

Barriers to Infill Development

If South Florida's growth is to be sustainable, the key is high-quality infill development. The secret, says state planner, Phyllis Mofson, is shared vision.

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Infill development--the development of vacant or under-utilized urban sites--is an important component of community redevelopment and revitalization efforts. Many local governments throughout the country have committed to the goal of infill and have designated specific redevelopment areas for concentrated attention and funding toward that end. But there is a host of impediments to infill. These barriers need to be better understood and specific strategies mapped out to remove them before urban redevelopment and reversal of blight can be achieved on a meaningful scale.

There are several categories of impediments to infill. These categories can be defined as: financial, regulatory/legislative, social/economic, and attitudinal impediments.

Financial Impediments to Infill

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It is typically difficult to secure financing for infill development projects. This is due to the fact that most infill is targeted for inner city areas characterized by economic deterioration and urban blight. These areas are automatically considered bad financial risks by many banks and insurers for a number of reasons. Many of these reasons are conditions that both result from and contribute to a vicious cycle of deteriorating conditions and falling property values. These reasons include:

- Development projects in inner city areas are

typically characterized by piecemeal funding from a variety of federal and state programs. What is needed is coordination among these various funding agencies, and more institutionalized partnerships between profit and non-profit organizations.

- "Redlining" policies by banks and other lenders, which define the risk level of an area by its location, effectively eliminating the possibility of funding for projects falling within "redlined" areas. Redlining per se is illegal in many circumstances, but the practice and the attitude continue through less explicit processes.
- Because of the public nature of funding for many urban redevelopment projects, many tend to be primarily low-income residential developments. What is needed for true revitalization is the promotion of mixed-use developments that combine residential uses with commercial and retail space and mixed-income housing developments that allow for a range of housing types without displacement of low-income residents. This type of development would have a positive impact on public safety, would improve the quality of life for existing residents, and would attract future investment.
- Lack of knowledge of available land. While it is easy for potential developers to be aware of the availability of undeveloped suburban or rural parcels, there often is no accessible information about developable land in urban areas. This added research step can be enough to steer the development out of infill areas.

Substandard Infrastructure

In many urban areas, infrastructure is aging and deteriorating. Because local governments have typically not made the decision to invest adequately in maintaining aging urban infrastructure, proposed developments that would rely on that infrastructure are often penalized. What is needed is an acknowledgement by local governments that urban infrastructure

maintenance is a sound investment and a public decision to shift some infrastructure funding from building new facilities in "greenfield" development areas to repair and upgrading of existing infrastructure facilities. This investment will save on infrastructure costs in the long run as well as promote infill.

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- The lack (real and perceived) of available, quality public education in many inner-city areas. Many developers, lenders, and insurers maintain that whatever else is done to promote urban redevelopment, there will be no market for that development if public schools are not improved.
- Crime and public safety. The reality and perception of crime in inner city areas have an effect similar to the schools issue on the market for redevelopment.
- Lack of code enforcement allows existing neighborhoods and commercial districts to become run-down, driving the potential value of nearby property down.
- Community resistance to higher densities.
- Fear of displacement by current residents and businesses.

These last two factors actually fall into the "attitudinal impediments" category, which I will discuss later. For now I will just point out that these psychological problems with infill are grounded both in fact (experience shows that higher densities can be problematic and also that urban revitalization can lead to gentrification and displacement) and in myth, or general assumptions and stereotypes. Both are real impediments, but both can be removed through working hard to make sure that infill is pursued in a way that maximizes the benefits of density and does not result in displacement and through a simultaneous educational program to continually provide evidence that these negative assumptions are not necessarily true.

Regulatory/Legislative Impediments to Infill

**...we as a
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Here I would include the myriad structural features we as a society have erected over time that conspire (although this was not our express intent) to subsidize "sprawl" development patterns at the expense of compact, community center-oriented development patterns.

- Difficulties associated with land assembly for redevelopment. Urban areas that might be available for redevelopment often are, or seem, overly complicated to acquire. They are characterized by multiple owners, multiple tenants with varying lease arrangements, multiple pricing mechanisms, and varying degrees of (real or possible) environmental contamination. What is needed is a legal framework for land assembly in urban areas to simplify the process of redeveloping parcels by existing or new owners
- Review and permitting processes. In many cases, the multiple and lengthy review processes, and the time and complication of getting permits for development from several agencies, are compounded by an urban setting. It is often much easier and quicker, because of urban issues already discussed such as fragmented land ownership, potential site contamination, deteriorating infrastructure, to get greenfield development permitted than infill development.
- Undifferentiated impact fees. A recent study of the City of Tallahassee confirmed the following hypothesis: "Most infrastructure systems are characterized by costs that vary across space, owing to the fact that it is in the nature of these systems that there are expensive-to-serve locations and inexpensive-to-serve locations... It is also true that most of these service systems are financed by general taxation or user charges not reflecting these variations in costs; all users are charged the same amount regardless of their locations... Reliance on fees and taxes that do not reflect spatial costs does not make those costs disappear. They simply get folded into the uniform fee rates or tax rates, making tax bills or utility bills generally higher than they otherwise would be and resulting in a cross-subsidy

accruing to the expensive-to-serve location and paid by all taxpayers or rate payers." With few exceptions, typical infrastructure impact fees for development do not vary by location, and this serves as a general subsidy of development farther from the urban core (or sprawl) by the developers and inhabitants of developments that are closer to the core.

- "Brownfields paradox." Brownfields are urban sites characterized by previous industrial or commercial uses that resulted in environmental contamination (or, in some cases, perception of contamination). Because of its intent to encourage complete cleanup of contaminated sites, the current regulatory system requires potential developers of such sites to assume the risks of liability associated with cleanup undertaken for redevelopment purposes. This regulatory framework is leading to the opposite of the intended result--the decision by developers to avoid the risk of liability by developing on greenfield, rather than brownfield, sites.

Social/Economic Impediments to Infill

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Social/economic impediments occur in the broader context of societal inequities associated with race and income. Urban redevelopment areas tend to be characterized by higher proportions of low-income and minority residents than society at large. In addition to general issues of racism, which can serve as attitudinal impediments to infill, in each of several issue areas (some of which I have already touched on), there is an actual or perceived inequity in the availability of public resources for increasing social and economic capacity to the redevelopment area versus a suburban or greenfield area being considered for development.

These issue areas include:

- job availability
- workforce training
- public education

- social service delivery
- public crime and safety
- race relations
- public health

What is needed is a comprehensive decision at the local government level to understand and take action to correct any inequities in resources being made available to redevelopment areas for delivery of these services and building capacity for increasing the economic vitality of the area. In cases where the inequities are more perceived than real, a public education campaign is needed to correct the faulty assumptions.

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Attitudinal Impediments to Infill, or, "Density Is Bad"

Attitudinal impediments encompass all the other categories of impediments to infill; they are the widespread beliefs that infill areas are poor investments, dangerous, neglected, or, generally, "someone else's problem." All these forces taken together contribute to some very formidable barriers to local governments' urban redevelopment goals. A type of NIMBY (not in my backyard) issue, psychological resistance to higher densities stems from the attitude cultivated in recent decades by popular culture and public policy that high densities contribute to crime, environmental degradation, and general declines in quality of life. The 30-40 year trend will not be corrected overnight, but a new public education campaign that density, if planned correctly, can enhance--rather than hurt--our quality of life by allowing for the preservation of green space outside clearly defined urban development boundaries; encouraging pedestrian and transit-oriented developments and reducing our reliance on the automobile; by building cohesive communities; and, in so doing, by reducing the opportunities for crime to occur.

Resulting Situation

...relatively less market demand for downtown redevelopment...

How many times have you heard that someone would "rather live downtown, but..." The "buts" include: the schools were not good, the area was not safe, and adequate and high-quality residential space was not affordable. This reasoning translates into developers concluding there is relatively less market demand for downtown redevelopment than for a continuation of suburban sprawl. Nonetheless, sprawl comes with its own set of quality-of-life problems that any inhabitant of a sprawl development can enumerate with ease: long commutes in terrible traffic to work, child care, shopping, recreation, etc.; no "sense of place," or a generic quality to subdivisions; and general transience marked by a lack of a feeling of community. A targetted communications strategy, combined with a set of financial and regulatory reform, could turn this discontent into a growing constituency and market for urban infill development.

Solutions

...maintaining infrastructure and targetting workforce training resources...

I have offered many solutions as the flip sides of individual impediments already discussed. Individual solutions, such as maintaining infrastructure and targetting workforce training resources, however, will be more effective if they are part of a larger strategy to promote infill development and redevelopment. That larger strategy should start with a "master plan" for the redevelopment of an urban area. The master plan, or the "vision," should be crafted by a broad coalition of interested parties: local government, grass roots organizations, financial institutions, developers, and social service providers. The wider the "buy in" from the beginning, the easier it will be to lower impediments to financing, developing, and revitalizing later.

Strategies that will help in the creation of the master plan include: the use of communal risk-sharing to address lenders' and insurers' initial uneasiness with funding inner-city development; the general agreement to work toward the understanding and use of full-cost accounting principles in computing impact fees and property taxes; the adoption of a comprehensive Brownfields policy to deal with questions of risk and liability associated with cleanup of sites targetted for redevelopment; and the simplification of review and

permitting process for developments that are consistent with the plan.

Efforts Under Way

**...Eastward Ho!...to
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There are efforts under way to put some of these ideas into practice. One is Eastward Ho!, which is an initiative, spearheaded by the DCA, to revitalize southeast Florida's traditional urban corridor in order to both improve the quality of life there and to redirect new growth away from the sensitive lands adjacent to the Everglades ecosystem to the west. A good part of the initial work on Eastward Ho! has been to "widen the net" of involved and represented groups. This coalition-building has the aims of making sure that everyone who will be affected by redevelopment has a chance to have his/her concerns addressed and of fostering broad-ranging buy-in and ownership of the concept and strategy. In other parts of the county, such as Portland, OR, Boulder, CO, and parts of Seattle, WA, broad citizen involvement and the adoption of master development plans have helped to create more livable, sustainable communities. The message is that when people work together toward a shared vision, it can be done.

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