Livable Places Update

Emerging Trends in Community Planning and Design

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Lancaster Mayor Takes Leadership to Reduce Carbon Emissions: Wrapping up a recent PBS special titled *Earth Days*, economist Paul Hawkins noted that it is cities and states rather than nations that are taking the lead in addressing climate change. In his view, our local jurisdictions are our best hope for the future.

The Mayor of the City of Lancaster, Rex Parris, is among those who have assumed this leadership stating, "The salvation of this planet, if it is not already too late, will be from the bottom up and there is no reason Lancaster can't be the example for the world." (Find the full article at: www.greentechmedia.com/articles/read/Lancaster-CA-Becomes-First-US-City-to-Require-Solar?utm_source=Newsletter&utm_medium=headline&utm_campaign=GTMDaily)

Next to transportation energy, heating and cooling our buildings is the greatest contributor to carbon emissions in California. Lancaster is taking giant steps forward toward minimizing this source of emissions by changing the city's zoning code to require solar to be installed on every new home. The goal is to encourage investment in solar energy on all parcels in the city and provide guidelines for their installation. Accordingly, the city has speeded up the process for issuing a solar permit to an unheard of 15 minutes or less!

Lancaster's solar rules are flexible. Builders can use rooftop systems or put them on a support or shade structure. While homes on lots of 7,000 square feet or more must have a solar system of 1.0 kilowatt to 1.5 kilowatts, builders can aggregate those requirements by, for instance, installing two 5-kilowatt systems for every ten houses. Or they can meet the solar energy generation requirement off-site by purchasing solar energy credits from another solar-generating development.

The City has created Solar Lancaster, in partnership with SolarCity, SunPower, and other installers. They have identified "Creative Renewable Energy Zones" that will generate distributed solar on city-owned facilities including schools, parks, city hall, the baseball field, the performing arts center and more.

This program has already added 27 megawatts of alternative energy generation across the city, including 7.5 megawatts of solar on Lancaster's schools. In addition to reducing greenhouse gas emissions, these projects earn money for the city bringing in $1.5 million annually through 2017 and $800,000 annually for the following twenty years.

Next on the Mayor's to-do list are requirements that all new homes meet LEED certification standards and incorporate grey water systems. The Mayor also plans to install LED bulbs with batteries on the city's streetlights so that they will be entirely off-grid.

The community is addressing greenhouse gas emissions from the transportation sector as well. They transformed a five-lane arterial cutting through the city center into a slow, 2-lane main street with a large central median down the middle of the road, that is used for diagonal parking or as a space for large public events. What was once a hunk of asphalt is now a center of public activity - a recent harvest festival reportedly brought in 30,000 participants!

Downtown Lancaster: Center space sometimes used for parking and sometimes used for public events.

Inspired by the city's vision, developers have joined in to make downtown a great place to live! A single developer from LA has built nine new housing developments downtown along with a number of new businesses, including a bowling alley, a restaurant, and a nightclub.

A municipal investment of $11.6 million has already yielded $273 million in economic activity and doubled the city's downtown revenues in less than 3 years. (http://bettercities.net/article/new-streetscape-spurs-downtown-turnaround-19326)

Next Building Boom Must Respond to New Needs: The housing market is coming back, with 31% more building permits issued across the nation than in 2011. However, things are different this time - the housing demand has changed. Even the Ford Motor Company has noticed the difference!

An internal report, *Looking Further With Ford: 13 Trends for 2013*, noted that 88% of millenials, in search of excitement, culture, community and convenience, now want to live downtown. This phenomenon has attracted corporations to downtown sites because this seems to be where the quality workers now want to live. Further, with gas prices high, walkability is now a highly marketable amenity.

Seniors are also looking to move away from large lot, single-family homes to downtowns where they can escape yardwork and live car-free. This trend includes large cities as well as suburban areas like Mt. View and Redwood City in the Silicon Valley, all experiencing success creating popular, mixed-use, compact and vibrant town centers.

Typically, young couples move to the suburbs when they begin to have children. However even that could change. A 74-unit apartment building has been completed in the City of Claremont and houses both families and seniors. The development is located adjacent to a light rail station and less than a quarter mile from downtown. Seniors live in a separate elevator building where they have their own roof deck and two-story recreation space. They can interact with families in the shared community center, tot lot, swimming pool, and patio dining areas.

Nationwide, permits for multifamily units have risen by 46% while single-family permits increased by a mere 23 percent, down two thirds from what they were in 2005. But to be successful, multifamily housing needs to be located in or near a downtown. While rents for multifamily units have risen in downtown and midtown locations, landlords have reportedly had to subsidize those in suburban locations in order to attract tenants.

Builders across the country are now complaining that there simply are not enough lots to build on. While some cities have acres of single-family housing approved, the construction of the needed infrastructure was halted during the recession. Now may be a good time for cities and towns to take a look at whether those acres of approved lots in single-family residential neighborhoods are still needed today. A city investment in infill development may be a far better choice than subsidizing the development of more single-use sprawl.

Arthur C. Nelson predicts in his new book (*Reshaping Metropolitan America*, Island Press, 2013) that home values will increase fastest for properties in downtown or near downtown. Elsewhere in the central city, values will also stay high. Resale values of suburban homes built before 1980 are holding in value right now, though the market for them is weak. Suburban homes built after 1980 have little or no market. It appears life in isolated suburban neighborhoods has lost much of its appeal!

Local Governments Should Prioritize Return on Investment When Making Planning Decisions: Former Contra Costa County Supervisor Donna Gerber has noted, "We sometimes have the figures in front of us, but somehow we never pay attention to the return on the investment of the taxpayers' money for infrastructure or subsidies when we provide development approvals. In the end, it is often the developer or big box retailer who comes out financially ahead, rather than the local community."

Raleigh City Planner and President of the APA, Mitch Silver, is on a mission to change this. He is using his own city of Raleigh as a testing ground.

Silver has given presentations to more than 100 cities, explaining the importance of leveraging existing infrastructure and other investments to maximize economic development and sales and property tax revenues. He notes, "This is catching a lot of people by surprise, even though ROI (Return on Investment) has been there on a number of different projects or investments that people make in real estate, people just haven't applied it to making planning decisions and to me that is really changing the game of how people are beginning to perceive planning for the future."

In Raleigh, the city has been confronted with the question of where to locate about 120,000 residential units and 170,000 new jobs that are expected over the coming 20 years. Should it be downtown or outside the "Beltline"?

There is no question in Silver's mind. "[Downtown] just has a better return on investment because the infrastructure is built," he said. "You don't need the same level of schools and police facilities and community facilities to support that growth, so when you compare suburban development to downtown development, the ROIs are not even close in comparison. Downtown just is a better return on investment because the infrastructure is already in place."

Silver observes, "For years planning was just about visioning, and now planning is about economic development, it's more about job retention and job creation," he said. Similar to Supervisor Gerber's observation about California, Silver continues "What I've found in my travels is that most planners don't consider ROI when they're analyzing projects. Most elected officials don't consider ROI when they're considering or approving projects. I think that's beginning to change. As people look long term on how they're going to maintain this infrastructure, there are smarter and better ways to invest taxpayers' money to get a high return on investment but also minimize your maintenance costs down the line." (Monday, February 11, 2013 in *The Raleigh Public Record*)

California's Strategic Growth Council is now looking at this challenge. The Council, made up of four members of the Governor's cabinet and one private sector appointee, has invested in the development of an open source computer tool calledUrban Footprint, a land use planning software that assesses the impacts of current and proposed land use scenarios. It can address issues such as public health, transportation, water, building energy fiscal impacts, and consumption. The tool will be offered to MPOs and local governments free of charge.

Sitting on top of this will be a spreadsheet on steroids called iMPACS. This tool is intended to provide local governments with a uniform way to calculate return on investment of anything from a general plan down to a single building, including the amount of time required for the community to recapture their investment. This will be very useful information -- if the ROI exceeds the life of the project, it's not a good deal for the community!

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