup of brownfield properties.



### Implementation Steps

1. Determine whether existing LBA has potential to offer broader application to employment lands within the Portland metro region.
2. If needed, pursue legislation to expand authority to allow LBAs to include clean (i.e., non-brownfield) sites, or allow creation of a distinct employment LBA regardless of brownfield status.
3. For local level implementation, gather stakeholders for discussions around mission and goals for a potential industrial land bank, along with the target geography and operating principles.
4. Determine options for governance and inter-jurisdictional coordination.
5. Develop a business plan that confirms the land bank's mission, goals, geographical focus, target property types, agency/staff support, budget, and implementation steps.
6. Prepare and adopt a resolution for land bank formation.
7. Execute the business plan and financing required to form the land bank.

### Implementation Considerations

- The LBA should have broad goals and objectives for vacant land reutilization to enable flexibility for future uses.
- Aggregation has been identified as a regional issue; however LBAs have no special condemnation power. There may be opportunities for a regional LBA to take on strategic site aggregation challenges in the region, but new tools may be needed where willing sellers do not exist.
- Land assembly may take significant time. To adapt to changing market and industry trends, the land bank should be flexible and risk-tolerant.
- Current Oregon law has focused LBAs on known or potential brownfields. Certain strategic sites that would otherwise be targets for acquisition and aggregation may not meet that standard.
- It is important to be strategic and selective about the property acquisition, both with reference to any potential brownfield cleanup liabilities and with reference to future changes in market and access characteristics, such as new infrastructure.

### Point of Contact

Cleveland Industrial Commercial Land Bank  
216-664-2204

Jon Legarza - Clackamas County  
503-742-4366  
jlegarza@clackamas.us





# Case Study

## **Name / Location:**

Cleveland Industrial Commercial Land Bank / Cleveland, Ohio

## **Description:**

Established in 2005, the Cleveland Industrial Commercial Land Bank's mission is to assemble large tracts of abandoned property in areas identified by the City for priority commercial/industrial development. The program has two unique features:

1. The Land Bank benefits from the Clean Ohio bond issue. In 2009, Ohio split the program into an "end use known" track and a "development-ready land track." This enabled financial assistance to Land Bank sites that otherwise may have scored poorly when ranked against known redevelopment plans.
2. The City uses Department of Housing and Urban Development (HUD) 108 loans to finance acquisition, cleanup, and redevelopment.

One site acquisition was Garrett Square, a seven-acre former strip mall. The Land Bank acquired the site in 2011 and repositioned the property into a new shopping center. The project includes a community benefits agreement.

## **Problem:**

There is no long-term player within the city of Cleveland committed to redeveloping large acreage to address the needs of new and expanding businesses.

## **Solution:**

The Cleveland Land Bank can acquire, hold, and dispose of land for industrial and commercial use.

## **Research Sources:**

- *Best Practices in Land Bank Operation*. (2005). Retrieved from: <https://www.hudexchange.info/resources/documents/Best-Practices-In-Land-Bank-Operations.pdf>
- *Strategy for the Implementation of an Industrial Land Bank*. (2005). Retrieved from: [https://www.ohioenvironmentallawblog.com/wp-content/uploads/sites/576/uploads/file/land\\_bank\\_strategy\\_2005.pdf](https://www.ohioenvironmentallawblog.com/wp-content/uploads/sites/576/uploads/file/land_bank_strategy_2005.pdf)
- *Inventing the Brownfields Land Bank*. Retrieved from: [http://www.redevelopmenteconomics.com/yahoo\\_site\\_admin/assets/docs/Brownfields\\_Land\\_Bank\\_brfd\\_renl\\_online\\_long\\_final\\_w\\_jpeg\\_sidebars.15763011.pdf](http://www.redevelopmenteconomics.com/yahoo_site_admin/assets/docs/Brownfields_Land_Bank_brfd_renl_online_long_final_w_jpeg_sidebars.15763011.pdf)

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# Infrastructure

(i.e., transportation, water, sewer, fiber, stormwater)

## Summary of Tools

Many states have established special financing district tools to fund new and improved infrastructure. This report describes five such tools that have proven effective as funding mechanisms for what is one of the Portland region's greatest site readiness challenges - infrastructure. Virtually every jurisdiction (not just in the Portland region, but around the state) has employment sites that are being "held back" by transportation or other infrastructure deficiencies.

Four of the five tools would require state legislative action. Only one tool ("Reimbursement District") could be implemented at the local level. Nonetheless, the lack of infrastructure to many of the region's otherwise prime potential employment sites merits serious consideration of changes to state law. The potential impact of these tools is considerable.

This category contains the following tools and case studies:

- 1. Major Streets Transportation Improvement Program**  
Case Study: SW 124th Ave. (Tualatin and Sherwood, OR)
- 2. Community Facilities Districts**  
Scottsdale Waterfront Commercial Community Facilities District (Scottsdale, AZ)
- 3. Transportation Benefit Districts**  
Case Study: Transportation Benefit District (Ridgefield, WA)
- 4. Enhanced Infrastructure Finance Districts**  
Case Study: Bicycle and Pedestrian Network Buildout (West Sacramento, CA)
- 5. Reimbursement Districts**  
Case Study: Sanitary Sewer Extension Program (Tualatin, OR)

# Summary Table of Infrastructure Tools

In order to quickly understand the key differences between these tools, we have provided a table below that summarize the key distinctions.

Attribute	Example	Reimbursement District	Major Streets Transportation Improvement Program	Community Facility District	Transportation Benefit District	Enhanced Infrastructure Finance District
Relative Challenge of Implementation		Lower <-----> Higher				
Requires New Oregon Legislation?	Yes or No	No	No	Yes	Yes	Yes*
Who Authorizes	City council, county commission, other?	City council and/or county commission	County commission and electorate (voters)	City council or county commission	City council or county commission	City council and/or county commission
Voter type	Popular vote, property owners, residents?	City council and/or county commission (majority)	Popular vote	City council or county commission (majority vote) after 25% of property owners (by area) sign non-remonstrance agreements	Vehicle registration fee (VRF) up to \$50 allowed without popular vote; special assessments above \$50 requires majority vote by registered voters in the TBD area	City council and/or county commission (majority vote)

## Summary table of infrastructure tools continued.

Attribute	Example	Reimbursement District	Major Streets Transportation Improvement Program	Community Facility District	Transportation Benefit District	Enhanced Infrastructure Finance District
Voter threshold	60% of property owners for LIDs for instance.	Majority of affected property owners (by area) can appeal decision to form district. Local elected body then decides to either: 1) revise the assessment; 2) not form the RD; or 3) retain RD as originally proposed	Majority of voters (in regular election)	Decision to form CFD can be appealed if 60% of affected property owners (by area) appeal decision to form district	City council and/or county commission (majority vote) for VRF under \$50; added fees/charges/taxes require majority vote by registered voters in the TBD area	City council and/or county commission (majority vote) after official consent by majority (by revenue) of affected overlapping taxing districts
Revenue types	Property tax, sales tax, fees (vehicle, other), special assessments, tax increment	Special assessment	Property tax	Property tax, sales tax, fees (vehicle, other), special assessments, tax increment	VRF, property tax, sales tax, fees (vehicle, other), special assessments	Tax increment
Single project or multiple projects?	Typically project-specific, or available for multiple projects	Typically specific capital improvement(s)	Multiple projects (capital only)	Multiple projects (capital and maintenance)	Multiple transportation projects and programs (capital and maintenance)	Multiple projects (capital only)

\* EIFDs can function as "multi-jurisdictional urban renewal districts." Multi-jurisdictional (adjacent) urban renewal districts within municipal cities and unincorporated county areas in Oregon are allowed under ORS 457; however, this would result in two separate districts with different governing bodies and overlapping taxing districts, which yields political complications and superfluous administrative expenses.

Source: compiled by FCS GROUP.

# Major Streets Transportation Improvement Program

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Keeping up with county-wide infrastructure demands can be challenging without dedicated sources of capital funding and county-wide cooperation.

## How tool solves challenge

The Major Streets Transportation Improvement Program (MSTIP) provides a centralized authority to pool funds for infrastructure projects across the county. Infrastructure investments help provide both capacity for employment as well as other types of development and improve reliability of the road system. In Washington County, Oregon, MSTIP funding is derived from a share of property taxes assessed throughout the county and rolled into one fund. The program started with voter approved levies in 1986, 1989, and 1995. Voters rolled MSTIP into the county’s fixed property tax rate in the late 1990s after program success was demonstrated. The improvement program has funded over \$900 million in infrastructure upgrades since the program’s inception, including improvements to safety, traffic flow, multi-modal transit, and major roads used by many county residents. Such projects improve road capacity that would normally limit employment development.

## Tool Mechanics

In a transportation improvement program, a property tax is collected in the county and pooled into one fund for transportation projects which may occur anywhere in the county. An elected body determines where and how the collected funds will be spent, typically within a 5-year planning cycle. There is an opportunity for public input in recommending projects for funding.

The funds can be used to make bond payments associated with funding the new projects or, more commonly, projects are funded using the collected funds and local, state, and federal funding match revenues on a pay-as-you-go basis.

## Implementation Steps

Urban counties in Oregon could emulate the success of the Washington County MSTIP program. Key steps required include:

1. Orchestrating county-wide support among multiple local jurisdictions for a package of transportation-related capital projects.
2. Conducting community and stakeholder outreach, education, and input to determine the level of support and willingness of the community to generate new dedicated funding sources.
3. Holding a public election to seek voter approval of general obligation bonds to fund the transportation program.
4. Managing and administrating the new program.

## Implementation Considerations

- The MSTIP program requires a county-wide vote and includes multiple local municipalities.
- MSTIP projects are subject to local politics because the county board of commissioners is elected and because each project undergoes public review. However, public input and geographic diversity of projects funded can help address this issue.
- MSTIP is flexible and has a large budget for road improvements which otherwise would remain unfunded for many years.
- To link the program to employment lands, infrastructure investments can be evaluated based on development potential.

## Point of Contact

Washington County MSTIP Program  
503-846-7800  
lutproj@co.washington.or.us



# Case Study

## **Name / Location:**

124th Avenue Extension / Tualatin and Sherwood, Oregon

## **Description:**

A three-mile roadway extension of 124th Avenue with utilities between Tualatin-Sherwood and Grahams Ferry Road provided access to hundreds of acres of vacant employment land located in Tualatin and Sherwood.

## **Problem:**

Tualatin and Sherwood have hundreds of acres planned for industrial uses, but were lacking the primary infrastructure to enable development to begin.

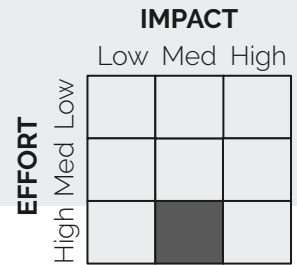
## **Solution:**

MSTIP funds provide a ready pool of money to build roads that will connect employment areas with county residents. Since 124th Avenue was a major arterial that would improve traffic flow and serve many county residents, it was eligible for MSTIP funds. The \$30 million project was completed in 2019 and has opened up new land for industrial development.

## **Research Sources:**

- *Major Streets Transportation Improvement Program*. (2016). Retrieved from: <https://www.co.washington.or.us/LUT/TransportationFunding/upload/MSTIP-overview-handout-10-04-16.pdf>
- *124th Avenue (Tualatin-Sherwood to Grahams Ferry)*. Retrieved from: <https://www.co.washington.or.us/LUT/TransportationProjects/124th-avenue-extension.cfm?page=About>

# Community Facilities Districts (CFD)



## Defining the problem

Advanced sources of infrastructure funding are difficult to come by, especially in cash-strapped cities and counties.

## How tool solves challenge

Community Facilities Districts (CFDs) are relatively easy to form and allow developers, property owners, and municipalities to raise revenue for needed infrastructure using bonds.

Several states, including Arizona, Colorado, Texas, Ohio, Nevada and Hawaii have implemented a variation of CFD in their legislation to help authorize the use of this funding tool. In most instances, CFD revenue is used as a dedicated source of funding to pay back general obligation bonds or public works trust fund loan programs.

## Tool Mechanics

In Arizona, if at least 25% of property owners (based on land area within the CFD) accept formation, a CFD may be created by a municipality to provide general funding to construct infrastructure such as water, sewer, schools, and streets. This is in contrast to other districts such as Transportation Benefit Districts which require a majority vote for most funding sources. The council serves as the board of directors for the CFD. However, the CFD operates independently from the municipality and thus the municipality is not liable for the CFD's debt.

Revenue is collected through special assessments, taxes, fees, tax increment, or other methods. Limited General Obligation bonds may be issued by the CFD against those revenues, and used to construct sewage, flood control, water, roads, pedestrian areas, landscaping, lighting, traffic control, and public buildings. This broad range of possible projects differentiates CFDs from other district types. Revenue can also be collected to fund the operations and maintenance of infrastructure within the district.



### Implementation Steps

Other states such as Arizona, California, and Hawaii have enacted state legislation authorizing the formation of CFDs.

To implement CFDs in Oregon:

1. Convene a group of economic development stakeholders in Oregon to assess the merits of CFDs.
2. If appropriate, develop a legislative proposal, and enact state legislation authorizing formation of CFDs.

For local CFD implementation:

1. A petition by developers, property owners or city engineer is required to form the district.
2. City staff obtain letters of non-remonstrance from 25% or more of affected property owners (by area) to form the district and begins public/stakeholder outreach.
3. Staff prepare Engineer's Report, with project elements, cost estimate, area description, and special assessment methodology.
4. Council/commission holds work session which creates a Revised Engineer's Report.
5. Council/commission hosts hearings on CFD.
6. Council/commission adopts resolution to create the CFD based on the Engineer's Report followed by a 45-day appeal period.
7. Project construction financing is arranged by city, county or developer (project sponsor).
8. Project sponsor files Final Engineering, Permitting and Construction Plan.
9. Liens on properties are filed with County Assessor.
10. Special assessments are collected by city or county as development occurs.
11. Assessment revenues are provided to project sponsor and financing intermediaries.
12. Construction is initiated.

### Implementation Considerations

- CFDs would require special legislation to be allowed in Oregon.
- They are sometimes unpopular among residents as they impose additional tax burdens. Demonstration that the CFD enables otherwise difficult or impossible development is key to assuaging concerns.
- They allow for a broad range of projects and funding sources. They are generally easy to establish.
- To ensure equitable development, a community oversight mechanism needs to be established.

### Point of Contact

Scottsdale Economic Development Agency  
480-312-7989  
Business@ScottsdaleAZ.gov





# Case Study

## **Name / Location:**

Scottsdale Waterfront Commercial Community Facilities District / Scottsdale, Arizona

## **Description:**

This CFD serves a 4.4 acre mixed-use retail and commercial development in Scottsdale, Arizona.

## **Problem:**

In a bustling commercial center of Scottsdale, an area along a canal had development potential but lacked funding for public roads, parking, and streetscape utilities.

## **Solution:**

Because CFDs are relatively easy to form in Arizona, developers were able to create a CFD with authorization to issue up to \$9 million in bonds. These bonds were funded through an assessment of \$2 per \$100 of assessed value. Additionally, the CFD also collects a tax of \$.30 per \$100 of assessed value to pay for its operations and maintenance costs. To date, the CFD has issued \$3.8 million in bonds to help cover the cost of road access and a parking structure, but does not plan to issue the remaining \$5.2 million. The commercial/retail development was constructed by a private developer and the area now serves as an active hub.

## **Research Sources:**

- *Introduction to Community Facilities District Financing*. (2018). Retrieved from: <https://www.avondalez.gov/home/showdocument?id=6942>
- *Community Facilities District*. Retrieved from: <https://www.pvaz.net/250/Community-Facilities-District>
- *Title 48 – Special Taxing Districts*. (2019). Retrieved from: <https://www.azleg.gov/arsDetail/?title=48>
- *History of CFDs in Scottsdale* (2013). Retrieved from: <http://scottsdalecott.com/community/scottsdale-community-facilities-districts/>
- *Financing Public Infrastructure Through CFDs*. (2016). Retrieved from: <http://www.pinalcountyz.gov/bos/Lists/BOS%20Minutes/Attachments/905/10%20-%20Financing%20Public%20Infrastructure%20through%20CFDs.pdf>

# Transportation Benefit Districts

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Local jurisdictions (cities and counties) require new sources of funding for transportation capital projects and maintenance.

## How tool solves challenge

Transportation Benefit Districts (TBDs) create independent taxing districts that provide a steady stream of funding designated for major transportation improvements or maintenance programs.

## Tool Mechanics

In Washington, Transportation Benefit Districts (TBDs) are formed by cities and counties to fund transportation improvements and maintenance programs. The improvements must be consistent with state, regional, or local plans and also must help to alleviate congestion levels. The focus on transportation and integration with broader plans separates TBDs from CFDs and other special district funding techniques. TBDs are established by local ordinance by city councils or county boards following a public hearing and are governed by the establishing authority, or by designated governing boards in the case of a multi-jurisdictional TBD.

Revenue may be generated through taxes, fees, charges, and tolls. Such charges may only be instituted by a majority vote of the voters in the district, with the exception of the vehicle fee, which may be instituted by a majority vote of the TBDs governing board.

The revenue generated by the taxes or vehicle fees may be used as a dedicated revenue source for bonds or loans issued by the TBD governing board.

## Implementation Steps

Transportation Benefit Districts are explicitly outlined in the Revised Code of Washington.

To create TBDs in Oregon:

1. Convene a group of economic development stakeholders in Oregon to assess the merits of TBDs.
2. If appropriate, develop a legislative proposal, and enact state legislation authorizing formation of CFDs.

For local implementation:

1. City council or county commission directs staff to conduct TBD feasibility report.
2. Staff identifies sources and uses of TBD funds with specific projects and programs identified.
3. Public/stakeholder outreach with public opinion surveys.
4. Local governing body conducts work session and hearings and adopts local ordinance to create TBD and define its area boundary. It is up to the TBD governing board to develop and adopt a budget policy.
5. Vehicle Registration Fee (VRF) up to \$50 may be approved by local governing body without public vote, but only if a \$40 fee has been in effect for at least 24 months.
6. Public vote is held on TBD.
7. Fees or taxes beyond \$40 require city/county to advance referendum to voters within the district to approve the new fee or tax.
8. If fee or tax is approved, new revenue is dedicated to TBD fund.
9. Capital improvements for TBD identified with full funding sources identified.

12. Project sponsors provide Project Final Engineering, Permitting and Construction.
13. Liens on properties are filed with County Assessor.
14. Special assessments are collected by city or county as development occurs.
15. Construction is initiated.

## Implementation Considerations

- TBDs require new state legislation to allow for their creation.
- They allow for multi-jurisdictional cooperation.
- There is an opportunity for local option provisions as with Washington TBD to allow counties to impose a non-voter approved Vehicle Registration Fee of up to \$50 and a voter-approved fee of up to \$100.
- Local governing body can use local TBD as match to leverage state/federal grant funding
- Typically, TBDs exist only long enough to finish the debt service or financing of their projects and term of their bonds is limited by law (e.g., 40 years for Washington TBD).

## Point of Contact

Municipal Research and Services Center  
206-625-1300  
mrsc@mrsc.org





# Case Study

## **Name / Location:**

Transportation Benefit District / Ridgefield, Washington

## **Description:**

The city of Ridgefield, Washington upgraded a failing interchange and opened new lands to employment and residential development.

## **Problem:**

Ridgefield was once a small rural town whose primary access to Interstate 5 was three miles from the town center. With the expansion of the Portland-Vancouver metro area and a commensurate boom in Ridgefield's population, a new interchange was required to prevent failure of the town's infrastructure. The city did not have the capacity to fund a project of this size.

## **Solution:**

In 2008, the city of Ridgefield voters overwhelmingly voted to create Washington's first Transportation Benefit District (TBD). Under this plan, all sales within the TBD boundaries would be subject to a 0.2% sales tax. Effectively, these boundaries only included areas within a mile of the future interchange, which linked the tax directly to the construction of the interchange.

The TBD generated a local funding match needed to leverage \$23 million in state and federal funds to reconstruct the interchange. The TBD tax was repealed in 2012 but replaced by a Vehicle Registration Fee which continues to fund infrastructure in the Ridgefield area.

## **Research Sources:**

- *Route 501 Interchange Replacement Project.* (2008). Retrieved from: <http://www.lewisriver.com/ridgefield/news/2008/11-05-tax.html>
- *Transportation Benefit Districts.* (2019). Retrieved from: <http://mrsc.org/Home/Explore-Topics/Finance/Special-Topics/Transportation-Benefit-Districts.aspx>

# Enhanced Infrastructure Finance Districts

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Multi-jurisdictional redevelopment sites that have fallen into blight or are severely lacking in infrastructure often have large funding gaps for funding infrastructure that attracts new development.

## How tool solves challenge

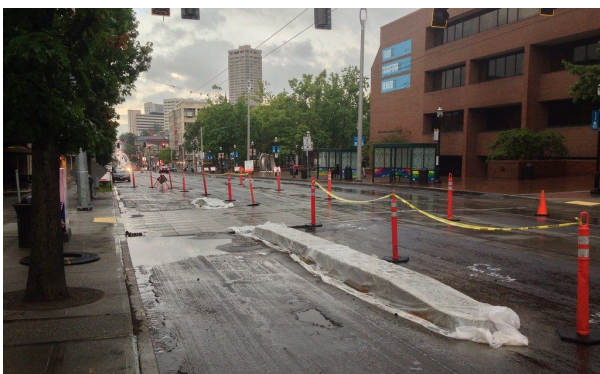
Enhanced Infrastructure Finance Districts rely on the increase in property values and future increases in property tax increment that arise from redevelopment in order to issue bonds that fund infrastructure construction.

## Tool Mechanics

Unlike CFDs and TBDs, this funding technique enables two or more jurisdictions to create a dedicated source of funding for infrastructure that supports developments that provide a regional benefit.

Cooperating jurisdictions can form an Enhanced Infrastructure Finance District (EIFD) in order to finance large infrastructure projects. EIFDs can be formed in non-contiguous areas and thus allow for multiple jurisdictions to participate and contribute.

Funds are drawn from community facilities bonds, federal and state grants, fees, developer agreements, and through tax increment bonds. The funds can be used for many projects. Beyond infrastructure, they may also be used for affordable housing, public art, sustainability, and adaptive re-use purposes.



## Implementation Steps

There are at least two potential methods for allowing EIFDs in Oregon.

1. New state legislation that allow EIFDs to be created for 2-3 specified demonstration areas.
2. Legislative amendments to Oregon Revised Statute Chapter 457, which authorizes Urban Renewal.

With legislative changes, the following steps to establishing EIFDs would occur:

3. City council or county commission directs staff to conduct EIFD feasibility study and plan.
4. Staff identifies sources and uses of EIFD funds with specific projects and programs identified.
5. Staff organize public/stakeholder outreach with public opinion surveys.
6. Local governing body conducts work session and hearings and adopts local ordinance to create EIFD and defines its area boundary.
7. Governing body obtains official approval to support the EIFD and freeze tax assessments for identified timeframe by majority of overlapping tax district boards.
8. Council/commission hold hearings on EIFD.
9. Council/commission adopts resolution to create the EIFD based on the EIFD plan. There is a 45-day appeal period.
10. Tax increment revenues accumulate over time into the EIFD fund.



11. Capital improvements with full funding sources are identified.
12. Project sponsors complete Project Final Engineering, Permitting and Construction.

## Implementation Considerations

- EIFDs require special legislation in order to be created in Oregon.
- EIFDs allow for and encourage cooperation among jurisdictions by allowing non-contiguous areas to “pool” funds for projects that have regional benefit.
- Amendments to URA statutes may generate concern by proponents and opponents of the existing statute, as they may believe the current URA capabilities are sufficient.
- Governing body can use EIFD funds to leverage state/federal grant funding.

## Point of Contact

Public Works Department of the City of West  
Sacramento  
916-617-4850





# Case Study

## Name / Location:

Safe Routes to Work: Bicycle and Pedestrian Network Buildout / West Sacramento, California

## Description:

West Sacramento, California created an Enhanced Infrastructure Finance District (EIFD) to provide safe multi-modal access to employment and residential lands, including complete streets with build-out of the bicycle and pedestrian network as well as infrastructure and other projects.

## Problem:

West Sacramento was long home to many industrial uses. When these declined, a prohibition on offices west of the Sacramento River prevented redevelopment from occurring. Then, the loss of California's redevelopment agencies led to a funding shortfall for efforts to revitalize the area. A lack of pedestrian and bicycle facilities forced area users into automobiles for most trips, including those to access employers located in the area..

## Solution:

The city of West Sacramento created an EIFD to replace funds lost when California eliminated redevelopment agencies. Funding is being used for community planning, economic development, and construction of multi-modal infrastructure to provide safe multi-modal access to employment, spur new development, private investment, and tax incremental growth. West Sacramento is working with the city of Sacramento through the EIFD on the construction of a new Broadway Bridge connecting West Sacramento with Sacramento. The new bridge will accommodate motor vehicles including buses, a proposed light rail or streetcar system, bikes, and pedestrians. The expanded infrastructure will contribute and provide multi-modal access to 4,000 new residential units, 5.6 million square feet of commercial development, and 16,000 jobs.

## Research Sources:

- *West Sacramento's Bridge District*. (2016). Retrieved from: <http://www.patimes.org/west-sacramentos-bridge-district-infrastructure-energy-efficient-neighborhood/>
- *Enhanced Infrastructure Financing Districts Revitalize Communities in California*. (2018). Retrieved from: [icma.org/blog-posts/enhanced-infrastructure-financing-districts-revitalize-communities-california](http://icma.org/blog-posts/enhanced-infrastructure-financing-districts-revitalize-communities-california)
- *EIFD Formation*. (2019). Retrieved from: <https://www.cityofwestsacramento.org/government/departments/administrative-services/eifd-formation>
- *Enhanced Infrastructure Financing Districts: West Sacramento*. (2019) Retrieved from: [http://casestudies2019.ternercenter.berkeley.edu/download/Enhanced\\_Infrastructure\\_Financing\\_Districts\\_West\\_Sacramento.pdf](http://casestudies2019.ternercenter.berkeley.edu/download/Enhanced_Infrastructure_Financing_Districts_West_Sacramento.pdf)

# Reimbursement Districts

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Infrastructure improvements that benefit one particular property can also benefit many of the properties around it, but at the sole expense of the initial property owner/developer. This decreases the willingness of industrial property owners to provide private investment for infrastructure development.

## How tool solves challenge

Reimbursement districts allow developers, municipalities, or special districts to construct public facility improvements (e.g., roads, sewer, water lines) and be compensated over time for the additional capacity that they provide to nearby properties.

## Tool Mechanics

Unlike impact fees and most other funding techniques, reimbursement districts are often used to leverage private developer financing for a specific capital improvement. Any private party may petition a local government or utility district to create a reimbursement district. The application may be issued before or after the capital improvement is constructed. Following a public hearing, the reimbursement district can be established by resolution of city council or utility services board. An affected party (i.e., property owner within the district) will pay their share of the reimbursement cost only after they connect to the system within 10 years of the district's creation. Affected parties never pay the reimbursement district cost if they do not opt to develop their property or wait until the district sunsets in 10 years.


Funds raised from a reimbursement district may be used to pay for the project as it develops or as compensation after it finishes. Eligible costs include construction, supplies, permits, labor, equipment, engineering, materials, property acquisition, and financing.

## Implementation Steps

To implement a local reimbursement district, cities or counties will need to:

1. Adopt a local ordinance that authorizes the reimbursement district.
2. Developer or public works agency would prepare application request to create a new reimbursement district to be approved by the city council or water services board.
3. City/county prepares Engineer's Report that: identifies project type, location, size, and cost, along with area of benefit, method of assessment, financing cost, and total estimated assessment by tax lot.
4. City/county conducts stakeholder outreach to refine the assessment methods.
5. City council conducts work sessions and hearings to adopt the Reimbursement District.
6. City/county files recorded assessments with the County Assessor, and administer the reimbursement district over its 10-year life.
7. City/county completes project right-of-way acquisition and utility relocations and construction as facility is built to public design standards.
8. Future developments pay back the reimbursement district as they come online.





### Implementation Considerations

- Reimbursement district revenues are contingent on the affected properties developing and connecting to improvements. If no connections occur within 10 years of district formation, then no reimbursements occur.
- Reimbursement districts are relatively easy to form.
- Reimbursement districts enable private financing of public facilities such as streets, water, or sewer improvements.
- Unlike local improvement districts, reimbursement districts do not create a lien on property to pay the reimbursement fee and therefore do not encumber properties to the extent of LIDs.

### Point of Contact

Clean Water Services  
Development Services  
503-681-5100  
[permits@cleanwaterservices.org](mailto:permits@cleanwaterservices.org)  
[cleanwaterservices.org/permits-development](https://cleanwaterservices.org/permits-development)



# Case Study

## **Name / Location:**

Sanitary Sewer Extension Program / Tigard, Oregon

## **Description:**

A collection of reimbursement districts throughout the Tigard Triangle allowed for development of a more robust sewer system, with conversions from septic systems.

## **Problem:**

The Tigard Triangle Area in the 1990s lacked public sewer service despite the fact that over 680 residential lots and about 80 commercial lots had already been developed. Most properties relied on septic systems that were over 30 years old.

## **Solution:**

The Tigard City Council provided advance funding and began forming reimbursement districts throughout the Tigard Triangle Area. Since the 1990s, over 50 reimbursement districts have been formed and over 780 properties have connected to public sewer lines.

The Triangle Area is a major focus area for new development in Tigard and with more robust infrastructure has unlocked development potential in the area. The Triangle Area has seen a significant increase in land sales and new development proposals.

## **Research Sources:**

- *City of Tigard Reimbursement Districts*. Retrieved from: [https://www.tigard-or.gov/city\\_hall/sanitary\\_sewer.php](https://www.tigard-or.gov/city_hall/sanitary_sewer.php)
- *Clean Water Service Reimbursement Districts*. Retrieved from: <https://www.cleanwaterservices.org/media/1934/reimbursement-districts.pdf>
- *City of Bend Reimbursement Districts*. Retrieved from: <https://www.codepublishing.com/OR/Bend/html/Bend02/Bend0220.html>

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# Brownfield Remediation

## Summary of Tools

Brownfields (known and potential) represent a major and widespread challenge to the development of employment sites. Much of the region's employment lands are within existing, long-standing urbanized areas - areas that were initially developed decades ago, when there were few if any barriers to operations which resulted in contamination. Redevelopment of these sites is constrained by the need to assess and remediate environmental conditions, adding cost, time, and uncertainty. Fortunately, the region and the state recognizes the imperative to make development of brownfield sites more feasible, through the introduction of incentives, and through recent legislation authorizing the creation of brownfield "Land Bank Authorities" (discussed in the Site Assembly/Aggregation section). This section lays out additional tools that have proven effective elsewhere, some of which will require state legislative action. A simpler and lower cost tool - "Non-Governmental Technical Assistance Provider" - is also included.

This category contains the following tools and case studies:

- 1. Local Property Tax Incentives**  
Case Study: Salud Family Community Health Center (Fort Collins, CO)
- 2. Surcharge-Based Cleanup Funds**  
Case Study: Neighborhood Building (Westminster, CO)
- 3. Non-Governmental Technical Assistance Provider**  
Case Study: Colorado Brownfields Foundation (CO)

# Local and State Tax Incentives

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Environmental conditions may come to light during a real estate transaction when prospective purchasers conduct their environmental due diligence. Costs associated with resolving identified environmental conditions can cause feasibility gaps as the cost of assessment and/or cleanup are factored into the redevelopment project pro-forma.

## How tool solves challenge

Tax incentives can improve cost feasibility by reducing the tax burden of the company/individual conducting assessment/cleanup activities. Fewer feasibility gaps reduce the barrier to developing employment-ready lands.

## Tool Mechanics

House Bill 4084 providing local and state brownfield tax incentives was enacted in 2016 and codified in Sections 1 to 8, chapter 96, Oregon Laws 2016. The statute authorized certain local governments to provide property tax incentive programs that grant special assessment to brownfields or exemption to new and existing improvements and personal property on brownfields for a period of up to 10 years, with an additional period of up to 5 years based on locally adopted criteria.

Marion County is the only jurisdiction that has adopted an ordinance implementing Oregon Laws Chapter 96. Marion County has yet to receive its first application for this tax incentive.

Revisions to the statute initiated by the city of Portland in 2019 (House Bill 2699) clarified how multiple incentives would be applied and that the total incentive would not reduce property tax liability below zero if approved.

Another brownfield incentive bill proposed in 2019 (House Bill 2575) would have created an income tax credit for eligible costs of removal or remedial action on brownfields, but was not approved. The proposed tax credit would be 50% of eligible costs up to \$1 million. Tax incentives would be allowed at a higher percentage of eligible costs under certain circumstances, such as remedial actions performed within a census tract where at least 20% of residents are below the federal poverty line, or construction of housing in which at least 20% of units are affordable.


## Implementation Steps

To implement Oregon Laws Chapter 96 brownfield tax special assessments at the local level, local governments would:

1. Convene group of developers/property owners with brownfield properties to identify whether tax incentives are useful.
2. Except in Marion County (and likely the city of Portland in the next six months), adopt an ordinance providing property tax incentive programs in accordance with Oregon Laws Chapter 96
3. Develop a methodology for the program working with the county tax assessor's office.
4. Approve the tax incentive use by resolution/ordinance.

To implement the brownfield tax credits, the Oregon Brownfields Coalition would need to:

1. Evaluate issues associated with 2019 legislation and identify refinements to the proposed legislation and a new path forward. This may include stronger documentation of the benefit of tax credits to the state.
2. Pursue legislation to enact tax credit legislation in future sessions.
3. Once adopted, work with the Oregon Business Development Department to establish tax credit program administrative rules for use by local property owners.



### Implementation Considerations

- Brownfield property tax special assessments can be implemented by any city and county that adopts an ordinance.
- It would likely take up to 12 months for development of and adoption of a local ordinance.
- Implementation of property tax incentives will decrease property tax revenues, or at least result in forgone revenues during the 10 year abatement period. However, the incentive would increase property tax revenues over the long term by incenting development that would otherwise not occur.
- Tax incentives may be easier to implement at a county level given closer coordination with the county tax assessor's office.
- Income tax credits will require legislation at the state level. If such legislation is passed in subsequent sessions, it likely will take the Oregon Business Development Department at least 12 months to establish a process for tax credit approval.

### Point of Contact

Karen Homolac, Brownfields Program  
Oregon Business Development Department,  
503-986-0191  
[karen.homolac@oregon.gov](mailto:karen.homolac@oregon.gov)



# Case Study

## **Name / Location:**

Salud Family Community Health Center / Fort Collins, Colorado

## **Description:**

Forney Industries outgrew their headquarters and base of operations after 66 years and entered into negotiations to sell the site to Salud Family Health Centers. As part of the transaction due diligence, Salud performed a Phase I & II Environmental Site Assessment and determined that petroleum-impacted soil and Trichloroethylene (TCE) impacted groundwater was present at the site, plus asbestos in some buildings.

## **Problem:**

Though manageable, these conditions threatened to derail the property transaction. This deal would never have happened otherwise because the buyer and seller were bickering over price and who pays for the cleanup.

## **Solution:**

Through the Colorado state brownfields program, a cleanup plan and cost estimate was approved. A remediation escrow account was established using the seller's cleanup fund allocation plus overrun reserves. Once the site had received environmental clearance, surplus cleanup funds plus the tax credits came to the seller. In this way, the buyer was able to acquire a clean site and the seller's cleanup costs were offset by tax credits gained. The 22-acre former industrial property is now is zoned for commercial and low-density mixed-use development.

## **Research Sources:**

- *HB 4084*. (2016). Retrieved from: <https://olis.leg.state.or.us/liz/2016R1/Measures/Overview/HB4084>
- *HB 2575*. (2019). Retrieved from: <https://olis.leg.state.or.us/liz/2019R1/Measures/Overview/HB2575>
- *Development Research Partners, Inc.* (2019). Retrieved from: <http://developmentresearch.net/>

# Surcharge-Based Cleanup Funds

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

On-site contamination impacts the marketability and buildability for redevelopment by presenting unknown cleanup costs, unknown timelines, and stigma. Commonly found pollutants can often be traced back to currently used chemicals such as petroleum, dry cleaning solvents, and other specific chemicals. A surcharge-based cleanup fund's purpose is to charge a fee to private users of these hazardous materials to address cleanup costs imposed on the public at large. Leaving hazardous chemicals in a neighborhood along with a non-marketable dilapidating property imposes negative impacts on the public. The problem is that there is often no funding for such specific cleanups.

## How tool solves challenge

Funds could be used towards assessment and cleanup of contamination at sites, making the project financially feasible for redevelopment. By integrating the remedy into the site construction plans, further cost savings can be achieved by using strategic excavation and other earthmoving activities needed for both closure and vertical construction.

## Tool Mechanics

Manufacturers and buyers of hazardous materials in Colorado pay a small fee which is collected and dedicated to cleanup projects where needed. Fractions of a penny on every gallon of gasoline sold, or every gallon of dry cleaning solvents purchased provide the source of funds. This program is managed by the Colorado Department of Labor and Employment, Division of Oil and Public Safety.

Oregon has a surcharge on solid waste that can be directed to cleanup hazardous waste sites. These funds are managed by Department of Environmental Quality (DEQ). Perhaps a portion of these funds, or even an additional fee, could be directed to brownfields redevelopment projects on an application basis, or perhaps a surcharge on commonly used hazardous materials could be instituted. This would provide additional funds to enable unmarketable properties to become marketable. Flexible implementation and project selection can assist both large and small sites.

As with Oregon's Dry Cleaner Response Account managed by DEQ, business operators are eligible for funds to address spills on their own property, addressing the future brownfield issue when the site is up for sale or redevelopment.

In order to collect a critical mass of funds and serve statewide brownfield remediation needs, Oregon would benefit from dedicating a portion of the funds from the above two Oregon programs to the statewide brownfield remediation program.





### Implementation Steps

To implement a Surcharge-based Cleanup Fund to support brownfield remediation:

1. Identify particular waste streams that tend to lead to development challenges.
2. Engage the regulatory office to further evaluate how the particular hazardous material is now being managed and determine whether there is need for a cleanup funding program.
3. If appropriate, develop a cleanup program concept in collaboration with economic development/community development officials and identify an administrative lead.
4. Convene a series of stakeholder meetings with community, regulatory, industry, and public interests to discuss the need, implementation plan, and determine parties eligible to the new funding resource.
5. Seek appropriate agency and legislative approvals.
6. Develop a complete implementation plan and program guidelines.
7. Distribute funds according to application guidelines.

### Implementation Considerations

- Surcharges add cost to manufacturing and consuming these materials, which will likely create higher pricing. The surcharge should be large enough to cover the anticipated annual fund demand, while minimizing consumer impact.
- This type of surcharge pits private interests directly against public interests. Adding surcharges can be complex with pushback anticipated from industry and end users. This will likely create a lengthy approval process, or even failure of the plan to be approved.
- Because this approach redistributes private funds to public benefit, funding eligibility must be thoughtfully, comprehensively, and concisely developed.

### Point of Contact

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# Case Study

## **Name / Location:**

Abandoned Gas Station / Retail Redeveloped to Small Business Incubator and Second Floor Office / Neighborhood Building / Westminster, Colorado

## **Description:**

This former gas station and retail site sat vacant for many years, attributable mostly to the known petroleum tank leak. The site was redeveloped as a small business incubator with offices occupying the second floor. The site was a catalyst site located in a historic Old Town area in need of revitalization. Site redevelopment was initiated by city economic development officials by reaching out to local developers in an informal request for interest. A local developer experienced with environmental issues was the sole respondent. Various city agencies collaborated with the developer to identify financial gaps and develop a funding plan. The developer applied to the Colorado Petroleum Tank Fund (PTF) for site cleanup assistance. Cleanup was funded through a surcharge on gasoline purchases which funds the PTF. A \$10,000 owner contribution was waived because it was an abandoned site. Because the current owner is not a responsible party, the PTF took over complete cost and responsibility for the cleanup.

## **Problem:**

The problem with this site was two-fold: 1) cost of private remediation left the site with market infeasibility; and 2) the developer would have walked away from the deal if construction had been delayed until the cleanup was complete.

## **Solution:**

The pollution source was simultaneously removed during excavation for an elevator, which saved costs for remediation and elevator construction. Lingering below grade soil concerns were addressed at ground level using an engineered membrane. Building construction began at the same time as cleanup. A certificate of occupancy was issued and the building tenanted even while active remediation of lingering petroleum product continued beneath the building. The approach shifted liability and costs away from the project and enabled construction and occupancy to happen without delay.

## **Research Sources:**

- *Colorado Brownfields Foundation Archive*. Source: Development Research Partners, Inc.
- *Colorado Department of Public Health & Environment*. (2019). Retrieved from: <https://www.colorado.gov/cdphe>
- *Colorado Division of Oil and Public Safety*. (2019). Retrieved from: <https://www.colorado.gov/ops>

# Non-governmental Technical Assistance Provider

		IMPACT		
		Low	Med	High
EFFORT	High		■	
	Med			
	Low			

## Defining the problem

Perceived and actual pollution brings fear, stigma, and liability to redevelopment sites that can inhibit buyers, developers, and financiers. Even with brownfields funding programs available, there is often a mistrust of bringing in state or federal assistance on a privately-owned site.

## How tool solves challenge

A third-party technical assistance provider that can maintain confidentiality with property owners and buyers, while simultaneously being a liaison to brownfields programs is a proven approach to raising awareness, minimizing stigma, and bringing needed cleanup resources to sites that would otherwise sit idle, vacant, and blighted.

## Tool Mechanics

Funding for third-party technical assistance could come from existing local organization budgets, state programs, state/local health-related offices, current or prospective owners, or philanthropic sources such as bank Community Reinvestment Act programs. Key functions and capabilities of a third-party technical assistance provider include the ability to:

- Act as an on-call brownfields coordinator for sites and cities that do not have, cannot afford, nor feel a need to permanently staff such a position.
- Explain how brownfields projects get done and provide marketing for brownfield program assistance.

- Consult on redevelopment project plans and intent; review deal economics and gap needs due to environmental conditions; and evaluate and develop an environmental solutions strategy to meet those goals.
- Provide brownfields program outreach (one-on-one and workshops) on environmental impacts on value, marketability, liability, costs, and financing; and educates property owners/developers on ways to address issues to keep a deal moving forward.
- Create and implement an outreach plan and follow-up consultations.
- Pre-screen projects for brownfields program assistance ensuring projects that are likely to succeed and with public benefits are getting priority attention.
- Help resolve regulatory issues that do not require intensive funding.
- Act as third-party liaison between developers and brownfields programs, anonymously (if needed) previewing opportunities to identify funding and cleanup vehicles.

This approach can be used with local, county, regional, and state level brownfields programs which would likely be the source of the funding. Another potential funding source is the current or prospective property owner, perhaps as a match against public funds. Public funding should be flexible and integrate with the development plans and construction components.

State, local, and private collaboration results in financially and environmentally successful projects.

Rural and urban settings, small and large sites can benefit from this approach.

## Implementation Steps

1. Local jurisdiction identifies an appropriate sponsoring organization and potential funding sources. For example, statewide technical assistance services could be sponsored by the Governor's Regional Solutions Office or Oregon Business Development Department. Local/regional economic and community development offices could engage a third-party advisor for their own programs.
2. Sponsoring organization works collaboratively with third-party advisor and provides program development feedback.
3. Third-party advisor develops an outreach and implementation plan, and implements plan.

## Implementation Considerations

- Funding sources must be defined for non-governmental technical assistance model to work.
- Third-party services advisor must be well informed, respected, and objective.
- Oversight of third-party advisor is necessary for effective collaboration.
- Advisory service must clearly not be construed as legal or environmental advice.
- Advisor should be confident that projects screened and recommended for assistance and funding are likely to get approved.

## Point of Contact

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# Case Study

## Name / Location:

Colorado Brownfields Foundation / State of Colorado

## Description:

The Colorado Brownfields Foundation (CBF) is a 501 (c)(3) that provides environmental extension services, on-call brownfields coordination, and technical assistance to communities. It is partially funded by donations, programming fees, workshops and conference, and grant funds from the Colorado Department of Public Health & Environment through their brownfield program. CBF provides real estate, economic development, public funding, and site inventorying expertise to communities and property owners.

## Problem:

Brownfields can be a complex process seen as highly regulated and enforcement-oriented. Additionally, developing brownfield sites can involve a complex mix of site conditions, environmental planning, real estate market impairments, regulation, and financial liabilities that keep redevelopment from happening.

## Solution:

CBF provides education, technical assistance, technical resources, and strategic real estate approaches that bring mothballed sites into redevelopment. The CBF is currently inactive due to internal reorganization, but archival legacy is maintained by Development Research Partners.

CBF annually handled about 50 calls from communities and developers; provided 12 site inspections and on-site project-specific strategy sessions; 15 referrals to the Colorado Brownfields Program; 3 regional workshops (also providing continuing legal, American Institute of Certified Planners, and real estate education credits); and 5 speaker presentations at outside conferences, and a statewide Brownfields Conference with approximately 250 attendees each. At least a dozen redevelopment partnerships were formed during conferences and workshops. Annually, CBF activities resulted in: approximately 8 state-funded cleanups, 15 to 20 state and U.S. EPA-funded Targeted Brownfields Assessments, and redevelopment of 3 sites that resulted in community benefits.

## Research Sources:

- *Development Research Partners. (2019)*
- *Colorado Department of Public Health & Environment. (2019). Retrieved from: <https://www.colorado.gov/cdphe>*

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# Gravel Pit Conversion

## Summary of Tools

Gravel pits represent an intriguing yet esoteric challenge. They are frequently large, but their physical characteristics do not readily lend themselves to redevelopment for employment purposes. The consultant's research unearthed a variety of unusual projects on former gravel pits (e.g., concert venues, resort/recreational uses). The costs and challenges of filling former gravel pits to turn them into flat sites with sufficiently strong soils to support new construction makes gravel pits a particularly difficult challenge. In addition, there are a limited number of gravel pits in the Portland region. Solving this challenge will not have the high impact that the resolution of more common challenges (e.g., brownfields) would have. This report nonetheless lays out four tools, some of which are relatively simple and cost-effective to implement as they require local action only.

This category contains the following tools and case studies:

- 1. Aggregating Sites**  
Case Study: Miromar Lakes Beach & Golf Club and Gulf Coast University (Miromar Lakes, FL)
- 2. Required Exit Planning**  
Case Study: Minnesota Conditional Use Permitting (Multiple gravel pit sites, MN)  
Case Study: Melone Property (Sudberry, MA)
- 3. Strategic Phasing and Reuse**  
Case Study: Civata (San Diego, CA)
- 4. Local Government Collaboration**  
Case Study: Bridgeport Village (Tualatin, OR)

# Aggregating Sites

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

The location of aggregate mines is controlled primarily by where geologic and other natural processes have created sand and/or gravel deposits. The footprint of these deposits do not conform to property boundaries. As a result, it is common for multiple owners of property within the footprint of a single large gravel deposit to conduct small-scale mining operations. This results in multiple gravel pits located in close proximity to one another but on separate tax parcels and under different ownership. For example, in Gresham, Oregon, there are three gravel pits, on land parcels of 52, 67, and 93 acres that adjoin one another, and mine the same gravel deposit, but are under separate ownership.

## How tool solves challenge

Through site aggregation, a more viable redevelopment opportunity is created. Costs associated with reclamation of former gravel pit lands are much lower on a cost per acre basis for large sites. Further, following the completion of reclamation activities, the resultant larger parcel will have greater redevelopment potential.

## Tool Mechanics

The most likely party to complete site aggregation is a local government or possibly a land bank because activities required in making these properties redevelopable are costly, and may take decades to complete. Government agencies, such as redevelopment authorities, are adept at land assembly and large-scale redevelopment projects.

Acquisition of property would be expected to occur through normal channels (e.g., government agency acquires the property through fee simple real estate transaction). Because of the many challenges associated with the redevelopment of gravel pit properties, and the operation and maintenance costs associated with them, the cost to acquire these properties should be well below typical market rates for properties of similar acreage. The government agency will need to take on liabilities and ongoing operation and maintenance costs that will continue until improvements to the property create a viable redevelopment opportunity.

The funds for purchase and aggregation of properties could come from a variety of sources such as a bond measure specific to the project, or other typical local government revenue streams.

### Implementation Steps

The typical implementation steps associated with aggregating former gravel pit lands are listed below:

1. Identify source of funding that will be used for land acquisition.
2. Identify funding and operations unit that will lead property management activities up to and until land is made shovel-ready for redevelopment.
3. Establish a plan for future land use, and the measures that will be required to implement the plan.
4. Begin discussions regarding interest in acquiring the property early to optimize use of money operator has allocated for reclamation activities.
5. Prior to purchase of property, conduct due diligence activities such as environmental and slope stability evaluation.
6. Acquire property, assume operation and maintenance responsibilities (or lease back to prior operator), and begin implementing plans to make the property shovel-ready.

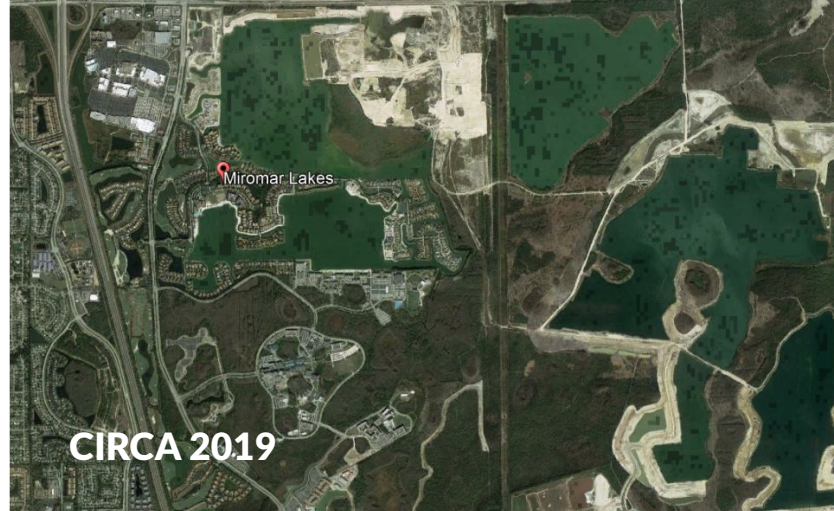
### Implementation Considerations

- The life spans of mining operations on adjoining properties may differ, which could significantly extend the total time required for site aggregation and redevelopment.
- Oregon law requires that certain reclamation activities be completed at the conclusion of an aggregate mining operation. It may be advantageous to begin acquisition discussions with a mine operator as the mine nears the end of its life, and before the operator expends funds on reclamation activities.
- There are operation and maintenance costs associated with holding former gravel pit properties. Most are associated with safety concerns, and securing the site against trespass is the primary tool used to mitigate these concerns.
- Large, nearly vertical slopes, especially located near property boundaries, can pose a significant liability and should be thoroughly evaluated prior to property acquisition.

### Point of Contact

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# Case Study

## Name / Location:

Miromar Lakes Beach & Golf Club and Gulf Coast University / Miromar Lakes, Florida

## Description:

Miromar Lakes Beach & Golf Club is a mixed-use waterfront resort community. The complex encompasses approximately 972 acres. It also includes a large retail center with a Costco, Target, Bass Pro Shops, 16-theater complex, and several restaurants.

## Problem:

Surface mining to depths below the water table resulted in a hodge-podge of highly disturbed land and surface water bodies on the property. Steep slopes that terminated in water were a significant safety hazard.

## Solution:

Through the aggregation of multiple quarry pits, a large 1,000+ acre planned community including a resort, luxury single-family homes, university campus, and 200 acres of retail was made possible. The scale of the project made funding of substantial site grading and other construction costs specific to former use of the property as an aggregate mine possible.

## Research Sources:

- *Miromar Lakes*. (2019). Retrieved from: <https://www.miromarlakes.com/>



# Required Exit Planning

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Gravel mining occurs where there are sufficient resources to make mining feasible. Gravel deposits are irregularly dispersed and often gravel mining is sited near the demand. For example, new road construction precipitates nearby resources due to hauling costs. Generally, gravel mining has occurred at the outskirts of cities and can occur over several decades. During these decades of mining, cities expand and grow to where gravel mines are now infill sites or in the immediate path of development. After operations have ceased, gravel mining scars include rough open surfaces and pits ranging from shallow to deep. These mine-scarred lands need to be restored for their next use. New uses can include using the existing topography as-is or filled to provide a buildable surface.

## How tool solves challenge

Early master planning, prior to mine closing or permitting, provides property owners and the community a roadmap for both natural resource extraction and future land use that creates the highest long-term value for the property. This could include zoning, master planning, and entitling gravel mine sites prior to closure. Risk Mitigation Alternatives Evaluation (RMAE) can provide an approach to document site environmental and soil stability attributes and potential remedies. Remedies are ranked according to the site's next intended use, and help facilitate the selection of the most appropriate mitigation method given the intended site reuse. Many states require reclamation funds be set aside for when mining operations cease, providing for the mining company to cover the cost of reclamation.

## Tool Mechanics

Aggregate extraction is considered an interim use of property, and substantial visioning of final property after mining ceases is explicitly included in the planning process.

Post-closure planning allows for more efficient and cost-effective reclamation of pit, thereby expediting the process to get the site buildable.

Use of an interim conditional use permit for mining operations by state or local regulations can require the mine operator to set aside reclamation funds rather than the community or future developer bearing those full costs.

A community-driven post-closure use will guide the reclamation plan. Pre-planning site reclamation reuse can focus on a particular future land use scenario, even simply identified by zoning. Topography can be pre-engineered to meet the needs of various uses making for more efficient reclamation budgeting. Large parcels can be developed while aggregate operations continue.

A master plan can be completed while mining operations are in process. Master planning can promote buy-in from all stakeholders, including the community.

## Implementation Steps

1. Working together, property owner and local jurisdiction identify specific purpose and intent for pre-planning activity.
2. Identify regulatory and governmental agencies currently administering the permitting process.
3. Review existing mine permitting process to see which provisions could be used, modified, or added.
4. Assemble a stakeholders group to develop draft and final exit plan, including:
  - a. Residents
  - b. Land owners
  - c. Mine operators
  - d. Local government
  - e. State
5. Enable local interim conditional use permitting to overlay on regional or state mining regulations in order to set aside reclamation funds for future development.
6. Identify local clean fill sources, such as surplus fill from other construction sites, to support intended new uses.

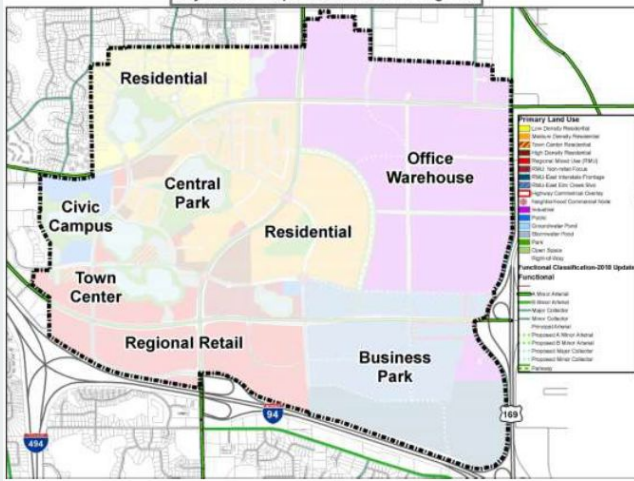
## Implementation Considerations

- Aggregate mining and extraction should be considered an interim use of property.
- Traditional land use tools for zoning and entitlement can be focused on gravel pit properties.
- Exit planning should be flexible as the site may have different aggregate veins than thought, future development needs may change, and time and schedule can change property use as needs change in community.
- Ongoing environmental and soil stability testing during ongoing fill operations is an efficient way to collect reliable data on conditions that may need to be addressed later.
- Documenting risks and impact on selected reclamation approach will increase purchaser/seller/ financier/developer confidence in selected remedy.
- Uncontrolled fill will need extensive investigation which adds to project cost and schedule. A better approach would be for fill management plans to be developed in the closure planning process.
- Developing large parcels while aggregate operations continue in new areas may be an option.
- Creating a buildable site for vertical construction requires engineering and fill placement to support soil stability requirements.



## Point of Contact

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# Case Study

## Name / Location:

Minnesota Conditional Use Permitting

Multiple state of Minnesota gravel pit sites

Redeveloped Site Use: Commercial, residential, governmental, hospital, parks

## Description:

Conditional use permitting for gravel resource extraction sites has been implemented in Minnesota for about the past 20 years. This approach is intentionally very flexible and enables each site's uniqueness to be addressed: location, shape, size, depth, mining technique, surrounding uses, local vision, and impact zone. Over the years, gravel pit sites ranging from 200 acres to greater than 2,000 acres have been redeveloped under this program.

## Problem:

Gravel mining operations can be a very long-term interim use. Surrounding uses can develop, leaving the site as an infill location or in the path of future development. When mining operations cease, what is left is a mine-scarred site with potentially difficult contours and terrain to develop.

## Solution:

Aggregate extraction is considered an interim use of property, and substantial visioning of final property use is included in an early master planning process for future uses. This visioning entails significant local involvement to guide allowed activities under each Conditional Use Permit and ensure post-mining zoning and entitlements are appropriate for the community's reuse vision. It also enables the community and potential developers to start developing plans, possibly phased, for site reuse prior to mining operations being completed. This approach can be instituted even if mining operations are already in progress. This approach works synergistically with the concept of reclamation reserves being held for restoration for future reuse. Pre-master planning allows for more efficient and cost effective reclamation of a gravel pit. Master planning promotes buy-in from all stakeholders, including the community.

## Research Sources:

- See Minnesota Statutes 462.3593 and 462.3595 - for example conditional use permitting rules and regulations
- City of Maple Grove, Gravel Mining Area Special Area Plan, 2018 Update  
[https://www.maplegrovern.gov/files/5315/5266/2435/2018\\_Gravel\\_Mining\\_Area\\_Special\\_Area\\_Plan\\_.pdf](https://www.maplegrovern.gov/files/5315/5266/2435/2018_Gravel_Mining_Area_Special_Area_Plan_.pdf)



# Case Study

## **Name / Location:**

Melone Property / Sudbury, Massachusetts

## **Description:**

The Melone Property was formerly a 46-acre gravel quarry at the end of its extraction operations. Due to exit planning strategies, the town of Concord was able to negotiate with the developer of the Sudbury Station (a 300 rental unit and 33 senior age-restricted townhomes project) to move its development from the center of town to the Melone Property.

## **Problem:**

The town needed to bridge the transition from gravel operations to a housing development.

## **Solution:**

A charrette and survey process was focused specifically on the Melone Property where the gravel pit was located. Gravel pit reuse scenarios were developed in light of the larger neighborhood plan. Zoning and entitlements were developed for the gravel pit site to guide reuse in a community-based and supportive fashion. Once all the entitlements were in place, a Request for Proposal for development was issued. While this project focused on a housing development, the problem and solution are equally valid for employment uses or a mixed use development to support housing and amenities for workers.

## **Research Sources:**

- *Stantec Projects.* (2019). Retrieved from: <https://www.stantec.com/en/projects>
- *Concord, MA | Official Website.* (2019). Retrieved from: [www.concordma.gov](http://www.concordma.gov)

# Strategic Phasing and Reuse

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Gravel mining can be an expansive operation covering many acres. In areas of imminent development, transitioning already-mined land into developable property may need to start before the entire gravel resources are mined.

## How tool solves challenge

Strategic phasing and reuse of land can be implemented as a development strategy, especially given site-specific environmental contexts. The future development of the site might make use of existing post-mining grading features (reuse), or be phased for a larger horizontal development plan (engineered fill).

## Tool Mechanics

Large scale projects lend themselves to phased development and can be developed while aggregate operations continue.

Gravel pits/quarries may provide advantages for specific types of uses and unique destinations.

Various portions of mining operations can be independently zoned and entitled in anticipation of future uses after conditional use permits expire.

Funds being generated by ongoing mining activities can be used to mitigate uncontrolled fill or other geologic hazards and/or by using reclamation escrows funded by mining companies.

Future anticipated uses could be unrestricted and could include using the grades as-is, integrated into development plans, or filled to create structurally sound building surfaces.

## Implementation Steps

1. Identify reuse opportunities and intent.
2. Collaborate with mining operator and land owner on a phased exit strategy that allows for continuing mine operations while phased redevelopment occurs.
3. Review existing mine permitting process to see which provisions could be used, modified, or added.
4. Enable local interim conditional use permitting to overlay a regional or state permitting process that would allow for phased development.

## Implementation Considerations

- Large gravel pit sites can have broad regional benefits such as wetland mitigation or construction debris landfill.
- Re-engineered grades can be used to create a broad variety of uses, including office/research campus, destination commercial and retail spaces, amenities to nearby business parks, and workforce housing.
- Businesses such as recreational equipment manufacturers may be targeted for these sites because of proximity to trails, water bodies, and nearby outdoor environments to test equipment and invite customers to test trial new products.

## Point of Contact

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# Case Study

## **Name / Location:**

Civita / San Diego, California

## **Description:**

Civita is a 230-acre master-planned community that is located on the site of a former quarry on the north side of the San Diego River. The site entails a high-density, mixed-use land use program of residential, retail, and office spaces.

## **Problem:**

The terrain left post-mining created topographical constraints and a inhospitable construction site. Development needed to conform to land use constraints and construction cost considerations for this challenging site.

## **Solution:**

The topography presented challenges but also created a natural phasing for development. The Civita plan calls for development on a series of terraces left after quarrying operations. Each terrace contains housing and a level footpath leading to a central park. Development comprises 60 to 70 acres of parks and open space; 4,780 residences (including approximately 478 affordable units); an approximately 480,000-square-foot retail center; and 420,000 square feet for an office/business campus. Grading the post-mining terrain in phases spreads out the need for clean fill costs and enables the development to flexibly meet market needs.

Sites can provide a passive space for employee breaks, lunches, and exercise, and serve multiple businesses, such as Civita Park near the bottom of the quarry.

## **Research Sources:**

- *Civita Life*. Retrieved from: [www.civitalife.com](http://www.civitalife.com)

# Local Government Collaboration / Planning Assistance

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

As mining operations approach the end of their life, local jurisdictions can collaborate with the mine operator in planning post-mining property use. This may include a number of elements, including: 1) evaluating best use of reclamation funds, 2) master planning of post-mining use, 3) careful management of the filling of the gravel pit, and 4) working with a private development partner to maximize property reuse.

## How tool solves challenge

A typical mine operator does not have the knowledge or interest in post-mining uses. They are miners, not planners or developers. By working with mine operators, local government agencies can empower mine operators to incorporate information related to future land use into decisions regarding mine operation and closure activities. At little or no cost to mining operators, the property will be closer to shovel-ready status at the conclusion of mine operations.

## Tool Mechanics

A commitment of limited staff resources by both the local government and mine operator is all that would be required to initiate the application of this tool. Such an arrangement would be a “win-win”, creating a property at the conclusion of mining operations that is closer to being in a shovel-ready redevelopment condition, which would improve the post-mining value of the property.

One readily available source of funding is mine reclamation dollars managed by the State of Oregon Department of Geology and Mineral Industries (DOGAMI). State law requires a financial assurance demonstration from mine operators. Planning in collaboration with local governments with a post-mining land use vision will ensure optimal use of reclamation funds.

Formation of a public/private partnership in developing a former gravel pit as a disposal site for clean and/or low-level contaminated soils would have substantial benefits. Filling of former gravel pits would mitigate site slopes and bring a property closer to being redevelopment-ready. The disposal site operator would charge a disposal fee that could be used to fund disposal site operating costs and to generate funds that could be used in preparing the site for redevelopment. Finally, such a disposal site would also have the added benefit of providing an essential service (i.e., a place to get rid of excess soils generated during construction projects) that is sorely needed in the Portland metro area.

## Implementation Steps

The typical implementation steps associated with local government planning assistance are listed below:

1. Initiate a dialogue with mine operators regarding their operational plans and timeline.
2. Evaluate the vision for redevelopment of the property within the context of the mine timeline.
3. Engage with mine operator regarding low- or no-cost operational changes that may result in a property that is more development-ready at the conclusion of mining operations.
4. Discuss with the mine operator establishing a public-private partnership for a soil disposal site following mine closure.
5. Secure agreement with owner on reclamation plan to support design/build/operate/maintain future development concept.



## Implementation Considerations

- Gravel mines are profit-driven entities. Post-mining use is of little interest to mine operators. However, perpetual operation and maintenance of former gravel pits, particularly in populated areas, can be a costly and high-risk endeavor. In initiating discussions with mine operators, find ways to educate them on mutual benefits as well as the common good.
- When filling former gravel pits, fill placement methods and material accepted can substantially affect the geotechnical characteristics of the filled pit. For example, do not accept organic materials that will decompose over time which can create dangerous methane gas, and settlement issues. When developing a disposal site operations plan, be sure to engage with a geotechnical engineer that can help establish fill acceptance and placement methods that will generate the best possible post-fill geotechnical conditions.
- Within the Portland metro area, there is significant demand for disposal sites able to accept clean and/or low-level contaminated soil. Government and mine operator entities could plan for use of former gravel mining pit as a disposal site for these materials. Such an arrangement could: 1) generate funding through disposal fees that could be used to fund other activities required to make a property shovel-ready for redevelopment, 2) aid in improving site grades to a state that would allow for highest and best redevelopment.

## Point of Contact

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# Case Study

**Name / Location:** Bridgeport Village / Tualatin, Oregon

## Description:

Bridgeport Village is a 30-acre site that was originally a county-owned gravel pit. The gravel pit operated for 30 years, finally ceasing operations in the 1980s. At the conclusion of mining operations, the pit was 90-feet deep. The Washington County hired a management contractor to oversee filling of the pit to prepare the land for redevelopment. Redevelopment planning for a shopping center on the site began in 1999. In 2001, the County sold the former gravel pit to a developer for \$18.75 million. Redevelopment began in 2003 and was completed in 2005, including 465,000-square-feet of leasable retail/restaurant space, an 18-screen theater, 45,000-square-feet of second-story office space, and a four-story parking garage.

## Problem:

Filling of the pit began in the late 1980s, and was completed by 2000. Despite the best efforts of the County (hiring of a management contractor), the geotechnical conditions at the site were poor, and required significant mitigation. Further, methane was detected in the fill, indicating the presence of organic material, despite the County's prohibition of the use of organic materials to fill the pit.

## Solution:

Numerous engineering and institutional controls were put in place to deal with the methane. An active gas extraction system was placed around portions of the interior and perimeter of the site at various depths to extract methane. A passive sub-slab venting system and a low-permeability membrane were installed beneath each building slab. Low-permeability membrane collars or trench plugs were installed for every utility that enters or exits each building or crosses a site boundary. Interior gas sensors were installed on buildings and closed areas that are not ventilated and will continue to be monitored until methane levels are deemed acceptable.

## Research Sources:

- *Bridgeport Village (Oregon)*. (2019). Retrieved from: [https://en.wikipedia.org/wiki/Bridgeport\\_Village\\_\(Oregon\)](https://en.wikipedia.org/wiki/Bridgeport_Village_(Oregon))
- *State of Oregon: Department of Environmental Quality*. (2019). Retrieved from: <https://www.deq.state.or.us/lq/ECSI/ecsidetail.asp?seqnbr=3791>

# Natural Resource Mitigation

## Summary of Tools

A widespread challenge to redevelopment of employment sites is the presence of known or potential natural resources, such as wetlands. Especially in suburban jurisdictions, many sites feature streams or other seasonal or year-round bodies of water that are potentially subject to regulation. As with brownfields, the presence of these features creates development uncertainty, and it can take considerable time and money to address and resolve this uncertainty.

This section lays out three useful tools that could provide the private sector with more certainty and expanded development potential of sites. In addition, the tools focus on regional solutions to natural resource management. Natural systems like waterways and wetlands do not follow political boundaries and are often interconnected. A regional approach that creates an integrated, robust system can provide greater ecosystem benefits. In addition, developing the elements of this system in a larger, more comprehensive fashion could provide efficiencies and economies of scale not possible on a site-by-site basis.

Our region has pioneered regional thinking around land use, transportation and open space. The region is uniquely positioned to lead on new approaches to regional natural resource management and green infrastructure. These tools will require federal, state and regional action to implement. They will also require significant regional coordination, but their impact and benefits would be widespread.

This category contains the following tools and case studies:

- 1. Regional Advance Mitigation Planning (RAMP)**  
Case Study: Central Sacramento Valley Pilot Project (CA)
- 2. Wetland/Floodplain Mitigation Bank**  
Case Study: Skykomish Habitat Mitigation Bank (WA)  
Case Study: Upper Clear Creek Wetland Mitigation Bank (WA)
- 3. Regional Green Infrastructure**  
Case Study: Hazelwood Green (PA)

# Regional Advance Mitigation Planning

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Unavoidable biological resource impacts caused by projects must be mitigated under federal and state law. When on-site mitigation is not possible, off-site mitigation is the preferred solution. Piecemeal mitigation can result in outcomes that are small, unsustainable, and ineffective in terms of habitat function, and more expensive for projects than coordinated mitigation.

## How tool solves challenge

The Regional Advance Mitigation Planning (RAMP) approach allows for all of the projects in long range plans to be considered, and a pool of mitigation sites identified for conservation in advance of individual project development efforts. The benefits of this approach are streamlined project delivery, and more effective and efficient conservation through placement of mitigation projects in more desirable and sustainable locations.

In California, a multi-agency working group was formed in 2008 to develop regional and statewide advance mitigation programs based on earlier county-level advance mitigation programs in San Diego and Orange counties. This roundtable group included agencies such as Caltrans, the California Department of Water Resources, the California Department of Fish and Wildlife, the US Fish and Wildlife Service, the US Army Corps of Engineers, the US Environmental Protection Agency, as well as other state and federal agencies, and organizations such as University of California-Davis and The Nature Conservancy. It developed a framework for implementing RAMP at a regional level, which illustrates the basic methodology of this tool, including mapping planned projects, and selecting mitigation sites within a conservation greenprint. Washington State now also has an Advance Mitigation program, run by the Department of Ecology.

The RAMP approach ensures that mitigation acquisitions meet multiple construction mitigation needs, while contributing to regional sustainability objectives.

## Tool Mechanics

The RAMP methodology gives an overall structure for analyzing and mitigating the environmental impacts of planned projects within a long range (10 to 20+ year) planning horizon.

A conservation “greenprint” is developed for a region based on the best-developed conservation targets from agency plans, habitat conservation plans, and non-governmental organizations (e.g., The Nature Conservancy), as well as species occurrence and habitat connectivity data and models.

Projects for which compensatory mitigation has not been finalized are inventoried and their locations digitized within a geographic information system (GIS). Projected mitigation needs are accounted for using a GIS analysis of regional project locations overlaid with regional natural resource data concerning important biological and ecological features.

Mitigation sites are then selected from the greenprint map of recognized conservation priority areas, each of which may comprise many individual parcels. Regional mitigation banks are assembled using these sites, and regional green infrastructure investments can be focused on mitigation bank lands.

More Information is available at:

- *Regional Advance Mitigation Planning in California*  
[https://scc.ca.gov/webmaster/ftp/pdf/sccb/2014/1405/20140529Board11\\_Bay\\_Area\\_RAMP-Ex2.pdf](https://scc.ca.gov/webmaster/ftp/pdf/sccb/2014/1405/20140529Board11_Bay_Area_RAMP-Ex2.pdf)
- *Caltrans Advance Mitigation Program ... Guidelines*  
<http://149.136.36.5/env/advancemitigation/docs/amp-draft-formal-guidelines.pdf>
- *Washington Advance Mitigation Program*  
<https://ecology.wa.gov/Water-Shorelines/Wetlands/Mitigation/Advance-mitigation>

### Implementation Steps

1. Convene a roundtable of stakeholders to develop a regional or statewide regulatory framework within which Regional Advance Mitigation Planning (RAMP) may occur.
2. Within the region, develop or acquire a regional “greenprint” or sustainability vision by mapping locations of existing conservation land and other conservation priorities.
3. Coordinate with local jurisdictions to identify planned projects and map them in GIS. Any development or transportation project that could potentially require mitigation should be included in this effort.
4. Map habitat, wetlands, floodplain and other resources that may need mitigation due to potential unavoidable impacts.
5. Review the set of projects against this set of conservation resources to develop an inventory of areas that will be potentially impacted and thus will require mitigation.
6. Select sufficient mitigation sites that fall within the regional sustainability vision as identified in the regional ‘greenprint’, and add these sites to the regional mitigation bank.
7. Focus regional green infrastructure investments on mitigation bank lands.

### Implementation Considerations

- The RAMP approach pioneered in California was originally focused on mitigating the impacts of transportation projects. Expanding RAMP to also include the ability to mitigate real estate development and other projects is a good fit for the RAMP concept. This approach is feasible for Oregon and the Portland metro area.
- The Portland region already has a fairly comprehensive conservation framework, even if there is not yet a regional ‘greenprint’. Existing conservation work serves as a basis for a regional ‘greenprint’ that would require less effort than would be needed in less-sophisticated regions.
- GIS staff can provide the geographical analysis support required to successfully implement the RAMP approach here, such as GIS analyses to conduct impact assessments of projects on conservation features, including streams, wetlands, floodplains, habitats of special concern, and habitats for listed species.
- The RAMP approach includes consideration of existing mitigation banks to the extent they overlap with conservation areas in a regional ‘greenprint’.
- Other RAMP efforts have encountered challenges involving the timing and availability of funding. Since the region has a dedicated revenue stream for acquiring conservation lands, it should be able to leverage this into a more successful RAMP and regional mitigation banking program than other regions have been able to achieve thus far.

### Point of Contact

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# Case Study

## Name / Location:

Central Sacramento Valley Regional Advance Mitigation Planning (RAMP) Pilot Project, California

## Description:

California's RAMP Work Group developed an initial Integrated Regional Mitigation Plan to quantify the expected impacts to a large number of species habitats and ecosystem types from the projects in the state's long range transportation plans such as the State Highway Operation and Protection Program and the State Transportation Improvements Program. A process was then used to select the pool of sites that could provide the necessary mitigation if made a part of a mitigation bank. Project and mitigation partners matched the mitigation needs of individual projects with candidate locations already identified for off-site mitigation through the RAMP process.

## Problem:

Over 65 transportation projects in three Caltrans districts required mitigation, which could have occurred in a piecemeal manner that is more expensive and less effective than the results produced by a coordinated approach.

## Solution:

The RAMP framework's methodology was implemented in a pilot project of the RAMP Work Group for a 1,500-square-mile area in the central Sacramento Valley, involving three phases of planning. The first phase, a regional assessment, analyzed potential infrastructure projects' unavoidable impacts over the next 20 years, and identified opportunity zones that would satisfy potential mitigation requirements and support conservation priorities. The second phase, an action plan, matched mitigation actions to an implementation framework. The third phase, advance mitigation implementation, included establishing new advance mitigation sites, purchasing existing credits in a region from private banks, and integrating RAMP into other planning efforts. The pilot project led to legislation in 2017 creating a new statewide Advance Mitigation Program housed at Caltrans, as a collaboration between Caltrans, its twelve districts, state and federal regulatory agencies, Metropolitan Planning Organizations, and other partners.

## Research Sources:

- *2015 Mitigation Needs Assessment for Transportation Projects for the Sacramento Valley Pilot Project for Regional Advance Mitigation Planning* Retrieved from: <https://escholarship.org/uc/item/3cn8f3mz>
- *A Review of Lessons Learned through the RAMP Working Group, Addendum to the Draft Statewide Framework* Retrieved from: <https://escholarship.org/uc/item/0fr9c1nx>
- *Caltrans Advance Mitigation Program* Retrieved from: <https://dot.ca.gov/programs/environmental-analysis/caltrans-biology/advance-mitigation-program>

# Wetland/Floodplain Mitigation Bank

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Wetlands constrain the area available for development. To develop a wetland requires filling it, which requires compensatory mitigation. On a site, there is often insufficient room or unsuitable conditions for mitigating wetland loss, and on-site mitigation can be time consuming and costly to design, construct, monitor, and maintain.

Development in floodplains is prohibited if it results in a reduction of flood storage capacity. While development should steer away from core floodplain areas, floodway and fringe areas can be developed with appropriate mitigation and a demonstration that there will be no rise in the base flood elevation.

Beyond wetland and floodplain loss, ecological outcomes from mitigation are reduced when dispersed mitigation areas are provided and not combined with more sizable and ecologically productive habitat restoration efforts, and on-site mitigation areas are not linked with broader management by agencies/staff with appropriate expertise.

## How tool solves challenge

A mitigation bank is a method of mitigating development by providing for in-lieu payments to offset impacts, allowing development to occur, within certain conditions of approval.

Mitigation banks are an effective tool to mitigate for wetland, floodplain, or other habitat loss and promote land readiness for development. Mitigation banks also provide more ecologically effective habitat restoration.

Mitigation banks allow a payment for mitigation credits to clear a site for development, and absolve the developer from any need to continue to monitor and maintain on-site habitat. Mitigation banks are a

recognized and approved approach by regulatory agencies, as banks provide greater ecosystem benefits than scattered sites. Mitigation banks bring an increased level of predictability to the regulatory process, and remove much of the financial risk associated with permitted activities.

## Tool Mechanics

Both wetland and floodplain mitigation banking in Oregon falls under the regulatory authority of the Oregon Department of State Lands (DSL) and Oregon Administrative Rules (OAR) 141-89-0620 through 141-89-0835 and 141-85-500 through 141-85-0785. Banks are also tied to the Federal Clean Water Act and Federal Emergency Management Agency regulations.

Key partners include: National Flood Insurance Program, Federal Emergency Management Agency, US Army Corps of Engineers, US Fish and Wildlife Service, National Oceanic and Atmospheric Administration, Oregon Department of Lands, Oregon Department of Environmental Quality, Oregon Department of Fish and Wildlife, Oregon Department of Land Conservation & Development, counties, cities, tribes, local soil and water conservation districts, and financial institutions. Another key partner is the Willamette Partnership, funded by the Natural Resource Conservation Service, which has developed a system of ecosystem credits that may be applicable to bank development.

Funding can come from a variety of sources including federal and state grants, banks, and public and private sources.

Revenue is derived from selling mitigation credits to development. Ultimately, a bank is set up as an endowment or other mechanism to ensure long-term protection following the sale of all credits.



## Implementation Steps

1. Assessment of potential to participate in a regional bank set up by a RAMP process.
2. Pre-prospectus meeting with DSL.
3. DSL review of draft documents.
4. Submittal of prospectus.
5. Prospectus completeness review.
6. DSL decision on whether or not to participate. Public notice and review of prospectus.
7. Consideration of comments - dispute resolution procedure if needed.
8. Establishment of Interagency Mitigation Bank Review Team.
9. Development of mitigation bank instrument (MBI).
10. DSL review of draft MBI.
11. Interagency Review Team review of draft MBI.
12. Preparation of final MBI.
13. Final approval of MBI.
14. Construction of mitigation bank.

## Implementation Considerations

- Banks need to address the particular wetland/floodplain losses anticipated in the watershed.
- A critical mass is required to make a bank financially successful.
- Upfront costs can be high and revenue may not be generated for some time, resulting in a long payback period.
- It will take time and resources to gather the data to satisfy different agencies and groups on the Mitigation Bank Review Team. For example, floodplain and wetland functions must be quantified and confirmed.
- Phased development of the bank or developing a smaller area initially to sell credits to fund later phases is an option to explore.

- The DSL review and approval process for wetland mitigation banks can be time-consuming.
- Collaboration between DSL and mitigation bank developers on how to make a land bank process work more effectively to achieve better ecological outcomes and support employment land development in Oregon is critical. This could include expanding the geography of mitigation banks to allow for more development sites to pay into the banks. Currently, Oregon has more geographic constraints than Washington.
- Public agencies may have more incentive and be best organized to pursue a wetland mitigation bank.

## Point of Contact

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More information is available at:

- *Willamette Partnership* [willamettepartnership.org](http://willamettepartnership.org)
- *Floodplain Mitigation Banking: Oregon Powerpoint Presentation*  
[floods.org/Files/Conf2016\\_ppts/B2\\_Hunger.pdf](http://floods.org/Files/Conf2016_ppts/B2_Hunger.pdf)
- *TNC/DOE/Puget Sound Partnership Floodplain By Design program.*  
<http://www.floodplainsbydesign.org/>
- *Oregon Wetland Mitigation Banking Guidebook*  
[https://oregonexplorer.info/data\\_files/OE\\_topic/wetlands/documents/mitbank\\_guidebk.pdf](https://oregonexplorer.info/data_files/OE_topic/wetlands/documents/mitbank_guidebk.pdf)
- *Washington Wetland Mitigation Banking*  
<https://ecology.wa.gov/Water-Shorelines/Wetlands/Mitigation/Wetland-mitigation-banking>



# Case Study

## Name / Location:

Upper Clear Creek Wetland Mitigation Bank / Pierce County, Washington

## Description:

The Port of Tacoma - in association with the US Environmental Protection Agency; National Oceanic and Atmospheric Administration; US Fish and Wildlife Service; Corps of Engineers; Washington Departments of Ecology, Natural Resources, and Fish and Wildlife; Pierce County; and Puyallup and Muckleshoot Tribes - enhanced an approximately 40-acre stream, wetland, and floodplain as part of a wildlife habitat mitigation bank on former farmland. The mitigation bank was available for use by developers leasing and developing Port-owned property and as mitigation for several past actions on Port industrial lands.

## Problem:

Port industrial property lacked areas for site specific wetland mitigation. The Port also needed to create wetlands as part of the terms of an EPA settlement over past land clearing that was improperly permitted.

## Solution:

The Port created a 40-acre mitigation bank consisting of 7 acres of floodplain wetland creation, 28 acres of wetland rehabilitation, 5 acres of forested riparian buffer enhancement, and reconnection of Clear Creek to its floodplain.

## Research Sources:

- *Port of Tacoma Umbrella Wetland and Habitat Conservation Bank Prospectus*  
<https://www.farminginthefloodplain.org/wp-content/uploads/2016/04/PortOfTacoma.Mitigation.pdf>
- *Northwest Construction Consumer Council Distinguished Project Award Powerpoint Presentation*  
<https://www.nwccc.org/wp-content/uploads/2016/11/Port-of-Tacoma-Upper-Clear-Creek-Mitigation-Site-Project-David-Myers.pdf>
- *Upper Clear Creek Mitigation Project Honored for Innovation and Achievement in Sustainability Powerpoint Presentation*  
<https://www.herrerainc.com/upper-clear-creek-mitigation-project-honored-for-innovation-and-achievement-in-sustainability/>





# Case Study

## Name / Location:

Skykomish Habitat Mitigation Bank / State of Washington

## Description:

The 260-acre Skykomish Habitat Mitigation Bank is an ecological mosaic of restored riparian habitats, newly created stream channels, and reconnected floodplain wetlands. In this ecosystem, the river moves and interacts freely with a network of changing side channels and a large floodplain wetland complex. Natural changes in the river will continue to drive processes that carve out complex habitat assemblages and associated diverse niches that adjust over time in response to ongoing river and floodplain dynamics. This type of habitat most closely mimics the function, quality, and sustainability of naturally-occurring habitats within the vicinity of the mitigation bank site.

## Problem:

Avoiding floodplain impacts is not possible in all property developments. In these situations, off-site floodplain mitigation options are needed.

## Solution:

Mitigation banks consolidate the mitigation for impacts at multiple dispersed sites onto larger wetlands that are restored in advance, carefully located to be successful, and contribute in a sustainable way to the overall health of the watershed.

At Skykomish, a large dyke was removed from the bank of the river. This allowed for a reconnection of floodplain habitats and creation of a new side channel which has proven to be superior, spawning an off-channel rearing and refuge habitat for salmon. The bank provided a wealth of mitigation credits for floodplain, wetland and habitat impacts. This bank was used to compensate for permitted impacts in adjoining Water Resource Inventory Areas (WRIAs) or other nearby areas in King and Snohomish counties, including the Soundview Innovation Campus business park, and work on the Boeing campus, in Everett, Washington.

## Research Sources:

- *Mitigation Banking Services: Skykomish Habitat Bank.*  
<http://www.mitigationbankingservices.com/about-mbs/skykomish-habitat-2/>
- *Washington State Department of Ecology - Skykomish Habitat.*  
<https://ecology.wa.gov/Water-Shorelines/Wetlands/Mitigation/Wetland-mitigation-banking/Mitigation-bank-projects/Skykomish-Habitat>
- *Cosumnes Floodplain Mitigation Bank, California :*  
<https://www.wesmitigation.com/cosumnes-floodplain-mitigation-bank/>

# Regional Green Infrastructure

		IMPACT		
		Low	Med	High
EFFORT	High			
	Med			
	Low			

## Defining the problem

Stormwater is a major cause of water pollution in urban areas. Handling stormwater management through a dispersed set of private, on-site systems is not cost-effective and prone to failure from lack of maintenance. Stormwater runoff carries trash, bacteria, heavy metals, and other pollutants into nearby water bodies. Green infrastructure uses vegetation, soils, and other elements to manage heavy rainfall and reuse rainwater.

## How tool solves challenge

A fee-in-lieu stormwater option would allow for private developers to pay into a public infrastructure fund that would be used to develop a robust and interconnected regional stormwater management system. In addition to being a more efficient and systems-level approach to a regional issue, this program would allow private land to be developed more intensely. On-site stormwater facilities reduce the amount of developable land on each site, sometimes significantly.

These fee-in-lieu funds could also be available to subsidize large-scale private elements for larger sites, such as gravel pits, that can complement the overall system. Stormwater is a regional issue and a regional program would be most effective.

The program could integrate green infrastructure elements into other public infrastructure projects and with open space acquisition programs. Green infrastructure can be a component of many regional projects and priorities.

## Tool Mechanics

A regional fee-in-lieu program is established to fund key projects that create an integrated stormwater management infrastructure system for the region.

Local governments amend ordinances to allow this fee-in-lieu option within their jurisdictions. Funds generated from the program flow to a central fund to be used to finance regional infrastructure projects. These projects can be public but the fund should also be opportunistic and be allowed to fund major projects on private lands. For instance, if a privately-owned gravel pit could include a pivotal piece of the regional stormwater infrastructure, the fund should be able to participate financially in that project.

Similar to how regional transportation dollars are allocated, there needs to be a stormwater plan with identified projects. This plan should be developed in partnership with all participating jurisdictions. The local benefits from participating in the administration of the program and the planning effort need be significant in order to incentivize participation. The ability to comingle fee-in-lieu funds with other regional infrastructure funds will be important and could result in outsized impacts. This, in turn, should entice local participation.

### Implementation Steps

1. Identify the regional body charged with managing local coordination, fund collection, and project funding.
2. Conduct a regional process to establish a stormwater and green infrastructure plan with a key project list.
3. Establish administrative processes and procedures, including fee amounts, assistance with local adoption of fee option, and a collection procedure.
4. Coordinate with other agencies involved in infrastructure projects, open space acquisition, and large-scale land owners in the region to proactively identify potential projects.



### Implementation Considerations

- A regional stormwater management and green infrastructure plan should be developed to identify projects and coordinate with stakeholder agencies.
- Currently, regulation of stormwater standards is handled locally, so coordination with local agencies is needed to establish common standards and administrative procedures.
- The program should result in streamlined processes and standards that reduce the local administrative burden to incentivize local participation.
- The fee level should be set such that it makes financial sense for small sites to pay the fee in order to develop more of their sites. Setting fee levels is perhaps the most important part of any such program, so special care should be taken and regular adjustments should be made.

### Point of Contact

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# Case Study

## **Name / Location:**

Hazelwood Green / Pittsburgh, Pennsylvania

## **Description:**

Redevelopment of a former 178-acre mill site into an urban mixed-use district, with a heavy employment focus. The plan for the district includes a target of over 4 million square feet of commercial and over 3.5 million square feet of residential. A comprehensive system of green infrastructure was designed and financed through a combination of \$51 million in public and private loans and \$14 million in state and local grant funds.

## **Problem:**

Controlling stormwater runoff from major storms and conservation of water at a district-scale was an issue for this site.

## **Solution:**

A district-scale green infrastructure system, such as rain gardens and bioswales to provide increased resiliency in major storm events, was incorporated in the design of Hazelwood Green. This included subsurface infiltration and rainwater reclamation, and rain harvesting that would be used for irrigation, ornamental water features, and other non-potable water uses. Benefits of this design include shade, natural air filtration, and open space.

## **Research Sources:**

- *What is Green Infrastructure?* (2015). Retrieved from: <https://www.epa.gov/green-infrastructure/what-green-infrastructure>
- *Hazelwood Green.* (2018). Retrieved from: [https://www.dropbox.com/s/7xu9s3p609j014m/HGPLDP\\_08.30.2018\\_Approved.pdf?dl=0](https://www.dropbox.com/s/7xu9s3p609j014m/HGPLDP_08.30.2018_Approved.pdf?dl=0)
- *Green Infrastructure Funding Mechanisms. San Francisco Estuary Partnership.* Retrieved from: <http://www.sfestuary.org/wp-content/uploads/2015/09/Alternative-Compliance-Memo-FINAL.pdf>



# Equitable Development

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# Equitable Development Impact Assessments

## Summary of Tool

Most jurisdictions in the Portland metro region have embraced the notion of equity as a guiding principle or value to inform actions they undertake. There is a growing recognition that past actions (in the context of this report, actions related to the development and operations of employment lands) have disproportionately affected marginalized communities. Going forward, many jurisdictions will seek to make decisions that will diminish the negative effects of new development on these communities, and create benefits that build wealth and well-being, especially in these communities. As part of this effort, this report identifies national examples of Equitable Impact Assessment tools that cities and counties can use to assess the equity-related impacts of their employment land policy, programs, and decisions.

This category contains the following equitable impact assessment case studies:

1. **King County Equitable Impact Review** (King County, WA)
2. **Equitable Development Scorecard** (Twin Cities, MN)
3. **Collective Impact – Accelerate Change Together** (Anaheim, CA)

# Equitable Impact Assessments



## Defining the problem

If not implemented with an equity lens, development projects on employment land can result in social and economic inequities. Local jurisdictions may not know the extent of those impacts without a clearly-defined assessment process.

## How Tool Solves Challenge

As part of a larger equity framework, assessments can help a local government or non-profit measure the impact of policies, program and projects on vulnerable communities and other stakeholders.

Identifying and evaluating equity impacts is necessary to create opportunities that benefit all people in the community, especially those who have been historically and are currently under-represented in the decision-making process and who face institutional barriers to wealth creation.

## Tool Mechanics

Assessments can include impact reviews, scorecards, and implicit bias toolkits. These assessments depend on quantitative data (from local and national sources) and qualitative data (through community engagement).

The purpose of engaging target groups in discussion around proposed developments should include an authentic consideration of development alternatives to ensure the project reflects community development needs effectively.

Assessments can be led by a local government as part of an equity strategy, or by a non-profit working in the community that is interested in social equity outcomes. Key partners could include governments across multiple jurisdictions, local non-profits, neighborhood associations, and community-based organizations.

## Implementation Steps

**Assessments should be developed in conjunction with the development of a larger equity framework.** The framework should result in shared definitions of equity and inequity and awareness of explicit and implicit bias, particularly around race. These definitions will drive the unique metrics that are included in the associated assessment.

Jurisdictions should only develop an assessment after an extensive stakeholder engagement process to agree on a common vision for equity, learn about community needs and concerns, and develop metrics that measure outcomes that are important to the impacted communities.

The strength of the tool will depend on its enforcement mechanism. For example, performance on an assessment of equitable development outcomes could be one of the criteria for accessing government funding.



## Implementation Considerations

- Reaching consensus on shared measurement requires leadership from a neutral facilitator.
- Effective community engagement and consensus-building requires substantial time and resources.
- Identifying reliable data can be difficult. There are limitations of many publicly-available data sources, and disaggregating data will reveal previously unacknowledged inequities.
- The assessment should be a living document, evolving over time, based on community conversations or unique circumstances.
- The assessment should limit jargon, ensuring that participants and end users understand the terms used in the professional field.
- Some will respond negatively to difficult discussions about the nature and causes of inequality.
- An assessment with too many requirements could impede other community priorities.
- Examples of an application of an assessment in an employment-focused context are limited.
- Development of equitable metrics requires input from various stakeholders.
- Development of a shared agenda and common set of desired outcomes is critical.
- Scorecard rankings can show how goals meet equitable outcomes, but should be supplemented with qualitative data and additional engagement.

## Point of Contact

### King County Equitable Impact Review Toolkit

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### Twin Cities Equitable Development Scorecard

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### Accelerate Change Together - Anaheim

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### A Path Forward

The following questions are applicable to a local government that is interested in creating an assessment tool for a specific policy, program or project related to employment lands.

#### **How can jurisdictions apply an 'equitable impact assessment' to employment land development?**

Any assessment will be tailored to the needs of impacted communities and conditions within the study geography, and for the relevant project and/or employment development types.

Cities or counties can use impact assessments to assess any part of the development process, all the way from procurement to location of employees within the finished building. For example, the assessment could focus on any of the following:

- The development process (e.g., contractor selection, procurement, and Minority Women Emerging Small Business requirements).
- The location of the development (e.g., bringing jobs to areas with higher percentages of populations with low incomes or limited access to jobs).
- The end user of the sites (e.g., identifying tenants that provide well-paying jobs and are willing to intentionally hire people of color).

#### **What role will the assessment play?**

Assessments are an important but often overemphasized tool in the development of an equity agenda. Governments should not conduct the assessment in lieu of a robust, ongoing community engagement process. If implemented at the government level, the assessment should be tailored to help decision-makers develop policy changes and ensure ongoing focus on implementation outcomes related to equity.

#### **How can jurisdictions use the tool to strengthen community engagement?**

Local governments should strive for transparency in who they involve in the development of metrics, the limitations of available data, how they assess metrics, and how they will use the results from the assessments to engage in community discussions about how to change those outcomes and adjust policies and programs iteratively.

#### **How will jurisdictions develop a shared agenda and a common set of desired outcomes around employment land?**

Some community leaders working to promote equity have criticized assessments because they focus too much on data collection and not enough on ongoing community conversations to develop a shared agenda and desired outcomes.

Jurisdictions and other implementation partners should collectively determine a common agenda related to employment land readiness and determine a joint approach to desired outcomes through agreed upon actions as a starting point.

#### **Who are the internal and external partners that need to be involved?**

Depending on the process, potential partners could include other jurisdictions with an implementation role, local non-profits, neighborhood associations, community organizations, impacted residents or businesses, property owners, business groups, and potential developers in these conversations.



# Case Study

## **Name / Location:**

King County Equitable Impact Review Toolkit / King County, Washington

## **Description:**

Launched in 2008 by the County’s executive branch and formalized in 2010, King County’s departments started jointly analyzing the historical roots of social inequities in the county and began creating tools to promote institutional changes. One of these tools is the Equity Impact Review (EIR) Toolkit, which the County uses to consider equity impacts in the implementation of proposed policies and programs. This process emphasizes deliberate involvement of stakeholders and affected parties and consideration of their roles in decision-making. Several of the County’s departments have used the EIR tool to plan new models of service delivery, consider potential equity impacts, and evaluate policies for parks, county sheriff services, rodent control programs, transit service, and healthy incentive programs (see Appendix ). King County staff have stated that the EIR Toolkit is best used to inform budgets, policies, and decision-making.

## **Problem:**

The County needs to identify, evaluate, and communicate potential equity impacts of county policies and programs.

## **Solution:**

The County developed an EIR Toolkit that applies an equity lens to inform budgets, policies, and decision-making processes. The County also developed a 2016-22 Equity and Social Justice Strategic Plan, which is a blueprint for action and change that will guide the county’s pro-equity policy direction, decision-making, planning, operations and services, and workforce practices. Complementary tools include a Community Engagement Worksheet, language translation and interpretation tools, and an Implicit Bias Toolkit. Appendix B, page 123 describes how the Equity Impact Review Toolkit has actively informed budget, policies, and decision-making.



## Case Study

### **Implementation of King County’s Equity Impact Review Toolkit: Department of Parks and Natural Resources Land Conservation Initiative**

To assess impacts related to park investments and distribution, the County’s Department of Parks and Natural Resources uses quantitative data and community engagement to compile a scorecard to assess equity in distribution of parks, open space, trails, and farmers markets by race, income, and language spoken in the communities served.

Armed with this data, the County has spearheaded a Land Conservation Initiative with the goal of reversing the historic lack of investment in open space infrastructure in communities where it is needed the most. The Initiative led to the establishment of Open Space Equity Cabinet (OSEC) to shape policies and guide investments in green space in King County. The OSEC identified ways in which low-income and historically underserved communities (i.e., communities of color) lack access to park and open spaces. The establishment of a cabinet dedicated to guiding equitable decision-making formalizes the process of incorporating equity into new development. Since the establishment of OSEC in 2018, short, medium, and long-term goals have been established to address open space inequities.

The OSEC also recommended additional criteria for determining equitable use of funds from the County’s Conservation Futures Tax (CFT). The criteria includes 15 metrics that would accompany existing municipal codes to help allocate CFT funds. The metrics will help steer project applicants and fund reviewers to focus on eliminating disparities in access to open space.

*Refer to the appendix (pages 105-110) for the full assessment tool used in the Land Conservation Initiative.*



# Case Study

## Implementation Steps:

1. Through community conversations, define and understand different aspects of equity by identifying affected people and places, recognizing that each community is impacted in a unique way.
2. Understand and document potential equity-related outcomes related to community policies and programs in each affected community.
3. Map and evaluate alternatives for how the jurisdiction can analyze equity impacts.
4. Implement an equity impact review process, and stay connected with communities, employees, and other stakeholders through ongoing community engagement.
5. Listen, adjust, and learn together with communities, employees, and other stakeholders.

## Point of Contact:

Office of Equity and Social Justice  
401 Fifth Ave, Suite 800  
Seattle, WA 98104  
206-263-9600  
[kingcounty.gov/equity](http://kingcounty.gov/equity)

## Research Sources:

- *2015 Equity Impact Review Process Overview*. (2016). Retrieved from: [https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/2016/The\\_Equity\\_Impact\\_Review\\_checklist\\_Mar2016.ashx?la=en](https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/2016/The_Equity_Impact_Review_checklist_Mar2016.ashx?la=en)
- *Using the Equity Impact Review Toolkit*. (2012). Retrieved from: <https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/documents/KingCountyEIRToolExamples.ashx?la=en>
- *Tools and Resources*. Retrieved from: <https://www.kingcounty.gov/elected/executive/equity-social-justice/tools-resources.aspx>
- *King County Open Space Equity Cabinet*. (2019). Retrieved from: <https://your.kingcounty.gov/dnrp/library/water-and-land/land-conservation/equity/20190319-Open-Space-Equity-Cabinet-Report.pdf>

Refer to the appendix (Page 111 - 113) for a list of examples of applying the EIR tool in King County and detailed description of the phases of the EIR process.



# Case Study

## **Name / Location:**

Equitable Development Scorecard / Twin Cities, Minnesota

## **Description:**

In 2015, a local non-profit called Alliance convened community leaders in Twin Cities, Minnesota in a process to develop an equitable assessment tool that could be deployed in a wide range of settings to quickly gauge the impacts of development projects on different community groups. Key partners included community-based organizations and advocacy groups in Twin Cities, together with the Harrison Neighborhood Association, Umoja Community Development Corporation, and members of the Community Engagement Steering Committee. The organizations developed a set of metrics and scorecards intended for use by both community members (i.e., urban, suburban, rural neighborhoods, cultural groups), government organizations, and planners. The scorecard divides the scoring metrics into several categories: community engagement; land use; economic development; housing; and transportation. Community groups are asked to fill out the scorecards at any point of a development project, although preferably closer to the start in order to gauge any missing equity gaps. The scorecards provide a quantitative assessment of equity impacts from new developments and are used to achieve important equity goals.

## **Problem:**

Economic development and wealth creation initiatives do not measure, or measure inconsistently and informally, how well those initiatives promote equitable development, environmental justice, and affordability.

## **Solution:**

Several organizations have used the scorecard, including Metro Blooms, Cycles for Change, and the West Side Community Organization in St. Paul. The scorecard has been supplemented to fit more nuanced purposes, such as a focus on businesses (Metro Blooms), transportation (Cycles for Change), and neighborhood development (West Side Community Organization in St. Paul).



# Case Study

## Implementation of Twin Cities Equitable Development Scorecard: Westside Neighborhood Association

The Westside Neighborhood Association expects to see substantial new development over the coming years, including thousands of new housing units and new commercial spaces. In 2017, the Westside Neighborhood Association convened several workshops with community members to create a development assessment, building off of the existing Twin Cities Equitable Development Scorecard. As part of this process, the Neighborhood Association identified three goals for the neighborhood: affordable housing; local jobs; and a healthy, safe, and equitable neighborhood. The City is adding the scorecard to its development review process as part of the neighborhood’s small area plan. The City will facilitate a process by which any developer who proposes a new development project in the area must answer the questions laid out in the scorecard. The Neighborhood Association will score the scorecard and then work with the developer to ensure their development plans fit with their values and priorities for the neighborhood.

SCORE	Give each score on a scale of 1 (low) to 5 (high)
___ / 5	Project offers rental housing options appropriate to development site (commercial or residential), incorporating options for mixed income housing.
___ / 5	Development supports mixed income housing. This includes proposed projects on the West Side outside of the original plan area. Resource: West Side Master Flats Plan

Example of questions for the Equitable Housing category. Refer to appendix (pages 114 - 120) for a full scorecard.

### Research Sources:

- *Equitable Development Scorecard*. Retrieved from: [https://www.wsko.org/equitable\\_development\\_scorecard](https://www.wsko.org/equitable_development_scorecard)
- *Scorecard Previous Work*. Retrieved from: [https://www.wsko.org/scorecard\\_previousworkwsa2e](https://www.wsko.org/scorecard_previousworkwsa2e)
- *Equitable Development Scorecard*. Retrieved from: [https://d3n8a8pro7vhmx.cloudfront.net/wsko/pages/171/attachments/original/1553195960/FNAL\\_WSCO\\_Equitable\\_Development\\_Scorecard\\_3-21-19.pdf?1553195960](https://d3n8a8pro7vhmx.cloudfront.net/wsko/pages/171/attachments/original/1553195960/FNAL_WSCO_Equitable_Development_Scorecard_3-21-19.pdf?1553195960)



# Case Study

## Implementation Steps:

- Identify and describe racial disparities by working with partner organizations and individual property owners.
- Organize neighborhood events and other outreach activities to engage with the community to define the community's goals, priorities, and criteria for growth and reinvestment.
- Increase stakeholder awareness of neighborhood assets, including smaller businesses.
- Adapt and tailor existing scorecard to address specific content related to a potential site.
- Determine how the scorecard will help with grantmaking, potentially funding allocation, decision-making and resource allocation, and development review process.
- Adapt scorecard based on end use, and revisit over time to make sure the scorecard reflects evolving community priorities.

## Point of Contact:

The Alliance  
2525 Franklin Ave E, Suite 200  
Minneapolis, MN 55406  
612-332-4471  
info@thealliancetc.org

## Research Sources:

- *Equitable Development Principles & Scorecard*. (2016). Retrieved from: <https://www.metrotransit.org/Data/Sites/1/media/equity/equitable-development-scorecard.pdf>
- *Business Evaluation Tool*. Retrieved from: <http://thealliancetc.org/wp-content/uploads/2019/04/Metro-Blooms-case-study-final.pdf>
- *Twin Cities Region Equitable Development Principles & Scorecard*. (2014). Retrieved from: [https://www.mayorsinnovation.org/images/uploads/pdf/5\\_-\\_Twin\\_Cities\\_Region\\_Equitable\\_Development.pdf](https://www.mayorsinnovation.org/images/uploads/pdf/5_-_Twin_Cities_Region_Equitable_Development.pdf)



# Case Study

## **Name / Location:**

Collective Impact: Accelerate Change Together (ACT) / Anaheim, California

## **Description:**

Collective Impact brings together different groups of people with a common agenda to agree upon a shared measurement system. It promotes mutually-reinforcing actions, with a focus on equitable outcomes. Collective Impact is an approach increasingly adopted to address social issues, but its evaluation metrics are transferable as metrics for development criteria on employment land readiness sites.

A youth development program called Accelerate Change Together (ACT) in Anaheim, California, used Collective Impact's five core principles to address critical gaps in youth services. The program also focused on building capacity of the non-profit sector to strengthen families and communities through programs. ACT created a logic model (see page 102) with a matrix that explains the evaluation approach for shared goals, inputs (where they invested), activities (what they did and who they reached), outputs (what occurred as a result of the activities - numbers served, locations served, indicators), and outcomes (short-, medium-, long-term). This approach could be applicable to other industrial developments. ACT's approach required designated lead organization, staff and coordinator for the initiatives and a neutral facilitator for the group.

## **Problem:**

The Anaheim area faces gaps in services for youth. Non-profit organizations need support to build capacity for youth engagement and strengthen families and communities through programs.

## **Solution:**

Assessment findings include the urgency to invest in Anaheim's youth, and identification of specific geographic areas with highest youth needs.

## **Implementation Steps:**

- Identify organization that will host group, provide neutral facilitator, and provide staffing (could be public or private sector partner).
- Bring together implementation partners with a common agenda related to employment land readiness (either in a specific area or regionally) to meet on a regular basis.
- Determine desired outcomes through extensive conversations, and outline actions each partner will take.
- Develop a logic model that explains the evaluation approach that contains shared goals, inputs, activities, outputs, and outcomes.
- Track outcomes and use the results to inform future conversations.





# Case Study

## Collective Impact: Accelerate Change Together (continued):

Accelerate Change Together for Anaheim – ACT Anaheim  
Logic Model

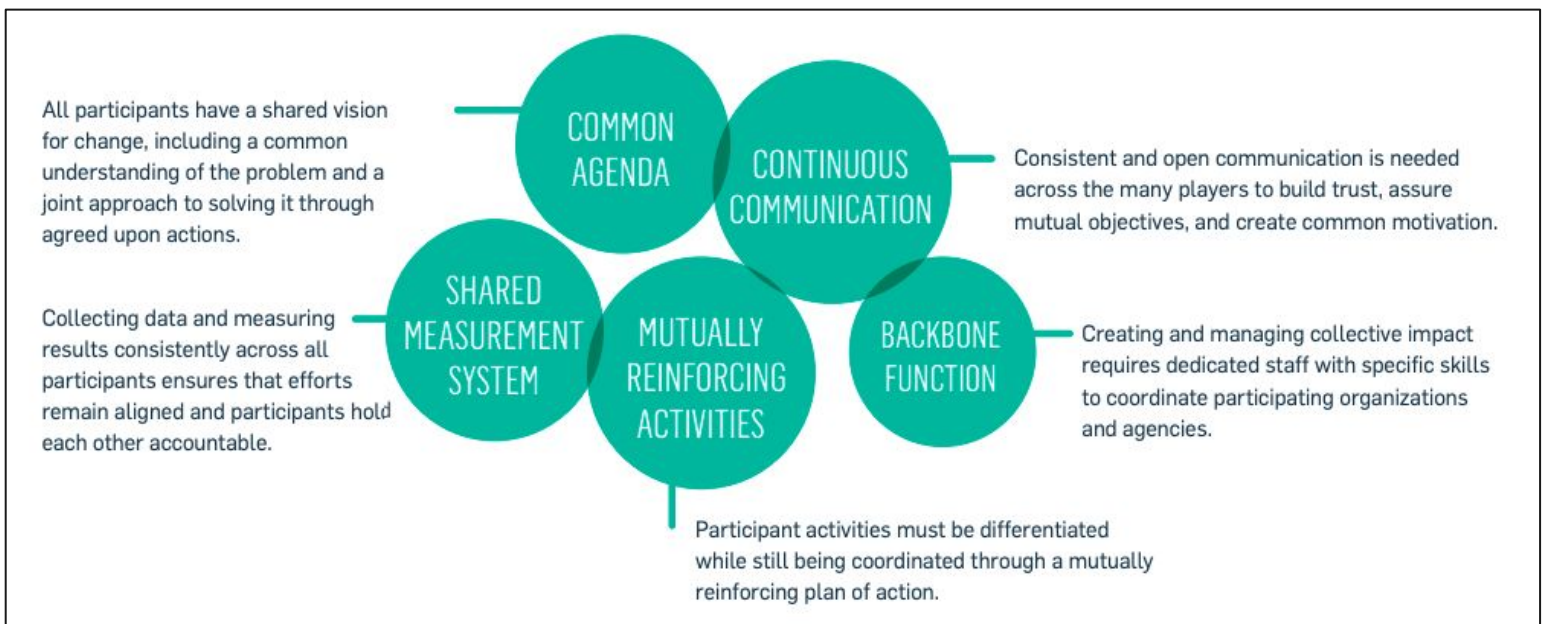
Accelerate Change Together for Anaheim – ACT Anaheim Logic Model						
<b>Goals:</b> <ol style="list-style-type: none"> <li>1. Youth are college and career ready</li> <li>2. Youth are positively engaged in the community</li> <li>3. Youth have healthy lifestyles</li> <li>4. Parents and other adults have positive relationships with youth</li> </ol>						
INPUTS	ACTIVITIES		OUTPUTS	OUTCOMES		
<i>What we invest</i>	<i>What we do</i>	<i>Who we reach</i>	<i>What we did</i>	<i>Short-term</i>	<i>Intermediate</i>	<i>Long-term</i>
<ul style="list-style-type: none"> <li>• Anaheim Youth Services Assessment</li> <li>• ACT Anaheim grant award</li> <li>• Staff</li> <li>• Volunteers</li> <li>• Time</li> <li>• Materials</li> <li>• Equipment</li> <li>• Technology</li> <li>• Partners</li> </ul>	<ul style="list-style-type: none"> <li>• College and career readiness</li> <li>• Youth leadership and service learning</li> <li>• Gang prevention and intervention</li> <li>• Parent engagement</li> <li>• Mentoring</li> <li>• Athletics and activities</li> <li>• Teen pregnancy, violence and substance abuse prevention</li> <li>• Mental health services</li> <li>• Capacity building</li> </ul>	<ul style="list-style-type: none"> <li>• Youth               <ul style="list-style-type: none"> <li>◦ Primary prevention</li> <li>◦ Secondary prevention</li> <li>◦ Tertiary prevention</li> </ul> </li> <li>• Parents</li> <li>• Adults</li> <li>• Families</li> <li>• Schools</li> <li>• Partner organizations</li> <li>• Other agencies and Nonprofits</li> <li>• Decision-makers and community leaders</li> </ul> <p><i>Indicators</i></p> <ul style="list-style-type: none"> <li>• Youth participant and family demographics</li> <li>• Program participation documentation</li> <li>• Partner information</li> </ul>	<p><i>Numbers served</i></p> <ul style="list-style-type: none"> <li>• Youth</li> <li>• Parents</li> <li>• Adults</li> <li>• Types of services received</li> <li>• Days/hours per week</li> <li>• Duration of services overall</li> </ul> <p><i>Locations served</i></p> <ul style="list-style-type: none"> <li>• Schools</li> <li>• Partner organizations</li> <li>• Other agencies and Nonprofits</li> <li>• Services available in targeted census tract</li> </ul> <p><i>Indicators</i></p> <ul style="list-style-type: none"> <li>• Program participation documentation</li> </ul>	<p><i>Learning</i></p> <ul style="list-style-type: none"> <li>• Attitudes</li> <li>• Awareness</li> <li>• Knowledge</li> </ul> <p><i>Indicators</i></p> <ul style="list-style-type: none"> <li>• Satisfaction surveys</li> <li>• Attitude and knowledge assessments</li> </ul>	<p><i>Action</i></p> <ul style="list-style-type: none"> <li>• Behavior</li> <li>• Skills</li> <li>• Practice</li> <li>• Decision-making</li> <li>• Policies</li> <li>• Social Action</li> </ul> <p><i>Indicators</i></p> <ul style="list-style-type: none"> <li>• School performance</li> <li>• Gang involvement</li> <li>• Workforce preparedness</li> <li>• Alcohol and Drug Use</li> <li>• Interactions between partner organizations</li> </ul>	<p><i>Social Conditions</i></p> <ul style="list-style-type: none"> <li>• Crime and delinquency</li> <li>• High School completion</li> <li>• Employment and economic stability</li> <li>• Teen Pregnancy</li> <li>• Child Abuse or Neglect</li> </ul> <p><i>Indicators</i></p> <ul style="list-style-type: none"> <li>• Community Indicators compared to ACT Anaheim participants</li> </ul>

Example of the logic model that ACT uses for their planning and decision-making



# Case Study

## Collective Impact's Five Core Conditions



### Point of Contact:

Orange County Community Foundation  
 4041 MacArthur Blvd, Suite 510  
 Newport Beach, CA 9260  
 949-553-4202  
 info@oc-cf.org

### Research Sources:

- *Collective Impact Case Study*. (2017). Retrieved from: <https://www.oc-cf.org/wp-content/uploads/2018/01/2017-ACT-Anaheim-Case-Study.pdf>
- *Guide to Evaluating Collective Impact*. Retrieved from: <https://www.collectiveimpactforum.org/sites/default/files/Guide%20to%20Evaluating%20CI%2003.pdf>
- *Guide to Evaluating Collective Impact. Supplement: Sample Questions, Outcomes, and Indicators*. Collective Impact Forum.

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# Appendices

This appendix contains the following materials:

**Appendix A:** Priority Employment Sites and Map

**Appendix B:** Opportunity Area Criteria / Data Report from King County Department of Natural Resources

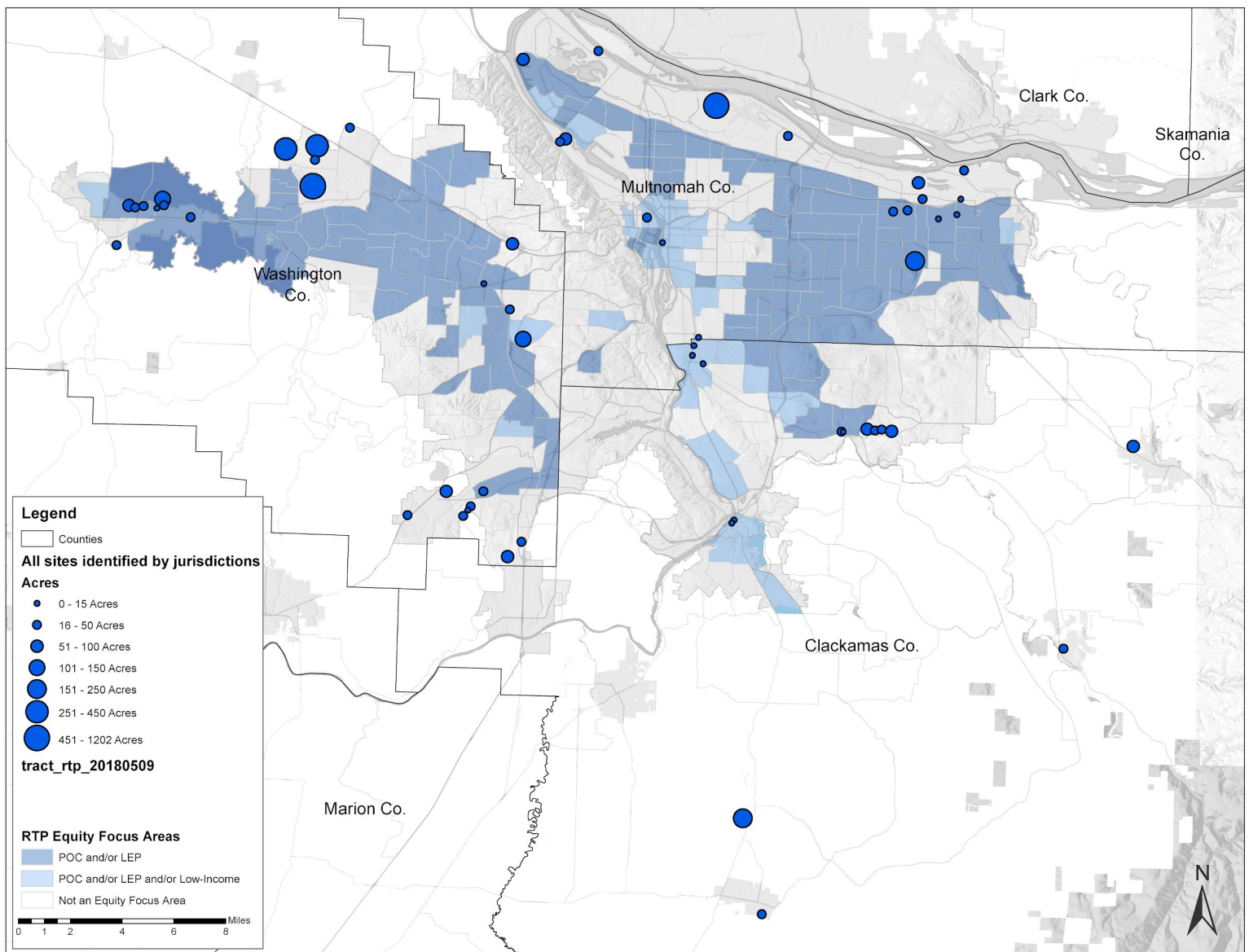
**Appendix C:** King County Documentation of Application of Equity Impact Review Toolkit

**Appendix D:** Twin Cities Scorecard

### Priority Sites by Type of Employment Land and Site Readiness Challenge

Type of Employment Land (zoning)	Number of Sites	Site Readiness Challenge	Number of Sites
Commercial	15	Natural Resources	39
Industrial	43	Infrastructure	36
Other	1	Aggregation	24
<b>Total</b>	<b>59</b>	Brownfield	23
		Redevelopment	22
		Local and State Legislative Action	19
		Gravel Pit	1

### Map of All Sites Identified by Jurisdictions with Equity Focus Areas



### *INFORMATION ABOUT THIS REPORT:*

This report identifies how a property meets select criteria that were identified by King County and stakeholders as relevant to equity/opportunity area determination.

There are two methods by which a property may qualify as being in an equity/opportunity area:

**Method 1.** Property meets all three of the following “specified criteria” in King County code 26.12.003. Data results related Method 1 are provided in this report in “#1: DOES PROPERTY MEET ALL 3 SPECIFIED CRITERIA?”

- (a) “areas located in a census tract in which the median household income is in the lowest one-third for median household income for census tracts in King County;
- (b) “areas located in a census tract in which hospitalization rates for asthma, diabetes, and heart disease are in the highest one-third for census tracts in King County; and
- (c) “for areas within the Urban Growth Boundary, [that] do not have a publicly owned and accessible park within one-quarter mile of a residence, or for areas outside the Urban Growth Boundary[,] that do not have a publicly owned and accessible park within two miles of a residence.” (King County Code 26.12.003)

**Method 2.** If a property does not qualify under Method #1, a project may qualify if “**the project proponent or proponents can demonstrate, and the citizen oversight committee determines, that residents living in the area experience disproportionately limited access to public open spaces as well as demonstrated hardships such as, but not limited to, chronic low incomes, persistent poor health, or high rates of utilization of free and reduced price school meals.**” (King County Code 26.12.003)

Relevant criteria and/or data sources for Method 2 are provided in two sections:

“#2: ADDITIONAL RELEVANT CRITERIA WITH READILY AVAILABLE DATA” provides data about how an applicant’s proposed property meets certain relevant criteria which have data sources that are readily accessible and regularly updated.

“#3: ADDITIONAL RELEVANT SOURCES OF INFORMATION” provides links to other relevant sources of information and data. CFT values the use of multiple sources of data and information to demonstrate that a property is in an equity/opportunity area. Applicants are welcome to provide additional criteria and data sources not identified in this report to demonstrate that a property is in an equity/opportunity area.

**Parcel [Number(s)]:**

Jurisdiction: [Jurisdiction Name]

Data Report Requested By: [Name, affiliation if known]

CFT Project Name: [Project Name]

Date of Report:

**#1. DOES PROPERTY MEET ALL 3 SPECIFIED CRITERIA?**

<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>

*"%tile" means "percentile" in the data below*

Criterion	Is criterion met?	How is criterion met?	Description
Income			<p>Criterion is met if household Income in census tract is within the lowest 1/3 of all census tracts in King County. <i>(source: American Community Survey)</i></p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of income</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of income</li> <li>• 67-100<sup>th</sup> percentiles indicate higher level of income</li> </ul>
Hospitalization Rates			<p>Criterion is met if hospitalization rates for asthma, diabetes, and heart disease are within the highest 1/3 of all census tracts in King County <i>(source: King County Public Health)</i></p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of hospitalization rates</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of hospitalization rates</li> <li>• 67-100<sup>th</sup> percentiles indicate higher level of hospitalization rates</li> </ul>
Access to Open Space			<p>Criterion is met if there is no publicly accessible open space within ¼ mile in an urban area <i>(source: composite layer of park &amp; open space data)</i></p>

**#2. ADDITIONAL RELEVANT CRITERIA WITH READILY AVAILABLE DATA**

*Applicant can use data results from the following criteria alongside results in #1 to provide other relevant information in the application.*

Criterion	Data Point	Percentile	Description
% Households At or Below 200% of the Federal Poverty Level			Percentile indicates how the percentage of households at or below 200% of the federal poverty level in this census tract compares with all other census tracts in King County ( <i>source: American Community Survey</i> ) The percentile data can be interpreted as follows: <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of occurrence of poor households</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of occurrence of poor households</li> <li>• 67-100<sup>th</sup> percentiles indicate higher level of occurrence of poor households</li> </ul>
Utilization Rate of Free & Reduced Price School Meals			Percentile indicates how the utilization of free & reduced price school meals for an elementary school compares to that of all other elementary schools in King County. (Note: data set is available for elementary schools; attendance areas for those schools are not readily available at this time; instead we mapped geographic adjacency of parcels to elementary schools to produce results.) ( <i>source: Washington Office of Superintendent of Public Instruction</i> ) The percentile data can be interpreted as follows: <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of use of subsidized meals</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of use of subsidized meals</li> <li>• 67-100<sup>th</sup> percentiles indicate higher level of use of subsidized meals</li> </ul>
Average Life Expectancy			Percentile indicates how the average life expectancy for this health reporting area (HRA) compares to that of all other HRAs in King County (HRAs are larger than census tracts) ( <i>source: King County Public Health</i> ) The percentile data can be interpreted as follows: <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of life expectancy</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of life expectancy</li> <li>• 67-100<sup>th</sup> percentiles indicate higher level of life expectancy</li> </ul>
% Limited English Speaking Households			Percentile indicates how the percent of people who speak English less than very well for this census tract compares with all other census tracts in King County ( <i>source: American Community Survey</i> ) The percentile data can be interpreted as follows: <ul style="list-style-type: none"> <li>• 0-33<sup>rd</sup> percentiles indicate lower level of limited-English-speaking households</li> <li>• 34-66<sup>th</sup> percentiles indicate middle level of limited-English-speaking households</li> </ul>

			<ul style="list-style-type: none"> <li>67-100<sup>th</sup> percentiles indicate higher level of limited-English-speaking households</li> </ul>
% Population Under Age 5			<p>Percentile indicates how the percent of the population under age 5 for this census tract compares with all other census tracts in King County (<i>source: Washington Office of Financial Management</i>)</p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>0-33<sup>rd</sup> percentiles indicate lower level of children under age 5</li> <li>34-66<sup>th</sup> percentiles indicate middle level of children under age 5</li> <li>67-100<sup>th</sup> percentiles indicate higher level of children under age 5</li> </ul>
% People of Color			<p>Percentile indicates how the percentage of people who identify as being of a race and/or ethnicity other than white alone for this census tract compares with all other census tracts in King County (<i>source: Washington Office of Financial Management</i>)</p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>0-33<sup>rd</sup> percentiles indicate lower level of people of color</li> <li>34-66<sup>th</sup> percentiles indicate middle level of people of color</li> <li>67-100<sup>th</sup> percentiles indicate higher level of people of color</li> </ul>
Open Space & Park Density Per Capita			<p>Percentile indicates how the acres of publicly accessible open space &amp; parks per person for this census tract compares with all other census tracts in King County (<i>source: composite layer of park &amp; open space data</i>)</p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>0-33<sup>rd</sup> percentiles indicate lower level of open space &amp; parks per capita</li> <li>34-66<sup>th</sup> percentiles indicate middle level of open space &amp; parks per capita</li> <li>67-100<sup>th</sup> percentiles indicate higher level of open space &amp; parks per capita</li> </ul>
% Tree Canopy (Neighborhood "Greenness")			<p>Percentile indicates how the tree cover in this neighborhood (census block group) compares with all other block groups in King County ("tree" is measured as vegetation approximately 10 feet tall) (<i>source: lidar and aerial imagery data from 2002-2017</i>)</p> <p>The percentile data can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>0-33<sup>rd</sup> percentiles indicate lower level of tree cover</li> <li>34-66<sup>th</sup> percentiles indicate middle level of tree cover</li> <li>67-100<sup>th</sup> percentiles indicate higher level of tree cover</li> </ul>



**#3. ADDITIONAL RELEVANT SOURCES OF INFORMATION**

*Applicant can use data from sources such as, but not limited to, those identified below alongside results provided in this report for #1 and #2 to provide other relevant information in the application. Applicants can also draw on data sources other than these.*

Criterion	Source	Description
School Health Data	<a href="https://www.doh.wa.gov/DataandStatisticalReports/DataSystems/HealthyYouthSurvey/DataRequest">https://www.doh.wa.gov/DataandStatisticalReports/DataSystems/HealthyYouthSurvey/DataRequest</a> <a href="https://www.kingcounty.gov/depts/health/data/school-district-health-profiles.aspx">https://www.kingcounty.gov/depts/health/data/school-district-health-profiles.aspx</a>	Washington State Department of Health “Healthy Use Survey.” Individuals may be able to request their neighborhood school data.
School Demographics & School Languages	<a href="http://reportcard.ospi.k12.wa.us/DataDownload.aspx">http://reportcard.ospi.k12.wa.us/DataDownload.aspx</a> <a href="http://reportcard.ospi.k12.wa.us/summary.aspx?groupLevel=District&amp;schoolId=1&amp;reportLevel=State&amp;years=2017-18&amp;year=2017-18">http://reportcard.ospi.k12.wa.us/summary.aspx?groupLevel=District&amp;schoolId=1&amp;reportLevel=State&amp;years=2017-18&amp;year=2017-18</a> <a href="http://www.k12.wa.us/DataAdmin/default.aspx">http://www.k12.wa.us/DataAdmin/default.aspx</a>	WA Office of Superintendent of Public Instruction (OSPI). Individuals may be able to request or find their neighborhood school data.
Exposure to Pollutants	<a href="https://www.epa.gov/ejscreen/what-ejscreen">https://www.epa.gov/ejscreen/what-ejscreen</a>	Environmental Protection Agency “EJ Screen” (EJ = Environmental Justice). Compiles data for pollutant exposure.
Renter Density	<a href="https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_S1702&amp;prodType=table">https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_S1702&amp;prodType=table</a> <a href="https://www.ofm.wa.gov/washington-data-research/population-demographics/population-estimates/adjusted-2000-population-and-housing-structure-type-and-group-quarters-state-counties-cities-and-towns">https://www.ofm.wa.gov/washington-data-research/population-demographics/population-estimates/adjusted-2000-population-and-housing-structure-type-and-group-quarters-state-counties-cities-and-towns</a>	American Community Survey data on owner/renter occupied.  Percent multi-family housing type in Washington OFM data.
RCO Match Reduction	<a href="https://www.rco.wa.gov/grants/MatchReduction.shtml">https://www.rco.wa.gov/grants/MatchReduction.shtml</a>	Match reduction eligibility for a state-wide grant program. See Interactive Map to view data for your area. RCO Match Reduction information does not correlate with qualifying for a CFT match waiver.
4 Themes of Social Vulnerability	<a href="https://svi.cdc.gov/factsheet.html">https://svi.cdc.gov/factsheet.html</a>	CDC’s Social Vulnerability Index: <ol style="list-style-type: none"> <li>1. Socioeconomic status</li> <li>2. Household Composition</li> <li>3. Race/Ethnicity/Language</li> <li>4. Housing/Transportation</li> </ol>

Community Crime Statistics	<a href="https://www.crimereports.com/">https://www.crimereports.com/</a>	King County Sheriff's Office
Community Health Indicator Data	<a href="https://www.kingcounty.gov/depts/community-human-services/initiatives/best-starts-for-kids/dashboards.aspx">https://www.kingcounty.gov/depts/community-human-services/initiatives/best-starts-for-kids/dashboards.aspx</a>	King County Public Health – Best Starts for Kids (BSK) data
"Communities Count" Social & Health Indicator Data of King County	<a href="http://www.communitiescount.org/index.php?page=data-resources">http://www.communitiescount.org/index.php?page=data-resources</a>	Various Public Agencies across King County
Washington Tracking Network: A Source for Environmental Public Health Data	<a href="https://fortress.wa.gov/doh/wtn/WTNIBL">https://fortress.wa.gov/doh/wtn/WTNIBL</a>	Managed by Washington State Department of Health

## Using the Equity Impact Review Toolkit

The best examples of applying the Equity Impact Review tool or variations of it have occurred in informing budgets, policies and decision making. Some examples include:

1. Department of Parks and Natural Resources developed a score card approach to look at equity impact review related to Parks. Equity assessments of DNRP included distribution of parks, open space, trails and Farmer's Markets in King County by race, income and language spoken
2. Equity impact review in policy decisions:
  - The Department of Transportation applies social equity service guidelines in making decisions related to reductions or enhancements in transit service. This policy was established because of our focus on applying an equity lens to policies and using data related to equity impacts to move a transit task force to propose and the County Council to pass the new service guidelines.
  - The Department of Natural Resources and Parks has made a policy decision to keep selected parks open within the Urban Growth Area and invest in improving parks in underserved, low income, racially diverse communities based to mitigate equity impacts.
  - The Environmental Health division of Public Health – Seattle & King County applied the EIR Tool to a decision to eliminate Rodent Control outside of the City of Seattle due to lack of funding. The review team mapped complaints for rodents and illegal dumping, and analysis showed “hot spot areas”. Highest numbers of complaints were in unincorporated areas and among the most diverse communities (e.g., Skyway, White Center, Auburn). Based on the negative impact on equity of eliminating this program, mitigation steps were taken to restore this service in partnership with the funder of another program.
3. The 2012 budget applied an equity lens throughout all stages of development including:
  - Multiple trainings for budget analysts and department finance managers on ESJ background, current Countywide expectations, and new ESJ elements within budget forms and process; train staff on use of ESJ review tool to complement decision-making on budget changes
  - 2012 budget process modified to include an equity and social justice section in department business plans and in the budget book narrative

4. Budget decisions were made based on equity considerations and prevention opportunities such as:
  - The Prosecuting Attorney's Office proposes as a one year pilot project to expand truancy prevention education and enhance juvenile detention diversion with potential to save money.
  - The Parks Division will maintain youth recreation programs in White Center, a diverse and low income urban unincorporated area of the County.
  - The Sheriff's Office will re-open the Skyway and White Center storefronts in response to community concerns in these diverse, low income, unincorporated communities.
5. The EIR tool has been used to plan new models of service delivery and consider potential impacts on equity. The tool was also used in program planning for the County's healthy incentives program. Specifically, the mitigation part of the tool was used to offer more flexible options for completing the required health assessment.

### Phase 1: Scope. Identify who will be affected.

- Identify how your action will affect/serve [people and places](#) using [demographic information](#). Consider in particular low income populations, communities of color, and limited-English speaking residents.
  - Reach: which people and places will be affected by your action?
  - Intensity: what effects, impacts and/or outcomes will your action have on people and places?
  - Duration: how long will the action have an effect– short-, medium-, and/or long-term?
- Identify the group of stakeholders and affected parties – including those who have historically *not* been/felt included or engaged – and their roles in decision-making.

### Phase 2: Assess equity and community context.

- Learn about affected communities', employees', and/or stakeholders' priorities and concerns. (Use the [Community Engagement Guide](#) to help with this.)
- Know which determinants of equity will be affected by your intended outcomes – both directly and indirectly. (Reference the [Determinants of Equity report](#).)
- Know how your proposed course of action will affect known disparities within relevant determinants. (Use quantitative data and/or gather new information.)
- Identify potential unintended equity-related outcomes of this action.

### Phase 3: Analysis and decision process.

- Project or map out how key alternatives will affect community and employee priorities and concerns.
- Evaluate each alternative for who will be disproportionately burdened or benefit - now and in the future. How will alternative actions differ in improving or worsening current equity conditions?
- Include [upstream](#) alternatives (and related costs) that target root causes to eliminate disproportionate impact.
- Prioritize alternatives by equitable outcomes and reconcile with functional and fiscal policy drivers.

### Phase 4: Implement. Are you staying connected with communities and employees?

- Based on earlier use of Community Engagement Guide, communicate with communities, stakeholders and employees about how you will implement your action.
- Engage with affected communities and employees to guide successful implementation.
- Advance “pro-equity” opportunities when possible, i.e. [contracting](#), hiring and promotion, materials sourcing, etc.
- Measure and evaluate your intended outcomes in collaboration with affected communities. Are there sufficient monitoring and accountability systems to identify unintended consequences? How will course corrections be handled if unintended consequences are identified?

### Phase 5: Ongoing Learning. Listen, adjust, and co-learn with communities and employees.

- Evaluate whether your action appropriately responds to community priorities and concerns.
- Learn *with* the community to adjust your action as their priorities and concerns shift.
- Communicate progress to all stakeholders. Plan to include community feedback into future planning.

### Using the Scorecard

**Step #1:** Fill out the Project information on the next page. Then turn to page 6.

**Step #2:** Customize each Equitable Development Principle's scoring criteria according to your community's priorities. Not all criteria may apply to your community or project. You should tailor this Scorecard to be relevant to your specific purpose(s) and area. Feel free to take notes in the empty space and add, change, or cross out items in the scale that do not apply to your community or project.

**Step #3:** Use the "Glossary" section to clear up any questions of content or definition. The "Bibliography" and "Other Resources" sections contain links to supporting documents.

**Step #4:** Hold conversations with your group around each criterion, and give each one a score.

**Step #5:** Add up all of the scores below for the Final Score, and you have completed the Scorecard.

### Scoring

1. Write the score from each section below, along with the maximum possible score for the section.  
(Points Earned/Max Possible)

**Equitable Community Engagement Practices Score** \_\_\_\_ / 40

**Equitable Housing Practices Score** \_\_\_\_ / 35

**Equitable Environmental Practices Score** \_\_\_\_ / 40

**Equitable Economic Development Practices Score** \_\_\_\_ / 35

**Equitable Land Use Practices Score** \_\_\_\_ / 20

**Equitable Transportation Practices Score** \_\_\_\_ / 35

2. Add up all of the above scores to get a Total.

\_\_\_\_ / 205 Total (Points Earned/Max Possible)

3. Turn the Total into a Final Score.

Divide the total Points Earned by the Max Possible

**Write the Final Score here: \_\_\_\_\_/100**

**Project/Plan Name:**

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**Location of Project/Plan:**

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**Is the project part of a bigger land use plan? (circle) Y / N**

If yes, please attach plan

**Public Investments(s):**

Public Subsidy Funding amount and source

Tax abatement amount and source

Public land sale and amount

Zoning changes/variances

Infrastructure improvements (sewer/water, street, sidewalk, etc.)

Other: \_\_\_\_\_

**Developer:**

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**Developer Contact Info:**

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**Public Agency:**

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**Public Agency Contact Info:**

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**Other Stakeholders:**

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**Description of the Project:**

**Community Profile** (demographics—please attach additional information to the Scorecard)

## Appendix D, continued

### \_\_\_ / 40 Add up scores below for Community Engagement

**SCORE** Give each score on a scale of 1 (low) to 5 (high)

___ / 5	Project was started by the community, or developers and planners partnered with the community to develop their community engagement plan BEFORE the project starts.
___ / 5	Developers involve community members within the first 30 days of the planning process. Engagement during pre-planning process scores additional points.
___ / 5	Developers have completed a culture and history tour of West Side with a West Side Community Organization member.
___ / 5	Throughout the project, or when significant changes occur, developers and planners engage with community members and respond to community priorities.
___ / 5	The community's vision for a project is created or approved by a group of residents that reflect the current populations of the West Side.
___ / 5	Development connects to, highlights, and respects community characteristics, local history, points of interest, and key features.
___ / 5	Development promotes qualities of a vibrant community - social connections, education, health, arts and culture, and safety.
___ / 5	The plan and project include the community's goals, priorities, and criteria for growth and reinvestment. Resource: West Side Community Organization Ten-year plan.

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\_\_\_ / 35 Add up scores below for Equitable Housing Practices

**SCORE** Give each score on a scale of 1 (low) to 5 (high)

___ / 5	Project offers rental housing options appropriate to development site (commercial or residential), incorporating options for mixed income housing.
___ / 5	Development supports mixed income housing. This includes proposed projects on the West Side outside of the original plan area. Resource: West Side Master Flats Plan
___ / 5	Project increases the number of affordable units to people at 30% of Area Median Income.*
___ / 5	Project and project materials matches the cultural landscape* of the neighborhood.
___ / 5	At least 20% of the project's units are affordable to current West Side households at or below 50% Area Median Income.
___ / 5	Project supports a range of household types or life stages that are dignified, safe, and designed with durable materials.
___ / 5	Developer Lease Agreement defines provisions for rent increases that assure the designated affordable housing units are maintained for at least 15 years (i.e residents who are at or below 50% of the area median income are not charged more than 30% of their income)

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## Appendix D, continued

### \_\_\_ / 50 Add up scores below for Environment

**SCORE** Give each core on a scale of 1 (low) to 5 (high)

___ / 5	Development plans include cleaning or repairing any negative environmental impacts* caused by development. Impacts include, but are not limited to, pollution of air, water, or soil; waste removal; replanting exposed soil to prevent erosion.
___ / 5	Development preserves public access to the river for all residents and no trail use will be restricted. Development does not disturb natural beauty of the riverfront or wetlands. Resource: West Side Flats Master Plan
___ / 5	Development promotes or maintains access to green spaces across the West Side. Any green space disturbed by development is replaced or restored.
___ / 5	Project's designed environment uses native plants and grasses, while removing and/or discouraging invasive plant species. It uses plants that are friendly to bees and butterflies, captures rainwater and prevents soil erosion.
___ / 5	Both new building and repair/improvement of existing structures use environmentally friendly and energy-efficient materials. Resource: Relative Energy Score and Energy Star
___ / 5	Development goal is zero waste production. Recycling and composting options will be mandatory.
___ / 5	Project is designed to make walking, biking, and the use of public transit simple, safe, and connected to the neighborhood. Resource: Complete Streets Design*
___ / 5	Management of property uses environmentally friendly practices and maintenance.
___ / 5	Design includes environmentally-responsible, resource-efficient materials and processes throughout the project's life span.
___ / 5	Project creates opportunities for green industry* to thrive on the West Side.

8

## Appendix D, continued

### \_\_\_ / 40 Add up scores below for Economic Development and Land Use Practices

**SCORE** Give each score on a scale of 1 (low) to 5 (high)

___ / 5	New capital and investment opportunities are created to promote local small business development, arts/cultural-based businesses, and entrepreneurial opportunities, especially for women and people of color. These opportunities include affordable rental spaces for new businesses and skill-building for residents interested in starting their own business.
___ / 5	A diverse array of businesses owned by people of color are created and provide job opportunities for full-time employment of diverse skill sets.
___ / 5	Lease agreements give priority to neighborhood business opportunities.
___ / 5	Developers use workforce/education programs, such as HUD Section 3*, to connect residents to jobs and long-term employment and offers West Side residents first chance at these opportunities.
___ / 5	Developers give local community preference when hiring consultants, contractors, and developers.
___ / 5	Public funding decisions reward applicants who ensure that workers have living wage* jobs with benefits and the right to organize for labor agreements without fear of retaliation.
___ / 5	Project will ensure that there is a community-supported plan to maintain neighborhood affordability and avoid cultural and physical displacement.
___ / 5	Design contributes to distinct identities of local cultural heritage* through the presence, preservation, or addition of architectural assets with a Universal Design*.

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## Appendix D, continued

### \_\_\_ / 40 Add up scores below for Transportation

**SCORE** Give each score on a scale of 1 (low) to 5 (high)

___ / 5	Project increases connections to all modes of public transit and makes walking, biking, and public transit an easy choice.
___ / 5	Project improves the public transportation infrastructure. Development includes transit benefits such as shade trees and other shade options, trash cans, places to sit, appropriate lighting, etc.
___ / 5	Promotes traffic calming and pedestrian safety. The project prioritizes the routes and paths that pedestrians and bicyclists naturally and easily use.
___ / 5	Development is recommended to be within a quarter mile of transit lines, promoting multi-modal access to green and other community spaces.
___ / 5	Parking accommodates bicycle use and storage, and does not limit access or passage to pedestrians and people with disabilities. Project encourages people to walk, bike, and/or use public transit.
___ / 5	Presence of GPS, other wayfinding systems, and mapping information for pedestrians, bicyclists, and transit users is provided. Transit information must be available in the predominant languages used on the West Side, with multi-language signage.
___ / 5	Developers commit to long term maintenance of transit stops and corners, such as snow clearance, tree trimming, clearing access to transit for people with disabilities.
___ / 5	Attractive, comfortable, accessible transit facilities are available or provided.
	<b>10</b>