A Presentation for 1000 Friends of Florida:

The Missing Metric: Strategies for the New Normal
Why Fiscal Modeling?
MONEY
Broke Town, U.S.A.

Vallejo, Calif., seen from Virginia Street, is in bankruptcy.

By ROGER LOWENSTEIN
Published: March 3, 2011

Vallejo, a city about 25 miles north of San Francisco, offers a sneak preview of what could be the latest version of economic disaster. When the foreclosure wave hit, local tax revenue evaporated. The city managers couldn’t make their budget and eliminated financing for the local museum, the symphony and the senior center. The city begged the public-employee unions for pay cuts — all to no avail. In May
The Missing Metric
It’s what’s NOT being discussed in development reviews
Any given Tuesday...
Any given Tuesday...
Any given Tuesday…
Any given Tuesday...
Any given Tuesday...
Any given Tuesday...
Quality of life vs. development impacts
Quality of life vs.
development impacts
Issues related to revenue never came up
The Commercial Project Approval Process

1. Concept
   - Development Concept
     - Pre-Application Meeting
       - Initial discussion of concept (with Community Development Planners, Health Department, County Engineer, and Emergency Services)
     - Pre-Design Meeting
       - With Building Division, owner, architect, and contractor
     - Presentation of sketch plan (to look at site planning, topography, drainage, access, development standards, etc.)
     - Determination of zoning issues

2. Zoning
   - Proposed use permitted by right
     - Design Review (For Doney Park, Kachina Village, Mountainaire, Oak Creek Canyon, and Tusayan)
     - and if necessary...
     - Variance (See variance brochure for additional requirements)
       - Board of Adjustment public hearing
     - Zone change (See zone change brochure for additional requirements)
       - Planning & Zoning Commission public hearing
       - Board of Supervisors public hearing
     - Conditional Use Permit (See conditional use permit brochure for additional requirements)
       - Planning & Zoning Commission public hearing
     - Design Review (For Doney Park, Kachina Village, Mountainaire, Oak Creek Canyon, and Tusayan)
       - Planning & Zoning Commission public hearing

3. Permit Applications
   - Submit for County Permits
     - Building permit (Community Development)
     - Lighting permit (Community Development)
     - Sign permit (Community Development)
     - Septic permit (Health Department or ADEQ)
     - Encroachment permit (Public Works / ADOT)
   - Collect other approvals as necessary (based on feedback from the pre-application meeting)
     - Floodplain approval (Community Development)
     - Health approvals (County Health Department)
     - Grading permit (County Engineer)
     - ADOT
     - Fire district
     - Water company
     - Utility companies
     - Sewer district
     - State Fire Marshal
     - Others

4. Review
   - Planning and zoning staff review:
     - Plot plan
     - Parking
     - Signs
     - Landscaping
     - Floodplain
     - Fencing
     - Lighting
     - Design review conditions
     - Use permit conditions
   - Building plans review:
     - Architect
     - Plot plan
     - Foundation plan
     - Floor plan
     - Elevations
     - Roof framing
     - Structural
     - Cross section
     - Details
     - Electrical
     - Plumbing
     - Mechanical
     - Contractor
   - Issuance of building permit

5. Inspections
   - Construction and inspections:
     - Setbacks
     - Foundation
     - Framing
     - Structural
     - Electrical
     - Mechanical
     - Plumbing
     - Roofing
     - Others
   - Final zoning inspection conditions
   - Use permit conditions
   - Final building inspection

6. Occupancy
   - Issuance of Certificate of Occupancy
A time bomb under the street
A time bomb under the street
Impact fees only cover capital costs
New Roadway Facilities

University Pkwy & N. Cattlemen Rd. / Cooper Creek Boulevard Intersection

Honore Avenue & DeSoto Road Intersection

Another problem with impact fees...

<table>
<thead>
<tr>
<th></th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right of Way</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$33,500,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$38,050,000</strong></td>
</tr>
</tbody>
</table>

N. Cattlemen Road (from University Pkwy to DeSoto Road)

N. Cattlemen Road & DeSoto Road Intersection

N. Cattlemen Road (from DeSoto Road to Richardson Road)

DeSoto Road (from Honore Avenue to N. Cattlemen Road)
New Roadway Facilities

University Pkwy & N. Cattlemen Rd. / Cooper Creek Boulevard Intersection

Honore Avenue & DeSoto Road Intersection

N. Cattlemen Road (from University Pkwy to DeSoto Road)

N. Cattlemen Road & DeSoto Road Intersection

N. Cattlemen Road (from DeSoto Road to Richardson Road)

DeSoto Road (from Honore Avenue to N. Cattlemen Road)

**Total Estimated Cost**

$38,050,000

Right of Way $5,000,000

Construction $33,5000,000
Property taxes may be a better revenue source...
Let’s look at where our property taxes come from...
County Tax Yield Per Acre

- City Residential
- County Multi-family
- County Residential
- Undeveloped ($3 per acre yield)

Price Range: $-$ $10,000
County Tax Yield Per Acre

- City Residential
- County Multi-family
- County Residential
- Undeveloped

$3 per acre yield
County Tax Yield Per Acre

Southgate Mall
Burger King @ Fruitville+I-75
Sarasota Crossings
Sarasota Square Mall
WalMart
City Residential
County Multi-family
County Residential
Undeveloped

Southgate mall is one of the top grossing per acre yields at $21,752 per acre
Southgate Mall
32.0 Acres
$58.8 million value
... and now we have to change the scale of the charts...
Here is Southgate mall at $21,752 per acre
County Tax Yield Per Acre

- Urban mixed-use high-rise
- Urban mixed-use mid-rise
- Urban mixed-use low-rise
- Southgate Mall
- Burger King @ Fruitville+I-75
- Sarasota Crossings
- Sarasota Square Mall
- Walmart
- City Residential
- County Multi-family
- County Residential
- Undeveloped

Mixed-Use
Commercial
Residential

$-
$100,000
$200,000
$300,000
$400,000
$500,000
$600,000
$700,000
$800,000
$900,000
5 Points Plaza

1.0 Acres
$65.9 million value
The final numbers are even more dramatic.

### Annual tax yield per acre: Sarasota County, Florida

<table>
<thead>
<tr>
<th>Rank</th>
<th>Property Type</th>
<th>Tax Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>County residential</td>
<td>$3,651</td>
</tr>
<tr>
<td>2.</td>
<td>County multifamily</td>
<td>$7,807</td>
</tr>
<tr>
<td>3.</td>
<td>City residential</td>
<td>$8,211</td>
</tr>
<tr>
<td>4.</td>
<td>Walmart</td>
<td>$8,374</td>
</tr>
<tr>
<td>5.</td>
<td>Westfield Sarasota Square</td>
<td>$10,579</td>
</tr>
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<td>6.</td>
<td>Sarasota Crossings</td>
<td>$13,019</td>
</tr>
<tr>
<td>7.</td>
<td>Burger King</td>
<td>$15,458</td>
</tr>
<tr>
<td>8.</td>
<td>Westfield Southgate Mall</td>
<td>$21,752</td>
</tr>
<tr>
<td>9.</td>
<td>Urban mixed-use low-rise</td>
<td>$91,472</td>
</tr>
<tr>
<td>10.</td>
<td>Urban mixed-use mid-rise</td>
<td>$790,452</td>
</tr>
<tr>
<td>11.</td>
<td>Urban mixed-use high-rise</td>
<td>$1,195,740</td>
</tr>
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New Urban News; Sources: Sarasota County Government, Office of Financial Planning; Joe Minicozzi, Public Interest Projects. Based on 2008 tax figures. *Based on average sales price per Sarasota County Board of Realtors, 2008 data.
Comparative Example #2
Density Efficiency Analysis

Public Interest Projects, Inc.
J. Patrick Whalen
Joseph Minicozzi, AICP
One Acre of Moderate High-rise Mixed Use
.67
One Acre
of Moderate High-rise Mixed Use
Can generate as much local property taxes as

The **21** acre Super Walmart
The 34 acre Southgate Mall
1.0 acre of CBD High-rise Mixed-use > local property taxes than 55.4 acres of our 2 large mall and big box centers - combined

<table>
<thead>
<tr>
<th>Property</th>
<th>Acres</th>
<th>Local Annual Property Tax Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southgate + Walmart</td>
<td>55.4</td>
<td>$1,145,028</td>
</tr>
<tr>
<td>1 acre urban mixed-use high-rise</td>
<td>1.067</td>
<td>$1,491,486</td>
</tr>
</tbody>
</table>
But what about sales tax?
Sarasota County’s Revenue (2008)

$222,064,731

$60,970,760

1350 Main St
$1+ million generated on .67 acres

1 Retail
2 Property
1350 Main St: $1+ million generated on .67 acres
1350 Main St: $1+ million generated on .67 acres
Sarasota’s downtown today—Mostly 1-2 story buildings
St. Petersburg; the boom improved its downtown
So what about the cost side of the equation?
A 1989 study in Florida showed that the costs for providing infrastructure per dwelling unit is lowest and most efficient for more compact developments.

<table>
<thead>
<tr>
<th>Efficiency Rank</th>
<th>Study Area</th>
<th>Urban Form</th>
<th>Cost</th>
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<tbody>
<tr>
<td>1</td>
<td>Downtown</td>
<td>Compact</td>
<td>$9,252</td>
</tr>
<tr>
<td>2</td>
<td>Southpoint</td>
<td>Contiguous</td>
<td>$9,767</td>
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<td>Countryside</td>
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<tr>
<td>4</td>
<td>Cantonment</td>
<td>Scattered</td>
<td>$15,316</td>
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<tr>
<td>5</td>
<td>Tampa Palms</td>
<td>Satellite</td>
<td>$15,447</td>
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<td>6</td>
<td>University</td>
<td>Linear</td>
<td>$16,260</td>
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Average: $14,901
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Return on Infrastructure Dollars

CBD High-rise urban residential Return on Infrastructure Dollars (ROIf) is: 35%

Suburban multi-family Return on Infrastructure Dollars (ROIf) is: 2%

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<tr>
<th>Property (357 residential units)</th>
<th>Acres Consumed</th>
<th>Infrastructure Cost/Unit*</th>
<th>Total Infrastructure Cost</th>
<th>Total County Tax Return</th>
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<tr>
<td>Urban residential @ 100 units/acre</td>
<td>3.4</td>
<td>$15,956</td>
<td>$5,696,292</td>
<td>$1,980,900</td>
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<tr>
<td>NW Quadrant of Fruitville and I-75</td>
<td>30.6</td>
<td>$28,042</td>
<td>$10,010,994</td>
<td>$238,529</td>
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*1989 Brookings Institute Metropolitan Study adjusted to current values by Dept. of Labor CPI
CBD High-rise urban residential pays off its infrastructure in **3 years**

While suburban multi-family layout pays off its infrastructure in **42 years**

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Caveat: This is less about tall buildings than having the market to fill them.
Caveat: This is less about tall buildings than having the market to fill them.
Caveat: This is less about tall buildings than having the market to fill them.
County Tax Yield Per Acre

Urban mixed-use high-rise
Urban mixed-use mid-rise
Urban mixed-use low-rise

Southgate Mall

Burger King @ Future
Sarasota
Sarasota Square Mall
Walmart
City Residential

Mixed-Use
Commercial
Residential

Public Interest Projects, Inc.
1. Paradeo, P.E.
Joseph M. Hoisser, A.I.P.E.
Where do you put these high value places?
In cities...
In cities...
In cities...
Where else do you put these high value places?
Where else do you put these high value places?
Where else do you put these high value places?

Hint: Not on big arterials...
...near transit.
Table 5: Total Potential Annual Property Tax Revenue with the Residential Growth Cap

<table>
<thead>
<tr>
<th></th>
<th>Current Assessed Value*</th>
<th>Current Property Tax Revenue</th>
<th>Potential New Property Value</th>
<th>New Property Tax Revenue</th>
<th>Projected Additional Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 5 Years</td>
<td>$79,721,000</td>
<td>$168,132</td>
<td>$313,200,000</td>
<td>$661,000</td>
<td>$493,000</td>
</tr>
<tr>
<td>Long-term Development Sites</td>
<td>$114,842,000</td>
<td>$242,202</td>
<td>$587,945,000</td>
<td>$1,240,000</td>
<td>$998,000</td>
</tr>
<tr>
<td>Total</td>
<td>$194,563,000</td>
<td>$410,334</td>
<td>$901,145,000</td>
<td>$1,901,000</td>
<td>$1,491,000</td>
</tr>
</tbody>
</table>

**Economic Benefit**

<table>
<thead>
<tr>
<th>Economic Benefit</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessed Value*</td>
<td>$901,145,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Retail Sales</td>
<td>$4,244,900</td>
<td>$8,489,900</td>
<td>$25,469,600</td>
</tr>
<tr>
<td>Annual Hotel Revenues</td>
<td>$267,300</td>
<td>$534,500</td>
<td>$1,069,000</td>
</tr>
</tbody>
</table>

**Low** scenario assumes that the current residential growth cap

---

*Current Assessed Value in millions of dollars.*
We’ve been looking at the public sector perspective
Annual tax yield per acre: Sarasota County, Florida

1. County residential — $3,651*
2. County multifamily — $7,807*
3. City residential — $8,211*
4. Walmart — $8,374
5. Westfield Sarasota Square — $10,579
6. Sarasota Crossings — $13,019
7. Burger King — $15,458
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Municipalities should like this...
Citizens should too; and not just for the tax savings...
Density is “In”

Multiple surveys show that between 30 and 55 percent of Americans want to live in mixed use, mixed density places.

—“Option of Urbanism” by C. Leinberger
Density is “In”

Dense vibrant places should be a Win-Win-Win

Multiple surveys show that between 30 and 55 percent of Americans want to live in mixed-use, mixed-density places.

“Out of the Box” by C. Leinberger
Density is “In”

Municipalities build robust tax base

Citizens get great places

Developers get higher yield from their land asset

Multiple surveys show that between 30 and 55 percent of Municipal tax revenue is generated in mixed use, mixed density places

- “Option of Urbanism” by C. Leinberger
But it’s not so simple…

Common Perception of Density

Developer Profit in Jillions

Density
Common Perception of Density

- Developer Profit in Billions
  - $0.0
  - $1.0
  - $2.0
  - $3.0
  - $4.0
  - $5.0
  - $6.0

- Density
  - 5
  - 10
  - 15
  - 20
  - 25
  - 30
  - 35
  - 40
  - 45
  - 50
  - 55

The graph shows an increasing trend in developer profit as density increases.
How Does it Work in the Real World?

<table>
<thead>
<tr>
<th>Stories</th>
<th>5-Story</th>
<th>7-Story</th>
<th>7-Story</th>
<th>9-Story</th>
<th>11-Story</th>
<th>13-Story</th>
<th>17-Story</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>55'</td>
<td>75'</td>
<td>85'</td>
<td>100'</td>
<td>120'</td>
<td>140'</td>
<td>180'</td>
</tr>
<tr>
<td>Units</td>
<td>40 Units</td>
<td>50 Units</td>
<td>50 Units</td>
<td>56 Units</td>
<td>68 Units</td>
<td>80 Units</td>
<td>104 Units</td>
</tr>
</tbody>
</table>

High-rise Life/Safety
Type V Construction
How Does it Work in the Real World?

- **High-rise Life/Safety Type V Construction**

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<tbody>
<tr>
<td>17</td>
<td>55'</td>
<td>75'</td>
<td>85'</td>
<td>100'</td>
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<tr>
<td>16</td>
<td>40 Units</td>
<td>50 Units</td>
<td>50 Units</td>
<td>56 Units</td>
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<tr>
<td>15</td>
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<td>1</td>
<td></td>
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</tr>
</tbody>
</table>

- Stories
- b1, b2, b3, b4

[Image of a construction site with buildings under construction]
Average Cost per Unit

$900,000
$850,000
$800,000
$750,000
$700,000
$650,000
$600,000
$550,000
$500,000
$450,000
$400,000

5-Story  7-Story  7-Story  9-Story  11-Story  13-Story  17-Story
Average Revenue per Unit

- 5-Story
- 7-Story
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- 9-Story
- 11-Story
- 13-Story
- 17-Story
Residual Land Value
(per Square Foot Land)
Annual tax yield per acre: Sarasota County, Florida

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7. Burger King — $15,458
8. Westfield Southgate Mall — $21,752
9. Urban mixed-use low-rise — $91,472
10. Urban mixed-use mid-rise — $790,452
11. Urban mixed-use high-rise — $1,195,740


*Based on average sales price per Sarasota County Board of Realtors, 2008 data.
What has changed in Sarasota County as a result of the study?
What has changed in Sarasota County as a result of the study?
**Annual tax yield per acre: Sarasota County, Florida**

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<tr>
<th>Rank</th>
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<th>Value (in Thousands)</th>
</tr>
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<tr>
<td>1.</td>
<td>County residential</td>
<td>$3,651</td>
</tr>
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<td>City residential</td>
<td>$8,211</td>
</tr>
<tr>
<td>4.</td>
<td>Walmart</td>
<td>$8,274</td>
</tr>
<tr>
<td>5.</td>
<td>Westfield Community Mall</td>
<td>$8,579</td>
</tr>
<tr>
<td>6.</td>
<td>Sarasota Grove</td>
<td>$9,133</td>
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*Based on average.

Not much....
Sarasota’s SMART Growth Dividend

Doing the numbers proves that compact, centrally located, mixed use development yields the most property taxes.

By Peter Katz

Mixed-Use Downtown Development Creates the Most Tax Revenue

Monday, August 2, 2010
by Zachary Shahan

Analysis of property tax revenues from Sarasota, Florida reveals that mixed-use, compact development outperforms Walmarts and conventional shopping malls by a considerable margin when compared to property tax revenues generated by single-use land uses.

The Wall Street Journal

Smart money in real estate is on urban experience

JULY 14, 2010, 2:32 PM ET

Big Box Stores Don’t Produce Big Tax Gains

So-called big box stores like Wal-Mart and Home Depot

HUD Neighborhood Programs, Page 3 / Two-Wheeled Traffic Calming, Page 2

Best bet for tax revenue: mixed-use downtown development

A melding of New Urbanism and ‘One Planet Communities’

Best bet for tax revenue: mixed-use downtown development

Studies in Florida and North Carolina show that dense urban development pays off for local governments. Big-box retail doesn’t.

A melding of New Urbanism and ‘One Planet Communities’

Smart Mountain Village is envisioned as a walkable, mixed-use center with thousands of jobs and a world-class environmental

Bloomberg News

Stores such as Wal-Mart produce less tax revenue — more than $800,000 per acre — comes from a smart city planning. Convincing to those who have been over recession-induced skepticism of the future of downtowns — perhaps they’ll be convinced by the smart city planning.

Scroll to next page
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Analysis
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**Analysis**

The numbers prove that compact, centrally located, mixed use development yields the most property taxes.
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Analysis

DST

Decision Support Tool
Sarasota’s SMART Growth Dividend

Analysis

Decision Support Tool

Municipalities’ & Taxpayers’ Fiscal Impacts & Comparative Costs

O&M Costs by Development Type & Location
Analysis → Policy → Regulation
CBD High-rise urban residential pays off its infrastructure in **3 years**

While suburban multi-family layout pays off its infrastructure in **42 years**

<table>
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<th>Property (357 residential units)</th>
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* 1989 Brookings Institute Metropolitan Study adjusted to current values by Dept. of Labor CPI
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Could we mandate a maximum pay back period?

CBD High-rise urban residential pays off its infrastructure in 3 years.
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FIQ=Fiscal Impact Quotient

CBD High-rise urban residential pays off its infrastructure in **3 years**

While suburban multi-family layout pays off its infrastructure in **42 years**
FIQ = Fiscal Impact Quotient
The number of years required to pay back the municipality's infrastructure investment
FIQ = Fiscal Impact Quotient

County A FIQ: 10 years
County B FIQ: 5 years
County C FIQ: 20 years
FIQ=Fiscal Impact Quotient
County A FIQ: 10 years
FIQ=Fiscal Impact Quotient

County A FIQ: 10 years is target to eliminate impact fees.
FIQ = Fiscal Impact Quotient
County A FIQ: 10 years is target to eliminate impact fees.
A cool idea, but some places may not be ready politically.
Other places may be...
The nation’s most ambitious planning legislation: California’s State Assembly Bill 32  Senate Bill 375
It’s all about reducing levels of greenhouse gases
It's all about reducing Greenhouse Gas Levels.
It's all about reducing Greenhouse Gas Levels. This is a global problem.
It's all about reducing Greenhouse Gas Levels. This is a global problem that requires local action.
urbanism
in the age of climate change

peter calthorpe
Peter Calthorpe’s Vision for California: Save the Cities, Save the World

BY GREG LINDSAY | 05-21-2010 | 1:21 PM

New Urbanism has traditionally positioned itself as an antidote to sprawl, with an emphasis on “soul” -- the ineffable benefits of scale rather than breaking out hard metrics as to why dense may be qualitatively and quantitatively better than the auto-driven suburb.
Peter Calthorpe’s Vision for California: Save the Cities, Save the World

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<th>Buildings</th>
<th>Transportation</th>
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<td>Typical subdivision single-family home with three cars averaging 20 MPG driving 31,000 miles a year.</td>
<td>237</td>
<td>162</td>
</tr>
<tr>
<td><strong>Suburban</strong></td>
<td></td>
<td></td>
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<tr>
<td>30 percent more energy-efficient single-family home with three cars averaging 30 MPG.</td>
<td>158</td>
<td>113</td>
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<td><strong>Green Suburban</strong></td>
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<td></td>
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<tr>
<td>Townhome with two cars driving 15,500 Vehicle Miles Traveled (VMT)/year.</td>
<td>119</td>
<td>126</td>
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<td><strong>Compact</strong></td>
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<td>Energy-efficient townhome with two cars averaging 30 MPG.</td>
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<td><strong>Green Compact</strong></td>
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<td>Condo with one car averaging 20 MPG driving 10,000 miles a year.</td>
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In Million British Thermal Units. Transportation carbon includes all modes, as well as vehicle miles traveled.

The household building energy numbers account for both (or input) energy. All figures represent natural gas equivalents.
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In Million British Thermal Units (MBTU)/year
Transportation carbon includes oil refining as well as vehicle consumption.

The household building energy numbers account for source (or input) energy. All figures represent national averages.
VISION CALIFORNIA | CHARTING OUR FUTURE
STATEWIDE SCENARIOS REPORT

California must plan for future growth — by 2050, the state’s population is expected to grow to nearly 80 million people and 24 million jobs. The path that we take to accommodate growth can lead us in many directions. Vision California provides the information we need to make informed decisions about how and where we want to grow.

The energy, water, fiscal, and public health challenges facing California will require taking new directions in how we invest in and develop our communities, transportation systems, and critical infrastructure. The California Global Warming Solutions Act (Assembly Bill 32) and Senate Bill 375 have set challenging targets for reducing greenhouse gases (GHGs) across the state and in its regions. Vision California is driven by the need to provide critical context for the implementation of these policies.

What is Vision California?

Vision California explores the role of land use and transportation investments in meeting the environmental, fiscal, and public health challenges facing California over the coming decades. Funded by the California High Speed Rail Authority (cahighspeedrail.ca.gov) in partnership with the California Strategic Growth Council (www.sgc.ca.gov), the project is producing new scenario development and analysis tools to compare physical growth alternatives. By clearly expressing the consequences of different scenarios, Vision California’s tools can inform the critical state and regional decisions that will drive California’s infrastructure investments, as well as inform and sync with improvements to regional (MPO) travel models.

Vision California will:

- Frame California’s development issues in a comprehensive manner, illustrating the role of land use in meeting greenhouse gas (GHG) reduction targets through robust analysis.
- Illustrate the connections between land use and other major challenges, including water and energy use, housing affordability, public health, farmland preservation, infrastructure provision, and economic development.
- Clearly link land use and infrastructure priorities to mandated targets as set forth by AB 32, SB 375, and the California Air Resources Board (CARB).
- Produce scalable tools, for use by state agencies, regions, local governments, and the non-profit community, which can defensibly measure the impacts of land use and transportation investment scenarios — including those represented by the regions’ SB 375-mandated Sustainable Communities Strategies.
- Build upon Blueprints and other regional plans to produce statewide growth scenarios that go beyond regional boundaries and assess the combined impact of these plans.
- Connect state and national goals for energy independence, energy efficiency, and green job creation to land use and transportation investments.
- Highlight the unique opportunity presented by California’s planned High Speed Rail network in shaping growth and other investments.
Step 1: Understand existing land use category

**URBAN**

**Land Use Characteristics**
The most intense and most mixed LDC, often found within and directly adjacent to moderate- and high-density urban centers. Virtually all "Urban" growth would be considered infill or redevelopment. The majority of housing in Urban areas is multifamily and attached single family townhomes, with some small-lot single family homes. These housing types tend to consume less water and energy than the larger types found in greater proportion in less urban locations.

**Transportation Infrastructure**
Supported by high levels of regional and local transit service. Well-connected street networks and the mix and intensity of uses result in a highly walkable environment and relatively low dependence on the automobile for many trips.

Per-capita VMT range: - 1,500 to 4,000 per year

*Some examples of Urban in the Bay Area include Mission Bay in SF, the Uptown District in Oakland, and recent infill projects in and around Downtown Oakland.*

---

**COMPACT**

**Land Use Characteristics**
Less intense than the Urban LDC, but highly walkable with a rich mix of retail, commercial, residential, and civic uses. The Compact form is most likely to occur as new growth on the urban edge or large-scale redevelopment. It contains a rich mix of housing from multifamily and attached single family townhomes to small- to medium-low single family homes. Housing types in Compact areas tend to consume less energy and water than the larger types found in the Standard LDC.

**Transportation Infrastructure**
Well served by regional and local transit service, but may not benefit from as much service as urban growth, and is less likely to occur around major multimodal hubs. Streets are well connected and walkable, and destinations such as schools, shopping, and entertainment areas can typically be reached via a walk, bike, transit, or short auto trip.

Per-capita VMT range: - 4,000 to 7,500 per year

*Some examples of Compact in the Bay Area include the Harrison/Waterfront district, Bay Meadows in San Mateo, the Rockridge district in Oakland, Downtown Palo Alto and its neighborhoods, and development at the Richmond and Richmond BART stations.*

---

**STANDARD**

**Land Use Characteristics**
Represents the majority of separate-use auto-oriented development that has dominated the American suburban landscape over the past decades. Densities tend to be lower than those of the Compact LDC and are generally not highly mixed or organized to facilitate walking, biking, or transit service. The Standard LDC can contain a wide variety of housing types, though medium and larger-lot single family homes comprise the majority of this development form; these larger single family homes tend to consume more energy and water than those in the Urban or Compact LDCs.

**Transportation Infrastructure**
Not typically well served by regional transit service. Local street networks are not well connected, discouraging walking and bike trips. Most trips are made via automobile.

Per-capita VMT range: - 9,500 to 18,000 per year.

*Standard in the Bay Area includes the more auto-oriented, single use residential and commercial areas of the region, developed predominantly from the 1960s to today.*
Step 1: Understand existing land use category; So far, so good
Step 4: Aggregate impacts to determine scenario that best achieves statewide goal

Base and Increment VMT Adjustment Factors by Scenario Type:

If a scenario is more oriented towards standard development, then VMT is calculated to increase at a greater rate than if a scenario is more focused towards Urban and Compact growth. Overall scenario orientation is determined using a ‘tipping point’ range. If standard development falls below the range, adjustment factors reflective of progressively decreasing VMT are applied. If standard development surpasses the range, VMT are applied. If standard development point ranges, then driving behavior defaults rates.

<table>
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<tr>
<th>SCENARIO TYPE</th>
<th>LDC PROPORTION</th>
<th>BASE VMT ADJUSTMENT</th>
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<tbody>
<tr>
<td>BUSINESS as USUAL</td>
<td>Standard development exceeds 55%</td>
<td>Escalation</td>
</tr>
<tr>
<td>MIXED GROWTH</td>
<td>Neither Standard nor Compact-Urban refill exceed 55%</td>
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<td>SMART GROWTH</td>
<td>Compact+Urban refill development exceeds 55%</td>
<td>Deceleration</td>
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Scenario Tipping Point Range: 45 - 55%

OUTPUT METRICS

The following sections describe how the model uses input assumptions to calculate results in each of the metrics categories. The categories of output metrics are summarized below.

- **LAND CONSUMPTION**
  - Greenfield Land Consumed (square miles)
  - Refill Land Consumed (square miles)

- **BUILDING PROGRAM**
  - Breakdown of Housing Types

- **PUBLIC HEALTH**
  - Incidence of respiratory and cardiovascular disease
  - Healthcare costs

- **TRANSPORTATION**
  - Light Duty Vehicle (LDV) Vancity Miles Travelled (VMT)
  - Fuel Consumed (gall)
  - Fuel Cost ($) Transportation Electricity Consumed (kWh)
  - Transportation Electricity Cost ($) Transportation Electricity CO₂ Emissions (MMT)
  - ICE Fuel Combustion CO₂ Emissions (VMT)
  - ICE Full Fuel Lifecycle CO₂ Emissions (VMT)
  - Criteria Pollutant Emissions (tons)

- **WATER USE METRICS**
  - Water Consumed (AF)
  - Water Cost ($) Water-related Electricity Use (GWh)
  - Water-related Electricity CO₂ Emissions (MMT)

- **BUILDING ENERGY USE METRICS**
  - Residential and Commercial Building Energy Consumed (Btu)
  - Building CO₂ Emissions (MMT)
  - Reclamation and Commercial Energy Cost ($) FISCAL IMPACTS METRICS
  - Capital costs for local roads, water, utilities, and parks
  - O&M costs for public works, government services, and parks
  - City tax/fee revenues

- **GREENHOUSE GAS EMISSIONS (MMT)**

- **TOTAL GHG EMISSIONS**
  - Fetal CO₂ Emissions (Transportation and Buildings, MMT)
Step 4: Aggregate impacts to determine scenario that best achieves statewide goal.
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THREE LAND USE OPTIONS

The Rapid Fix land use options are defined according to their proportion of the three Land Development Categories. All options accommodate the same amounts of housing and job growth. The pie charts below show the composition of growth in each land use option by 2050, which in turn results in different housing type mixes. The housing type mix for new growth in each option is shown in the pie chart. The total and state housing type mix in 2050 – new development plus the existing housing stock – is shown in the lower chart.

Land Use Option A. Trend Growth

The Trend Growth option represents a future based on historic market trends, development patterns, and transportation investments in California.

Land Use Option B. Compact Growth

Land Use Option C. Smart Growth

The Smart Growth option assumes that a greater share of new growth will occur in Urban and Compact forms to meet a current and projected undersupply of compact development and align with projected demographic, regulatory, and market trends. This option accommodates 55% of new growth in Compact and 35% in Urban forms by 2050.

BASE AND INCREMENT VMT ADJUSTMENT FACTORS BY SCENARIO TYPE

If a scenario is more oriented towards Standard development, then VMT is calculated to increase at a greater rate than if a scenario is more focused towards Urban and Compact growth. Overall scenarios encourage compact development by regions and cities.

OUTPUT METRICS

PUBLIC HEALTH METRICS
- Incidence of respiratory and cardiovascular disease
- Healthcare costs

TRANSPORTATION METRICS
- Light Duty Vehicle (LDV)
- Vehicular Nitrogen Oxides (VNOx)
- Fuel Cost ($)
- Transportation Electricity Consumed (kW)
- Transportation Electricity Cost ($)
Step 4: Aggregate impacts to determine scenario that best achieves statewide goal; So far, so good
Step 5: Based on the adopted scenario, assign density to specific places; **Not so fast...**
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**Problem:**

Elected officials won’t support greater density against their constituent’s desires;

Developers don’t want to build “product” that they feel there’s no market for...
Step 5: Based on the adopted scenario, assign density to specific places; Not so fast...

**Problem:**

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Alternative step 5: Regulate to encourage high value real estate development

### Annual tax yield per acre: Sarasota County, Florida

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*Residential
Single-use commercial
Urban mixed-use

*New Urban Real Estate; Sources: Sarasota County Government, Office of Financial Planning; Joe Mitasczi, Public Interest Projects. Based on 2008 tax figures.
*Based on average sales price per Sarasota County, Board of Realtors, 2008 data.
Alternative step 5: Regulate to encourage high value real estate development

We want you to create high value real estate
Alternative step 5: Regulate to encourage high value real estate development

Advantage:

Market-based approach achieves same goal (density) by aligning public and private goals...
Alternative step 5: Regulate to encourage high value real estate development

Advantage: Market-based approach achieves same goal (density) by aligning public and private goals...
Municipalities build robust tax base

Citizens get great places

Developers get higher yield from their land asset
Not a left or right issue
Not a left or right issue
Not a left or right issue; It’s about good government
Thank You
Contact me:
Katzoid@earthlink.net
202/486-7160

Decision support tools
website:
www.smartgrowthtools.org/TCDDM