

A New Approach to Economic Development

Presentation to City Council

February 12, 2024



Where are we?

- Report directed by the Economic Development Corporation in 2022
- Concurrent efforts by city staff to implement Energov and update city processes
- Council briefed at annual work session on December 11, 2023
- Final report was released on December 18, 2023
- Meetings with Councilmembers have mostly concluded.
- Intend to present resolutions to the Council endorsing the report and providing direction to staff to move forward

The background of the image shows a low-angle view of a city street. On the left, a light-colored brick building with arched windows and a decorative cornice is visible. On the right, a red brick building with arched windows and a balcony with a metal railing is seen. The sky is a clear, bright blue. The text "Legalize Housing." is overlaid in a large, dark blue, serif font, centered on the image.

Legalize Housing.

Stating our values on Land Development

Support for Housing Development at all income levels

- Market rate housing development creates “migration chains” where individuals tend to move-up to marginally more expensive housing, creating a chain of successive moves.
- That ultimately creates housing availability in a cascading effect down the economic scale.
- The effects of this, and the price reductions it can create, are meaningful, reducing rents and rates of eviction, segregation, and homelessness.



Stating our values on Land Development

Engaging in Placemaking Initiatives

- Placemaking is the intentional investment of resources to create quality buildings and spaces, public amenities, streetscapes, and other places that are desirable and attractive to people.
- The city should be proactive about shaping important corridors to create destination spaces that attract investment and activity.
- Taking this effort seriously will require an amendment to the charter to allow the city to transact property more easily.

Stating our values on Land Development

Protecting and Expanding the tax base

- Annually, in 2023 dollars, the city is losing \$2.4 million from university acquisitions of land dating back to the year 2000. Cumulatively, these acquisitions have cost the city more than \$25 million in tax revenue.
- The city can create and use more powerful tools to acquire and dispose of property to protect the taxable value of our land.
- This will also require an amendment to the charter, as previously mentioned.



Stating our values on Land Development

Pursuing sustainability

- The city's A2 Zero plan calls for the city to significantly improve the energy efficiency of our homes, businesses, schools, places of worship, recreational sites and government facilities.
- Notably, this will only happen with new investments in property and new developments.

Major Recommendations

- The Council should endorse these four tenets as the city's co-equal strategic priorities for economic development.
- Create an economic development office led by an economic development director and staff.
- Create as much as separation as feasible between the site plan and civic plan review processes.
- Make public engagement better timed and more impactful for site plans.
- Fortify staff functions, eliminating single points of failure.
- Pursue technical changes to city ordinance to eliminate minor regulatory hurdles.
- Amend the city charter to allow the city to transact property interests more easily.

Making Public Engagement More Meaningful

- Our public engagement is often exhaustive and redundant, which can bias decision making toward the status quo and frustrate community members.
- We ask the wrong questions at the wrong times during the engagement process, which means public feedback is often unproductive.
- Improve the Citizen Participation process by better timing it and expanding the notification/participation.
- Make the Citizen Participation requirements the centerpiece of engagement on site plans.

Pursue an Amendment to the Charter

- Section 14.3(a) of the charter requires that all transaction for interests in real property must come before Council and receive eight votes to pass, regardless of the dollar value.
- Right now, all leases, all purchase options, all land sales or acquisitions, and all development agreements come to the Council, and require a super majority for approval.
- This section should be repealed, and replaced with language stipulating that a development agreement will be approved by the same process that its corresponding site plan was approved by.
- The city's \$75,000 contracting threshold will kick in.

Resolutions for Council Consideration

- Multiple resolutions will come forward to the Council in March for your consideration.
- These resolutions will provide a clear and durable strategic direction for the City to engage in land development proactively.
- They will provide endorsement for the initiatives outlined in the Economic Development Report.
- It will take time to implement these recommendations, and this will guide our work over the coming year as ordinance changes and budget proposals come to the Council iteratively over time.

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Discussion?

