

## Higher Density PowerPoint Urban Version

Slide 1



Good morning (afternoon).

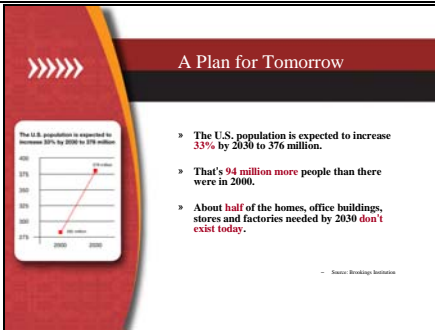
Thank you for allowing me to speak to you today.

My topic is growth, or specifically how we can grow in ways that preserve the health and strength of our city and even improve it.

This presentation was actually produced by a unique collaboration between three leading real estate and environmental organizations and it designed to challenge the way many of us think about growth and density.

**CLICK TO NEW SLIDE**

Slide 2



Before we talk about how we want to grow, we should look at the scope of population growth we'll be absorbing in the coming years. It's actually much greater than many people realize.

**CLICK**

By 2030, there will be 94 million more people in the U.S. than there were in 2000. And all of these people need somewhere to live, somewhere to work and somewhere to shop.

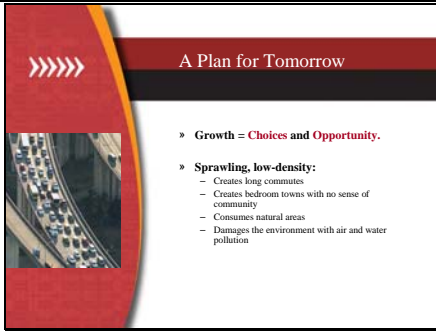
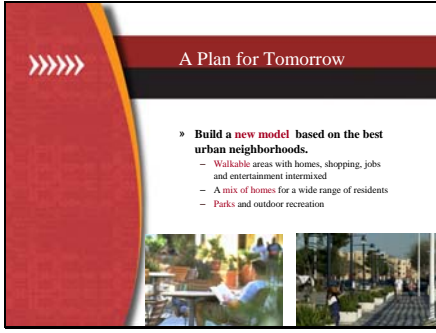
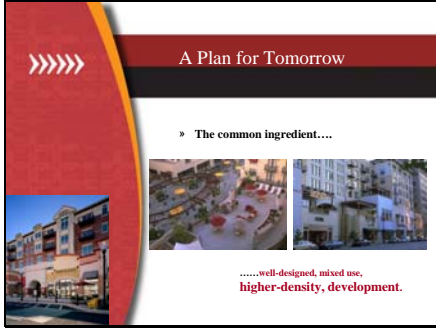
**CLICK**

Analysts say that will fuel a construction boom unlike anything we've seen in the past over the next 25 years.

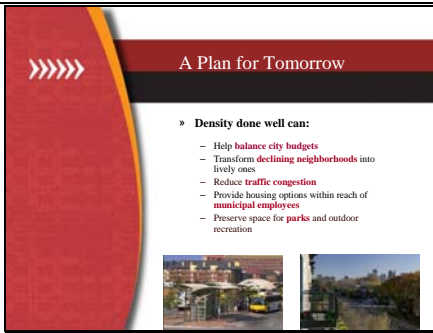
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Source: Arthur C. Nelson, *Toward a New Metropolis: The Opportunity to Rebuild America*, Brookings Institution, Washington, DC., 2004. Found at [www.brookings.edu/dybdocroot/metro/pubs/20041213\\_RebuildAmerica.pdf](http://www.brookings.edu/dybdocroot/metro/pubs/20041213_RebuildAmerica.pdf)

<p>Slide 3</p>		<p>The fact that we will be constructing nearly half of our future buildings in 25 years means we have an unprecedented opportunity to re-think the way we develop.</p> <p><b>CLICK</b></p> <p>We can grow the way we have for the past 50 years with sprawling, low-density growth.</p> <p>But anyone who suffers the long commute to work or lives in a bedroom town with no sense of community knows how unsuccessful that has been.</p> <p><b>CLICK TO NEW SLIDE</b></p>
<p>Slide 4</p>		<p>Or we can use this opportunity to create a new model based on based on the best existing urban neighborhoods. When we look at them, we find they share some basic characteristics: In general,</p> <p><b>CLICK</b></p> <p>They are walkable and combine homes, work, entertainment and schools in the same area They provide a mix of housing options And they have plenty of parks and outdoor recreation areas.</p> <p><b>CLICK TO NEW SLIDE</b></p>
<p>Slide 5</p>		<p>The common element that makes all of these attributes possible is well-designed, mixed-use, higher density development.</p> <p><b>CLICK TO NEW SLIDE</b></p>

Slide 6



Well-designed offers us many valuable lifestyle and financial benefits.

**CLICK**

It can help us manage our city budget by reducing the need to build new infrastructure.

**CLICK**

It can transform declining neighborhoods into lively ones that attract professionals and new businesses.

**CLICK**

It can help reduce traffic by creating the critical mass needed for public transportation.

**CLICK**

It can create more homes within reach of municipal employees

**CLICK**

And it can preserve space for parks and outdoor recreation.

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Slide 7


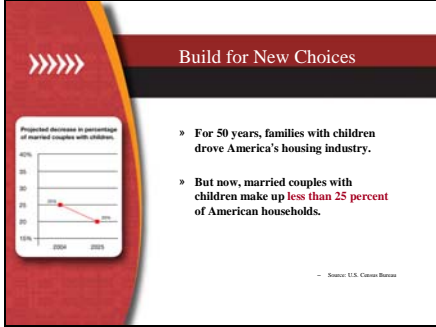



As a city, we are already familiar with density. But the idea here is that density alone is not enough. It needs to be well-designed and integrated with the existing city.

Here are five principles we can use as guides for future growth to help us maximize the benefits density offers.

**CLICK TO NEW SLIDE**

<p>Slide 8</p>		<p>First, we need to make room for tomorrow.</p> <p><b>CLICK TO NEW SLIDE</b></p>
<p>Slide 9</p>		<p>I already touched on the population growth the U.S. will experience in the next 25 years. Fortunately for us, a lot of that population is seeking urban living.</p> <p>That will create a tremendous demand for new housing.</p> <hr/> <p>Source: Arthur C. Nelson, <i>Toward a New Metropolis: The Opportunity to Rebuild America</i>, Brookings Institution, Washington, DC., 2004. Found at <a href="http://www.brookings.edu/dybdocroot/metro/pubs/20041213_RebuildAmerica.pdf">www.brookings.edu/dybdocroot/metro/pubs/20041213_RebuildAmerica.pdf</a></p>
<p>Slide 10</p>		<p>Which means we need to find ways to meet this need without without pushing people further away from the city.</p> <p><b>CLICK</b></p> <p>By encouraging mixed-use, higher-density development, we can welcome these new residents by reusing existing structures and reclaiming blighted and underused areas.</p> <p><b>CLICK TO NEW SLIDE</b></p>

<p>Slide 11</p>		<p>Second, we need to recognize that America's housing choices have changed and we need to make sure we are building for them.</p> <p><b>CLICK TO NEXT SLIDE</b></p>
<p>Slide 12</p>		<p>For generations, married couples with children dominated our housing markets and led to exodus to the suburbs.</p> <p><b>CLICK</b></p> <p>But today those households make up less than 25 percent of American households, and they will be less than 20 percent by 2020.</p> <p><b>CLICK TO NEXT SLIDE</b></p> <hr/> <p>Source: U.S. Census Bureau. U.S. Census Bureau, "America's Families and Living Arrangements: 2003" (November 2004).  <a href="http://www.census.gov/prod/2004pubs/p20-553.pdf">www.census.gov/prod/2004pubs/p20-553.pdf</a></p>
<p>Slide 13</p>		<p>In their place are young professionals, couples without children, empty nesters and single parents.</p> <p><b>CLICK</b></p> <p>And many of them are returning to the city in search of apartments, condos and townhouses in fun, walkable neighborhoods.</p> <p><b>CLICK TO NEXT SLIDE</b></p>

Slide 14

Build for New Choices

- » In a national survey, 6 out of 10 prospective homebuyers chose a higher-density, mixed use community.

Source: Smart Growth America and National Association of Realtors

Consider this recent survey of homebuyers. When given a choice between a large-lot neighborhood where families depend entirely on cars to get around and a more compact neighborhood with schools, shops, and restaurants nearby, six in ten prospective homebuyers chose the compact neighborhood.

This is a fairly dramatic change from just 10 years ago and a sign that Americans are ready to give up their bedroom communities.

**CLICK TO NEXT SLIDE**

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Source: Smart Growth America and National Association of Realtors. 2004 American Community Survey: National Survey on Communities, Washington, DC, October 2004.

Slide 15

Build for New Choices

- » 40% of apartment residents choose to rent for lifestyle reasons, not because they have to.
- » The fastest growing segment of renters from 1999 to 2003 were those earning \$50K or more.

Source: Fannie Mae Foundation, U.S. Census Bureau

Renting is also on the rise. America may be a nation of homeowners, but over the past seven years, more and more Americans are choosing to rent even though they could afford to buy.

**CLICK**

A lot of higher-income households are happy to trade long commutes and weekend chores for the convenience of apartment living.

If we want to attract them to our city, we need to offer them what they want.

**CLICK TO NEXT SLIDE**

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Sources: National Multi Housing Council tabulations of microdata for the U.S. Census Bureau's Current Population Survey, March Supplement 1997-2001. National Housing Survey, 2001. Washington, DC: Fannie Mae.

Slide 16

Build for New Choices

» Demand for higher density homes will hit new highs by 2015 due to an influx of:

- 78 million downsizing Baby Boomers
- 78 million children of the Baby Boomers graduating from college
- 9 million new immigrants
- Service and municipal employees priced out of the neighborhoods where they work

Source: U.S. Census Bureau, U.S. Department of Homeland Security Office of Immigration Statistics

We should also understand that this is not a short term change.

The demand for higher density homes – by renters and owners -- is expected to increase in the future.

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Sources: Population estimates: U.S. Census Bureau, Population Division. Table 1: Annual Estimates of the Population by Sex and Five-Year Age Groups for the United States: April 1, 2000 to July 1, 2003 (NC-EST2003-01). June 14, 2004  
 Immigration statistics:  
 Source: Population Projections Program, Population Division, US Census Bureau, Washington, DC. Found at [www.census.gov/population/projections/nation/summary/np-t6-a.txt](http://www.census.gov/population/projections/nation/summary/np-t6-a.txt)

Slide 17

3. Make the Most of What We Have

The third principle is that we need to make sure we are making the best use of our limited financial resources.

**CLICK TO NEXT SLIDE**

Slide 18

Make the Most of What We Have

» Sprawl is expensive!

Sprawl is expensive. It's expensive to extend water, sewer, electrical, highway, police, and fire protection farther and farther away.

**CLICK TO NEXT SLIDE**

Slide 19



But concentrating development where we already have infrastructure can save us an enormous amount of money.

**CLICK**

For example, Chicago can save \$3.7 billion over 20 years by growing compactly. And the nation as a whole can save \$100 billion over the next 25 years.

All of those savings translate into lower taxes for us.

**CLICK TO NEXT SLIDE**

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Source: The Metropolis Plan: Choices for the Chicago Region, Chicago Metropolis 2020. Chicago, IL, 2002. p. 24.

Source: Sam Newberg and Tom O’Neil, “Making the Case,” Multifamily Trends, vol. 6, no. 3, Summer 2003, p. 47.

Slide 20



Principle number 4: Make sure we are attracting the “best of the best” to our city.

**CLICK TO NEXT SLIDE**

Slide 21



Slide 21 content: A slide titled "Attract the Best" with a red and white color scheme. It features two small photos on the left: one of a firefighter and one of a teacher. The text on the slide includes:

- » New residents help transform areas into viable, vibrant communities.
- » Higher-density development offers homes that are within reach of vital community members such as:
  - Teachers
  - Nurses
  - Fire fighters
  - Police officers
  - Retail salespeople

Today's cities are competing for young knowledge workers, affluent professionals and the "creative class – entrepreneurs and artists." These groups tend to prefer high quality urban living.

**CLICK**

In addition to attracting higher-income households, we can also use higher-density housing to recruit vital service workers such as fire fighters, teachers and police officers.

Increasingly, these people can't afford to live where they work. If we offer them homes within their reach - - through less expensive higher-density building -- we can attract them to our town and raise the quality of life for all of our citizens.

**CLICK TO NEXT SLIDE**

Knowledge Workers: "The term "knowledge worker" was coined by Peter Drucker some thirty years ago to describe someone who adds value by processing existing information to create new information which could be used to define and solve problems. Examples of knowledge workers include lawyers, doctors, diplomats, law makers, marketers, software developers, managers and bankers..."

Creative Class: Includes those whose economic function is to create new ideas, new technology, and new creative content. In general this group shares common characteristics, such as creativity, individuality, diversity, and merit. This group has 38 million members, constitutes more than 30 percent of the U.S. workforce, and profoundly influences work and lifestyle issues. It includes artists and designers; scientists and engineers; and creative professionals, managers, and technicians in many fields.

Slide 22



Slide 22 content: A slide titled "5. Jumpstart Our Economy" with a background image of a modern building and a swimming pool. The text on the slide is:

5. Jumpstart Our Economy

Principle number 5: Make sure that our growth plans fuel our economy.

**CLICK TO NEXT SLIDE**

Slide 23

**Jumpstart Our Economy**

- » **Attract new employers and retain existing ones.**
  - Employers need workers.
  - Workers need housing.
  - Without housing, workers and jobs leave a community.
  - Towns lose out on consumer spending and tax revenue.
- » **Minneapolis-St. Paul region loses out on an estimated \$265 million per year in consumer spending and business income because it lacks sufficient housing.**
  - Source: GVA Marquette Advisors and Maxfield Research

More and more cities are starting to understand the connection between jobs and housing. When towns don't have enough housing for the workforce the business needs, the business leaves.

One of the main reasons firms relocate isn't high taxes or strict regulations, but the shortage of housing for their workers.

**CLICK**

One study estimates that the Twin Cities lose out on \$265 million a year in consumer spending and business-related taxes because they don't have enough housing.

In the past, workers followed the jobs. But these days, jobs follow workers. If we want to recruit a strong workforce, we need to create walkable, lively neighborhoods. Once the workers are here, companies will take notice.

**CLICK TO NEXT SLIDE**

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Source: GVA Marquette Advisors and Maxfield Research. Workforce Housing: The Key to Ongoing Regional Prosperity Found at [www.fhfund.org/\\_dnld/reports/Workforce%20Housing\\_Full%20Report.pdf](http://www.fhfund.org/_dnld/reports/Workforce%20Housing_Full%20Report.pdf).

Slide 24

**Jumpstart Our Economy**

- » **Attract new retail development.**
  - 1,000 to 2,000 new houses and apartments within a 10-15 minute walk can support new retail areas.

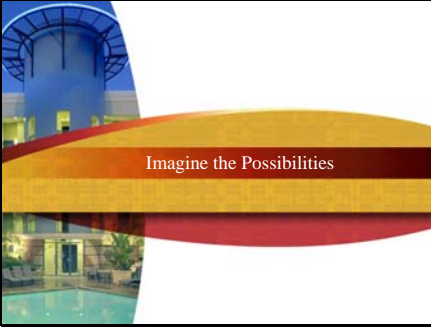


Sources: Massachusetts Citizens Housing and Planning Association; Ryan McKenney & Associates and Goody Clancy Architecture, Planning and Preservation

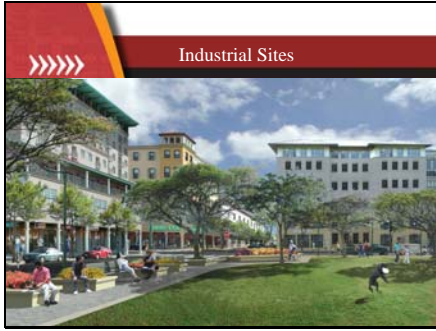


Increasing the amount of housing (and thus consumers) downtown will also attract more neighborhood retail districts, which generates additional sales tax revenue.

**CLICK TO NEXT SLIDE**

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Source: Density Myth & Reality, David Dixon, Good, Clancy & Associates.

<p>Slide 25</p>		<p>Here are some visual examples of how well-designed density can transform neighborhoods.</p> <p><b>CLICK TO NEXT SLIDE</b></p>
<p>Slide 26</p>		<p>Just look at what we can create if we do this right.</p> <p><b>CLICK TO START TRANSITION</b></p> <p>We can create new commercial centers</p> <p><b>CLICK TO NEXT SLIDE WHEN TRANSITION COMPLETE</b></p>
<p>Slide 27</p>		<p>We can create new transit-oriented areas.</p> <p><b>CLICK TO BEGIN TRANSITION</b></p> <p><b>CLICK TO NEXT SLIDE WHEN TRANSITION COMPLETE</b></p>

<p>Slide 28</p>		<p>And we can reclaim underused industrial areas.</p> <p><b>CLICK TO BEGIN TRANSFORMATION</b></p> <p><b>CLICK TO NEXT SLIDE</b></p>
<p>Slide 29</p>		<p>Now the important part.</p> <p><b>CLICK TO NEXT SLIDE</b></p>
<p>Slide 30</p>		<p>We have a great opportunity here now that urban living is popular again. But to capitalize on this shift, we need to take action and start planning.</p> <p>And everyone has a role to play. This isn't something we can just assume policymakers will, or even can, take care of on their own.</p> <p><b>CLICK TO NEXT SLIDE</b></p>

Slide 31

**Take Action**

» **The Role of Elected Officials:**

- **Change the regulatory climate**
  - Update our zoning/land use regulations
- **Change the economic climate**
  - Density bonuses
  - Tax deferrals and reductions
  - Fee waivers
  - Setting aside or buying down the cost of land
- **Change the dialogue**
  - Educate citizens – density brings new amenities, new jobs, new tax revenues, new retail
- **Change the political climate**
  - Build citizen support for higher-density growth by creating a community-based vision for growth
  - Assure citizens you will insist on quality

Although elected officials certainly do have an important role.

**CLICK**

For instance, most zoning regulations are more than 50 years old and prohibit developments that mix residential and commercial uses. We need to change that.

**CLICK:**

In addition to updating planning laws, elected officials can create economic incentives that encourage developers to build the kind of developments we want. We have lots of tools at our disposal to shape growth.

**CLICK**

You can also help change the dialogue and help reduce citizen opposition to density. You need to educate citizens that density can bring new jobs, new retail, new tax revenue and more.

**CLICK**

And you can reassure residents that they won't approve density unless it's done well.

**CLICK TO NEXT SLIDE**

Slide 32

**Take Action**

» **The Role of Business Leaders:**

- Attend **planning meetings** to support good projects
- **Lobby** for zoning law changes that allow for higher density and mixed uses
- **Locate** businesses near public transportation and existing infrastructure
- **Encourage employees** to actively support proposals for higher-density housing near jobs and transportation

There are also several things business leaders can do to make this new future happen.

**CLICK**

For instance, you can attend planning meetings to support good projects. Too often, the only people at these meetings are the ones who oppose new development.

You can also

- lobby for zoning changes, and
- locate your business in already developed areas.

And you can help your employees understand the connection between housing and jobs and that when they oppose new development they could be putting jeopardizing their own jobs down the road.

**CLICK TO NEXT SLIDE**

Slide 33

Take Action

» The Role of Citizens & Environmentalists:

- **Get educated** about the importance of compact, mixed use development and spread the word.
- **Get involved** early in comprehensive community planning.
  - Urge local leaders to create a community-based vision for future smart growth
- **Attend planning meetings** and insist on:
  - Quality designs that fits in with the community
  - Track record of success
  - Integrated with the transportation system

Community / Environmentalists

Finally, citizens themselves play a key role.

**CLICK**

-- You can get educated about the importance of compact development and help your neighbors understand that it can be a positive thing.

-- You can get involved early in comprehensive planning efforts instead of opposing individual projects.

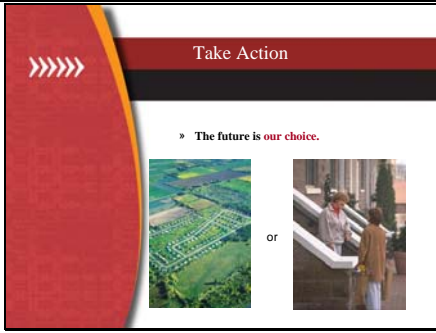

-- You can urge policymakers to engage the residents and create a comprehensive smart growth plan for the town.

-- and you can attend public hearings for new developments and ask the right questions:

- Does it fit in?
- Is it integrated with the transportation system?

- Does the developer have a successful track record?

**CLICK TO NEXT SLIDE**

<p>Slide 34</p>		<p>The main things we can learn from this information are:</p> <p>ONE: We have tremendous opportunity ahead of us that we can capitalize on by creating higher-density, mixed use neighborhoods.</p> <p>TWO: If we want this vision of an even better city to happen, we have to work together.</p> <p><b>CLICK TO NEXT SLIDE</b></p>
<p>Slide 35</p>		<p>Thank You. If you want to learn more about this issue, I encourage you to visit the web sites of the groups who put this presentation together.</p> <p>Questions</p>