The Panel

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  – Clarion Associates, Chicago – Senior Vice President
  – Appraiser, Real Estate Consultant, Planner

• Leigh Anne King, AICP, LEED® AP
  – Clarion Associates, Chapel Hill – Principal

• Craig Richardson, Esq.
  – Clarion Associates, Chapel Hill -- Director
What We Will Share Today

1. The Importance of Plans and Codes to Appraisers
2. Planning and Regulating Our Communities Using Sustainable Development Approaches
   a. The Comprehensive Plan
   b. The Zoning Ordinance
3. How Plans and Codes Impact the Appraisal Practice and Highest and Best Use
4. Questions and Answers
“Then I say the earth belongs to each generation during its own course, fully and in its own right, but no generation can contract debts greater than can be paid during the course of its own existence.”

Thomas Jefferson
1. **Real estate development** that seeks to meet the needs of the present without compromising the ability of future generations to meet their needs.

Brundtland Commission, 1987
2. In green design and construction, the practice of developing **new structures** and renovating **existing structures** using equipment, materials, and techniques that help achieve a long-term balance between extraction and renewal and between environmental inputs and outputs, causing no overall net environmental burden or deficit.
Appraisers and Sustainability

- FOCUS has been on Definition 2 – impact on the value and use of individual structures
  - Building Systems
  - Site Characteristics and Features
  - Neighborhood Characteristics?
Appraising Individual Green/Sustainable Structures

• Appraisal methods are established
  – Cost Approach
  – Sales Comparison Approach
  – Income Approach

• Response of real estate markets to sustainability less well understood
  – Costs are measureable
  – But market response and impacts on value not as clear
    • Market data limited
    • Adjustment of comparables for green features a challenge
“1. Real estate development that seeks to meet the needs of the present without compromising the ability of future generations to meet their needs.”

- Requires significant changes in how local governments plan for and regulate real estate development and use
  - New planning concepts and approaches
  - New ordinances and codes
... the “six elements of green building,” relate to site, water, energy efficiency, indoor air quality, materials, and operations and maintenance.
Site

The sustainability of land (e.g., development density, stormwater management, brownfield redevelopment). Site planning occurs during the design phase of the construction project and encompasses two overarching ideas behind green site planning and development: to protect or restore habitat and to maximize open space, providing societal and environmental benefits. In addition, the location, solar access, shading, landscaping, and wind are considered.
How Sustainable Planning and Codes Will Change Real Estate Appraisal (sooner or later...)

• How we analyze and compare markets
• How we think about the interrelationships between land uses
• How we describe & analyze the zoning of a subject property
• How we assess the consistency of existing improvements with local regulations
How Sustainable Planning and Codes Will Change Real Estate Appraisal (sooner or later...)

- How we analyze highest and best use
- How we think about location, access, site configuration and other value components
- How we adjust comparable sales
- How we assess functional and economic obsolescence
Today...

• Concepts and principles of sustainable plans and codes
• Differences between traditional land use and development patterns and sustainable patterns
• Navigating the content of sustainability-oriented plans and codes
• Think about how our appraisals will change as sustainable plans and codes become more common – and how soon that will come to your markets
Leigh Anne King, AICP, LEED® AP

– Clarion Associates, Chapel Hill – Principal
ROLE OF COMPREHENSIVE PLANS
The Comprehensive Plan

- Broad geographic coverage
- Long-range perspective
- Community vision
- Policy focus
- Land use guidance
Comprehensive Plans As...

- Policy foundation for regulation and zoning
- Guidance for discretionary decisions
- Sets out public capital investment needs
Traditional Planning Silos

Components of Comprehensive Plan

- Land Use
- Transportation
- Environment
- Economy
- Housing
- Public Infrastructure
THE NEW PLANNING PARADIGM: SUSTAINABILITY
Towards Community Engagement, Implementation, and Systems

- Addressing change
- From silos to systems
- Expanded topics
- Involving the community
- Implementation

Albany’s 2030 Implementation Plan identifies eight interrelated systems
Can Now Respond to Dynamic Challenges

• Demographic change
• Climate change
• Energy shortages
• Economic turbulences
• Environmental impacts
Principles

1. Livable Built Environment
2. Harmony with Nature
3. Resilient Economy
4. Interwoven Equity
5. Healthy Community
6. Responsible Regionalism
Fostering Live-Work-Play environments that provide high quality of life

Locating more residents, jobs, stores and services in close proximity can reduce the reliance on cars for shopping and other daily trips and decrease the amount of fossil fuels burned and the amount of greenhouse gases emitted. Increasing residential and employment densities in key locations makes transit and other public services convenient for more people and therefore makes these services more efficient.
Harmony with Nature

Valuing the natural resources that sustain us
Resilient Economy

vision

Cleveland 2020...

...a national leader in biomedical technology and information technology – with connections to the Cleveland Clinic, University Hospitals, Case Western Reserve University, NASA and other world-class innovators

...a center for advanced manufacturing – a national model for connecting new technologies to traditional industries

...a community with connections to good jobs for all residents and connections to the education and training demanded by those jobs

...a city with an accessible lakefront and riverfront, connected to waterfront neighborhoods and unique recreation opportunities

...a city of vibrant urban neighborhoods, with mixed-use districts and live-work spaces that attract creative and entrepreneurial people from across the region and the nation

...a community where racial, ethnic and social diversity is not simply tolerated but is embraced and celebrated in every neighborhood as one of Cleveland’s greatest assets
Interwoven Equity

Meeting the needs of all citizen groups

Stoop Surveys

Micro-meetings

Community Forums
Healthy Community

Recognize and provide for public health needs

VISION

A safe and healthy community:

- A safe, non-threatening city in which to live, work, learn, and play.
- Opportunities to lead active and healthy lifestyles.
- Access to healthy, locally grown or produced food.
Responsible Regionalism

- Transportation
- Housing markets
- Labor markets
- Watersheds
REAL ESTATE MARKETS AND SUSTAINABILITY
Context: Aging Demographics

Population 65+ by Age: 1900-2050

Source: U.S. Bureau of the Census
Context: Diversifying Demographics

Population by Race and Hispanic Origin: 2012 and 2060
(Percent of total population)

- White alone: 78% (2012), 69% (2060)
- Black alone: 13% (2012), 15% (2060)
- AIAN alone: 1.2% (2012), 1.5% (2060)
- Asian alone: 5.1% (2012), 8.2% (2060)
- NHPI alone: 0.2% (2012), 0.3% (2060)
- Two or more races: 2.4% (2012), 6.4% (2060)
- Non-Hispanic white alone: 63% (2012), 43% (2060)
- Hispanic (of any race): 17% (2012), 31% (2060)

AIAN = American Indian and Alaska Native; NHPI = Native Hawaiian and Other Pacific Islander
Context: Changing Preferences

• Compact development
• Walkable urbanism
• Transportation choices
• Open space
• Green building practices
Opportunities

Increasing demand for:
• Housing options for elderly
• Multi-generational housing options
• Sustainable commercial real estate

Increasing market value from:
• Proximity to active transportation / transit
• Open space
• Community resiliency
• Investment in infrastructure
FROM TRADITIONAL TO SUSTAINABLE
Greenville, North Carolina

Assets
- Eastern hub of NC
- Regional medical center
- Eastern Carolina University
- Advanced manufacturing center

Challenges
- Quality of development
- Sprawling land use patterns
- Unsafe transportation system with limited access for bus riders, pedestrians, and bicyclists
- History of flooding
Traditional Land Use Plan

• Focus on single, separate uses and related density

• Limited flexibility to respond to market

• Depending upon the community, may have little guidance for protection of natural resources or sensitive areas

• No direct linkage between transportation and land use planning

• Limited design guidance
Residential land uses have been divided into four separate land use categories based on associated variable residential densities. These categories include: Very Low Density, Low Density, Medium Density, and High Density Residential.

The land use plan supports the City’s objective to locate the majority of industrial development north of the Tar River in the area designated as Greenville’s Industrial Area and in the southwest quadrant in the southwest loop corridor. The only significant area where the land use plan supports new industrial growth is in these predetermined industrial areas. All of the industrial areas indicated on the Land use Plan have been buffered with either Office, Institutional, & Multi-family or Conservation/Open Space land uses. Buffering has been provided to help prevent land use conflicts between industrial development and neighboring land uses. The width of the buffer should be based on the type of industry and its potential to create compatibility problems. It is not the City’s intention to acquire land to be utilized as buffer areas, but rather to encourage industries to incorporate buffers into their zoning and development plans.
New Models for Guiding Growth

- Focus on performance (sustainable design, efficient use of land, quality of development, connectedness, accessibility)
- Land uses allowed typically more flexible to market
- Greater focus on infill / redevelopment

Direct connection between land use / transportation systems and related health and quality of life benefits (walkable urbanism, transit supportive uses, etc.)
MIXED USE

Small-scale activity centers that contain places to live, work, and shop integrated in a walkable pattern. Mixed Use buildings are located close together and near the street. Buildings tend to be smaller than Mixed Use Center, High Intensity, supporting primarily locally-oriented uses and serving as a transition in intensity to nearby neighborhoods.

INTENT

- Vertical mixed use buildings (residential or office above commercial) as well as various single-use buildings that are integrated in a walkable street pattern
- Accommodate parking on-street, behind or to one side of buildings, or in parking structures; limit curb cuts that break main pedestrian ways; wrap parking structures with other uses or decorative elements; light parking well for safety
- Provide pedestrian and vehicular connection to surrounding development

<table>
<thead>
<tr>
<th>PRIMARY USES</th>
<th>SECONDARY USES</th>
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<tbody>
<tr>
<td>Office</td>
<td>Institutional/Civic</td>
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<tr>
<td>Commercial</td>
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<tr>
<td>Multifamily residential</td>
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<tr>
<th>BUILDING BLOCKS</th>
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<tbody>
<tr>
<td>Building Height</td>
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<tr>
<td>Building Setback (front)</td>
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<tr>
<td>Lot Coverage</td>
</tr>
<tr>
<td>Street pattern / connectivity</td>
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<tr>
<td>Block Length</td>
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<tr>
<td>Parking Provision</td>
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</tbody>
</table>
It’s Not All About the Map – Don’t Forget the Policies

Sustainability Themes

Planning for sustainability is the defining challenge of the twenty-first century. Sustainability is an important theme of this plan and is central to addressing the long-term challenges and opportunities of the community. Sustainability is the ability to sustain and improve the current quality of life and the ecosystems on which it depends for this and future generations. This plan identifies eight themes concerning the sustainability and resiliency of Greenville. Each theme is identified below.

**Livable Built Environment**
This plan strives to achieve a livable built environment where transportation, housing, energy, and infrastructure work together to provide sustainable, green places for living, working, and recreation, with a high quality of life.

**Affordable Cost of Living**
One of Greenville’s many assets is its relatively affordable cost of living with regard to daily household expenses. Maintaining and improving a long-term affordable cost of living continues to be an important sustainability theme within this plan.

**Harmony with Nature**
This plan works to ensure that the natural environment and ecosystems on which we depend are protected, that the Greenville community protects itself from increasingly volatile weather events, and that the community seeks ways to reduce its reliance on finite natural resources.

**Healthy Community**
Our living environment impacts our health and well-being in many ways. Some residents may lack opportunities for exercising, accessing healthy foods, or obtaining care. As the city grows, we strive to improve the health of the entire community.

**Responsible Regionalism**
Regional coordination is key to responsible growth and efficient long-term planning. This plan works to ensure that local policies and projects account for, connect with, and support the plans of adjacent jurisdictions and the surrounding region to the greatest extent possible.

**Policy 6.4.1. Use Stormwater Best Management Practices**
Promote water quality best management practices (BMPs) to naturally handle stormwater runoff and treat the first inch of rainfall on-site.

**Policy 6.4.2. Increase Urban Tree Canopy**
Increase tree canopy street trees on all new streets between the street curb and the sidewalk; use a shade-providing tree species. Ensure trees are disease resistant, drought tolerant, and suitable to the site.

**Policy 6.4.3. Combine Parks and Stormwater Detention Ponds**
Promote park-ponds as a way of combining recreational and stormwater drainage uses. Use creative stormwater management designs that improve utility and aesthetic value.

**Policy 6.4.4. Incorporate Bioswales**
Incorporate bioswales on new streets and road redevelopment projects.

**Policy 6.4.5. Support Watershed Master Plans**
Support the policies provided in the local watershed master plans.

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The Tar River floods in extreme storms and the city needs to be prepared. This is not only a new issue since Hurricane Floyd. This image from the 2056 shows a recorded high-water mark from a 1915 flood. The full watershed can contribute to flood conditions.

*Source: Daily Reflector, via the Joyner Library and ECU Digital Collections*

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Park-ponds can be attractive park amenities while simultaneously helping to manage stormwater. Such as this stormwater detention pond in Edenton, NC.

*Source: NC State*

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**Intervenew Equity**
Recent decades have shown improvements in economic, health, and quality of life conditions for less privileged people throughout the Southeast. Disparities continue to exist, however, for minorities and children growing up in low income households. The theme of interwoven equity aims to create a city where fairness and equity are provided for in the housing services, health safety, and livelihood needs of all citizens and groups in Greenville.

**Resilient Economy**
Regional and global economies have shifted over the past decades in unpredictable ways. More than ever, communities are expected to prepare for the unexpected by building a high wage job base and adaptable job training programs. This plan works to ensure that the community is prepared to deal with both positive and negative changes in its economic health, and to initiate sustainable urban development and redevelopment strategies that foster green business growth and build reliance on local assets.

**Strong Fiscal Responsibility**
Shrinking budgets increase the importance of long-term fiscal responsibility. Greenville strives to ensure that policies and projects consider the long term fiscal impacts in addition to short term benefits.
THE FUTURE OF THE PLANNING PRACTICE
Process and Structure

- Values driven
- Collaborative
- Thematic based
- Linking process and outcome
- Regional in focus
- Beyond paper
Key Trends

• Resilience
• Systems thinking
• Community engagement
• Equity
• Implementation
• Adaptation
Craig Richardson, Esq.
– Clarion Associates, Chapel Hill -- Director
New Contents in Development Codes to Incorporate Sustainable Practices

1. Change in some communities’ development codes over last decade to incorporate sustainability concepts
2. Change has been relatively slow, but seems to be accelerating
3. Will see more changes over next decade
4. Changes can potentially affect lands’ valuation in a number of ways
Codes Directly Affect Entitlements

Development Codes Determine:

- Location
- Use
- Size
- Features
- Value
New Code Change: Mandatory Green Building Features

- Example from county in DC area
- Applies to:
  - New residential with > 10 units
  - New nonresidential > 10,000 sf
  - New major redevelopment projects
- Requires development to earn points, depending on development size and type

<table>
<thead>
<tr>
<th>Location</th>
<th>Points Earned</th>
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<tbody>
<tr>
<td>Development in a Transit-Oriented/Activity Center base zone</td>
<td>1.00</td>
</tr>
<tr>
<td>Development on previously used or developed land that is contaminated</td>
<td>1.00</td>
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<tr>
<td>with waste or pollution (brownfield site)</td>
<td></td>
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<tr>
<td>Development as a Transit-Oriented/Activity Center Planned Development</td>
<td>0.75</td>
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<tr>
<td>(PD) zone</td>
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<tr>
<td>Meet ASHRAE standard 189.1 (Section 7.4.6) for lighting [1]</td>
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<td>Meet Energy Star standards for low rise residential or exceed ASHRAE</td>
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<tr>
<td>90.1-2004 energy efficiency standards by 15 percent[2]</td>
<td></td>
</tr>
<tr>
<td>Install a “cool roof” on a minimum of 50 percent of the single-family</td>
<td>1.50</td>
</tr>
<tr>
<td>dwellings in the development or subdivision. The “cool roof” shall cover</td>
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<tr>
<td>the entire roof of the dwelling.</td>
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<tr>
<td>Provide skylights in an amount necessary to ensure natural lighting is</td>
<td>0.50</td>
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<tr>
<td>provided to at least 15 percent of the habitable rooms in the structure</td>
<td></td>
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<tr>
<td>Use central air conditioners that are Energy Star qualified</td>
<td>0.50</td>
</tr>
<tr>
<td>Use only solar or tank-less water heating systems throughout the structure</td>
<td>0.50</td>
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<td>Generate or acquire a minimum of 50 percent of the electricity needed by</td>
<td>2.00</td>
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<tr>
<td>the development from alternative energy sources (e.g., solar, wind,</td>
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<td>geothermal)</td>
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<tr>
<td>Generate or acquire a minimum of 25 percent of the electricity needed by</td>
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<td>Pre-wire a minimum of 75 percent of residential dwelling units in the</td>
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<tr>
<td>Pre-wire a minimum of 25 percent of residential dwelling units for solar</td>
<td>0.25</td>
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<tr>
<td>panels</td>
<td></td>
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<tr>
<td>Install solar panels on a minimum of 25 percent of dwelling units</td>
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<td>contained in single-family, two-family, or townhouse dwellings</td>
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<tr>
<td>Install solar panels on primary structure, or at least 50 percent of</td>
<td>0.75</td>
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<tr>
<td>buildings in a multi-building complex</td>
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<tr>
<td>Install small-scale wind energy conversion systems to provide electricity</td>
<td>1.00</td>
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<tr>
<td>for 25 percent of single-family, two-family, or townhouse dwellings in</td>
<td></td>
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<tr>
<td>development</td>
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</tbody>
</table>
New Code Change: Mandatory Green Building Features

- Requires development to earn points, depending on development size and type
  - Residential
    - 10 to 20 units: 3 points
    - 30 or more units: 4 points
  - Nonresidential
    - 10,000 to 25,000 sf: 3 points
    - More than 25,000 sf: 4 points

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<tr>
<td>Generate or acquire a minimum of 50 percent of the electricity needed by the development from alternative energy sources (e.g., solar, wind, geothermal)</td>
<td>2.00</td>
</tr>
<tr>
<td>Generate or acquire a minimum of 25 percent of the electricity needed by the development from alternative energy sources (e.g., solar, wind, geothermal)</td>
<td>1.00</td>
</tr>
<tr>
<td>Pre-wire a minimum of 75 percent of residential dwelling units in the development for solar panels</td>
<td>1.00</td>
</tr>
<tr>
<td>Pre-wire a minimum of 50 percent of residential dwelling units in the development for solar panels</td>
<td>0.50</td>
</tr>
<tr>
<td>Pre-wire a minimum of 25 percent of residential dwelling units for solar panels</td>
<td>0.25</td>
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<tr>
<td>Install solar panels on a minimum of 25 percent of dwelling units contained in single-family, two-family, or townhouse dwellings</td>
<td>0.50</td>
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<td>Install solar panels on primary structure, or at least 50 percent of buildings in a multi-building complex</td>
<td>0.75</td>
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<tr>
<td>Install small-scale wind energy conversion systems to provide electricity for 25 percent of single-family, two-family, or townhouse dwellings in development</td>
<td>1.00</td>
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</tbody>
</table>
New Code Change: Green Building Incentives

- Voluntary green building incentives
- Numerous communities have included in codes
- Typically applied in targeted areas, since involve density increases
- Incentives
  - Additional density/intensity
  - Additional building height
  - Increased lot coverage
  - Parking reductions

<table>
<thead>
<tr>
<th>Table 27-5.1505.D: Green Building Incentives</th>
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</thead>
<tbody>
<tr>
<td><strong>Type of Incentive</strong></td>
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<tr>
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<tr>
<td>A density bonus of up to one additional dwelling unit per acre beyond the maximum allowed in the base zone</td>
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<tr>
<td>An increase in the maximum allowable height by up to one story or 14 feet beyond the maximum allowed in the base zone</td>
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<tr>
<td>An increase in the maximum allowable lot coverage by 10 percent beyond the maximum allowed in the base zone</td>
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<tr>
<td>A reduction from the minimum parking space requirements by 15 percent, or an increase to the maximum allowable number of parking spaces provided by 15 percent</td>
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<thead>
<tr>
<th>Table 27-5.1506: Green Building Features</th>
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<tr>
<td><strong>Schedule</strong></td>
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<td>[1]</td>
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<td><strong>Alternative Energy</strong></td>
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<tr>
<td><strong>LEED® Certification</strong></td>
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<td>AAA</td>
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<tr>
<td>AA</td>
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<tr>
<td>A</td>
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<tr>
<td>BB</td>
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New Code Change: Stronger Emphasis on Walkable Urbanism

• Idea:
  – Higher densities
  – Stronger public realm (street and sidewalks)
  – Multiple forms of mobility (walking, biking, cars, transit)

• Many examples today
  – Both in urban and more suburban contexts

• Regulatory result beyond development form:
  – More expedited development review process
  – Greater certainty (due to application of specific standards)
  – In many instances parking reductions
New Code Change: Stronger Emphasis on Walkable Urbanism

- Example of high-intensity, mixed-use, center
  - Many of these districts focus around transit, or have transit access
  - Includes strong public realm
- Elements
  - Build-to-zone
  - Higher densities/intensities
  - Other controls on development form
  - Allow even higher densities if develop mix of uses
  - None or limited off-street parking requirements
  - More expedited review process
  - Neighborhood compatibility
New Code Change: Stronger Emphasis on Walkable Urbanism

• Example of neighborhood-serving/main street district
• Similar elements as higher density/intensity districts, but at a smaller-scale
• Idea:
  – Build-to-zone (to bring buildings up to street)
  – Higher densities
  – Other controls on development form
  – Allow even higher densities if develop mix of uses
  – No or limited off-street parking requirements
  – More expedited review process
  – Neighborhood compatability
New Code Change: Stronger Emphasis on Walkable Urbanism

• Development standards on mobility, access, and circulation

• Emphasis on establishing multi-modal development template

• Types of standards included:
  – Cross-access between nonresidential developments
  – Street and pedestrian connectivity requirements
  – Sidewalk requirements
  – Street tree requirements
New Code Change: Stronger Emphasis on Walkable Urbanism

• Types of standards included (cont.):
  – Bicycle access and circulation
  – Block design
  – Traffic calming
  – Bicycle access and circulation
  – Bicycle parking requirements
New Code Change: Emphasis on Open Space, Landscape, and Tree Protection

• Types of standards:
  – Mandatory open space set-asides for most development
  – Emphasis on protecting:
    • Natural features
    • Areas prone to flooding
    • Trails and pedestrian ways
    • In addition to land typically set-aside for open space

– Standards differ based on use and zone
New Code Change: Emphasis on Open Space, Landscape, and Tree Protection

• Types of standards:
  – Landscape
  – Reduce heat island effect
  • Stronger landscape standards, generally
  • Stronger planting requirements in parking lots
  • Added streetscape standards
  – Use of low impact development techniques
New Code Change: Emphasis on Open Space, Landscape, and Tree Protection

- Types of standards:
  - Tree Protection
  - Emphasis on saving existing trees
  - Require certain percent of protected trees on-site to be preserved
  - Sliding-scale standard based on trees on-site
  - Tree protection zone
  - Minimum or modest reforestation allowed
New Code Change: Emphasis on Improving Resiliency of Natural Features

• Types of standards:
  – Floodplains
  – Riparian areas
  – Wetlands
  – Coastal hazard areas

• Some regulations provide more flexibility to allow development to stay out of these areas
Gary Papke, MAI, CRE, FRICS, AICP

– Clarion Associates, Chicago – Senior Vice President
– Appraiser, Real Estate Consultant, Planner
The Land Use and Development Regulations We Mostly Know

- Comprehensive Plans
- Subdivision Regulations
- Zoning Ordinances
- Building Codes
The Land Use and Development Regulations We Mostly Know

• Specific Purpose Regulations
  – Flood Hazard Zones
  – Flood Plain Development
  – Stormwater Control
  – Well and Septic Regulations
  – Tree Protection
  –Aquifer Protection
What We Appraisers Usually Needed to Find Out, Report and Analyze

- What the zoning map shows -- where within a hierarchy of districts our subject property fits
- Within that district:
  - Lists of permitted uses, often hierarchical and cumulative
  - Permitted special uses
  - Min. lot sizes
  - Max. FAR or DU per acre or lot coverage limits
  - Max. building height or stories
  - Maybe setbacks
  - Maybe parking requirements per unit or square foot
What We Appraisers Usually Needed to Find Out, Report and Analyze

• What the Flood Hazard map shows

• If vacant land, might occasionally need to look at subdivision regs

• Rarely ask to see the Comp Plan (unless we think land use policy might support a change in zoning)
A concise, reasonably accurate, and reasonably complete two page guide to a traditional zoning ordinance for appraisers....as far as it goes.

- Almost entirely zoning
- Does not acknowledge other land use regulations
Best part may be:

“Although zoning ordinances and maps are public records that are available at zoning offices and online, an appraiser may need help from planning and zoning staff to understand the impact of zoning regulations. Often an appraiser must contact several agencies.”
From Traditional to Sustainable Plans and Ordinances

• Pace of Change
  – Traditional Planning and Zoning/Land Use Regulations –
    • 1916 to 1990 to ?
  – Sustainable Concepts and Forms --
    • Since 1990s

• Likelihood that local land use regulations will continue to change and show more diversity between local governments for foreseeable future.
Market Competition between Traditional and Sustainable Development Forms

• Subdivision to subdivision
• Municipality to municipality
• Region to region
Interrelationships between Land Uses

- Rote regulatory separation of land uses according to hierarchical concepts of good (residential) and bad (industrial) not assumed.
- Incentives for adjacency, proximity, connections between uses.
- Market acceptance of these ideas??
- Does it alter how we view impacts on value of inconsistent uses?
How We Think About the Development Capacity and Use of Our Subject Property

• Will no longer be able to turn to a relatively simple table of uses, floor area ratios, etc.
• More interpretation, judgement.

• How will the market of real estate owners, sellers and buyers respond?
• And how we will respond accordingly?
How We Assess Conformity of Our Subject with Sustainability-Oriented Plans and Codes

• For improved properties, may change conclusions re nonconforming uses, potential for redevelopment.

• For vacant properties
  – Market acceptance of new forms of development? We will have to watch and learn?
  – Interrelationships with surrounding properties, vacant or already developed, may be more complicated.
How We Analyze Highest and Best Use

• Legally Permissibility…but also...
• Physically Supported
  – New views of accessibility, desirable lot sizes and configurations, topography, etc.
• Market Supported
  – Will take time to learn the market responses in any particular community
How We Think About Physical Suitability

• Site size
• Site configuration
• Topography
• Access
• Visibility
• Etc.
How We Compare and Adjust Comparable Sales

• Traditional zoning and other land use regulations relatively similar between neighboring communities...at least we like to think so

• An M-1 is an M-1, is an M-1.

• But with sustainable codes, prospect of far more diversity between jurisdictions.

• How many additional adjustment lines will we need to add to our grids??
How We Assess Functional Obsolescence

• If the market responds positively to sustainable development forms, will existing improvements in traditional subdivisions suffer functional obsolescence?

• Is there such a thing as a functionally obsolete subdivision plat because it does not fit market supported sustainable forms?
How We Assess Economic or External Obsolescence
Final Advice

• Get to know your local planners.