

# New Haven at a Crossroads

Where do we go from here?

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Bethel, CT SmartCode Design, Market Square. ROA Design with DPZ Co-Design. Vlad Prosol, Del.

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The Honorable Justin Elicker  
Mayor of the City of New Haven  
City Hall  
165 Church Street  
New Haven, Connecticut 06511

Dear Mayor Elicker,

I know you have plenty of things on your mind now with COVID and financial distress. Certainly you deserve great applause for your COVID response. But as the COVID monster diminishes, I am hoping you'll soon have time to turn your attention to the development philosophy of the City of New Haven.

The enclosed document, prepared by myself and four other New Haveners, outlines how we can eliminate enormous tax reduction subsidies for developers (and or absorbing increased municipal expenditures for every new building, such as first responder calls, public works, city administration, infrastructure, schools, etc.) allowing us to use these increased tax revenues to create locally owned affordable neighborhoods where costs and revenues balance and City life thrives.

To accomplish this, a primary goal would be to eliminate exclusionary zoning and modernize New Haven's zoning to the SmartCode. This will allow the City to reduce the complexities and size required by our current exclusionary zoning for development projects and to pursue fine-grained neighborhood development, intertwined with surrounding contexts, changing New Haven fabric to New Haven fabric by New Haveners.

By eliminating large development's need for elaborate tax reduction subsidies in order to be profitable, we can deputize home-grown local developers, builders, investors to construct more enduring neighborhoods that will enable affordable rent and ownership, equal profit to smaller developers, and full taxation.

A win for the City and a win for our citizens.

Here is the link to view/download the electronic version of our document which allows you to access all the accessory links and provides you with the ability to share this information with others. Link to Booklet:

[https://www.dropbox.com/s/ic6sspzyswujn0v/New\\_Haven\\_at\\_a\\_Crossroads.pdf?dl=0](https://www.dropbox.com/s/ic6sspzyswujn0v/New_Haven_at_a_Crossroads.pdf?dl=0)

Sincerely yours,

Joel Schiavone



New Haven at a  
Crossroads

BACKGROUND

# NEW HAVEN AT A CROSSROADS BACKGROUND

BY JOEL SCHIAVONE AND ROBERT ORR

*Through sensible use of its economically unproductive land, New Haven can become poised to solve its budget problems as well as create a viable and visionary new future for its citizens.*

The City currently has 150 acres of prime downtown real estate available for development – the Coliseum site, Church Street South, and the Mill River industrial area. But this is just the beginning of the story. The City owns more than 1,000 economically unproductive parcels scattered throughout the city, many frozen by non-conformance with zoning. In addition, more than double that number of privately owned economically unproductive parcels, which sit either vacant or paved over for parking. It's conceivable that more than 70% of New Haven's land is economically unproductive from a property tax point of view.

Downtown brims with nightlife, restaurants, and events. But municipal budget problems persist. Instead of fixing budget problems by raising mill rates and lowering services, New Haven should consider how to activate all its economically unproductive land. In some regard that's happening with the big block developments but using shortsighted techniques.

What do we have to do to engage 21st Century approaches in New Haven? The only feasible way lies in the creation of a combination of results-driven complete neighborhoods and doing the math — enough density to support viable mixed-use, affordable living within easy walking distance to personal needs, social networks, jobs, amenities, and cultural attractions. New York City and Paris have approximately the same density per acre, but Paris does it in 5 stories. How could New Haven do the same?

To facilitate this solution, we need two things: First, change our vision from Real Estate Deals to neighborhood place-making, the basis for every urban success throughout history. Second, revise zoning and building codes to enable and incentivize neighborhood development, affordable construction, and cost of living for residents — especially young residents grasping for the baton of municipal stewardship. This is the type of approach that can activate economically unproductive land, no matter how small the parcel size.

New Haven's zoning code presents the largest barrier. Not alone, most American cities face the same problem. However, the most progressive cities dropped barriers and moved on — should New Haven follow suit; the most successful vision-purposed cities will be the ones from which to learn.

How did we get where we are? After World War II concerns about African American migration into cities was accompanied by a white flight to the suburbs. To entice whites (and their spending) back downtown, leadership located the poor and people of color away from areas where they wanted to reserve for whites — namely downtowns. For some time the

Homeowners Loan Corporation (HOLC) accomplished this by rating neighborhoods for 'risk' in determining mortgage loan availability. Highest risk areas were colored red, referred to as redlining. The mortgage spigot turned off to red areas drove housing prices down. The result was that HOLC redlining shunted people of color and low-income away from higher priced mortgage accessible zones, reserved for whites.

Eventually challenged in court for discrimination, the redlining practice was abandoned. But the segregation success of the zone mapping idea was quickly picked up by the emerging concept of "zoning" — a kind of new and improved variation on the HOLC zones. Emboldened by the challenge to match accomplishments of redlining without court challenge, zoning accomplished the task, camouflaged by seemingly inoffensive methods.

Though explored in a number of locations, zoning as we know it was the brainchild of The Municipal Code Corporation, founded in 1951 in Tallahassee, FL. Founders George and Marian Langford saw how land use policies, inspired by HOLC redlining, could become more palatable and still prevent 'blight' from reestablishing where it had been demolished, or in new locations. Called a generic sounding 'Municode,' its [cleverness](#) was to use innocent seeming dimensional requirements rather than discriminatory language of risk assessment to achieve segregation. More than 2,000 cities snapped it up.

The way in which the Municode used dimensional and use standards, without raising the 'red line' of discrimination, was how the standards cleverly raised project costs beyond the reach of 'blight.' Requirements like "minimum lot size" and limits to single family homes (SFH) made small affordable lots and multifamily homes illegal (someone calculated that 90% of Paris would be illegal under the Municode). Zoning is responsible for the rash in SFH construction, which exploded from urban cores into rural areas.

A coalition of dozens of non-profits, [Desegregate Connecticut](#) in Hartford is in the midst of a desegregation campaign, by which it hopes to convince cities like New Haven to rid themselves of racist Exclusionary Zoning. The group labors state-wide to exact land-use reforms to help reverse the [state's status](#) as one of the [most segregated](#) places in the country. According to Sara Bronin, Founder and Lead Organizer of Desegregate CT, only [22% of Connecticut](#) is zoned to allow multifamily housing. Eight towns don't allow multifamily housing at all, and six others only allow about 2% or less of their land for multifamily housing.

Dice Oh, *member of* [People Friendly Stamford](#), which is part *of the* [Desegregate Connecticut](#) coalition, writes in [The CT Mirror](#):

... restrictive zoning laws contribute to car-dependency and suburban sprawl. Mandating parking for every development and banning mixed-use buildings forces homes and businesses to be spread out from each other. This has numerous negative environmental and economic effects: our neighborhoods are unwalkable, cars are required for almost all trips, and we end up with more traffic deaths/injuries, air pollution, and carbon emissions. Sprawl necessitates environmental destruction as more homes gobble up more land and suck up tax revenues as we must maintain services (roads, sewers, utilities) to these spread-out homes.

Jacqueline Rabe Thomas writes in *The CT Mirror*, [Data suggests dozens of towns are violating CT Supreme Court decision on exclusionary zoning](#) — steps to prevent housing that's affordable are illegal.

Even in cities that allow multifamily, such as New Haven, one has to assemble several existing lots in order for projects to meet minimum lot size, and more lots to assemble enough area for construction costs to 'pencil out' with rent revenues. Profits improve with added lots because elimination of side yards between small lots allow larger single buildings across multiple former lots. Assembling whole blocks work best because building bulk gets to a size that guarantees clout in negotiations for municipal giveaways. Zoning and, frankly, the whole regulatory process, forces a kind of large scale 'gigantism' in development. Clearly, gigantism does not align with small local builders, no matter how capable.

Hank Ditmar writes about the destructive impact of a culture that packages everything in 'gigantism' in his book, [DIY City: The Collective Power of Small Actions](#):

... recent years have seen a marked decline in small enterprise and small-scale development in both the United Kingdom and the United States. This shift appears to be driven by market consolidation, by the disproportionate burden of regulation on small-scale businesses, and by the tendency of government economic development professionals to seek to attract large employers or to enter into development agreements with large developers for large parcels. All of these combine such that the big get bigger and the small fade away.

The scale of the problem can be easily seen in both the United States and in Europe. According to the Kauffman Foundation, which tracks trends in entrepreneurship in the United States, the business start-up rate today is half what it was in the 1980s, declining from 165 start-ups per 1,000 firms in 1977 to 85 per 1,000 firms in 2016.

The United States has seen a collapse of small building and retail, with the Institute for Local Self-Reliance finding that the number of small construction firms declined by 12,000 from 1997 and 2012, while the number official retailers dropped by 40 percent in the same period.

A similar trend has been seen in community banking, which historically has been the lender that has financed Main Street businesses and property development in the United States. Community banks are often called 'relationship banks,' as their smaller scale and higher capitalization allows them to focus on customer relationships and to lend capital based on intimate knowledge of both their customers and the local business climate. Historically, they have provided over half of small business loans and a large share of lending for local property development in the United States, particularly for housing. And the evidence is that their better local knowledge has resulted in lower default rates than real estate lending by the bigger institutions—a 3.47 percent default rate for community banks versus over 10 percent for large banks. Despite the advantages, however, recent years have seen a decline in community banking and a consequent decline in lending for small business and small development. This decline has been driven by a number of



factors, including bank consolidation and mergers, and, ironically, the requirements of the Dodd-Frank bank legislation, enacted after the Great Recession ostensibly to deal with large bank conglomerates.

A 2015 study by the Harvard Kennedy School found that community banks' share of US banking assets and lending markets has fallen from over 40 percent in 1994 to around 20 percent today. Particularly troubling is community banks' declining market share in several key lending markets, their decline in small-business lending volume, and the disproportionate losses being realized particularly by small community banks. The Harvard study found that "larger banks are better suited to handle heightened regulatory burdens than are smaller banks, causing the average costs of community banks to be higher ...."

Gigantism comes with a price. That price is overhead. Developers, Investors/Lenders, and Builders have to be large operations to do large projects, which require expensive administrative overhead, large machinery<sup>1</sup>, compliance with municipal agreements for unsustainable Union control measures, and a chain of consultants to handle the complexities of large projects.

Other unacknowledged overhead includes carry cost of amenities — fitness, meeting/gathering, café, bar, shops, front desk, building operation services, concierge services, doorman, pool maintenance, etc., and structured parking and its maintenance and management.

Combined, overhead costs double the price/unit to \$200-300k/unit, plus on-going operation costs. Compare that to small builders with minimal overhead building small buildings. Their 'amenity package' is in the neighborhood, not in the economic pro forma for the building.

Doubling the price and on-going operation expenses doubles the rent required to produce enough profit to attract investment.

The resulting high rents are troubling to municipalities because of their obvious exclusion of most of the citizenry, more than just the lowest income. To remedy the situation, rather than address causes of unaffordability, municipalities simply require developers to provide certain percentages of Affordable Housing based on percentages of average medium income (AMI), known as Inclusionary Zoning overlays.

To qualify as (capital 'A') Affordable Housing, construction must meet HUD standards. HUD requires a long list of product testing and procedure protocols, right down to sewage treatment, waterlines, and energy sources, which, with the increased overhead for the development team to hire staff to oversee HUD standards, can double the cost/unit again. A colleague reports spending a career building Affordable Housing in California for ±\$900k/unit.

Since Inclusionary overlays mandate low-income residents, developers must include extensive security measures to make 'market rate' tenants feel safe. To some that may seem 'elitist' but to a developer seeking absorption, it's sound business. Suddenly, we have gated communities

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<sup>1</sup> Boom lifts on site are large machinery 'overhead' and dead giveaways that construction is not by a small local builder. A 40' boom lift is a \$25-75k ladder. Higher lift is \$100-200k. Rental is cheaper for 40' lift, but can add up to \$8-12k/month.

all over town. A separate “poor door<sup>2</sup>,” giving direct access to Affordable Housing units, segregates the poor from the affluent.

Focused on government subsidies, dried up, municipalities flounder for alternative subsidies, what they think is their only tool. No cash on hand, the only municipal subsidy they can muster to compensate outrageous costs outlined above, is to lower tax burdens. Lowering future municipal revenues rarely raise eyebrows, blinded by the glitter of ribbon cuttings. For example, who would guess that 234 Church Street (the Gold Building) pays more taxes per acre than 360 State Street, despite being less than half the height and 38 years older<sup>3</sup>. In addition, municipal expenses for 360 State Street exceed those for 234 Church Street.

In fact, municipalities, as well as the public, rarely consider the cost side. Costs increase with each new building, such as for increased first responder calls, increased new infrastructure and on-going maintenance, increased waste management (not including private hauling to municipal waste sites), increased personnel hires to meet compounded departmental needs, schools, teachers, etc. Consequently, lowering tax revenue from developers means raising tax revenue from everyone else in order to balance inflated budgets. In some cases, doing the math identifies development that is so cash negative (expenses are so much higher than revenues), the site does better as vacant land.

As result, New Haven’s Mill Rate of 42.95 is more than 3 times the national average of 12.5 and almost 4 times more than Greenwich, CT’s Mill Rate of 11.68. On the good side, it’s practically 1/2 Hartford’s Mill Rate of 74.29. Unfortunately, current trends forecast New Haven catching up with Hartford. Mill Rate is an indication of how much or how little a city is managed.

Sure, New Haven’s zoning maintains its promise to keep people of color and the poor out of safe whites parts of town, which some still prefer, but at what cost? The fact that municipal leadership demands affordability on a chassis that prevents it makes the inescapable contradiction too obvious to ignore.

What can we do?

First, eliminate Exclusionary Zoning. New Haven can eliminate Exclusionary Zoning with the click of a mouse, simply by visiting [SmartCode Central](https://smartcodecentral.com) (<https://smartcodecentral.com>). There, one can download a ready-made fully inclusionary zoning code for free, called The SmartCode. The SmartCode has been used and fine-tuned over 40 years in over 4,000 new towns and modified existing towns and cities across the country and around the globe. It’s a solid tested document.

Hartford, Hamden, and Bethel are three municipalities to adopt the SmartCode right here in Connecticut. Hartford went so far as to eliminate all parking requirements to further enable

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<sup>2</sup> The “Poor Door” is an industry term, which refers to the door through which poor people who qualify for Affordable Housing enter the building and access their units. The “rich” and the “poor” are segregated.

<sup>3</sup> 360 State Street cost \$200M to build but Vision Appraised is \$70M, following negotiations between municipal staff and developer.

affordability. Currently, Hartford legislators debate levying taxes on downtown parking to stimulate the walkability of downtown housing.

One can implement the SmartCode as is, or fine tune it to meet unique characteristics of local conditions. There are numerous consultants who can assist. There's really no excuse for not jettisoning prejudicial Exclusionary Zoning,

Alternatively, a halfway measure one can download is the [Handbook](#) for Improved Communities. It is the newest incremental code reform tool from CNU's Project for Code Reform and was written in partnership with AARP Livable Communities. It's not as comprehensive as the SmartCode, and won't solve New Haven's budget crisis, but it's a start.

The Handbook helps explain the options that communities might consider, in supporting small-scale, incremental policy changes that can be made without overhauling entire zoning codes and land use policies. The document focuses on Main Streets and the neighborhoods adjacent to Main Streets, so much of the city is left out.

Chief among affordability techniques is [Lean Development](#). With the SmartCode, one can enable and launch Lean Development. Lean Development basically provides a template for affordable compact construction on small lots. The credo of Lean Development: "Instead of building Affordable Housing, build housing that's affordable." Lean is comprehensible, accessible to all, and makes common sense. For example, if the small developer takes one of the units for him/herself, the building qualifies for a simple mortgage, no high margins attractive to investment banks involved. Quite simply, Lean construction techniques lead to affordability all by themselves, therefore mitigating the need for municipal giveaways.

According to [Kevin Klinkenberg](#), there's a "swarm" of Lean local players pounding on the door to take part in their cities' recovery of neighborhoods. Beaten back by regulations and hostile municipal staff, they invariably find themselves defeated and locked in disillusion. Their capital of ebullient energy departs for receptive locations elsewhere.

It's worth taking a look at the following article: [Lean Development Compared to Conventional Development](#).

Lean also recycles for affordability. Thousands of bedrooms remain empty around the city. They can be recycled for affordable housing if the city offers incentives to homeowners to rent spare bedrooms. London is doing this with success by offering the incentive that deducts spare room rental income from property tax. The municipal loss in tax is much less than the municipal cost of Affordable Housing. Londoner Max Hutchinson's website, [SpareRoom — Find Home Together](#), offers an example for New Haven.

Of course, retrofitting buildings, which outlived their original use, to residential use is another Lean development, especially if developers create housing that's affordable. All these strategies can place less emphasis on the need for a car, especially if locations are prioritized.

'Lean' is not restricted to development. A quick Google search unearths how 'Lean' infiltrates many sectors already, such as [small and micro manufacturing](#)<sup>4</sup> and innovation (see Made in Place article attached at end amongst "Supporting Articles"). This year the [US dropped to #11](#) amongst countries with the most innovation.

Within the country, New Haven ranks high in bio-tech innovation (top 10), but low in other types of innovation (below top 200). As result, only 2% of Yale grads stay in New Haven compared to 30% of Harvard grads who stay in the Boston area. Lean can fix that.

The biggest Lean phenomena is bottom up activities launching no less than a [new world order](#) — decentralized financing (DeFi), the Exchange, and businesses on Industry 4.0 components (DeFi, Blockchain, and the Internet of Things (IoT) among them — if you don't know these terms, it's time to learn them! They're changing top-down vertical hierarchical structure to bottom-up horizontal egalitarian structure. To ignore them is to fall off the train steaming ahead to the future.

Second, immediately reboot staff expertise. The city must reboot expertise to master methods that create neighborhood development. The change in approach requires fluency in negotiations with developers, in knowledge of planning approaches that balance budgets, in rendering cost of living below the national average, and in knowledge of emerging 'best practices' that value people and place-making over cars.

Third, envision the future. The city must assemble a vision for how best to build strong, vibrant, complete neighborhoods on all the economically unproductive land. We need to flip the platform from risking the future to satisfy the present to one of investing in the present to benefit the future.

The best results are creating neighborhoods with enough people (density) to support businesses that provide the full complement of needs, including jobs, within easy walking distance. This is an international movement already afoot, including many US locations, called [The 15-Minute City](#). The fact the movement initiated in Paris, where one might imagine everything is within easy walking distance, is a telltale sign of how far cities, like New Haven, have to go.

Finally, eliminate bureaucracy and red tape barriers. For projects below a certain size, the city must remove all bureaucracy and red tape that prevents small local players from getting on with the business of transforming economically unproductive land into tax producing complete neighborhoods with the least delay possible. In addition, the city must offer expeditors to assist the inexperienced with creating sustainable business plans, and to follow their process through completion to step in to assist the inexperienced to find solutions, if and as problems arise.

We have put together some background material for those who embrace a vision for our city. This packet contains:

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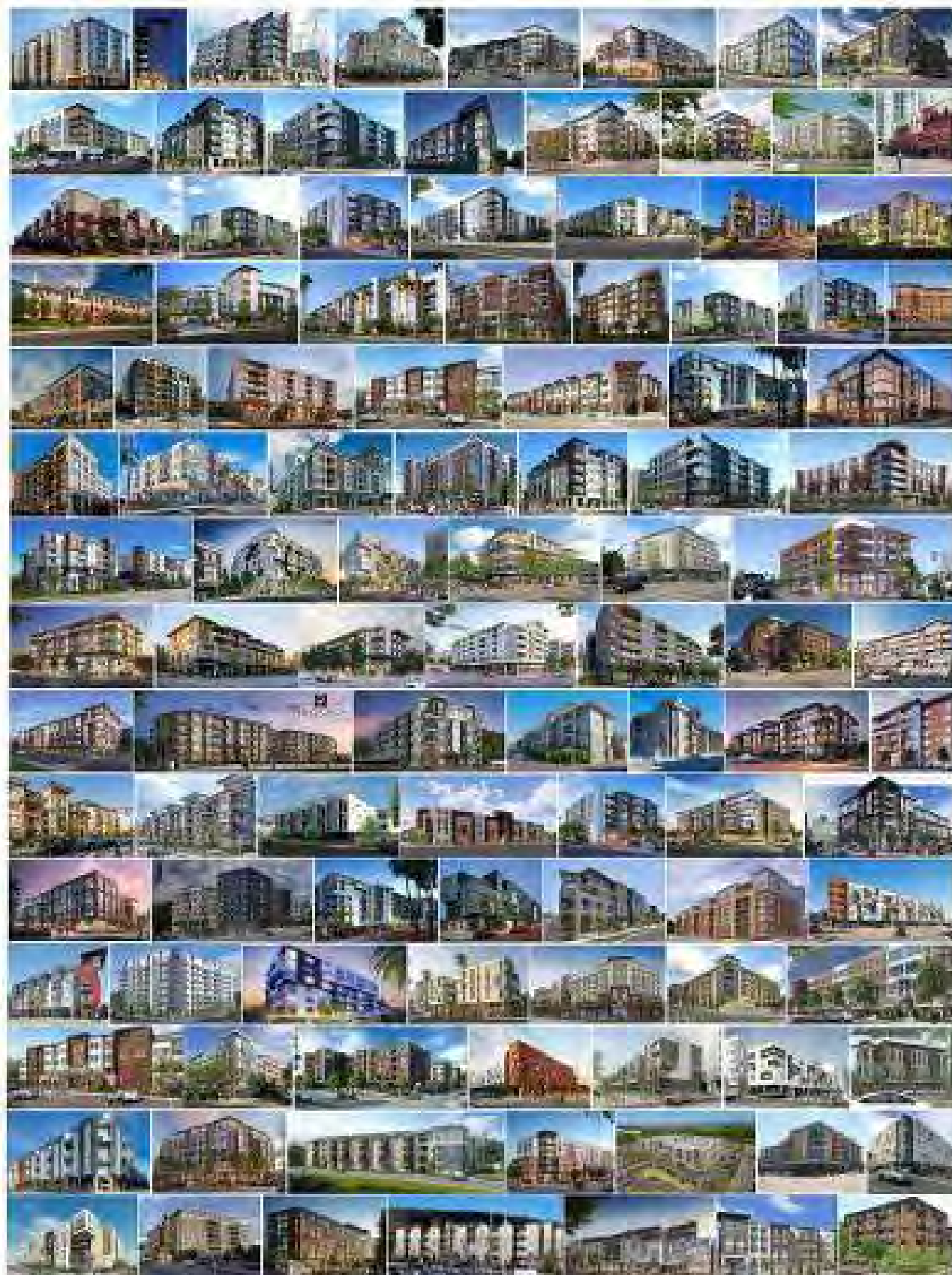
<sup>4</sup> Small and micro-manufacturing include enterprises employing anywhere between a couple to 20-30 people making micro components to be assembled into larger products elsewhere, innovation labs, crypto start-ups, biotech, furniture, 3D printing products, clothing and fabrics, maker space, culinary arts, artisan workshops, etc.

1. A more complete version of our vision for the city;
2. A bibliography of resources one can access to further understand these concepts and their adaptation in US cities and around the world;
3. A sample design and Economic Pro Forma of Lean Development for a small economically unproductive parcel on Wall Street to confirm the rewards, quality of life, tax revenues, number of units, jobs beyond project construction, self-sustaining amenities, and lower rents than the typical Real Estate Deal (see comparison in attached CT Mirror article, [Small development](#) — the key to solving New Haven's budget woes).
4. Recent articles from reputed publications to further explain and authenticate the concept and the need.

This is the beginning of a conversation we hope to facilitate, with the goal of a better New Haven for a growing population of happy residents with minds set on making the world a better place to live. Let's work together to create genuine, sustainable neighborhoods that enhance our tax revenue and attract vital human energy to our city. This could be an invigorating time ahead with the promise of solving a host of problems.



Lean Development in Downtown Commercial Node. ROA with DPZ Co-Design. Vlad Prosol, Del.



## Real Estate Deals



ROA Design. David Carrico, Del.

## Neighborhood Place-Making



MILL RIVER ECONOMICALLY UNPRODUCTIVE LAND (100 ACRES)





MILL RIVER LEAN DEVELOPMENT FERTILE LAND (30,000 PEOPLE) ROA Design



BEFORE



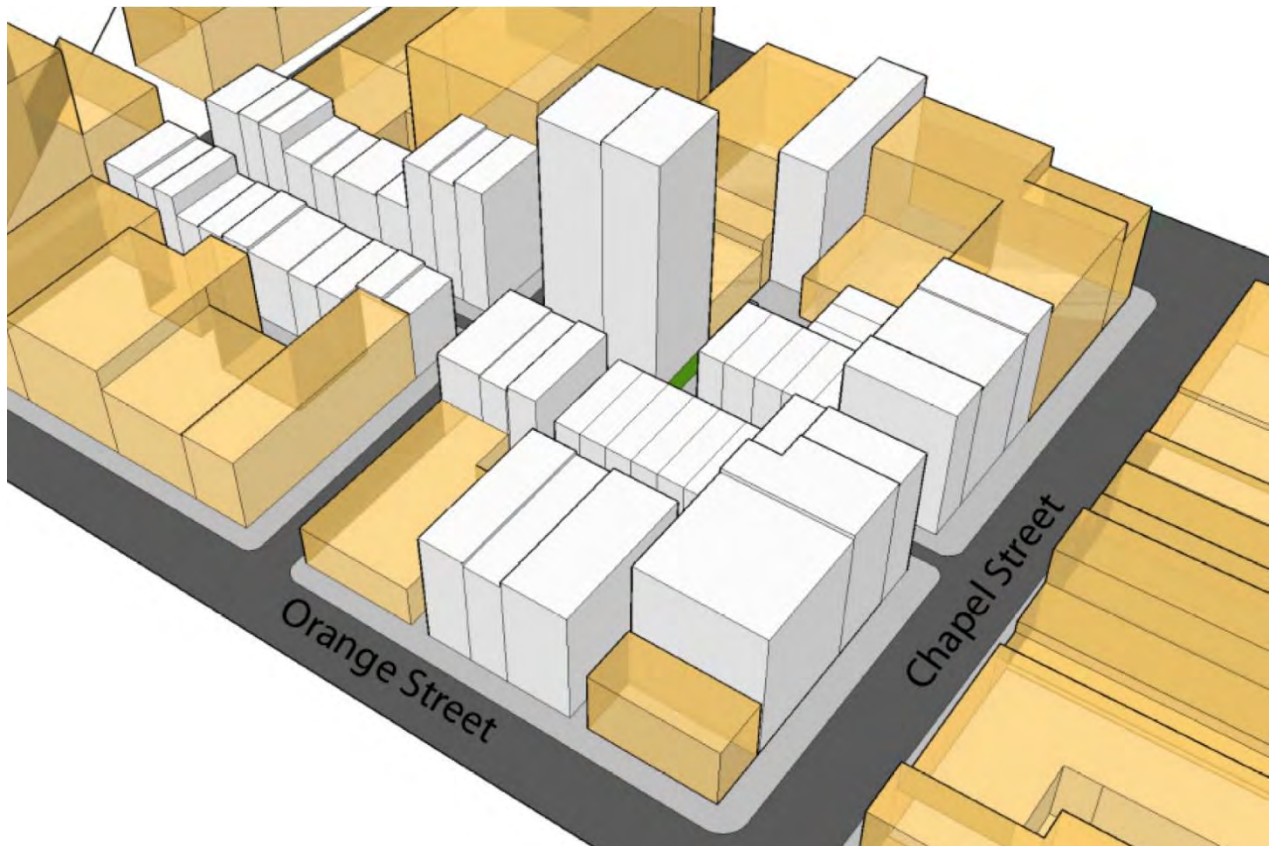
AFTER

Mill River Illustrative Sketch. Intersection of Blatchley Avenue and River Street. ROA Design. Michael Morrissey, Del.

# Example of Replating for Lean Development.

How does one make land affordable? Make it smaller and less expensive. Replat large, especially municipally owned, parcels into small and affordable parcels. Small parcels attract multiple less capitalized small local developers, builders, and investors. Construction completed incrementally means that every building has its own character, reflecting the diversity of citizenry. Parcels are different sizes and costs to mix a diversity of income as well.

Example of replating 6, many municipally owned, properties into 51 affordable properties. The appeal to private property owners is the multiplier concept of many small parcels added together are worth more than one large parcel — the cost of small wedges of cheese adds up to much more than the cost of the wheel from which they were cut.



ROA Design for Lean Development



New Haven at a Crossroads

## POSITION PAPER

# NEW HAVEN AT A CROSSROADS POSITION PAPER

BY JOEL SCHIAVONE

## Let's End Exclusionary Zoning

The news was startling. The New Haven Coliseum site, economically unproductive since 2007, is up for bids. Not only that but there are no bidders except for Norwalk based developer Spinnaker. I went from excitement to despair. Excitement that the City envisions a future beyond the tragic, all consuming, pandemic. Despair when I read the proposal details. Yet another of these bombshells from out-of-town developers.

This could be the dawn of a golden age. The 4.65-acre Coliseum site, the 13-acre Church Street South site, and the 100-acre Mill River peninsula are all up for development. Together these represent almost 120-acres of available land.

Finally, an opportunity to create a much more vital and dynamic New Haven built on good foundations laid the last forty years, expressed most vividly in robust nightlife.

As stated, I was disappointed when I heard the terms of the negotiation with Spinnaker. It's the same old Real Estate Deal: expensive apartments, tall buildings, tax abatements, deferrals, and negotiated low appraisals to subsidize expensive '[Affordable Housing](#),' and ill-sited retail — retail must be where the people are, not in isolated locations devoid of people where it remains dark. Frankly, the Spinnaker project in general meets no neighborhood characteristics<sup>5</sup>, just like the explosion of similar Real Estate Deals that pepper most every city nationwide.

A home run for the developers in terms of return, but these large edifices, added to all the others, bring questionable value. Add up the additional municipal costs to service new development (first responder, infrastructure maintenance, administrative services, governance, schools, teachers, etc.) against the low tax settlements and giveaways of all these projects and it's easy to see why New Haven's mill rate goes up and up for all of us. How else can we balance the budget? We'll get to that.

The focus on deals and not on neighborhood-making means no places to eat or hang with friends, but plenty of security. The big boxes are gated self-sufficient communities using 'safety' from 'urban danger' to accelerate leasing for those who can afford it.

So what do we need to do to give New Haven the future it deserves?

First, build on what we already have. We have strong neighborhoods throughout most of downtown, terrific amenities, an incredible breadth of restaurants, and all sorts of recreational activities. Engaging the reinvention of manufacturing, from smoke billowing brownfield-makers to small clean buildings the same scale as residential buildings, means we can return New

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<sup>5</sup> An authentic "neighborhood" is an organic mixture of uses where most everything one needs, including jobs/innovation, robust social capital, food/beverage, domestic services, dining, pharmacy and medical needs, education, culture, parks, entertainment, and recreation to name a few are within easy walking distance. Of critical importance is that density has to be such that there are enough people to support a full complement of uses.

Haven’s enviable position as an important manufacturing center. But this time, we can bring manufacturing and resilient jobs right into neighborhoods.

Second, stop subsidizing predatory projects. Not obvious to most people in New Haven, as far as I can tell, is that the business of developing in the most progressive cities has been changing radically over the past few decades.

The least progressive cities remain stuck with the concept of cities desperately needing development and subsidizing most projects with tax dollars. Those days are over. The Federal and State governments, previously flush with cash to support these efforts, no longer have funds to do so. Cities are left to figure out subsidies on their own. Their only recourse, they believe, is fiddling with their own tax revenues and services.

The most progressive cities, faced with similar problems caused by 1950s zoning, such as construction practices, financing practices, building codes, zoning codes, and virtually everything connected with new projects, are opening doors to new approaches in order to balance budgets, while facilitating affordability without subsidies. But not New Haven.

Third, end racial segregation. Our zoning remains the same 1950’s Municode, later derided as [Exclusionary Zoning](#) — so called because it makes things expensive enough to exclude people of color in order to make downtowns safe for whites and shopping. In other words, housing that’s affordable is illegal under Exclusionary Zoning. In addition, the low density mandated by minimum lot size creates fewer buildable properties, too few people to support a full complement of neighborhood businesses, and the need to pay higher taxes to make up for fewer taxpayers. Simple math.

See Background section above for full explanation of why and how the Municode is exclusionary.

Some think that Inclusionary Zoning will fix the affordability problem by just overlaying language onto Exclusionary Zoning to force developers to include Affordable Housing in their projects. But, left unaltered, the rigid Exclusionary Zoning chassis makes any attempts to merge



Coliseum Site Proposal — Real Estate Deal (shows little understanding of a complete neighborhood). Beinfield Architecture design.



Portland, ME Causer Block Proposal — Neighborhood Place-Making. ROA design. David Carrico, Del.

the two like putting a C8 Corvette Stingray 490 HP engine on a Model T chassis. The unhappy liaison requires substantial subsidies for 'inclusion' to overcome segregationist foundations. One must change the chassis, not add the engine. Lean changes the chassis.

Fourth, [Unleash the swarm](#). Adopt Lean policies to allow the swarm of local Lean players to break from their chains and activate economically unproductive land. Rather than continue the madness of subsidies, focus attention on tapping the sleeping resource of economically unproductive land with the hands of local people, sensitive to the needs of their city.

Loss of government subsidies makes cities focus on alternative subsidies instead of solutions. Tragically, the only available local subsidy is tax relief, which is like eating one's insides out. Trapped in their focus, they're forced to construct complicated financial structures so as not to draw taxpayer ire, such as tax credits, abatements, low assessments, and other quiet giveaways, to enable the Affordable Housing they so desperately seek.

Sadly, therein lies a tragic irony. By forfeiting tax revenue in the interest of Affordable Housing, the city becomes an unwitting co-conspirator in making New Haven affordable. Tax forfeitures nudge the foot onto the accelerator of increased mill rates and reduced services in order to make up for lost revenue needed to balance inflating budgets. The gap between affluent and poor widens, and the middle class gets shown the door. Lean fixes that.

Fifth, launch jobs. A side benefit of Lean Development is its compatibility with the current growth of small manufacturing jobs<sup>6</sup>. In fact, small and micro manufacturing facilities are so small they fit seamlessly within residential neighborhoods, making commutes a short walk to job sites instead of long drives to giant facilities. Ilana Preuss of [Recast City](#) is launching a national campaign to bring the new, clean, and small scale of small and micro manufacturing back downtown. In fact, she makes a convincing case that small and micro manufacturing may be the best catalyst to launch successful neighborhood making. She offers consultation services.

Last but not least, rebuild social integration. The most destructive outcome of diffused living conditions mandated by zoning is *isolation*. Living further apart from one another and isolated in cars as our mode of travel cuts strings of attachment with other people. Distanced, former neighbors become strangers. Strangers raise suspicion. Suspicion leads to distrust. From there it's a slippery slope. [Sociologists](#) establish a link between isolation and the social unrest we've seen building for decades, culminating in the recent January 6 debacle. As result of zoning, we are a nation of strangers. Lean can change all that.

Susan Pinker writes in [The Village Effect](#): How Face-to-Face Contact Can Make Us Healthier and Happier. If we want to turn back the plagues of isolation, we must live more compactly and create areas and activities, which stimulate the most social interaction possible between 'strangers' outside their interest group. [Her TED talk](#).

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<sup>6</sup> Described earlier but doesn't hurt to repeat. Small and micro-manufacturing include enterprises employing anywhere between a couple to 20-30 people making micro components to be assembled into larger products elsewhere, innovation labs, crypto start-ups, biotech, furniture, 3D printing products, clothing and fabrics, maker space, culinary arts, artisan workshops, etc.



Psychologist Julianne Holt-Lunstad's decades long [study](#) reveals that social integration resulting from closing the gap between neighbors reestablishes trust and its cohorts: group-thinking to solve troubling crises, problem solving, better health, compassion for others, lifespan, prosperity, and happiness.

From an environmental standpoint, social integration is the 'greenest' endeavor, outstripping all the 'reduce carbon' initiatives, because group-thinking widens 'green' vision to include alternatives, so far off the radar. For example, Paul Hawken's [Drawdown](#), which was the product of group-thinking without bias or foregone conclusion by 230 research fellows from 22 countries using over 5000 references, arrived at startling conclusions to address the climate crisis. One of the top conclusions they reached was educating girls globally to raise the importance of family planning to address the largest climate threat of all: population overshoot. Currently, global population approaches 8 billion. If everyone consumed at the rate of Americans, the planet could support only 2 billion. Granted, most countries don't consume at the U.S. rate, but added together, we still far exceed the planet's capacity.

Group-thinking by thousands or millions would uncover untold unexplored and more effective approaches. Just by narrowing the distance between neighbors and stimulating social integration, Lean solves environmental problems.

Exclusionary Zoning is bad for everyone, except for developer profits. Like '[More Money than God](#)' predatory Hedge Funds, which identify opportunities where circumstance (often regulatory barriers) create scarcity in the face of overwhelming demand to reap high margins, seasoned developer teams scour the country to find cities with high demand and circumstances (most often unsustainable debt and unsustainable sealed Union obligations) that create scarcity. Unsavvy municipal officials, burdened by circumstances, desperate for Affordable Housing, and craving the get-re-elected appearance of 'economic growth,' are no match for the varsity negotiating skills of the deal making elite. The more Affordable Housing the city demands, the more tax concessions the developer negotiates.

Those developers who partner with non-profits are eligible for grants/benefits. With dogged determination one can conquer bewildering pathways to grants not in plain view. With practice one can gain streamlined fluency accessing the panoply of obvious and less obvious government programs, thus showering sizable benefits, both on the expense and revenue sides. Such benefits give developers freedom to push quantities of Affordable Housing to the point where they leverage zero property tax from Affordable-thirsty municipalities. Consequently, the benefits and lack of tax cause their margins to exceed conventional development.

Applause for municipalities' landing Affordable Housing conceals the hobgoblin of developer profit and raised mill rates.

The unfair advantage of seasoned professionals hands high returns to development teams, with a sweet spot around 100% return on project cost at completion, when projects are sold into the investment market. Amongst a great variety of investment funds nationally, who buy relatively risk-free housing investments, are union pension funds, often seen in the New Haven market.

What began as a simple method to segregate people of color away from areas safe for white shopping, zoning turned into a margin maker bonanza for Real Estate Deals. We citizens, the biggest fools, sit idly by as money flies out of town and our mill rates nudge ever upward.

Because of its solid record of achievements in making downtown so vibrant over the past 25 years, this city no longer needs huge municipal finance enticements to attract Affordable Housing development. So, how do we do it?

The easiest way to reverse embarrassing giveaways, to reverse segregation policies still with us, to erase isolation and distrust, to unleash the swarm, and to create a resilient, deficit-free, inclusionary, and affordable city is to change to zoning that legalizes development that's compact and affordable, welcomes social integration, and enables vibrant mixed-use neighborhoods where enough people (density) support businesses that provide the full complement of needs, including jobs, within easy walking distance. This concept is known as The [15-Minute City](#), is being explored globally (article attached below in Supporting Articles section).

The essence of all these new ideas is to create approaches which eliminate the sizable costs associated with worn out city mandates (AKA the Municode) at odds with Inclusionary Zoning.

We must place all projects not yet broken ground on hold until we can legislate zoning that's truly inclusionary with a SmartCode to enable and stimulate affordable development procedures, construction, building codes, developer requirements—in other words, until we deputize the swarm of small local players and bring New Haven into the 21st Century.

With true inclusionary zoning as a baseline, we can then go out to bid and end up with affordable neighborhoods, developed and funded by multiple local participants. Nothing complicated, just places where people of all shapes, sizes, and income brackets can live, work, and enjoy their friends and where 'amenity packages' are complete neighborhoods.

So I return to the source of my concern about Neighborhood-Making vs. the Coliseum proposal. With unanimous approval by the City Plan Commission, it may be too late to stop one more exclusionary project.

Even though the city and local counsel for the developer may be bound to defend prejudicial exclusionary zoning, a neighborhood concept contrasts by underlining the importance of including all races and income brackets - middle, as well as high and low. Again, as described in my [New Haven Independent article](#), the city must get beyond a mindset that is firmly rooted in the past and not in the future.

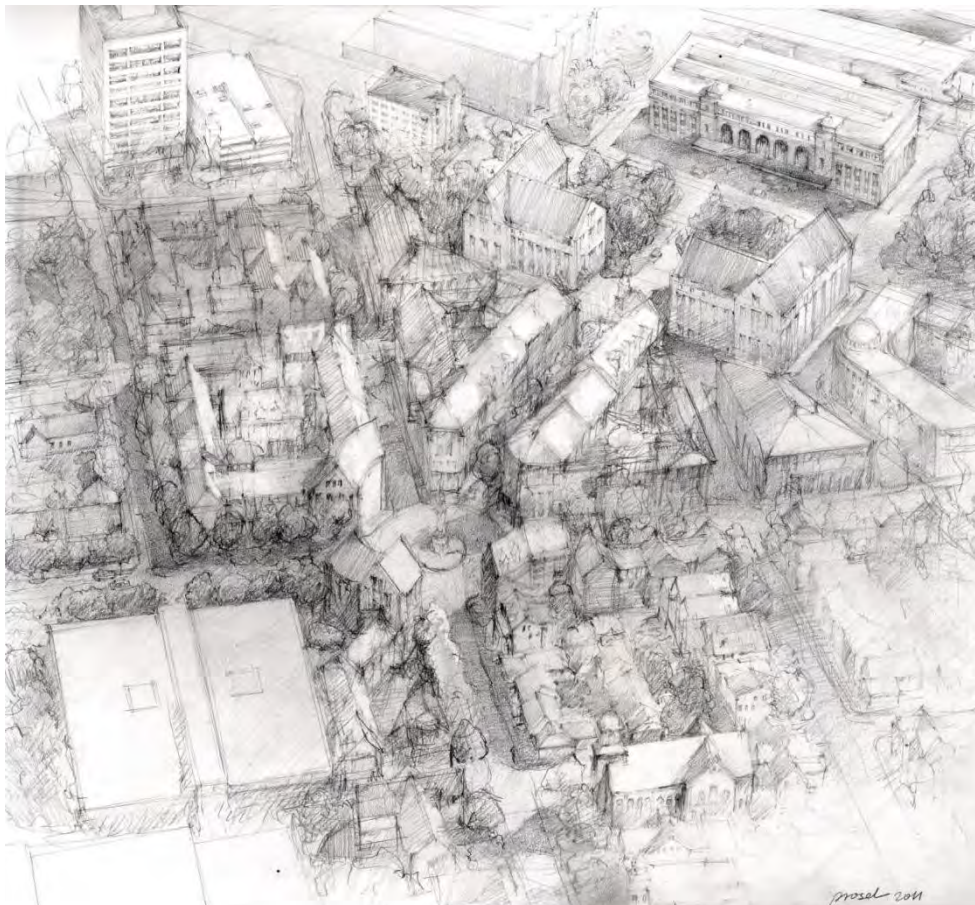
For New Haven's sake, let us please examine consequences before embracing similar projects coming down the pipeline. Create and expedite the necessary understandings and structural regulatory changes so that this City and its citizens understand the importance of complete neighborhoods and avoid the harm subsidized projects do. Let's

get ourselves organized legally with experienced staff who can implement this strategy. When successfully completed, we will have almost doubled the size of our city.

The Mill River peninsula alone, with 100 mostly economically unproductive acres, is large enough for 20,000 people and more than \$50 million in annual property tax revenue using Lean strategies. Activating this one economically unproductive area could wipe out New Havens budget deficit all by itself.

New Haven has all the makings of vitality the most progressive cities enjoy. If leadership can just realign its thinking from purging the past to envisioning the future, we can catch up fast.

With enough Lean Development on economically unproductive land in the city, the boost in revenue makes mill rates tumble and provides affordable housing, not only for people here, but also for people who want to come here, adding hundreds of restaurants, bars, arts organizations, jobs in innovation/start-ups and [Small & Micro Manufacturing](#) and, in general, adding to the luster of New Haven as the best place to live in Connecticut and maybe even the Northeast. Why not the country?



Redesign of Church Street South Project. Connects Union Station with Hospital Campus and Downtown. ROA Design. Vlad Prosol, Del.



New Haven at a Crossroads

BIBLIOGRAPHY

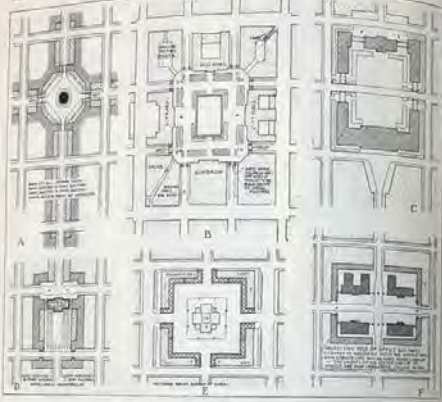


FIG. 42-43E PLANS FOR CIVIC CENTER GROUPS. These plans to be utilized, subject to the addition of further buildings and public open space. The construction of these plans see FIG. 42B-C.

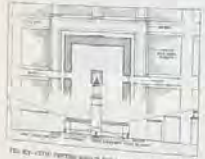


FIG. 42-43D CIVIC CENTER GROUP SUBSTITUTION BY A TRAFFIC CENTER AT A CORNER LOT. In substituting the traffic center for the civic center group, the traffic center is substituted for the civic center group. The traffic center is substituted for the civic center group. The traffic center is substituted for the civic center group.



FIG. 42-43C CIVIC CENTER GROUP. View from southeast (see FIG. 42).

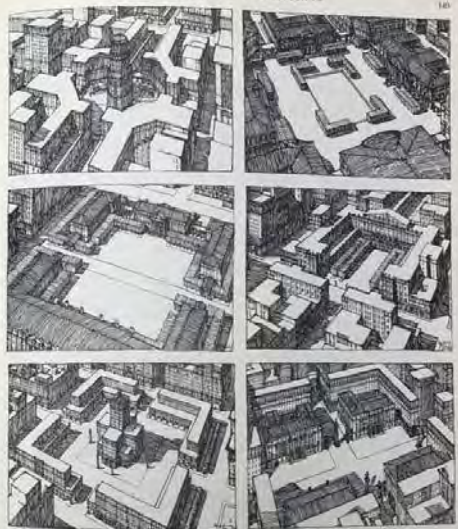


FIG. 42-43A CIVIC CENTER SUGGESTIONS. Views from the southeast (see FIG. 42).



FIG. 42-43B CIVIC CENTER GROUP. View from the southeast (see FIG. 42).

The American Vitruvius: An Architects' Handbook of Civic Art by Hegemann & Peets, 1922

# New Haven at a Crossroads Reading Starter Bibliography

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New Haven at a Crossroads

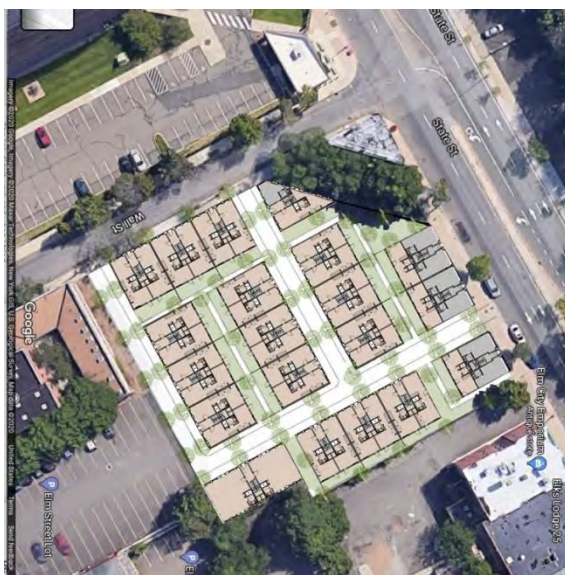
ECONOMIC PRO FORMA  
HYPOTHETICAL SAMPLE  
FOR LEAN DEVELOPMENT

Regulations that allow Lean Development open doors to small local developers, builders, and lenders. However, 'opening doors' is not charity or an entitlement program costing taxpayers. Rather, it's quite the opposite. Lean yields higher taxes per acre, more units per acre, and lower rents than projects 'dropped' from out of town. In addition, Lean offers healthy returns for local players — more money generated for city (without subsidies), more NOI for players, and more affordable rents/sales, attracting more people emerging into adulthood to live in, to support, and to contribute to vitality of downtown New Haven. All money stays in the city and supports local business.

Below is hypothetical small example to prove the case. Using random 1.07-acre city owned parking lot at 10 Wall Street (previously offered by City 2013), we include a Lean design for 172 dwelling units (DU)/acre, 7 shops/eateries/acre. 2 small/micro manufacturing/acre, 4 crypto start-ups/acre, and a public park on three streets. \$500k taxes/acre. Parking available directly across State Street.

Current parking, if full, furnishes \$146k/acre, less \$36k operating/maintenance = \$110k/acre/year.

Should project proceed, assumed single developer will build as prototype. Future examples will be pre-platted with small affordable parcels under a masterplan, each owned and developed by small local developers, builders, lenders. Prototype will provide visualization and lower risk for concept.



ROA Design for Lean Development.



**\*Back of Envelope\* Pro Forma**

**Wall Street Preliminary Draft Pro Forma - Lean Development**



Site



10-Pack Building (10 DU or 9 DU plus 2 stores or 8 DU plus 1 Small & Micro Manufacturing or Innovation/Start-Up if Mixed-Use). Assumptions:  
 Lot 30X50  
 Building 30X40 (2 15'X40' boxes)  
 Total Lots 20 Lots/Site

**Site Data**

Site Area	1.07 Acres	46,609 SF
Appraisal	\$638,100 Vision Appraisal	
Assessment	\$446,670 Vision Assessment	
Cost	\$1 Property Cost	

Robert Orr & Associates LLC

**Development Data**

Assume DU/Acre	172 /Acre
Studios (40%)	69 /Acre
1-Bedrooms (60%)	103 /Acre
Total DU	184 Total DU/Site
Total Residents	331 Total Potential Residents
Assume Shops/Acre	7 Shops & Eateries/Acre
Total Shops/Eateries	7 Total Shops & Bistro/Cafes
Assume Small & Micro Manufacturing Units/Acre	2 Micro Manufacturing Units/Acre
Total Small & Micro Manufacturing Units	2 TotalMicro Manufacturing Units
Assume Innovation Start-Ups/Acre	4 Micro Innovation Start-Ups/Acre
Total Innovation Start-Ups	4 Total Innovation Start-Ups
Average Size of Parking Space (Includes 40% aisles, ramps, etc.)	325 SF/Car
Total Capacity Cars (parked 1 level below grade - depending on space allowed by high water table). Perhaps, project sits on slightly raised platform.	0 Total Cars
Average DU Size (Net)	486 SF (Net/Unit)
Studio	304 SF (Net/Unit)
1-Bedroom	608 SF (Net/Unit)
Average DU/Floor	3 Units/Floor
Average Stories of Buildings	4 Average Stories
Average Shop/Bistro/Cafe Size	304 SF (Net/Unit)
Average Small & Micro Manufacturing Units	1,216 SF (Net/Unit)
Average Innovation/Start-Up	1,216 SF (Net/Unit)
Total Residential SF/Site	89,517 SF (Net)
Total Shop/Bistro/Cafe SF/Site	2,277 SF (Net)
Total Micro Manufacturing SF/Site	2,273 SF (Net)
Average Innovation/Start-Up	5,204 SF (Net)
Total Net SF	99,271 SF (Net)
Net to Gross Multiplier 1.15	14,891 SF
Total Above Grade Buildings/for Site	114,162 SF (Gross)
Floor Area Ratio (FAR)	2.45 FAR
Total Sub-grade SF for Garage Level	0 SF
Total Building SF	114,162 SF (Gross)

**Construction Cost**

	Construction Cost (pre-fab or trailer)/SF	\$140 /SF
	Parking Const Cost/SF	\$75 /SF
Total Residential Const Cost for Site		\$12,532,388 94.2%
Total Shop/Bistro/Cafe Const Cost for Site		\$318,774 2.4%
Total Micro Manufacturing Const Cost		\$454,579 3.4%
Total Sub-grade Const Cost for Parking		\$0 0.0%
Total Construction Hard Cost for Site		\$13,305,742 100%
Total Construction Soft Costs		\$3,800,293
Total Project Cost		\$17,106,034

Robert Orr & Associates LLC

**Income**

Average Apartment Rent (lofts and 1-Bedrooms)	\$1,251 /Month	
Studio	\$900 /Month	
1-Bedroom	\$1,485 /Month	
Average Shop/Bistro/Cafe Rental	\$684 /Month	
Small & Micro Manufacturing Rental	\$2,027 /Month	
Innovation/Start-Up	\$2,432 /Month	
Average Parking Rate	\$150 /Month	
Gross Potential Income (GPI) Residential Rents/Month	\$230,234	GPI Residential Rents/Month
Gross Potential Income (GPI) Shop/Eatery Leases/Month	\$5,123	GPI Retail Leases/Month
Gross Potential Income (GPI) Micro Manufacturing Leases/Month	\$3,788	GPI Rental Leases/Month
Gross Potential Income (GPI) Innovation/Start-Up Leases/Month	\$4,546	GPI Rental Leases/Month
Gross Potential Income (GPI) Parking Rates/Month	\$0	GPI Parking Rates/Month
Total Gross Potential Income/Month	\$243,691	GPI Total/Month
8% Vacancy	-\$19,495 Vacancy	
Gross Operating Income/Month	\$215,862	GOI /Month
Operating Expense and Tax (35% of GOI)	-\$75,552	
Net Operation Income/Month	\$140,310	NOI /Month

Robert Orr & Associates LLC

**Monthly Cash Flow and Debt Service**

NOI/Month	\$140,310 /Month	
Project Cost 100%	\$17,106,034	
Down payment/Equity 30%	\$5,131,810	
Debt 70%	\$11,974,224	
Payment P&I/Month	-\$56,845 /Month	
		25 Years Loan Term 3.01% Interest Rate 5.70% Loan Constant Robert Orr & Associates LLC

**Annual Cash Flow and Debt Service**

NOI/Year	\$1,683,723 /Year	
CAP Rate		9.84% CAP Rate
Cash on Cash		19.52% Cash on Cash
Annual Debt Service	-\$682,145 /Year	2.47 Debt Service Coverage Ratio

**Annual Cash Flow above Debt Service and Property Tax**

Total Annual Cash Flow	\$1,001,578 /Year	19.52% Pre-Income Tax ROE
------------------------	-------------------	---------------------------

Annual depreciation @ 27.5 years assumes 75% of project cost = value of improvements to land/year \$362,884



**Property/Tax Yield:**

Project Cost at Completion (Project Value)	\$17,744,134 Project Cost
Property Tax (70% of Project Value X 42.98 Mill Rate)	\$533,850 Property Tax/Year (w/o Subsidies, Credits, Etc.)
Property Tax per Acre	\$498,925 Property Tax/Acre

Robert Orr & Associates LLC

Eric Polinsky, Principal & Founder at [Aurelius LLC](#), states that, using the proposed rents for studio and 1-bedroom units (\$887 & \$1,520), the Wall Street project would be at 50-60% AMI affordability; households that earn around \$50k annually.

Fair Market Rents (FMR) are generally the max HUD pays (say under a voucher or project-based contract), but the 80% AMI rent shows the market is actually much higher.

2020 Rent Data from HUD						
	<u>FMR's</u>	<u>Median</u>	<u>25%</u>	<u>50%</u>	<u>60%</u>	<u>80%</u>
Studio/Eff	1,042	1,136	449	898	1,078	1,438
1 Bedroom	1,162	1,272	481	962	1,155	1,540
2 Bedroom	1,407	1,549	577	1,155	1,386	1,848
3 Bedroom	1,775	1,931	667	1,334	1,601	2,135
FMR rate applies to South Britain, CT, Bethany, CT, Beacon Falls, CT, Northford, CT, Middlebury, CT, North Branford, CT, Prospect, CT, Woodbridge, CT, Oxford, CT, Orange, CT and other cities within the region.						
Compared to the rest of Connecticut, the New Haven-Meriden FMR area is more expensive than 69% of the state.						
Household Income Limits						
4-person AMI	91,200					
			<u>25%</u>	<u>50%</u>	<u>60%</u>	<u>80%</u>
1 Person			17,975	35,950	43,140	57,520
2 Person			20,525	41,050	49,260	65,680
3 Person			23,100	46,200	55,440	73,920
4 Person			25,650	51,300	61,560	82,080



Stone Street, Manhattan





New Haven at a Crossroads

SUPPORTING ARTICLES

CT VIEWPOINTS -- opinions from around Connecticut

# Small development — the key to solving New Haven’s budget woes

[CT VIEWPOINTS](#) | by [ROBERT ORR](#) | [MAY 19, 2020](#) | [VIEW AS "CLEAN READ"](#)

Small development offers the best promise to repair New Haven’s budget woes — and quickly. It has the potential to raise revenues beyond just erasing budget problems and could lead to dropping tax rates.

Small development, if implemented properly, would mobilize hundreds of untapped small local developers, builders, and finance, keeping money in New Haven. Its affordability would draw a host of motivated young people downtown, launching a “start-up city” and recovering New Haven’s deserved global recognition as an innovative and thriving city.

Here are two examples in Boston’s North End and Beacon Hill. The images depict residential and commercial/mixed-use. There currently is no intimate small development in New Haven.



In Boston’s case, there is so much intimate small development filling what could have been economically unproductive land that Bostonians pay 20% the taxes New Haven residents pay for the same value property.

Tax-wise, New Haven is a tiny village supporting a large city. Currently, 70-80% of New Haven is economically unproductive land, including overly wide streets, surface lots, off-street parking, parking garages and economically unproductive lots. These make up the majority of land that produces no or very little tax revenue. Accommodating cars is extremely expensive, and we all pay whether we own a car or not. Before cars, percentages were reversed: only 20-30% of old cities were economically unproductive.

The six-acre example below illustrates how a different perspective can explode tax rolls and social vibrancy. Just by narrowing State Street and dividing economically unproductive land to small parcels, the city gains \$4.6 million in taxes and 1,800 dwelling units.



Before: Divided State Street "highway" and vacant land.

After: 2 rows across pedestrian street. ½ 1st floor facing State is commercial.

Why is small development so necessary? Beyond the heroics of balancing New Haven's \$569 million general fund budget crippled by the pandemic, the city hangs precariously beneath a debt of \$1.4 billion: \$760 million in unfunded liabilities (such as for pensions) and \$651 million in outstanding bonds. Bankruptcy offers the quickest fix, but small development promises the quickest recovery. Many hands make light work.

To illustrate small development's remarkable capabilities, it's compelling to compare a typical big box housing development at 1245 Chapel to a four-story small development proposal for a 0.45-acre site at 352 Whalley:

Using a tax/acre figure produces a fair apples-to-apples comparison. It is calculated by multiplying the property assessment by the mill rate (42.98 in 2019), then dividing that number by the property's acreage, producing a property taxes/acre number.



**352 Whalley Ave.**  
**\$736K taxes/acre**  
**296 DU/acre**

**1245 Chapel St.**  
**\$596K taxes/acre**  
**135 DU/Acre**

Another confirmation of the power of small comes from expense/revenue (cash-flow) studies by Joe Minicozzi of [Urban3](#). He extrapolates hard data of what cities receive in taxes and spend in services, such as infrastructure, street cleaning/repair, trash collection, education, first responders, recreation, running of government, etc. The result is “cash-flow” (positive or negative) for every property.

Urban3’s hard-data analysis reveals that small, even poor, parcels are more cash positive than large, even affluent, parcels. Urban3’s 3-D cash-flow model for Lafayette, LA (see illustration) reveals cash-flow positive (green, the higher the better), and cash-flow negative (red, the higher the worse.) Bulky red are big box stores such as Walmart, Home Depot, etc. are cash dumps that exceed salary and pension obligations.

Additional cash-flow problems fester with big box housing developments. An analysis by architect and urban advocate Jonathan Hopkins shows the money from these developments bleeding out of town. All parties involved with a big box project’s development are typically from out of town.

Approximately two-thirds of New Haven’s 4,000 municipal union employees live outside New Haven. Closer to three-quarters of higher paid employees, like police, firefighters, teachers, and administrators live outside New Haven. Same goes for retirees. Despite healthy union-negotiated terms, employees can’t afford to live in the city. The developer’s money and most New Haven payroll goes to benefit other towns.

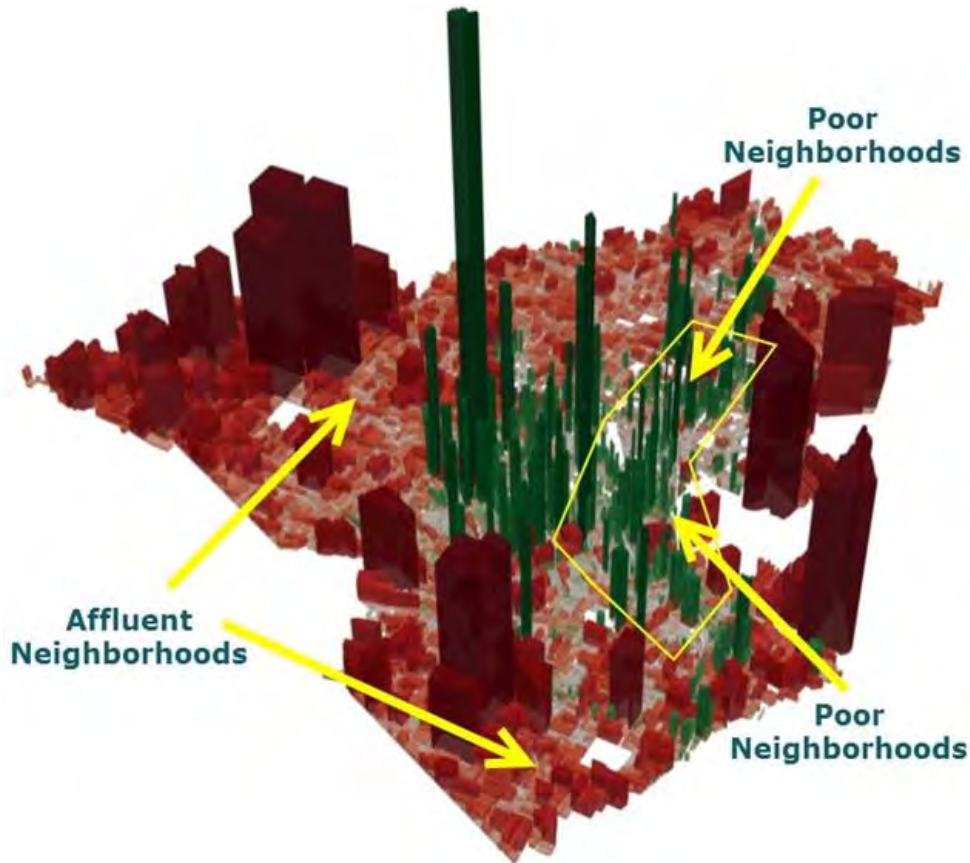
Hopkins’s point is that despite a multi-million-dollar housing project “expanding the grand list,” practically none of it directly benefits New Haven’s residents or, at a minimum, serves very well to help retire debt and lower mill rates, much less raise New Haven to global prominence. The proof’s in the pudding. The flood of recent big box housing projects has yet to reverse the city’s decline.

Small beats large in other ways:

- Lower costs associated with small parcel and building footprints engage small local players, including landowners, developers, builders, and lenders. It keeps money and jobs in the city.
- Small Development can be financed with simple mortgages from local banks. Foreign venture capital is not required.

- Small Development savings translates into affordable rents. Even with affordable rents, low expenses yield profit margins that outperform large developments.

So far, small development wins in every category over big box development. But there's a problem. The nationally crafted zoning code, the Municode, used by most cities, including New Haven, makes small development "illegal." Regulations for minimum lot size, maximum coverage, minimum set back lines, maximum dwelling units, minimum dwelling unit size, off street parking, etc., do not allow for the intimate congregation of dwelling units we saw in the State Street or Boston examples.



An example of Urban3 3-D analysis.

The city's insistence on market-driven rather than vision-based planning also dissuades small development. Without identifying small development "neighborhoods," the isolation of scattered sites in incompatible locations leaves it vulnerable to the same NIMBY opposition as big box projects, but without their deep pockets to pay for a defense.

The framers of city policy must recognize that exclusionary zoning is de facto vision-based planning. The car-dependency, lack of economic viability, under-utilization of valuable land, continued segregation, and lack of clustering of companies in a particular field — a phenomenon identified by the Harvard Business Review as the new foundation of prosperity — are all outcomes of exclusionary zoning.

The framers also must recognize that zoning based on vision (what one wants instead of what one doesn't want), including public and professional participation, clarifies expectations and wins buy-in from neighborhoods, otherwise threatened by the uncertainty of market-driven development. From the

developer’s point of view, a vision-based code and citizen-embraced sensible regulating plan amounts to pre-approval. Conforming proposals save time and money and avoid lawsuits; translate: affordable rents.

If you want to change development patterns, you have to change the framework that creates the development patterns.

Luckily creation of an alternative framework has been around 35 years, with more than 4,000 implementations. There’s a rich resource of legally vetted and instituted codes with visible results.

Called the SmartCode, there are free downloads at [SmartCode Central](#). The SmartCode framework calibrates according to appropriate density, from raw no-density nature to high density center city. Germain to this article, it includes small development, affordability, tiny houses, etc.

The SmartCode needs only a regulating plan to identify where regulations apply. Experienced consultants create a publicly facilitated and approved regulating plan on site in a week, with a full report in a month or two, ready for government approval. Project approval can be speedier, since government takes part in the intensive week-long framework formation process.

Finally, rigorous analysis of burdensome approval processes identifies egregious sticking points to correct in order to attract and expedite small development — to deputize local entrepreneurs’ involvement with the betterment of their own city, and to make New Haven an affordable and dynamic start-up destination with high retention of the best and brightest spilling out of institutions of higher learning here in our own midst. Read: [Kevin Klinkenberg on the value and importance of small urban lots](#).

Robert Orr is the owner of [Robert Orr and Associates](#), an architectural and town-planning firm based in New Haven.



The Bustle, Allure, and Human Scale of Lean Development



# Unleash the Swarm

**Author's Note:** This piece is indebted to [Kevin Klinkenberg](#) for the phrase and concept of a “swarm” of small-scale developers.

---

Readers: How many of you personally know a developer?

Let's phrase that differently. How many of you personally know someone who has put an addition on their home? Installed a second bathroom? Built a garage or shed, or maybe even added an accessory dwelling unit?

These people are developers, in a sense. Technically, land development has a pretty simple definition: activity that increases the value of a property by building something on it. It doesn't have to mean starting from a blank slate. And it doesn't mean you're the one with all the carpentry, masonry, plumbing, or electrical expertise. The developer is really the project manager, the one who has the vision and then *hires* all of those people and oversees them.

I'm not being as pedantic as it seems. My point is that there is a whole spectrum of activities involved in the physical development of cities, and at the simplest end of that spectrum is the rehabilitation, modification, and expansion of existing buildings. Historically, in fact, that was a really important way that cities grew. And we've kind of gotten away from it to our own detriment.



Collage of incremental development projects.



The vast majority of us today experience the built environment as consumers. The product was made and sold to us by someone else. That would be surprising to people in most of human history, who were also the producers. [Barn raisings](#) were big events in farm communities; homeowners put a second story on their own home when they had kids and needed more space; you almost certainly knew the person building on the vacant lot at the corner of your street, because they lived in the neighborhood.

In the modern world, development, like so many other areas of traditional life, has been professionalized and siloed. We've made it a very specialized skill set that most of us no longer involve ourselves with. We've outsourced the job of creating our cities to Developers with a capital D. And we're often not happy with the results!

There are good reasons to have a class of professionals who really know the ins and outs of building, of course. Just as most of us find it good that we don't all have to be expert car mechanics, but can simply take our car to one for repairs as needed. Buildings have higher safety and quality standards than used to exist, and freeing up what wasn't necessarily time people of the past chose to spend. (While a lot of very old buildings are extremely robust, the ones you see standing today are a skewed sample that excludes all the ones that have already fallen apart or been demolished for good reason!)

But what if we had a class of semi-amateur developers 10 or 100 times larger than it is today? That would still mean that the vast majority of people aren't doing development themselves. But it would mean the potential for 10 to 100 times more small projects that are neighborhood-enriching and fill gaps: the vacant lot infill project, the [historic building renovation](#), the duplex or fourplex conversion, the corner store or [ACU](#), and so on.

How many people do you know who have *considered* doing a neighborhood development project. "What if I were the one who bought that vacant lot? What if...?" I guarantee it's a lot more people than will go through with it, because the prospect is daunting. What would it mean for our neighborhoods if more of them felt equipped and empowered to pursue those dreams?

# It can be done. And it can scale.



Triple-deckers in Boston.

Chicago added a million people between 1850 and 1890, and another two million by 1930. How did 19th century cities grow in the staggeringly fast way they did without a huge class of professional developers, architects, planners, etc? The answer is amateur developers.

*Read: Incremental doesn't mean slow.*

The Boston triple-decker is a beloved housing type in New England because of its early (small-d) democratic appeal. For its owners, many of them working-class immigrants, it was a path into the middle class: you could own the building, live in one unit, and rent out the other two. The many thousands of these built in the late 19th and early 20th century were largely not built by professional developers, but by casual investors, factory and mill owners, and small-time carpenters.

In the early 20th century, this "swarm" of amateur developers met modern technology in the form of the Craftsman catalog phenomenon. You could mail-order an entire house, and all of the building materials and instructions would be shipped to you. The labor was on you, and probably meant your cousins and neighbors. Craftsman bungalow houses became the essential building block of the

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- Shingles, Cedar Siding
- Plastering, Clear Cedar Yellow Pine
- French Castles, Clear Green Veneer Glass
- French Hardware
- High Grade Melbank iron pipes 40 and 37 1/2
- Patented Copper Water Tanks with Two Standard Glass Fronts of 2 1/2"
- Trunk, Standard Green Yellow Pine
- Medium Green
- Windows of California Clear White Pine
- Black Building Paper, Black Weather
- Extra Flashings and Down Spouts
- Specialty Shingles Hardware Four Squares 2 1/2"
- Paints for Three Coats Outside
- Paints for Shingles as Directed Study for Two Squares outside
- Verticals and Wood Siding as Directed Prime and Second
- Complete Plans and Specifications
- Work on concrete foundation and occasional water meter hole
- It also includes enough material to build 2 1/2" Electric Box
- Complete instructions with material, nails and plaster
- "House Bill" Construction Specifications on Plans 12 and 13.

**OPTIONALS**

Shed, Porch and Porch Front to take the place of roof deck, for one \$225.00. Or, for one door, for one \$100.00.

Oil, Stone, Trim and Floor for living room and dining room.

Overhead Light, Standard, Approach Kitchen, second of second.

Clear Maple Siding for front or kitchen, pantry and bathroom, instead of yellow pine, for extra charge.

Green Stone and Brickwork, \$25.00 extra with sink and \$25.00 extra with sink.

Stone, Lath and Plaster, standard \$25.00 extra with sink and \$25.00 extra with sink.

For Prices of Plumbing, Heating, Wiring, Electric Fixtures and Shades see page 106.

Published Second Floor Plan, \$125.00 Extra.

SEARS, ROEBUCK AND CO. Page 22

Sears / Roebuck bungalow catalog page from the 1920s

streetcar suburbs, and they still dominate some tremendously beloved neighborhoods today. (Though our historical memory of how those places were seen at the time [is highly selective](#).)

What might the modern version of the Craftsman phenomenon look like? I'm not the best one to speculate, but we have more modular and pre-fab construction techniques available to us today than a century ago. We have companies like [Dweller](#) or [Maxable](#) that help homeowners develop accessory dwelling units by taking over the parts of the job they don't feel equipped to do. These are models that could expand and evolve, if there were a bigger market for them.

Even as late as the 1960s, incremental development was still thickening up the urban fabric in places that weren't in outright decline by then. A 1964 book called *The Low-Rise Speculative Apartment* by Wallace Smith describes this phenomenon as it appeared in Oakland, California (I learned of it from [this excellent thread by Twitter user TribTowerViews](#)). Small-time developers in the 1960s built hundreds of small apartment buildings on scattered lots around Oakland, many of them replacing older single-family homes. At least 1/3 of these developers appeared to have no real-estate industry ties, and by and large these projects did not involve the practices—such as land assembly—typical of corporate developers who build at larger scales.

## What killed the swarm?

A wave of downzonings in the 1960s and 1970s banned this practice in many American cities—a regulatory trend only now beginning to be reversed in places such as Minneapolis, Portland, and Sacramento.

But zoning aside, the [general decline of cities](#) in the postwar era no doubt had the biggest role in killing amateur incremental development. With virtually no market in the shrinking cities of the East and Midwest in the 1950s through 1970s, a generation's worth of experience and institutional knowledge of how to do urban infill development was lost. At the same time, you could argue there's some causality in the other direction too: we [subsidized industrial-scale, hyper-efficient suburban development](#) to a degree that it sucked up all the market demand and crowded out the inefficient (from a narrow, profit maximizing standpoint) work that small operators might be doing.

A little inefficiency is our best friend here: we'd have more resilient cities if our cities had more developers. Not a little more but 100 times more.

## Bring back the swarm.

Unleashing the swarm is key to a more resilient urban future in a number of aspects:

### **Unleash the swarm to alleviate housing shortages.**

A major cause of housing problems in high-cost cities is the reliance on a small number of huge development projects to meet demand. This has bred a culture in which individual projects become lengthy, high-stakes negotiations with the local government. This dynamic turbocharges Not in My Backyard sentiment and other sources of local opposition, and the resulting delay imposes real costs that raise the price of housing.

If we get a "swarm" of incremental development projects of the type envisioned by initiatives like Portland's Residential Infill Project, it will be in large part because such development is occurring as of right—no public hearing, no byzantine permitting process.

Read: Nolan Gray on as-of-right development.

Read: Daniel Herriges on what happens when a few companies dominate the housing market.

### **Unleash the swarm to spread investment to less-hot markets.**

Big developers go where the biggest money is. The result is a Trickle vs. Fire Hose effect: a handful of hot neighborhoods are flooded with investment, while many more languish. The incremental developer's calculus is different. In a somewhat cooler market, you might have a neighborhood people love and care about and want to see advance to the next level, where there simply aren't any \$20 million development opportunities—but there are a ton of \$500,000 development opportunities. Or \$100,000 opportunities, like the renovation of an old house.

Read: "The Trickle or the Fire Hose."

Read: "Gentrification and Cataclysmic Money."

### **Unleash the swarm to revitalize neighborhoods without gentrifying them.**

Incremental development is a crucial way to align a neighborhood’s growth with the interests of the people who actually live there, because incremental developers operate close to the ground. They know the people around, they know highly–specific local needs, and in many cases they live in the neighborhood themselves.

Watch or listen: [Derek Avery interview on revitalization without gentrification.](#)

Read: [Joel Dixon on using development to rebuild wealth for the people who live in a neighborhood.](#)

**Unleash the swarm to achieve a fine grain and a human scale.**

Increasing the number of decision–makers in our cities and neighborhoods has a myriad of benefits. With large–scale development, the decisions that shape our places are in very few hands, and any mistakes those developers make are magnified.

Read: [Daniel Herriges on cities shaped by many hands.](#)

Read: [Kevin Klinkenberg on the value and importance of small urban lots.](#)

**Become part of the swarm.**



CT VIEWPOINTS -- opinions from around Connecticut

# New Haven coliseum site needs a neighborhood

[CT VIEWPOINTS](#) by [ROBERT ORR AND MARK VAN ALLEN](#) | [OCTOBER 30, 2020](#) | [VIEW AS "CLEAN READ"](#)

Strategically, the Coliseum site in New Haven may be the most important land in the city. With concurrent efforts to erase the gash of Route 34, cutting the city in half, the Coliseum site carries the potential to ignite whole new neighborhoods infilling to downtown, to the train station, to the Hill and hospital/research campus, and to Wooster Square. It's the hub of a potentially dynamic wheel. The future core of a new New Haven, coincidentally in the same location as the original core.

Currently, affordable housing controversy bogs down the application for development. On one side of the issue is the waterfall of high-end apartment

buildings rising around the city, which testify to the city's popularity for people with discretionary resources. On the other side is the tremendous lack of housing for those who can't afford it.

The developer stands in the middle holding a pro forma spreadsheet that must be checked off in order for investors to back the project. So far, the numbers don't add up. Regulations make affordable units expensive to build and low rents for qualified tenants don't cover costs.

It used to be that federal, state, and local subsidies filled the gap. But the spigot to those resources dried up. Without subsidies to offer, the conundrum forces the city to consider what some might call drastic



The New Haven coliseum site.

measures in forfeiting tax revenue and other measures in order to gain the housing they seek for the lowest-income households.

Within the conundrum lies an ironic tragedy. By forfeiting tax revenue in the interest of affordable housing, the city becomes an unwitting co-conspirator in the explosion of high-end housing. The forfeiture places the foot on the accelerator of increased tax rate and reduced services in order to make up for lost revenue in balancing budgets. The gap between rich and poor widens, and the middle class gets shown the door.

Whereas affordable housing is a vital concern, one needs to be careful not to throw out the baby with the bathwater (the scourge of pushing people into homelessness). We must never abandon the quest to create housing for all, but the “baby” is a left-out group in this quest, in fact an entire left-out generation craving middleclass lifestyles. To some, they may seem unworthy of sympathy. After all they’re most widely known as the “entitlement generation.”



The site developed with streets.

Anne Helen Petersen clears up the “unworthy” in her book, [Can't Even: How the Millennials Became the Burnout Generation](#). Petersen takes pains to settle the longstanding myth that Millennials are the “entitled” generation. Nothing can be further from the truth.

In point of fact, millennials (of all races, creeds, and colors) are the first generation whose childhoods were relegated to resume building rather than unstructured play, to confusing competition with their peers rather than happy bonding, to insurmountable student debt, and to instability. In our easy denigration, none of us see that their lives are an eternal crapshoot, that their economic position is no different

than the City’s lowest income. Plus, they get no notice or respect.

They bounce around between multiple jobs that never last more than a year or two. Multiple jobs never pay enough for food, housing, and student debt payments, which clings to them like stink on a monkey. A vicious cycle. No wonder they live in their parents’ basements, the millennial homeless shelters.

Petersen paints a picture of her generation as a group of people running their fastest on an exhausting marathon and every time they get to within sight of the finish line, it mysteriously moves seven miles further ahead.

They are burned out and angry — angry at their instability, especially as it compares to previous generations’ stability, promised them by all the decades of resume building: life-long jobs, home ownership, comfortable retirements.

Instead of building affordable housing, why not build housing that's affordable. These missing middle people deserve to be included in a Coliseum neighborhood development: affordable rents, jobs in creative enterprise, and the ability to bond with new friends in a public domain that invites the city in.

They deserve a real neighborhood. And a real life.

Already finding footing in the surrounding area are the first signs of a tech district and micro manufacturing. Innovation and micro-manufacturing are the type of jobs that provide stability to motivated underserved millennials.

Rather than tall expensive apartment buildings cut off from the public by doormen with awkward accommodation of rich and poor, the underserved, including millennials, need affordable walk-up buildings in dense formations that define a public realm where bonding with a diversity of new friends can form, and innovative ideas can take seed.

Benefits for developers and their investors are in the fact that such approach proves to be considerably less expensive, even though it increases the dwelling units (DU) per acre and tax revenues to the city over tall spread apart developments with high rents. The approach is Lean Development, click on link for explanation:

### [Lean development explained](#)

Using lean development, the 4.65-acre coliseum site holds 1,000 dwelling units (all affordable) in 100 small buildings, 1,900 residents, 14 shops and eateries, and five micro-manufacturing facilities. It is a complete neighborhood with all basic needs within easy walking distance. The preliminary rough sketch below shows 3-5 story buildings on three skinny streets over parking for more than 600 cars, depending on water table level.

Developed as a neighborhood project, it will attract all segments of society, but especially those in the missing middle Millennial Generation, crying out for stability and the chance to perform. It's about time we tap into their incredible resources and wasted talents. Making downtowns better places to live for all is the most sustainable endeavor imaginable at this uncertain point in history.

Robert Orr is a national award-winning architect, urban planner, and one of the originators of New Urbanism. Mark Van Allen has been involved in entrepreneurship, real estate, and technology transfer efforts throughout Connecticut including financial and operating positions in investor-owned partnerships and companies in the U.S. and China.





Downtown Crossing. ROA Design. Vlad Prosol, Del.



Congress Avenue Toward Downtown Crossing. ROA Design. Vlad Prosol, Del.

**"Back of Envelope" Pro Forma**

Robert Orr & Associates LLC

**Coliseum Preliminary Draft Pro Forma - Lean Development**



Site



10-Pack Building (10 DU or 9 DU plus 2 stores or 8 DU plus 1 Small & Micro Manufacturing or Innovation/Start-Up if Mixed-Use). Assumptions:

Lot	30X50	
Building	30X40	(2 15'X40' boxes)
Total Lots		88 Lots/Site

**Site Data**

Site Area	4.65 Acres	202,554 SF	
Appraisal	\$13,838,100	Vision Appraisal	
Assessment	\$9,886,870	Vision Assessment	
Cost	\$1	Property Cost	

Robert Orr & Associates LLC

**Development Data**

Assume DU/Acre	172 /Acre
Studios (40%)	69 /Acre
1-Bedrooms (60%)	103 /Acre
Total DU	800 Total DU/Site
Total Residents	1,440 Total Potential Residents
Assume Shops/Acre	7 Shops & Eateries/Acre
Total Shops/Eateries	33 Total Shops & Bistro/Cafes
Assume Small & Micro Manufacturing Units/Acre	2 Micro Manufacturing Units/Acre
Total Small & Micro Manufacturing Units	9 Total Micro Manufacturing Units
Assume Innovation Start-Ups/Acre	4 Micro Innovation Start-Ups/Acre
Total Innovation Start-Ups	19 Total Innovation Start-Ups
Average Size of Parking Space (Includes 40% aisles, ramps, etc.)	325 SF/Car
Total Capacity Cars (parked 1 level below grade - depending on space allowed by high water table). Perhaps, project sits on slightly raised platform.	623 Total Cars
Average DU Size (Net)	486 SF (Net/Unit)
Studio	304 SF (Net/Unit)
1-Bedroom	608 SF (Net/Unit)
Average DU/Floor	3 Units/Floor
Average Stories of Buildings	4 Average Stories
Average Shop/Bistro/Cafe Size	304 SF (Net/Unit)
Average Small & Micro Manufacturing Units	1,216 SF (Net/Unit)
Average Innovation/Start-Up	1,216 SF (Net/Unit)
Total Residential SF/Site	389,023 SF (Net)
Total Shop/Bistro/Cafe SF/Site	9,895 SF (Net)
Total Micro Manufacturing SF/Site	11,309 SF (Net)
Average Innovation/Start-Up	22,618 SF (Net)
Total Net SF	432,844 SF (Net)
Net to Gross Multiplier 1.15	64,927 SF
Total Above Grade Buildings/for Site	497,771 SF (Gross)
Floor Area Ratio (FAR)	2.46 FAR
Total Sub-grade SF for Garage Level	202,554 SF
Total Building SF	700,325 SF (Gross)

**Construction Cost**

	Construction Cost (pre-fab or trailer)/SF	
	Parking Const Cost/SF	\$140 /SF
		\$75 /SF
Total Residential Const Cost for Site	\$54,463,181	74.3%
Total Shop/Bistro/Cafe Const Cost for Site	\$1,385,328	1.9%
Total Micro Manufacturing Const Cost	\$2,261,760	3.1%
Total Sub-grade Const Cost for Parking	\$15,191,550	20.7%
Total Construction Hard Cost for Site	\$73,301,819	100%
Total Construction Soft Costs	\$17,839,116	
Total Project Cost	\$91,140,935	

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**Income**

Average Apartment Rent (lofts and 1-Bedrooms)	\$1,251 /Month	
Studio	\$900 /Month	
1-Bedroom	\$1,485 /Month	
Average Shop/Bistro/Cafe Rental	\$684 /Month	
Small & Micro Manufacturing Rental	\$2,027 /Month	
Innovation/Start-Up	\$2,432 /Month	
Average Parking Rate	\$150 /Month	
Gross Potential Income (GPI) Residential Rents/Month	\$1,000,550	GPI Residential Rents/Month
Gross Potential Income (GPI) Shop/Eatery Leases/Month	\$22,264	GPI Retail Leases/Month
Gross Potential Income (GPI) Micro Manufacturing Leases/Month	\$18,848	GPI Rental Leases/Month
Gross Potential Income (GPI) Innovation/Start-Up Leases/Month	\$22,618	GPI Rental Leases/Month
Gross Potential Income (GPI) Parking Rates/Month	\$93,486	GPI Parking Rates/Month
Total Gross Potential Income/Month	\$1,157,766	GPI Total/Month
8% Vacancy	-\$92,621 Vacancy	
Gross Operating Income/Month	\$930,193	GOI /Month
Operating Expense and Tax (35% of GOI)	-\$325,567	
Net Operation Income/Month	\$604,625	NOI /Month

Robert Orr &amp; Associates LLC

**Monthly Cash Flow and Debt Service**

	NOI/Month	\$604,625 /Month	
Project Cost	100%	\$91,140,935	
Down payment/Equity	30%	\$27,342,280	
Debt	70%	\$63,798,654	
Payment P&I/Month		-\$302,872 /Month	25 Years Loan Term 3.01% Interest Rate 5.70% Loan Constant Robert Orr & Associates LLC

**Annual Cash Flow and Debt Service**

NOI/Year	\$7,255,503 /Year	
CAP Rate		7.96% CAP Rate
Cash on Cash		13.24% Cash on Cash
Annual Debt Service	-\$3,634,468 /Year	2.00 Debt Service Coverage Ratio

**Annual Cash Flow above Debt Service and Property Tax**

Total Annual Cash Flow	\$3,621,035 /Year	13.24% Pre-Income Tax ROE
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Annual depreciation @ 27.5 years assumes 75% of project cost = value of improvements to land/year

\$1,999,141

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**Property/Tax Yield:**

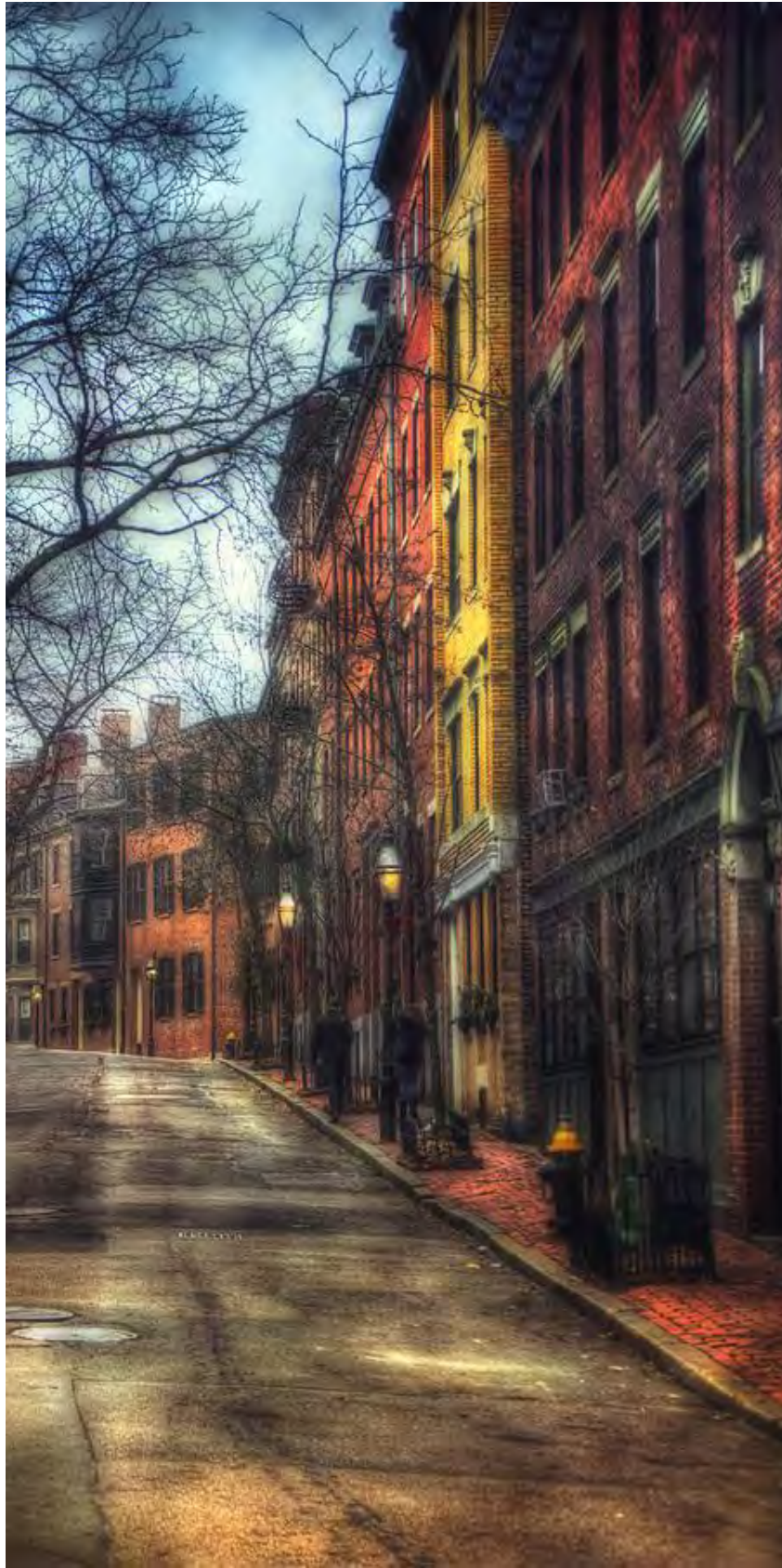
Project Cost at Completion (Project Value)  
 Property Tax (70% of Project Value X 42.98 Mill Rate)  
 Property Tax per Acre

\$104,979,035 Project Cost  
 \$3,158,399 Property Tax/Year (w/o Subsidies, Credits, Etc.)  
 \$679,226 Property Tax/Acre

Robert Orr & Associates LLC



Coliseum Project Illustrative Image of Street View





# Millennials and COVID-19: The unlucky generation



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Millennials, those born from 1981 to 1996, have been given many monikers in their comparatively short lives, one of them being “the unlucky generation.” Having attended school during the Dot.com crash, they came of age during the Great Financial Crisis (GFC), and now find themselves enduring the worst recession in a century at a time when they are trying to build their careers, as well as focus on their personal lives (Figure 1).

Figure 1  
**MILLENNIAL TIMELINE**





## A NOTE ON THE DATA

Analysis of Millennials' experiences in working from home has been drawn from Cushman & Wakefield's bespoke workplace strategy tool Experience per Square Foot™ (XSF). The survey was conducted from April to June 2020 and contains more than 2.4 million data points from more than 52,000 respondents from all over the world. Within this, Millennials comprised 21,000 respondents, or 40 percent of the sample. More information on the survey is available [here](#).

## WAGE SCARS TO CUT DEEPER

Looking back to the GFC, the leading edge of the Millennial cohort was just graduating and ready to embark on their careers. It's tough enough securing a first job during a recession, something that Generation Z (born 1997-2012) are currently finding out, but the effects go well beyond the ability to secure a job. Extensive historical analysis has shown that the impacts are more enduring than a rise in unemployment and persist well after economic recovery through a process known as "wage scarring." More recent analysis in this genre shows that Millennials experienced the largest earnings loss, of up to 13 percent, and took the longest to recover<sup>1</sup>. The lower rate of pay has a greater bearing at the start of your career due to compounding, requiring above-average wage growth in order to overcome the negative effects.

Fast forward to 2020 and the trailing edge of the Millennial cohort, at 24 years of age, are similarly facing economic difficulties at the start of their career. Studies have shown that Millennials are more likely to have been laid-off, furloughed or taken a pay cut<sup>2</sup>. Combine this with student debts<sup>3</sup>, other personal loans and potentially a mortgage, and it means Millennials are far more likely to come out of the pandemic in a more precarious financial position than older generations. Expect their spending potential to be reined in for years to come.

## ACUTE CHALLENGES WORKING REMOTELY

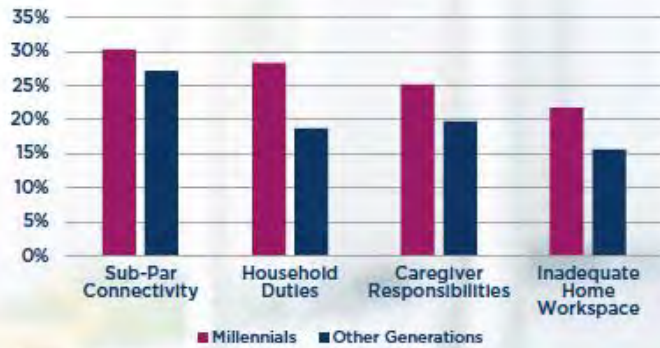
Not only has the pandemic wrought economic consequences, but it has also dramatically and likely enduringly, altered how and where people work. As workplaces have temporarily shuttered across the world, many have equated the period of enforced working from home (WFH) as a move to greater flexibility, but this is not the case. Rather, one dominant work location (the office) has been replaced with another (the home). It is not so much "working **from** home" but "working **at** home." This has presented challenges to all, but most acutely to Millennials.

At the headline level, the Millennial experience is very similar to that of other generations. The ability to collaborate and focus is high, but has come at the expense of personal connection to colleagues, connection to company culture and the ability to learn.<sup>4</sup> Scratching beneath the surface, though, we see that Millennials are feeling these challenges disproportionately.

- 1 K Rinz (2019) "Did Timing Matter? Life Cycle Differences in Effects of Exposure to the Great Recession"
- 2 [Why the Covid-19 economy is particularly devastating to millennials](#)
- 3 <https://www.pewsocialtrends.org/2014/03/07/millennials-in-adulthood/#fn-18663-9>
- 4 Cushman & Wakefield (2020) "The Future of Workplace"

Figure 2

## PERCENT OF RESPONDENTS REPORTING A CHALLENGE



Source: Cushman & Wakefield



## THE ABILITY TO FOCUS IS A CHALLENGE

While 71 percent of Millennials said they could focus when they need to be productive, this was lower than other generations, which averaged 77 percent. Unpacking this across other variables, we see the founding reasons why this is so.

Millennials, along with their younger counterparts Generation Z, were much more likely than older generations to experience difficulties in the WFH environment with nearly 70 percent reporting a challenge. While sub-par connectivity was problematic for all, Millennials have had to cope with the additional triple-whammy of household duties (28 percent), caregiver responsibilities (25 percent) and inadequate home workspace (22 percent)—ranking in the top two generations to report each challenge (Figure 2).

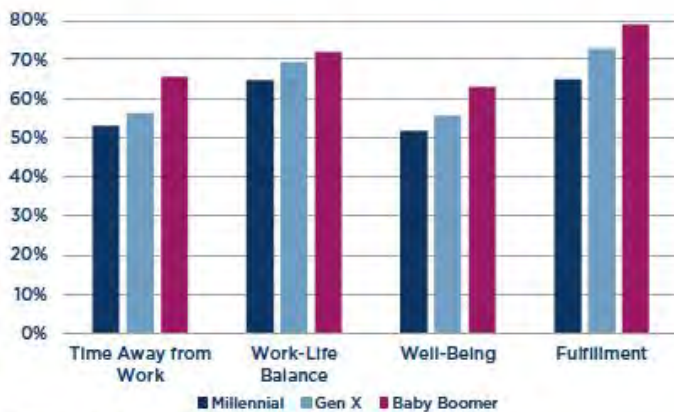
Millennials were much more likely to report a lack of space for focused work and the ability to minimize distractions—both of which were 11 percentage points below the average of other generations. This no doubt reflects their stage in the lifecycle. Older Millennials are having to simultaneously juggle work and parental duties—the average age at birth of first child across the Organization for Economic Cooperation and Development (OECD) countries is almost 30 years of age.<sup>5</sup> Combining this with their dwelling types, which are more likely to be smaller units/apartments, it is not surprising that their ability to focus is comparatively lower. And it's not much better for the other end of the Millennial cohort who are predominantly still living with their parents.

Interestingly, the divide between generations is most acute in the Americas and least in Asia Pacific. The nature of higher-density living across major Asian cities means that these challenges are felt across all generations and not just Millennials.

<sup>5</sup> [https://www.oecd.org/els/soc/SF\\_2\\_3\\_Age\\_mothers\\_childbirth.pdf](https://www.oecd.org/els/soc/SF_2_3_Age_mothers_childbirth.pdf)



Figure 3  
**WELLBEING DIFFERENCES ACROSS GENERATIONS**



Source: Cushman & Wakefield



## A FUTURE BASED ON FLEXIBILITY, LOYALTY AND INCLUSION

While the above paints a comparatively bleak picture of the Millennial experience so far during COVID-19, there are reasons for optimism and lessons for current and future employers. The crux is that despite the unprecedented nature of the current economic environment, Millennials remain more committed than ever to their core beliefs.

The fact that they have been so deeply affected by the pandemic has served to reinforce their views on diversity, inclusion and equity<sup>6</sup>. The downturn has forced them to focus much more on their longer-term financial future, as well as being more sympathetic to the needs of others.

They also remain deeply committed to their desire for greater flexibility at work. While enforced working from home hasn't given them the flexibility they have desired so far, it has proven that they can be trusted to work remotely and that the job still gets done.

Finally, the pace of change in society has shown Millennials what can be done when governments and private enterprise come together to achieve a common goal. As such the pandemic, rather than dampen their views, has reinforced that rapid change is achievable and now not only do they want to play their part from the front, but also expect everyone to keep up.

Millennials have been more adversely affected by the pandemic than other generations and because of this they will become an even more powerful change agent. The key now is for employers to harness that drive and help Millennials propel themselves out of this recession. Doing so will reap benefits well beyond the near term.

<sup>6</sup> Deloitte (2020) "Global Millennial Survey 2020: Resilient generations hold the key to creating a better normal"

# Made in PLACE

## Small-scale manufacturing and neighborhood revitalization



### Introduction

Throughout the 19th century, small-scale manufacturing grew in cities, towns and villages all around the United States. For these businesses, location and resources mattered: power sources, natural resources, and access to markets and people. These local assets created a manufacturing environment that was human in scale and integrated into the fabric of their communities.

In the 20th century manufacturing transformed into a predominantly large-scale enterprise and moved out of neighborhoods and downtowns. Large-scale manufacturing became an incompatible use for neighborhoods and downtown areas due to its large physical scale, noise, significant freight requirements, and pollution. These factors ensured manufacturing's separation from neighborhoods and commercial centers into standalone facilities or industrial parks. This change also created high barriers to entry in the manufacturing sector because production only occurred in high-cost, large scale plants and produced thousands of units at a time.

Now, recent technological and economic shifts—such as access to online marketplaces, the ability to process sales on mobile devices, and affordable access to tools for smaller production runs—have lowered those barriers. These trends are changing what is possible in manufacturing and point the 21st century economy back to this new old trend: small-scale manufacturing.

This new face of manufacturing allows many more people to produce and sell their own goods: costs of production are lower, tools are more accessible, space needs are smaller, production runs can be small and on-demand, and sales can start overnight. And similar to 19th century manufacturing, these entrepreneurs often benefit from being embedded in downtowns and neighborhood centers—and these areas also stand to benefit greatly from their presence there. Production is compatible with neighborhood uses, is interesting to see, and fits into small spaces. For communities, this presents a dual opportunity to simultaneously grow this business sector and contribute to neighborhood revitalization efforts.

Many local economic development strategies include support for growing and launching small businesses such as retail shops and professional services. However, small-scale manufacturing is often overlooked by local economic development practitioners—but can be an important piece of any economic development strategy and downtown redevelopment initiative. Similarly, the typical practice of mixed-use development includes retail, office, and residential to promote downtown revitalization, but rarely considers small production businesses as a complementary use. Plans often expel industrial uses outside of downtowns to suburban auto-oriented industrial parks.

But there are examples from around the country that are now turning this notion on its head, demonstrating that manufacturing businesses are not only thriving as a result of being on main street and in mixed-use districts, but are contributing to the character, appeal, and success of walkable neighborhoods.

## How do small-scale manufacturing, downtowns and neighborhood centers support each other?

Small-scale manufacturing is emerging as an innovative strategy in today's neighborhood revitalization and economic development toolbox. And, these same businesses are finding that these locations can help them thrive. How are small-scale manufacturers and makers fitting into these spaces, and how can these same areas be fertile locations to grow the sector and reap economic benefits?

Communities that locate these manufacturers within existing downtowns or walkable retail areas benefit in many ways.

First, small-scale manufacturers can draw foot traffic and help to fill retail spaces that are difficult to lease or are economically unproductive. The entrepreneurs that start these businesses quite often become powerful brand ambassadors for their cities and towns, highlighting the innovation and benefit of local production. The small scale-manufacturing sector is integral in building the small business community. Furthermore the sector provides an inclusive pathway and an opportunity for jobs for individuals that may have difficulty finding them in other sectors.

### The benefits of small-scale manufacturing in neighborhood centers

Advancements in industrial technologies make small-scale manufacturing a strong alternative use in mixed-use corridors and centers. Small-scale manufacturers are cleaner and quieter, and more compact compared to traditional heavy manufacturing and thus can physically fit and be good neighbors. The small manufacturers benefit from existing infrastructure investments, access to retail customers, and proximity to transit, retail, housing, and a robust diversity of businesses and workers. For instance, a small manufacturer who fills a economically unproductive storefront both attracts neighborhood residents to walk by and see production, and benefits from any existing foot traffic from other retailers or local transit stops. Additionally, manufacturing businesses benefit from being near each other.

Small-scale manufacturing is an umbrella term that refers to all types of small businesses that produce tangible goods. This includes textiles, hardware, woodworking, metalworking, and 3D- printing. It also includes hardware prototyping, consumer product design and prototyping, breweries and distilleries, and local food production and packaging. The businesses may be consumer-facing or provide products to other businesses and often have 1-30 employees.

Small manufacturing business owners can help build a steadier supply of skilled labor, attract more competing suppliers, and encourage knowledge spillover between firms. This critical mass can only be achieved by allowing firms to locate in close proximity of one another, and near existing housing and commercial centers.

Small-scale manufacturers are also drawn to strong, dynamic places. These businesses often market and brand themselves by using the city, town, neighborhood, or even the building where they produce. Small-scale manufacturers, like many entrepreneurs, increasingly want to be in downtown or comparable areas

to attract talent. They value quality of place as a critical factor when choosing their location.<sup>1</sup> The places they locate are not accidental—they identify strongly with the communities in which they work, sometimes developing locally made brand platforms such as Made In Baltimore and Cincinnati Made, becoming strong ambassadors for a place. Conversely a community's own brand can benefit when the city or community is associated with a cool, innovative, or original brand and product.

### Creating a foothold for future growth

Communities around the country are changing zoning and city policies to accommodate these businesses downtown and in commercial centers because they are not only employers, they are destinations in themselves. Small-scale manufacturers can be among the first businesses in target areas for redevelopment before it's feasible for traditional retail to survive. Many of these businesses have more diverse revenue sources than traditional retailers—including online sales, business to business, or specialty orders. While most of these businesses are not necessarily dependent on foot traffic to be financially feasible, they can serve to help draw people to an area. Some small-scale manufacturers, like breweries, can also serve as stand-alone destinations, drawing an experience-oriented crowd.

Small-scale manufacturers create a unique amenity that can attract people to a new place. In addition to retail, restaurants, and cultural venues, small-scale manufacturers can give residents and visitors new reasons to come spend time in a neighborhood. As local products such as food, wood products, and textiles are made in core neighborhoods for the first time in decades, these businesses are destinations for customers to see firsthand where their products come from and add to the connection with customers that is already driving the buy local movement.

### Providing another attractive option to fill retail space

Many cities encourage ground-floor retail through zoning to support active street frontages and promote human-scale urban design. Yet there is not always adequate demand from existing retailers or service businesses to support ground floor retail, especially in the initial years of lease up in new development.

National changes in retail trends are exacerbating retail vacancies. Taken as a whole, the U.S. has more square feet of retail than demand. Traditional retailers closed hundreds of stores in the last few years, and analysts believe more will do the same over the next decade. Meanwhile, online retailers like Amazon and other e-commerce platforms show no signs of slowing down.

This changing retail landscape represents an opportunity for small-scale manufacturing to fill the gap in mixed-use districts and neighborhood main streets. Small-scale manufacturers are a different tenant type than traditional retailers or service providers, as hybrid businesses that can simultaneously be producers and main street retailers. They can thrive in locations that are not prime retail frontage, shapes, or sizes. A business may sell wholesale online, but can draw attention on a block through a formerly economically unproductive store

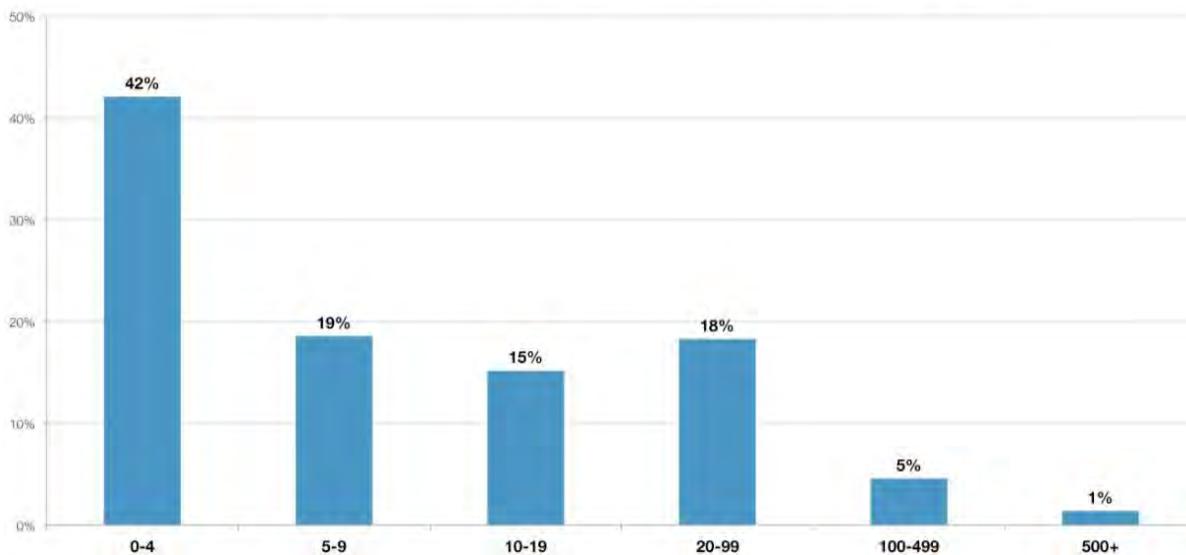
that now shows machinery and people at work. A collection of businesses can help to attract other retail investment in an area that has been neglected. In some cases, these businesses become an experience and destination of their own, anchoring the block or development.

## Growing small-scale manufacturing creates a resilient small business environment

Small business is key to not just local economic success, but national prosperity, accounting for two out of three net new jobs created in the U.S. Supporting a diverse variety of small businesses, across industry sectors, creates jobs for a diverse range of skill sets and wages, and helps buffer local economies from dramatic fluctuations in any one individual industry. Additionally, small businesses tend to keep money within local economies longer: local businesses reinvest nearly 50 percent of their revenue in the local community, versus about 14 percent reinvested from large chains. Strategies that seek to grow local economies from within by nurturing local businesses, often referred to as economic gardening, support local entrepreneurs to create companies and bring new jobs and business to a region. Nationally, strong regional economies are correlated with having many small businesses rather than a few large ones.<sup>6</sup>

Small-scale manufacturing businesses are a key piece of building the local small business sector. According to data from the Manufacturing Institute, over 75 percent of manufacturing businesses in the U.S. had fewer than 20 employees in 2014, as illustrated in the graphic below. Communities will benefit from strategies that include these small manufacturing businesses in local small business programming and placement efforts.

**Percentage of manufacturing firms by number of employees**



## Building a more inclusive business community

In addition to diversifying a local business ecosystem, small-scale manufacturing firms have the added benefit of expanding economic opportunity to a diverse range of residents. As a sector, small-scale manufacturing represents a diverse demographic population. Data show that small-scale manufacturing entrepreneurs come from a range of ethnic and racial backgrounds and include men and women. For example, on Etsy, one of the largest platforms for makers and micro-manufacturers, 87 percent of sellers are women. Additionally, there is a growing trend of entrepreneurialism in immigrant communities: 28.5 percent of new entrepreneurs in 2014 were immigrants, up from 13.3 percent in 1999.

Yet the outreach and assistance offered by local government often miss many of these businesspeople. Additionally, the lack of access to capital sources is a major barrier to minority entrepreneurs. Local

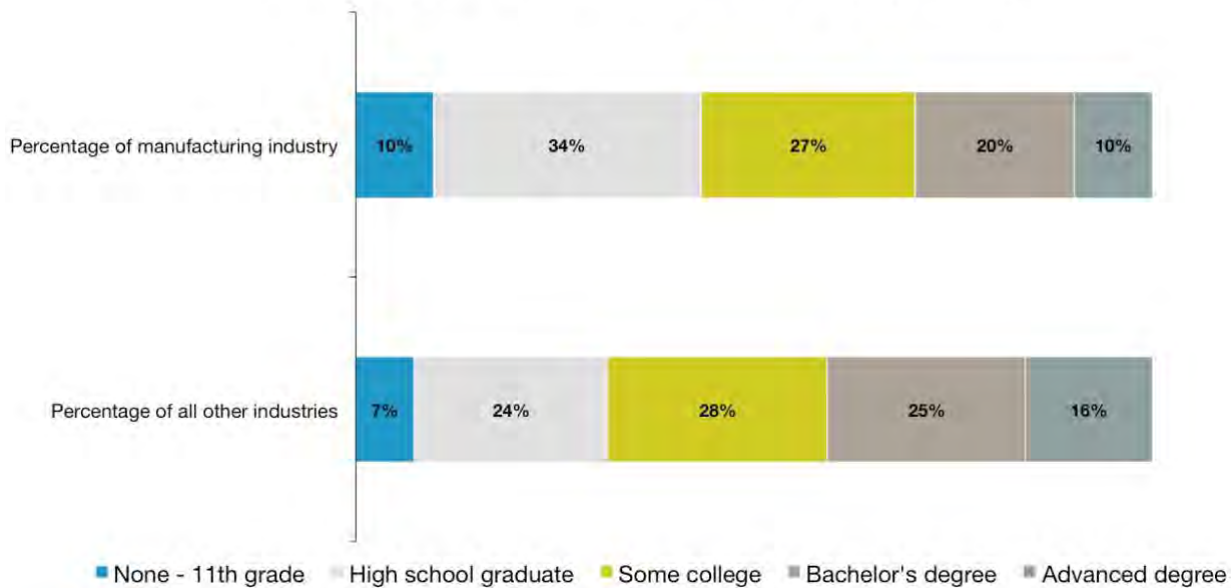
governments are recognizing the importance of bringing resources and assistance to underrepresented entrepreneurs from diverse cultural and demographic backgrounds, who may not know about programs, points-of-contact in local government or existing capital programs for small business. With continued public sector support and strong public-private partnerships, small-scale manufacturing can continue to serve as an entry point to capitalize on skills in the community and empower residents to turn their skills into a business.

### Job accessibility

Small-scale manufacturers also provide jobs with economic mobility across a variety of education levels. On the whole, the manufacturing industry employs an outsized share of workers without a college education. Such jobs are accessible to workers who are unable to access, or choose not to pursue, higher education. In addition, research from the Brookings Institution shows that advanced industries (which is inclusive of small-scale manufacturing) pay more than retail at every education level. In particular, for individuals without a college degree, manufacturing jobs pay higher wages than other industries when compared to retail, casino, call center or other service jobs. At the same time, new training programs are helping to build the pipeline

of skilled employees who can jump into this field with exposure to different types of small and scalable production tools. With targeted support, the sector can help interrupt the cycle of poverty many families and communities face. A national survey of kitchen incubators, for example, revealed that a significant percentage of their tenants are women (61 percent), an ethnic or racial minority (32 percent), and/or come from low-income backgrounds (28 percent). Even when facilities do not intentionally seek to build wealth in lower-income communities, they often do so de facto.

**Percentage of educational attainment, by industry**



### What kind of spaces does small-scale manufacturing need?

Small manufacturing integrates well with existing community development, but also has some needs specific to its sector. Economic development staff will need to understand who these businesses are within the local community in order to support their space and growth needs.

Most small-scale manufacturers fall into one of three categories:

### Artisan industry

A business using small tools, light machinery, and hand tools. These businesses are most often consumer-facing and sell through a variety of channels, including online, at craft fairs or pop-up markets, and/or in a small

storefront. Small production

These businesses might provide contract production services to other designers and producers alongside production of their own items. These businesses may or may not be interested

in scaling from this size. These businesses produce goods for both consumers and other businesses and may sell direct to

consumers and/or wholesale. Small production and scaling

A scalable business with ownership that wants to grow. These businesses often work in textiles, hardware, or food/ beverage, with some or all production on site. Some of these businesses may have a dispersed production model and use multiple contract manufacturers

Each category of businesses is often left out of local economic development strategies. These businesses hire locally, purchase supplies locally, and their owners or employees generally live within the community. While their space needs vary depending on product and business model, they all benefit from being closer to existing neighborhood centers and main streets. Additionally, some of the infrastructure small-scale manufacturers need fit well into community redevelopment projects.

Many local economic development departments provide services to help find space, address moving costs, and sometimes defray the first few months of rent or a major capital improvement for new local businesses to help get settled. Local government staff, chambers of commerce and community development corporations may serve this role. Each should consider how different spaces may be well suited for small-scale manufacturing businesses, and mesh this sector's needs into existing planning and economic development efforts:

### Small storefronts for retail and production space

Some consumer-facing producers lease small workshops where the business can sell products and also do production on site. Many of these micro-retailers produce high value items with small equipment and choose to locate within neighborhoods. These businesses complement other storefront uses such as retail-only shops and restaurants, add vibrancy to the street front as people can walk by and watch products being made, and fill economically unproductive spaces in commercial corridors.

Example: The Art Walk in Washington, D.C. leases micro-retail spaces to local artisan industries. The 400-800 square foot spaces provide a low-cost option for businesses that want a storefront for both production and retail. The development includes apartments above the micro-retail, on a pedestrian walkway to a subway station. Businesses, such as textile producer Stitch & Rivet, can grow from smaller units to larger ones as their staff and production needs grow, all while adding energy and foot traffic to the area.

## Shared kitchen

Shared commercial-grade kitchens, or kitchen incubators, rent shared-use food processing and storage space to multiple food production tenants. These tenants are in the food processing, catering, wholesale or food retail sector. Shared kitchens allow food production businesses (like food trucks, small-scale catering businesses, or pop-up eateries) to launch with lower risk, and can significantly reduce the barrier to entry for low-income business owners. Expensive food production equipment and facilities are owned and maintained by the kitchen operator (for-profit and non-profit) and producers pay a fee to use the facilities.

These facilities allow food producers to avoid the heavy costs of a brick and mortar location, to scale up, and also to comply with health department regulations. Over 50 percent of kitchen incubators are less than 5,000 square feet. Some kitchen incubators also offer assistance with business planning, marketing, and licensing. Many are mission-driven NGOs that promote business ownership in low-income populations.

Example: The Common Wealth Kitchen Incubator in Youngstown, Ohio grew out of a local community development corporation that previously focused on housing. The kitchen incubator is a non-profit and offers hourly leasing for tenants interested in using food processing and storage equipment. The facility also has a specialty thermal canning system that attracts users from around the country. The incubator is located in a 1930's building on a historic corridor within a residential neighborhood. The facility is clean and quiet and is a good neighbor to the apartments on the second floor of the building and the residential neighborhood around it.

## Industrial co-work buildings

Some multi-tenant industrial buildings provide workspace to small producers of varying size on a monthly or annual lease basis. Unlike usual shared-office or co-work models, these spaces are zoned to allow production uses. Such buildings are a key part of the local infrastructure for small producers. By offering built-out and safe space with flexible lease terms, tenants can expand their space along with the growth of their business. Industrial coworking spaces offer unique amenities like loading docks, freight elevators, and high ceilings to support small-scale manufacturing. They may also include shared conference rooms, office suites, and other business services specific to production-based businesses. They are often located near residential areas, on commercial corridors, or in transition areas between residential and heavier industrial uses.

Example: The Western Ave Lofts and Studios in Lowell, Massachusetts used an artist district zoning overlay to accommodate live-work space for over 300 small-scale manufacturers and artists in a historic fabric mill building. The mill has five floors of flexible use space where jewelry makers, textile production, soap makers, a local brewery/tap room and a mix of other businesses produce goods. This built-out space is essential for the city to retain these businesses and jobs within the community.

## Makerspaces

Makerspaces offer a range of production and fabrication tools to work in wood, metal, textiles, electronics, 3D printing, and more for a membership or class fee. Makerspaces may focus on attracting the existing hobbyists in a community, provide tools and space for workforce training, or grow in response to a burgeoning artisan business community that needs access to more tools at a lower cost. Business models vary greatly in size and user type. Some makerspaces are large, for-profit ventures and others are community-based and fit into libraries and community centers. Users of makerspaces could be complete beginners to 3D printing, and others might be professional woodworkers who are looking to grow their business. In many cases, a makerspace can become a neighborhood focal point and community gathering space for youth and adults.



Example: Knox Makers, in Knoxville, Tennessee is a non-profit makerspace that provides equipment and tools to members for a small fee. It provides tools to work with wood, metal, electronics, 3D printing, textiles, leather and laser cutting to its members. The space also hosts discussions and events on maker techniques and technology. Its goal is to be a community gathering place for engineers, entrepreneurs and hobbyists.

### Incubator or co-op for industry-specific businesses

Some small-scale manufacturers graduate from a makerspace or a startup program and need a specialized place to produce a product at larger quantity. Accelerators and incubators are a key piece of the infrastructure to support them. They may offer production advice and business counseling in a specialized sector, similar to other incubators.

They may also provide access to industrial-grade production equipment that allows these businesses to scale more rapidly and stay local. These facilities help to lower the cost and risk to scale and offer expertise to increase the likelihood of success.

Example: Peabody Heights Brewery in Baltimore, Maryland is a facility that works with independently owned brewers to help them brew, bottle, label, and scale up their business. Brewers may have outgrown their garages or other smaller scale brewing facilities. The co-op has a master brewer with experience in large- scale brewing operations. The facility, a former soda bottling plant, has industrial grade equipment, delivery service, and charges contract brewers a fee per barrel of beer they produce. While the 50,000 square foot facility is the size of a standard industrial production facility, it fits well into the neighborhood and features a taproom that hosts events for neighbors and visitors.

### Mixed-use production space

Small-scale manufacturing businesses often scale from micro-retail or coworking space to their own facilities. Such businesses often mix well with other uses such as educational institutions and offices or serve as a strong neighbor in retail districts. Businesses assume their own risk to lease space, renovate and operate as they grow.

Example: Shinola in Detroit, Michigan is housed in the same building as the College for Creative Studies. The design work, watch and watchband fabrication, and headquarters all operate in this shared use building. Shinola's work is complementary to the College's and they partner on student design workshops. The business helps bring more jobs to the neighborhood while also supporting the neighboring educational institutions.



A group touring the watch-making floor at Shinola in Detroit, located in the same building as the College for Creative Studies. Flickr photo by the Center for Positive Organizations. <https://www.flickr.com/photos/positiveorgs/22911094602/>



### Case study – Knoxville, Tennessee

The Mayor’s Maker Council was formed in 2016, designed to develop a shared vision for the region’s diverse maker community; raise awareness of Knoxville’s local maker movement and associated micro-economies; promote local goods and services; and address government policies and regulatory issues that impact maker businesses. The 15 members of the Maker Council are appointed by the Mayor, and represent maker businesses, developers, and community non-profits in the city. The Mayor sends a representative to all Council meetings, and the Council hosts an annual Maker City Summit to connect with maker business owners and support their work. The city partners with the Knoxville Entrepreneur Center and the Knoxville Urban League to create a one-stop shop of resources for small manufacturing business owners, startup trainings, a local Maker City brand, and to work together to connect with minority and women-owned businesses.



Spaces set aside for particular areas of focus in the Knox Makers space in Knoxville, TN.

## Case study – Lowell, Massachusetts

While local banks are often interested in funding local small businesses, they are not always able to do so. The City of Lowell, MA brought several local banks together to create the Lowell Development & Financial Corporation (LDFC). The structure of the LDFC allows local banks to reduce their risk by pooling funds to support local businesses, including small-scale manufacturers. Companies are only considered for LDFC funding once they graduate from the University of Massachusetts Lowell’s iHUB accelerator or the EforAll small business training program in order to provide the banks with a vetted pool of businesses.

## Case study – Production, Distribution, and Repair zone in San Francisco, California

The Production, Distribution, and Repair zone allows new office construction in underutilized industrial lots when new light industrial is built as well. The city developed this policy to address the lack of light industrial properties left in the city and created a financial incentive for developers to add to the building stock. The first project using this zoning is 100 Hooper, a partnership between private developer Urban Green Devco and SFMade’s non-profit real estate development arm, PlaceMade.

## Conclusion

Small-scale manufacturing has emerged as a way to tie opportunity to place and can fill a key missing piece in local economic development.

Every place has its own history of skills and capacity. Understanding how to build on that legacy, while keeping up with a dynamic labor market and a changing built environment, are critical challenges facing communities in the 21st century. The tools in this paper represent a range of solutions to better integrate small-scale manufacturing into existing economic growth and revitalization efforts. Communities of diverse sizes, industries, and market conditions can find success by aligning manufacturing with neighborhood revitalization—but regardless of context, these efforts will be more successful if they include an explicit and deliberate focus on including and harnessing the talents of all their residents including communities of color and different ethnicities who may not be connected to traditional economic development infrastructure.

Finally, while this paper is intended to provide guidelines for local action, the small-scale manufacturing sector continues to grow. New practices will continue to emerge that can be added to the local toolbox. In the meantime, communities in the vanguard need to establish a framework that connects manufacturing opportunities with other local goals and priorities. They will also benefit from collecting data to measure performance, where possible, to empower their efforts. Continued action can support an environment conducive to a healthy, independent local manufacturing community.

CT VIEWPOINTS -- opinions from around Connecticut

## Zoning: The cause of poverty and segregation

CT VIEWPOINTS :: by ROBERT ORR | JUNE 16, 2020 | VIEW AS "CLEAN READ"



New Haven, and most Connecticut cities, have a self-inflicted problem: concentrated poverty. Concentrated poverty comes with lack of quality schools, job opportunities, safe streets, and access to quality healthcare.

Many studies now indicate that the largest cause for concentrated poverty derives from [zoning codes](#).

Zoning Codes are a 20th century phenomenon, launched to settle disputes between neighbors. Zoning is not like building codes, seated in life safety. It is a matter of opinion. In a sense, one might think of zoning as NIMBY law.

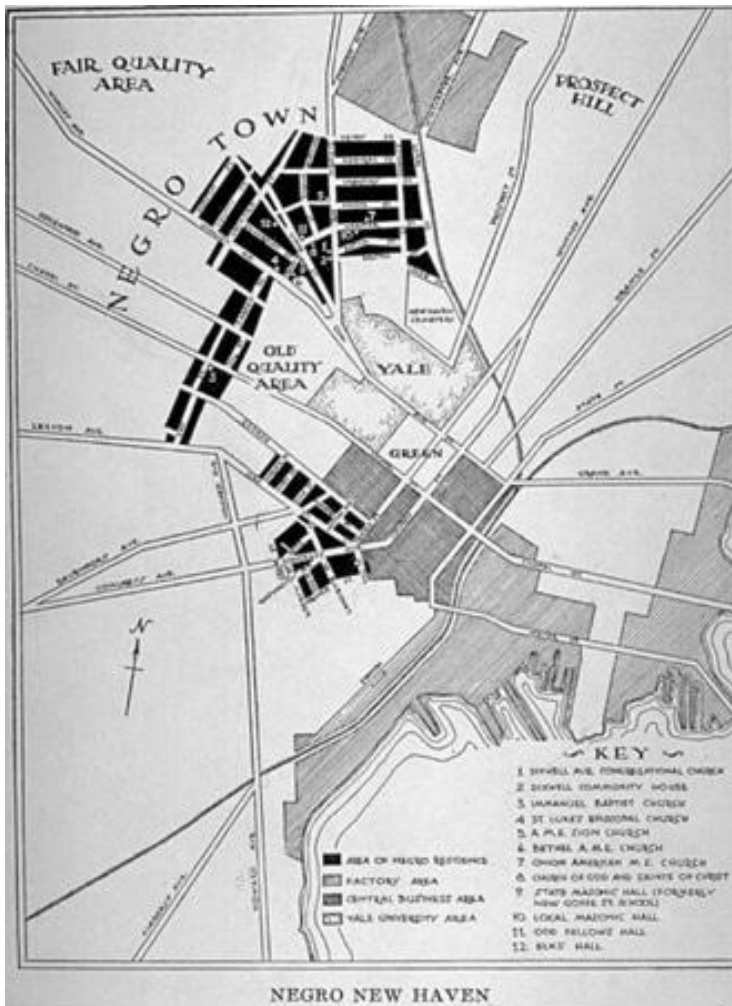
The heavy march of returning WWII vets brought with them a new type of enterprise starved for validation. Adversaries and allies alike reported that American success was due to [material superiority, and not combat prowess](#), which helped establish a new standard of “gigantism.” Gigantism needs validation. Zoning’s ability to align opinion did that.

“Urban Renewal” may be the most astonishing gigantism project ever concocted. Without a moment’s hesitation, hundreds of years of cultural development embodied in great American cities fell under the wrecking ball to make way for the new.



Osaka, Japan, following WWII bombing and Detroit following urban renewal.

It's no accident that the two identical scorched-earth conditions (WWII and Urban Renewal), a mere decade apart, are the work of the same people, the Greatest Generation. Material superiority flattened mountains, filled gaping valleys, and relocated watercourses to make way for the new: extravagant highway systems, chain stores, mega-malls, big box, and endless sub-divisions swallowing hallowed American frontier. Material superiority launched a new gigantic corporate structure based on consumption, waste, and debt.



1930 map of New Haven, prototype for HOLC map a few years later.

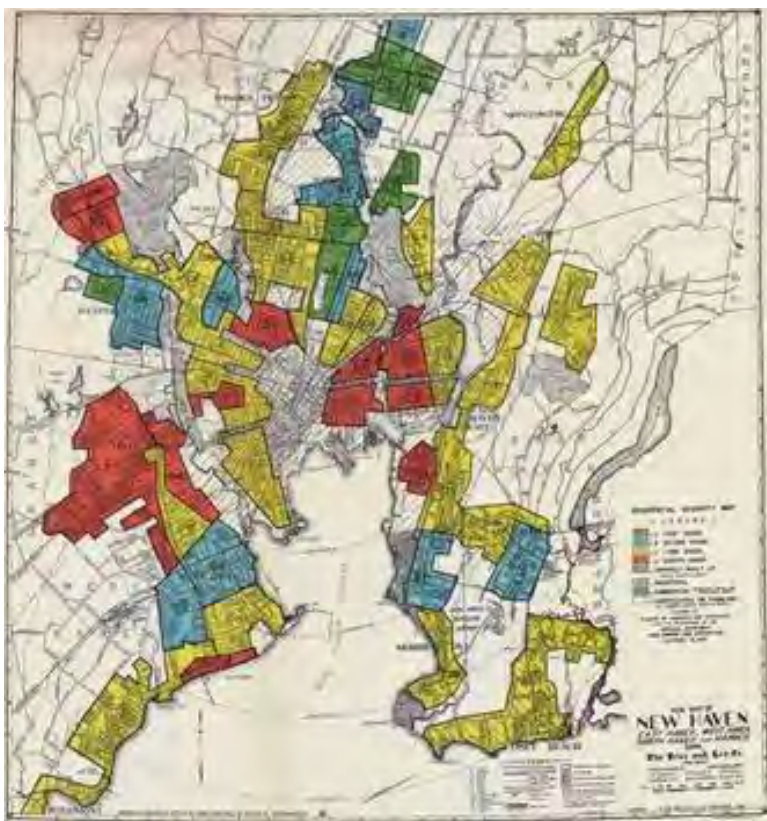
Consumption, waste, and debt bulldozed “blight,” a magically distasteful word to encompass poor and “colored” neighborhoods, the term used for them back then. Blight removal’s clever appeal aimed to beckon “white” monied urban dwellers fleeing to the suburbs back to “safe” shopping downtown, transforming cities from cultural centers into consumption centers.

In order to keep consumption safe and permanent, administrators counted on explicit language in The Home Owners’ Loan Corporation (HOLC) ordinances, baked into FDR’s popular New Deal. Intended to relieve the worst effects of the Great Depression with government-backed mortgages, HOLC rated areas according to mortgage risk. Areas tagged as highest risk (red) were ineligible for government-backing. They contained the poor and minorities, carved out of the New Deal. New Haven Urban Renewal displaced **60,000 poor and black people**, herding them into the red areas of concentrated poverty and into inhuman public housing projects — storage units, really.

Red areas became so locked in by Roosevelt's system that they remain areas of concentrated poverty to this day. The failure to make home ownership attainable by black families deprived them of the ability to build generational wealth through equity, consigning each generation to years of paying away their wealth in the form of rent.

Following many failed challenges, redlining finally was struck down in the 70s as unconstitutional by court rulings. Even still, the Federal Housing Administration (FHA) continued the racial covenants after the court ruling, until they too were forced to change guidelines from "race" to "class," which made no difference.

None of this would have been possible without massive federal assistance for demolitions, for building schools and infrastructure to support new sub-divisions, and for relocations and building public housing for the thousands left homeless. No one thought ahead to a federal spigot run dry, unveiling mountains of tax revenue dumped in landfills.



HOLC map of government-backed mortgage risk for New Haven. Red designates no government backing or "redlining."

Data collected by the Center for Neighborhood Technology (CNT) reveals that redlining continues today in how municipalities distribute spending for water, sewer, stormwater, gas, electricity, roads, transit, telecommunications, and essential services such as fire, school, and police.

In order to move forward with safe shopping, unsullied by the wrong people, something had to replace the courts' claw-back of risk-assessment.

The rescue fell on unlikely shoulders, George and Marian Langford. Schooled under General Patton in the gignatism adventure of WWII, Langford set about earning his law degree from UVA. Spending summers in the Charlottesville law firm of Michie Company, he learned the foundations of codes and ordinances. Law degree in hand, he founded the

Municipal Code Corporation publishing company in Tallahassee (1951). With eyes on the nation, he and Marian launched what would become a gigantic zoning enterprise adopted by more than 2,000 municipalities.

In the shadow of mounting challenges to redlining, the Langfords saw opportunity to achieve redlining goals through codes. Codes can be cold, almost boring, numbers and dimensions. Properly formatted, they can achieve segregation results without inflammatory language. For example, consider the clever separated use sections. Putting distance between uses mandates car ownership. Since car ownership is

expensive, the clause excludes the poor and “colored” without ever saying so.

The Langfords’ unwitting genius was to offer “clean up” services to municipalities’ existing ordinances rather than uproot entire systems to start over from scratch. Even though that was what they achieved, hungry municipalities saw only expedited assurance of safe shopping.

The Langfords pointed out inconsistencies with statutes and case law, made recommendations, and then codified and re-codified with town attorneys. When language was approved, they filtered it through indexers, editors, and proofreaders, then republished it with their own inhouse printing services. Faster than Willie Wonka, they churned out Golden Tickets in a powerful new Municode — named for its abbreviation of the Municipal Code Corporation, and for its suggestion of universal application by any municipality.

The Langfords’ first stop was Tallahassee. When the mayor of Tallahassee saw the potential, he called the mayor of Jacksonville, who then called the mayor of Miami. Soon attention jumped state Lines to include cities cross country. By 2010 most every U.S. city, including New Haven, uses Municode.

The secret sauce to excluding poor and minorities was a tangle of dimensions with legal sounding names, such as minimum lot size, maximum lot coverage, setbacks, off street parking, minimum dwelling unit size, and maximum number of units. Innocent enough, they actually prevented small buildings and apartments that might be affordable to the poor, leaving them consigned to the red areas of concentrated poverty.

The Langfords’ second unwitting genius was to code everything to accommodate the automobile, which made their services even more indispensable for safe shopping.

The Municode’s widespread application explains the similarities reflected in American suburbia and downtowns. Unfortunately, it also explains the problems arising therefrom. Besides segregation, no one thought to investigate economic consequences.

If anyone had bothered, they would have realized that the Municode may be the biggest of all hobblers of municipal prosperity. For example, maximum lot coverage takes 70% of taxable land off the tax rolls right off the bat. The economically unproductive land represents a “zoning tax,” since it forces property owners to pay more tax per building square footage in order to meet municipal expenses.

Minimum lot size causes non-conforming parcels to remain economically unproductive. Besides privately-owned parcels, the City of New Haven owns more than a thousand of them. Acres of land that could bring in tax revenue, sit idle.

Automobile accommodation reduces tax rolls further. Accommodation leaves cities with only 20-30% taxable fertility, sending mill rates in the cities paying least attention through the roof. Most tragically, the personal travel mode is so baked into the system that it’s all but impossible to disentangle, despite its exorbitant cost to taxpayers in infrastructure upkeep and in lost tax revenue.

Basically, the entire country was duped into self-inflicting racism, social instability, unaffordability, car-



George and Marian Langford, founder and partners of the Municipal Code Corporation.

dependency, and municipal bankruptcy by a sweet couple in Tallahassee who don't even rate a listing in Wikipedia.

Dan Bertolet writes in Sightline, [Exclusionary Zoning Robs Our Cities Of Their Best Qualities](#).

“Exclusionary zoning was a defining feature of America’s exodus to suburbia, where zoning permitted only single-family homes on large lots as a thinly veiled means to keep out poor people and people of color. But over the past two decades, as the demographic tide shifts back toward cities, an analogous story of exclusion unfolds.”

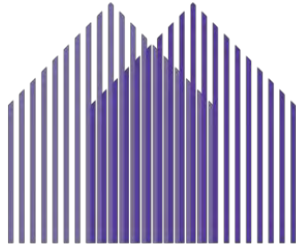
1. Tight regulations radically inflate housing costs. “Because regulations limit housing supply, they drive up the price of housing, current homeowners tend to benefit while renters and new homeowners are harmed. This burden falls disproportionately on poor households” (Bertolet calls “driving up the price” a “zoning tax,” raising the value of properties by as much as 50%).
2. Housing restrictions segregate neighborhoods by class. “The segregation of the rich results in hoarding of resources, amenities, and political power. The segregation of the poor creates neighborhoods besieged by crime and severely limits life chances in schooling, employment, health, and mobility.
3. Low density thwarts upward mobility, as observed by University of Utah professor Reid Ewing. Higher density/acre development, such as Beacon Hill, is the type of development that exclusionary zoning prevents. The direct effect of compactness is attributed to better job accessibility. “As compactness doubles, the likelihood of upward mobility increases by about 41%.”
4. Restrictive zoning keeps good schools out of reach of those who most need them. “Eliminating exclusionary zoning in a metro area would, by reducing its housing cost gap, close its school test-score gap.”
5. Housing supply restrictions price people out of their neighborhoods. “Increasing supply, even at market rates, reduces housing costs for low-income households and, consequently, helps to mitigate displacement, belying the boogiemaster of gentrification. Regulatory barriers to higher supply also hinder the development of subsidized housing.”
6. Exclusionary zoning increases homelessness. “The data reveals striking relationships between the degree of homelessness and the stringency of local housing market regulation.”
7. Housing restrictions make everyone poorer. “Lowering regulatory constraints in New York, San Francisco, and San Jose to the level of the median city would expand their work force and increase U.S. GDP by 9.5 percent.”
8. Exclusionary regulations on housing widen income inequality. “Across the vast majority of land we’ve made it illegal to build rowhouses or small apartment buildings. And so the land’s value only increases, the rents going to its owners accumulate, and workers lose out. Rising rents are among the main causes of income inequality in the US.”

It’s time to change from the gigantism of “material superiority,” still flying up in cities, to the human scale of “prowess.” Zoning that welcomes [small development](#) can undo the ills of exclusion. It can help make homes affordable, neighborhoods integrated, good schools accessible, opportunity-rich neighborhoods available to less privileged, homelessness less common, income disparities smaller, prosperity more shared,

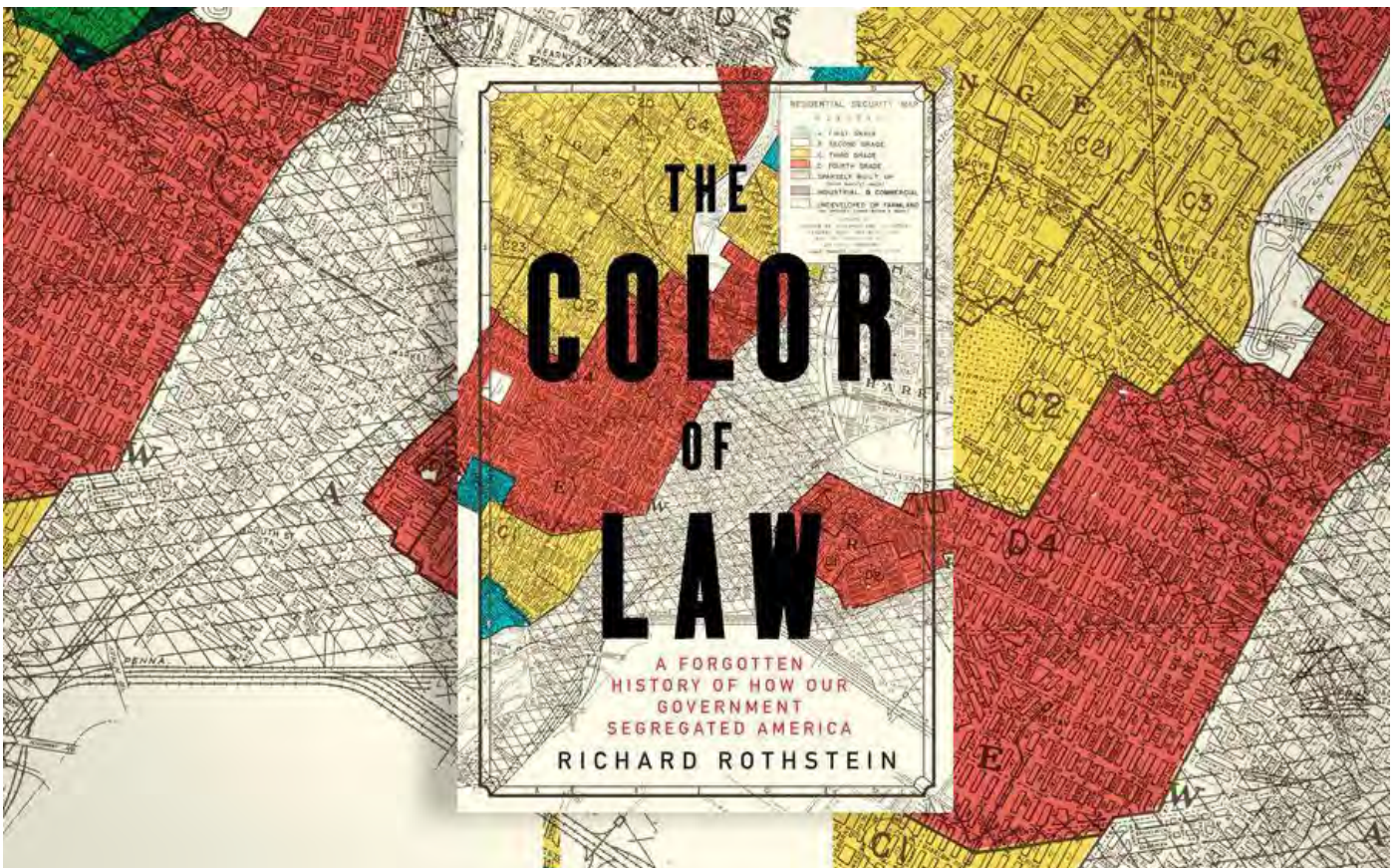


and everyone richer in the qualities of community and vibrancy that really define a city.

Robert Orr is the owner of [Robert Orr and Associates](#), an architectural and town-planning firm based in New Haven.



# DESEGREGATE CONNECTICUT



# Connecticut must reform its exclusionary zoning laws



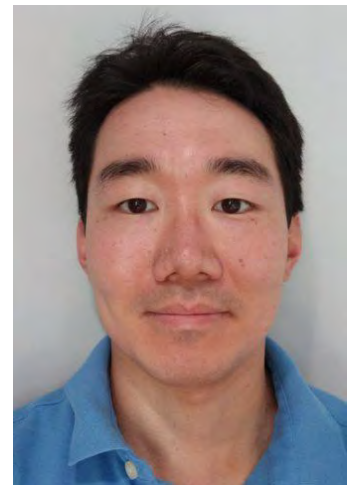
Connecticut likes to think of itself as a progressive state that values equal opportunity for all. But the ugly reality is that Connecticut is one of the most unequal states in the country, with high levels of racial and socioeconomic segregation. While there are many causes behind this, a huge part of these inequities stems from exclusionary zoning laws: a hyperlocal land use regime designed to prevent new housing development, exclude newcomers, and create a scarcity of homes. These laws enrich incumbent property owners and preserve their exclusive access to schools and other amenities, at the expense of all other residents. These zoning laws are said to “preserve neighborhood character” or prevent nuisances, but they have their roots in exclusion. The historical origins of zoning across the U.S. show that many original restrictions on residential development were driven by a desire by wealthy white property owners to prevent Black people or Chinese or Jewish immigrants from living near them,

whether this came in the form of density limits, apartment bans, or limits on unrelated people living together.

Today in Connecticut, excessive restrictions on land use, such as single-family zoning (aka multifamily housing bans), minimum lot sizes, setback requirements, height limits, and parking requirements serve to artificially drive up the cost of housing. These restrictions make new housing development either outright illegal or prohibitively expensive, ensuring that wealthy communities can exclude many who can't afford a large single-family detached home with a yard. If denser living arrangements were allowed (e.g., fourplexes or apartments), multiple families of lesser means could effectively pool their resources to afford living on a plot of land that could otherwise house only one family.

Connecticut's refusal to allow needed housing development is particularly unfortunate, as Fairfield County in particular benefits from proximity and rail access to the massive job market in New York City. It is a travesty that we have Metro-North stations, subsidized by state and federal dollars, that feed directly to Manhattan and yet have only parking lots and single-family mansions next to them. This inefficient land use deprives many thousands of people of the opportunity to live in transit-rich, job-adjacent areas, and contributes to an aging, declining population and a weak local economy, as young people choose to move elsewhere with lower costs of living.

Further, restrictive zoning laws contribute to car-dependency and suburban sprawl. Mandating parking for every development and banning mixed-use buildings forces homes and businesses to be spread out from each other. This has numerous negative environmental and economic effects: our neighborhoods are unwalkable, cars are required for almost all trips, and we end up with more traffic deaths/injuries, air pollution, and carbon emissions. Sprawl necessitates environmental destruction as more homes gobble up more land, and suck up tax revenues as we must maintain services (roads, sewers, utilities) to these spread-out homes.



Dice Oh

If Connecticut wants to be a vibrant, growing, economically and environmentally sustainable state that people want to move to, we must reform both state and local zoning laws to make our housing more affordable, our cities more livable, and reduce car dependency. This means ending bans on multifamily housing in residential areas, eliminating mandatory parking requirements, allowing ADUs (accessory dwelling units) and other homes by-right (meaning you don't have to have a public hearing just to build a backyard cottage). Areas within walking/biking distance of transit stops should also allow significantly denser mixed-use development by-right with no parking minimums, to encourage the creation of walkable/bikeable neighborhoods and car-free households.

All residents — owners and renters alike — would benefit from more transit-oriented walkable neighborhoods, through more pleasant streetscapes, higher tax revenues from more efficient development, a more vibrant economy, and a younger workforce. Connecticut's cities and suburbs have significant economic and social potential if we make it easier and more affordable for more people to live here. Other states and cities all across the country are moving in this direction to promote equal opportunity, housing affordability, and environmental sustainability, and we should not be left behind.

Dice Oh is a resident of Stamford and a member of [People Friendly Stamford](#), a local community organization devoted to making walking and biking easier, safer, and more accessible for all. People Friendly Stamford is a member of the [Desegregate Connecticut](#) coalition, devoted to promoting inclusion in Connecticut land use.



King Street, Charleston, SC

# A VISION FOR CIVIC CONSERVATION

LOCAL TRADITIONS BUILD SUSTAINABLE COMMUNITIES.

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## GUIDING GROWTH IN CHARLESTON'S HISTORIC DISTRICT

A Case Study prepared by Bevan & Liberatos.



Charleston's compact, charming neighborhoods have a unique urban and architectural character that is so successful and so much in demand, people pay top dollar to live there. One way to relieve the rising prices is to provide new development. But new development should follow Charleston's authentic urban and architectural patterns.

Instead of building Anyplace USA, Charleston should be building more of Charleston. Her classic 2-3 story buildings and intimate streets can accommodate the same number of apartments and living units of high-rise (6-story), wide-street developments, but building in Charleston's traditional pattern offers far more advantages than the non-Charleston building types. The lower scale would be more commercially viable in the long term. It is more environmentally sustainable. It is diverse, local, and aesthetically beautiful. It would provide a more diverse housing stock for a wider range of incomes, a wider diversity of commercial space, and create more local jobs in the building trades.

The most charming places in peninsular Charleston are also the most compact. It is not the proposed densities of new projects that are incompatible with the neighborhoods, it is their proposed FORM. There is room in Charleston for more development, but only if it is in keeping with Charleston's DNA.

This study asks, instead of a neighborhood of Texas-donuts, what if Charleston-style urbanism and buildings were built in some of these proposed new developments?

### Texas Donut



This is a typical Charleston block but built with a non-Charleston building type currently being proposed in town. It is 6 stories. It wraps a parking garage. There are only windows on the street-side of the building. It covers every inch of

### Charleston Block



This is a typical Charleston block. It has the same number of units as the Texas Donut, but with porches, gardens... etc... Buildings are 2, 3 and 4 stories, and there are a wide variety of building types. Buildings cover only 68% of the block leaving the rest open for

6 stories

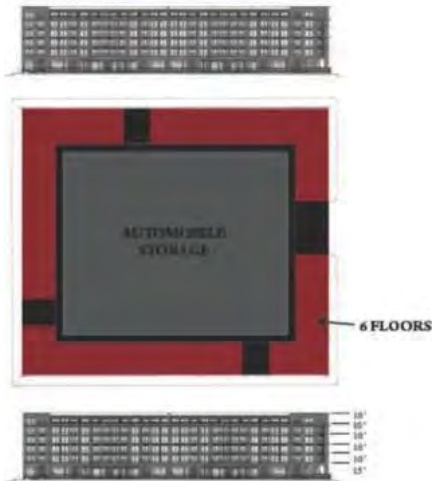
27,500 sqft

ground-floor

commercial

(shown in red)

165 bedrooms



2-4 stories

28,000 sqft

ground-floor

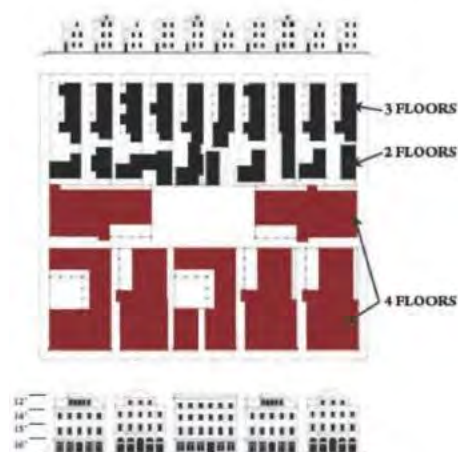
commercial

(shown in red)

185 bedrooms

120 residential units

13 gardens



- CASE STUDY -

The WestEdge Project on Lockwood Boulevard

The WestEdge project is one place in Charleston's Historic District where Texas Donuts are being proposed.

Situated along the shore of the Ashley River, the proposed new WestEdge project is one of three major developments currently being planned for peninsular Charleston, by the City of Charleston and a private foundation. The site is an enormous half-mile wide. It runs from Brittlebank Park to the Westside neighborhood at Haygood St., and from Fishburne St. to the Crosstown Expressway (Spring St./Hwy 17). Previously a city dump, this long-neglected site is the same size as the original walled city of Charleston - a 10-minute walk end-to-end. But this large parcel will not be developed with the small blocks and fine grain development that Charleston has grown up with over 350 years.



Current WestEdge proposal:

- Wide streets with limited connectivity
- Car-centric planning, including 6 new parking garages
- Cuts off adjacent Westside neighborhood from waterfront
- Block-sized buildings
- Climatically inappropriate, disposable buildings
- No local ownership opportunities
- Culvert and fill Gadsen's Creek



Charleston-style proposal:

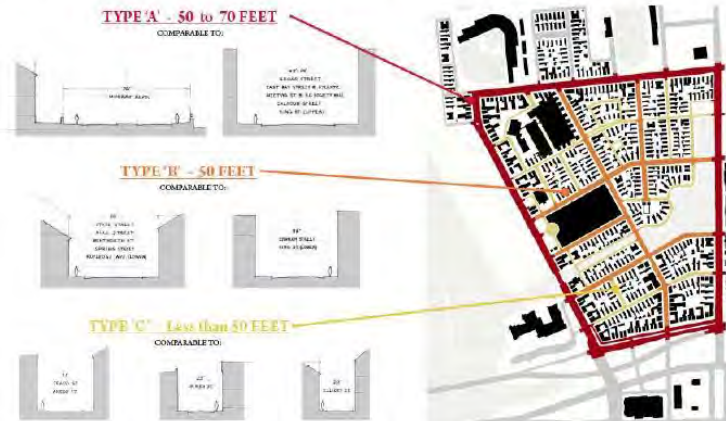
- Network of diverse, interconnected streets
- Multi-modal transit opportunities
- Connects adjacent neighborhood to waterfront
- Flexible and adaptable buildings
- Climatically appropriate, maintainable, repairable, durable buildings
- Promotes sustainable local economies
- Utilize Gadsen's Creek as amenity



- CASE STUDY ANALYSIS -

The Benefits of Charleston's Intimate Streets:

Congestion and traffic cannot be reduced by making streets wider, but it can be mitigated by providing numerous and varied alternative routes. Dead-end, Lshaped, and too-wide streets make congestion worse, and are unsafe for pedestrians and cyclists. The gridded streets of Charleston's historic district are sufficiently wide for modern use, and have numerous advantages over wider ones. New streets in the historic district should follow the Charleston model, not the suburban models proposed in the WestEdge Project.



**"There needs to be an understanding that the more parking that gets built, the more congestion will be created."**

- Gabe Klien, *Transportation and Mobility Study for the City of Charleston*



By creating a streets and sidewalks that are safe for pedestrians and comfortable for cyclists, many trips can be made without a car. Multi-modal transit includes walking, biking, driving, and buses or trams linked to regional train stations and airports. When systems are well-designed, many trips are easier, quicker, and more convenient by public transit than in a personal car. This also makes living in Charleston more affordable than living in suburbia. Charleston's urbanism, which provides parking not just on the street, but also between buildings, accommodates more parking than most other types of urbanism. Limiting parking encourages tourists and commuters to use public transportation, taxis and other options.

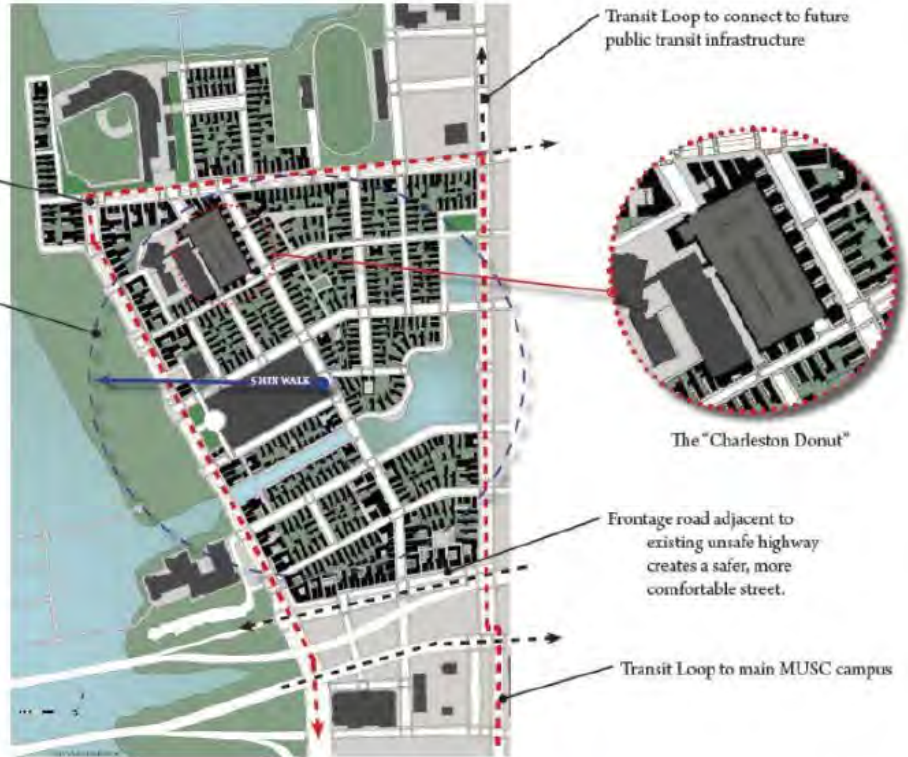
**TRANSPORTATION**

**Public Transit & Parking**

Transit Loop to main MUSC campus

"The 5 - Minute Walk"  
Every home, office and shop in the district is within a 5-minute walk to a transit stop.

- TRANSIT:**
- Transit Loop
  - >5 Minute Walk
  - Link to Future Transit
  - Pedestrian & Cyclist Safety
- PARKING:**
- The "Charleston Donut"
  - Zipcar/ Car Share
  - On-Street Parking
  - On-Site Parking



The current WestEdge Project proposes wide streets and monotonous, long blocks. This would make for an uncomfortable and dangerous experience for pedestrians and drivers alike. The lack of connections would further disconnect the Westside neighborhood from the waterfront. The proposal plans to construct 6 new parking garages. Parking garages are expensive to build - so expensive that Charleston has created a TIF District (Tax Incremental Financing) to finance for them. At 1,200 spaces per garage, the infrastructure just for these garages this amounts to more than \$36 million in public funds. These are funds that, if Charleston were taking the longterm view, could be put toward public transportation like streetcars



## Making a Waterway an Asset:

One of the last remaining salvageable tidal creeks on the Peninsula, Gasden's Creek has long been neglected. Rather than rehabilitate the valuable wetlands, the current WestEdge proposal is to put the creek into a culvert and build on top of it. Charleston Waterkeeper, Delete Apathy, and other community members are fighting to preserve the creek. By maintaining the creek, the community would be enhanced in three distinct ways: 1) it would provide a Colonial Lake-like recreational amenity, 2) it would mitigate flooding, and 3) it would help filter water runoff before it gets to the Ashley River.

### Existing Conditions:



### WestEdge Proposal:



### Charleston-style Proposal:



### On Building Sustainably:

Charleston's architecture has a modest window-to-wall ratio, not because it couldn't be otherwise, but because in this climate it makes sense. Glass building facades, like the ones proposed for the WestEdge district, are climatically inappropriate for the hot, humid, subtropical Lowcountry and are **inefficient** both from an operational and embodied energy standpoint. There are also many other sustainable solutions found in Charleston's older buildings - thermal mass, shading porches and loggias, water-shedding moldings, pitched roofs, openable windows, protecting shutters - that should be utilized to reduce demand on mechanical heating and cooling systems and to prolong the lives of buildings. Curtain wall construction - be it wrapped with a Modernist or Traditional styled "skin" - condemns a building to a mere 30-40 year lifespan. This not only fills our landfills with unnecessary waste (hundreds of millions of tons of building waste are sent to our landfills every year), it also robs us of the opportunity to physically link generations through a shared architecture, and fails to provide communities with a sense of rootedness and connection to place. (For more on this, see [Our Disposable Architecture](#) .)



More at: [www.westedgecharleston.com/](http://www.westedgecharleston.com/)

## Small Buildings are Highly Adaptable:

Small buildings are more adaptable for reuse as requirements change over time. Flexible building stock are essential for encouraging small businesses, local start-ups, and an entrepreneurial spirit in a community. Below are two examples of tech companies - one small, one large - that operate out of buildings built in the 1800's in Charleston's historic district.



DISTILL UNION - TECH ACCESSORY DESIGNERS  
BUILDING BORN IN THE 19TH CENTURY



PEOPLE MATTER - COMPUTER SOFTWARE DEVELOPERS  
BUILDING BORN IN THE 19TH CENTURY

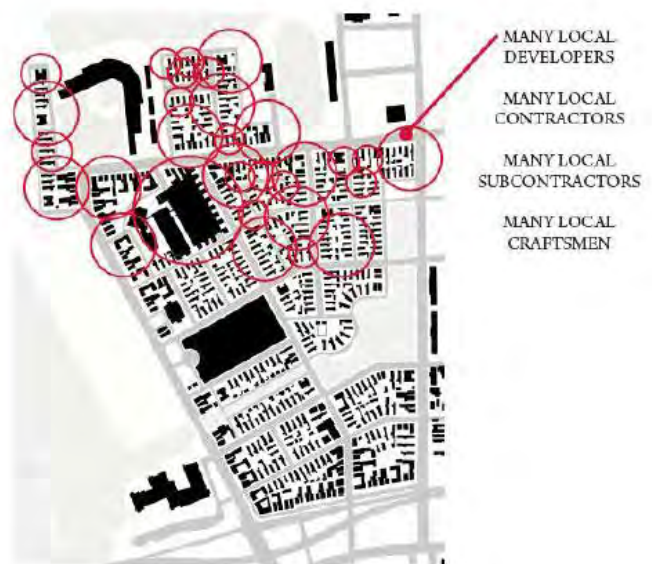
## Benefits to the Local Economy:

It is easy to get excited about the prospect of the financial infusion that new development promises, but what if the financial benefit could be even greater, and more long-lasting? There are a few ways to assess the financial flow of a new development, first is the question of where and how the profit from construction is dispersed. Will the money invested remain to cycle in the local economy? Will the building program strengthen the local building trades, will there be work for the contractors and handymen whose kids attend the nearby school? How much is the city investing in the infrastructure for the project, and will there be a return on that investment? Then, when the construction project is through, who will own the buildings? Will rents be paid locally? Will there be opportunities for low-income home ownership? Will the new neighborhood give a boost to the local school, or drain resources from it? Will the new buildings house local businesses? How will those businesses invest in the local community? New plans for development should be judged by how well these questions are answered.

### WestEdge Proposal



### Charleston-style Proposal



### More Efficient Land-use:



The value of the properties in Charleston's historic district outpaces others in the area considerably. WestEdge development is about the same size as the original walled city, about 50 or 60 acres. Today, that area is thriving and is home to about 720 residences - which includes houses, rowhouses, stacked condo apartments, duplexes and triplexes, apartment buildings, carriage houses and other outbuildings. Commercial spaces if about 789,000 sq ft - food stores, 3 inns, 5 banks, 11 restaurants, 26 art galleries, and various other small businesses, and great civic and institutional buildings - city hall, 6 museums, 5 churches, 6 cemeteries, 2 arts theaters, and a 450-student school). This diversity in such a compact area creates not only a charming and livable neighborhood, it provides significant revenue to the city. Since the value per acre is higher, the taxes paid per acre are higher, and yet the infrastructure and services required are lower. The efficient planning of the area requires fewer miles of roadway, water and sewage lines per person, while trash and recycling services are vastly more efficient, and therefore cost-effective, than more widely dispersed (off-peninsula) areas of the city.

### Stemming the Tide of Gentrification:

The demand for the charm of Charleston-style urbanism is growing, but the supply is not. Long-time residents are finding it unaffordable to live in the place they know as home. Cities change, and there is little one can do to stop gentrification trends, but the simple act of making more of what is in demand may be enough to take pressure off of existing neighborhoods and communities. The only viable solution to relieve the demand for Charleston is to make more of Charleston.

Historic Districts are sometimes accused of being the generator of gentrification because low-income residents cannot afford to upkeep their home to the standards of a board of architecture review - this argument is based on a valid point: there may be cheaper alternatives than proper care of an historic house or building. However, the solution isn't to lower the standards, but to bolster the local building economy by promoting participation in it, by supporting local craftsmen, and by finding financial support for neighbors who need it.



## Charleston's DNA and Regional Planning:



The Texas-donut is not a bad building type, per se. This type was conceived as a means to help revitalize struggling midwestern downtowns by housing people who want to move back to the city in the absence of public transportation. But Charleston's historic district isn't dead or dying - it's thriving! So much so that it is becoming unaffordable. But that doesn't mean there might not be other places in the city that would benefit from such an injection of density. Citadel Mall, built in 1981 and recently foreclosed, is preparing redevelopment plans as part of the city's West Ashley Strategic Plan. Near the intersection of I-17 and I-526, about 5 1/2 miles from downtown Charleston, it is an excellent place for a mixed-use town center. MUSC's peninsular campus could be connected to new medical offices by a public transit line.

### Examples of similar projects elsewhere:

#### A TOWN EXTENSION

Poundbury, England, 1993 - PRESENT.



Solutions like this case study are not just hypothetical: new developments that follow local patterns of architecture and urbanism are being built all around the world with great success. Below are images from four recent projects: Baker Street in London; Cayala adjacent to Guatemala City; a project outside of Paris; and Poundbury, an extension to the town of Dorchester, England. The main criticism these projects receive is that - because they are in such high demand - even if their prices begin low, they quickly become too expensive for the great diversity needed for a sustainable city. The only solution to that problem is to build more like them.

MIXED USE, URBAN INFILL DEVELOPMENT  
 Outside Paris, France, 2002.



- CASE STUDY CONCLUSION -

**Charleston-style Urbanism, A Model for Sustainable Growth**

Charleston is home to one of architecture's unique contributions: the Charleston single-house. What is less known is that Charleston is also home to one of urbanism's unique contributions: side-yard urbanism. Although this type of urbanism works well with single-houses, it is not dependent on them, and it is used throughout Charleston even where there are no single-houses. It is characterized by clearly defined public streets and squares, deep lots, and the locating of the buildings, which are kept narrow to catch the breeze, on the side of the lot, creating gaps between buildings on successive lots. It is an ingenious solution to achieving an urban level of density that is yet livable in a hot, humid, sub-tropical climate. Charleston's blocks are highly permeable, diverse, and granular.

Compared to the globally ubiquitous Texas-donut, Charleston's own local style of urbanism is more...

**DIVERSE**

The Texas-donut offers only one type of housing and one type of retail, resulting in an area of monoculture. Charleston's urbanism is defined by a diversity of building types in varying sizes that are flexible, adaptable, and able to respond to changing markets. Charleston's urbanism accommodates single-family homes, duplexes, tenements, apartment houses, offices, inns, hotels, shops, corner stores, grocers, restaurants, bars, cafes, schools, churches, libraries, and institutions that enrich the urban experience and provide a diversity of job opportunities for a diverse citizenry. The best way to achieve this is through incremental development.

**LIVABLE**

Charleston has a hot, humid, sub-tropical climate. Urbanism that accommodates shading porches and loggias, gardens, and courts, is more livable than urbanism that fills in the entire block. Charleston's urban character is defined by blocks that are highly permeable. This allows buildings to take advantage of breezes and rooms to have windows on multiple exposures. While dense, Charleston's urbanism balances first-rate private space with a first-rate public realm in the form of clearly defined streets, many of which are veritable linear parks.



## WALKABLE

Charleston-style urbanism is characterized by an interconnected network of varied street-types which reduces congestion, increases safety, and provides a structure for multi-modal transit. It has also been mixed-use since 1670, and the infrastructure to get everything one needs for daily life within walking distance is there. Charleston's urbanism is characterized by narrow fronts, which puts more people onto the street than do block-sized buildings with entrances from behind.

## SUSTAINABLE

Local patterns of urbanism and architecture contain within them a wealth of information on climatically-appropriate design and construction. Charleston-style urbanism responds to the conditions of the site, incorporating both old solutions, and recent lessons on building in balance with nature. The Texas-donut model varies very little from place to place, or even from its north face to its south.

## VALUABLE

By investing in the infrastructure that makes new development possible, the city and its citizens have a financial stake in the long-term value of new developments. The return on investment for Charleston-style urbanism is greater, and longer-lasting, than urban patterns based on short-term profit models.




ROA Design Proposal for TOD Mixed-Use Instead of Garages at Union Station. Vlad Prosol, Del.

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November 12, 2020, 7:00 AM EST



▲ Interior courtyard of the revamped Minimes barracks. PHOTOGRAPHER: DMITRY KOSTYKOV FOR BLOOMBERG BUSINESSWEEK

## The 15-Minute City— No Cars Required—Is Urban Planning's New Utopia

From Paris to Portland, cities are attempting to give residents everything they need within a few minutes of their front doors. Can it work—without leaving anyone out?

By Feargus O'Sullivan and Laura Bliss  
From **New Economy**

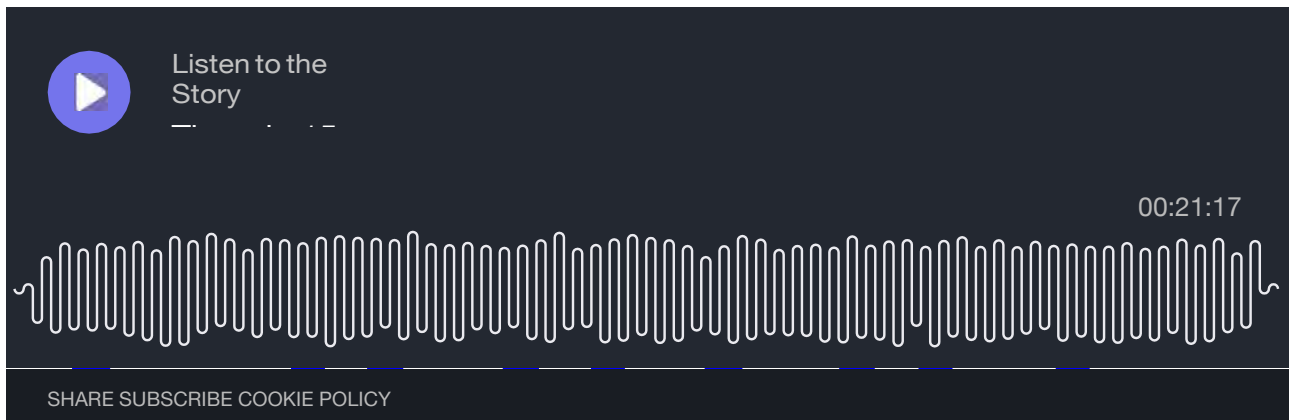
The Minimes barracks in Paris don't look like the future of cities. A staid brick-and-limestone complex established in 1925 along a backstreet in the Marais district, it's the sort of structure you pass without a second glance in a place as photogenic as Paris.

A closer look at its courtyard, however, reveals a striking transformation. The barracks' former parking lot has become a public garden planted with saplings. The surrounding buildings have been converted to 70 unusually attractive public housing apartments, at a cost of €12.3 million (\$14.5 million). Elsewhere in the revamped complex are offices, a day-care facility, artisan workshops, a clinic, and a cafe staffed by people with autism.

The green, mixed-use, community-friendly approach extends to the streets beyond. Five minutes down the road, the vast Place de la Bastille has been renovated as part of a city-



funded 30 million revamp of seven major squares. No longer a roaring island of traffic, it's now dedicated mainly to pedestrians, with rows of trees where asphalt once lay. A stream of bikes runs through the square along a freshly repaved, protected "coronapiste"-one of the bike freeways introduced to make cycling across Greater Paris easier during the



coronavirus pandemic. City Hall has since announced that the lanes will be permanent, backed by 300 million in ongoing funding from the region and top-ups from municipalities and the French government.

Taken together, the new trees and cycleways, community facilities and social housing, homes and workplaces all reflect a potentially transformative vision for urban planners: the 15-minute city. "The 15-minute city represents the possibility of a decentralized city," says Carlos Moreno, a scientific director and professor specializing in complex systems and innovation at University of Paris 1. "At its heart is the concept of mixing urban social functions to create a vibrant vicinity" - replicated, like fractals, across an entire urban expanse.

Named Paris Mayor Anne Hidalgo's special envoy for smart cities, Moreno has become a kind of deputy philosopher at City Hall as it endeavors to turn the French capital into what he calls a "city of proximities." His 15-minute concept was developed primarily to reduce urban carbon emissions, reimagining our towns not as divided into discrete zones for living, working, and entertainment, but as mosaics of neighborhoods in which almost all residents' needs can be met within 15 minutes of their homes on foot, by bike, or on public transit. As workplaces, stores, and homes are brought into closer proximity, street space previously dedicated to cars is freed up, eliminating pollution and making way for gardens, bike lanes, and sports and leisure facilities. All of this allows residents to bring their daily activities out of their homes (which in Paris tend to be small) and into welcoming, safe streets and squares.

Similar ideas have been around for a long time, including in Paris itself. Walkable neighborhoods and villages were the norm long before automobiles and zoning codes spread out and divided up cities in the 20th century. Yet the 15-minute city represents a major departure from the recent past, and in a growing number of other cities it's become a powerful brand for planners and politicians desperate to sell residents on a carbon-lite existence. Leaders in Barcelona, Detroit, London, Melbourne, Milan, and Portland, Ore., are all working toward similar visions. They've been further emboldened by the pandemic,

with global mayors touting the model in a July report from the C40 Cities Climate Leadership Group as central to their recovery road maps.

With climate change, Covid-19, and political upheaval all challenging the ideals of globalism, the hope is to refashion cities as places primarily for people to walk, bike, and linger in, rather than commute to. The 15-minute city calls for a return to a more local and somewhat slower way of life, where commuting time is instead invested in richer

relationships with what's nearby. "These crises show us the possibility for rediscovering proximity," Moreno says. "Because we now have the possibility to stay closer to home, people have rediscovered useful time—another pace for living."

It's a utopian vision in an era of deep social distress—but one that might, if carried out piecemeal, without an eye to equality, exacerbate existing inequities. Skeptics also wonder whether a city that's no longer organized around getting to work is really a city at all.



Dreams of breaking down the segmented urban planning that dominated the 20th century—with industry on the outskirts, residential areas ringing the city, commerce in the core, and auto networks connecting long distances—of course aren't new. Urban thinkers have been advocating for the preservation or return of walkable, socially mixed neighborhoods at least since the 1961 publication of Jane Jacobs's paean to Manhattan's Greenwich Village in *The Death and Life of Great American Cities*.

This advocacy has slowly filtered into mainstream planning orthodoxy. Copenhagen pedestrianized its main shopping street in 1962, the first of many densely built European cities to take this approach in their downtown cores. In the U.S., the so-called New Urbanism of the 1980s and '90s created a planning template (first fully realized in Seaside,

Fla.) that saw a preference for row houses and apartments over detached houses, as well as for walkable, tree-lined streets and a careful dispersal of schools, stores, and parks to reduce the need to drive. Since the turn of the millennium, rising concerns over air pollution and climate change have led to further innovations, such as the congestion charge London introduced in 2003 for cars driving into the center and massive expansions of public transit networks in cities from Moscow to Medellín. The 15-minute city concept draws all these trends into an intuitive rubric that ordinary residents can test against their own experiences. It's also served as a response to pressures wrought by property speculation and rising tourism, which have pushed up rents and driven residents and businesses out of some long-standing communities. The 15-minute city seeks to protect the vitality that made diverse, locally oriented neighborhoods attractive in the first place.

Paris has been moving in this direction for some time. Under the mayorship of the Socialist Party's Hidalgo, who was first elected in March 2014, the city introduced bans on the most polluting motor vehicles, transformed busy roads flanking the Seine into a linear park, and, in a bid to maintain socially mixed communities, expanded the city's network of public housing into wealthier areas. It wasn't until 2020, however, that Hidalgo grouped these efforts together under the umbrella of the 15-minute city, plucking the term from the academic realm and giving it new political urgency.

During her reelection campaign, she teamed with the concept's originator, Moreno, a former robotics specialist who'd realized that his primary interest was the environment in which robots functioned. Hidalgo had already laid much of the political groundwork for Moreno's blueprint in her first term; now she could link all those bike paths and car lane closures with a vision that matched the vibrancy and convenience of a metropolis with the ease and greenery of a village.

Since winning reelection in June, she's doubled down, appointing a Commissioner for the 15-Minute City, Carine Rolland. A Socialist Party councillor who'd previously served in a culture-oriented role in the 18th arrondissement, Rolland also became Paris's culture

commissioner. "It's true that Paris is already a 15-minute city to an extent," she says, "but not at the same level in all neighborhoods and not to all sections of the public." There's much to be done in the working-class districts on Paris's eastern edge and in many quarters close to the Boulevard Périphérique beltway, for example. In areas like these, social housing towers frequently predominate, and grocery stores and community facilities such as sports centers and clinics are sparse. This has particularly acute consequences for older people and those with limited mobility, Rolland points out.

Closer to Paris's heart, she says, are areas "characterized by what we call 'mono-activity'—a single commercial activity occupying a whole street." These are notably around the eastern section of the city's inner ring of boulevards, which are dominated by offices and small shops, leaving streets that are lively on workdays to become quiet and uninviting on evenings and weekends.

Rolland's job as 15-minute-city commissioner entails coordinating related efforts by different departments. In September, for example, 10 Parisian school grounds reopened

as green “oasis yards,” bringing the total to 41 since the initiative began in 2018. Each has been planted with trees and remodeled with soft, rain-absorbent surfaces that will help battle the summer heat. The yards are left available after school for use as public gardens or sports grounds, and they open onto revamped “school streets” where cars are banned or severely limited and where trees and benches have been added. Transformations like these, Rolland explains, involve bringing together departments responsible for education, sports, roads, and parks, as well as local business and community organizations.

Paris is far from alone in attempting this sort of transformation. London’s new “Mini-Hollands” import Dutch planning ideas that seek to reduce or block car access to neighborhood shopping hubs. Barcelona has been turning 400-by-400-meter chunks of road in areas dominated by apartment towers into mostly car-free “superblocks.” Madrid has

declared plans to copy that approach, in keeping with its goal to be a “city of 15 minutes” as it recovers from the pandemic. Milan has said the same, with hopes to turn Covid-19 bike lanes and sidewalks permanent as its economy restabilizes. But turning the 15-minute city into a truly global movement will require a big battle over a core urban tension: the primacy of the car.

It’s one thing to turn a Paris or a Barcelona—cities that were almost completely shaped before the automobile was invented—into a neighborhood-centric utopia. Transforming them is rather like giving a supermodel a makeover. The challenge is far greater in the kinds of younger, sprawling cities found in North America or Australia, where cars remain the dominant form of transit.

Some are trying. Since 2017, Melbourne has been working on a long-term planning blueprint centered on the “20-minute neighbourhood.” But while the city’s aspirations are similar to Paris’s, the issues involved in implementing them could scarcely be more different, especially in areas beyond the already densifying core and inner suburbs. “Some middle suburbs are well-served by public transport and are starting to experience densification, but others aren’t on the bandwagon,” explains Roz Hansen, an urbanist who oversaw the preparation of Melbourne’s blueprint. “Meanwhile, the outer suburbs are still at very low densities, partly because of poor public-transport connections.”

The city has tried to improve transportation and job options in the outer suburbs, which are marked by single family homes. Some of the middle suburbs have hosted pilot projects where new mixed commercial-residential developments are being encouraged and streets are being remodeled to increase cycling space and improve walkability. But to create and connect true 20-minute neighborhoods, investment in public transit will be key. “The bureaucrats kept thinking, ‘Oh, this is also about getting in your car for a 20-minute trip,’ but it’s got nothing to do with the car,” Hansen says. “The 20-minute neighborhood is about active modes of transport and increasing an area’s catchment of accessibility. If you’re walking, 1 to 2 kilometers [1.2 miles] is your catchment. If you’re cycling, it could be up to 5 to 7 kilometers. With public transport, it can be 10 to 15 kilometers.”

U.S. cities holding similarly optimistic blueprints are also struggling to strike a balance between vision and reality. In 2016, Detroit Mayor Mike Duggan laid out a plan to turn high density corridors outside the central business district in his sprawling, 140-square-mile city into 20-minute neighborhoods. Its leading edge thus far is a \$17 million pedestrian upgrade in the Livernois-McNichols area, 9 miles northeast of downtown. The project concluded in early 2020 with an emphasis on narrower streets, wider sidewalks for cafe seating, and new lighting. Residents and business owners have been largely pleased with the improvements; a walk to the supermarket is now a much more pleasant ambition.

But that basic urban function is out of reach for the vast majority of the city. An estimated 30,000 citizens lack access to a full-service grocery store, according to a 2017 report by the Detroit Food Policy Council. Katy Trudeau, the city's deputy director of planning and development, says it wasn't long ago that many people had to travel to the suburbs for shopping and other errands. That's improved overall, and nine other districts have been targeted for upgrades along the lines of the one in Livernois- McNichols. Yet chronic fiscal problems and large swaths of blighted structures left economically unproductive as the city's population declined have made rapid transformation implausible.

So far, most of Detroit's achievements under the 20-minute rubric have been modest, including moves toward a comprehensive transportation plan and ongoing investments in lighting and resurfacing. Trudeau also points to a new \$50 million public-private affordable housing fund, which seeks to help low-income residents stay in place as property values rise in redeveloping neighborhoods. "These things might seem really basic in Paris, but here we've suffered so much in the form of population loss and financial uncertainty in the form of bankruptcy," she says. "We have to balance these concentrated strategies with citywide strategies that help everyone with their quality of life." The 20-minute label has served mainly as useful shorthand to communicate the city's goals with residents and investors. Trudeau hopes initiatives such as the housing fund will ensure that it includes a diverse cross section of the population.

Detroit's plans were partly inspired by Portland, Ore., which is celebrated in urbanist circles as a model of U.S. city planning. Portland has the highest rate of bike commuting of any major American metro, a tight boundary that defines how much it can sprawl, and forward-thinking policies aimed at spurring dense, lower-cost housing production. "We're often mixed up with Paris," jokes Chris Warner, director of the Portland Bureau of Transportation (PBOT).

Yet even there, it will take years to achieve the level of compactness that makes for a "complete neighborhood," as the city's 2013 plan phrased its goal. About three-quarters of Portland's residential land is occupied primarily by single family homes, and more than half of its population commutes by car. A recent Brookings Institution report that studied local travel behaviors found that among six U.S. metropolitan areas, Portland had the shortest average trip distance for people traveling to work, shopping, and errands. But that distance was still 6.2 miles, hardly a 15-minute walk or bike ride to the dentist or laundromat. To combat this, PBOT is spending most of its \$150 million capital-

improvement budget on bike and walking infrastructure inside complete neighborhoods, and on transit to connect them.

Adie Tomer, a fellow at Brookings' Metropolitan Policy Program and co-author of the report, says the 15-minute concept falls flat in America because "people in the U.S. already live in a 15-minute city, it's just that they're covering vast distances in a car." Planners concerned with urban livability and rising carbon emissions might do well to focus on distance rather than time, he says. He suggests that the "3-mile city" might resonate better. However the concept is cast, Art Pearce, PBOT's manager of policy planning and projects, sees signs that Portlanders are keeping their travel closer to home as the pandemic changes the way they relate to their surroundings. "We're seeing a lot of people adjusting their behaviors to focus more on their communities," he says. "That produces an opportunity to strengthen those ties as people return to a more normal life.

One thing would-be 15-minute cities everywhere will have to reckon with is social equity—and affordable housing in particular, as Detroit's Trudeau points out. Many neighborhood services rely on lower-income workers who often make long commutes, and a 15-minute city isn't really one if only the well-off can stay put. To that end, Paris aspires to have 30% of its housing stock in the public domain by 2030, and it's been increasing the share even in richer districts despite resistance from well-heeled neighbors. "It is completely part of Anne Hidalgo's program to resist real estate pressure, to maintain public housing, and to diversify the housing offer for the middle class," says Rolland, the 15-minute-city commissioner.

Such measures can, to a degree, counterbalance Paris's trends toward high rents and social polarization. But in a city where property prices rose even during the pandemic, they're unlikely to prevail completely. And other goals of the 15-minute city, such as greening and pedestrianizing the heart of Paris, risk alienating lower-income suburban commuters. This accusation was leveled against Hidalgo's administration in 2016, after it introduced changes to the Seine's lower quayside that eliminated a key route for car commuters. Valérie Pécresse, president of the regional council for Île-de-France, which encompasses Paris's suburbs, accused Hidalgo of acting in an "egotistical manner" by pushing through road closures, noting that "some people don't have any solution other than driving into Paris for work, because they don't have the means to live there." Others have pointed out a related concern: that, by prioritizing local infrastructure, governments will overlook badly needed regional investments, such as in transit systems for more distant commuters.

Moreno recognizes that large segments of the population might never enjoy the slower-paced, localized life he envisions. "Of course we need to adapt this concept for different realities," he says. "Not all people have the possibility of having jobs within 15 minutes." But he emphasizes that many people's circumstances could be profoundly changed—something he believes we're already seeing because of the pandemic's canceled commutes. In his view, centralized corporate offices are a thing of the past; telework and constellations of coworking hubs are the future.

The 15-minute city could also be seen as what writer Dan Hill identified as a form of “post-traumatic urbanism”—a way to recover from the onslaughts of such things as property speculation, overtourism, and now the pandemic. Already it’s become clear in Paris, Rolland says, that the city needs a more localized medical network, “so people don’t feel they have to go straight to the emergency room.”

Following the unending traumas of 2020, there’s an appealing nostalgia to a renewed emphasis on neighborhoods, even if it addresses only some of the city’s modern challenges. This, too, Moreno acknowledges, pointing yet again to his idea’s recuperative possibilities above all. “The 15-minute city is a journey, a guideline, a possibility for transforming the paradigm for how we live over the next many decades,” he says. “Before, people were losing useful time. With the 15-minute city, we want them to regain it.”



Hanover Street, "15-Minute-City" Magnet of Boston North End



Multi-Player Lean Development Terminating on New Haven Union Station. ROA Design. Vlad Prosol, Del.

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