

# Planning for Inclusive Communities

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MARYLAND CHAPTER OF THE AMERICAN PLANNING ASSOCIATION  
JUNE 27, 2018



# Integrated Planning for Inclusive Economic Development

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Lisa Sturtevant, PhD

Ryan Price

*We partner with local communities to provide comprehensive housing, economic and demographic analyses and strategic planning to promote and support policy and development decisions.*



Ellen Harpel, PhD

*We help economic development organizations make sound decisions by instituting incentive programs that are both effective and responsible.*



Neighborhood Fundamentals, LLC

Michael A. Spotts

*We provide research and technical assistance to public, private and nonprofit institutions on issues related to housing affordability, community and economic development, equitable transit-oriented development, and affirmatively furthering fair housing.*

**How can local communities develop integrated land use, economic development, housing and transportation policies and plans to promote inclusive development and ensure that all Marylanders benefit from growth?**

# Integrated Planning for Inclusive Growth

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- **Economic Development:** Economic incentives programs that achieve local goals responsibly
- **Housing:** Housing policies that ensure access to neighborhoods of opportunity
- **Transit-Oriented Development:** Planning processes that include input from a broad range of stakeholders
- **Wrap Up:** The role for the professional planner

# What is Inclusive Economic Development?

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Economic growth where all members of the community benefit from shared prosperity and where local strategies focus on addressing economic inequality.

# Why Does Inclusive Development Matter?

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## Benefits for **individual and family well-being**

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*Physical and mental health and well-being*

*Student achievement and academic success*

*Economic self-sufficiency and upward mobility*

## Support **diverse communities**

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*Equitable access to opportunities and services, regardless of race and socioeconomic status*

*Communities in which everyone can prosper*

*Reduction in disparities*

## Foundation for robust and sustainable **local economic growth**

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*People can both live and work in the community*

*Short commutes, easier to attract and retain workers*

*Communities that attract businesses and investment*

# Growing Attention to the Value of Inclusivity

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The strength of American [#cities](#) and the nation as a whole depends on generating [#inclusivegrowth](#) for people of all races, ethnicities & incomes. Learn more about our new national partnership to expand [#SharedProsperity](#). [bit.ly/2sAYqd0](https://bit.ly/2sAYqd0)

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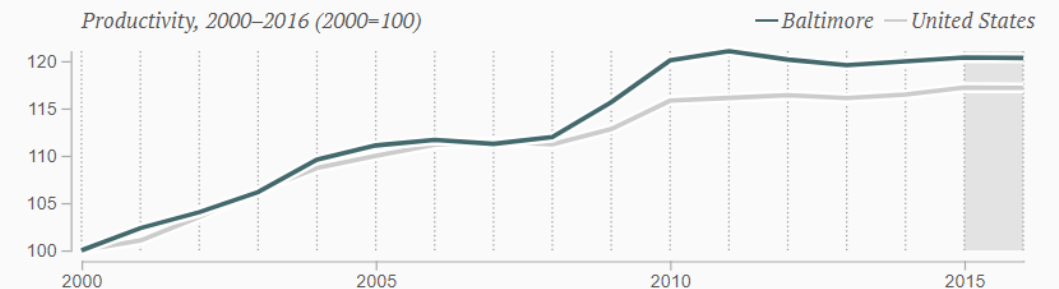
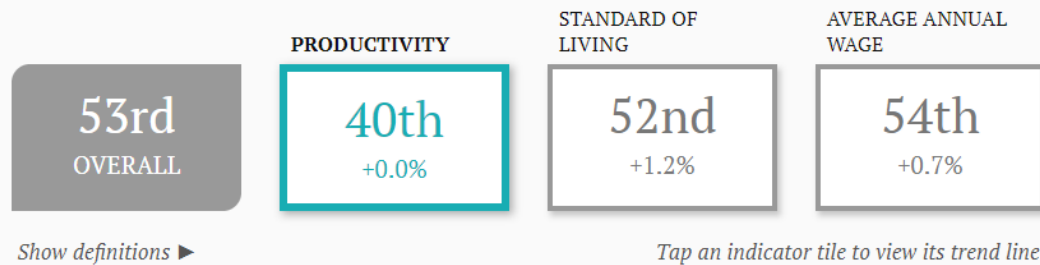
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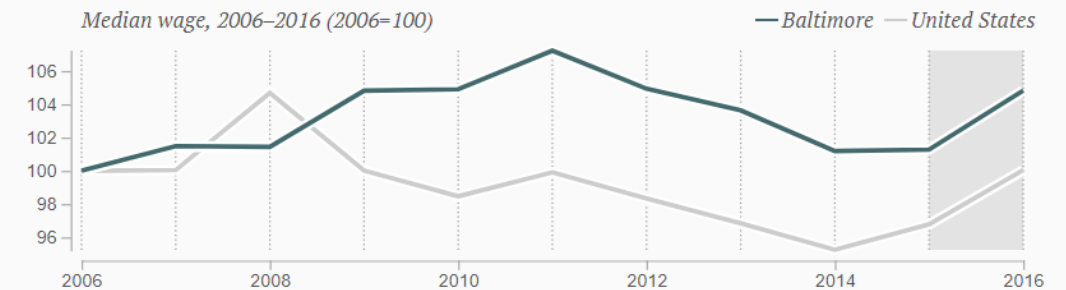
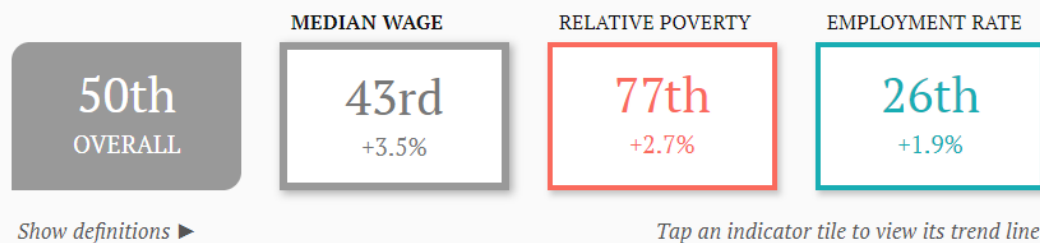
## Policy Guide in Development: Social Equity and Inclusive Growth

# Growth Has Not Meant Shared Prosperity in Many Maryland Communities

## Prosperity change in the Baltimore metropolitan area, 2015–16

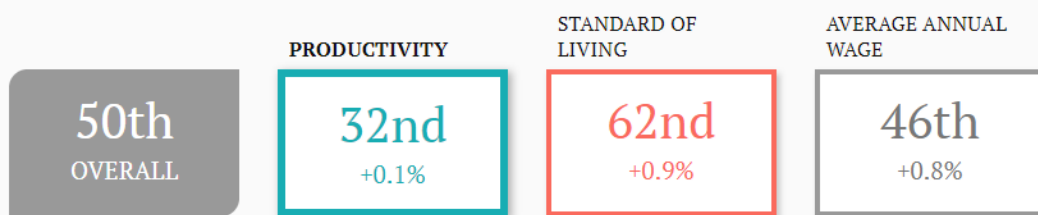


## Inclusion change in the Baltimore metropolitan area, 2015–16



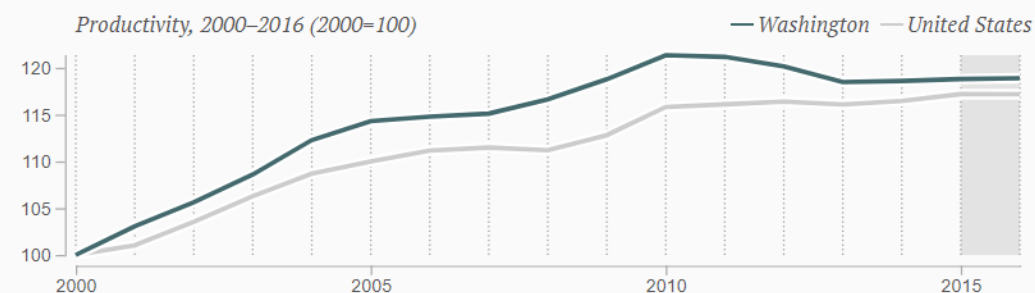
# Growth Has Not Meant Shared Prosperity in Many Maryland Communities

## Prosperity change in the Washington metropolitan area, 2015–16



Show definitions ►

Tap an indicator tile to view its trend line

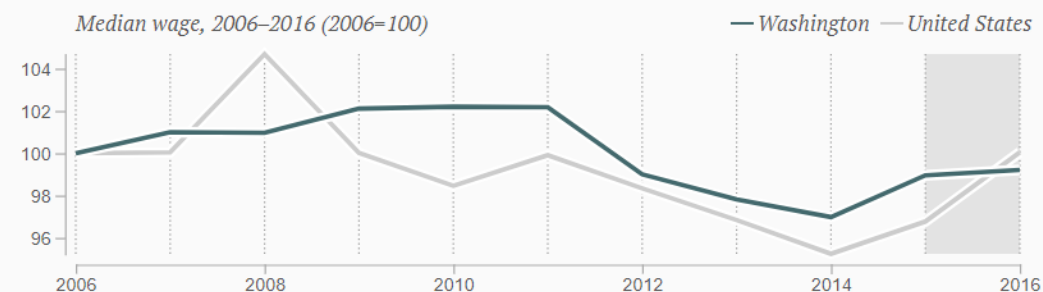


## Inclusion change in the Washington metropolitan area, 2015–16



Show definitions ►

Tap an indicator tile to view its trend line





# Economic development and inclusive community initiatives share objectives

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- Economic development programs exist to serve the communities where they operate.
- Business support is a means to that end – not the end itself.
- Economic development organizations do more than offer incentives for business attraction.
- They work to make their communities better places to invest, work and live.

# These objectives increasingly intersect with the planning community's interests

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In a low unemployment environment, helping businesses find workers and residents connect to available jobs becomes critical.

Accordingly, economic development leaders are focusing on:

- Housing costs
- Transportation access
- Education system
- Training and credentialing

# Incentive program purposes often overlap with community equity goals

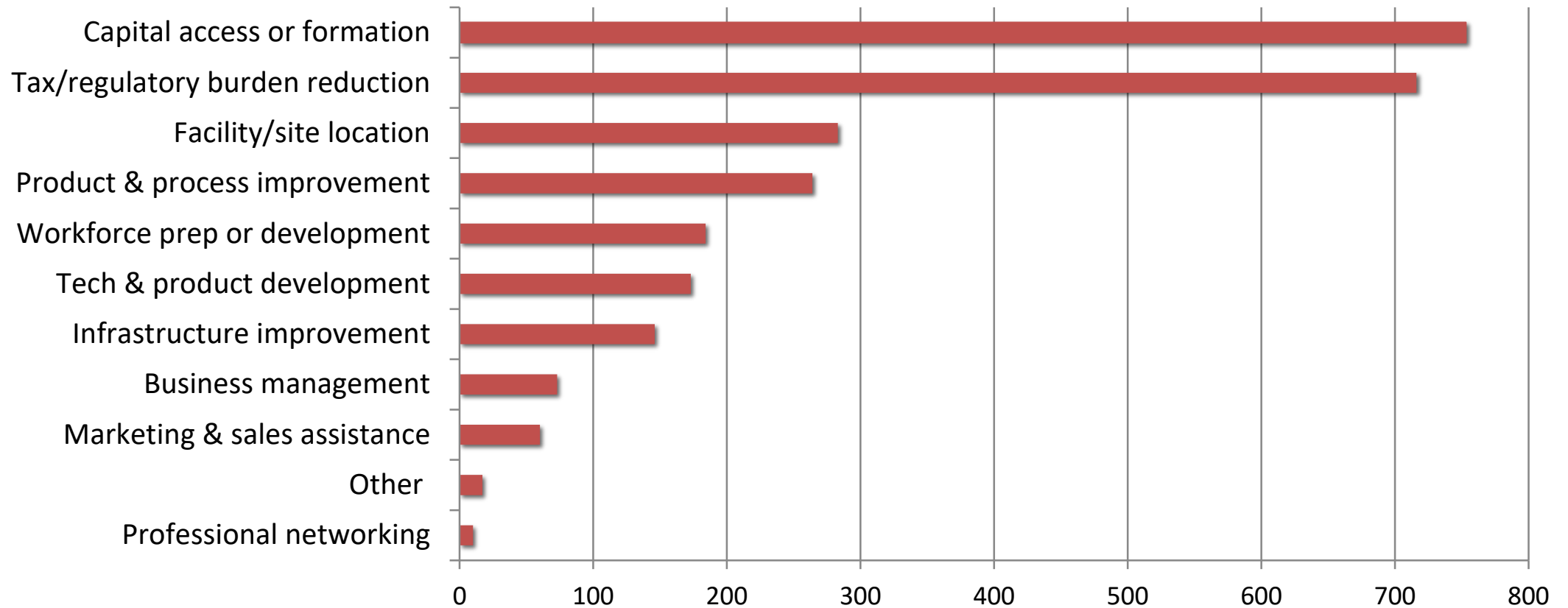
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What are we trying to achieve when we use incentives?

- Jobs
- Worker training
- Business development
- Investment
- Downtown revitalization
- Brownfield redevelopment
- Quality of life and quality of place
- Strengthen tax base

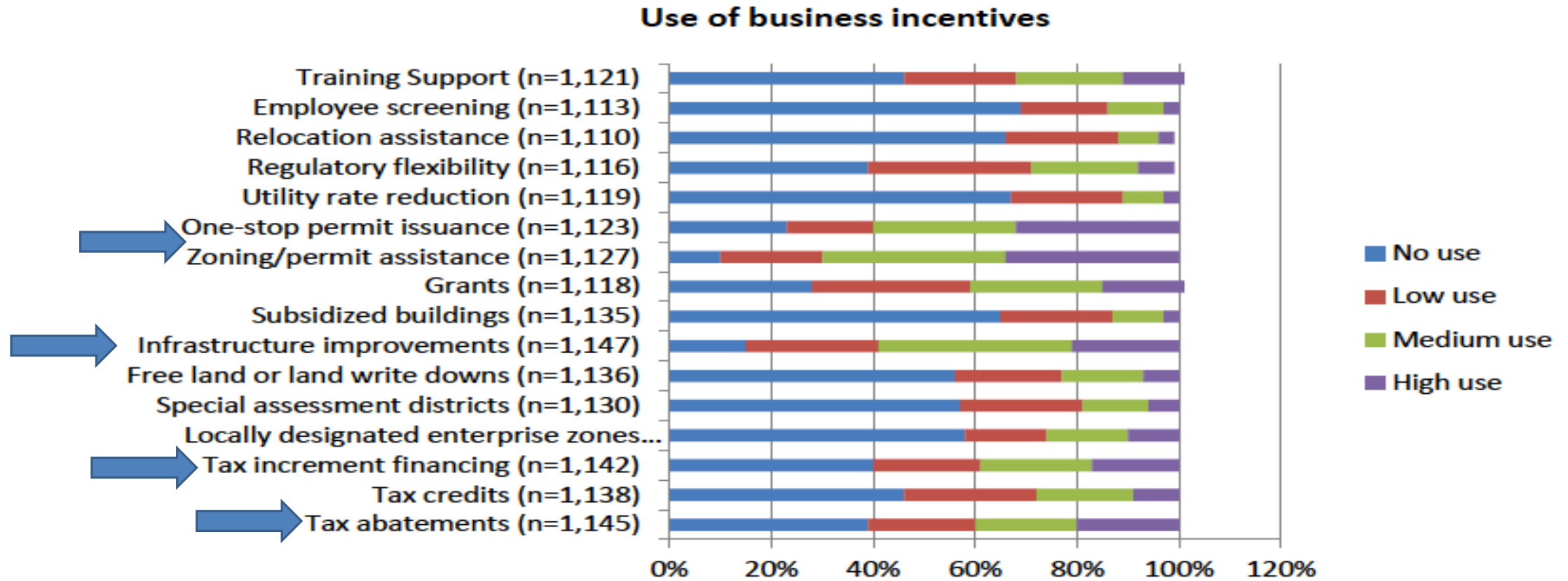
Incentives are not just about winning a deal. Smart incentive use is always connected to a larger economic development strategy.

# State incentive programs by policy goal



Source: C2ER

# Local use of business incentives



Source: ICMA Economic Development Survey 2014

# Examples of equitable economic development goals

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Grow good accessible jobs that provide pathways to the middle class

Increase economic security and mobility of vulnerable families

Cultivate homegrown talent / career pipeline



# Examples of equitable economic development goals (2)

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Create healthy opportunity-rich neighborhoods

Build resilient, connected infrastructure in underserved neighborhoods

Increase access to high-quality affordable homes



# What happens to housing costs when investment comes to a community?

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Who is most adversely impacted by rising housing costs?

What are the implications for lower-income individuals and families?

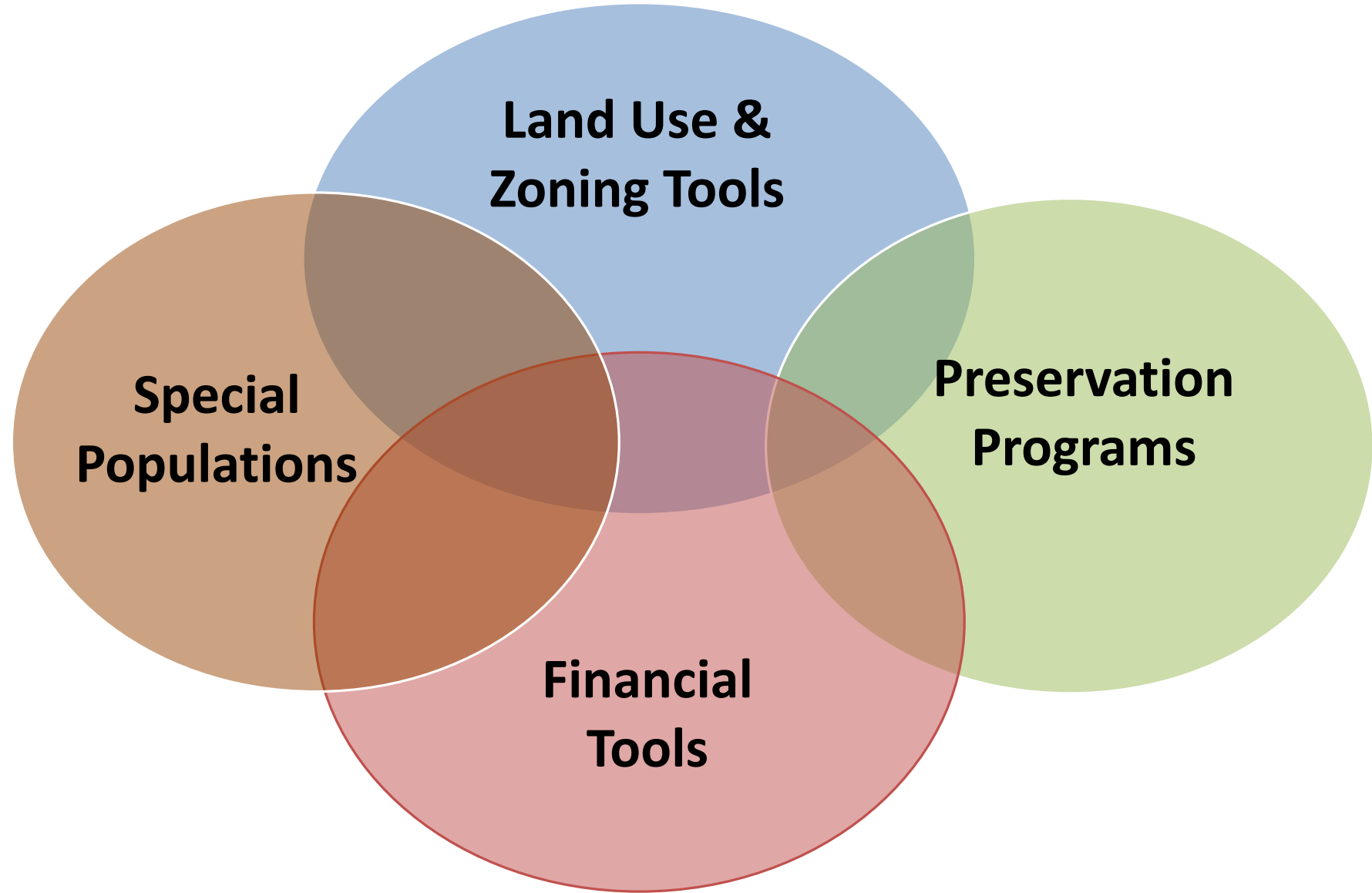
What can local communities do to ensure that all residents—regardless of income—benefit from improvements in the community?



## Top 20 Most Gentrified ZIP codes 2000-2016

ZIP	State	City	Ranking	Home Value Change	Household Income Change	Higher Education Change
90014	CA	Los Angeles	1	707%	95%	857%
20001	DC	Washington	2	207%	163%	212%
77003	TX	Houston	3	284%	71%	443%
19123	PA	Philadelphia	4	203%	95%	230%
10039	NY	Manhattan	5	356%	32%	168%
10026	NY	Manhattan	15	219%	65%	92%
21224	MD	Baltimore	16	107%	43%	109%
11221	NY	Brooklyn	17	130%	39%	100%
20010	DC	Washington	18	146%	48%	84%
77007	TX	Houston	19	107%	114%	188%
98402	WA	Tacoma	20	103%	83%	141%

# Strategies for Expanding & Preserving Housing Options



# Land Use & Zoning Tools to help ensure inclusive development

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**Inclusionary Housing.** Require or incentivize the production of affordable housing as part of market-rate development.

**Public Land.** Make publicly-controlled land available to developers of mixed-income or affordable housing.

**Integrated Planning.** Work across public agencies to coordinate housing, land use, transportation, schools and economic development planning.

# Preservation Programs to help ensure inclusive development

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**Property Tax Abatement.** Use property tax abatement as an incentive for preservation of naturally-occurring affordable housing (NOAH).

**Community Land Trust.** Identify places to establish CLTs.

**Right of First Refusal.** Establish a ROFR policy to help enable public and/or non-profit purchase of NOAH.

# **Financial Tools** to help ensure inclusive development

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## **Local Housing Trust Fund.**

Dedicate located funding to support the production and preservation of below-market-rate housing.

## **Local Housing Vouchers.**

Establish a local housing voucher or grant program to provide a locally-funded rent subsidy to income-eligible households.

## **Tax Increment Financing.**

Explore TIFs for financing affordable housing to help ensure that new economic development does not have a negative impact on affordability in the community.

# Serving **Special Populations** to ensure inclusive development

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**Property Tax Relief for Seniors and Persons with Disabilities.** Reduce or waive property taxes for vulnerable populations.

**Permanent Supportive Housing.** Fund the necessary services and supports that help ensure the well-being of individuals and families.

# Mobility, affordability & Inclusion:

## Effective transportation and housing planning coordination

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- Impact of mobility on economic growth and opportunity
- Mobility options: who is being served?
- The transportation-housing nexus
- Best practices for supporting inclusive mobility

# The importance of Mobility

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From the Washington Business Journal:

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Commercial Real Estate

## **Tim Kaine: D.C. area's morning commute may be Achilles heel in Amazon HQ2 bid**

<https://www.bizjournals.com/washington/news/2018/06/19/tim-kaine-d-c-areas-morning-commute-may-be.html>



# What is the core purpose of transportation policy?

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- Improve mobility;
- Facilitate economic activity;
- Stimulate economic growth; AND/OR
- All of the above?

# Transportation as economic growth tool: Pitfalls and opportunities

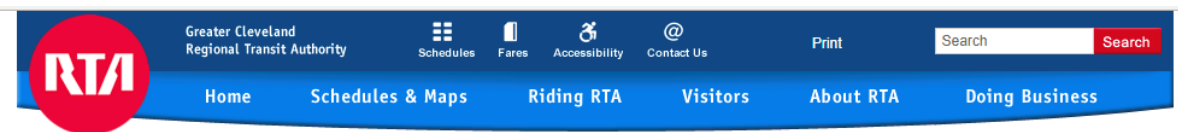
Virginia Politics

## Arlington officials halt efforts on streetcars for Columbia Pike, Crystal City



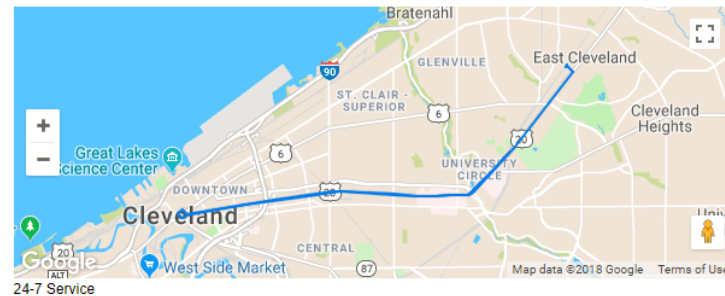
Arlington halted plans to build a 4.9-mile streetcar line that would have run along Columbia Pike from Skyline Plaza in Fairfax County to Pentagon City. (Joseph Victor Stefanchik/For The Washington Post)

By Patricia Sullivan and Antonio Olivo November 18, 2014 [Email the author](#)



HealthLine

Home > Routes (BRT) >



RTA's HealthLine, a state-of-the-art bus-rapid transit (BRT) system, offers rail-like convenience with the flexibility of a bus. It connects Public Square to the Louis Stokes Station at Windermere in East Cleveland.

[Learn more about the history of this innovative transportation solution.](#)

### Service Alerts

Effective: Oct 31, 2017 until [Fare Collection Policy Changes](#)

### Real-Time Departures

#### HealthLine

Which direction are you going?

Select...

What stop are you leaving from?

Select...

### Plan a Trip

Google TRANSIT

Start (e.g. Hopkins Airport)

End (e.g. Rivergate Park)

Depart Arrive

Best Route

Month Day Year

<http://www.riderta.com/routes/healthline>

**WHO IS BEING SERVED BY MOBILITY INVESTMENTS?**

# Broader improvements to mobility

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# What are the mobility options for those with the least flexibility?

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- Lower income households
- Older adults
- Persons with disabilities
- Youths

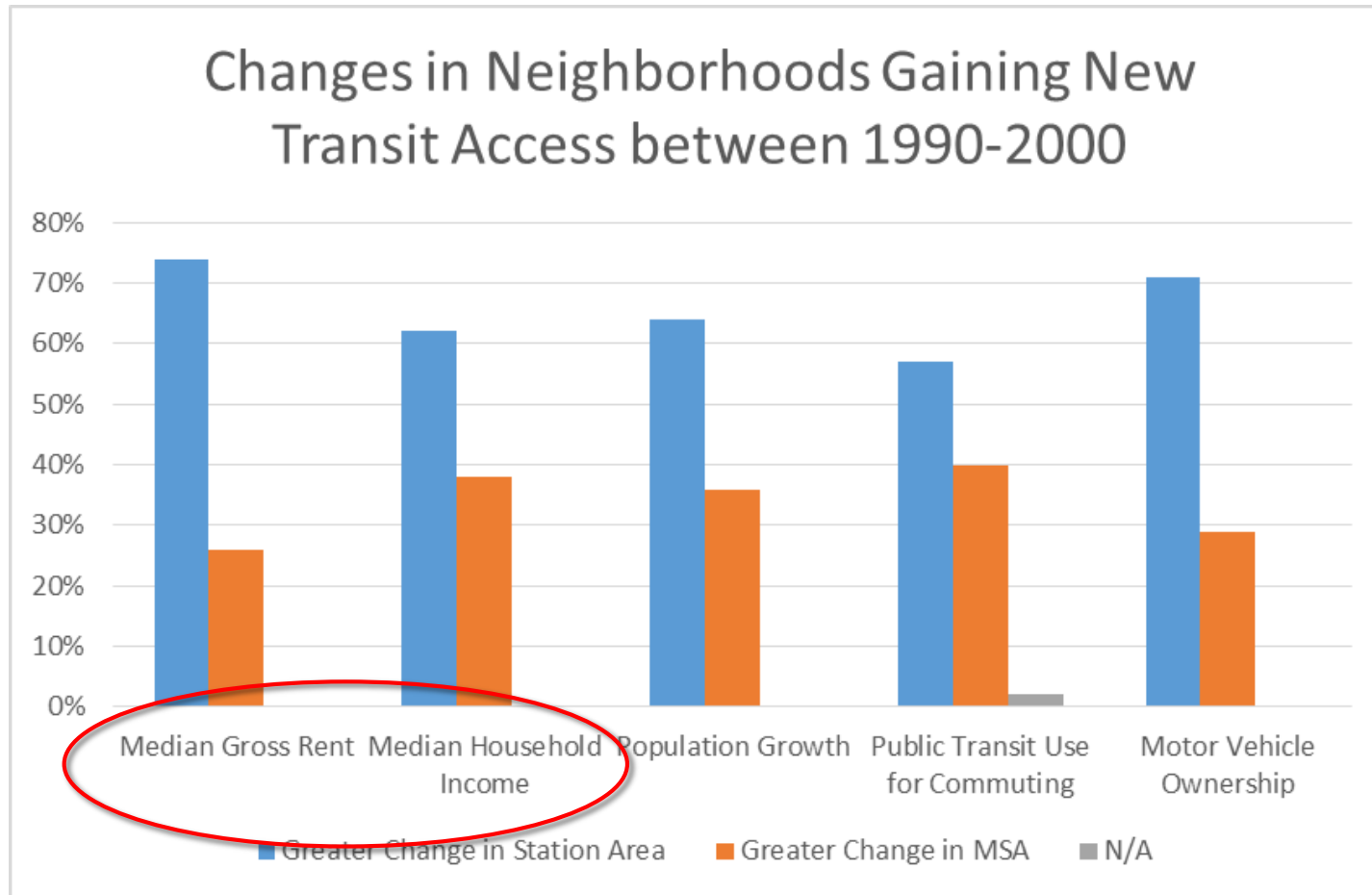
Engagement and outreach is critical

# The Housing and Transportation planning nexus

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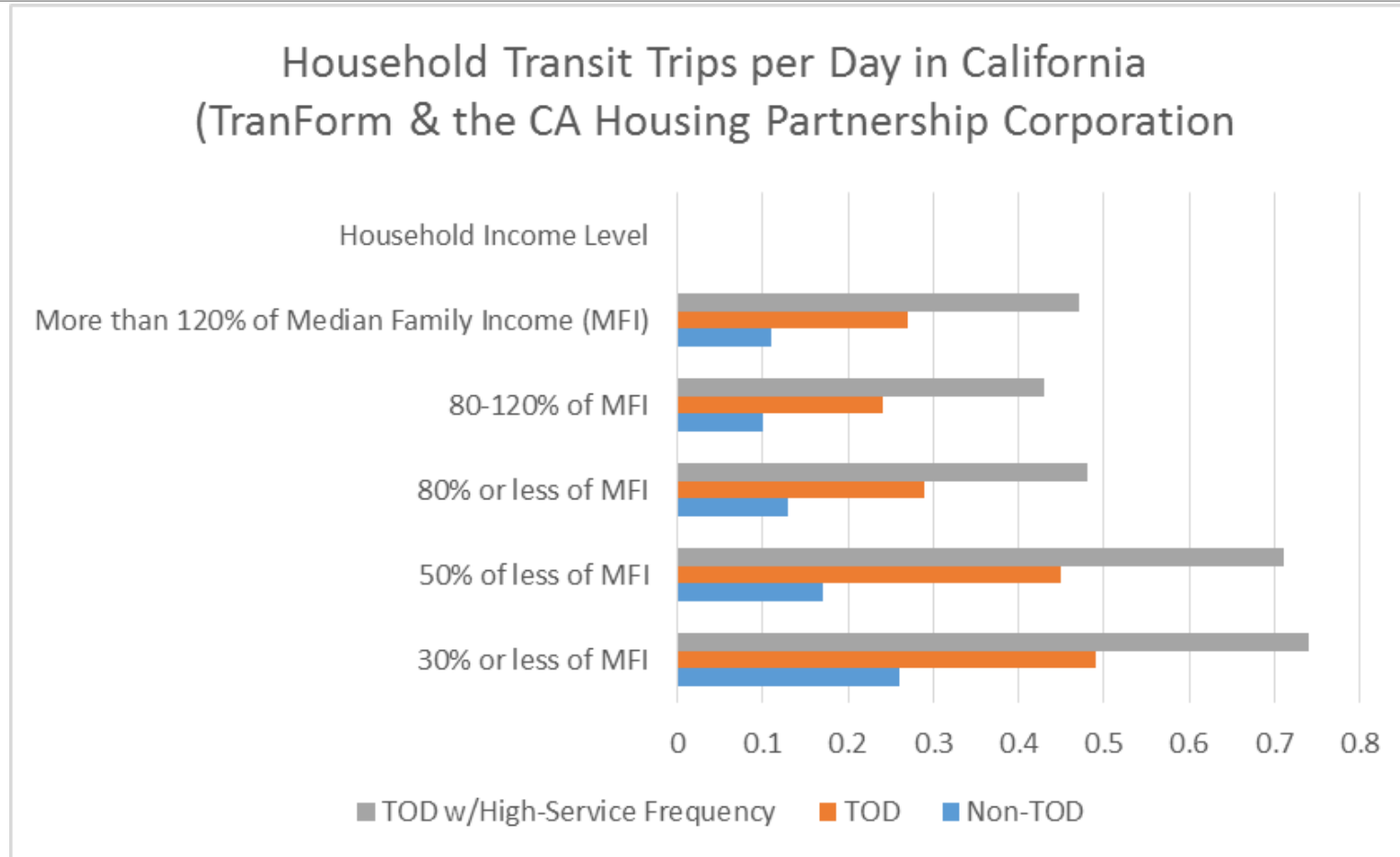
- Coordination critical to achieving goals in both sectors
- Need to look beyond basic concepts of land use and density; incorporate a more granular evaluation of housing needs and development opportunities
- Coordination should extend beyond planning and include funding and investment

# Transit can boost both mobility and costs

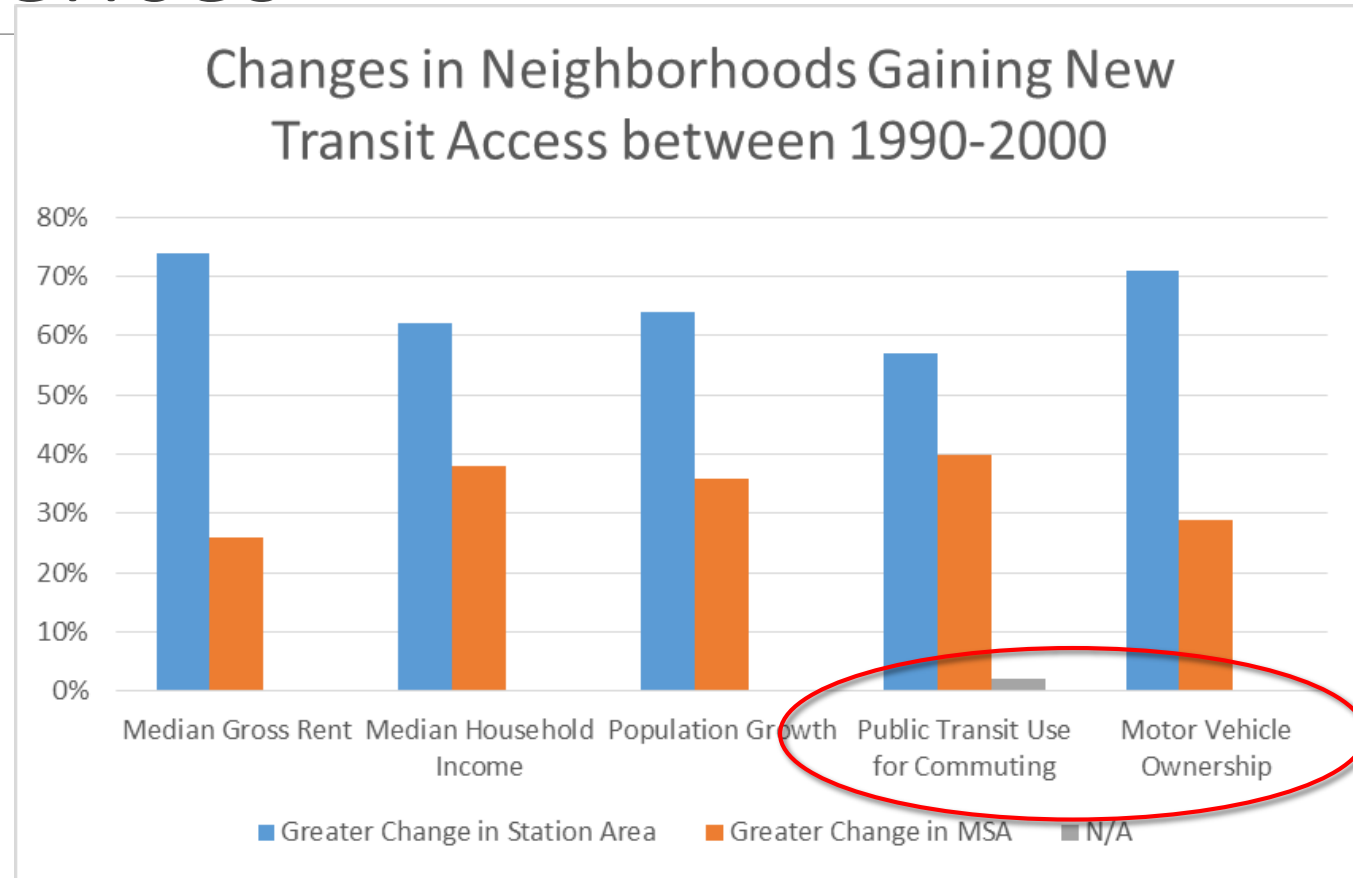




# Connecting likely users to mobility services can be mutually beneficial



# Failure to coordinate can have adverse consequences



Source: Dukakis Center at Northeastern University

# Best practices in transportation-housing coordination

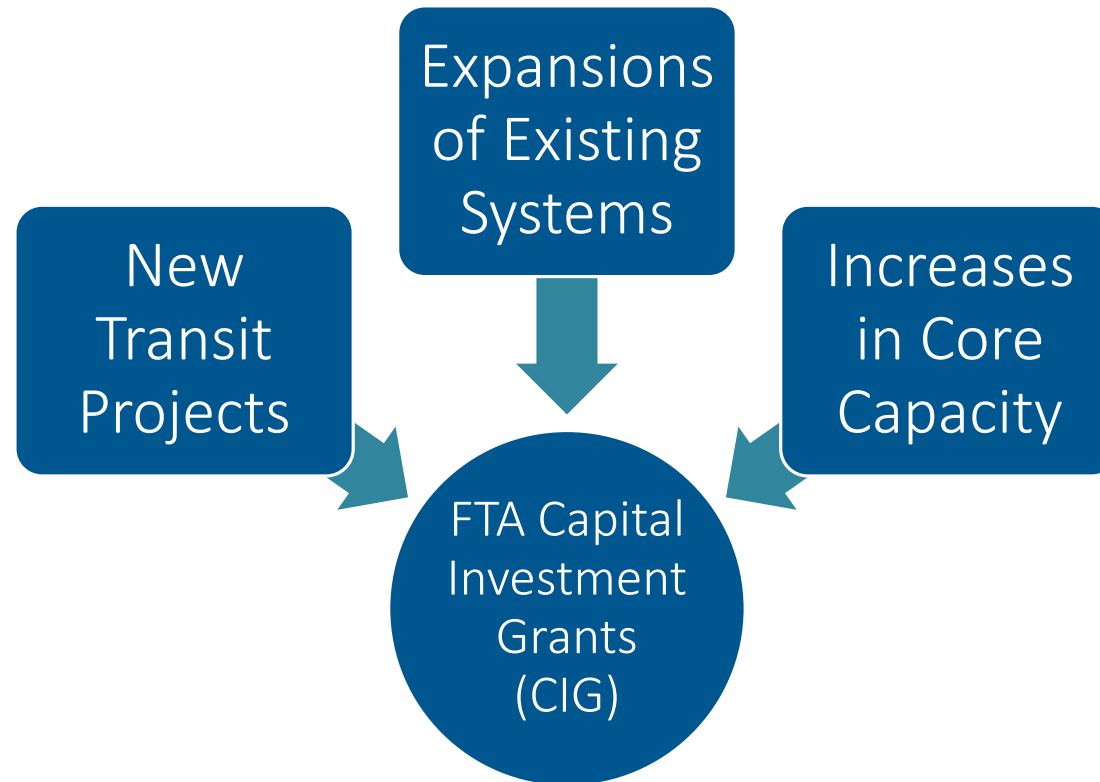
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1. Adopt proactive, collaborative strategies
2. Take early action to reform plans, codes and policies
3. Expand access to capital
4. Enhance site-access and improve site viability

# Incentives for coordination and alignment

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Federal evaluation criteria incentivize efforts to improve housing affordability near transit



# Adopt Proactive, collaborative strategies

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Convene cross-sector collaboratives;

Support citizen engagement & community benefits



Image source: <http://milehighconnects.org/>



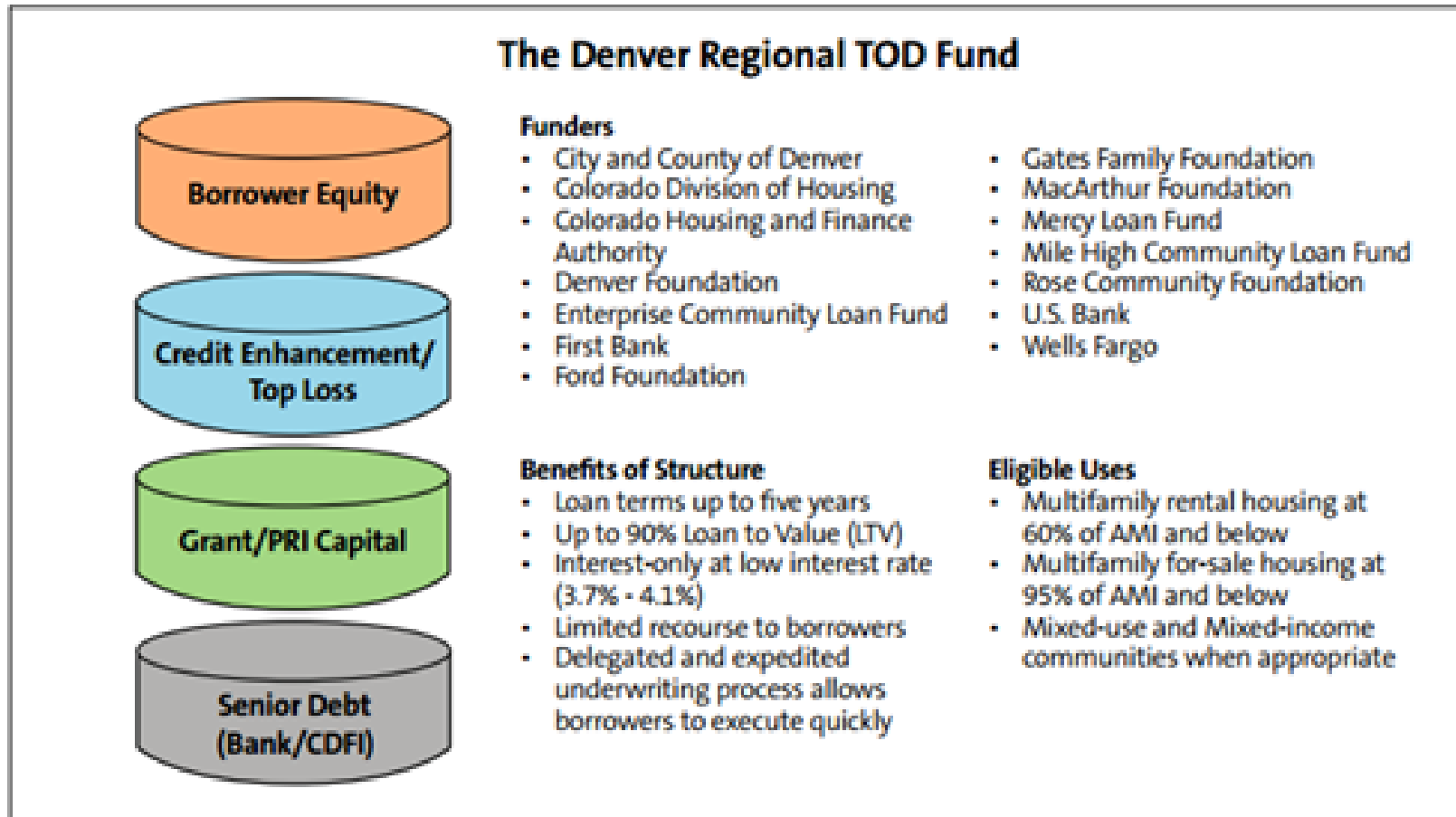
Image source:  
<http://smartgrowth.umd.edu/plcc.html/>

# Take early action to reform plans, codes and policies

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- Inclusionary policies can ensure that a portion of new development is affordable
- Multiple program design options (mandatory vs. incentive-based; jurisdiction-wide or targeted)
- “Freeing the market” – legalizing less-expensive market-rate housing typologies

# Expand access to capital



# Enhance site access and improve site viability

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## ➤ Transit agency housing affordability standards

### ➤ Atlanta (MARTA)

- 20 percent portfolio affordability goal

### ➤ Los Angeles (Metro)

- 30 percent affordability requirement
- Permits discounting of site control cost

### ➤ Seattle (Sound Transit)

- ST3 ballot initiative
- 80 percent of suitable properties must be made available for affordable housing
- Complemented by regional financing vehicles



# Wrap Up: Next Steps for Local Planners

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- Ensure that **planning efforts are as coordinated as possible** – comprehensive plans, text amendments and zoning updates, housing strategic plans, economic development strategies, transportation plans, small area plans, etc.
- **Engage diverse members of the community**- thinking about different mechanisms for outreach and public participation.
- **Explore opportunities for public-private partnerships** when re-developing publicly owned lands and facilities.
- **Explicitly consider equity and inclusion** in planning processes – how do decisions impact those that have historically been excluded?

# Contact Us

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**Lisa Sturtevant, PhD**

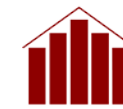
[lisa@lisasturtevant.com](mailto:lisa@lisasturtevant.com)

Twitter: @Lisa\_Sturtevant

**Ryan Price**

[ryan@lisasturtevant.com](mailto:ryan@lisasturtevant.com)

@PriceLSA



**Lisa Sturtevant**  
& Associates, LLC

703-598-1220

[www.lisasturtevant.com](http://www.lisasturtevant.com)



**Ellen Harpel, PhD**

[ellen@smartincentives.org](mailto:ellen@smartincentives.org)

571-212-3397

[www.smartincentives.org](http://www.smartincentives.org)

Twitter: @SmartIncentives



Neighborhood Fundamentals, LLC

**Michael A. Spotts**

[mspotts@neighborhoodfundamentals.com](mailto:mspotts@neighborhoodfundamentals.com)

571-354-0714

[www.neighborhoodfundamentals.com](http://www.neighborhoodfundamentals.com)

Twitter: @nbhdfundllc

Twitter: @MichaelASpotts